

For immediate release

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART,
DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE
TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT
LAWS OR REGULATIONS OF SUCH JURISDICTION**

23 July 2010

SOLOMON CAPITAL LIMITED

**Mandatory Cash Offer to be made by Strand Hanson Limited on behalf of Solomon
Capital Limited for the whole of the issued and to be issued
ordinary share capital of Metals Exploration plc
not already owned by Solomon Capital Limited**

SUMMARY AND HIGHLIGHTS:

- The Solomon Board announces the terms of a mandatory cash offer, under Rule 9 of the Code, to be made by Strand Hanson on behalf of Solomon to acquire the entire issued and to be issued ordinary share capital of Metals Exploration not already owned by Solomon.
- The Offer will be made on the basis of 13 pence for each Metals Exploration Share. The Offer values the entire existing issued ordinary share capital and in the money Metals Exploration Share Options and Warrants at, in aggregate, approximately £35.76 million. The Offer represents a premium of approximately 26.83 per cent. to the Closing Price of 10.25 pence per Metals Exploration Share on 22 July 2010, being the last Business Day prior to the making of this announcement.
- Solomon, having acquired one Metals Exploration Share from a single shareholder on 22 July 2010 at a price of 13 pence, is now interested, in aggregate, in 118,935,655 Metals Exploration Shares, representing approximately 44.10 per cent. of the entire issued share capital of Metals Exploration. Accordingly, pursuant to Rule 9 of the Code, Solomon is required to make an offer for the entire issued share capital of Metals Exploration not already owned by it and Strand Hanson will make the Offer on behalf of Solomon.
- Solomon has received letters of intent to accept the Offer from certain Metals Exploration Shareholders in respect of, in aggregate, 24,343,903 Metals Exploration Shares, representing approximately 9.03 per cent. of the existing issued ordinary share capital of Metals Exploration. Accordingly, the Metals Exploration Shares already held by Solomon and persons acting in concert with it, together with the Metals Exploration Shares which are the subject of the aforementioned letters of intent represent, in aggregate, approximately 53.12 per cent. of the existing issued Metals Exploration Shares. Further details of these letters of intent are set out below and in Appendix III to this announcement.
- The Offer Document, setting out full details of the Offer and the procedures to be followed by Metals Exploration Shareholders to accept the Offer, together (where appropriate) with a Form of Acceptance, will be posted to Metals Exploration Shareholders and, for information purposes only, to holders of options over Metals Exploration Shares and to Warranholders, as soon as practicable and in any event

within 28 days from the date of this announcement, unless otherwise agreed with the Panel.

Information on Solomon

- Solomon is a private limited company, incorporated in Guernsey in December 2008, for the purposes of investing in Metals Exploration and is beneficially wholly owned by Christian Candy.
- Following the successful completion of the Offer, Solomon intends to continue to work with the existing management team of Metals Exploration to secure appropriate funding for the development of a mine at the Runruno Project in the Philippines, which Solomon continues to believe has the potential to generate long term shareholder value.

Information on Metals Exploration

- Metals Exploration is an English public company whose principal activity is to identify, acquire and develop mining companies, businesses or projects with particular emphasis on precious and base metals mining opportunities in the Western Pacific Rim region. Since the Company's admission to AIM in October 2004, the Metals Exploration Group has focussed its efforts on the acquisition and development of exploration properties in South East Asia. It is currently focused on the development of its Runruno gold and molybdenum project in the Philippines, following the completion of a definitive feasibility study in May 2010, and an ongoing step-out drilling programme intended to demonstrate the additional resource potential within the Runruno permit area.

Enquiries:

Solomon Capital Limited

Steven Smith

Tel: +44 (0)791 172 1858

Strand Hanson Limited (Financial Adviser to Solomon)

Simon Raggett
Matthew Chandler

Tel: +44 (0)20 7409 3494

This summary should be read in conjunction with, and is subject to, the full text of the following announcement and the Appendices. The Offer will be subject to the condition and terms set out in Appendix I to this announcement and the further terms to be set out in the Offer Document. Appendix II contains the sources and bases of information used in this announcement. Appendix III contains details of the letters of intent received by Solomon. Certain definitions apply throughout this announcement and your attention is drawn to Appendix IV at the end of this announcement where these definitions are set out in full.

Strand Hanson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, has approved the contents of this announcement solely for the purpose of section 21 of FSMA. The principal place of business of Strand Hanson is 26 Mount Row, London W1K 3SQ.

Strand Hanson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively as financial adviser to Solomon and no-one else in connection with the Offer and will not be responsible to anyone other than Solomon for

providing the protections afforded to clients of Strand Hanson or for providing advice in relation to the Offer, the contents of this announcement or any other matter referred to herein.

The availability of the Offer and the release, publication and distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are not resident in the United Kingdom into whose possession this announcement comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Restricted Jurisdiction.

This announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Neither the United States Securities and Exchange Commission nor any state securities commission has reviewed, approved or disapproved this announcement or any of the proposals described in this announcement.

