

ASX Announcement

17 June 2010

NEW COPPER-GOLD DRILLING RESULTS FOR BARBARA PROJECT

Highlights:

- **New sulphide copper drill intersections received from the Barbara Copper Project**
- **Assay results include:**
 - **9m @ 2.05% Cu and 0.18g/t Au** from 219m (in BARC 055)
 - **9m @ 1.74% Cu and 0.28g/t Au** from 31m (in BARC 058)
 - **5m @ 2.73% Cu and 0/16g/t Au** from 148m (in BARC 061)
- **Mineralisation recorded in the “gap” between the Barbara North Lode and South Lode deposits – opens up potential for extension to near surface mineralisation**
- **Regional electromagnetic survey to commence shortly to identify “repeat” mineralised zones**
- **Barbara area drilling continuing**

The Board of Mt Isa Metals Limited (MET) is pleased to announce that assay results have been received for a further seven drill holes completed within the Barbara North Lode copper deposit.

The drilling has extended the potential for open pittable mineralisation within this near-surface sulphide copper deposit.

Significant assay results (also shown in the longitudinal section at figure 1) include:

- 9m @ 2.05% Cu and 0.18g/t Au from 219m (BARC 055)
- 9m @ 1.74% Cu and 0.28g/t Au from 31m (BARC 058)
- 3m @ 2.48% Cu and 0.24g/t Au from 64m (BARC 058)
- 5m @ 1.30% Cu and 0.10g/t Au from 102m (BARC 059)
- 3m @ 2.22% Cu and 0.24g/t Au from 101m (BARC 060)
- 5m @ 2.73% Cu and 0.16g/t Au from 148m (BARC 061)

Drill hole **BARC 061 (5m @ 2.73% Cu)** is drilled below the current Inferred Mineral Resource outline (figure 1) and provides significant encouragement that the mineralised lode can be extended down-plunge to the south with additional step-out drilling.

Drill holes **BARC 058 to BARC 060**, although drilled within the current Inferred Mineral Resource envelope, were targeted to extend the existing resource block model.

The copper intersection recorded in drill hole **BARC 055 (9m @ 2.05% Cu)** is also significant in that it is **the first substantial copper intersection recorded in what has previously been considered a low grade “gap” between the North Lode and South Lode deposits.**

The positive results recorded in BARC055 opens up potential for delineation of an additional zone of sulphide copper mineralisation over a 200 metre strike length between the North Lode and South Lode deposits (figure 1).

Recent drilling included two diamond drill holes (BADD010 and BADD011) completed in the core of the North Lode deposit to provide samples of sulphide mineralisation for metallurgical testwork.

Forward Program

RC drilling is continuing within the broader Barbara area and will include assessment of multiple copper and copper-gold targets including:

- Barbara North Lode
- North Gossan (following up the recent cobalt discovery)
- Green Zone
- Trey Bit (historical copper workings)
- Blue Star (historical copper workings)

The current drilling program is being implemented within tenement EPM 16112 (Barbara) and tenement EPM 16197 (Blockade). Both tenements are held in joint venture between Mt Isa Metals Limited (49%) and Syndicated Metals Limited (51% and manager).

In addition to the above an airborne VTEM survey (Versatile Time-Domain Electromagnetic survey) will shortly commence over the Barbara tenement. VTEM is a geophysical surveying technique that is considered highly effective in identifying buried copper sulphide occurrences.

Further exploration results will be reported as they come to hand.

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Spiers B.Sc (Hons) Geol., who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Spiers is a full time employee of the company. Mr Spiers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Spiers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Hole No.	East GDA94	North GDA94	TD (m)	Dip	Azi	From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)
BARC 053	380054	7741570	44	-78	53	<i>Hole abandoned – lost drill bit</i>				
BARC 054	380054	7741571	64	-78	53	<i>Hole abandoned – lost drill bit</i>				
BARC 055	380056	7741572	124	-78	53	210	211	1.0	1.48	0.06
						219	228	9.0	2.05	0.18
BARC 056	379850	7741827	198	-79	57	147	149	2.0	0.55	0.01
						155	160	5.0	0.88	0.03
BARC 057	379862	7741933	144	-60	57	103	104	1.0	0.73	0.04
						131	132	1.0	0.54	0.05
BARC 058	379970	7741849	102	-90	-	31	40	9.0	1.74	0.28
						64	67	3.0	2.48	0.24
BARC 059	379924	7741815	120	-72	50	102	107	5.0	1.30	0.10
BARC 060	379958	7741793	126	-73	57	101	104	3.0	2.22	0.24
BARC 061	379916	7741793	180	-65	57	148	153	5.0	2.73	0.16
						159	161	2.0	0.78	0.09
BADD 010	379929	7741870	131.1	-60	57	<i>Metallurgical hole</i>				
BADD 011	379911	7741929	72.6	-60	32	<i>Metallurgical hole</i>				

Table 1 – Drilling Results – Barbara North Lode (at 0.5% Cu cut-off grade, true width is approximately 70% of the reported down-hole width).

