METALS EXPLORATION PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

Metals Exploration plc (AIM: MTL) ("Metals Exploration", the "Company" or, together with its subsidiaries, the "Group"), a gold production, exploration and development company with assets in the Philippines and Nicaragua, announces its unaudited interim results for the six months ended 30 June 2025 ("H1 2025"). The results will be made available on the Company's website at www.metalsexploration.com.

Highlights

- **H1 2025 record positive free cash flow of US$70.7 million (H1 2024: US$46.4 million);**
- **H1 2025 earnings before tax, interest, depreciation, amortisation, impairment and share-based charges of US$72.3 million (H1 2024: US$47.2 million);**
- **H1 2025 gold production of 40,985 ounces ("oz") (H1 2024: 42,535 oz);**
- **H1 2025 gold recoveries of 91.4% (H1 2024: 89.6%);**
- **Acquisition of Condor Gold plc completed on 15 January 2025; and**
- **Commencement of construction and development of the La India gold project in Nicaragua.**

Production Summary

Runruno Project Production Summary	Units	Actual 6 Months to 30 June 2025	Actual 6 Months to 30 June 2024	Actual 12 Months to 31 December 2024
Mining				
Ore Mined	Tonnes	1,028,333	1,172,930	2,055,871
Waste Mined	Tonnes	4,889,310	4,849,036	9,293,694
Total Mined	Tonnes	5,917,643	6,021,966	11,349,565
Au Grade Mined	g/tonne	1.54	1.37	1.46
Strip Ratio		4.65	4.07	4.40
Processing				
Ore Milled	Tonnes	1,041,486	1,099,159	2,150,429
Gold (Au) Grade	g/tonne	1.34	1.34	1.34
Sulphur Grade	%	1.18	1.35	1.35
Au Milled (contained)	Ounces	44,841	47,489	92,752
Recovery	%	91.4	89.6	90.5
Au Poured	Ounces	40,985	42,535	83,897
Sales				
Au Sold	Ounces	41.240	41,589	82,676
Au Price	US$/oz	2,884	2,190	2,312

Darren Bowden, CEO of Metals Exploration, commented:

"The first half of 2025 was a hugely successful period in which we achieved record free cashflow and strong revenues from our operations at Runruno and continued to execute our strategy of becoming a multi-project company following the completion of the acquisition of Condor Gold targeting first production at the La India gold project by Q4 2026."

"At Runruno, we produced 40,985 ounces of gold during the period, resulting in revenue of $118.9 million and record free cash flow of $70.7 million. As always, I am grateful to our in-country team for their diligence and dedication to ensuring the project's success. Our excellent financial performance was also supported by the current favourable gold price environment."

"Since acquiring Condor, we have carried out an aggressive development programme at La India. This includes awarding the majority of the contracts required to complete construction of the project, and agreements to relocate artisanal miners. We purchased the Rock Creek gold ore processing and concentrating plant, which I am pleased to report has now arrived in Nicaragua and will be transported to the project area during September. Purchasing the plant allows us to fast track project development, saving considerable development time."

"La India was previously outlined as having a 2.2 million oz gold resource by Condor. The Board believes there is significant upside potential through a combination of an expansion of existing Mineral Resources and potential new discoveries. The Company has committed to a minimum 40,000 metre drill programme within the next five years to further explore the potential of the La India district and unlock further value here."

"Following receipt of the Dupax exploration licence, 20km from Runruno, we have now commenced an IP survey in parallel with a 2,500 metre drill programme. We are excited about the potential that Dupax offers, and look forward to updating shareholders with the results of the exploration campaign. The discovery of an economic resource at Dupax could result in the extension of ore processing operations at Runruno. In addition, drill programmes for three key initial target areas of the Abra project have been designed, and are expected to commence in Q1 2026."

"In both the Philippines and Nicaragua, our aim is to create a net-positive impact for stakeholders and local communities, with strong community engagement at the forefront of our operations. We are pleased to have continued with the initiatives in Nicaragua previously implemented by Condor. Our goal is to build on this and further strengthen these relationships as we move towards production at La India."

"I look forward to providing further updates on the status of development at La India, mining operations at Runruno, and the exploration campaign at Dupax."

Corporate

Condor Gold plc Acquisition

On 15 January 2025, the Company completed the acquisition of 100% of Condor Gold plc ("Condor") via a court sanctioned Scheme of Arrangement. Condor is the 100% owner of an extensive highly prospective tenement package in Nicaragua, including the La India gold resource.

Being the Company's first acquisition outside of the Philippines, this acquisition is a major step in transforming the Group into a multi-project company. After taking control of Condor, the Company embarked on an aggressive development programme with the aim of having the La India gold project producing gold before the end of Q4 2026, which will coincide with the finalisation of mining activities at the Runruno mining licence area.

For further information on the acquisition of Condor, please refer to Note 12 of this report and to various previous announcements in relation to the Condor acquisition, which can be found on the Company's website.

