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METALS EXPLORATION PLC

Quarterly Update to 31 March 2026

Metals Exploration plc (AIM: MTL) ("Metals Exploration", the "Company" or the "Group"), a gold production, development and exploration company with assets in the Philippines and Nicaragua, is pleased to announce its unaudited quarterly results for Q1 2026 (the "Quarter").

Finance

- Q1 2026 positive pre-tax free cash flow of US\$29.4 million (Q4 2025: US\$40.0 million).
- Q1 2026 gold revenue of US\$52.9 million (Q4 2025: US\$63.9 million).
- Q1 2026 gold sales of 10,821 ounces ("oz") sold at an average realised gold price of US\$4,885 per ounce ("oz") (Q4 2025: 16,009 oz sold at an average US\$3,995 /oz).
- Cash in bank of US\$36.5 million at 31 March 2026.

Runruno - Mining Operations

- Q1 2026 mining production of ore and waste was 2.94 million tonnes ("Mt") (Q4 2025: 2.79 Mt), with a total of 396 thousand tonnes ("Kt") of ore mined in Q1 2026 (Q4 2025: 710 Kt).

Runruno - Processing Operations

- Q1 2026 gold production of 10,505 oz recovered from 461 Kt at a head grade of 0.92 grammes per tonne ("g/t") (Q4 2025: 15,156 oz recovered from 538 Kt at a head grade of 1.04 g/t).
- Q1 2026 all-in-sustaining-cost ("AISC") of US\$2,067 /oz (Q4 2025: US\$1,584 /oz) driven by lower production levels as the mine moves towards end of life.
- Q1 2026 gold recovery of 77.1% (Q4 2025: 84.1%).

FY2026 Revised Runruno Production Guidance

- Revised FY2026 gold production guidance of 40,000 - 48,000 oz, reflecting BIOX circuit disruption from artisanal cyanide contamination in Stages 5 and 6, a geological model downgrade following grade control drilling, and the impact of historical illegal small scale mining activity on recoverable ounces, as detailed below.
- Revised FY2026 AISC forecast for Runruno gold production: US\$1,700 - US\$2,000 /oz due to lower production levels.
- A structured remediation programme has been completed, as further explained below, and the BIOX circuit has since recovered and is currently operating at normal production levels.
- No formal guidance is provided for the La India gold project which remains on track to commence gold production in December 2026. Guidance will be provided for FY2027.

Development - La India, Nicaragua

- Overall construction continues to be within the revised budget and ahead of schedule at 40% complete. Refer to the Company's announcement dated [30 March 2026](#).
- Process plant foundations, general infrastructure and bulk earthworks are all progressing ahead of schedule.
- A 25-year renewal, effective from January 2027, of the main La India mining concession was received on 27 March 2026.

Exploration - La India Nicaragua

- Geotech drilling at La India South Underground returned the strongest intercept of the programme, with drillhole LIGT612 intersecting **31.18 metres at 4.37 g/t gold ("Au")** from 181.6 metres, including a high-grade interval of 0.48 metres at 138.4 g/t Au and 1.93 metres at 21.3 g/t Au - confirming high-grade mineralisation at depth.
- Step-out drilling at the La India Phase 1 North Open Pit extended the known mineralised zone by at least 30 metres on strike, with three drillholes returning consistent near-surface intercepts:
 - o LIDC620: 9.58 metres at 1.68 g/t Au from surface
 - o LIDC621: 10.55 metres at 1.11 g/t Au from surface
 - o LIDC626: 6.70 metres at 1.65 g/t Au, including 1.50 metres at 5.33 g/t Au
- Exploration drilling at Cacao successfully defined a high-grade ore shoot, with two drillholes intersecting significant mineralisation at depth:
 - o CCRD043: 12.7 metres at 3.52 g/t Au from 270.8 metres, including 2.0 metres at 19.7 g/t Au
 - o CCRD044: 10.7 metres at 1.92 g/t Au from 233.6 metres, including 0.52 metres at 21.3 g/t Au
- Across many targets, the drilling campaign has identified several new zones of gold mineralisation, with Cacao and La India North extension demonstrating the potential to host additional high-grade resources.

