

ASX Announcement

28 June 2012

NABANGA GOLD PROJECT – NEW RC DRILL INTERSECTIONS EXTEND HIGH GRADE GOLD MINERALISATION IN CENTRAL ZONE AREA TO 1,000 METRE STRIKE LENGTH TO 200 METRES DEPTH

Highlights:

- New high grade assay results received from reverse circulation (RC) drilling at Nabanga Gold Project, south-east Burkina Faso.
- High grade gold mineralisation on Central Zone target area now extended to 200 metres depth along a total 1,000 metre strike length (includes some lower grade intervals).
- Central Zone gold mineralisation open at depth below 200 metres – diamond drill assays pending from this area.
- New Central Zone drill intersections include:
 - 8.0m @ 8.04g/t Au from 95m (in NARC234)
(incl. 2.0m @ 27.70g/t Au from 99m)
 - 10.0m @ 32.90g/t Au from 167m (in NARC330)
(incl. 1.0m @ 154.0g/t Au from 167m)
(incl. 4.0m @ 39.08g/t Au from 171m)
 - 9.0m @ 4.17g/t Au from 168m (in NARC331)
(incl. 4.0m @ 8.02g/t Au from 168m)
 - 14.0m @ 11.27g/t Au from 130m (in NARC332)
(incl. 5.0m @ 29.61g/t Au from 135m)
 - 4.0m @ 7.09g/t Au from 158m (in NARC334)
- Average down-hole drill intersection in Central Zone target area is 4.0m @ 7.21g/t Au (from 139 RC drill holes).
- Average down-hole drill intersection for combined Central and North Zone target areas (2.3km strike length constituting the maiden resource estimate area) is 3.9m @ 6.43g/t Au (from 237 RC drill holes)
- Maiden resource estimate activities in progress including 3D modelling of geological interpretations and wireframing of interpreted gold mineralised zones.

High Grade Gold Mineralisation Continues at Depth in Central Zone Area

The Board of Mt Isa Metals Limited (MET) is pleased to advise that assay results have been received for a further 11 RC drill holes from the Nabanga Gold Project in south-east Burkina Faso.

The new assay results complete all outstanding drill assays required from the Central Zone target area for the maiden resource estimate and extends high grade gold mineralisation to 200 metres depth along the entire 1,000m strike length of the Central Zone target area tested to date (includes some lower grade intervals).

A schematic long section through the Nabanga deposit is provided at figure 1. This figure highlights the location of the new high grade drill holes in the Central Zone area and the significant strike length of high grade gold mineralisation defined in the broader Nabanga Project area to date.

The new RC drill hole intersections from the southern extension of the Central Zone area include:

- **8.0m @ 8.04g/t Au from 95m (in NARC234)**
(incl. 2.0m @ 27.70g/t Au from 99m)
- **10.0m @ 32.90g/t Au from 167m (in NARC330)**
(incl. 1.0m @ 154.0g/t Au from 167m)
(incl. 4.0m @ 39.08g/t Au from 171m)
- **9.0m @ 4.17g/t Au from 168m (in NARC331)**
(incl. 4.0m @ 8.02g/t Au from 168m)
- **14.0m @ 11.27g/t Au from 130m (in NARC332)**
(incl. 5.0m @ 29.61g/t Au from 135m)
- **4.0m @ 7.09g/t Au from 158m (in NARC334)**

A detailed longitudinal section through the southern extension of the Central Zone target area is provided at figure 2 which highlights the location and tenor of the new drilling results.

Detailed data for the new assay results are provided in table 1.

To date assay results have been received for 139 RC drill holes from the Central Zone target area. **The average down-hole drill intersection for all such holes is 4.0m @ 7.21g/t Au.**

To date assay results have been received for 237 RC drill holes from within the core of the Nabanga deposit (ie: within the entire 2.3km strike length shown within figure 1). **The average down-hole drill intersection for all such holes is 3.9 metres @ 6.43 g/t Au¹.**