Nicaragua

La India Development

The La India project is approximately a two hour drive from the Nicaraguan capital city, Managua. Drilling of these areas by Condor had previously outlined a 2.2 million ounce ("Moz") gold resource in and around the La India project area. The initial La India project was construction ready when the Company acquired Condor. Key Spanish speaking executives were recruited to bolster the Nicaraguan in-country management team and development planning commenced upon the completion of the Condor takeover.

A 'ground-breaking' ceremony held at La India on 7 May 2025 attracted significant media interest in Nicaragua, which has assisted in building credibility with both government and community leaders in Nicaragua.

Significant activities undertaken during H1 2025 included:

- Recruitment of key executives/managers;
- Agreement on the process and compensation to relocate all local artisanal miners from the La India proposed open-cut profile area;
- Purchase of the Rock Creek gold ore processing and concentrating plant (including crushers, conveyors, grinding ball mill, gravity circuit, elution, smelting equipment and laboratory), including all components and construction drawings. At the date of this report, this plant has arrived in Nicaragua, via ocean transport, and is proceeding through the necessary custom's clearances;
- Commencement of geo-technical and in-fill drilling at La India on 23 April 2025;
- Commencement of bulk earthworks which were 30% complete by the period end;
- Commencement of construction of the camp and various support building structures;
- Awarding the majority of the material contracts required to complete the construction of the La India project;
- Maintained the strong local community engagement initiatives previously implemented by Condor; and
- Introduction of a strong commitment to health and safety with no lost time incidents having occurred at La India since the Company took control of Condor.

La India Exploration
Under the terms of the Condor takeover, the Condor Contingent Value Right ("CVR") holders will potentially receive further consideration should drilling on the Condor exploration tenements increase the gold resource base above 3.158 Moz within the five year period after the first drill was mobilised to the La India project site. Further, Metals Exploration committed to a minimum 40,000 metre drill programme on the Condor exploration tenements in this period. The first drill rig mobilised to the La India project on 23 April 2025, and in the period to 30 June 2025, 2,274 metres of drilling had been completed.

Philippines
Review of Runruno Gold Mine Operations
Health and Safety
Runruno's exceptional safety record of over 26 million hours worked without a lost time injury ("LTI") ended on 30 March 2025 when a fuel line to an oxygen tank ruptured and caught fire. An employee suffered burns however, he has made a full recovery and has returned to full-time work. This was the Company's first lost time incident since December 2016. No other LTI's were recorded in the half-year. Notwithstanding the above-noted incident, the Company remains incredibly proud of its exceptional safety record, and all employees and contractors are to be congratulated on this ongoing achievement.

Finance
Gold sales were 41,240 oz for revenues of US$118.9 million (H1 2024 41,589 oz for revenues of US$91.1 million) at an average price of US$2,884 per oz (H1 2024 US$2,190 per oz), resulting in a record positive free cash flow of US$70.7 million (H1 2024: US$46.4 million).

During H1 2025, the Group repaid the principal and interest in respect of the £5.5 million short-term loan provided by its significant shareholder, Drachs Investments No 3 Limited, via a transfer from Treasury of 94,127.854 Ordinary Shares at an issue price of 6p per share. Accordingly, the Group remains debt free.

Mining
Mining production of ore and waste was higher than forecast at 5.9 million tonnes ("Mt") for H1 2025 (H1 2024: 6.0Mt) due to short haulage distances. Total ore mined was slightly lower at 1.0Mt (H1 2024: 1.2Mt), at a higher grade of 1.54 grammes per tonne ("g/t") (H1 2024: 1.37g/t). Updated forecasts have confirmed that mining operations at Runruno will cease in Q4 2026.

Process plant
Stable operations were delivered during H1 2025, leading to gold production of 40,985 oz (H1 2024: 42,535 oz). Throughput for H1 2025 was on budget at 1.04Mt (H1 2024: 1.10Mt) at a head grade of 1.34g/t (H1 2024: 1.34g/t).

While a higher average overall gold recovery rate of 91.4% was achieved in H1 2025 (H1 2024: 89.6%), it is expected that the average recovery rate for H2 2025 will drop due to the processing of oxide ore from Stages 5 and 6 of the mine.

Unplanned process plant downtime during H1 2025 did not materially interrupt production and consisted mainly of power interruptions, MCC interconnection power line replacement, repairs to the return discharge line and final tails line, conveyor belts, rollers and trommel panel screens.

Post-period end, the Company paused processing of ore for approximately six weeks to allow new process monitoring and production procedures to be implemented following outside cyanide contamination impacting the BIOX circuit.

The Company discovered that the sources of cyanide contamination has been attributed to recent activities of illegal miners both within Stages 5-6 of the Runruno mine and upstream from Runruno. Refer to the Company's announcement dated 28 August 2025.

Despite this set back, as at the date of this report, no amendment to the Company's FY2025 production forecast is required, albeit the expectation is that the final outcome will be towards the lower end of the forecast range of 70,000 – 75,000 ounces.