Exploration - Dupax, Philippines

- Drill programme did not outline a near term production opportunity to enable re-purposing of the Runruno processing plant. No further work is planned at Dupax in the short-term and other options to repurpose the processing plant are being considered.

Darren Bowden, CEO of Metals Exploration, commented

"The Quarter was a period of mixed success for Metals Exploration, with significant progress made in the construction, development and exploration of La India, coupled with some challenging developments from Runruno. Despite the issues faced in terms of lower production, gold revenue generated during the Quarter was US\$52.9 million, resulting in free cash flow of US\$29.4 million.

"Development of the La India Project continued with momentum, with construction now 40% complete and running ahead of schedule. Key activities, including process plant foundations, bulk earthworks and site infrastructure, are progressing well. Construction milestones achieved include the award of major installation contracts, commencement of tailings storage facility works, progress on the 138 kV substation in collaboration with ENATREL, and the stockpiling of commissioning ore ahead of schedule. In addition, we were pleased to have secured a 25-year renewal of the main mining concession effective from January 2027.

"While the La India project budget increased modestly by 4% to US\$171 million due to higher power infrastructure costs, first gold production remains on track for December 2026. The project remains fully funded through Runruno cash flow, supported by our undrawn gold pre-pay facility. Additionally, during the Quarter, over 1.2 million work hours were completed with no lost time injuries, reflecting our strong safety culture.

"The exploration results at La India continue to demonstrate meaningful upside potential beyond our current 12.5-year mine life. The identification of a high-grade ore shoot at Cacao, alongside continued step-out success at the North Open Pit, confirms our view that this district remains significantly underexplored. The recent granting of four new concessions - including the La Grecia project - further reinforces this view and materially expands our exploration pipeline. We will continue to invest in exploration with the objective of extending mine life and delivering long-term value for shareholders.

"The revision to our FY2026 Runruno production guidance reflects three factors: BIOX circuit disruption from contaminated ore linked to historical illegal mining; downgraded ore tonnage and grades following detailed grade-control drilling, which revealed greater structural complexity in the Balcony lodes than modelled; and selective illegal small-scale mining in high-grade areas, which has disproportionately impacted gold ounces. I am pleased to report the BIOX circuit is now operating normally which will assist recoveries.

"We continue to extract maximum value from Runruno to fund the development of La India, which once in production, will deliver approximately double Runruno's current production rate, strengthening our status as a highly profitable gold producer delivering value for its shareholders.

"As we approach first production in December 2026, the Company's focus is on developing La India, and I look forward to keeping shareholders up to date with our progress as we reach the necessary operational milestones to achieve this. Thank you for your continued support."

Runruno Production and Finance Summary

Runruno Project Report		Quarter	Quarter	FY 2026	FY 2025
FY 2026		Actual	Actual	Actual	Actual
PHYSICALS	Units	Q1 2026	Q1 2025	3 Months	3 Months
Mining					
Ore Mined	Tonnes	396,064	503,463	396,064	503,463
Waste Mined	Tonnes	2,547,538	2,432,347	2,547,538	2,432,347
Total Mined	Tonnes	2,943,602	2,935,810	2,943,602	2,935,810
Au Grade Mined	g/tonne	1.07	1.69	1.07	1.69
Strip Ratio		6.06	4.79	6.06	4.79
Processing					
Ore Milled	Tonnes	461,049	537,233	461,049	537,233
Au Grade	g/tonne	0.92	1.34	0.92	1.34
S ₂ Grade	%	1.05	1.16	1.05	1.16
Au Milled (contained)	Ounces	13,621	23,139	13,621	23,139
Recovery	%	77.1	90.7	77.1	90.7
Au Recovered/Poured	Ounces	10,505	20,992	10,505	20,992
Sales					
Au Sold	Ounces	10,821	18,219	10,821	18,219
Au Price	US\$/oz	4,885	2,661	4,885	2,661
FINANCIALS (Unaudited)					
Revenue					
Gold Sales	(US\$000's)	52,856	48,476	52,856	48,476
Operating Costs - Summary					
Mining	(US\$000's)	5,198	4,790	5,198	4,790
Processing	(US\$000's)	7,065	8,463	7,065	8,463
G&A	(US\$000's)	2,174	3,882	2,174	3,882
Total Operating Costs	(US\$000's)	14,437	17,134	14,437	17,134
Excise Duty	(US\$000's)	3,717	1,952	3,717	1,952
UK/Philippine G&A	(US\$000's)	3,850	3,972	3,850	3,972

