29 September 2017

METALS EXPLORATION PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

Metals Exploration plc (AIM: MTL) ("Metals Exploration" or "the Company"), the natural resources exploration and development company with assets in the Pacific Rim region, is pleased to announce its interim results for the six months ended 30 June 2017.

Chairman's Statement

It is my pleasure to report the interim financial position of the Runruno Gold project for the six month period ended 30 June 2017. Within that period there was a number of positive developments for the Runruno Project that confirmed the long-term potential of the project. Frustratingly, technical issues and operator errors in the second quarter adversely impacted the stability of the BIOX® circuit and prevented the achievement of a stable, sustained ramp up of gold production.

The resultant lower than anticipated gold production during the six months continued to constrain the cash resources available to the Group to sustain operations and meet its external debt service obligations. This necessitated the Group drawing down additional shareholder loans totalling US$12 million in the six months to supplement the cash generated from the sale of gold produced by the Runruno Gold Project.

Gold production during the period subsequent to 30 June 2017 whilst improving has continued to be below anticipated levels due to the slower than anticipated ramp up of the BIOX® circuit to design levels. This will require the Group to either raise additional debt or equity funding, or to restructure its external debt service obligations if the Group is to meet its scheduled principal and debt payments under its external finance facilities that are due on 30 September 2017.

There were a number of developments during the six months that will contribute positively to completing the ramp up of gold production to design levels:

- There has been a marked improvement in the outlook for the mining industry in the Philippines following the appointment of a new acting Secretary of the Department of Environment and Natural Resources ("DENR"), the government department responsible for regulating the industry. The industry is now hopeful of a period of stability for those companies such as ourselves, who are committed to responsible, world class mining, environmental and stakeholder practices.

- The Runruno Project was granted permits allowing "drive in drive out" blasting operations to be undertaken pending the issue of the site magazine permits. The ability to conduct blasting operations has reduced the wear and tear on the Company's mining fleet and has eliminated the need for the Project to modify its mining plans to "work-around" hard rock sections of the pit. On the 13th of September 2017, the Company was granted site magazine permits which now allows for the storage of explosives onsite.

- At times when operations were stable and sulfidic ore was being made available to the plant, the processing performance demonstrated improvements in operating performance. However, interruptions caused by power outages and operator errors during the second quarter dropped the overall average performance.

- The BIOX® circuit achieved 30% of design throughput at the end of the half-year increasing to 55% in July before an operator error delayed the BIOX® ramp up.

- Subsequent to 30 June 2017, the Runruno Project was successful in obtaining the third tree cutting permit. The delay in receiving this permit prevented the establishment of a planned alternate waste dump for the disposal of wet and overflow waste materials limiting the mine's ability to produce waste during the wet season. The granting of tree cutting permit will provide increased flexibility to mining operations by increasing the waste disposal options available to mining operations, particularly during the wet season.

The key operating metrics for the six months ended 30 June 2017 and for the Project to Date are summarised in the following table:

Key metric	Unit of measure	Quarter ended 30 June 2017	Quarter ended 31 Mar 2017	Year to date 2017	Period to 31 Dec 2016	Project to date
Mining activities						
Ore mined	Tonnes	399,024	545,734	**944,758**	490,558	**1,435,316**
Waste mined	Tonnes	2,178,921	2,162,074	**4,340,995**	7,920,205	**12,261,200**
Total material movements	**Tonnes**	**2,577,945**	**2,707,808**	**5,285,753**	**8,410,763**	**13,696,516**
Strip ratio	waste / ore	5.46	3.96	**4.59**	16.15	**8.54**
Au grade mined	grams / tonne	1.35	1.56	**1.47**	1.42	**1.45**
Contained. ounces gold mined	Ounces	17,319	27,371	**44,690**	22,396	**67,086**
S Grade	%	0.78	0.80	**0.79**	0.29	**0.62**
Processing activities						
Tonnes milled	Tonnes	425,303	389,724	**815,027**	468,170	**1,283,197**
S Feed grade	%	0.74	0.34	**0.55**	0.53	**0.54**
Au feed grade	grams / tonne	1.33	1.29	**1.31**	1.29	**1.30**
Gold recovery	%	48%	56%	**52%**	51%	**52%**
Change in GIC	Ounces	1,410	466	**1,876**	1,737	**3,613**
Gold in feed	Ounces	18,186	16,199	**34,385**	19,417	**53,802**
Gold in tails	Ounces	(9,457)	(7,169)	**(16,626)**	(9,514)	**(26,140)**
Gold recovered	Ounces	7,319	8,366	**15,685**	8,166	**23,851**
Gold sold	Ounces	7,557	**8,342**	**15,899**	6,405	**22,304**
Achieved gold price	US$ / ounce	1,216	**1,255**	**1,236**	1,156	**1,213**

