

ASX Announcement

30 May 2011

RAB DRILLING UNDERWAY - KAMSONGO GOLD PROSPECT

Highlights:

- **Rotary Air Blast (RAB) drilling program underway to provide initial assessment of Kamsongo Gold Prospect.**
- **Kamsongo Prospect defined by a contiguous +10ppb gold in soil anomaly over a 14 kilometre strike length.**
- **Broader anomaly includes discrete higher grade (+20ppb Au) zones:**
 - **Central Zone – 3km long / average sample grade of 51ppb Au**
 - **North Zone – 5km long by up to 1km wide / average sample grade 50ppb Au**
- **RAB drilling focussed on initial assessment of the higher order Central Zone and North Zone anomalies.**
- **Regional soil sampling results awaited for additional permit areas.**

The Board of Mt Isa Metals Limited (MET) is pleased to advise that first pass Rotary Air Blast (RAB) drilling has commenced at the recently defined Kamsongo Gold Prospect located in south-east Burkina Faso (figure 1).

The Kamsongo anomaly is defined by a contiguous zone of +10ppb gold in soil assays recorded along a 14 kilometre long strike length. The +10ppb Au anomaly is up to 1.5 kilometres across at its widest point and includes multiple discrete zones of higher order assays (figure 2).

Kamsongo is a previously unknown gold prospect. The Kamsongo anomaly was identified by a regional-scale soil sampling program that is progressively being implemented across selected areas within the Company's highly prospective portfolio of exploration properties in Burkina Faso. The regional geochemical surveys are being conducted on an 800 metre by 100 metre spaced sample grid.

The Kamsongo anomaly is located in the same project area as the Company's recently announced high grade Nabanga gold discovery (ie: the Yactibo Project) but is thought to be part of a separate mineralised system centred approximately 10 kilometres to the west-south-west of the Nabanga discovery.

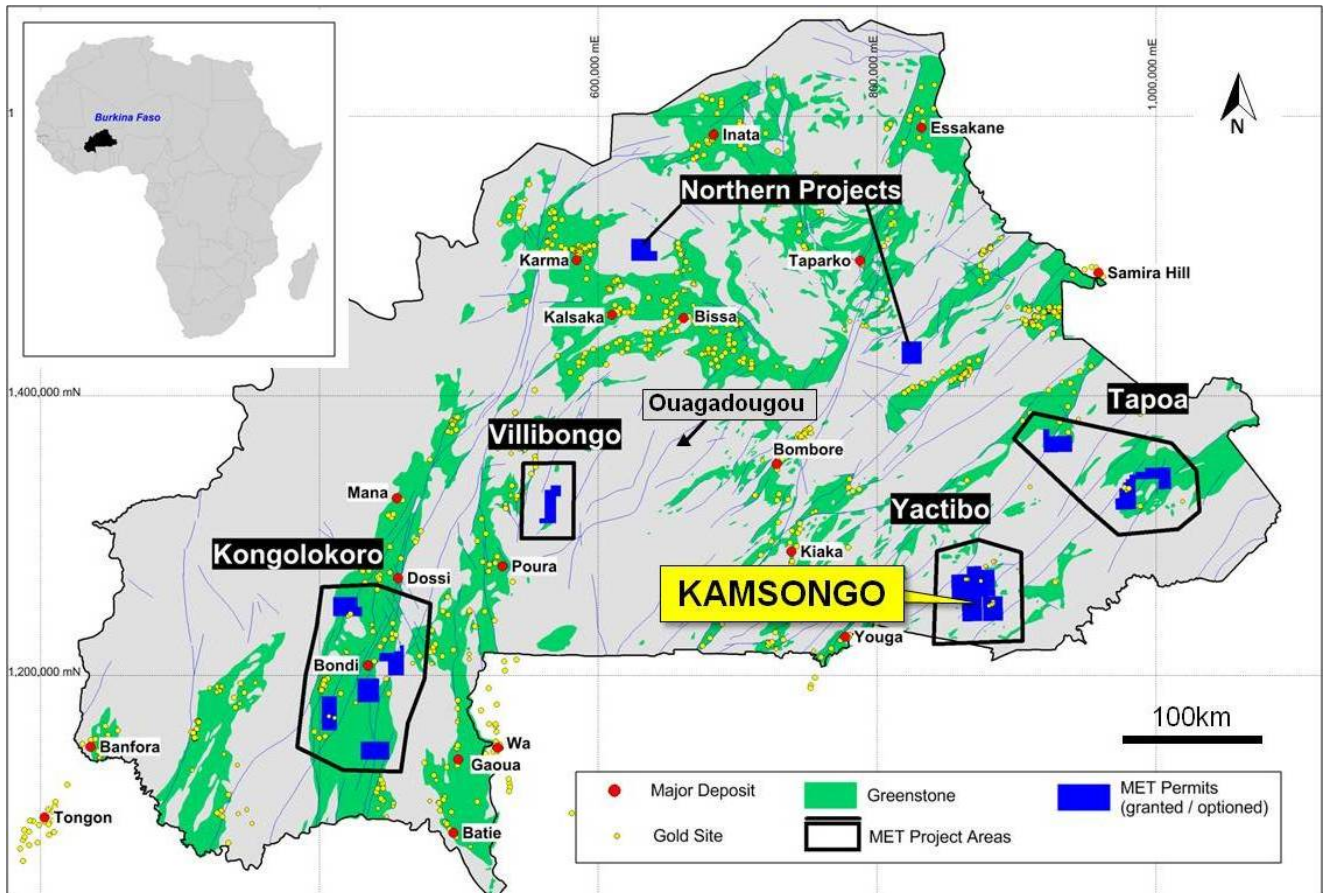


Figure 1 – Location of MET Burkina Faso exploration permits / projects (excludes applications).