Total Direct Production Costs	(US\$000's)	22,004	23,058	22,004	23,058
Net Cash Income	(US\$000's)	30,852	25,418	30,852	25,418
Total Capital Costs	(US\$000's)	1,423	1,881	1,423	1,881
Total non-cash costs	(US\$000's)	9,688	16,233	9,688	16,233
Pre-tax Free Cashflow	(US\$000's)	29,429	23,536	29,429	23,536
Cash Cost / oz Sold - C1	US\$/oz	1,236	875	1,236	875
Cash Cost / oz Sold - AISC¹	US\$/oz	2,067	1,303	2,067	1,303

Note 1: AISC includes all UK Corporate costs. It excludes costs directly related to the Nicaraguan assets.

Runruno Operations

Revised FY2026 Production guidance

Gold production at Runruno during Q1 2026 has been adversely affected by three operational and geological factors, each of which is described below. The combined effect of these factors has resulted in a revision to the Company's FY2026 production guidance to 40,000 - 48,000 oz, as set out in the table at the end of this section.

1. Process Plant Performance - BIOX Circuit Disruption

Metallurgical recovery and overall plant performance has been materially impacted by repeated interruptions to the BIOX circuit. The BIOX process uses bacteria to oxidise the iron and sulphur in pyrite, thereby liberating refractory gold that would not otherwise be recoverable through conventional processing.

Following the commencement of mining in Stages 5 and 6 of the open pit, ore processed through the BIOX circuit was found to contain toxic elements that inhibit bacterial activity and therefore reducing sulphide oxidation. Toxicity has been attributed to cyanide contamination, most likely originating from legacy small-scale mining activity conducted in the extensive network of illegal tunnels within the Stage 5 and Stage 6 ore body. This contamination caused several temporary suspensions of the BIOX circuit and significantly reduced gold output during the Quarter.

The Company has implemented a structured remediation programme, comprising: (i) systematic toxicity testing of ore samples prior to processing; (ii) blending protocols to ensure contaminated ore is diluted with sufficient clean ore; and (iii) laboratory trials using hydrogen peroxide as a detoxification agent, in collaboration with global processing expert Metso Corporation, with whom production data from the affected period has been shared for independent evaluation and advice.

The BIOX circuit has since recovered and is currently operating at normal production levels, processing ore on a 50:50 blend of clean and affected material.

2. Geological Model Downgrade - Ore Tonnage and Grade Reduction

The most recent JORC compliant ore reserve statement was published in 2021 and was based on widely spaced exploration drill holes. Reserve estimates for the first four stages of the mine proved reasonably reliable, reflecting the thick and laterally continuous nature of the M lodes mined in those stages.

Stages 5 and 6 target a fundamentally different geological domain: the thin, flat-lying Balcony lodes. The 2021 resource model predicted these lodes to be continuous with no major structural faulting. Resource definition drilling conducted in 2023 and 2024 was limited in density due to restricted land access and steep mountainous topography and therefore did not yield sufficient data to revise the model at that time.

With pre-strip mining of Stages 5 and 6 now complete, grade control drilling has been able to define the ore body in detail for the first time. This work has revealed a structural setting significantly more complex than previously modelled: the Balcony lodes have been displaced by numerous faults that were not identified in prior drilling campaigns, resulting in a reduction in both ore tonnage and grade relative to the 2021 reserves estimate.

