



AGM Presentation

15 June 2017

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METALS EXPLORATION - OVERVIEW



LSE - AIM code

MTL

Shares Issued

2,071,334,586

Market Capitalisation (13 June 2017)

GBP 59.65 m

Net debt (13 June 2017)

US\$ 85 m

Forward sales

37,500 ozs

Major Shareholders

MTL Luxemburg	46.9%
Runruno Holdings	19.0%
Baker Steel	6.9%
Ruffer	6.7%

Nomad and Broker

Canaccord Genuity

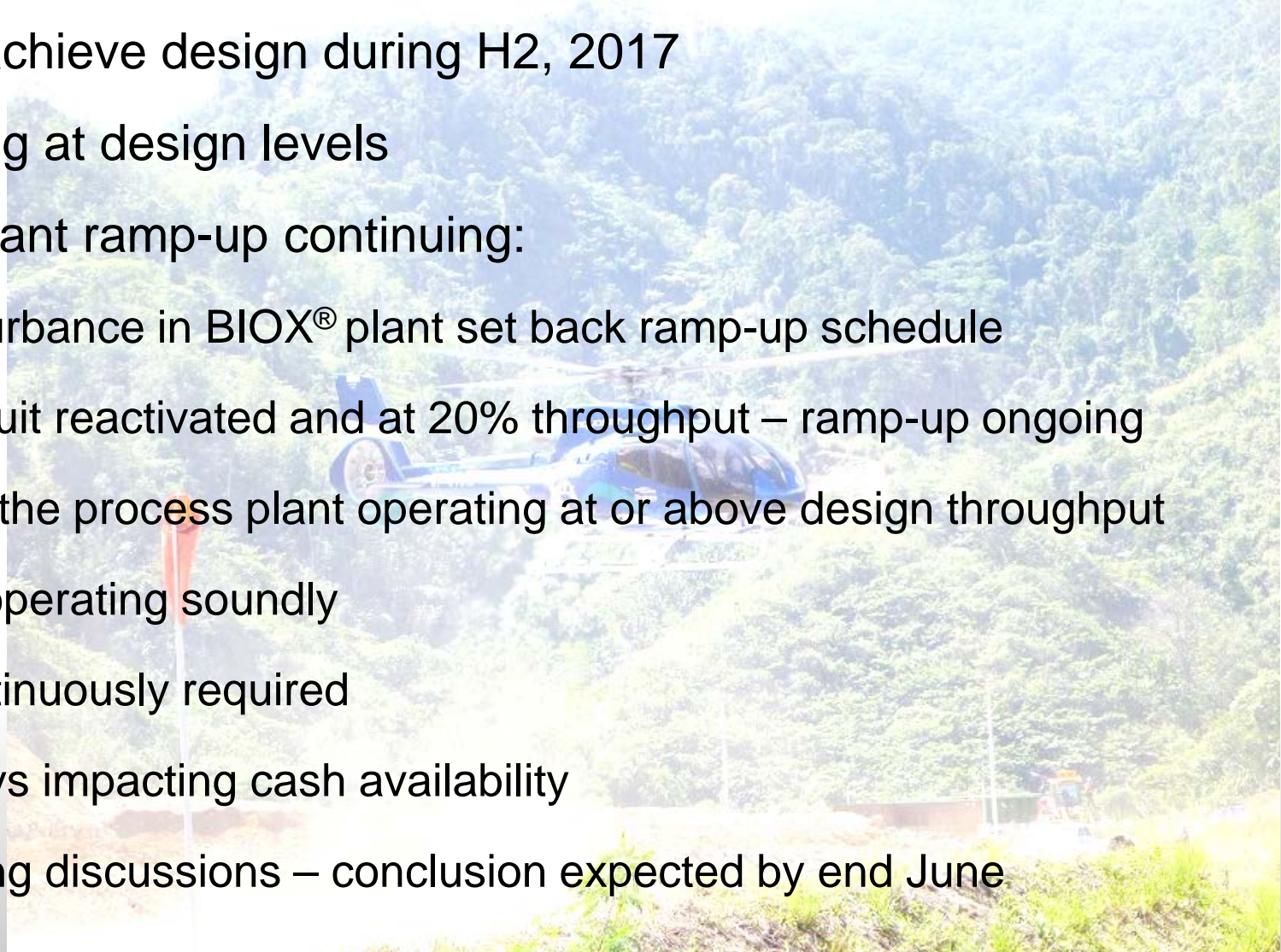
RUNRUNO GOLD MINE - SNAPSHOT

- Wholly owned Philippine gold mine
- Commissioned in June 2016
- In ramp-up but behind schedule
 - Mine now at design, operating soundly
 - Process plant ramping up, BIOX[®] remaining circuit to achieve design
 - Infrastructure support – operating to design
- Initial mine life 10.3 years
- Payable production 1.06 million ozs gold
- Ave. annual production 96.7k ozs gold
- Surface cut and fill mining operation
- BIOX[®] and CIL processing to recover gold dorè



RUNRUNO GOLD MINE – STATUS

- Targeting to achieve design during H2, 2017
- Mine operating at design levels
- Processing plant ramp-up continuing:
 - recent disturbance in BIOX[®] plant set back ramp-up schedule
 - BIOX[®] circuit reactivated and at 20% throughput – ramp-up ongoing
 - Balance of the process plant operating at or above design throughput
- Infrastructure operating soundly
- Permitting continuously required
- Ramp-up delays impacting cash availability
- Ongoing funding discussions – conclusion expected by end June



- Challenging year of milestones and setbacks
- First gold poured in June 2016
- 16,552 ozs produced to 31 March 2017, behind target
- Internal and external factors delayed commissioning and ramp-up
 - Mill failure
 - Additional works required arising out of remediation of the impacts of typhoon Lando
 - Regulatory and compliance environment
 - Delay in issue of 3rd tree cutting permit
 - Constraints caused by extended wet period and outstanding tree cutting permit
- Rescheduled Project debt
- Four share placements to raise working capital
- Changing jurisdiction resulting in industry uncertainty

- Slower than forecast ramp-up has caused cash constraints
- Project facility rescheduled in December 2016
- Four share placements raised US\$ 24 million applied to working capital