The directors of Solomon accept responsibility for the information contained in this announcement save that the only responsibility accepted in respect of the information in this announcement relating to Metals Exploration (including, without limitation, the information set out in paragraph 6 below) which has been compiled from public sources, is to ensure that such information has been correctly and fairly reproduced and presented. To the best of the knowledge and belief of the directors of Solomon (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement, including information included or incorporated by reference in this announcement, may contain “forward-looking statements” concerning Metals Exploration and Solomon. Generally, the words “anticipate”, “believe”, “continue”, “estimate”, “expect”, “forecast”, “intend”, “may”, “plan”, “project”, “should” and “will” or similar expressions identify forward-looking statements. Such statements reflect Solomon’s current views with respect to future events and are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies’ abilities to control or estimate precisely, such as changes in general economic and business conditions, changes in currency exchange rates and interest rates, lack of acceptance of new exchange rates and interest rates, introduction of competing products or services, lack of acceptance of new products or services, changes in business strategy and the behaviour of other market participants and therefore undue reliance should not be placed on such statements. The directors of Solomon do not intend to, nor do they assume any obligation to, update these forward-looking statements, except as required pursuant to applicable law.

DISCLOSURE REQUIREMENTS OF THE CODE

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of Metals Exploration or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Metals Exploration and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of Metals Exploration or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of Metals Exploration or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of Metals Exploration or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Metals Exploration and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of Metals Exploration or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by Metals Exploration and by any offeror and Dealing Disclosures must also be made by Metals Exploration, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

In accordance with Rule 19.11 of the Code, a copy of this announcement will be published, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on the website of the CPC Group at www.cpcgroup.gg by no later than 12 noon on 26 July 2010.

This announcement is for information purposes only and is not intended to, and does not, constitute, or form any part of, an offer to sell or an invitation to subscribe for or purchase Metals Exploration Shares or any other securities, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law. The Offer is being made solely through the Offer Document, which will

contain the full terms and condition of the Offer. Any acceptance in relation to the Offer should be made only on the basis of the information contained in the Offer Document. Metals Exploration Shareholders are advised to read the formal documentation in relation to the Offer carefully, once it has been despatched.

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART,
DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE
TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT
LAWS OR REGULATIONS OF SUCH JURISDICTION**

23 July 2010

SOLOMON CAPITAL LIMITED

**Mandatory Cash Offer to be made by Strand Hanson Limited on behalf of Solomon
Capital Limited for the whole of the issued and to be issued
ordinary share capital of Metals Exploration plc
not already owned by Solomon Capital Limited**

1. Introduction

The Solomon Board today announces the terms of a mandatory cash offer to be made by Strand Hanson, on behalf of Solomon, to acquire the entire issued and to be issued ordinary share capital of Metals Exploration not already owned by Solomon.

The Offer will be made on the basis of 13 pence for each Metals Exploration Share and values all of the existing issued Metals Exploration Shares, including in the money Metals Exploration Share Options and Warrants at, in aggregate, approximately £35.76 million.

Solomon is a private limited company, incorporated in Guernsey in December 2008, for the purposes of investing in Metals Exploration and is beneficially wholly owned by Christian Candy. Further information on Solomon and Christian Candy is set out in paragraph 5 below.

On 22 July 2010, Solomon acquired one Metals Exploration Share at a price of 13 pence from Rock (Nominees) Limited, acting as nominee for Reef Securities. Reef Securities is deemed to be acting in concert with Solomon for the purposes of the Offer, for the reasons set out in paragraph 5 below. As a result of this purchase from a single shareholder, Solomon increased its interest in Metals Exploration to 118,935,655 Metals Exploration Shares, representing approximately 44.10 per cent. of the entire issued share capital of Metals Exploration.

As a result of this purchase, pursuant to Rule 9 of the Code, Solomon is required to make an offer for the entire issued share capital of Metals Exploration not already owned by it and Strand Hanson is therefore making the Offer on behalf of Solomon.

2. Terms of the Offer

The Offer, which will be made on the terms and subject to the condition set out or referred to in Appendix I to this announcement, and subject to the further terms to be set out in full in the Offer Document and, in the case of certificated Metals Exploration Shares, in the Form of Acceptance, will be made on the following basis:

for each Metals Exploration Share

13 pence in cash

The Offer values the entire existing issued ordinary share capital and in the money Metals Exploration Share Options and Warrants at, in aggregate, approximately £35.76 million. The Offer represents a premium of approximately 26.83 per cent. to the Closing Price of 10.25

pence per Metals Exploration Share on 22 July 2010, being the last Business Day prior to this announcement.

The Metals Exploration Shares to which the Offer relates will be acquired by Solomon fully paid, or credited as fully paid, and free from all liens, equitable interests, mortgages, charges, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever and together with all rights now or hereafter attaching to them, including all voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

The Offer will extend to all Metals Exploration Shares in issue or unconditionally allotted fully paid (or credited as fully paid) on the date on which the Offer is made and to any further Metals Exploration Shares unconditionally allotted or issued fully paid (or credited as fully paid) while the Offer remains open for acceptance (or such earlier date as Solomon may, subject to the Code or with the consent of the Panel, determine).