Residual Storage Impoundment ("RSI")
The RSI is operating to design with an excellent environmental performance record, with the dam water freeboard well above design limits.

Construction of the RSI final in-rock spillway continues and is expected to be completed in Q2 2026. The day-to-day performance of the RSI, including the construction of the final in-rock spillway, is continuously monitored by an independent international consulting group.

Community & Government Relations
Productive relations with both the community and the Philippine government continue.

Sustainability
On 4 April 2025, the Company released its 2024 Sustainability Report, which covers its sustainability performance in the Philippines for the year ended 31 December 2024. The report, in its fifth edition, has been updated from biennial to annual to further enhance transparency and accountability, can be found upon the Company website.

Philippine Exploration
Dupax Project
In August 2025, the Dupax exploration licence EPA-000168, covering approximately 3,100 hectares approximately 20 kilometres southwest of the Company's existing Runruno ore processing facility in Runruno, was issued.

Post period-end, an Induced Polarisation ("IP") ground geophysics survey and a c. 2,500 metre drill programme commenced. For further information, please refer to the Company's announcement dated 6 August 2025.

Abra Project
Three main copper and copper-gold exploration targets in the Abra project area have been identified from geochemistry and geophysical surveys. Drill programmes for the initial three key target areas of the Abra project area have been designed, however, the Company does not expect these programmes to start until Q1 2026 to allow the National Commission for Indigenous Peoples ("NCIP") to further advance, and finalise, their consultation activities with the impacted local indigenous communities.

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

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Forward Looking Statements

Certain statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Metals Explorations, planned work at the Company's projects and the expected results of such work contained herein are forward-looking statementswhich are based on current expectations, estimates and projections about the potential returns of the Group, industry and markets in which the Group operates in, the Directors' beliefs and assumptions made by the Directors. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: "expects", "plans", "anticipates", "forecasts", "believes", "intends", "estimates", "projects", "assumes", "potential" or variations of such words and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed.

These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties and assumptions that are difficult to predict, qualify or quantify. Among the factors that could cause actual results or projections to differ materially include, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.

The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the, AIM Rules.

CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME for the six months ended 30 June 2025

	Notes	*6 month period ended 30 June 2025 (unaudited)* *US$*	*6 month period ended 30 June 2024 (unaudited)* *US$*	*Year ended 31 December 2024 (audited)* *US$*
Continuing Operations				
Revenue		118,948,548	91,085,493	191,149,615
Cost of sales	*6*	(83,275,388)	(73,353,868)	(128,630,976)
Gross profit		35,673,160	17,731,625	62,518,639
Administrative expenses		(6,529,654)	(5,598,788)	(8,984,213)
Operating profit		**29,143,506**	12,132,837	53,534,426
Impairment gain/(loss)	*6*	4,937,917	49,712,946	(9,065,277)
Other income/expenses	*7*	(18,798,365)	(701,849)	(3,319,103)
Provision for gain/(loss) on derivatives		1,535,541	(2,716,439)	(6,521,465)
Share of (loss)/profit of associates		(3,458)	(4,645)	12,030
Profit before tax		16,815,141	58,422,850	34,640,611
Tax (expense)/benefit		(309,234)	63,576	(9,064,743)
Profit for the period		**16,505,907**	58,486,426	25,575,868
Non-controlling interest		9,301	-	10,211
Profit for the period attributable to equity holders of the parent		**16,515,208**	58,486,426	25,586,079
Other comprehensive income:				
Items that may be re-classified subsequently to profit or loss:				
Exchange differences on translating foreign operations		(646,177)	(749,907)	(1,545,017)
Items that will not be re-classified subsequently to profit or loss:				
Re-measurement of pension liabilities		-	-	(320,892)
Total comprehensive profit for the period attributable to equity holders of the parent		**15,869,031**	**57,736,519**	**23,720,170**
Earnings per voting share:	*8*			
Basic cents per voting share		**0.55**	2.78	1.29
Diluted cents per voting share		**0.52**	2.78	1.28

