



Redmoor JV Partner Completes Oversubscribed £600,000 Capital Raising

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Yesterday NAE's JV partner on its Redmoor Tin-Tungsten project, Strategic Minerals Plc (AIM:SML) announced that it had raised £600,000, before expenses, through a share placement which was significantly oversubscribed.

A copy of SML's announcement is attached.

Regulatory Story

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Strategic Minerals PLC - SML Oversubscribed Placing - Joint Broker Appointment
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27 October 2016

Strategic Minerals plc

("Strategic Minerals" or the "Company")

Oversubscribed Placing and Appointment of Joint Broker

Strategic Minerals Plc (AIM: SML; USOTC: SMCDY), the minerals production and development company, is pleased to announce today that it has raised £600,000, before expenses, through an oversubscribed placing of 150,000,000 new Ordinary Shares of 0.1p each in the Company ("**Placing Shares**") at an issue price of 0.4p per share (the "**Placing**").

Highlights:

- **Placing significantly oversubscribed, evidencing strong investor demand for the stock**
- **Placing upsized due to interest at multiples of original funding requirements**
- **Minimum dilution to existing shareholders**
- **Placing completes perceived funding requirements until at least Q4 2017**
- **Placing completed at a 33% premium to June's Placing price**
- **Appointment of SP Angel as Joint Broker - providing wider access to resource focused investors**

The Placing has been undertaken within the Company's existing share authorities and is conditional only on admission of the Placing Shares to trading on AIM ("**Admission**"). Application has been made for Admission, which is expected to occur on or around 2 November 2016.

SP Angel arranged the Placing, with assistance from Optiva Securities, to new and existing investors. This marks the appointment of SP Angel as Joint Broker to the Company with immediate effect, which will in turn widen investor reach amongst the resources community.

As a result of strong investor demand, the issue was significantly oversubscribed and the Directors took the view that, given the size of the oversubscription, they should upscale the issue so as to provide investors with a meaningful allocation, while not overly diluting existing shareholders. Applications were scaled back on a pro rata basis. Due to the Directors being in a close period, they were unable to participate in the Placing.

The Placing Shares will represent approximately 12 per cent. of the Company's issued share capital as enlarged by the issue of the Placing Shares.

In line with limiting the number of shares issued, the Directors currently envisage that there should not be a need for further equity funding until at least the latter part of 2017, when it is envisaged that results associated with the Redmoor drilling programme will be released.

The net proceeds of the Placing, which are expected to total approximately £565,000, will be used by the Company towards:

- i) the exercise of the option to acquire an additional interest in NAE Resources (UK) Limited ("**Redmoor**"), further details of which were announced on 26 May 2016 and 8 September 2016; and
- ii) the drilling being undertaken by Central Australian Rare Earths Pty Ltd ("CARE") at the Hanns Camp project and a plan to be finalised for a drilling programme at the Mount Weld tenements.

Managing Director of Strategic Minerals, Mr John Peters, commented:

"We are very encouraged with the market's response to the Placing - a strategic decision to raise funds to complete the Company's 50% interest in the Redmoor Tin/Tungsten project in Cornwall, in addition to undertaking further drilling through the Company's investment in CARE, while minimising shareholder dilution.

"While additional funds were on offer, the Board considered that, at these share price levels, and with strong operating cash flows from Cobre and US\$400,000 from the rail claim settlement due in January 2017, the Company would contain the issue to only 150,000,000 shares.

"It was particularly pleasing to note the positive response from investors as the Company reaffirmed its position as an acquisitive cash-generating junior miner. Net proceeds from the Placing are to be invested in improving underlying assets through drill programmes - while cash flows at Cobre continue to more than support the Company's working capital requirements.

"The Placing also sees the appointment of SP Angel as our Joint Broker and the continued support of Optiva Securities. This appointment is reflective of the Company's movement into development with an underlying operating base."

An updated presentation is now available on the Company's website under the Investors section or at <http://www.strategicminerals.net/investors/presentations.html>

Total voting rights

Following the issue of the Placing Shares and with effect from Admission, the Company's issued share capital will consist of 1,218,492,227 Ordinary Shares, with one voting right per share. Strategic Minerals does not hold any ordinary shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 1,218,492,227. Shareholders may use this figure as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company.

Insofar as the Company is aware, following the issue of the Placing Shares and with effect from Admission, its significant shareholders (as defined in the AIM Rules) will be as follows:

Name	No. of Ordinary Shares	% of Issued Share Capital
Mr & Mrs Chisholm held by Lenark Pty Ltd and Kifaco Pty Ltd	44,834,954	3.68
Peter V Wale (Director)	43,864,000	3.60

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Notes to Editors

Strategic Minerals Plc is an AIM-quoted, diversified mineral development and production company with projects in the United States of America and Australia. The Company is focused on acquiring and developing cash generative, high quality projects which meet local market demand for commodities and utilising this cash flow to undertake value added exploration.

In September 2011, Strategic Minerals purchased its first cash generating asset; the Cobre magnetite tailings dam project in New Mexico, USA which it brought into production in 2012 and which continues to provide a revenue stream for the Company. The portfolio was expanded in January 2016 with the acquisition of shares in Central Australian Rare Earths Pty Ltd, which holds tenements in Western Australia and the Northern Territory that are prospective for nickel sulphides and rare earths. In May 2016, an additional exploration asset was acquired when the company entered into arrangements to take up to 50% of the Redmoor Tin/Tungsten project in Cornwall, UK.

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