

METALS EXPLORATION PLC

Metals Exploration plc (AIM: MTL) ("Metals Exploration" or the "Company"), the natural resources exploration and development company with assets in the Pacific Rim region.

Funding and Banking Update - Debt Standstill Requested

Further to the Company's announcement dated 6 March 2019, Metals Exploration announces that in a further meeting with its lenders, HSBC and BNP Paribas (the "**Senior Lenders**"), the Company formally requested that the Senior Lenders grant the Company a standstill, for a period and on terms and conditions to be agreed, (the "**Standstill**") during which time the Company would be relieved of making any payments under or in relation to its Runruno Facility Agreement (the "**Senior Facility**"). The Company considers that the Standstill is critical in order to provide it with the time needed to negotiate a restructuring of the Senior Facility that more realistically reflects the business and prospects of the Company.

The Company also advises that it intends to seek a similar standstill agreement with its major shareholders, MTL Luxembourg SARL and Runruno Holdings Ltd, the holders of its mezzanine debt (the "Mezzanine Debt Facilities") and to commence discussions with them to renegotiate the terms of the Mezzanine Debt Facilities. Interest and fees payable on Mezzanine Debt Facilities will continue to be accrued. Similarly the Company's objective is to agree debt terms with respect to the Mezzanine Debt Facilities that are realistic in light of the financial condition and prospects of the Company.

The Company believes amendments to the terms of both the Senior Facility and Mezzanine Debt Facilities are required to enable the Company to continue its operations on a sustainable basis.

Should the Senior Lenders not agree to the Standstill by 31 March 2019 then the principal and interest payments in relation to the Senior Facility that will become due and payable are:

• Overdue principal payments	USD35.14 million
• Principal payment due on 31 March 2019	USD8.1 million
• Interest for the period 1 February to 31 March, due on 31 March 2019 (estimate)	USD0.875 million
• Total payment due ¹	USD44.115 million

The Company confirms that it currently does not have the resources to make these payments.

A further announcement will be made, as appropriate, in due course.

¹ The announcement on 6 March 2019 stated the amount due at the end of March 2019 in the event no agreement was reached with the Senior Lenders was \$35.14 million. Please note this announcement did not include the additional principal payment scheduled for 31 March 2019 and interest for the period 1 February to 31 March due also on 31 March 2019. The total payment due of US\$44.115 million should be considered the revised figure.

This Announcement contains inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 ("MAR"). Upon the publication of this Announcement, this inside information is now considered to be in the public domain.

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