

ASX Announcement

11 October 2011

MET EXPANDS PERMIT POSITION IN HIGHLY PROSPECTIVE TAPOA PROJECT AREA – BURKINA FASO

Highlights:

- MET secures an additional exploration permit in the highly prospective Tapoa Project area of south-east Burkina Faso.
- New Pambourou Permit located adjacent to extensive gold-in-soil geochemical anomalies recently announced for MET's Boungou Gold Prospect.
- Pambourou Permit comprises highly prospective greenstone host rocks (including Tarkwaian sediments) and structural gold targets.
- Pambourou Permit consolidates MET land position in the Tapoa Project area:
 - total project permit area now 733km²
 - greenstone and structural targets extended to a 50km strike length.
- Burkina Faso field work scheduled to re-commence during October including RC drilling of multiple high potential gold prospects.

The Board of Mt Isa Metals Limited (MET) is pleased to announce that the Company has expanded its permit position in the highly prospective Tapoa Project area of south-east Burkina Faso. The expansion has been achieved via a new three year option agreement over the recently granted **Pambourou Exploration Permit** (figure 1).

The Pambourou Permit is located immediately adjacent to the Boungou Gold Prospect where MET recently announced extensive high order gold-in-soil anomalies. The Boungou gold-in-soil anomalies are open ended in all directions and in particular to the east towards the Pambourou Permit (figure 2).

The 233km² Pambourou Permit includes a prospective sequence of greenstone rocks and structural gold targets. The Pambourou Permit also includes an 8km long strike length of Tarkwaian sediments (conglomerates) a rock type known to host major gold deposits in the region.

Together with existing permits, the Pambourou Permit secures a contiguous 50 kilometre long strike length of highly prospective greenstone rocks within the Tapoa Project area (figure 2).

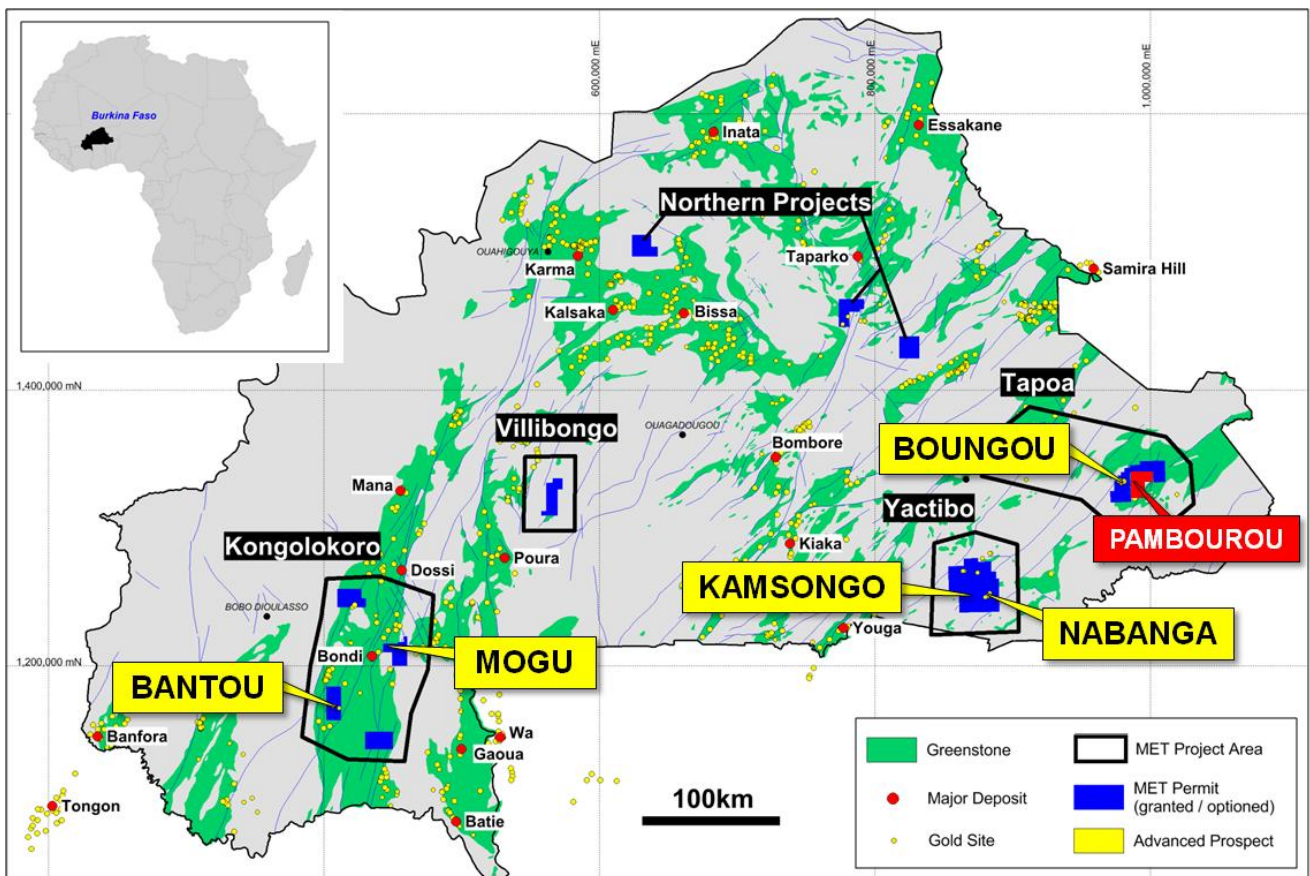


Figure 1 – Location diagram – Tapoa Project and Pambourou Permit.