Notes to above table.
S – Sulphur, Au – Gold, GIC – Gold in Circuit

Facility Agreement capital and interest payments:

On 27 January 2017, the restructuring of the Group's senior finance facility with Hong Kong Shanghai Banking Corporation Limited and BNP Paribas (Singapore) ("the Senior Lenders") that was agreed on 15 December 2016 became effective. The terms of the restructuring were described at page 18 of the Annual Report for the year ended 31 December 2016.
Set out below is a summary of the restructured principal repayment schedule:

Payment Date	Principal payment due US$
31 Mar 17	$4,240,000
30 Jun 17	$6,480,000
30 Sep 17	$6,480,000
31 Dec 17	$6,480,000
31 Mar 18	$6,480,000
30 Jun 18	$7,290,000
30 Sep 18	$7,290,000
31 Dec 18	$8,100,000
31 Mar 19	$8,100,000
30 Jun 19	$8,100,000
30 Sep 19	$8,100,000
31 Dec 19	$3,860,000

Total loan facility	**$81,000,000**

During the six months ended 30 June 2017 the Group paid the principal repayments that were due on 31 March 2017 and 30 June 2017. As at 30 June 2017, the principal outstanding under the facility was US$70.28 million.

During the six months the Group drew down an additional USS12 million in advances from its shareholders. As at 30 June 2017 the principal value of shareholder loans was US$17 million.
Forward gold sales hedging contracts:

As at 30 June 2017, the Group had the following outstanding forward gold sales contracts:

Fixing date	Settlement Date	Ounces of gold	Forward Price by Contract – HSBC US$	Forward Price by Contract – BNPP US$
29/09/2017	03/10/2017	7,500	$1,286.88	$1,287.49
29/12/2017	03/01/2018	7,500	$1,286.88	$1,287.49
30/03/2018	04/04/2018	7,500	$1,286.88	$1,287.49
29/06/2018	03/07/2018	7,500	$1,286.88	$1,287.49
		30,000		

Corporate
On 18 January 2017 the Company appointed Canaccord Genuity Limited as its Nomad and Broker.

On 7 April 2017 Mr. Jeremy Ayre resigned from his position as non-executive director from the Company and the board of directors wished Jeremy every success in his future endeavours.

Ian Holzberger
Executive Chairman

CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME for the six months ended 30 June 2017

	Notes	6 month period ended 30 June 2017 (unaudited) £	6 month period ended 30 June 2016 (unaudited) £	Year ended 31 December 2016 (audited) £
Continuing Operations				
Revenue		15,738,136	-	5,768,928
Cost of sales		(15,738,136)	-	(5,768,928)
Gross loss		-	-	-
Administrative expenses		(4,563,886)	(3,781,295)	(9,513,900)
Operating loss		**(4,563,886)**	**(3,781,295)**	**(9,513,900)**
Finance income and similar items		278	207	471
Finance costs		(2,293,621)	(921,079)	(4,238,490)
Fair value loss on forward sales contracts	*4*	(2,933,840)	(11,438,864)	(6,680,962)
Fair value loss on interest rate swaps	*4*	(15,366)	(114,937)	(43,875)
Share of losses of associates		(8,932)	(12,440)	7,964
Losses before tax		**(9,815,367)**	**(16,268,408)**	**(20,468,792)**
Taxation		(15,003)	3,816,934	2,436,251
Losses for the period		**(9,830,370)**	**(12,451,474)**	**(18,032,541)**
Other comprehensive income:				
Items that may be re-classified subsequently to profit or loss:				
Exchange differences on translating foreign operations		(10,413,831)	8,957,921	17,565,678
Remeasurement of pension liabilities		-	-	25,872
Total comprehensive loss for the period		**(20,244,201)**	**(3,493,553)**	**(440,991)**
Loss for the period attributable to:				
Equity holders of the parent		**(9,830,370)**	**(12,451,474)**	**(18,032,541)**
Total comprehensive loss attributable to:				
Equity holders of the parent		**(20,244,202)**	**(3,493,553)**	**(440,991)**
Loss per share:				
Basic and diluted	*5*	**(0.475)p**	**(0.751)p**	**(1.013)p**

