METALS EXPLORATION PLC
INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2010

RESTORATION OF TRADING ON AIM

Metals Exploration plc (AIM: MTL) (“Metals Exploration” or “the Company”), the natural resources exploration and development company with assets in the Pacific Rim region, is pleased to announce its interim results for the six months ended 30 June 2010.

Trading in the Company’s shares on AIM was temporarily suspended on 1 October 2010. The suspension was due to the Company being unable to publish its Interim Results for the six months ended 30 June 2010 by 30 September 2010 in accordance with the AIM Rules for Companies as a result of uncertainty over the Company’s future funding position. With the publication of these interim results, the suspension of the shares from trading on AIM is expected to be lifted with effect from 7.30 a.m. on 16 November 2010.

Highlights

In the six months ended 30 June 2010:

- Environmental Compliance Certificate awarded in March 2010
- Feasibility Study completed in May 2010, including:
  - Forecast average annual production of 96,700 ounces of gold
  - Mine life of 10.4 years
  - Capital costs forecast of US$149.3 million
  - Payback within 3.5 years at a US$1,000 gold price
  - Ungeared, post tax IRR of 20 per cent.
  - Average forecast operating cost of US$477 per ounce of gold
  - Proven and Probable Mining Reserve of 780,000 ounces of gold

Since 30 June 2010 – Operations:

- In August 2010 the Company commenced a programme of work to advance the Runruno project towards a "developable status". This work includes:
  - in-fill drilling within the identified pit boundary
  - supplementary metallurgical test work for design purposes
  - additional molybdenum recovery test work
  - detailed geotechnical assessment of ground conditions
  - engineering design work
  - permitting
  - securing the Declaration of Mine Feasibility (DMF)
  - land access negotiations
  - establishment of the detailed project development schedule and cost estimate
  - preparation of early site establishment contracts
- The programme, including the drilling of an additional 13,400m of diamond core and RC holes to convert additional of the in-pit geological resource into reserve status, is advancing well and will be reported as appropriate
- In parallel a 2,000m programme of diamond drilling has been completed to assess an area identified as a future waste dump. This work has satisfactorily sterilised the area for use as a waste dump
At the completion of the in-pit drilling programme, step out drilling from the northern and southern boundaries of the proposed pit will be undertaken to test zones of gold mineralisation recently identified by the in-pit work.

Since 30 June 2010 – Offer by Solomon Capital Limited (“Solomon”) and Funding:

- A cash offer of 13 pence per share for the entire issued and to be issued share capital of the Company (the "Offer") was announced on 23 July 2010 and posted to shareholders on 20 August 2010 by Solomon, the Company’s major shareholder.
- On 19 August 2010 the Company entered into a £2 million on demand loan facility with Solomon.
- Solomon declared the Offer wholly unconditional on 6 September 2010.
- The Company was informed on 17 September 2010 that certain independent shareholders had made a submission to the Takeover Panel expressing concerns that a Concert Party may have been in existence prior to the Offer resulting in potential breaches of the Takeover Code.
- On 27 September 2010 Solomon announced that it had received valid acceptances of the Offer representing approximately 64.16 per cent. of the issued share capital of the Company.
- On 1 October 2010 trading in the Company’s shares on AIM was temporarily suspended due to the Company being unable to publish its Interim Results for the six months to 30 June 2010 as a result of uncertainty over its future funding position.
- On 27 October 2010 Jonathan Beardsworth stepped down as Managing Director of the Company, remaining on the Board as an independent Non-Executive Director.
- On 12 November 2010 the Company entered into a £13 million facility agreement with a company related to Solomon. The facility provides that at any time after 8 December 2010 any amounts drawn under the facility can be converted into fully paid ordinary shares of the Company at a conversion price of 13 pence per share.
- The facility also allows the Directors to be satisfied that the Company is a going concern in relation to the Interim Accounts for the six month period ended 30 June 2010, and consequently the suspension of the Company’s shares from trading on AIM is expected to be lifted with effect from 7.30 a.m. on 16 November 2010.

At this time the Offer remains open for acceptances until further notice.