Pambourou Option Agreement

Under the terms of the option agreement MET may obtain a 100% interest in the Pambourou Permit by making staged annual cash payments to the vendor over a three year period.

MET must keep the permit in good standing by meeting various exploration expenditure and statutory reporting obligations, but, has a right to withdraw from the option agreement at any time.

The vendor will be entitled to a 1.0% profit-based royalty over any gold produced from the permit.

Exploration Drilling to Resume October 2011

MET proposes to resume on-ground exploration activities in Burkina Faso during the current month (following the anticipated end of the annual wet season rains).

Exploration during the current field season will include RC drilling of multiple high potential gold targets (shown in figure 1) including:

- **Nabanga Prospect** – follow-up drilling of drill intersections including **5m @ 29.34g/t Au** (from 30m in NARC046) - [announced 22 September 2011](#)
- **Bantou Prospect** – follow-up drilling of drill intersections including **16m @ 10.20g/t Au** (from 17m in DYRC029) - [announced on 27 September 2011](#)
- **Boungou Prospect** – maiden drilling of extensive high order gold-in-soil anomalies (within the permit adjacent to the new Pambourou Permit) - [announced on 17 August 2011](#).

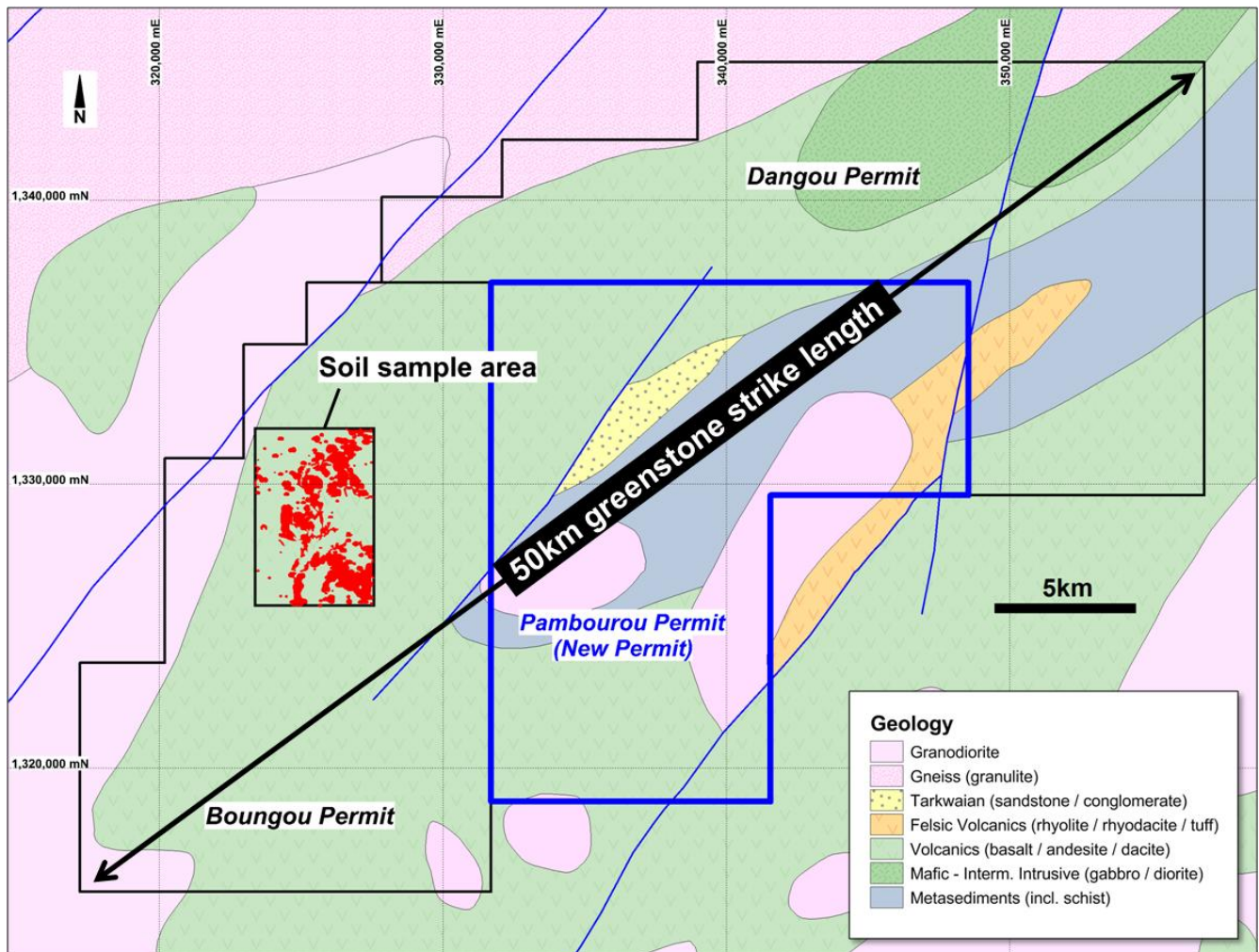


Figure 2 – Tapoa Project - showing regional geology and location of the Pambourou Permit (inset images shows area of +20ppb gold-in-soils in red).

For further information please contact:

Mr Peter Spiers
 Managing Director
 Ph: (07) 3303 0624 or 0409 407 265

Mr Peter Harding-Smith
 Company Secretary
 Ph: (07) 3303 0624 or 0488 771 588

Email: info@mtisametals.com.au

Further information on Mt Isa Metals can be found on our website www.mtisametals.com.au

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.