The Offer Document containing the full terms and the condition of the Offer will be posted to Metals Exploration Shareholders in due course.

3. Background to and reasons for the Offer and future plans for Metals Exploration

Further to the results of the Feasibility Study on Metals Exploration's Runruno Project on the island of Luzon in the northern Philippines, announced on 4 May 2010, the Company requires estimated development funding of approximately US\$149.3 million in order to meet the capital expenditure required to establish an open-pit mining operation. Although Solomon has to date been supportive of management's efforts to secure appropriate project financing, it is mindful that the Company's financing options in the current challenging global economic environment are limited and time consuming to pursue and that the outlook remains uncertain, with credit conditions and the availability of debt unlikely to improve materially in the short term. Furthermore, any such financing proposal obtained is likely to require the raising of a significant element of equity capital.

Accordingly, although Solomon is currently in negotiations with the Metals Exploration Board with respect to the potential provision of a short term loan facility to assist, *inter alia*, with the cost of the ongoing drilling programme and general working capital, as the Company's largest shareholder, Solomon is only minded to continue its financial support and potentially inject further funds in the near term, if it has a controlling majority ownership stake in Metals Exploration commensurate with the risks involved and its required long term investment returns. Furthermore, the Solomon Board believes that Metals Exploration would be better suited to a private company environment, where management will be able to concentrate on the more efficient delivery of their strategic plans, free from the requirement to meet the public equity market's shorter term expectations. In addition, Solomon believes that, as a small UK quoted company, with a significant overseas project and operations, Metals Exploration will struggle to attract the research coverage, liquidity and level of market rating that would make retaining its existing AIM listing worthwhile.

If the Offer becomes, or is declared, wholly unconditional, Solomon will become the holding company of the Metals Exploration Group. Solomon believes that with its full backing and resources, Metals Exploration would gain additional credibility and be better placed to overcome the short to medium term financial barriers to obtaining appropriate credit facilities of a reasonable quantum and on acceptable terms to progress the development of Runruno. It also believes that Metals Exploration would benefit from the elimination of the regulatory

burden, constraints and numerous expenses associated with maintaining a UK public listing, thereby enhancing shareholder value in the longer term. On completion of the Offer, Solomon will undertake a full strategic and operational review of Metals Exploration in conjunction with Metals Exploration's executive management team.

Upon the Offer becoming or being declared unconditional in all respects, the Offer will provide a certain cash exit for Metals Exploration Shareholders at a 26.83 per cent. premium to the Closing Price of 10.25 pence per Metals Exploration Share on 22 July 2010 (being the last Business Day prior to this announcement).

4. Letters of intent

Solomon has received letters of intent to accept, or procure the acceptance of the Offer, from the following:

(a) Funds managed by Baker Steel Capital Managers LLP in respect of 19,267,654 Metals Exploration Shares; and

(b) Reef Securities in respect of 5,076,249 Metals Exploration Shares,

representing, in aggregate, 24,343,903 Metals Exploration Shares and approximately 9.03 per cent. of the existing issued share capital of Metals Exploration.

Except for Reef Securities (for the reasons set out in paragraph 5 below), no Metals Exploration Shareholder who has entered into a letter of intent with Solomon is acting in concert with Solomon. Further details of the letters of intent received by Solomon are set out in Appendix III to this announcement.

The Metals Exploration Shares already held by Solomon and the Metals Exploration Shares which are the subject of the aforementioned letters of intent represent, in aggregate, approximately 53.12 per cent. of the existing issued Metals Exploration Shares. Accordingly, the acceptance condition to the Offer (as set out in paragraph 1 of Appendix I to this announcement) is most likely to be met shortly following the date of posting of the Offer Document.

5. Information on Solomon, Christian Candy and Reef Securities

Solomon is a private company incorporated on 22 December 2008 under the laws of Guernsey with registered number 49841 and has its registered office at PO Box 119, Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB.

Solomon was formed specifically to invest in Metals Exploration and is beneficially wholly owned by Christian Candy. Solomon has not traded since its date of incorporation, has paid no dividends and has not entered into any obligations other than in connection with its historic investments in Metals Exploration and the financing of the Offer.

The directors of Solomon are Timothy Dean, Simon Graham and Richard Williams. Solomon does not currently have any subsidiaries or subsidiary undertakings.

Christian Candy graduated from Kings College, London, in 1996 with a degree in Business Management. From there, he went to work in commodity trading and corporate finance. In the late 1990s, Christian and his brother Nick jointly bought a property in London, decorated it with their own style and sold it. It was at this point that they recognised that there was a niche

in the top end of the market to supply properties that go beyond the typical luxury home. Candy & Candy has since become one of London's leading design and development managers.

Christian founded Guernsey based, CPC Group, a property development business, in 2003. CPC Group specialises in purchasing trophy properties around the world and developing them with outstanding design often provided by Candy & Candy. As the joint founder and CEO of Candy & Candy, Christian remains actively involved in both companies' growth strategies.

