

CORPORATE UPDATE - OCTOBER 2015



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PHILIPPINE FOCUSED – PRODUCTION IMMINENT

SHARE CAPITAL (12 October 2015)

➤ Issued ordinary shares	1,483,005,357
➤ Unlisted options	7,235,000
➤ Market Capitalisation (12 October April)	£ 50 million

PROJECT FUNDING

- Shareholder equity \$US 122 million (inc. working capital)
- Project debt package \$US 83 million
 - Construction funding \$US 70 million
 - Capitalised interest during construction \$US 5 million
 - Over-run facility \$US 8 million
 - Lenders HSBC & BNP Paribas

GOLD HEDGING (debt linked)

- 30% of production during term of loan
- Maximum of 105,000 ozs rolling hedge
- 90,000 ozs sold over 3 years ave. price \$US 1,289 / oz
- 7,500 ozs closed out

QUOTED

- AIM – London Stock Exchange
- Code – MTL

KEY SHAREHOLDERS - % HOLDING (28 April 2015)

➤ MTL Luxembourg	49.96%
➤ Runruno Holdings	19.30%
➤ Ruffer	13.56%
➤ Baker Steel	7.27%
➤ Investec Wealth & Investment Ltd	4.05%
➤ Minor shareholders	<u>5.87%</u>
	100.00%

DIRECTORS & MANAGEMENT

- Ian Holzberger – Executive Chairman
- Tim Dean - Non Executive Director
- Julian Wilson - Non Executive Director
- Guy Walker - Non Executive Director
- Edwurd Simovici- Non Executive Director
- Jeremy Ayre - Non Executive Director

- Liam Ruddy – Company Secretary & GM Commercial
- John Stubbs – CFO
- Craig Watkins - Country Manager – Philippines
- Atty Rosalie Barrameda – Corporate Counsel

BROKER

- S.P. Angel Corporate Finance LLP

NOMAD

- Westhouse Securities Limited

Share Placement

- \$US 5.0 million raised via placing 108,033,333 ordinary shares at 3p to MTL Luxembourg S.a.a.I, Runruno Holdings Limited, Ruffer LLP.

Open Offer

- Up to 100,000,000 offered at 3p to Qualifying Shareholders at ratio of 100 shares for each 255 existing shares held
- Major shareholders MTL Luxembourg S.a.a.I, Runruno Holdings Limited, Ruffer LLP waived their right to participate
- Over entitlement application available
- Potential to raise up to \$US 4.6 million
- Offer closes 23 October 2015
- Subject to shareholder approvals at General Meeting – 15 October 2015

Debt Facility

- Discussions with major shareholders for provision of debt facility of up to \$US 5.0 million
- Provides contingency funding

Use of Funds

- Funding commissioning and ramp-up of Runruno project to positive cash-flow

RUNRUNO GOLD PROJECT – COMMISSIONING

- 100% owned Runruno Gold Project
- Staged commissioning of the process plant near complete
- Operational permitting well advanced
- Production forecast to commence Q4 2015, ramp-up Q4-Q1 2016
- Strong major shareholder support - MTL (Luxembourg) s.a.r.l, Runruno Holdings, CF Ruffer, Baker Steel, Investec
- Runruno 100% owned - Financial or Technical Assistance Agreement (FTAA)
- Key permits issued, operational and occupancy permits in progress
- Feasibility and optimisation studies show a financially robust project:
 - Initial mine life 10.3 years
 - Payable production 1,006,000 ozs gold
 - Ave annual production 96,700 ozs
 - Average operating cost US\$ 474 / oz gold
 - Proven and probable reserve contains 1.06 million ozs of gold, resource including reserves contain 1.73 million ozs of gold