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
as at 30 June 2017

	As at 30 June 2017	*As at 30 June 2016*	*As at 31 December 2016*
	Unaudited	*Unaudited*	*Audited*
	£	*£*	*£*
Non-current assets			
Property, plant and equipment	172,983,370	170,040,927	186,598,682
Goodwill	1,010,817	1,010,816	1,010,816
Other intangible assets	9,846,206	8,283,267	10,252,068
Derivative asset	-	-	1,427,473
Investment in associate companies	96,624	110,860	105,556
Trade and other receivables	1,959,624	2,595,900	2,093,155
	185,896,641	**182,041,770**	**201,487,750**
Current assets			
Other assets	386,073	-	499,264
Derivative asset	700,880	551,865	2,854,948
Trade and other receivables	240,027	791,422	2,641,167
Cash and cash equivalents	1,261,657	1,585,249	5,986,493
	2,588,637	**2,928,536**	**11,981,872**
Non-current liabilities			
Loans	(36,939,441)	(30,923,944)	(23,669,976)
Derivative liability	-	(1,189,512)	(10,076)
Deferred tax liabilities	(2,120,843)	(632,553)	(2,259,897)
Provision for mine rehabilitation	(1,440,485)	(1,458,795)	(1,505,708)
	(40,500,769)	**(34,204,804)**	**(27,445,657)**
Current liabilities			
Derivative liability	(9,535)	(482,842)	-
Trade and other payables	(5,070,084)	(4,063,060)	(6,065,077)
Loans - current portion	(30,390,288)	(33,491,712)	(47,200,085)
	(35,469,907)	**(38,037,614)**	**(53,265,162)**
Net assets	**112,514,602**	**112,727,888**	**132,758,803**
Equity			
Share capital	20,713,347	17,313,059	20,713,347
Share premium account	145,144,316	131,566,251	145,144,316
Shares to be issued reserve	3,652,155	3,652,155	3,652,155
Acquisition of non-controlling interest reserve	(3,785,077)	(3,785,077)	(3,785,077)
Translation reserve	10,686,536	12,492,610	21,100,367
Remeasurement reserve	25,872	-	25,872
Profit and loss account	(63,922,547)	(48,511,110)	(54,092,177)
Equity attributable to equity holders of the parent	**112,514,602**	**112,727,888**	**132,758,803**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2017

	Share capital	*Share premium account*	*Shares to be issued reserve*	*Translation reserve*	*Acquisition of Non-controlling interest reserve*	*Remeasurement Reserve*	*Profit and loss account*	*Total equity*
	£	£	£	£	£	£	£	£
Balance at 1 January 2017	20,713,347	145,144,316	3,652,155	21,100,367	(3,785,077)	25,872	(54,092,177)	132,758,803
Exchange differences on translating foreign operations	-	-	-	(10,413,831)	-	-	-	(10,413,831)
Loss for the period	-	-	-	-	-	-	(9,830,370)	(9,830,370)
Total comprehensive income for the period	-	-	-	(10,413,831)	-	-	(9,830,370)	(20,244,201)
Issue of equity share capital	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Balance at 30 June 2017 (unaudited)	**20,713,347**	**145,144,316**	**3,652,155**	**10,686,536**	**(3,785,077)**	**25,872**	**(63,922,547)**	**(112,514,602)**

Equity is the aggregate of the following:

