

## ASX Announcement

10 July 2012

### **NABANGA GOLD PROJECT – NEW RC DRILL INTERSECTIONS EXTEND HIGH GRADE GOLD MINERALISATION TO 200 METRES DEPTH OVER A 2.3 KILOMETRE STRIKE LENGTH**

#### **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 Nabanga deposit extended to 200 metres depth along a total 2,300 metre strike length (includes some lower grade intervals).
- Gold mineralisation open at depth below 200 metres – diamond drill assays pending from these areas.
- New drill intersections from North Zone area include:
  - 8.0m @ 4.57g/t Au from 149m (in NARC339)
  - 3.0m @ 13.49g/t Au from 134m (in NARC344)
  - 10.0m @ 9.87g/t Au from 163m (in NARC345)  
(incl. 5.0m @ 16.84g/t Au from 164m)
  - 7.0m @ 6.66g/t Au from 112m (in NARC347)  
(incl. 2.0m @ 18.55g/t Au from 114m)
  - 5.0m @ 5.02g/t Au from 145m (in NARC348)
- 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 @ 6.27g/t Au (from 254 RC drill holes)
- All awaited assay results now received for completion of Nabanga deposit maiden resource estimate.
- Maiden resource estimate activities ongoing including 3D modelling and wireframing of interpreted gold mineralised zones.

## Nabanga – 2.3km Strike Length / Minimum 200m Depth

The Board of Mt Isa Metals Limited (MET) is pleased to advise that assay results have been received for a further 18 RC drill holes from the Nabanga Gold Project in south-east Burkina Faso.

The new assay results complete all drilling results anticipated to be received for the maiden resource estimate and extend high grade gold mineralisation to 200 metres depth along the entire 2,300m strike length of the combined Central Zone and North 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 drill holes intersections in the North Zone area and the significant strike length of high grade gold mineralisation defined across the broader Nabanga Project area to date.

The new RC drill hole intersections from the North Zone area include:

- **8.0m @ 4.57g/t Au from 149m (in NARC339)**
- **3.0m @ 13.49g/t Au from 134m (in NARC344)**
- **10.0m @ 9.87g/t Au from 163m (in NARC345)  
(incl. 5.0m @ 16.84g/t Au from 164m)**
- **7.0m @ 6.66g/t Au from 112m (in NARC347)  
(incl. 2.0m @ 18.55g/t Au from 114m)**
- **5.0m @ 5.02g/t Au from 145m (in NARC348)**

A detailed longitudinal section through the southern extension of the North 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 114 RC drill holes from the North Zone target area. **The average down-hole drill intersection for all such holes is 3.9m @ 5.08g/t Au** (includes low grade intersections from amphibolite dominant areas).

Including the 114 RC drill holes from the North Zone target area, assay results have now been received for 254 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 @ 6.27 g/t Au<sup>1</sup>** (includes low grade intersections from amphibolite dominant areas).

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

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<sup>1</sup> 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