Steven Smith is a director of, and owns 100 per cent. of the share capital of, Reef Securities which has given a letter of intent to accept the Offer. Mr Smith has been authorised by the Solomon Board to give instructions and provide assistance to Strand Hanson and Solomon's other professional advisers in connection with the Offer. Accordingly, Reef Securities is deemed to be acting in concert with Solomon for the purposes of the Offer.

Reef Securities was incorporated on 23 January 1996 under the laws of the Bahamas with registered number 40387B and has its registered office at Providence House, East Hill Street, PO Box 3944, Nassau, Bahamas. Reef Securities is an investment company investing in a range of both quoted and unquoted companies.

Mr Smith is also a director of CPC Group, of which Christian Candy, who beneficially wholly owns Solomon, is also a shareholder.

Further information concerning Solomon, its beneficial shareholder and Reef Securities will be set out in the Offer Document.

6. Information relating to the Metals Exploration Group

Incorporated on 8 April 2004, Metals Exploration is a UK public company whose principal activity is to identify, acquire and develop mining companies, businesses or projects with particular emphasis on precious and base metals mining opportunities in the Western Pacific Rim region. Since the Company's admission to trading on AIM in October 2004, the Metals Exploration Group has focussed its efforts on the acquisition and development of exploration properties in South East Asia. It is currently focused on the development of its Runruno gold and molybdenum project in the Philippines, following the completion of a definitive Feasibility Study in May 2010, and an ongoing step-out drilling programme intended to demonstrate the additional resource potential within the Runruno permit area.

For its latest financial year ended 31 December 2009, the Metals Exploration Group reported no turnover (2008: £nil) and a loss on ordinary activities before and after taxation of £4.30 million (2008: loss of £0.52 million). As at 31 December 2009, total assets were £27.51 million (2008: £15.59 million) with net assets of £24.76 million (2008: £13.28 million) and net cash of £1.4 million (2008: net debt of £1.27 million).

The total number of Metals Exploration Shares in issue as at 22 July 2010 (the latest practicable date prior to the date of this announcement) was 269,716,344. The market capitalisation of Metals Exploration, based on the mid-market price of a Metals Exploration Share of 10.25 pence at the close of business on 22 July 2010 (being the last Business Day prior to the date of this announcement), was approximately £27.65 million.

Further financial and other information on Metals Exploration will be set out in the Offer Document.

If the Offer becomes, or is declared, wholly unconditional, Solomon will become the holder of at least a majority of the Metals Exploration Shares.

7. Metals Exploration's directors, management, employees and locations

The Solomon Board gives assurances to the Metals Exploration Board that, following the Offer becoming or being declared unconditional in all respects, the existing employment rights, including pension rights, of the directors, management and employees of the Metals Exploration Group will be fully safeguarded. There are currently no plans to significantly change the incentivisation arrangements with the management of Metals Exploration.

Further, Solomon has no current intention, subject to the outcome of the strategic and operational review referred to in paragraph 3 above, to change the principal locations of the Metals Exploration Group's existing places of business and no proposals currently exist to materially change the terms and conditions of employment of any of Metals Exploration's employees. Nor does Solomon currently intend to redeploy the fixed assets of Metals Exploration to an extent that would have a material impact on the business of Metals Exploration.

Following the Offer becoming wholly unconditional, the employee resources of the Metals Exploration Group will be considered as part of Solomon's strategic and operational review process as referred to in paragraph 3 above.

8. Disclosure of interests in Metals Exploration

Save for the interest of Solomon in Metals Exploration Shares described in paragraph 1 above and of Reef Securities in Metals Exploration Shares as described below, neither Solomon nor any person acting in concert with Solomon has any interest in, or right to subscribe for, any relevant securities of Metals Exploration, or any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery. Save as set out in paragraph 4 above and in Appendix III, neither Solomon nor any of its associates has procured any irrevocable commitment or letter of intent in respect of any relevant securities of Metals Exploration. Neither Solomon nor any person acting in concert with Solomon has borrowed or lent any relevant securities of Metals Exploration (save for any borrowed shares which have been either on-lent or sold). There are no arrangements of the kind referred to in Note 6(b) to Rule 8 of the Code which exist between Solomon or any associate of Solomon and any other person in relation to any relevant securities of Metals Exploration.

Reef Securities is the beneficial owner of 5,076,249 Metals Exploration Shares, representing approximately 1.88 per cent. of the entire issued share capital of Metals Exploration. In addition, Reef Securities holds 1,000,000 Warrants exercisable at 3.25 pence per share at any time before 30 September 2011, 1,000,000 Warrants exercisable at 20 pence per share at any time before 3 November 2012 and 500,000 Warrants exercisable at 40 pence per share at any time before 3 November 2012.

Accordingly, the Concert Party is interested, in aggregate, in 124,011,904 Metals Exploration Shares, representing approximately 45.98 per cent of the entire issued share capital of Metals Exploration, and in 2,500,000 Warrants.

For the purposes of this paragraph 8, the terms “acting in concert”, “associate”, “interest” and “relevant securities” have the same meanings as defined in the Code.

