Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001

Name of entity

Mt Isa Metals Limited	

ACN or ARBN

Quarter ended ("current quarter")

59 120 212 017

30 June 2012

Consolidated statement of cash flows

		Current quarter	Year to date
Cash	flows related to operating activities	\$A'000	(12 months)
			\$A'000
1.1	Receipts from product sales and related debtors	81	171
	including refunds of Goods and Services Tax		
1.2	Payments for (a) exploration and evaluation	(3,864)	(9,140)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(636)	(2,535)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	88	514
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(4,363)	(11,022)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	49	(151)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	134	2
	Net investing cash flows	183	(149)
1.13	Total operating and investing cash flows (carried forward)	(4,180)	(11,171)

⁺ See chapter 19 for defined terms.

30/9/2001 Appendix 5B Page 1

Appendix 5B Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,180)	(11,171)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares and call payments	551	1,470
1.15	Proceeds from issues of shares in subsidiaries, to outside equity interests	460	460
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings (leases)	-	-
1.18	Repayment of borrowings (leases)	-	-
1.19	Dividends paid	-	-
1.20	Other - capital raising costs	(11)	(76)
	Net financing cash flows	1,000	1,854
	Net increase (decrease) in cash held	(3,180)	(9,317)
1.21	Cash at beginning of quarter/year to date	9,144	15,281
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	5,964	5,964

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		\$A'000
1.2	Aggregate amount of payments to the parties included in item 1.2	147,702
1.2	Aggregate amount of loans to the parties included in item 1.10	-

1.2 Explanation necessary for an understanding of the transactions

Nil			

Non-cash financing and investing activities

2.1 Detail	5 01 1111 4111011115 41114	investing transactio	is willell lie	ave mau	a material	CITCCI OII	Consondated	assets
and li	abilities but did no	t involve cash flows						

Nil			

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil		
·		

Appendix 5B Page 2 30/9/2001

⁺ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000	
3.1	Loan facilities	-	-	
3.2	Credit standby arrangements	-	-	

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,500
4.2	Development	-
4.3	Production	-
4.4	Administration	550
	Total	2,050

Reconciliation of cash

show	nciliation of cash at the end of the quarter (as in the consolidated statement of cash flows) to lated items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	3,964	5,144
5.2	Deposits at call	2,000	4,000
5.3	Bank overdraft	-	-
5.4	Other	-	-
Total: cash at end of quarter (item 1.22)		5,964	9,144

Changes in interests in mining tenements

6.1 Interests in mining tenements relinquished, reduced or lapsed

6.2 Interests in mining tenements acquired or increased

Tenement reference (Holder)	Nature of interest (note (2))	Interest at beginning of	Interest at end of quarter
		quarter	
EPM 15913	Exploration Permit for Minerals ("EPM")	100%	0%
EPM's 18477, 18481 and 18482	Exploration Permit for Minerals ("EPM")	-	100%

+ See chapter 19 for defined terms.

30/9/2001 Appendix 5B Page 3

Issued and quoted securities at end of current quarterDescription includes rate of interest and any redemption or conversion rights together with prices and dates.

