

Metals Exploration PLC

07 March 2006

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Metals Exploration - Drill Results/Permit Lodged

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- * ENCOURAGING DRILL HOLE ASSAY RESULTS - RUNRUNO PROJECT

- * EXPLORATION PERMIT APPLICATION LODGED OVER A PROPERTY IN THE BAGUIO
COPPER-GOLD PORPHYRY DISTRICT

7 March 2006

The Board of Metals Exploration PLC ("the Company") is pleased to announce that results have been received for drill holes MXD7 & MXD8 of the current diamond drilling programme being undertaken at its Runruno Project. These results are inline with the Company's expectations with good gold and molybdenum grades

being intersected.

The Company has also just lodged an Application for an Exploration Permit with the Mines & Geosciences Bureau in the Baguio district of Northern Luzon, Philippines. The property is situated just to the north of the previously mined Santo Nino porphyry copper-gold mine. The Company is excited by the lodgement of the application as it sits within one of the better known copper-gold porphyry mining districts of the world.

RUNRUNO - DRILL RESULTS

The Company continues to receive exciting results from the drilling programme at Runruno.

The key results from holes MXD7 and MXD8 are summarised below:

Drill-hole ID	Intercept (metres)			Au	Mo	'in-ground value of metal'		
	From	to	Width	g/t	%	Au US\$/t	Mo US\$/t	Total US\$/t
MXD7	116	121	5	2.64	0.0828	48.13	45.64	93.76
	123	125	2	1.86	0.1110	33.91	61.18	95.09
	131	135	4	2.09	0.1643	38.10	90.55	128.65
	148	156	8	2.36	0.0445	43.02	24.51	67.53

MXD7 - total combined intercept	19	2.32	0.0868	42.37	47.83	90.20
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MXD8	83	88	5	2.93	0.0285	53.41	15.70	69.11
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	112	119	7	6.62	0.0438	120.68	24.12	144.80
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	138	148	10	2.29	0.0975	41.75	53.75	95.49
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MXD8 - total combined intercept	22	3.81	0.0647	69.51	35.67	105.18
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Notes:

1. Reporting of the above composited intercepts was determined by applying an upper and lower boundary defined by a low grade cut-off of 0.7g/t Au. Some composited intercepts include single metre, internal intercept grades of less than 0.7g/t Au. Isolated single metre intercepts are not reported unless considered to be significant.
2. No high grade cut-off has been applied to the individual gold or molybdenum assays.
3. 'In-ground value of metal' represents an arithmetic calculation of the

value in US\$/t of the contained metal per tonne using the current metal prices (as at 06 March 2006) of US\$567/oz gold(1) (US\$18.2/g Au) and US\$25.0/lb molybdenum(2) (US\$55,120/t Mo). Given the limited nature of exploration activities to date, no assurance or implication is being given, or should be assumed to be being given, by the inclusion of these values in this announcement that the Runruno Project has been, or will in the future be, deemed to be economic.

MXD7 is now the southernmost drillhole of this programme, 100 metres south of MXD1, and MXD8 is the northernmost drillhole and located 100 metres downhill from drillhole MXD4. In comparison, the total combined results of MXD8 (22m @ 3.81g/t Au, 0.065% Mo) are higher in width and grades than MXD4 (9m @ 1.98g/t Au, 0.025% Mo), which is very encouraging.

So far the drilling has now covered a surface area of approximately 800 metres by 150 metres. The company is currently expecting results for the remaining samples from the bottom of drillhole MXD5 as well as for all of drillholes MXD9 and MXD10, which will expand the surface coverage area up to 250 metres in width. Samples from drillholes MXD11 and MXD12 are currently being submitted to the laboratory and drillholes MXD13 to MXD17 are currently in progress.

RUNRUNO - SAMPLING & ANALYSIS

Sample Preparation

The drill core is taken from the drill site to a secure compound at the Company's field camp and is logged by the geologist. The drill core is then split into two equal halves along its long axis, with one half being sampled at predetermined intervals, bagged and sent for analysis. The remaining half-core is retained in core boxes and stored on site for future reference.

The bagged half-core samples are being submitted to an independent 'ISO17025 accredited' laboratory for sample preparation and analyses for gold and molybdenum. All of the half-core samples are crushed by the laboratory and a 900-1000 gram split is taken, pulverized and presented for analysis.

The remaining crushed sample is retained in bags and stored at the laboratory for a period of three months before being returned to the Company for storage. These remaining crushed samples will be used in the future for additional analyses for gold, molybdenum, silver, sulphur and other elements as deemed necessary, for example, for resource estimation work.

Analytical Techniques

Gold: Gold analysis is by classical 'Screen Fire Assay' technique that involves sieving a 900-1000 gram sample to 200 mesh (75microns). The entire oversize and duplicate undersize fractions are fire assayed and the weighted average gold grade calculated. This is one of the most appropriate methods for determining gold content if there is a 'coarse gold' component to the mineralisation.

Molybdenum: The sample is dissolved in Aqua Regia (3:1 HCl:HNO₃) and Molybdenum analysis is carried out by Inductively Coupled Plasma - Optical Emission Spectrometry (ICP-OES) method.

EXPLANATION OF TERMS

Au chemical symbol for gold

Mo chemical symbol for molybdenum

HCl chemical symbol for Hydrochloric Acid

HNO₃ chemical symbol for Nitric Acid

g gram

t tonne

g/t grams per tonne, which is equivalent to parts per million (g/t

Au = grams of gold per tonne)

% percent (0.034% Mo = 340 parts per million of molybdenum)

lb avoirdupois pound (= 453.59237 grams)

oz troy ounce (= 31.103477 grams)

micron A unit of length equal to one thousandth of a millimetre or one millionth of a metre.

200 mesh the number of openings (200) in one linear inch of screen mesh
(200 mesh approximately equals 75 microns)

SOURCES OF INFORMATION

(1) www.kitco.com

(2) www.adanacmoly.com and www.metalprices.com

EXPLORATION PERMIT APPLICATION - BAGUIO DISTRICT

The Baguio regional office of the Mines & Geosciences Bureau ("MGB") has recently accepted an Application for an Exploration Permit ("EPA") from the Company. The application is for a property located in the district of Northern Luzon, Philippines, and adjoins the Santo Nino property, previously a copper-gold producer.

The EPA covers an area of approximately 5,845 hectares and is located about 10 kilometres to the northeast of Baguio City. The property is underlain by quartz diorite and andesite rock types and was previously the object of extensive exploration for copper+gold+molybdenum porphyry mineralisation during the 1970s.

Between 1974 and 1980, Worldwide Mineral and Industrial Corporation ("Worldwide"), a Philippine corporation, completed 44 drill holes for an aggregate total of 12,989 metres. Worldwide also carried out a combined IP and Resistivity geophysical survey in 1978.

The Company is in the process of obtaining and collating all available historical data.

QUALIFIED PERSON

Gary Powell (a Director of the Company) has been involved in the mining and exploration industry for more than 20 years. He has a Bachelor of Applied Science degree in geology and is a member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has compiled, read and approved the technical disclosure in this regulatory

announcement.

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