Chairman’s Statement

I am pleased to present this Interim Report for the six month period ended 30 June 2010.

Offer by Solomon

As shareholders will already be aware, a cash offer of 13 pence per share for the entire issued and to be issued share capital of the Company was made on 20 August 2010 by our major shareholder, Solomon. Full details of the Offer are contained within the Offer Document and the supporting documents, all of which are available on the Metals Exploration website at www.metalsexploration.com/solomon-offer.
On 6 September 2010, Solomon announced that the acceptance condition of the Offer had been satisfied. As the acceptance condition was the only condition, the Offer was declared wholly unconditional.

Further, on 17 September 2010, it was announced that the Independent Director, Jonathan Beardsworth had been informed that certain independent shareholders had made a written submission to the Takeover Panel expressing concerns that a concert party comprising, amongst others, Solomon and Reef Securities Limited was in existence at the time of the subscription by Solomon for ordinary shares in the Company in January 2009 and/or in May and July 2009 and that these subscriptions were in breach of Rule 9 of The Takeover Code. The full statement is available on the Company website within the Company News area: www.metalsexploration.com/company-news.

If the Panel were to rule that a breach of Rule 9 had occurred at any of these times, a mandatory bid obligation may be triggered at a price higher than 13 pence per share, the current Offer price. Pending the outcome of this review, which may take some time to resolve, the Panel has required of Solomon that it makes no purchases in the market of Metals Exploration shares (save for in relation to valid acceptances of the Offer) and that the Offer shall remain open for acceptance until further notice. This remains the current status.

On 27 September 2010, Solomon announced that as at 1.00 p.m. on 24 September 2010, the total number of Metals Exploration Shares held by Solomon and persons acting in concert with it, together with those in respect of which valid acceptances of the Offer had been received, was 173,056,303 Metals Exploration shares, representing approximately 64.16 per cent. of the issued share capital.

**Solomon £2 million Loan Facility**

On 19 August 2010 the Company entered into an on demand facilities agreement with Solomon for an amount of £2 million, details of which are contained in the announcement of the Offer on 20 August 2010 and in the Offer Document.

**Suspension of Trading of the Company's Shares on AIM**

Trading in the Company's shares on AIM was temporarily suspended on 1 October 2010. The suspension was due to the Company being unable to publish its Interim Results for the six months ended 30 June 2010 by 30 September 2010 in accordance with the AIM Rules for Companies as a result of uncertainty over the Company’s future funding position. With the publication of these interim results, the suspension of the shares from trading on AIM is expected to be lifted with effect from 7.30 a.m. on 16 November 2010.

**Shelfco 724 Limited (“Shelfco”) £13 million Convertible Loan Facility and Restoration of Trading on AIM**

On 12 November 2010 the Company entered into a convertible facility agreement with Shelfco, a related company of Solomon, for an amount of £13 million (the “Facility”).

The Facility provides sufficient funds for the Company to discharge the existing £2 million loan facility from Solomon and for the Directors to be satisfied that the Company is a going concern in relation to the interim accounts for the six month period ended 30 June 2010.

The Facility provides that at any time after 8 December 2010 and during the term of the Facility, Shelfco at its absolute discretion may convert all or part of the drawn amount plus any accrued interest into fully paid ordinary shares of the Company at a conversion price of 13 pence per share.

**Executive Management Change**
Following the Offer being declared unconditional, Jonathan Beardsworth stepped down as Managing Director of the Company effective from 27 October 2010. This was contemplated in paragraph 9 of his Independent Director’s letter contained in the Offer document. Mr. Beardsworth has agreed to continue to sit on the Board as an Independent Non-Executive Director. At this time it is not intended that Mr. Beardsworth be replaced in his executive capacity.

Operations

In the eight months since my last report the Company has continued to make good progress on the ground, with the award of the Environmental Compliance Certificate ("ECC") for the Runruno project, the completion of the Feasibility Study and the award of various other registrations and approvals required to move the project forward to a "developable status".