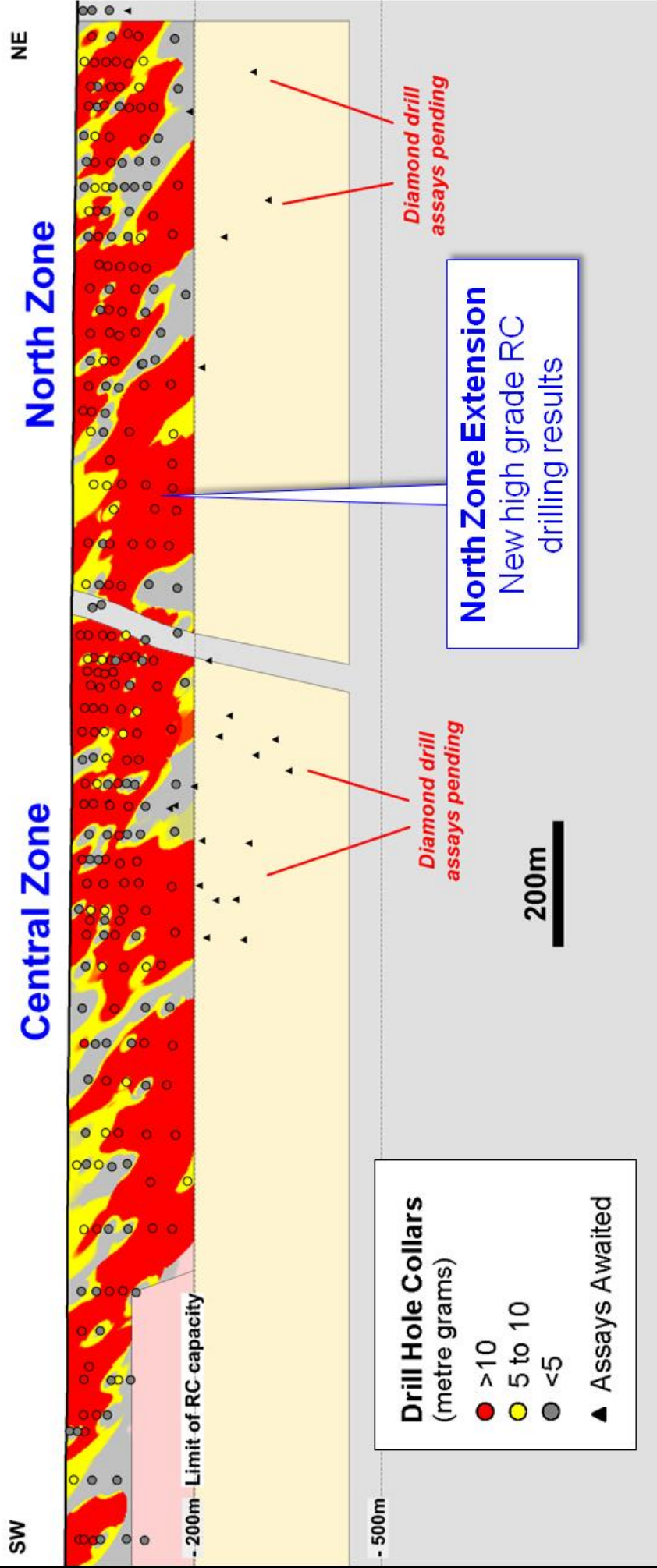


Figure 1 – Nabanga – Schematic longitudinal section (showing indicative metre gram contour and location of drill hole intersections).