- March principal payment deferred paid over 3 months April, May and June
- Short term loan provided by major shareholders drawn May
- Mezzanine debt styled facility to provide working capital and fund payments due to senior lenders in discussion
- Reasonably expected that Mezzanine facility will be in-place by end June



Mining Method

- surface cut and fill operation
- excavator and truck mining
- limited blasting
- owner mining
- local contractor support
- grade control by in-pit drilling

Current Status

- operating to design, +950,000 tonnes per month
- permanent overflow waste dump to be developed

PROCESSING

Processing Circuit:

- BIOX[®] based circuit to recover gold from refractory sulphidic ores
- Design recovery 91%
- Throughput 4,800 tpd

Current status:

- Ramping-up
- Throughput over design
- Recovery approx. 45% of design
- Crushing and grinding operating over design
- Gravity at design
- Flotation throughput at design, recovery at 90%
- BIOX[®] recovering from inhibition at 20% throughput
- Balance of circuit at design



INFRASTRUCTURE

Infrastructure operating to design;

- Residual storage impoundment
- Power
- Camp
- Road access



International standard design

- Surface cut and fill mining – waste to be placed in mine and rehabilitated
- Three stage waste neutralisation incorporated in processing – chemically compliant within plant
- Progressive rehabilitation practiced
- Forest re-establishment – facilitated planting of 1.75 million saplings
- ISO 14001:2015 compliant



Runruno meets and in some cases exceeds all applicable standards

COMPLIANCE

Compliant in a highly regulated jurisdiction

- Permitting
- Social programs
- Environmental performance
- International operating standards
- Regular auditing by regulators on quarterly basis



- Safe working culture with international standard performance
- Zero harm environment practiced
- Active engagement at all levels of government and community
- Focus on sustainable development programs in:
 - Health
 - Education
 - Capacity building
 - Community development and empowerment
 - Enterprise development, improvement and networking
 - Infrastructure development
 - Preservation and respect of socio-cultural values

