

Metals Exploration Resource Update

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Metals Exploration PLC
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METALS EXPLORATION PLC

RUNRUNO PROJECT

RESOURCE UPGRADED TO 2.03Moz GOLD & 34.4Mlb MOLYBDENUM

LONDON: 6 December 2006 - Metals Exploration PLC ("MetalsEx" or "the Company") is pleased to report that the Company has completed a technical review of the Runruno gold-molybdenum deposit, and is now able to define a total inferred mineral resource of 28.3 million tonnes at an average grade of 2.23 grams per tonne gold and 0.06% molybdenum, containing a total of 2.03 million ounces of gold and 34.4 million pounds of molybdenum.

Jonathan Beardsworth, [Chief Executive](#) of Metals Exploration, said: "We are delighted to have crossed the 2 million ounce threshold and, with the resource open in so many directions, have every expectation that it will continue to grow in size. Importantly, the infill drilling done to date provides much greater confidence in the resource, and we anticipate being able to begin upgrading it into Measured and Indicated categories once drilling restarts in January".

RUNRUNO PROJECT

Resource Update

The revised Inferred Mineral Resource total was calculated from the results of the Company's first fifty three diamond drill holes combined with those of two drill holes of Greenwater to arrive at the total contained metal of 2.03 million ounces of gold and 34.4 million pounds of molybdenum.

The Resource estimate is classified as an Inferred Mineral Resource as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 (the "JORC" Code).

A major part of the resource is expected to move into the Indicated category early next year, based on the continuity so far demonstrated between drillholes.

Drilling will re-commence in early January to complete further infill holes with the intention of upgrading the majority of the resource into Measured and Indicated status. Since September 30, two typhoons have temporarily affected access to some drill sites.

The Company is continuing with other activities such as metallurgical testwork, social and environmental studies as part of a feasibility study into the economics of the Runruno deposit. Results of the first pass metallurgical testwork are expected to be available towards the end of the month.

Drilling Programme

Since November 2005, the Company has drilled 53 diamond drill holes for a total of 8,240 metres on a 100m x 100-200m grid spacing over a surface area of approximately 1,400 metres x 700 metres. The mineralisation is predominantly 100 metres in thickness with higher grade zones at the hangingwall and footwall positions within the envelope.

The mineralisation remains open along strike, up-dip and down-dip and consequently the Company believes the resource has the potential to increase further in size.

Ends

Contacts:

Jonathan Beardsworth, CEO Metals Exploration 6690	020 7927
Adrian Hadden , Collins Stewart Europe Limited, 8350	0207 523
Keith Irons, Bankside Consultants 8873	020 7367
Marc Cohen, Bankside Consultants 8875	020 7367

Technical note

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 900-1,000 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)

QUALIFIED/COMPETENT PERSONS

Gary Powell (a Director of the Company) has been involved in the mining and exploration industry for more than 23 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.

The information in the report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brian Lueck, who is a Member of the Association of Professional Engineers and Geoscientists of British Columbia, Canada. Mr. Brian Lueck is employed as a technical consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. Brian Lueck consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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