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
as at 30 June 2025

	Notes	30 June 2025 (Unaudited) US$	30 June 2024 (Unaudited) US$	31 December 2024 (Audited) US$
Non-current assets				
Property, plant and equipment		85,674,859	155,968,686	93,544,640
Other assets	12	92,969,213	-	620,331
Investment in associate companies		129,953	116,736	133,411
Trade and other receivables		17,288,365	19,807,825	19,750,486
		196,062,390	175,893,247	114,048,868
Current assets				
Inventories		17,348,922	20,795,474	18,122,391
Trade and other receivables		13,346,673	9,950,924	10,891,450
Cash and cash equivalents		45,916,669	6,578,641	31,224,696
Provision for gain on derivatives		265,503	-	-
		76,877,767	37,325,039	60,238,537
Non-current liabilities				
Trade and other payables		(70,850)	(70,850)	(70,850)
Retirement benefits obligations		(3,154,594)	(2,471,289)	(3,154,594)
Provision for loss on derivatives		-	(361,400)	-
Deferred tax liabilities		(557,047)	(481,120)	(557,047)
Provision for mine rehabilitation		(4,302,525)	(4,161,553)	(4,270,571)
Condor contingent value rights	12	(14,400,000)	-	-
		(22,485,016)	(7,546,212)	(8,053,062)
Current liabilities				
Trade and other payables		(9,654,958)	(11,284,917)	(18,924,024)
Loans - current portion		-	-	(6,890,400)
Provision for loss on derivatives		(5,610,776)	(2,709,923)	(6,869,769)
		(15,265,734)	(13,994,840)	(32,684,193)
Net assets		**235,189,407**	191,677,234	133,550,150
Equity				
Share capital	10	384,048	285,286	235,366
Share premium account	10	76,524,105	144,350	313,458
Capital redemption reserve		38,266	-	50,401
Treasury shares	10	(19,278,326)	-	(25,345,845)
Translation reserve		8,750,437	10,191,724	9,396,614
Re-measurement reserve		(570,632)	(249,740)	(570,632)
Other reserves		(938,558)	(4,957,851)	(4,289,234)
Profit and loss account		169,892,464	186,263,465	153,363,118
Non-controlling interests		387,603	-	396,904
Equity attributable to equity holders of the parent		**235,189,407**	191,677,234	133,550,150

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2025

	Share capital US$	Share premium US$	Capital redemption reserve US$	Treasury shares US$	Translation reserve US$	Re-measurement reserve US$	Other reserves US$	Non-controlling interests US$	Profit and loss account US$	Total equity US$
Balance at 1 January 2025	235,366	313,458	50,401	(25,345,845)	9,396,614	(570,632)	(4,289,234)	396,904	153,363,118	133,550,150
Exchange differences on translating foreign operations	-	-	-	-	(646,177)	-	-	-	-	(646,177)
Profit for the period	-	-	-	-	-	-	-	(9,301)	16,515,208	16,505,907
Total comprehensive (loss)/profit for the period	-	-	-	-	(646,177)	-	-	(9,301)	16,515,208	15,859,730
Share based payment	-	-	-	-	-	-	18,178,937	-	-	18,178,937
Equity issues	136,547	74,997,143	-	-	-	-	(14,814,123)	-	-	60,319,567
Transfer of other reserve re options lapsing	-	-	-	-	-	-	(14,138)	-	14,138	-
Shares issued from Treasury	12,135	1,213,504	(12,135)	6,067,519	-	-	-	-	-	7,281,023
Balance at 30 June 2025	**384,048**	**76,524,105**	**38,266**	**(19,278,326)**	**8,750,437**	**(570,632)**	**(938,558)**	**387,603**	**169,892,464**	**235,189,407**

Equity is the aggregate of the following:

- Share capital; being the nominal value of shares issued.
- Share premium; being the excess received over the nominal value of shares issued less direct issue costs.
- Capital redemption reserve being the share capital of ordinary shares held in Treasury.
- Treasury shares; being Company shares acquired and placed in Treasury in 2024 via an off-market share buy-back.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Re-measurement reserve; being the cumulative actuarial gains and losses, return on plan assets and changes in the effect of the asset ceiling (excluding net interest on defined benefit liability) recognised in the statement of total comprehensive income.
- Other reserves; include amounts recognised on acquiring additional equity in a controlled subsidiary and the cumulative share-based payments expense.
- Profit and loss account; being the cumulative profit attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2024

	Share capital US$	Share premium account US$	Translation reserve US$	Re-measurement reserve US$	Other reserves US$	Profit and loss account US$	Total equity US$
Balance at 1 January 2024	282,783	144,350	10,941,631	(249,740)	(4,963,164)	127,777,039	133,932,899
Exchange differences on translating foreign operations	-	-	(749,907)	-	-	-	(749,907)
Profit for the period	-	-	-	-	-	58,486,426	58,486,426
Total comprehensive (loss)/profit for the period	-	-	(749,907)	-	-	58,486,426	57,736,519
Share based payment	-	-	-	-	5,313	-	5,313
Equity issue	2,503	-	-	-	-	-	2,503
Balance at 30 June 2024	**285,286**	**144,350**	**10,191,724**	**(249,740)**	**(4,957,851)**	**186,263,465**	**191,677,234**

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.
- Acquisition of non-controlling interests reserve; being.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Re-measurement reserve; being the cumulative actuarial gains and losses, return on plan assets and changes in the effect of the asset ceiling (excluding net interest on defined benefit liability) recognised in the statement of total comprehensive income.
- Other reserves; being amounts recognised on acquiring additional equity in a controlled subsidiary and cumulative share-based payments expense.
- Profit and loss account; being the cumulative profit attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2024