Security Sec note 3 (see note 3) (cents)			Number	Number	Issue price per	Amount paid
			issued	Quoted		
7.1 Preference *securities (description) Nil (description) 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions 167,036,056 7.3 *Ordinary securities 167,036,056 7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buybacks, consolidation (1 for 25) (e) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through acquisition of companies (e) Release of ASX restriction 7.5 *Convertible debt securities (description) Nil (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions Exercise price Expiry date conversion factor) - 46 cents 23/11/13 (25,000,000 - 45 cents 23/11/13 (25,000,000 - 55 cents 20/06/14 (25,					(see note 3)	(see note 3)
(description)					(cents)	(cents)
Changes during quarter	7.1		Nil			
(a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions 7.3 *Ordinary securities 7.4 Changes during quarter (a) Increases through issues (b) Decreases through issues (b) Decreases through sacks, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increases through acquisition of projects (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercised during quarter 7.10 Debentures (totals only) 8 Issued 8 Issued by Islands 167,036,056 167,036,056 167,036,056 167,036,056 167,036,056 18 cents 19 Iuliands 2,500,000 - Socients 2,500,000 - S						
(b) Decreases through returns of capital, buybacks, redemptions 7.4 Changes during quarter (a) Increases through sisues (b) Decreases through returns of capital, buybacks, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 **Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through issues (d) Decreases through issues (d) Decreases through issues (d) Decreases through issues (e) Increases through issues (f) Increase through issues (g) Decreases through issues (h) Decrease	7.2					
Teturns of capital, buy-backs, redemptions 167,036,056 167,036,056						
Table Tabl						
7.3 *Ordinary securities 167,036,056 167,036,056						
7.4 Changes during quarter (a) Increases through returns of capital, buybacks, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increase through acquisition of projects (d) Increase through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) 1.000,000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0	7.3	•	167.036.056	167.036.056		
(a) Increases through issues (b) Decreases through returns of capital, buybacks, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increase through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 **Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Upurchase one ordinary 2,000,000 - 25 cents 27/10/13 - to purchase one ordinary 2,000,000 - 46 cents 23/11/13 - 1,000,000 - 40 cents 23/11/13 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/05/12 7.10 Expired during quarter 7.10 Expired during quarter 7.11 Debentures (totals only) Nil		Gramary securities		,		
(b) Decreases through returns of capital, buybacks, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.10 Expired during quarter 7.10 Debentures (totals only) Nil **Convertible debt securities (d) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) 2,500,000 - 25 cents 19/10/13 2,500,000 - 34 cents 27/10/13 1,000,000 - 46 cents 23/11/13 1,000,000 - 55 cents 31/03/14 500,000 - 55 cents 31/03/14 500,000 - 18 cents 31/05/12	7.4					
returns of capital, buy-backs, consolidation (1 for 25) (c) Increases through acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through returns of capital, buy-backs, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.10 Expired during quarter 7.10 Expired during quarter 7.11 Debentures (totals only) Nil						
backs, consolidation (1 for 25)						
for 25 (c) Increases through acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 3,111,560 3,111,560 18 cents 18 cents of options 7.5						
(c) Increases through acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercise during quarter 7.9 Exercised during quarter 7.10 Expired during quarter 7.10 Expired during quarter 7.11 Debentures (totals only)		· · · · · · · · · · · · · · · · · · ·				
acquisition of projects (d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 **Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary \$2,000,000 - \$25 cents \$27/10/13 share 2,500,000 - \$46 cents \$23/11/13 1,000,000 - \$90 cents \$31/03/14 1,000,000 - \$55 cents \$31/03/14 500,000 - \$55 cents \$31/05/12 7.8 Issued during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.10 Expired during quarter 7.11 Debentures (totals only) Nil						
(d) Increases through acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercise during quarter 7.9 Exercise during quarter 7.9 Expired during quarter 7.0 Expired during quarter 7.10 Expired during quarter 7.2 Sents 7.3 Issued during quarter 7.4 Conversion factor 7.5 **Convertible debt securities (A) July 11,560 7.6 Changes during quarter 7.7 Options (description and conversion factor) 7.8 Issued during quarter 7.9 Exercise during quarter 7.0 Expired during quarter 7.10 Expired during quarter 7.11 Debentures (totals only) 7.12 Nil Debentures (totals only) 7.13 Debentures (totals only) 7.14 Debentures (totals only)		• •				
acquisition of companies (e) Release of ASX restriction (f) Increase through exercise of options 7.5 **Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buy- backs, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 2,500,000 - 25 cents 19/10/13 - 46 cents 23/11/13 1,000,000 - 46 cents 23/11/13 1,000,000 - 61 cents 20/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 31/03/14 7.8 Issued during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 1,431,291 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 18 cents 19/10/13 2,500,000 - 55 cents 31/10/12 7.10 Expired during quarter 1,431,291 Nil						