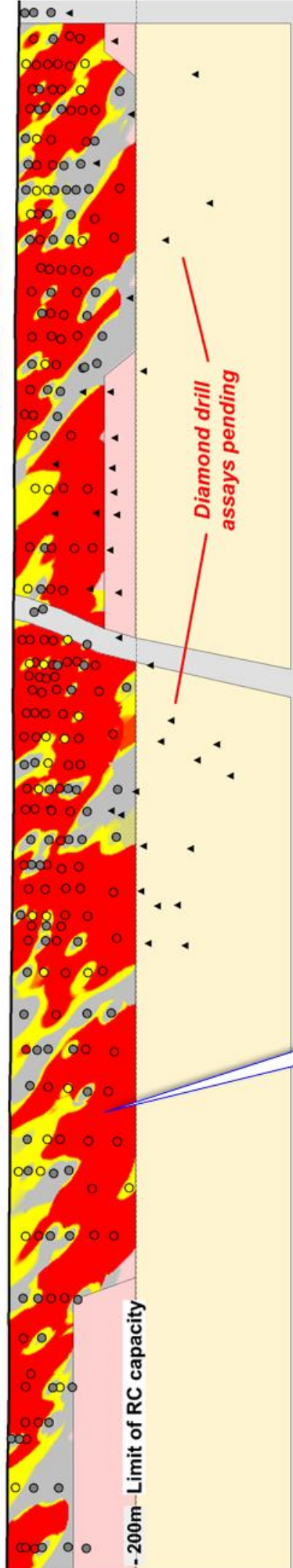
More than 90% of all drill holes completed within this core target area have recorded drill intersections greater than 0.5g/t Au.

¹ Down hole intersection lengths reported in this announcement may be multiplied by 0.8 to approximate true widths based on an average dip of the structure of 60° and an average drill hole inclination of -65°. Note however this conversion factor will not be applicable to all drill hole intersections due to local variability of the dip of the Nabanga structure and the inclination of individual drill holes.

Nabanga Longitudinal Section (metre gram contour)

2,300m

SW Central Zone North Zone NE



- 500m

Central Zone Extension
New high grade RC drilling results

200m

Drill Hole Collars
(metre grams)

- >10
- 5 to 10
- <5
- ▲ Assays Awaited

Figure 1 – Nabanga – Schematic longitudinal section (showing indicative metre gram contour and location of drill hole intersections).

Central Zone Extension - Schematic Long Section (metre gram contour)