9. Confirmation regarding opening position disclosure

Solomon confirms that it is on the date of this announcement making an Opening Position Disclosure, which discloses the details required to be disclosed by it under Rule 8.1(a) of the Code.

10. Compulsory acquisition, cancellation of AIM admission and re-registration

If Solomon receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more in value of the Metals Exploration Shares to which the Offer relates (and not less than 90 per cent. of the voting rights carried by Metals Exploration Shares), Solomon currently intends to exercise its rights pursuant to the provisions of sections 979 to 982 (inclusive) of the Companies Act 2006 to compulsorily acquire any remaining Metals Exploration Shares to which the Offer relates on the same terms as the Offer.

Furthermore, if the Offer becomes, or is declared, wholly unconditional, and Solomon receives sufficient acceptances from Metals Exploration Shareholders, and/or otherwise acquires sufficient Metals Exploration Shares, to take its shareholding to over 75 per cent. of the Metals Exploration Shares, Solomon intends to procure the making of an application by Metals Exploration to the London Stock Exchange for the cancellation of the admission of the Metals Exploration Shares to trading on AIM. It is anticipated that, subject to any applicable requirements of the London Stock Exchange, such cancellation will take effect no earlier than 20 Business Days after the date on which the Offer becomes, or is declared, wholly unconditional and Solomon receives sufficient acceptances from Metals Exploration Shareholders, and/or otherwise acquires sufficient Metals Exploration Shares, to take its shareholding to over 75 per cent.

It is further proposed that following the Offer becoming, or being declared, wholly unconditional and after the Metals Exploration Shares are no longer admitted to trading on AIM, Metals Exploration will be re-registered as a private limited company under the relevant provisions of the Companies Act 2006.

Cancellation of the admission of Metals Exploration Shares to trading on AIM and the re-registration as a private limited company will significantly reduce the liquidity and marketability of any Metals Exploration Shares not acquired under the Offer at that time and the value of any such Metals Exploration Shares may be affected as a consequence.

11. Financing of the Offer

Solomon is an entity which is beneficially wholly owned by Christian Candy and he has undertaken to support Solomon with regard to the financing of the Offer.

Strand Hanson, financial adviser to Solomon, is satisfied that sufficient financial resources are available to Solomon to enable it to implement the Offer in full. Full acceptance of the Offer, assuming the exercise of all outstanding Metals Exploration Share Options and Warrants with an exercise price of less than 13 pence per Metals Exploration Share, would

require a maximum cash payment of approximately £20.3 million by Solomon, which it is currently intended will be funded by way of a loan facility being made available to it by CPC Group in respect of the Offer.

Further details of the financing arrangements will be set out in the Offer Document.

12. Metals Exploration Share Options and Warrants

The Offer extends, subject to the terms and condition to be set out in the Offer Document and any accompanying Form of Acceptance, to any Metals Exploration Shares which are unconditionally allotted or issued fully paid (or credited as fully paid), whilst the Offer remains open for acceptance (or, subject to the Code, by such earlier time and date as Solomon may decide or with the consent of the Panel, determine), including (without limitation) any Metals Exploration Shares issued pursuant to the exercise of any outstanding Metals Exploration Share Options or Warrants.

Following the Offer becoming, or being declared, wholly unconditional, Solomon will write to the holders of Metals Exploration Share Options and to Warrantholders to inform them of the effect of the Offer on their rights under the Metals Exploration share option schemes and warrant instruments and to set out any proposals to be made in respect of their Metals Exploration Share Options and Warrants, if appropriate, to the extent that such Metals Exploration Share Options and Warrants have not by then been exercised.

13. General

The Offer Document containing the full terms of the Offer will be posted to Metals Exploration Shareholders as soon as practicable and in any event within 28 days of the date of this announcement, unless otherwise agreed with the Panel.

The terms and condition to the Offer are set out in Appendix I and, together with certain further terms of the Offer, will also be set out in full in the Offer Document and, in the case of certificated Metals Exploration Shares, in the Form of Acceptance.

The availability of the Offer to Metals Exploration Shareholders not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are citizens or in which they are resident. Such persons should inform themselves about and observe any applicable legal or regulatory requirements of any such relevant jurisdiction. In particular, the Offer is not being made, directly or indirectly, in, into or from or by the use of the mails of or any means or instrumentality (including, without limitation, by means of facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of, the United States, or in, into or from Canada, Australia, South Africa or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility from or within the United States, Canada, Australia, South Africa or Japan or any other jurisdiction where to do so would constitute a breach of any relevant securities laws of that jurisdiction. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise distributed or sent in or into or from the United States, Canada, Australia, South Africa or Japan. Persons receiving this announcement (including without limitation, custodians, nominees and trustees) must not distribute or send it in, into or from the United States, Canada, Australia, South Africa or Japan.

This announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. Further information in relation to Overseas Shareholders will be set out in the Offer Document.