Mine area

PHOTOGRAPHIC UPDATE

RSI – STAGE 2 WALL



TAILING and RETURN WATER PIPELINE – SULONG BRIDGE



MINE DEVELOPMENT – RSI in BACKGROUND



MINE DEVELOPMENT – ORE BLOCKS EXPOSED IN FLOOR



MINE DEVELOPMENT – LOOKING NORTH



MINE from PROCESSING PLANT



PROCESS PLANT – FROM MINE PIT



CRUSHING, FLOTATION, GRINDING, CIL, BIOX



***GRINDING and GRAVITY, HEAVY VEHICLE WORKSHOP
in BACKGROUND***



NEUTRALISATION, CCD, BIOX



GOLD ROOM



OPERATIONAL MANAGEMENT TEAM

➤ *Experienced Operational Team*

- General Manager Runruno Operations – Peter Storey
 - Technical Services Superintendent – Michael James
 - Mine Production / Training Superintendent – Colin Smith
 - Manager Mobile Maintenance – Gary Cooper
 - Senior Mine Geologist – Janice Azares-Wayan
 - Chief Surveyor – Gilbert Ramos
 - Geotechnical Superintendent – Marco Montes
 - General Manager Processing – Nick Holder
 - Manager Fixed Plant Maintenance – Peter Ralston
 - Process Engineer – Jeff Jardine
 - Manager Site Services – Evangiline Gardon
 - Environment and Safety Manger – Joel Fernandez
 - HR Manager – Atty Tom Bacarac
 - Manager Purchasing – Keith Brown

RUNRUNO PROJECT OUTLINE

- Environment Protection and Enhancement
 - Environmental monitoring
 - Slope stabilisation and rehabilitation of disturbed areas
 - Forest regeneration
 - Multiple award winner

- Communication Information and Education
 - To shape desirable social opinion about the company and its current activities
 - To provide social understanding of the mines and geosciences, encourage on the social responsibility to the environment including effective management and mitigation, awareness on health, sanitation and safety
 - Community engagement towards development

- Occupational health and safety
 - Three and a half million man hours without lost time injury achieved
 - Active safety culture, tool box meeting, safety inductions etc
 - Multiple award winner

RUNRUNO GOLD-MOLYBDENUM PROJECT

A world class mining and mineral processing project being developed in a socially and environmentally responsible manner.

We provide social and economic development through employment, health, livelihood and education programs; building the country a brighter future.

We mine...



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CORPORATE SOCIAL RESPONSIBILITY

➤ Education & Training

- Scholarships and assistance
- Adopt a school programme
- Out of work youth skills training programmes
- Teachers salaries
- Mature age learning programs

➤ Health & Nutrition

- Provision of a professionally staffed clinic including doctor and nurses
- Pharmacy
- Alleviation of malnutrition in children
- Specific health initiative programs

➤ Skills Development

- Skills training to enable establishment of sustainable businesses
- Agriculture and animal husbandry productivity programs

➤ Infrastructure Progression

- Community facilities
- Bridges
- Potable water distribution

➤ Employment

- Local hire first policy



Education



Community Facilities



Community Workshop

RUNRUNO GOLD PROJECT

- Status:**
- developed
 - commissioning ongoing
 - securing operational permits
 - forecast to commence production Q4 2015
 - Production ramp-up Q4 – Q1 2016

Initial Mine life: 10.3 years

Payable Production: 1,006,000 ozs

Annual Production (aver.): 96,700 ozs

(101,800 ozs Au years 1-5, 92,700 ozs Au years 6-10.3)