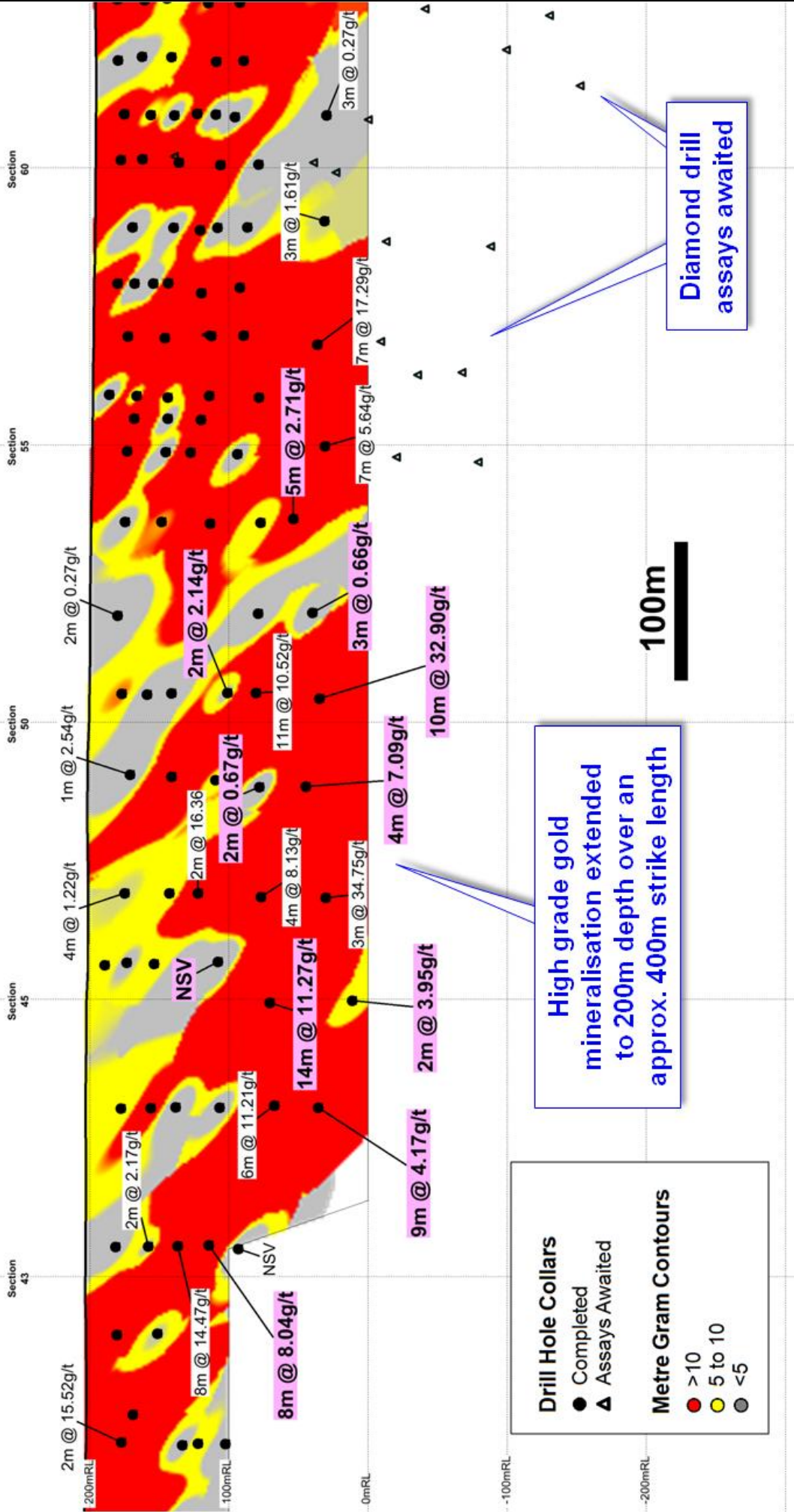


Figure 2 – Nabanga Central Zone longitudinal section (new drill hole intersections highlighted in pink).

Maiden Resource Estimate In Progress

Nabanga resource estimation activities are ongoing including 3D modelling of geological interpretations and wireframing of gold mineralised zones.

Assays are awaited for final RC drill holes from the North Zone area to complete the resource estimation data set.

Resource estimation will be completed upon receipt and modelling of final assay results.

Nabanga – Significant Project Potential

The discovery of the Nabanga Gold deposit presents the Company with a significant opportunity to define a large-scale high grade gold deposit.

High grade gold mineralisation at Nabanga is open at depth (at the limit of current RC drilling) along the 2.3km strike length of the structure drilled in detail to date. Significant potential exists to extend gold mineralisation through ongoing drilling both at depth and along strike.

Assays are awaited from an initial diamond drilling program at Nabanga testing for gold mineralisation in the Central Zone and North Zone areas below 200m depth (figures 1 and 2). Further significant diamond drilling programs are proposed during 2012.

Gold mineralisation at Nabanga has been traced in artisanal workings and by shallow RC drilling for a further 1.3 kilometres to the south-west of the proposed initial resource estimation area. Further RC drilling is required to test high grade intersections recorded in this area and depth potential below lower grade areas at surface. Recent RC drilling by the Company below low grade mineralisation in the Central and North Zone areas identified significant new zones of “blind” high grade gold mineralisation at depth.

Regionally the Nabanga structure has been interpreted to extend over a total strike length of approximately 9 kilometres (based on geophysical surveys recently completed by the Company). Detailed soil sampling programs are currently in progress over the entire strike length of the Nabanga structure to seek to identify additional new zones of high grade gold mineralisation for follow-up RC drilling.

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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 (WGS84)	North (WGS84)	RL (m)	TD (m)	Dip	Azi	From (m)	To (m)	Width (m)	Au (g/t)
NARC234	226,094	1,249,672	203	141	-60	145	95	103	8.0	8.04
						incl.	99	101	2.0	27.70
NARC306	226,280	1,249,760	202	151	-70	145	NSV			
NARC328	226,385	1,249,836	202	170	-70	145	93	95	2.0	1.00
							129	131	2.0	0.67
NARC329	226,567	1,249,904	200	186	-80	145	144	149	5.0	2.71
							154	155	1.0	0.93
NARC330	226,431	1,249,879	200	195	-70	145	167	177	10.0	32.90
						incl.	167	168	1.0	154.00
						incl.	171	175	4.0	39.08
NARC331	226,159	1,249,757	203	198	-70	145	168	177	9.0	4.17
						incl.	168	172	4.0	8.02
NARC332	226,231	1,249,771	202	165	-70	145	130	144	14.0	11.27
						incl.	135	140	5.0	29.61
NARC333	226,226	1,249,782	202	210	-80	145	191	193	2.0	3.95
NARC334	226,377	1,249,846	202	192	-75	145	158	162	4.0	7.09
NARC335	226,475	1,249,820	201	126	-75	145	100	102	2.0	2.14
NARC336	226,511	1,249,871	200	186	-80	145	160	163	3.0	0.66

Table 1 – Summary Drilling Results (0.5g/t Au cut-off grade).