	Share capital US$	Share premium account US$	Capital redemption reserve US$	Treasury shares US$	Translation reserve US$	Re-measurement reserve US$	Other reserves US$	Non-controlling interests US$	Profit and loss account US$	Total equity US$
Balance at 1 January 2024	282,783	144,350	-	-	10,941,631	(249,740)	(4,963,164)	-	127,777,039	133,932,899
Exchange differences on translating foreign operations	-	-	-	-	(1,545,017)	-	-	-		(1,545,017)
Change in pension liability	-	-	-	-	-	(320,892)	-	-	-	(320,892)
Profit for the year	-	-	-	-	-	-	-	(10,211)	25,586,079	25,575,868
Total comprehensive income/(loss) for the year	-	-	-	-	(1,545,017)	(320,892)	-	(10,211)	25,586,079	23,709,959
Share buy back	(50,401)	-	50,401	(25,345,845)	-	-	-	-	-	(25,345,845)
Share-based payment	-	-	-	-		-	673,930	-	-	673,930
Share issue	2,984	169,108	-	-	-	-		-	-	172,092
Subsidiary acquisition	-	-	-	-	-	-	-	407,115	-	407,115
Balance at 31 December 2024	235,366	313,458	50,401	(25,345,845)	9,396,614	(570,632)	(4,289,234)	396,904	153,363,118	**133,550,150**

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.
- Capital redemption reserve; being the share capital of ordinary shares held in Treasury.
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries.
- Re-measurement reserve; being the cumulative actuarial gains and losses, return on plan assets and changes in the effect of the asset ceiling (excluding net interest on defined benefit liability) recognised in the statement of total comprehensive income.
- Other reserves being amounts recognised on acquiring additional equity in a controlled subsidiary and cumulative share-based payments expense.
- Non-controlling interest; being the share of equity owned by minority parties.
- Profit and loss account; being the cumulative profit attributable to equity shareholders.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT for the six months ended 30 June 2025

	Note	*6 month period ended 30 June 2025 (unaudited) US$*	*6 month period ended 30 June 2024 (unaudited) US$*	*Year ended 31 December 2024 (audited) US$*
Net cash arising from operating activities	**9**	**59,572,252**	36,352,110	85,470,242
Investing activities				
Purchase of subsidiaries, net cash acquired		(23,141,452)	-	(497,306)
Interest income		381,487	-	148,751
Pre-takeover loan to Condor		-	-	(2,500,000)
Purchase of mineral properties and exploration expenses		(2,900,967)	-	-
Purchase of property, plant and equipment		(19,965,398)	(2,869,853)	(6,053,563)
Net cash used in investing activities		**(45,626,330)**	(2,869,853)	(8,902,118)
Financing activities				
Repayment of borrowings – principal		-	(23,896,298)	(23,896,298)
Repayment of borrowings – interest		-	(3,338,575)	(3,338,575)
Borrowings		-	-	6,890,400
Off-market buy-back		-	-	(25,345,845)
Share issues		2,052,375	2,503	2,503
Net cash arising from/(used in) financing activities		**2,052,375**	(27,232,370)	(45,687,815)
Net increase/(decrease) in cash and cash equivalents		15,998,297	6,249,887	30,880,309
Cash and cash equivalents at beginning of period		31,224,696	339,997	339,997
Effects of exchange rate changes on cash and cash equivalents		(1,306,324)	(11,243)	4,390
Cash and cash equivalents at end of period		**45,916,669**	6,578,641	31,224,696

The following were material non-cash transactions during the period:

- The issue of 830,145,141 new Ordinary Shares at an issue price of £0.057 per share as part consideration for the acquisition of Condor;
- the transfer from Treasury of 94,127,854 Ordinary Shares at a price of £0.06 per Ordinary Share to fully repay the Drachs bridging loan;
- the issue of shares following the exercise of options and warrants.

Notes to the condensed consolidated interim financial statements

1. General information

These condensed consolidated interim financial statements of Metals Exploration and its subsidiaries (the "Group") were approved by the Board of Directors on 2 September 2025. Metals Exploration is the parent company of the Group. Its shares are quoted on AIM market of the London Stock Exchange plc. The registered address of Metals Exploration plc is 27-28 Eastcastle Street, London, W1W 8DH.

The condensed consolidated interim financial statements for the period 1 January 2025 to 30 June 2025 are unaudited. The group has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing the interim financial information. The condensed consolidated interim financial statements incorporate unaudited comparative figures for the interim period from 1 January 2024 to 30 June 2024 and the audited financial year ended 31 December 2024.

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 2024, which were prepared under UK-adopted international financial accounting standards, were filed with the Registrar of Companies. The auditors reported on these accounts and their report was unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006.

2. Basis of preparation

The interim financial information in this report has been prepared using accounting policies consistent with UK-adopted international accounting standards. The financial information has been prepared based on UK-adopted international accounting standards that the Board of Directors expect to be applicable as at 31 December 2025.