Enquiries:

Solomon Capital Limited

Steven Smith

Tel: +44 (0)791 172 1858

Strand Hanson Limited (Financial Adviser to Solomon)

Simon Raggett

Tel: +44 (0)20 7409 3494

Matthew Chandler

This announcement is for information purposes only and is not intended to, and does not, constitute, or form any part of, an offer to sell or an invitation to subscribe for or purchase Metals Exploration Shares or any other securities, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law. The Offer is being made solely through the Offer Document and, where appropriate, the related Form of Acceptance which will contain the full terms and condition of the Offer. Any acceptance in relation to the Offer should be made only on the basis of the information contained in the Offer Document. Metals Exploration Shareholders are advised to read the formal documentation in relation to the Offer carefully, once it has been dispatched.

The full terms and condition of the Offer (including details of how the Offer may be accepted) will be set out in the Offer Document and, where appropriate, the related Form of Acceptance. Metals Exploration Shareholders who accept the Offer may only rely on the Offer Document and, where appropriate, the related Form of Acceptance for all the terms and condition of the Offer. In deciding whether or not to accept the Offer in relation to their Metals Exploration Shares, Metals Exploration Shareholders should rely only on the information contained, and procedures described, in the Offer Document and, where appropriate, the related Form of Acceptance. Metals Exploration Shareholders and, for information purposes only, holders of Metals Exploration Share Options and Warrant holders, are strongly advised to read the Offer Document which will be posted to them in due course, which contains important information.

Strand Hanson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, has approved the contents of this announcement solely for the purposes of section 21 of FSMA. The principal place of business of Strand Hanson is 26 Mount Row, London W1K 3SQ.

Strand Hanson, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Solomon and no one else in connection with the Offer and will not be responsible to anyone other than Solomon for providing the protections afforded to clients of Strand Hanson or for providing advice in relation to the Offer, the contents of this announcement or any other matter referred to herein.

The availability of the Offer and the release, publication and distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are not resident in the United Kingdom into whose possession this announcement comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Restricted Jurisdiction.

This announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Neither the United States Securities and Exchange Commission nor any state securities commission has reviewed, approved or disapproved this announcement or any of the proposals described in this announcement.

Appendix I sets out the condition and further terms to the Offer.

Appendix II sets out the bases and sources of information from which the financial calculations used in this announcement have been derived.

Appendix III contains certain details relating to the letters of intent given by certain Metals Exploration Shareholders.

Appendix IV contains the definitions of terms used in this announcement.

The directors of Solomon accept responsibility for the information contained in this announcement save that the only responsibility accepted in respect of the information in this announcement relating to Metals Exploration which has been compiled from public sources, is to ensure that such information has been correctly and fairly reproduced and presented. To the best of the knowledge and belief of the directors of Solomon (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

This announcement, including information included or incorporated by reference in this announcement, may contain “forward-looking statements” concerning Solomon and Metals Exploration. Generally, the words “anticipate”, “believe”, “continue”, “estimate”, “expect”, “forecast”, “intend”, “may”, “plan”, “project”, “should” and “will” or similar expressions identify forward-looking statements. Such statements reflect Solomon’s current views with respect to future events and are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies’ abilities to control or estimate precisely, such as changes in general economic and business conditions, changes in currency exchange rates and interest rates, lack of acceptance of new exchange rates and interest rates, introduction of competing products or services, lack of acceptance of new products or services, changes in business strategy and the behaviour of other market

participants and therefore undue reliance should not be placed on such statements. The directors of Solomon do not intend to, nor do they assume any obligation to, update these forward-looking statements, except as required pursuant to applicable law.

The attention of Metals Exploration Shareholders is drawn to the fact that under the Code there are certain UK dealing disclosure requirements in respect of relevant securities during an offer period. An Offer Period is deemed to have commenced today, as a result of this announcement.

DISCLOSURE REQUIREMENTS OF THE CODE

The disclosure requirements are set out in more detail in Rule 8 of the Code. In particular, under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of Metals Exploration or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Metals Exploration and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of Metals Exploration or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of Metals Exploration or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of Metals Exploration or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) Metals Exploration and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of Metals Exploration or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by Metals Exploration and by any offeror and Dealing Disclosures must also be made by Metals Exploration, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an

Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

In accordance with Rule 19.11 of the Code, a copy of this announcement will be published, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on the website of the CPC Group at www.cpcgroup.gg by no later than 12 noon on 26 July 2010.

This announcement does not constitute, or form part of, an offer or an invitation to purchase or sell Metals Exploration Shares or any other securities. Metals Exploration Shareholders are advised to carefully read the formal documentation in relation to the Offer once it has been despatched.

