

# Metals Exploration PLC

## Runruno Resource Update

4th March 2008

Metals Exploration PLC ('Metals Ex' or 'the Company'), the natural resources exploration and development company with assets in the Pacific Rim region, is pleased to report an updated JORC-compliant resource statement in respect of the 100% controlled Runruno gold-molybdenum deposit in the Philippines.

### RESOURCE ESTIMATE HIGHLIGHTS:

- *Indicated Resources increased by 90% to 775,000 ounces (oz) from 409,000oz.*
- *Gold grade of 2.41 g/t is reported up from 2.27 g/t.*
- *Contained gold estimate has increased to 2.095 million ounces (Moz) from 2.046 Moz.*
- *Total JORC-compliant Indicated & Inferred Mineral Resource is now estimated at 27.0Mt at 2.41g/t Au and 0.062% Mo containing 2.095 Moz of gold and 36.690Mlb of molybdenum.*
- *Estimate includes all drilling to the end of December 2007.*

The Company has completed a full technical review of the Runruno gold-molybdenum deposit, including all drill-hole data to the end of 2007, and has estimated a JORC-compliant Indicated & Inferred Mineral Resource of 27.061Mt @ 2.41 g/t Au & 0.062% Mo containing 2.095 Moz gold and 36.690 Mlb molybdenum. The full resource estimate is reported in Table 1 below. For comparative purposes the previous resource estimate dated November 2007 is shown in Table 2 below.

Increased drill density and more accurate geological control has resulted in an increase in the number of ounces in the Indicated category by 90% to 775,000 oz (from 409,000 oz). Consequently, 37% of the total resource (up from 20%) now reports into the Indicated category.

Tighter definition of the orebody has resulted in a slight reduction in tonnage (27.0 Mt vs 28.0 Mt), an increase in gold grade (2.41 g/t vs 2.27 g/t) and a slight decrease in molybdenum grade (0.062% vs 0.064%). The combined effect of these movements is to increase total contained gold by approximately 50,000 oz and to decrease total contained molybdenum by approximately 3 Mlb.

Drilling has re-commenced to further define the resource and, significantly, the most recent work continues to confirm the continuity of the mineralisation, within broad flat dipping mineralised bodies. This has resulted in the margins of the mineralisation being more accurately outlined and an improvement in estimating certainty.

*Jonathan Beardsworth, Chief Executive of Metals Ex, said:*

*"The near doubling of the ounces reporting to the Indicated category is extremely good news. This, combined with the improved gold grade and the increase in certainty of the resource estimation, underpins the Company's recently announced commissioning of a detailed scoping study into the technical and economic aspects of the Runruno gold-moly project.*

*Infill drilling has recently re-commenced as part of the Scoping Study and is expected to further define the continuity, and enhance the estimating certainty, of the Runruno resource. The Scoping Study is proceeding well, and we expect to be able to communicate progress over the coming months".*

**Table 1: Runruno Resource Estimate – February 2008**

Resource Category	Tonnes	Gold (Au)		Molybdenum (Mo)		Net % Attributable	Operator
		g/t	Ounces (M)	%	Pounds (M)		
Indicated	10.027 M	2.40	0.775	0.084	18.636	100%	FCF Minerals Corporation
Inferred	17.033 M	2.41	1.320	0.048	18.063	100%	FCF Minerals Corporation
Total	27.061 M	2.41	2.095	0.062	36.690	100%	FCF Minerals Corporation

**Notes to accompany resource statement:**

1. 'Net % Attributable' means the portion of the Mineral Resource attributable to Metals Exploration PLC - in this case 100%.
2. Operator FCF a wholly-owned subsidiary of Metals Exploration PLC
3. Resource estimate based on all drill-holes completed by year end 2007 (153 holes for a total 22,000 metres)
4. All analyses undertaken by Intertek, an internationally accredited independent laboratory.
5. Gold analysis by classical 1kg screen fire assay analysis
6. Molybdenum analysis by mixed acid digest and ICP-OES
7. Cut off grade of 0.7g/t gold applied to the resource model.
8. No top cut off applied to gold grades. Statistical analyses shows that no nugget effect is observed in the data set due to high quality screen fire assay technique use for gold determination. Statistical review confirms normal distribution of gold assays.
9. No cut off grades have been applied to molybdenum grades.
10. Average bulk density of 2.5 applied to the model.
11. Grade interpolated into a geologically constrained block model using inverse distance squared algorithm.
12. Qualified and 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 (Lic. No. 21298), and Mr Niel Silvio, who has a Bachelor of Science degree in geology and is a member of the Australasian Institute of Mining and Metallurgy. Mr. Brian Lueck and Mr Niel Silvio were employed as technical consultants to the Company and each have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which each undertook 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'. Mr. Brian Lueck and Mr Niel Silvio consent to this report in the form and context in which it appears.
13. Resources have been classified in compliance with the JORC Code.

