

METALS EXPLORATION PLC

RUNRUNO REGIONAL EXPLORATION UPDATE
COMPANY TO REMAIN AIM QUOTED

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 provide an update relating to step out drilling and regional exploration activities in the Financial or Technical Assistance Agreement ("FTAA") area surrounding its Runruno gold-molybdenum project in the Philippines.

Highlights

- **The presence of copper and gold mineralisation confirmed by drilling at Magnetite Creek within the Runruno FTAA.**
- **Significant intercepts include 13.2m at 0.75 g/t Au and 0.23% Cu and 7.0m at 1.16 g/t Au and 0.57% Cu.**
- **Company to remain quoted on AIM.**

Drilling - Magnetite Creek Area

Partial assay results from the first diamond drill hole bored to follow up the Magnetite Creek copper and gold surface anomaly have confirmed the presence of porphyry copper and gold styled mineralisation hosted in potassic-altered monzonite rocks.

The available results are presented in the Table below:

Hole No	Northing UTM	Easting UTM	Azimuth (mag)	Dip	From (m)	Width (m)	Au g/t	Cu %
MAD001	1813031	3222591	43 ⁰	--60 ⁰	27	13.2	0.75	0.23
					48	7.0	1.16	0.57
					69	6.0	0.06	0.27
					80	3.0	0.32	1.56
					89	7.0	0.06	0.25

The hole was drilled to a depth of 250m with assay results to 124m returned to date.

These are the first significant intercepts of copper and gold mineralisation reported from within the Company's Runruno FTAA area and confirm the potential of the property to host porphyry copper and gold style mineralisation in addition to Runruno style gold and molybdenum mineralisation. An induced polarisation survey and further drilling are planned to more completely assess the potential of the area.

The Magnetite Creek anomaly is located 2km south east of the Runruno gold and molybdenum orebody.

Company to Remain AIM Quoted

Pursuant to Clause 6.3 of the Subscription and Shareholders Agreement dated 8 March 2011 between, amongst others, Solomon Capital Limited ("Solomon Capital"), Shelfco 724 Limited, Runruno Holdings Limited, Williams de Broë Limited and Metals Exploration ("Subscription and Shareholders' Agreement"), the Board of the Company has reviewed "whether to take

steps to re-register as a private limited company and de-list from AIM" and has determined to retain the Company's AIM quotation.

AGM Presentation

A presentation prepared to provide an overview of the Company's operations at its recent Annual General Meeting has been made available on the Company website www.metalsexploration.com.

Variation to the Subscription and Shareholders' Agreement

The Subscription and Shareholders' Agreement has been varied by agreement to clarify the meanings ascribed to certain definitions in it and to remove the requirement on the Company to propose all resolutions at general meetings as special resolutions.

Christian Candy, Solomon Capital, commenting on the retention of the Company's AIM Quotation said:

"The decision of the Board to stay on AIM is appropriate at this time and gives the market an opportunity to properly value the Company. Solomon Capital is fully supportive of the Board and the direction of the Company and I look forward to Metals Exploration moving on to the next stage of developing the mine."

Ian Holzberger, Executive Chairman, commented:

"Following on from the early positive results of our recently initiated systematic review and assessment of the potential of the Runruno FTAA area announced in May it is again very pleasing to report positive results from this programme with the confirmation of the presence of porphyry copper and gold styled mineralisation within the FTAA. The intersections in MAG001 further demonstrates the highly prospective nature of the Runruno FTAA for both gold and molybdenum Runruno styled mineralisation and porphyry copper and gold style mineralisation.

While being early days the confirmation of porphyry copper and gold styled mineralisation is significant for the Company and will influence the direction of our exploration activities, which are being undertaken alongside the planned development of the Runruno gold project. The intersections made in MAG001 allied with a planned induced polarisation survey and follow up drill testing will be used to guide the ongoing assessment of this target.

It is also satisfying to be able to confirm that the Company will retain its AIM quotation and to receive the strong endorsement of the Company's largest shareholder Solomon Capital for this action."

Approval

Mr Ian Holzberger, a director of the Company, who has been involved in the mining industry for more than 37 years, is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists, has compiled, read and approved the technical disclosure in this regulatory announcement.

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