Cash Cost (Ave): US\$ 474 / oz Au

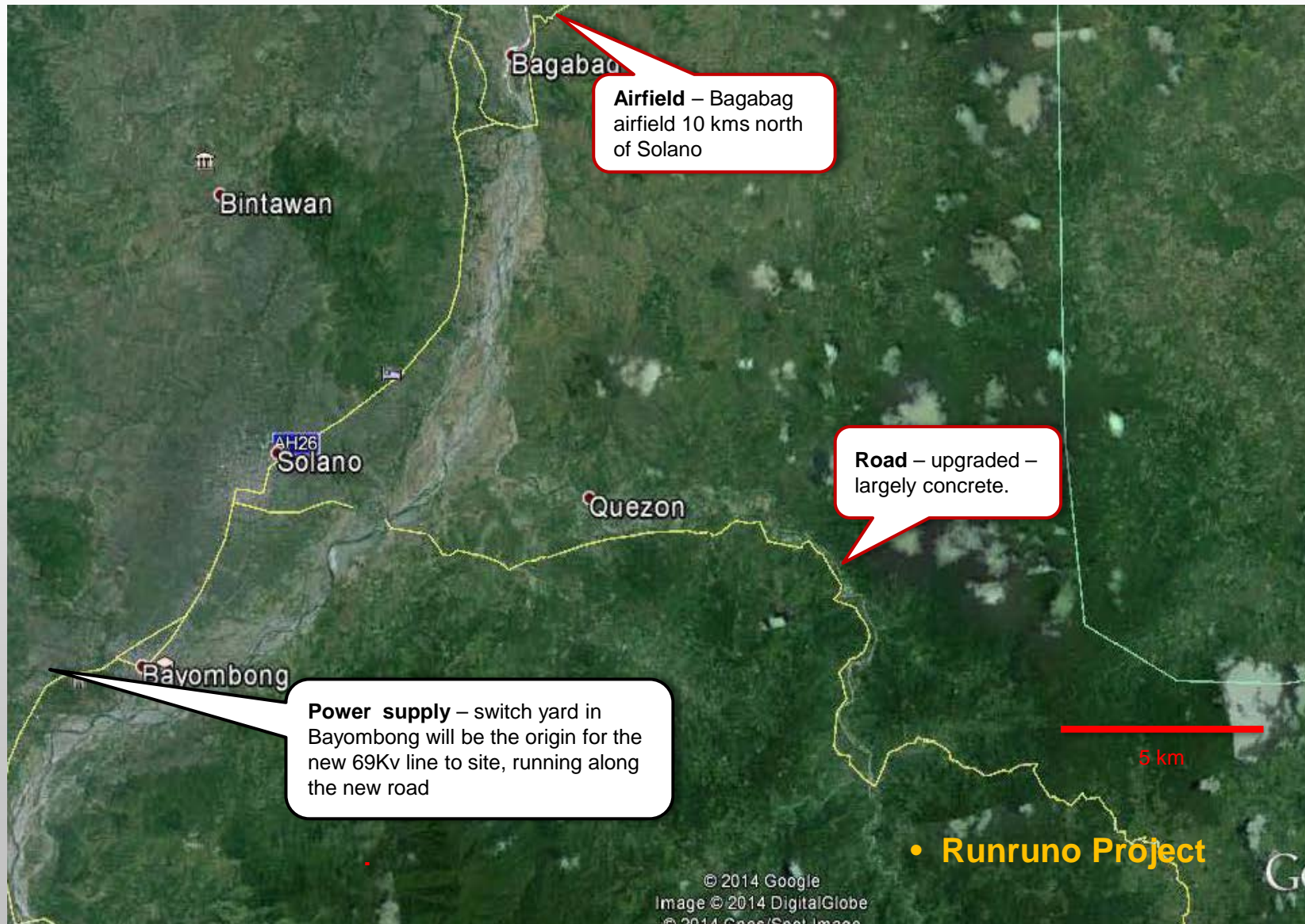
Upside: mine life extension, underground gold resource, addition surface discoveries

Location: Central Luzon, Barangay Runruno, Municipality of Quezon, Province of Nueva Vizcaya.