3. Impact of Illegal Small-Scale Mining Activity

Small-scale miners have been active in and around the Runruno area for decades. Illegal mining activity in the Stage 5 and Stage 6 zones continued after FCF Minerals commenced production at Runruno, resulting in an extensive network of subsurface tunnels, concentrated particularly within the Balcony lodes of Stage 5.

These illegal operators demonstrated a systematic focus on the highest-grade portions of the ore body. The full extent of mined voids can only be determined as tunnels are exposed during open pit operations and confirmed through grade control and blast hole drill interceptions. Void models are constructed as this information becomes available, and estimated gold losses are incorporated into short term mine plans.

Whilst the volumetric ore loss attributable to illegal mining typically represents between 1% and 5% of total ore, the ounce loss is disproportionately higher given that tunnelling was concentrated in the highest-grade zones.

Revised FY2026 Forecast

The combined effect of the three factors described above underpins the revision to the Company's FY2026 production guidance. The table below summarises the key physical parameters against the original FY2026 budget:

	Budgeted	Revised Forecast	Variance
Total Mined	8.36 Mt	10.04 Mt	1.67 Mt

	2026	2025	2024
Ore Milled	2.27 Mt	2.13 Mt	(136.5 Kt)
Au Grade Milled	1.07 g/t	0.90 g/t	(0.17 g/t)
Recovery	81.5%	75.9%	(5.65%)

Finance

Q1 2026 recorded gold sales of US\$52.9 million (Q4 2025: US\$63.5 million), at an average realised gold price of US\$4,885 /oz (Q4 2025: average gold price of US\$3,995 /oz); producing positive pre-tax free cash flow of US\$29.4 million (Q4 2025: US\$40.0 million).

The Company's cash holdings at 31 March 2026 were US\$36.5 million (31 December 2025: US\$41.6 million). The Group has no drawn debt.

Mining Operations

Mining production of ore and waste for Q1 2026 was slightly above management's forecast at 2.94 Mt (Q4 2025: 2.79 Mt). During Q1 2026, a total of 396 Kt of ore was mined (Q4 2025: 710 Kt).

Process Plant

Gold produced during Q1 2026 was 10,505 oz (Q4 2025: 15,156 oz) from ore milled in Q1 2026 of 461 Kt (Q4 2025: 538 Kt), at an AISC of US\$2,067 /oz (Q4 2025: US\$1,584 /oz). Head grade was lower than forecast at 0.92 g/t (Q4 2025: 1.04 g/t).

Average gold recovery rate for Q1 2026 was 77.1% (Q4 2025: 84.1%).

Residual Storage Impoundment ("RSI")

The RSI dam water freeboard remains well above design minimum levels. Construction of the RSI final in-rock spillway continues.

Development

La India Gold Project

Construction activities at the La India Project progressed well during the Quarter with overall construction remaining ahead of schedule at 40% complete against a planned 35% at mid-March 2026. The total Project budget was increased by 4% to US\$171 million owing to increased power infrastructure costs. The Project continues to be funded by the Company's Runruno gold mine in the Philippines, supported by an undrawn US\$30 million gold pre-pay facility. First gold production at La India remains on track for December 2026. Highlights for the Quarter include:

- 1.2 million hours worked with no lost time injuries.
- Processing plant construction tracking at 13% as planned; key concrete footing pours across the site are near completion.
- Local contractor, Duroblock S.A ("Duroblock"), has been awarded the structural, mechanical, piping and electrical installation contract alongside Degbed Company Limited as the specialist mill installation contractor.
- The Company agreed a collaborative arrangement with ENATREL, Nicaragua's national electricity transmission company, to construct the 138 kV substation at a total cost of US\$6.2 million, representing a saving of US\$6.2 million against ENATREL's original turnkey proposal of US\$12.4 million.
- The construction of the Tailings Storage Facility has commenced following contract award to Duroblock, with access road and earthworks activities ongoing.
- Approximately 100,000 tonnes of commissioning ore is stockpiled on the run-of-mine pad in-line with targeted 500,000 tonnes by the processing plant commissioning date.