These condensed consolidated interim financial statements have been prepared under the historical cost convention, except for derivative financial instruments, which are measured at fair value, and in accordance with UK-adopted international accounting standards. There have been no changes in accounting policies as described in the 2024 annual financial statements.

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, the realisation of assets and the settlement of liabilities in the normal course of business.

The Group and its ability to operate as a going concern and to meet its commitments as and when they fall due is dependent upon the ability of the Group to operate the Runruno Project successfully to generate sufficient cash flows to enable the Group to settle its liabilities as they fall due.

The Board of Directors believes that the Runruno Project will continue to operate successfully and produce positive cash flows for at least 12 months from the date of this interim report, being 2 September 2025. As a result, the Board of Directors considers it appropriate that the half-year financial information should be prepared on a going concern basis.

4. Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's statutory accounts for the year ended 31 December 2024, a copy of which is available on the Company's website: https://metalsexploration.com/.

5. Critical accounting estimates

The preparation of condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 2 of the Group's statutory accounts for the year ended 31 December 2024. The nature and amounts of such estimates have not changed significantly during the interim period.

6. Financial performance

Operations during H12025 produced a strong financial outcome for the Group with records achieved for several key metrics. A reconciliation of Operating Profit to an alternate non-IFRS compliant performance measure is set out below:

	6 month period ended 30 June 2025 (unaudited) US$'000s	*6 month period ended 30 June 2024 (unaudited) US$'000s*	*Year ended 31 December 2024 (audited) US$'000s*
Operating profit before income tax	16,815	58,423	34,641
Add back:			
Interest	397	982	1,739
Depreciation and amortisation	42,272	37,506	53,274
Impairment (reversals)/charges, net*	(4,938)	(49,713)	9,065
Share-based payment expense**	17,739	5	705
EBITDA, impairments and share based payment expenses	**72,285**	47,203	99,424

* Impairment (reversals)/charges, net
The Group considers that the entire Runruno project (encompassing capitalised property, plant and equipment, mining licence costs, deferred exploration expenditure and the provision for mine rehabilitation and decommissioning) ("PPE") comprises a single cash generating unit ("CGU") as all stages of the project are interdependent in terms of generating cash flow and do not have the capacity to generate separate and distinct cash flow streams. The Group assesses the recoverable amount of the Runruno project CGU based on the value in use of the Runruno operations using cash flow projections over the remaining expected life of mine ("LOM") and at appropriate discount rates.

In order to comply with IAS 36 -- *Impairment of Assets,* any PPE impairment reversal can only be of a magnitude such that the PPE net book value does not exceed the theoretical net book value had the original PPE impairment charge never been made. As a result, in H1 2025 an impairment reversal of US$4.4 million was made, while in H1 2024 a US$50 million impairment reversal was made.

** Share-based payment expense
The increase in the share-based payment expense relates mainly to the issue of the Company's long-term incentive programme ("LTIP") options in February 2025. As previously noted, the implementation of the LTIP had been delayed for several years due to various disputes with the Group's debt providers. Following satisfaction of vesting hurdles during the period, approximately 70% of the LTIP options were exercised. This has resulted in bringing to account the full share-based payment expense relating to the exercised options in H1 2025, rather than having this expense spread over the life of the options.

7. Other income and expenses

	6 month period ended 30 June 2025 (unaudited) US$	*6 month period ended 30 June 2024 (unaudited) US$*	*Year ended 31 December 2024 (audited) US$*
Condor Gold takeover direct costs (note 12)	(904,212)	-	(1,252,312)
Exchange (loss)/gain	(139,392)	705,304	744,371
Interest income	381,487	188	148,751
Loan interest and fees	(397,498)	(1,402,028)	(2,332,796)
Share based payment expense (note 6)	(17,738,751)	(5,313)	(673,930)
Sundry income	-	-	46,813
Other income and expenses	**(18,798,365)**	(701,849)	(3,319,103)

8. Earnings per voting share

The earnings per voting share was calculated based on the net profit attributable to equity shareholders divided by the weighted average number of ordinary voting shares.

	6 month period ended 30 June 2025 (unaudited) US$	*6 month period ended 30 June 2024 (unaudited) US$*	*Year ended 31 December 2024 (audited) US$*
Earnings			
Net income attributable to equity shareholders for the purpose of basic and diluted earnings per voting share	16,515,208	58,486,426	25,586,079
Number of voting shares			
Weighted average number of ordinary voting shares for the purpose of basic earnings per voting share	2,986,823,451	2,101,371,744	1,988,200,730
Number of dilutive voting shares under warrant/option	180,224,296	-	17,302,732
Weighted average number of ordinary voting shares for the purpose of diluted earnings per voting share	3,167,047,748	2,101,371,744	2,005,503,462
Basic earnings cents per voting share	**0.55**	2.78	1.29
Diluted earnings cents per voting share	**0.52**	2.78	1.28

