



**Metals Exploration PLC** - MTL Operations and Mezzanine Debt Facility Update  
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## **METALS EXPLORATION PLC**

**Metals Exploration plc (AIM: MTL) ("Metals Exploration" or the "Company"), the natural resources exploration and development company with assets in the Pacific Rim region.**

### **Operations and Mezzanine Debt Facility Update**

The Company announces that the Runruno gold mining operation continues to experience difficulties in the BIOX circuit ramp-up.

Operationally the balance of the project has continued to strengthen with the mining and non-BIOX aspects of the processing plant all operating at or around design levels. After encouraging results when the BIOX circuit ramped-up strongly to around 50% throughput it has once again passivated with currently limited material being processed through the BIOX circuit.

This setback has been disappointing following the relatively good progress made during August. Initial test work points towards the presence of algae in the return process water which has interfered with the performance of the BIOX bacteria, at the higher throughput levels. Engineering solutions have been identified to manage the presence of the algae and are currently being implemented, while further investigations and test work are being undertaken as a basis to continuously mitigate the impacts of algae in the process.

Ramp up of the BIOX circuit will commence once the engineering solutions have been implemented, after which there will be a period of time required

for the bacteria to recover sufficiently to allow feeding to recommence. The Company will be assisted by Biomin (the intellectual property owners of the BIOX process) who will have a presence throughout diagnostic and remediation works, and during early feeding.

The project has obtained a third tree cutting permit and works have commenced preparing the access to the overflow waste dump site. All required blasting permits have also been obtained which provides the project with the flexibility to schedule blasting as required.

The Company is in advanced talks with its major shareholders with the intention of procuring mezzanine finance sufficient to repay the US \$12million bridging loans and meet working capital requirements. The Company will make a further announcement on these discussions in due course.

For further information please visit or contact [www.metalsexploration.com](http://www.metalsexploration.com)

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