# North Zone - Longitudinal Section (metre gram contour)

~1km Strike Length

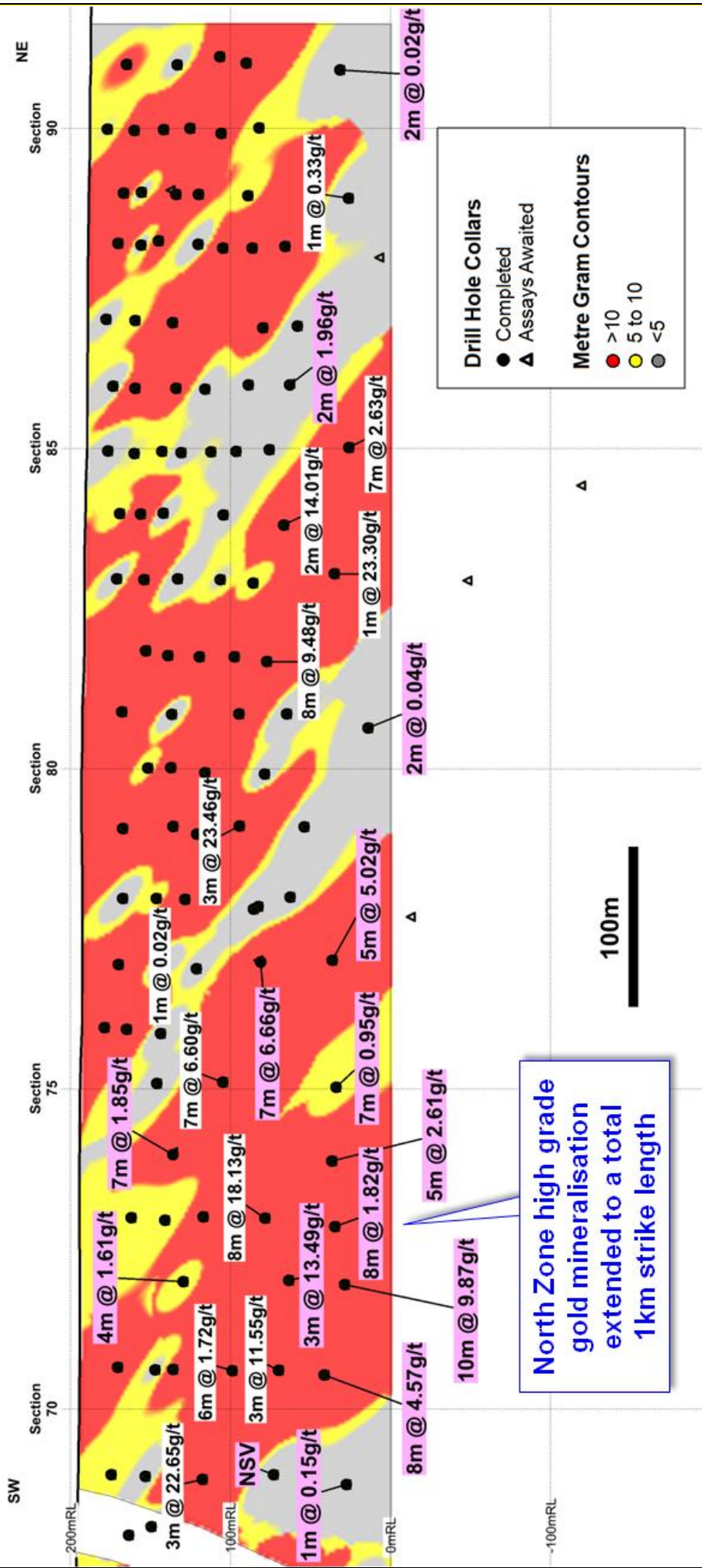


Figure 2 – Nabanga North Zone longitudinal section (new drill hole intersections highlighted in pink).



## **Maiden Resource Estimate In Progress**

All awaited drill assay results have now been received for the maiden Nabanga resource estimate. Resource estimation activities are ongoing including incorporation of the new assay results into the geological model, 3D modelling of geological interpretations and wireframing of gold mineralised zones.

## **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. Additional 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 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)
NARC227	227,705	1,250,955	186	117	-60	145	NSV			
NARC268	227,635	1,250,982	184	201	-70	145	NSV			
NARC281	227,927	1,250,756	186	206	-70	145	NSV			
NARC325	226,934	1,250,304	195	198	-70	145	177	179	2.0	0.72
NARC337	226,965	1,250,400	194	150	-75	145	NSV			
NARC338	226,938	1,250,437	194	192	-80	145	NSV			
NARC339	227,049	1,250,402	194	186	-80	145	1	2	1.0	0.51
							147	148	1.0	0.53
							149	157	8.0	4.57
NARC340	227,114	1,250,470	193	185	-70	145	161	169	8.0	1.82
NARC341	227,178	1,250,526	192	180	-70	145	159	166	7.0	0.95
NARC342	227,167	1,250,541	192	87	-70	145	hole abandoned			
NARC343	227,119	1,250,392	194	102	-70	145	58	59	1.0	0.80
							61	62	1.0	0.99
							64	68	4.0	1.61
NARC344	227,098	1,250,424	194	156	-70	145	134	137	3.0	13.49
NARC345	227,082	1,250,448	193	181	-75	145	155	156	1.0	0.58
							163	173	10.0	9.87
						incl.	164	169	5.0	16.84
NARC346	227,144	1,250,495	193	180	-70	145	155	156	1.0	1.05
							159	160	1.0	0.54
							161	166	5.0	2.61
NARC347	227,232	1,250,580	192	150	-70	145	0	1	1.0	0.52
							112	119	7.0	6.66
						incl.	114	116	2.0	18.55
NARC348	227,216	1,250,603	191	192	-70	145	157	162	5.0	5.02
NARC349	227,478	1,250,854	187	144	-70	145	128	130	2.0	1.96
NARC350	227,172	1,250,456	194	114	-70	145	56	63	7.0	1.85
							67	68	1.0	0.60

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