9. Reconciliation of profit after tax to net cash arising from operating activities

	6 month period ended 30 June 2025 (unaudited) US$	*6 month period ended 30 June 2024 (unaudited) US$*	*Year ended 31 December 2024 (audited) US$*
Profit after tax	**16,505,907**	58,486,426	25,575,868
Depreciation and amortisation	42,271,858	37,522,323	53,274,450
Provisions	(1,553,541)	2,713,777	6,521,465
Impairment (reversal)/charge	(4,937,917)	(49,712,946)	9,065,277
Share of losses/(profits) of associates	3,458	4,645	(12,030)
Share based payment expense	17,738,751	5,313	673,930
Shares issued in lieu of cash bonus	577,984	-	169,589
Interest income	381,487	188	(148,751)
Finance expenses	-	1,401,028	1,588,425
Foreign exchange loss/(gain)	1,696,948	(694,061)	2,977,540
(Increase) in receivables	(1,767,449)	(9,074,493)	(14,152,125)
Decrease/(increase) in inventories	773,472	(2,100,426)	(1,710,092)
(Decrease)/increase in payables	(11,373,731)	(2,136,682)	1,646,696
Net cash arising from operating activities	**59,572,252**	36,352,110	85,470,242

10. Share capital

During the 2025 half year the Company made the following issues of new ordinary shares of £0.0001 each ("Ordinary Shares"):

- On 15 January 2025, 830,145,141 new Ordinary Shares at an issue price of £0.057 per share as part consideration for the acquisition of Condor;
- On 12 February 2025, 13,563,930 Ordinary Shares at an average issue price of £0.03439 per share in accordance with the Company's 2022, 2023 and 2024 short-term management incentive programmes;
- On 3 June 2025, 229,600,000 new Ordinary Shares at an issue price of £0.0001 per share being the exercise of options issued in accordance with the Company's LTIP;
- On 3 June 2025, 11,122,524 new Ordinary Shares at an issue price of £0.0725 per share being the exercise of options issued to Condor shareholders as part consideration for the acquisition of Condor;
- On 3 June 2025, 9,889,058 new Ordinary Shares at an issue price of £0.0605 per share being the exercise of warrants issued in relation to the acquisition of Condor; and
- On 30 June 2025, 1,233,818 new Ordinary Shares at an issue price of £0.0605 per share being the exercise of warrants issued in relation to the acquisition of Condor.

Further, on 7 March 2025, the Company repaid its bridging loan, principal and interest, by the transfer from Treasury of 94,127,854 Ordinary Shares at a price of £0.06 per Ordinary Share.

In the June 2024 period the Company issued 19,800,000 new Ordinary Shares at an issue price of £0.0001 following the exercise of options in April and June 2024.

	June 2025	*June 2024*	*December 2024*	***June 2025***	*June 2024*	*December 2024*
	Number of shares	*Number of shares*	*Number of shares*	***US$***	*US$*	*US$*
Ordinary shares of £0.0001 par value						
Opening balance	2,121,729,717	2,098,144,271	2,098,144,271	235,366	282,783	282,783
Share issue in period	1,095,554,471	19,800,000	23,585,446	136,547	2,503	2,984
Treasury shares	(299,385,458)	-	(393,513,302)	12,135	-	(50,401)
Closing balance – voting shares	**2,917,898,730**	2,117,944,271	1,728,216,415	**384,048**	**285,286**	**235,366**
Share premium						
Opening balance				313,458	144,350	144,350
Share issue in period				74,997,143	-	169,108
Treasury shares				1,213,504	-	-
Closing balance				**76,524,105**	**144,350**	**313,458**

Share rights
Ordinary Shares confer the right to vote and to participate in dividends, capital, and other distributions including on winding up. Ordinary Shares are not redeemable. Shares held in Treasury do not have voting rights.

11. Share options and warrants

Movements in the period in options over Ordinary Shares were as below:

Expiry date	Exercise price £	Opening balance	Issued during period	Exercised during the period	Lapsed during the period	Closing balance
31 May 2025*	0.0725	-	14,068,237*	11,122,524	2,945,713	-
31 May 2026*	0.0829	-	18,332,130*	-	-	18,332,130
!3 September 2027*	0.0492	-	17,382,666*	-	-	17,382,666
5 July 2028*	0.0397	-	21,573,924*	-	-	21,573,924
29 May 2029*	0.0484	-	24,793,104*			24,793,104
28 June 2029	0.0001	6,600,000	-	6,6000,000	-	-
27 August 2031	0.0001	38,500,000	-	-	-	38,500,000
7 February 2032**	0.0001	-	318,000,000**	223,000,000	-	95,000,000

* Issued to Condor option holders in accordance with the Scheme of Arrangement takeover of Condor.
** Issued to directors and senior management in accordance with the Company's ("LTIP") approved by shareholders at the 27 August 2024 general meeting.