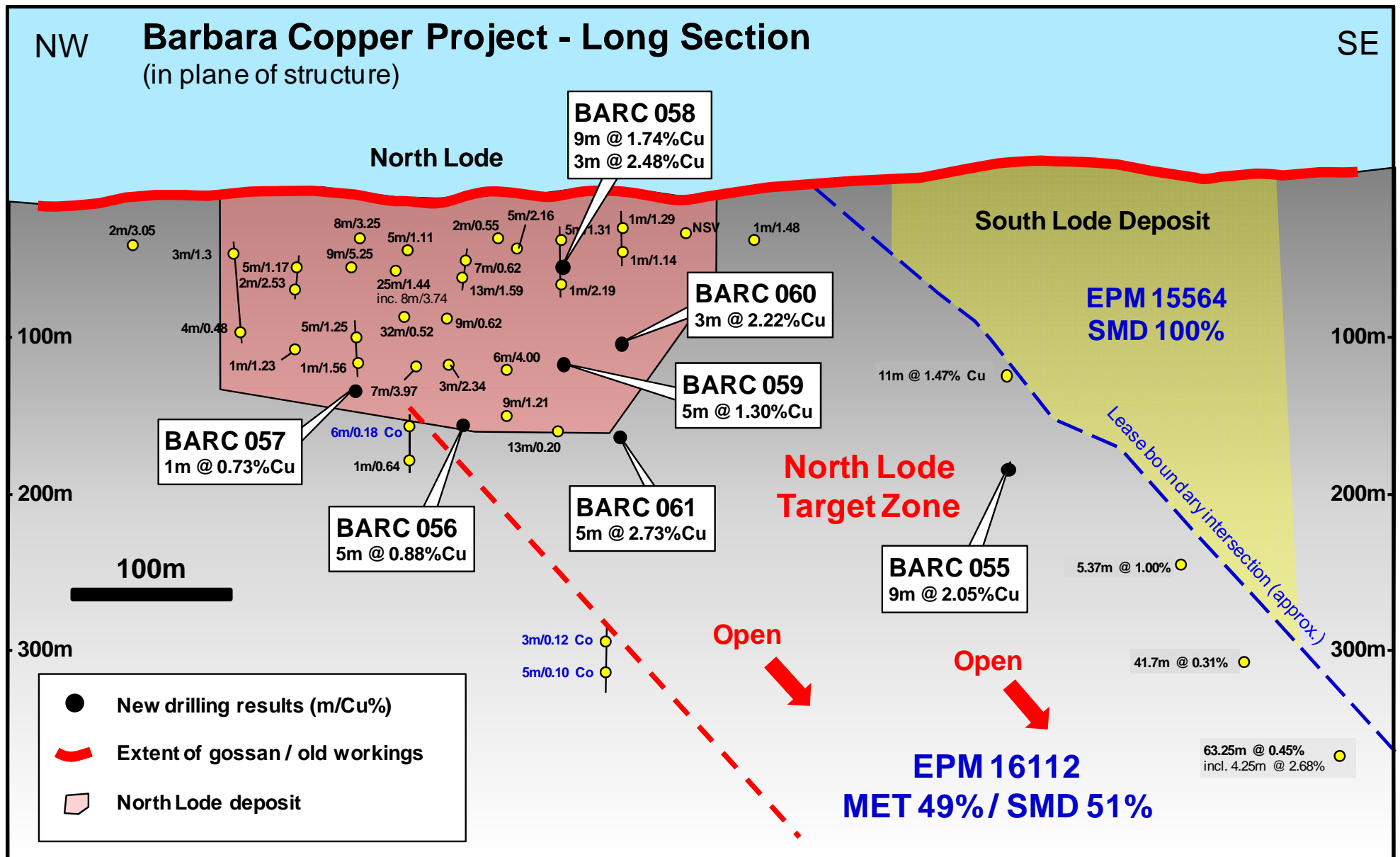


Figure 1 – Barbara Long Section.