In March the ECC was signed by the Acting Secretary of the Department of Environment and Natural Resources, after a positive review of the application, certifying that the proposed project will not cause significant negative environmental impact. The ECC was only issued after satisfactory evaluation of the project’s Environmental Impact Statement ("EIS") by the Philippine Environmental Management Bureau, and it should be noted that under the ECC the Company is committed to implement measures presented in the EIS to protect and mitigate against any adverse impacts on the health and welfare of the community and the environment.

The process was conducted with the full participation and involvement of the local community. Securing the ECC was a significant milestone following the award of the Financial or Technical Assistance Agreement in October 2009, demonstrating continued support from the Philippine Government for the development of the Runruno project.

In early May the Company announced the completion of the Feasibility Study, based on a mineable reserve prepared by Mining Associates with an open pit mining operation and biological leaching using the proven BIOX® process combined with conventional carbon in leach treatment to recover gold to doré bullion and molybdenum to a saleable molybdenum product. The Study confirmed the viability of the Runruno project, forecasting average production of 96,700 ounces of gold per annum over a mine life of 10.4 years. The capital cost is forecast to be US$149.3 million (providing payback within 3.5 years at a US$1,000 gold price) with an ungeared, post-tax IRR of 20%. The average forecast operating cost sits below the mid-point of the current gold cost curve at $477 per ounce of gold. In addition, the Company was able to declare a Proven and Probable Mining Reserve of 780,000 ounces of gold for the first time.

In August 2010 the Company commenced a programme of work to advance the Runruno project towards a "developable status". This work includes in-fill drilling within the identified pit boundary, supplementary metallurgical test work for design purposes, additional molybdenum recovery test work, detailed geotechnical assessment of ground conditions, engineering design work, permitting, securing the Declaration of Mine Feasibility (DMF), land access negotiations, establishment of the detailed project development schedule and cost estimate, and preparation of early site establishment contracts. The programme, including the drilling of an additional 13,400m of diamond core and RC holes to convert additional of the in-pit geological resource into reserve status, is advancing well and will be reported as appropriate.

In parallel a 2,000m programme of exploratory diamond drilling has been completed to assess a structure considered to be potential for molybdenum and gold mineralisation in an area identified as a future waste dump. This work has satisfactorily sterilized the area for use as a waste dump.

At the completion of the in-pit drilling programme step out drilling from the northern and southern boundaries of the proposed pit will be undertaken to test zones of gold mineralisation recently identified by the in-pit work.

I am looking forward to a productive six month period as we ready the Runruno project for a "sanction to develop".
Consolidated statement of total comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>6 month period ended 30 June 2010 (unaudited)</th>
<th>6 month period ended 30 June 2009 (unaudited)</th>
<th>year ended 31 December 2009 (audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Continuing Operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Gross loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(1,661,852)</td>
<td>(1,807,547)</td>
<td>(4,319,534)</td>
</tr>
<tr>
<td>Analysed as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign exchange gains/(losses)</td>
<td>3</td>
<td>165,534</td>
<td>(75,222)</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>(1,827,387)</td>
<td>(1,732,325)</td>
<td>(4,222,774)</td>
</tr>
<tr>
<td>Total administrative expenses</td>
<td>(1,661,853)</td>
<td>(1,807,547)</td>
<td>(4,319,534)</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance income</td>
<td>37,711</td>
<td>3,057</td>
<td>215,257</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(90,855)</td>
<td>(99,346)</td>
<td>(191,932)</td>
</tr>
</tbody>
</table>

I R Holzberger
Executive Chairman
16 November 2010

Enquiries:

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Loss before taxation  
(1,714,997)  (1,903,836)  (4,296,209)

Taxation  
—  —  —

Loss for the period  
(1,714,997)  (1,903,836)  (4,296,209)

Other comprehensive income:
Exchange differences on translating foreign operations  
281,120  (858,024)  487,479

Total comprehensive (loss) for the period  
(1,433,877)  (2,761,860)  (3,808,730)

Loss for the period attributable to:  
Equity holders of the parent  (1,620,536)  (1,810,288)  (4,049,549)
Non-controlling interests  (94,461)  (93,548)  (246,660)