Access: by road 320km north of Manila



REGIONAL LOCATION

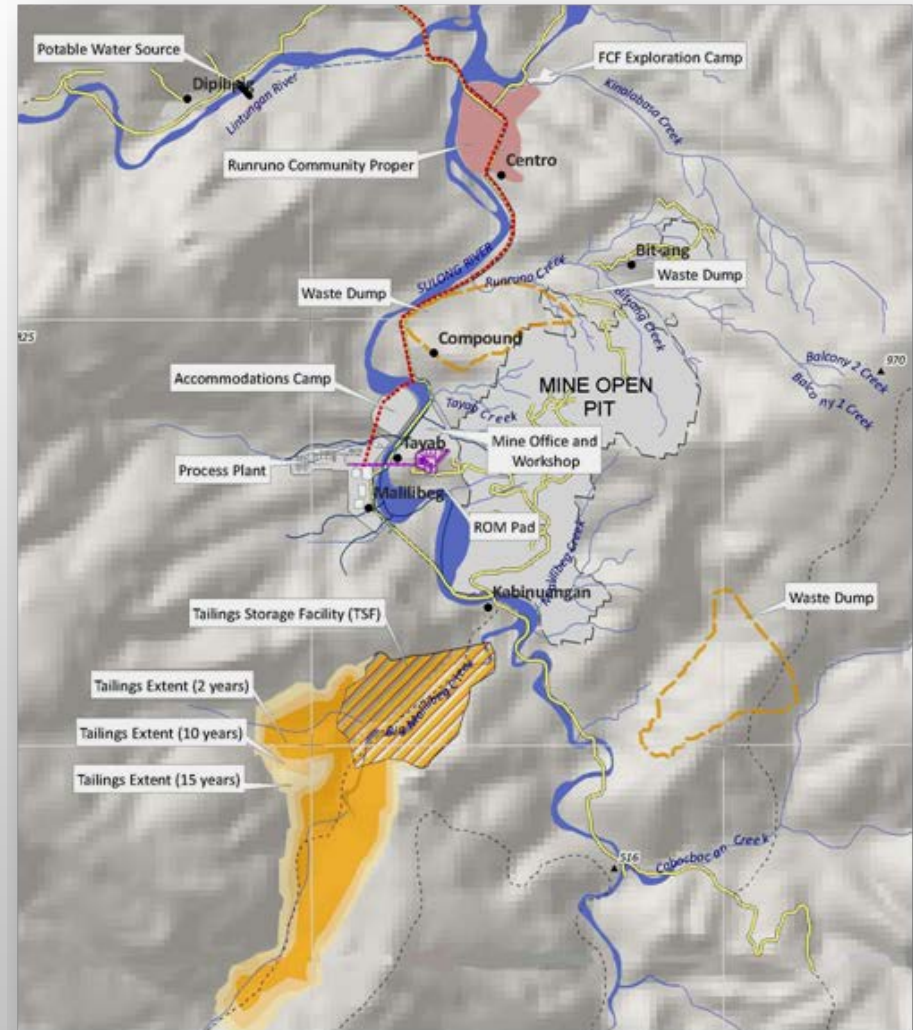


PROJECT DESCRIPTION

Five key components:

- Mine Open Pit and Run of Mine (ROM) Pad
- Process Plant facility consisting of conventional crushing, grinding, flotation, along with BIOX® and gravity recovery
- Tailings Storage Facility (TSF): to ensure materials are properly managed and to reclaim water for the project
- On Site Infrastructure: offices, workshops, haul roads, accommodation, back up power and water supply
- Off Site Infrastructure: access road improvement, 69kV powerline from regional hydropower grid

Project footprint is 420 hectares.



RESOURCES AND RESERVES March 2011 & April 2013

Runruno Main

Reserve Category	Ore	Gold		Molybdenum	
	Mt	g/t	M Oz	ppm	M lbs
Proven	10.2	1.90	0.62	616	13.9
Probable	4.8	1.77	0.27	414	4.4
2P Reserves	15.0	1.85	0.90	603	18.3
Additional Inferred Resource in-pit	2.9	1.73	0.16	258	1.7

Resource Category	Ore	Gold		Molybdenum	
	Mt	g/t	M Oz	ppm	M lbs
Measured	11.2	1.88	0.68	604	14.9
Indicated	7.0	1.64	0.37	425	6.5
Inferred	7.5	1.44	0.35	253	4.2
Total	25.7	1.69	1.39	453	25.6

- Resource estimate updated in March 2011 to include all 807 drill holes completed (110,427m) and assays returned by the end of February 2011
- The combined M&I resource of 1,050,000oz gold now comprises 75% of the total
- In addition to the 2P reserves, 2.9 Mt @ 1.73 g/t Au; 260ppm Mo of Inferred mineral resource is included in the mine schedule after allowing for the mining parameters

Malilibeg South

Resource Category	Ore	Gold		Molybdenum	
	Mt	g/t	M Oz	ppm	M lbs
Inferred	7.6	1.40	0.34	1,200	19.98
Total	7.6	1.40	0.34	1,200	19.98

- Combined resource contains 1.73 m ozs of gold - 33.3 mt @ 1.63 g/t Au