- Share capital; being the nominal value of shares issued.
- Share premium account; being the excess received over the nominal value of shares issued less direct issue costs.
- Shares to be issued reserve; being the credit side of the entry relating to the expense recognised in the income statement for share based remuneration.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Acquisition of non-controlling interests reserve; being an acquisition of 15% of FCF Minerals Corporation’s shares after previous acquisitions which had provided the Group with control of the board of the subsidiary company.
- Profit and loss account; being the cumulative loss attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2016

	Share capital	*Share premium account*	*Shares to be issued reserve*	*Translation reserve*	*Acquisition of non-controlling interest reserve*	*Profit and loss account*	*Total equity*
	£	*£*	*£*	*£*	*£*	*£*	*£*
Balance as at 1 January 2016	15,830,054	128,751,738	3,652,155	3,534,689	(3,785,077)	(36,059,636)	111,923,923
Exchange differences on translating foreign operations	-	-	-	8,957,921	-	-	8,957,921
Loss for the period	-	-	-	-	-	(12,451,474)	(12,451,474)
Total comprehensive loss for the period	-	-	-	8,957,921	-	(12,451,474)	(3,493,553)
Issue of equity share capital	1,483,005	2,817,710	-	-	-	-	4,300,175
Share issue expenses	-	(3,197)	-	-	-	-	(3,197)
Balance as at 30 June 2016 (unaudited)	**17,313,059**	**131,566,251**	**3,652,155**	**12,492,610**	**(3,785,077)**	**(48,511,110)**	**112,727,888**

Equity is the aggregate of the following:

- Share capital; being the nominal value of shares issued.
- Share premium account; being the excess received over the nominal value of shares issued less direct issue costs.
- Shares to be issued reserve; being the credit side of the entry relating to the expense recognised in the income statement for share based remuneration.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Acquisition of non-controlling interests reserve; being an acquisition of 15% of FCF Minerals Corporation's shares after previous acquisitions which had provided the Group with control of the board of the subsidiary company.
- Profit and loss account; being the cumulative loss attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the year ended 31 DECEMBER 2016

	Share capital	*Share premium account*	*Shares to be issued reserve*	*Translation reserve*	*Acquisition of non-controlling interest reserve*	*Profit and loss account*	*Remeasurement Reserve*	*Total equity*
	£	£	£	£	£	£	£	£
Balance at 1 January 2016	15,830,054	128,751,738	3,652,155	3,534,689	(3,785,077)	(36,059,636)	-	111,923,923
Exchange differences on translating foreign operations	-	-	-	17,565,678	-	-	-	17,565,678
Movement in remeasurement reserve	-	-	-	-	-	-	25,872	25,872
Loss for the year	-	-	-	-	-	(18,032,541)	-	(18,032,541)
Total comprehensive income for the year	-	-	-	17,565,678	-	(18,032,541)	25,872	(440,991)
Issue of equity share capital	4,883,293	16,418,858	-	-	-	-	-	21,302,151
Share issue expenses	-	(26,280)	-	-	-	-	-	(26,280)
Balance at 31 December 2016 (audited)	20,713,347	145,144,316	3,652,155	21,100,367	(3,785,077)	(54,092,177)	25,782	132,758,803

Equity is the aggregate of the following:

- Share capital; being the nominal value of shares issued.
- Share premium account; being the excess received over the nominal value of shares issued less direct issue costs.
- Shares to be issued reserve; being the credit side of the entry relating to the expense recognised in the income statement for share based remuneration.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Acquisition of non-controlling interest reserve; being an acquisition of 15% of FCF Minerals Corporation's shares after previous acquisitions which had provided the Group with control of the board of the subsidiary company.
- Profit and loss account; being the cumulative loss attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT for the period ended 30 June 2017