Total comprehensive (loss) attributable to:  
Equity holders of the parent  (1,379,738)  (2,577,999)  (3,639,617)
Non-controlling interests  (54,139)  (183,861)  (169,113)

Loss per share:  
Basic and diluted 4  (0.60)p  (1.04)p  (1.87)p

Consolidated interim balance sheet

<table>
<thead>
<tr>
<th></th>
<th>As at 30 June 2010 (unaudited)</th>
<th>As at 30 June 2009 (unaudited)</th>
<th>As at 31 December 2009 (audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,080,260</td>
<td>1,175,384</td>
<td>1,211,672</td>
</tr>
<tr>
<td>Goodwill</td>
<td>1,010,816</td>
<td>1,010,816</td>
<td>1,010,816</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>21,496,952</td>
<td>13,194,077</td>
<td>18,798,427</td>
</tr>
<tr>
<td>Investments designated at fair value through profit and loss</td>
<td>-</td>
<td>334,378</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>626,902</td>
<td>456,852</td>
<td>541,007</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24,214,930</td>
<td>16,171,507</td>
<td>21,561,922</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments designated at fair value through profit and loss</td>
<td>-</td>
<td>-</td>
<td>405,396</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>274,198</td>
<td>498,203</td>
<td>2,142,112</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,584,625</td>
<td>5,643,226</td>
<td>3,403,812</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,858,823</td>
<td>6,141,429</td>
<td>5,951,320</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(598,428)</td>
<td>(584,122)</td>
<td>(755,730)</td>
</tr>
</tbody>
</table>
Net current assets

1,260,395 5,557,307 5,195,590

Non-current liabilities

Long-term borrowings

(2,000,000) (2,000,000) (2,000,000)

Net assets

23,475,325 19,728,814 24,757,512

Equity

Share capital

2,697,163 2,150,724 2,697,163

Share premium account

28,783,007 23,414,449 28,783,007

Shares to be issued reserve

2,871,366 2,559,105 2,719,676

Translation reserve

3,398,756 1,980,315 3,157,958

Profit and loss account

(14,600,179) (10,740,382) (12,979,643)

Equity attributable to equity holders of the parent

23,150,113 19,364,211 24,378,161

Non-controlling interests

325,212 364,603 379,351

Total Equity

23,475,325 19,728,814 24,757,512

Consolidated interim statement of changes in equity

<table>
<thead>
<tr>
<th>Share capital</th>
<th>Share premium account</th>
<th>Shares to be issued reserve</th>
<th>Translation reserve</th>
<th>Minority interest</th>
<th>Profit and loss account</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Balance as at 1 January 2009</td>
<td>1,122,838</td>
<td>15,503,969</td>
<td>2,287,969</td>
<td>2,748,026</td>
<td>548,464</td>
<td>(8,930,094)</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(93,548)</td>
<td>(1,810,288)</td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(767,711)</td>
<td>(90,313)</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive loss for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(767,711)</td>
<td>(183,861)</td>
<td>(1,810,288)</td>
</tr>
<tr>
<td>Description</td>
<td>1 January 2010</td>
<td>1 July 2009</td>
<td>30 June 2009 (unaudited)</td>
<td>Balance as at 1 January 2010</td>
<td>31 December 2009 (audited)</td>
<td>Balance as at 30 June 2009 (unaudited)</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
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<td>---------------------------</td>
<td>--------------------------</td>
<td>----------------------------</td>
<td>-----------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>Movement in share based payments</td>
<td>-</td>
<td>-</td>
<td>271,136</td>
<td>-</td>
<td>-</td>
<td>271,136</td>
</tr>
<tr>
<td>Issue of equity share capital</td>
<td>1,027,886</td>
<td>8,415,489</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,443,375</td>
</tr>
<tr>
<td>Share issue expenses</td>
<td>-</td>
<td>(505,009)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(505,009)</td>
</tr>
<tr>
<td>Balance as at 30 June 2009 (unaudited)</td>
<td>2,150,724</td>
<td>23,414,449</td>
<td>2,559,105</td>
<td>1,980,315</td>
<td>364,603</td>
<td>(10,740,382)</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(153,112)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>1,177,643</td>
<td>167,860</td>
<td>-</td>
<td>1,345,503</td>
</tr>
<tr>
<td>Total comprehensive income/(loss) for the period</td>
<td>-</td>
<td>-</td>
<td>1,177,643</td>
<td>14,748</td>
<td>-</td>
<td>(2,239,261)</td>
</tr>
<tr>
<td>Movement in share based payments</td>
<td>-</td>
<td>-</td>
<td>160,571</td>
<td>-</td>
<td>-</td>
<td>160,571</td>
</tr>
<tr>
<td>Issue of equity share capital</td>
<td>546,439</td>
<td>5,716,616</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,263,055</td>
</tr>
<tr>
<td>Share issue expenses</td>
<td>-</td>
<td>(348,058)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(348,058)</td>
</tr>
<tr>
<td>Balance as at 31 December 2009 (audited)</td>
<td>2,697,163</td>
<td>28,783,007</td>
<td>2,719,676</td>
<td>3,157,958</td>
<td>379,351</td>
<td>(12,979,643)</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(94,461)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>240,798</td>
<td>40,322</td>
<td>-</td>
<td>281,120</td>
</tr>
</tbody>
</table>
income

