METALS EXPLORATION PLC
(the "Company")

Runruno Gold Project Update

Metals Exploration plc (AIM: MTL) today reports that, as a consequence of continued delays in realising revenue from its Runruno project and the debt restructuring discussions continuing longer than expected, the Company now requires additional funding for general working capital purposes without delay.

Management is currently in discussions with its major shareholders to raise additional working capital, but no agreement has been reached at this time. A further announcement will be made in the near future.

Since restarting the SAG mill after repairs to the feed end trunnion bearing in mid-July, "testing and debugging" operations as part of ore commissioning and plant ramp-up have proceeded satisfactorily with gold pours occurring on a weekly basis. The BIOX® circuit has commenced its ramp-up schedule with high levels of biological activity being achieved. It is expected to begin feeding product into the CIL circuit in around two weeks. The Company is currently working through the conditions of its Financial or Technical Assistance Agreement and the procedures set by the regulatory authorities to achieve first gold shipment and consequently first sale. Revenue from the first sale of gold is expected late in September.

The Company also continues its discussions with the Runruno project's lenders to restructure the Runruno US $75,000,000 debt facility and $8,000,000 cost overrun facility having failed to make the required US$15,000,000 capital payment due on 30 June, 2016 as advised in the Company's announcement to the market on 30 June, 2016. Currently the Company is required to pay the interest accruing on the outstanding US$15,000,000 capital payment on a monthly basis.

For further information please visit or contact www.metalsexploration.com
This information is provided by RNS
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