**Table 2: Previous Runruno Resource Estimate - November 2007.**

Resource Category	Tonnes	Gold (Au)		Molybdenum (Mo)		Net % Attributable	Operator
		g/t	Ounces (M)	%	Pounds (M)		
Indicated	5.455 M	2.33	0.409	0.089	10.765	100%	FCF Minerals Corporation
Inferred	22.58 M	2.26	1.637	0.058	28.771	100%	FCF Minerals Corporation
Total	28.04 M	2.27	2.046	0.064	39.536	100%	FCF Minerals Corporation

**Notes to accompany resource statement:**

1. 'Net % Attributable' means the portion of the Mineral Resource attributable to Metals Exploration PLC - in this case 100%.
2. Operator FCF a wholly-owned subsidiary of Metals Exploration PLC.
3. No high/top cut off applied to gold grades – preliminary statistical analyses of gold assays indicate that there is negligible 'nugget effect'.
4. Cut off grade of 0.7g/t gold applied to the model.
5. No high/top cut or low cut off grades applied to molybdenum grades.
6. Average bulk density of 2.5

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**Technical note****Drillhole Database**

The drilling, surveying, geological and analyses database is produced by qualified personnel and is compiled, validated and maintained in digital and hardcopy formats.

Supervision of drilling operations and logging of all drill samples is carried out by the Company's geologists.

Bulk density testwork is carried out on site and is relatively comprehensive, although samples of the more friable and broken portions of the mineralised zones are often unable to be measured with any degree of confidence, therefore caution is used when using the data. Bulk density measurements are carried out on selected representative samples of whole drill core wherever possible. The samples are dried and bulk density measured using the classical wax-coating and water immersion method, with systematic checks carried out using the direct measurement method. The average bulk density for the mineralisation has been estimated at 2.5 using more than 3,000 measurements on drill core

Drillhole deviation is measured down-hole by the drilling contractor using a conventional single-shot camera and readings taken at regular depth intervals, usually every 50 metres.

Comprehensive surveying of drillhole positions, topography, and other cadastral features is carried out by the Company's surveyors using 'total station' instruments.

### **Sampling & Analysis**

Drill samples are despatched to 'certified' independent analytical laboratories for analyses. Blanks, Duplicates and Certified Reference Material samples are included with each batch of drill samples as part of the Company's QA/QC programme.

### **Sample Preparation**

**Diamond drill core** –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, collected in calico bags and sent for analysis. The remaining half-core is retained in core boxes and stored on site for future reference. Core sizes are PQ3 (ø 83mm) from surface to approximately 50 metres depth, then HQ3 (ø 61mm ) to the end of the hole.

**RC drill samples** – 1 metre samples are collected in a plastic bag from the bottom discharge chute of a cyclone. Sub-sample splits are collected in calico bags using a 'jones-type' riffle splitter to obtain a 3-4kg subsample for submission to the laboratories for analyses. RC is carried out using a face-sampling hammer with a bit diameter of 5¼ (ø 135mm).

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

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:HNO<sub>3</sub>) and analysis is carried out by Inductively Coupled Plasma - Optical Emission Spectrometry (ICP-OES) method.

### **Glossary of Terms**

**JORC** The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 (the 'JORC Code' or 'the Code'). The Code sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The definitions in the JORC Code are either identical to, or not materially different from, those similar codes, guidelines and standards published and adopted by the relevant professional

bodies in Australia, Canada, South Africa, USA, UK, Ireland and many countries in Europe.

**Mineral Resource** is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories when reporting under JORC.

**Inferred** Mineral Resource is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

**Indicated** Mineral Resource is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

**Measured** Mineral Resource is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

**Cut off Grade** The lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. May be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.

**Top cut** The value assigned to individual samples shown to have a grade so high that they are not truly representative of the overall grade in the deposit. In a resource estimate these high values may also be referred to as being due to the "Nugget Effect". They are downgraded to prevent over estimation of the total resource as they exert an undue statistical weight.

**Au** chemical symbol for gold

**Mo** chemical symbol for molybdenum

**HCl** chemical symbol for Hydrochloric Acid

**HNO<sub>3</sub>** chemical symbol for Nitric Acid

**g** gram

**t** tonne (= 1 million grams)

**g/t** grams per tonne, equivalent to parts per million (g/t Au = grams of gold per tonne)

**%** percent (1% = 10,000 parts per million)

**lb** avoirdupois pound (= 453.59237 grams)

**oz** troy ounce (= 31.103477 grams)

**micron** A unit of length (= 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.

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