Exploration - Nicaragua

La India Project

Since acquiring the La India Project, the Company has completed a total of 15,638 metres of drilling. To date, the Company's focus has been on step-out out drilling from planned mining areas and exploration drilling at Cacao. Two drill rigs continue to operate at the La India Project, with one rig dedicated to extensional drilling adjacent to the planned mining areas and the other dedicated to exploration at high priority targets.

- Drilling at La India South Underground intersected wide high-grade mineralisation:
 - o Drillhole LIGT612 intersected 31.18 metres at 4.37 g/t Au from 181.6 metres to 212.8 metres including 0.48 metres at 138.4 g/t Au (from 187.6 to 188.1 metres) and 1.93 metres at 21.3 g/t Au (from 240.3 to 240.8 metres).
- Step-out drilling at La India Phase 1 - North Open Pit has returned significant interceptions confirming and extension of the mineralised zone of at least 30 metres:
 - o Drillhole LIDC620 intersected 9.58 metres at 1.68 g/t Au and 13.15 g/t silver ("Ag") from surface to 9.58 metres.
 - o Drillhole LIDC621 intersected 10.55 metres at 1.11 g/t Au and 6.77 g/t Ag from surface to 10.55 metres.

- o Drillhole LIDC621 intersected 10.33 metres at 1.11 g/t Au and 0.77 g/t Ag from surface to 10.33 metres.
 - o Drillhole LIDC626 intersected 6.70 metres at 1.65 g/t Au and 1.64 g/t Ag, including 1.50 metres at 5.33 g/t Au and 3.71 g/t Ag.
- Exploration drilling at Cacao has successfully defined a high-grade ore shoot:
- o Drillhole CCRD043 intersected 12.7 metres at 3.52 g/t Au from 270.8 metres to 283.5 metres, including 2.0 metres at 19.7 g/t Au (from 276.5 to 278.5 metres).
 - o Drillhole CCRD044 intersected 10.7 metres at 1.92 g/t Au from 233.6 metres to 244.3 metres, including 0.52 metres at 21.3 g/t Au (from 240.3 to 240.8 metres).

Other

Post-Quarter end, the Company was granted four new highly prospective exploration concessions adjacent to the La India Project, covering a combined area of 64,400 hectares, granted for a term of 25 years. Within these concessions, four high priority targets have been identified. Refer to the Company's announcement dated [10 April 2026](#).

Exploration - Philippines

Dupax Project

An initial drill programme at Dupax indicated that the target ore zone is significantly deeper than predicted, leading the Company to conclude that an economic resource at Dupax will not be able to be defined within a time period such that the Runruno process plant can be converted to process Dupax ore. Other options to re-purpose the Runruno plant are being considered.

Abra Project

Drill programmes on the Abra tenement remain on hold while the National Commission for Indigenous Peoples further advances its consultation activities with the potentially impacted local communities. The Company's expectation remains that drilling in the Abra project area will commence later in H2 2026.

ESG

Occupational Health & Safety

The Company completed the Quarter without a lost time injury in either the Philippines or Nicaragua.

Environment & Compliance

Compliance matters continue to be successfully monitored, and all operations in both the Philippines and Nicaragua are compliant with no outstanding material issues.

Community & Government Relations

The Company continues to receive strong support for Runruno and La India from local communities and government agencies in both the Philippines and Nicaragua.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014, which forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

END

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Competent Person's Statement

Mr Maxwell Donald Tuesley, BSc (Hons) Economic Geology, a member of the Australasian Institute of Mining and Metallurgy (No 111470 and employee of the Company, has compiled, read and approved the technical disclosure in relation to the projects in this regulatory announcement in accordance with the AIM Rules - Note for Mining and Oil & Gas Companies.

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 statements which 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.

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