Movements in the period in warrants over Ordinary Shares were as below:

Expiry date	Exercise price £	Opening balance	Issued during period	Exercised during the period	Lapsed during the period	Closing balance
21 January 2028*	0.0605	-	31,671,104*	11,122,876	-	20,548,228

* Issued to Condor warrant holders in accordance with the Scheme of Arrangement takeover of Condor.

12. Business combination

Acquisition of Condor Gold plc ('Condor')
On 15 January 2025, the Company acquired the entire issued, and to be issued, share capital of Condor, a publicly quoted company incorporated under the laws of England & Wales, via a court approved Scheme of Arrangement. Condor is the parent of a group of entities that holds significant gold exploration licences in Nicaragua.

The initial consideration paid to Condor shareholders was satisfied as follows:

- Cash payment of £20.27 million (US$24.73 million);
- The issue of 830,145,141 new Ordinary Shares at an issue price of £0.057 per share; and
- The issue of 108,192,284 options to acquire new Ordinary Shares at various expiry dates up to 29 May 2029, at various exercise prices ranging from £0.0397 to £0.0829 per share.

In addition, each Condor shareholder received one Contingent Value Right ("CVR") per Condor share held that provides for potential future consideration, to be earned within 5 years from 23 April 2025, as follows:

- Cash payment of US$14.4 million upon the first gold doré pour from a fully commissioned process plant processing ore mined from Condor tenement areas; and
- Up to a maximum of a further US$14.4 million, paid in either cash or MTL shares, on the basis of US$18 per ounce of additional contained gold JORC Mineral Resource discovered on the Condor tenement areas in excess of a total 3.158 Moz of gold, subject to a cap of 800,000oz above 3.158 Moz.

At the time of the acquisition the Company expected that the first tranche CVR obligation will in due course be paid to Condor shareholders, and this liability has therefore been brought to account in this period. The payment of the second CVR tranche is dependent upon future exploration success and as such the Company can not be certain that this obligation will eventually be paid, in part, in full or not at all. As a result, the second CVR tranche that is related to the growth in gold resources on the Condor tenements has been treated as a contingent liability.

The main assets held by Condor included mineral tenement licences, various process plant items, vehicles and land holdings. At the time of acquisition, the La India project was development ready with all necessary government approvals in place. Further, Condor had an appropriate workforce implementing necessary environmental, community and social initiatives such that once funded, Condor could commence development of the La India project. As a result, the transaction was treated as a business combination rather than an asset acquisition.

The estimate of the fair value of Condor's assets acquired and liabilities assumed, at the date of acquisition based upon an unaudited Condor consolidated balance sheet as at 15 January 2015 are:

	Carrying value
Net Condor assets acquired	***US$'000s***
Cash	1,543
Other receivables	815
Plant and equipment	9,728
Mineral properties	45,656
Other liabilities	(4,479)
Total identifiable net assets	53,263
Fair value adjustment – mineral properties	46,183
Net assets acquired	**99,446**
Consideration paid	
Cash	24,726
Shares issued	57,722
Share-based payment expense re options issued	2,598
Potential CVR deferred consideration	14,400
Total potential consideration	**99,446**

A fair value adjustment has been attributable to the value of the gold exploration licences held by Condor. The acquisition provided a significant growth opportunity for the Group as the La India project was construction ready with all necessary development approvals in place. Since acquiring Condor, the Group has commenced construction of the La India project with the aim to commence gold production by the end of 2026, at which time operations at Runruno in the Philippines will be winding down.

The fair value adjustment to mineral properties is not expected to be deductible for tax purposes. The fair value adjustment will be amortised over the expected life of the La India mine once commercial production has commenced.

From the date of acquisition Condor has not contributed any revenue to the Group's Statement of Comprehensive Income while in the same period it has incurred an after tax loss of US$1 million.

The Company incurred once-off acquisition costs of US$2,231,365 related to legal, compliance and professional fees in relation to the takeover transaction.

13. Contingent liabilities

The Group has no contingent liabilities identified as at 30 June 2025 (2024: US$ nil) other than:

- There is potentially up to a further US$14.4 million of deferred consideration payable as part of the acquisition of Condor on the basis of US$18 per ounce of additional contained gold JORC Mineral Resource discovered on the Condor tenement areas in excess of a total 3.158 Moz of gold, subject to a cap of 800,000oz above 3.158 Moz. This potential liability that has been treated as a contingent liability as it is not possible to predict with certainty the amount, if any, that will be payable, given it is dependent upon future exploration drilling success on the Condor tenements.; and
- In June 2024, the Company entered into a Production Fee agreement with Runruno Holdings Limited ("RHL") as part of the settlement of all debt related issues. Under this agreement the Company will pay RHL a production fee of US$164 per ounce of gold produced from mining at the Runruno FTAA contract area on any production from 1 May 2024 that exceeds 204,269 ounces (being equal to approximately 105 per cent. of the then current forecast for production from such date on the basis of the Group's life of mine plan for the Runruno mine). It is not currently possible to determine whether any Production Fee payment will be made.

14. Subsequent events

There has been no period end subsequent disclosable events.