APPENDIX I

Condition and certain terms of the Offer

The Offer, which will be made by Strand Hanson on behalf of Solomon, will be subject to the terms and condition to be set out in full in the Offer Document and, where appropriate, the Form of Acceptance, including the following condition and terms:

1. The Offer will be subject to valid acceptances being received (and not, where permitted, withdrawn) by 1.00 p.m. (London time) on the first closing date of the Offer (or such later time(s) and/or date(s) as Solomon may, subject to the Code or with the consent of the Panel, decide) in respect of such number of Metals Exploration Shares which, together with Metals Exploration Shares acquired or agreed to be acquired by Solomon or parties acting in concert with it before or during the Offer Period, will result in Solomon, and any persons acting in concert with it, holding Metals Exploration Shares which together carry more than 50 per cent. of the voting rights normally exercisable at general meetings of Metals Exploration including for this purpose, to the extent (if any) required by the Code or the Panel, any such voting rights attaching to Metals Exploration Shares which are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances whether pursuant to the exercise of any outstanding conversion, option or subscription rights or otherwise.
2. The Offer will extend to all Metals Exploration Shares issued and to be issued other than the Metals Exploration Shares already owned by Solomon.
3. The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable legal or regulatory requirements.
4. The Offer will lapse if the acquisition of Metals Exploration pursuant to the Offer is referred to the Competition Commission or if the European Commission initiates proceedings under Article 6(1)(c) of the Merger Regulation, or following a referral under Article 9(1) of the Merger Regulation, there is a subsequent reference to the Competition Commission before 1.00 p.m. on the first closing date of the Offer or the time and date on which the Offer becomes or is declared unconditional as to acceptances, whichever is the later. In such circumstances, the Offer will cease to be capable of further acceptance and persons accepting the Offer and Solomon shall thereupon cease to be bound by Forms of Acceptance or electronic acceptances delivered on or before the date on which the Offer so lapses.
5. The Metals Exploration Shares which are the subject of the Offer will be acquired by Solomon fully paid and free from all liens, equitable interests, charges, encumbrances, pre-emption rights and any other third party rights or interests of any nature whatsoever and together with all rights now or hereafter attaching to them, including the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid in respect of the Metals Exploration Shares on or after the date of this announcement.

6. The Offer will comply with the rules and regulations of AIM, the London Stock Exchange and the provisions of the Code. The Offer and any acceptances under it will be governed by English law and will be subject to the exclusive jurisdiction of the courts of England.

APPENDIX II

Bases and sources of information

In this announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

1. General

Unless otherwise stated, the financial information on the Metals Exploration Group has been extracted or derived (without material adjustment) from Metals Exploration's audited consolidated statutory annual report and accounts for the year ended 31 December 2009.

All information relating to Solomon has been provided by persons duly authorised by the Solomon Board.

2. Existing issued share capital

References to the existing issued share capital of Metals Exploration are references to Metals Exploration Shares in issue on 22 July 2010 (being the last practicable Business Day prior to the release of this announcement), being 269,716,344 Metals Exploration Shares.

3. Value of the Offer

The value attributed to the Offer is based upon the 269,716,344 Metals Exploration Shares in issue on 22 July 2010 (being the latest practicable date prior to the date of this announcement) and on all outstanding Metals Exploration Share Options and Warrants which have an exercise price per Metals Exploration Share lower than the Offer Price having been exercised.

4. Share prices

The market prices of Metals Exploration Shares on a particular date or over a particular time period are derived from the closing middle market quotation of a Metals Exploration Share, as derived from the AIM appendix to the Daily Official List for the particular date or time period concerned.

5. Time

All the times referred to in this announcement are London times.

APPENDIX III

Details of letters of intent

The following Metals Exploration Shareholders have entered into letters of intent with Solomon pursuant to which they have stated that they intend to accept or procure acceptance of the Offer in respect of their own beneficial holdings of Metals Exploration Shares (or those holdings over which they have control):

Name	Number of Metals Exploration Shares	Percentage of existing issued share capital
Baker Steel Capital Managers LLP		
- Genus Dynamic Gold Fund*	2,200,000	0.81
- Ruffer Baker Steel Gold Fund*	14,219,654	5.27
- RIT Capital Partners Ltd*	1,127,000	0.42
- Baker Steel Gold Fund*	1,721,000	0.64
Sub total:	19,267,654	7.14
Reef Securities	5,076,249	1.88
TOTAL:	24,343,903	9.03

* - fund managed by Baker Steel Capital Managers LLP.

APPENDIX IV

Definitions

The following definitions apply throughout this announcement unless the context requires otherwise:

“AIM”	the market known as AIM operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies, as published by the London Stock Exchange (as amended from time to time);
“Australia”	the Commonwealth of Australia, its states, territories and possessions;
“Business Day”	a day (other than a Saturday, Sunday or a UK public holiday) on which clearing banks in the City of London are open for the transaction of general commercial business;
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdiction and any political sub-division thereof;
“Candy & Candy”	Candy & Candy Limited, a company incorporated in England and Wales with registered number 04207327 whose registered office is at Thames House, Portsmouth Road, Esher, Surrey KT10 9AD;
“certificated” or “in certificated form”	the description of a share or other security which is not in uncertificated form (that is, not in CREST);
“Closing Price”	the closing middle market quotation of a Metals Exploration Share as derived from the AIM appendix of the Daily Official List;
“Code”	The City Code on Takeovers and Mergers issued by the Panel;
“Companies Act 2006”	the Companies Act 2006 (as amended from time to time);
“Concert Party”	Solomon and Reef Securities;
“CPC Group”	CPC Group Limited, a company incorporated in Guernsey with its registered office at PO Box 119, Martello Court, Admiral Park, St Peter Port, Guernsey GY1 3HB;
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
“CREST Regulations”	the Uncertificated Securities Regulations 2001, including (i) any enactment or subordinate legislation which amends or

	supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
“Daily Official List”	the Daily Official List published by the London Stock Exchange;
“Dealing Disclosure”	as defined in the Code;
“Feasibility Study”	the feasibility study on the Runruno Project comprising a comprehensive forward analysis by independent external consultants of the project’s economics for use by financial institutions to assess the credit-worthiness for project financing, the results of which were announced on 4 May 2010;
“Financial Services Authority”	the Financial Services Authority in its capacity as the competent authority for the purposes of Part IV of FSMA;
“Form of Acceptance”	the form of acceptance and authority relating to the Offer which, where appropriate, will accompany the Offer Document;
“FSMA”	the Financial Services and Market Act 2000 (as amended from time to time);
“Japan”	Japan, its cities, prefectures, territories and possessions;
“JORC”	Joint Ore Reserves Committee;
“London Stock Exchange”	London Stock Exchange plc;
“Merger Regulation”	Council Regulation 139/2004/EC;
“Metals Exploration” or the “Company”	Metals Exploration plc, a company incorporated in England and Wales with registered number 05098945 whose registered office is at 200 Strand, London WC2R 1DJ;
“Metals Exploration Board”	the board of directors of Metals Exploration;
“Metals Exploration Group”	Metals Exploration and its subsidiaries and subsidiary undertakings;
“Metals Exploration Shareholders”	the holders, from time to time, of Metals Exploration Shares;
“Metals Exploration Share Options”	the existing outstanding options to acquire Metals Exploration Shares;
“Metals Exploration Shares”	the existing issued or unconditionally allotted and fully paid (or credited as fully paid) ordinary shares of 1 pence each in the capital of Metals Exploration and any further such shares which are unconditionally allotted or issued fully paid (or credited as

fully paid) on or prior to the date on which the Offer closes or, subject to the provisions of the Code or with the consent of the Panel, by such earlier date or dates as Solomon may determine, including any such shares issued or unconditionally allotted upon the exercise of options granted under the Metals Exploration share option schemes or exercise of the Warrants;

“Offer”	the mandatory cash offer to be made by Solomon to acquire all of the issued and to be issued Metals Exploration Shares not already owned by Solomon on the terms and subject to the condition to be set out in the Offer Document and, where appropriate, the Form of Acceptance including, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
“Offer Document”	the formal document setting out the full terms and condition of the Offer to be posted to Metals Exploration Shareholders (other than certain Overseas Shareholders) shortly;
“Offer Period”	the period commencing on (and including) the date of this announcement and ending on the date which is the latest of (i) the first closing date, (ii) the date on which the Offer becomes, or is declared, unconditional as to acceptances and (iii) the date on which the Offer lapses or is withdrawn;
“Offer Price”	13 pence per Metals Exploration Share;
“Official List”	the Official List of the UKLA;
“Opening Position Disclosure”	as defined in the Code;
“Overseas Shareholders”	Metals Exploration Shareholders whose registered addresses are outside the UK or who are citizens or residents of countries other than the UK;
“Panel”	the Panel on Takeovers and Mergers;
“pence” or “p”	UK pence sterling, the lawful currency of the United Kingdom;
“pounds” or “£”	UK pounds sterling, the lawful currency of the United Kingdom;
“Reef Securities”	Reef Securities Limited, a company incorporated in the Bahamas under company number 40387B;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Metals Exploration Shareholders in that jurisdiction;
“Runruno Project” or “Runruno”	Metals Exploration’s principal project located in the Philippines with a JORC-compliant resource of 1.42 million ounces of gold

and 25.6 million pounds of molybdenum;

“Solomon”	Solomon Capital Limited, a company incorporated in Guernsey with its registered office at PO Box 119, Martello Court, Admiral Park, St. Peter Port, Guernsey GY1 3HB;
“Solomon Board”	the board of directors of Solomon;
“South Africa”	South Africa, its possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof;
“Strand Hanson”	Strand Hanson Limited, the financial adviser to Solomon;
“subsidiary” or “subsidiary undertaking”	shall be construed in accordance with the Companies Act 2006;
“UKLA”	the United Kingdom Listing Authority, being the Financial Services Authority, acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “USA”	the United States of America, its territories and possessions, all areas subject to its jurisdiction or any subdivision thereof, any state of the United States of America and the District of Columbia;
“US\$”	US dollars, the currency of the United States;
“Warrantholders”	the holders, from time to time, of Warrants; and
“Warrants”	the existing outstanding warrants over Metals Exploration Shares.

In this announcement, references to the singular include the plural and vice versa, unless the context otherwise requires, and words importing the masculine gender shall include the feminine or neutral gender.

All references to legislation in this announcement are to English legislation unless the contrary is stated. Any references to any provision of any legislation shall include any amendment, re-enactment or extension thereof.

END