(e) Release of ASX restriction (f) Increase through exercise of options 7.5 *Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 2,500,000 - 25 cents 19/10/13 - to purchase one ordinary 2,000,000 - 46 cents 23/11/13 - 1,000,000 - 89 cents 31/03/14 - 1,000,000 - 61 cents 2/06/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 18 cents 2/06/14 - 500,000 - 18 cents 2/06/14 - 500,000 - 18 cents 31/03/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/05/12 7.8 Issued during quarter						
(f) Increase through exercise of options 7.5 **Convertible debt securities (description) 7.6 Changes during quarter (c) Increases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 7.8 Issued during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.9 Exercised during quarter 7.10 Debentures (totals only) 7.11 Debentures (totals only) 7.11 Debentures (totals only) 7.11 Security date (Additional Special Spe						
Of options Nil (description) Nil (description)		restriction				
7.5		(f) Increase through exercise	3,111,560	3,111,560	18 cents	18 cents
(description) 7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buy-backs, redemptions 7.7 Options (description and conversion factor) 2,500,000 - 25 cents 19/10/13 - to purchase one ordinary share 2,000,000 - 54 cents 23/11/13 1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 31/05/12 7.8 Issued during quarter - - - - 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil		of options				
7.6 Changes during quarter (c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 2,500,000 - 25 cents 19/10/13 - 2,500,000 - 54 cents 27/10/13 - 46 cents 23/11/13 1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 31/03/14 500,000 - 18 cents 31/03/14 500,000 - 18 cents 31/05/12 7.8 Issued during quarter 7.9 Exercised during quarter 7.0 Expired during quarter 7.11 Debentures (totals only) Nil	7.5		Nil			
(c) Increases through issues (d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor)		=				
(d) Decreases through returns of capital, buybacks, redemptions 7.7 Options (description and conversion factor) - to purchase one ordinary share 2,500,000 - 25 cents 19/10/13 - 54 cents 27/10/13 - 54 cents 23/11/13 - 46 cents 23/11/13 - 1,000,000 - 89 cents 31/03/14 - 1,000,000 - 61 cents 2/06/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 55 cents 31/03/14 - 500,000 - 18 cents 2/06/14 - 500,000 - 18 cents 31/03/14 - 500,000 - 18 cents 31/03/14 - 500,000 - 18 cents 31/05/12 7.8 Issued during quarter	7.6					
returns of capital, buybacks, redemptions 7.7						
Dacks, redemptions						
7.7 Options (description and conversion factor) - to purchase one ordinary share 2,500,000 - 25 cents 19/10/13 - to purchase one ordinary share 2,500,000 - 46 cents 23/11/13 1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 22/02/15 7.8 Issued during quarter 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 - 18 cents 31/05/12						
conversion factor) 2,500,000 - 25 cents 19/10/13 - to purchase one ordinary share 2,000,000 - 54 cents 27/10/13 2,500,000 - 46 cents 23/11/13 1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 22/02/15 7.8 Issued during quarter	7.7	_			Frercise price	Fyniry date
- to purchase one ordinary share - to purchase one ordinary share - to purchase one ordinary share - 2,000,000 - 46 cents - 23/11/13 - 1,000,000 - 89 cents - 31/03/14 - 1,000,000 - 61 cents - 2/06/14 - 500,000 - 55 cents - 31/03/14 - 500,000 - 55 cents	7.7		2.500.000	_		
share 2,500,000 - 46 cents 23/11/13 1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 22/02/15 7.8 Issued during quarter 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 Nil Debentures (totals only) Nil				_		
1,000,000 - 89 cents 31/03/14 1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 22/02/15 7.8 Issued during quarter 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil		± *	, ,	-		
1,000,000 - 61 cents 2/06/14 500,000 - 55 cents 31/03/14 500,000 - 55 cents 22/02/15 7.8 Issued during quarter 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil				-		
7.8 Issued during quarter - - 55 cents 22/02/15 7.8 Issued during quarter - - - - 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil			, ,	-		
7.8 Issued during quarter - - - - 7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil				=	55 cents	31/03/14
7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil			500,000	-	55 cents	22/02/15
7.9 Exercised during quarter 3,111,560 - 18 cents 31/05/12 7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil	7.8	Issued during quarter	_	_	_	-
7.10 Expired during quarter 1,431,291 18 cents 31/05/12 7.11 Debentures (totals only) Nil		0 1				
7.11 Debentures (totals only) Nil	7.9	Exercised during quarter	3,111,560	-	18 cents	31/05/12
1 7/	7.10	Expired during quarter	1,431,291		18 cents	31/05/12
7.12 Unsecured notes (totals only) Nil	7.11	Debentures (totals only)	Nil			
	7.12	Unsecured notes (totals only)	Nil			

Appendix 5B Page 4 30/9/2001

⁺ See chapter 19 for defined terms.

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

31 July 2012

On Behalf of the Board P Harding-Smith Company Secretary

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities
- The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

30/9/2001 Appendix 5B Page 5

⁺ See chapter 19 for defined terms.