

7 August 2015

METALS EXPLORATION PLC

COMMISSIONING AND FUNDING UPDATE

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 it has entered into the staged commissioning of the Runruno Processing Plant and the general pre-operations phase of the project following substantial completion of construction of the Process Plant. Construction of the stage one phase of the residual storage impoundment (“**RSI**”) construction has been finalised and by mid-August 2015 will be near complete to stage two of construction, weather dependent. Surpassing stage one was necessary for operations to commence. The discharge pipe to the RSI and the return water pipe from the RSI, together with the Project discharge permit are the final requirements for the RSI to be operational. As at the date of this announcement construction of the pipeline is well advanced but its completion is dependent on permitting by the responsible Government Agencies.

Currently commissioning is proceeding within the following areas of the Process Plant; ROM crusher, apron feeder, conveyors, mill and gravity, flotation cells, air services, switch-rooms, cooling towers and water services. The remainder of the plant is schedule to become progressively available for commissioning by the end of August. The technical aspects of commissioning are proceeding well and no material defects have been identified. Permitting required to bring the Process Plant into operation is proving to be a very significant task in excess of what was previously anticipated. These permits are largely driven by the issue of the ‘as built’ details of the Process Plant. Good progress has been made but the dimension of the task and details required have added to the timeframe and cost involved.

The project cannot proceed from commissioning into operations without first having obtained all necessary permits, and because the timing is largely unknown at this juncture the Company is not in a position to forecast when this will be achieved. This has a consequential time and cost impact on the Project not previously anticipated, such that the Company now requires immediate additional funding for general working capital purposes. Management is currently in talks with its major shareholders to ensure ongoing support for the Company, but no agreement has been reached at this time. A further announcement will be made in the near future.

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

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