Initial RAB Drill Targets

The initial RAB drilling being conducted at Kamsongo will provide an assessment of the Central Zone and North Zone anomalies as shown in figure 3.

The Central Zone and North Zone targets are both defined by contiguous, multi-kilometre long, +20ppb gold in soil anomalies with local assay values in excess of 150ppb Au (0.15 g/t Au).

RAB drilling is being conducted primarily within the interpreted +20ppb Au contour on cross sections that are co-incident with the original soil sample sites. Drilling is being conducted to the lesser of basement depth (fresh rock) or 55 metres maximum depth.

Other Soil Sample Programs

In addition to the successful delineation of the Kamsongo Prospect through regional soil sampling programs, further results are also awaited for soil sampling programs across multiple additional permit areas.

Soil sample assay results awaited include the balance of the soil sampling program around the Boungou Prospect in the far east of Burkina Faso where the Company recently announced +50ppb gold anomalism over an approximate 2.5 kilometre by 1.5 kilometre area¹.

Significant assay results / geochemical anomalies will be reported as they come to hand. Testing of new high order soil anomalies will subsequently be incorporated into forward RAB drilling programs.

¹ Refer ASX release “Boungou Prospect – New Gold Anomalies” dated 10 May 2011.

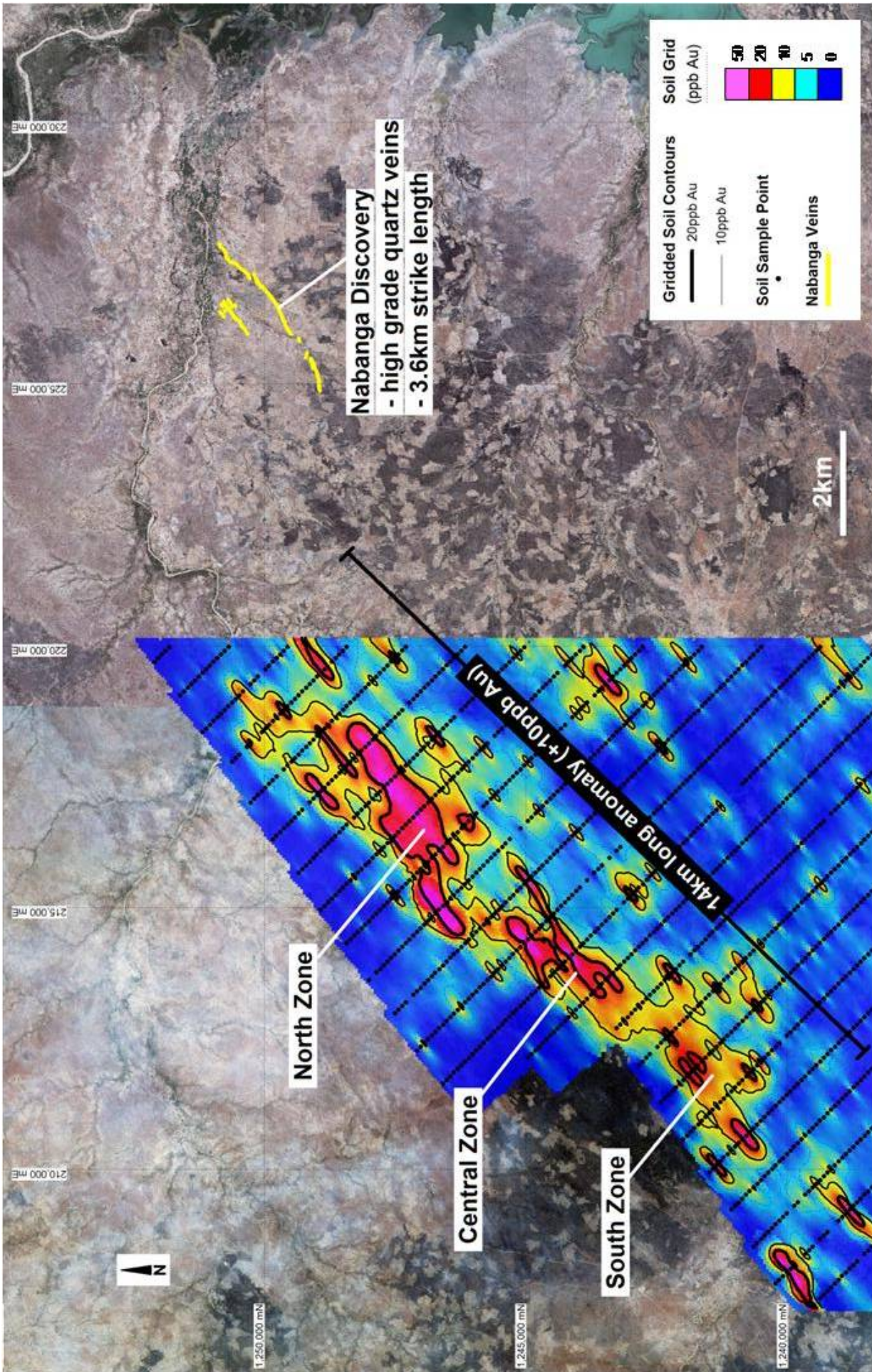


Figure 2 – Kamsongo gold anomaly and location in relation to the Nabanga Gold prospect.

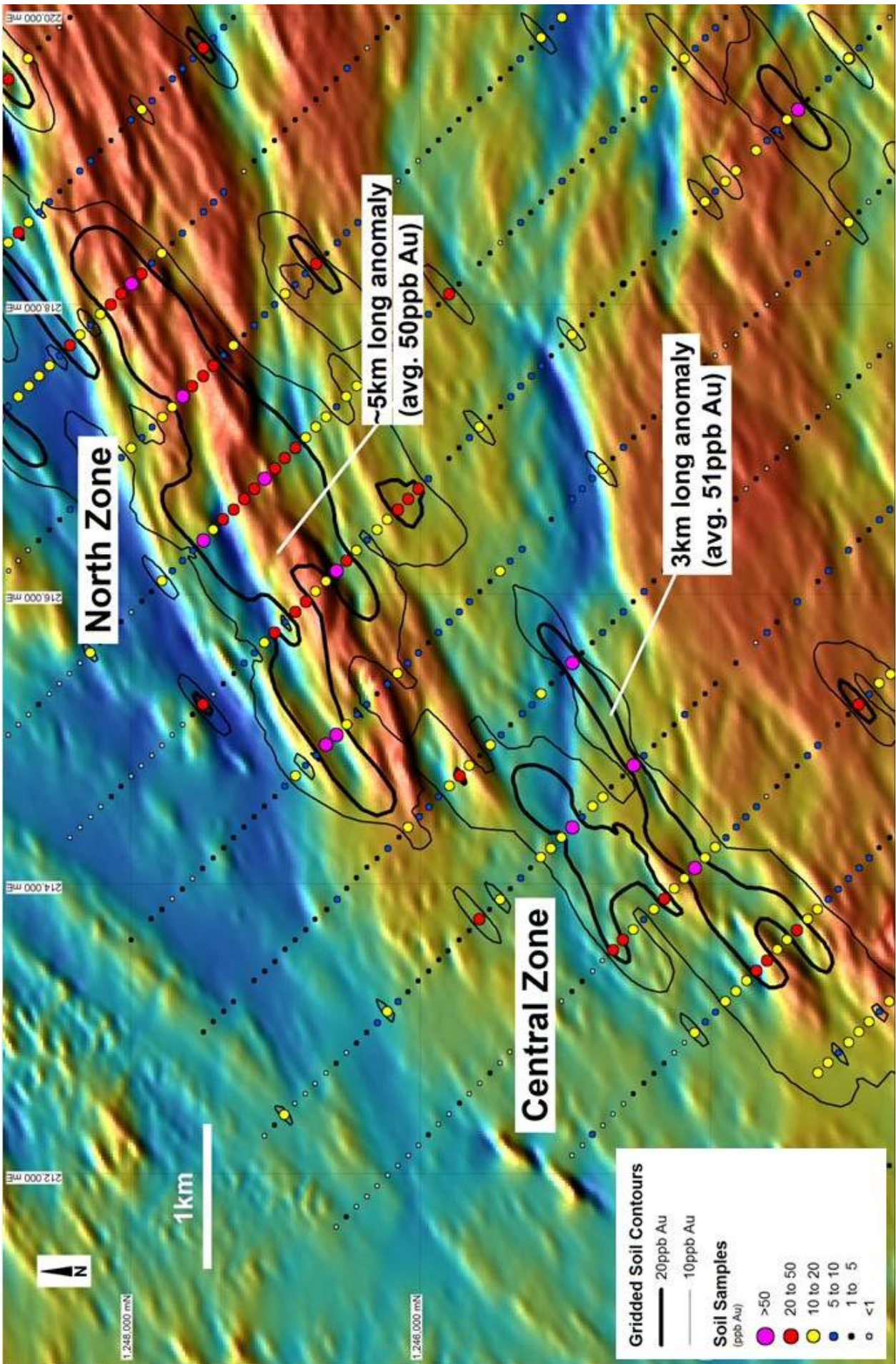


Figure 3 – Kamsongo Prospect – Detail of North Zone and Central Zone anomalies (on background magnetic image).

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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.