Total comprehensive income/(loss) for the period

Movement in share based payments

Balance as at 30 June 2010 (unaudited)

Consolidated interim cash flow statement
Proceeds from sale of property, plant and equipment  -  -  30,571

Net cash used in investing activities
(2,018,988) (2,898,259) (7,842,631)

Financing activities
Proceeds from issue of share capital - 8,938,366 14,853,363

Net cash from financing activities - 8,938,366 14,853,363

Net (decrease)/increase in cash and cash equivalents
(1,532,648) 4,951,643 2,728,841

Cash and cash equivalents at beginning of period 3,403,812 731,313 731,313

Foreign exchange differences (286,539) (39,730) (56,342)

Cash and cash equivalents at end of period 1,584,625 5,643,226 3,403,812

Notes to the consolidated interim financial statements

1. General information

Metals Exploration plc is the parent company of the Group. Its shares are listed on the AIM market of the London Stock Exchange. The registered address of Metals Exploration plc is 200 Strand, London, WC2R 1DJ.

These consolidated interim financial statements were approved by the Board of Directors on 15 November 2010.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group’s statutory accounts for the year ended 31 December 2009 which were prepared under International Financial Reporting Standards (“IFRS”) as adopted for use in the European Union, were filed with the Registrar of Companies. The auditors reported on these accounts, their report was unqualified and did not include reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and, did not contain any statements under Section 498 (2) or Section 498 (3) of the Companies Act 2006.

2. Basis of preparation

These consolidated interim financial statements are for the six month period ended 30 June 2010. They have been prepared in accordance with IFRS as adopted for use in the European Union with the exception of IAS 34: Interim Financial Reporting. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Board of Directors expect to be applicable as at 31 December 2010.

These financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments.
3. Foreign exchange gains and losses

Foreign exchange gains and losses on intercompany balances between the Company and its subsidiaries are taken to the translation reserve within equity on consolidation.

4. Loss per share

The loss per share was calculated on the basis of net loss attributable to equity shareholders divided by the weighted average number of ordinary shares.

<table>
<thead>
<tr>
<th></th>
<th>6 month period ended 30 June 2010 (unaudited)</th>
<th>6 month period ended 30 June 2009 (unaudited)</th>
<th>year ended 31 December 2009 (audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss</td>
<td>(1,620,536)</td>
<td>(1,810,288)</td>
<td>(4,049,549)</td>
</tr>
<tr>
<td>Number of shares</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted average number of ordinary shares for the purpose of basic and diluted loss per share</td>
<td>269,716,344</td>
<td>173,368,944</td>
<td>216,822,635</td>
</tr>
<tr>
<td>Basic and diluted loss per share</td>
<td>(0.60)p</td>
<td>(1.04)p</td>
<td>(1.87)p</td>
</tr>
</tbody>
</table>

The basic and diluted loss per share is the same, as the exercise of share options and warrants would reduce the loss per share and therefore, are anti-dilutive.