

METALS EXPLORATION PLC

Posting of Annual Report and Notice of AGM

Metals Exploration plc (AIM: MTL) ("**Metals Exploration**" or the "**Company**"), the natural resources exploration and development company with assets in the Pacific Rim region, announces that the Company's Annual Report and Accounts for the year ended 31 December 2019, together with the notice of the Company's annual general meeting ("**AGM**") have been posted to shareholders and are available on the Company's website at <https://metalsexploration.com/>

The AGM of the shareholders of the Company will be held on at 10.00am on 16 October 2020 at 200 Strand, London WC2R 1DJ and at any adjournment thereof. As a result of measures introduced by the UK government to combat the ongoing COVID-19 pandemic, shareholders will not be permitted to attend in person. Any shareholder that seeks to attend the AGM in person will be prevented from doing so.

Set out below are the Resolutions that will be put to shareholders at the Company's AGM.

Resolution 1 - Receiving and adopting the Accounts

The Board recommends the receiving and adopting of the accounts for the year ended 31 December 2019, together with the Reports of the Directors and the Auditors.

Resolutions 2 - Re-election of Director

The Board recommends the re-election of Darren Bowden as a Director who retires by rotation under the Company's Articles of Association, and, being eligible, offers himself for re-appointment.

Resolution 3 - Auditors' re-appointment and remuneration

The resolution relating to the auditors' reappointment and remuneration is usual business for the Annual General Meeting.

Resolution 4 - Amendments to the Articles of Association

Resolution 4 is a special resolution to amend the Company's articles of association principally as a result of its intention to replace the existing Subscription and Shareholders' Agreement between, amongst others, the Company, Runruno Holdings Ltd ("RHL") and MTL Luxemburg S.a.r.l ("MTLL"), (the "2011 SHA") (in connection with which, the Company will also enter into new relationship agreements with each of RHL and MTLL, as part of the Proposed Debt Restructuring summarised above). In addition, the Board is also taking the opportunity to update the articles of association, for best practice following the impact of the Covid-19 pandemic, to introduce greater flexibility in the way that the Company may hold general meetings going forward.

As announced on 8 September 2020, it is a condition precedent to the Proposed Debt Restructuring, that the amendments to the Company's articles of association proposed pursuant to resolution 4 be approved. Accordingly, if resolution 4 is not passed at the AGM, the Proposed Debt Restructuring will not take place and the 2011 SHA will remain in place. In such circumstances, the Group would remain in default under its Senior Facility, would not have sufficient liquidity to fully repay the Senior Facility or the Mezzanine Debt and, as a result, admission of the Company's shares to AIM is likely to be cancelled, which will, inter alia, significantly reduce the liquidity and marketability of the Company's shares.

A copy of the updated articles of association, showing the changes made to the existing articles of association, will be made available on the Company's website (www.metalsexploration.com) and copies are available upon request from the Company.

The proposed amendments to the Company's articles of association include the following:

- the Board shall be made up of one director appointed by each of RHL and MTLL, pursuant to their rights under a relationship agreement proposed to be entered into by each of RHL and MTLL with the Company, and at least one director which is independent of RHL and MTLL. However, if either RHL's or MTLL's relationship agreement has ceased to be in full force and effect, RHL or MTLL (as applicable) shall cease to appoint a director and in such circumstances the Board shall be made up not be less than two directors (comprising the director appointed by the counterparty whose relationship agreement remains in force and effect and at least one independent director);
- to amend the quorum required for a valid meeting of the Board so that both the RHL Director and the MTLL Director must be present, unless they are conflicted from voting on the relevant matter (pursuant to the conflict of interest provisions referred to below) or the meeting is required to deal with certain specified emergency matters;
- neither of the RHL Director or the MTLL Director shall be required to retire at an annual general meeting. However, each of the other directors at such time shall be required to retire (and may offer themselves for re-election) at each annual general meeting;
- the Board shall not be entitled to appoint a person to be a director, whether to fill a vacancy or as an addition to the existing Board, save where it has obtained the prior approval of each of RHL and MTLL in respect of such appointment; and
- the conflict of interest provisions be amended to enable a director's interest that would otherwise conflict with his duties pursuant to the Companies Act 2006, to be authorised by the non-interested directors (subject to such conditions as they may impose) and for questions over whether or not a conflicting interest exists in respect of the RHL Director or MTLL Director, to be resolved through a third party determination process.

These amendments would apply with effect from, and for so long as, the proposed relationship agreement between the Company and each of RHL and MTLL, respectively (as referred to in the Company's announcement on 8 September 2020), come into and remain in force in accordance with their terms. The relationship agreements are to remain in force whilst RHL or MTLL (as the case may be) or its connected parties hold 10% or more of the voting rights of the Company.

In addition, it is proposed that the articles of association be amended to:

- allow for general meetings to be held by means of an electronic platform, in addition to physical meetings being able to be held in multiple locations; and
- increase the maximum aggregate fees that may be paid to the Directors from £200,000 per annum to £400,000 per annum (or such higher amount as the Company may determine by ordinary resolution from time to time).

For further information please visit www.metalsexploration.com or contact:

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