

METALS EXPLORATION PLC

EXERCISE OF OPTIONS

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 received notices of exercise in respect of the following options over ordinary shares (together, the "Option Exercises"):

- Further to the announcement on 7 July 2011 and pursuant to the binding agreement between Solomon Capital Limited ("Solomon") and Baker Steel Capital Managers LLP ("Baker Steel"), Solomon has exercised its rights under the option deed ("Option Deed") entered into with the Company on 4 April 2011 in respect of a further 50,000,000 new ordinary shares in the Company at 13p per share and will, upon issue, immediately transfer the shares acquired as a result of such exercise to funds managed by Baker Steel;
- Solomon has also exercised its rights under the Option Deed in respect of 75,260,164 new ordinary shares in the Company at 13p per share; and
- Runruno Holdings Limited ("RHL") has exercised its rights under its option deed with the Company, also entered into on 4 April 2011, in respect of 29,116,350 ordinary shares in the Company at 13p per share.

The Company will allot the new ordinary shares resulting from the Option Exercises and apply for their admission to trading on AIM, which is expected to take place on 22 August 2011.

Following completion of the Option Exercises and the transfer from Solomon to Baker Steel, the shareholdings of Solomon, Baker Steel, RHL and their associates will be as set out below:

Name	Number of Metals Exploration Shares	Percentage of the issued share capital of the Company
Solomon	222,864,781	32.1
Shelfco 724 Limited	100,000,000	14.4
Emily Crompton-Candy	1,000,000	0.1
Baker Steel	149,190,731	21.5
RHL	106,039,427	15.3
Graham Edwards	19,001,919	2.7

A full copy of Solomon's announcement, which has been released to the Regulatory News Service, is appended below for reference.

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16 August 2011

**SOLOMON CAPITAL LIMITED
("Solomon")**

EXERCISE OF OPTION

Solomon announces that it has today:

- pursuant to its agreement with Baker Steel Capital Managers LLP ("Baker Steel") entered into on 7 July 2011, exercised its rights under the option deed ("Option Deed") entered into with Metals Exploration plc (the "Company") on 4 April 2011 in respect of a further 50,000,000 new ordinary shares in the Company at 13p per share and will, upon issue immediately transfer the shares acquired as a result of such exercise to funds managed by Baker Steel; and
- further exercised its rights under the Option Deed in respect of 75,260,164 new ordinary shares in the Company at 13p per share. These shares will continue to be held by Solomon.

Following discussions with the Takeover Panel, the exercise of the Option Deed by Solomon will not trigger a requirement to make a mandatory offer under rule 9 of the City Code on Takeovers and Mergers.

Solomon has also been informed that RHL has exercised its rights under its option deed with the Company, also entered into on 4 April 2011, in respect of 29,116,350 ordinary shares in the Company at 13p per share. Following completion of this subscription and the exercise by Solomon referred to above, the shareholdings of the members of the ongoing Concert Party will be as follows:

Name	Number of Metals Exploration Shares	Percentage of the issued share capital of the Company
Solomon	222,864,781	32.1
Shelfco	100,000,000	14.4
Emily Crompton-Candy	1,000,000	0.1
Baker Steel	149,190,731	21.5
RHL	106,039,427	15.3
Mr Edwards	19,001,919	2.7

Unless the context otherwise requires, defined terms used in this announcement shall have the meanings given to them in the circular dated 8 March 2011.

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This announcement is for information purposes only and is not intended to, and does not, constitute, or form any part of, an offer to sell or an invitation to subscribe for or purchase Metals Exploration Shares or any other securities, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law.