	6 month period ended	*6 month period ended*	*Year ended*
	30 June 2017	*30 June 2016*	*31 December 2016*
	Unaudited	*Unaudited*	*Audited*
	£	*£*	*£*
(Loss)/gain before taxation	(9,815,367)	(16,268,408)	(20,468,792)
Fair value loss/ (gain) on forward sales contracts	2,933,840	11,438,864	6,680,962
Fair value loss/ (gain) on interest rate swaps	15,366	114,937	43,875
Depreciation	714,594	1,057,981	1,810,940
Amortisation	45,916	74,405	64,724
Share of losses of associates	8,932	12,440	(7,964)
Net finance costs	2,293,624	920,809	4,238,490
(Increase)/decrease in receivables	2,534,672	(48,415)	(1,702,251)
(Increase)/ decrease in other assets	113,192	-	(499,264)
Increase/(decrease) in payables	(1,009,998)	(1,278,105)	1,300,604
Cash used in operating activities	**(2,165,229)**	**(3,975,492)**	**(8,538,676)**
Interest received	278	207	471
Interest paid	(2,155,576)	(444,663)	(150,229)
Net cash used in operating activities	**(4,320,527)**	**(4,419,948)**	**(8,688,434)**
Investing activities			
Purchase of property, plant and equipment	(2,041,927)	(7,973,242)	(20,177,336)
Purchase of intangible assets	(50,096)	(145,278)	(2,396,371)
Net cash used in investing activities	**(2,092,023)**	**(8,118,520)**	**(22,573,707)**
Financing activities			
Repayment of borrowings	(8,518,876)	(1,488,521)	(1,475,830)
Proceeds from borrowings	9,229,563	-	-
Net proceeds from issue of share capital	-	4,297,518	21,275,871
Proceeds from settlement of gold forward contracts	504,952	1,041,465	1,468,012
Net cash arising from financing activities	**1,215,639**	**3,850,462**	**21,268,053**
Net increase/(decrease) in cash and cash equivalents	**(5,196,911)**	**(8,688,006)**	**(9,994,088)**
Cash and cash equivalents at beginning of year	5,986,493	10,969,449	10,969,449
Foreign exchange difference	472,075	(696,194)	5,011,132
Cash and cash equivalents at end of year	**1,261,657**	**1,585,249**	**5,986,493**

Notes to the condensed consolidated interim financial statements

1. General information

Metals Exploration plc is the parent company of the Group. Its shares are listed on the AIM market of the London Stock Exchange. The registered address of Metals Exploration plc is 200 Strand, London, WC2R 1DJ.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 September, 2017.

The results for the year ended 31 December 2016 have been audited whilst the results for the six months ended 30 June 2016 and 30 June 2017 are unaudited.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory accounts for the year ended 31 December 2016 which were prepared under International Financial Reporting Standards ("IFRS") as adopted for use in the European Union, were filed with the Registrar of Companies. The auditors reported on these accounts, their report was unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006. The auditors drew attention to a material uncertainty regarding Going Concern by way of emphasis.

2. Basis of preparation

These condensed consolidated interim financial statements are for the six month period ended 30 June 2017, using accounting policies consistent with IFRS as adopted for use in the European Union with the exception of IAS 34: Interim Financial Reporting. IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Board of Directors expect to be applicable as at 31 December 2017.
These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial instruments.

3. Going Concern

These condensed consolidated interim financial statements of the Group have been prepared on a going concern basis, which contemplates the continuity of business activities and the realisation of assets and the settlement of liabilities in the normal course of business.
As at 30 June 2017, the Group's current liabilities exceeded its current assets by £32,881,270 due primarily to the portion of the Group's external borrowings that is scheduled to be repaid by 30 June 2017. The Group reported an operating loss after tax of £4,563,886 for the six months ended 30 June 2017 and cash outflows from operations of £4,320,527 for the six months ended 30 June 2017.

Over the next financial period, the continuing viability of the Group and its ability to operate as a going concern is dependent upon the ability of the Group to raise additional funding to meet its short term working capital requirements and to operate the Runruno Gold Project successfully so as to generate sufficient cash flows from the Project to enable the Group to settle its liabilities as they fall due.
In the absence of the Group raising additional funds, or agreeing a further restructuring of the Group's financing facilities with its financiers prior to 30 September 2017, it is likely that the Group will be unable to meet interest, principal and fee payments as they fall due under the Group's financing facilities.
As a consequence of the above matters, the directors have concluded that a material uncertainty exists that may cast significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group and the Company may be unable to realise its assets and discharge their liabilities in the normal course of business and at the amounts stated in these interim result.

Nevertheless, after making enquiries and considering the uncertainties described above, the directors believe that there are reasonable grounds to believe that the use of the going concern basis remains appropriate as there is a reasonable expectation that the Group:

- will be able to raise additional working capital funding to meet the Group's short term working capital requirements including principal and interest payments that are due to external financiers;
- will achieve forecast levels of gold production as the testing and debugging phase of operations is completed;
- will continue to have the support of its financiers; or
- if the above are considered unlikely to be achieved, then the Group may seek alternative financing from its shareholders.

These condensed consolidated interim financial statements do not include adjustments relating to the recoverability and classification of recorded set amounts, or to the amounts and classifications of liabilities that might be necessary should the Group not continue as a going concern.

4. Hedging

Under the terms of the debt financing facility FCF Minerals Corporation, a wholly owned subsidiary of the Company, entered into two hedging arrangements with each of the facility banks: an interest rate hedge for approximately 40% of the interest exposure; and a gold forward sales programme representing a total of 90,000 ounces of gold. 30,000 ounces of forward sales contracts remain open as at 30 June 2017. The movement in fair value of these derivative financial instruments is charged to the condensed consolidated statement of total comprehensive income and derivative financial assets and liabilities recognised on the condensed consolidated balance sheet. The Group has elected not to apply hedge accounting.

5. Loss per share

The loss per share was calculated on the basis of net loss attributable to equity shareholders divided by the weighted average number of ordinary shares.

	6 month period ended 30 June 2017 (unaudited)	*6 month period ended 30 June 2016 (unaudited)*	*Year ended 31 December 2016 (audited)*
	£	*£*	*£*
Loss			
Net loss attributable to equity shareholders for the purpose of basic and diluted loss per share	(9,830,370)	(12,451,474)	(18,032,541)
Number of shares			
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	2,071,734,587	1,657,155,614	1,779,329,876
Basic and diluted loss per share	(0.475)p	(0.751)p	(1.013)p

The basic and diluted loss per share is the same, as the exercise of staff share options and warrants would reduce the loss per share and therefore, are anti-dilutive.

6. Subsequent Events

A mezzanine facility has been agreed with the Runruno Holdings Limited and MTL (Luxembourg) Sarl for US $21 million. Proceeds from the facility will be used to repay two short term loans received from the same shareholders in May and June 2017 totalling US $12 million, with the balance being utilised to facilitate a capital and interest payment to the Group's senior lenders, due on 29 September 2017.

The main commercial terms of the facility are summarised as follows:

- Headline interest rate is 8% plus 3 months' US LIBOR;
- Capitalised interest attracts an additional 4% margin. Interest may be capitalised or the first twelve months of the facility at the election of the Company;
- The loan is repayable within 60 months of being drawn down;
- A Production Fee is payable over a 60 month period in quarterly instalments equivalent to 1.3% of the gross revenue from gold sales of FCF Minerals Corporation for a period of 60 months from first Drawdown, where the minimum quarterly fee payable is equal to $250,000 and the maximum quarterly fee is capped at US $500,000;
- 100 million warrants in total are exercisable by the shareholders before the end of the sixth anniversary of the signing of the facility agreement;
- 75 million warrants have a strike price of 5.5 pence and 25 million have a strike price of 7.0 pence

The Company will be able to drawdown on the facility once the documents have been fully executed and the Conditions Precedent have been verified to have been complied with. This is expected to be completed in the next few days. The senior Lenders are aware that once the funds have been drawn that part of the proceeds will be utilised to make the interest and capital payments and which might be made shortly after 29 September 2017.

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

Ian R. Holzberger (**Executive Chairman**)	*+63 (0) 9189 795 992*
	+61 (0) 418 886 165
Liam A. Ruddy (**Company Secretary)**	*+44 (0) 7911 719 960*

Nominated Adviser and Broker:	**CANACCORD GENUITY LIMITED**	
Martin Davison, James Asensio		*+44 (0) 207 523 4689*

Public Relations:	**TAVISTOCK**	
Barnaby Hayward, Jos Simson		*+44 (0) 207 920 3150*