

ASX Announcement

10 May 2011

MULTIPLE HIGH ORDER SOIL ANOMALIES DEFINED AT THE BOUNGOU GOLD PROSPECT

Highlights:

- **Multiple high order gold geochemical anomalies defined by initial soil sampling at the Bounbou Gold Prospect in far east Burkina Faso.**
- **+50ppb¹ gold anomalies defined over an approximate 2.5 kilometre by 1.5 kilometre area (average sample grade >100ppb Au within the 50ppb Au contour).**
- **Anomalism extends well beyond known artisanal workings (+50ppb Au assays recorded up to 800 metres from known workings).**
- **Anomalism open-ended in several directions.**
- **Additional soil sampling in progress to define the full extent of the gold mineralised system.**

The Board of Mt Isa Metals Limited (MET) is pleased to announce that multiple zones of extensive high order (+50ppb Au) soil sample anomalism have been defined at the Company's Bounbou Gold Prospect located in far eastern Burkina Faso (figure 1).

The anomalism, defined by first phase soil sampling, extends the target footprint of the Bounbou Prospect well beyond the immediate zone of known artisanal workings and significantly expands the potential for a major gold discovery in the prospect area.

MET considers that soil sample values above 50ppb Au represent a significant gold anomaly in Burkina Faso. A number of large-scale gold deposits discovered in the region to date are associated with broad-scale gold anomalies at or above the 50ppb Au threshold.

Recent GPS mapping by MET has confirmed a large artisanal gold system at Bounbou with shallow artisanal workings identified over a 6 kilometre strike length. The initial soil sample results now also indicate potential for a significant width to the gold system with high order soil sample assays recorded over a 2.5 kilometre wide zone across the central prospect area. These anomalies are oriented along a north-east to south-west trend and are open-ended in both directions (figure 2).

¹ ppb = parts per billion : 1g/t (gram per tonne) = 1ppm (part per million) = 1,000ppb (parts per billion)

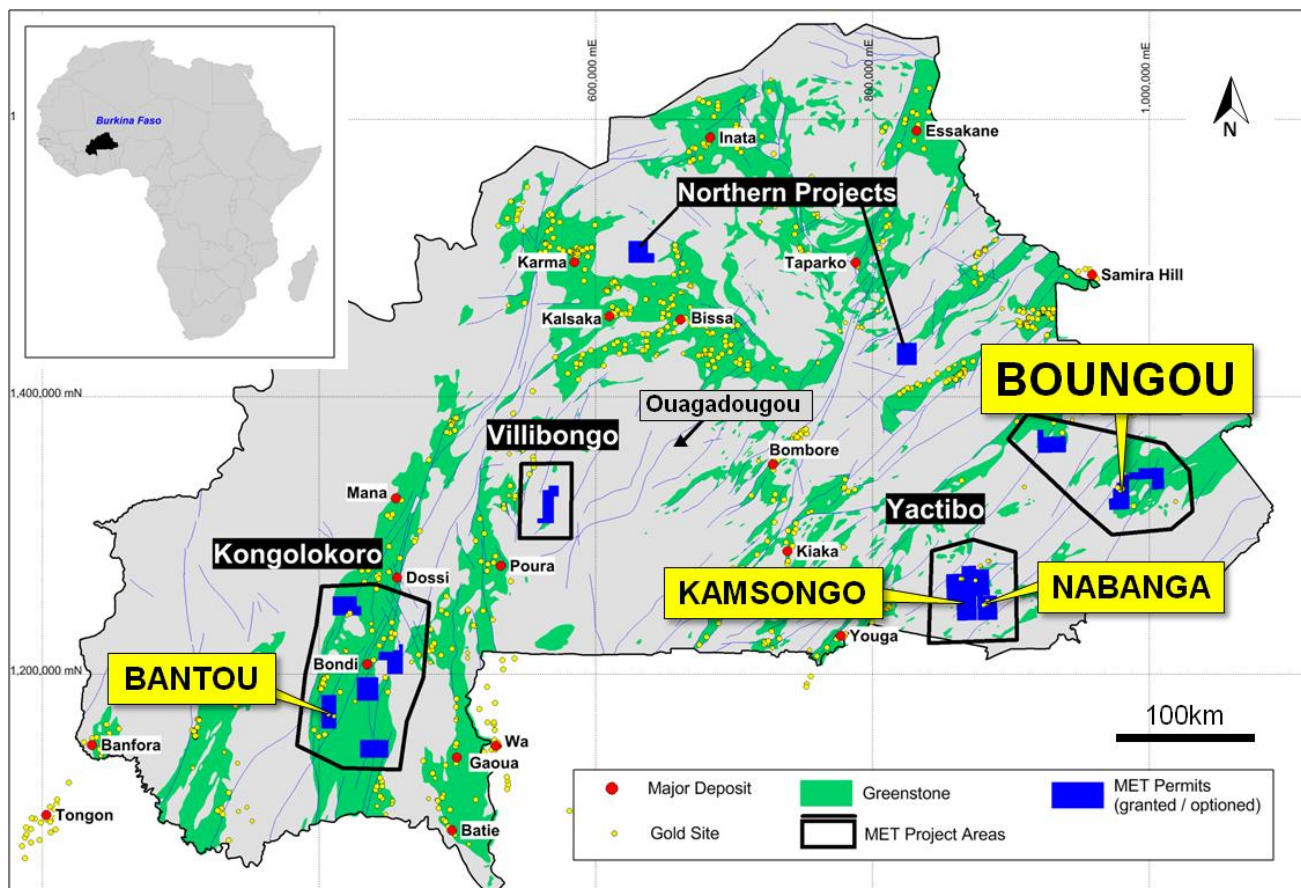


Figure 1 - Location of Boungou Prospect and MET Burkina Faso exploration permits / project areas (excludes applications).

Multiple Zones of High Order Soil Anomalism

First phase surface soil sample results received to date by MET from the Boungou Prospect have defined multiple zones of high order gold anomalism that extend for significant distances beyond the limit of known artisanal workings.

High order anomalies (highlighted in figure 2) include:

Kodjini Zone

- 600m soil anomaly at over 50ppb Au, up to 500m wide, extending laterally from and including an area of small-scale artisanal workings.
- soil assay values up to 285ppb Au, average grade 115ppb Au (within 50ppb Au contour).
- anomaly open to the south along 4 consecutive samples lines (600m wide zone) – additional assays pending.
- anomaly open to the north – un-sampled laterite cap.
- anomaly open to the east – additional assays pending.

Western Zone

- 1,200m x 800m (approx.) anomalous zone.
- soil assay values up to 466ppb Au, average grade 118ppb Au (within 50ppb Au contour).
- anomaly extends up to 800m west of nearest significant artisanal workings.
- main anomaly open to the west over a 700 metre long sample traverse (average grade 123ppb Au) – additional assays pending.
- anomalism open to the south – un-sampled laterite cap.

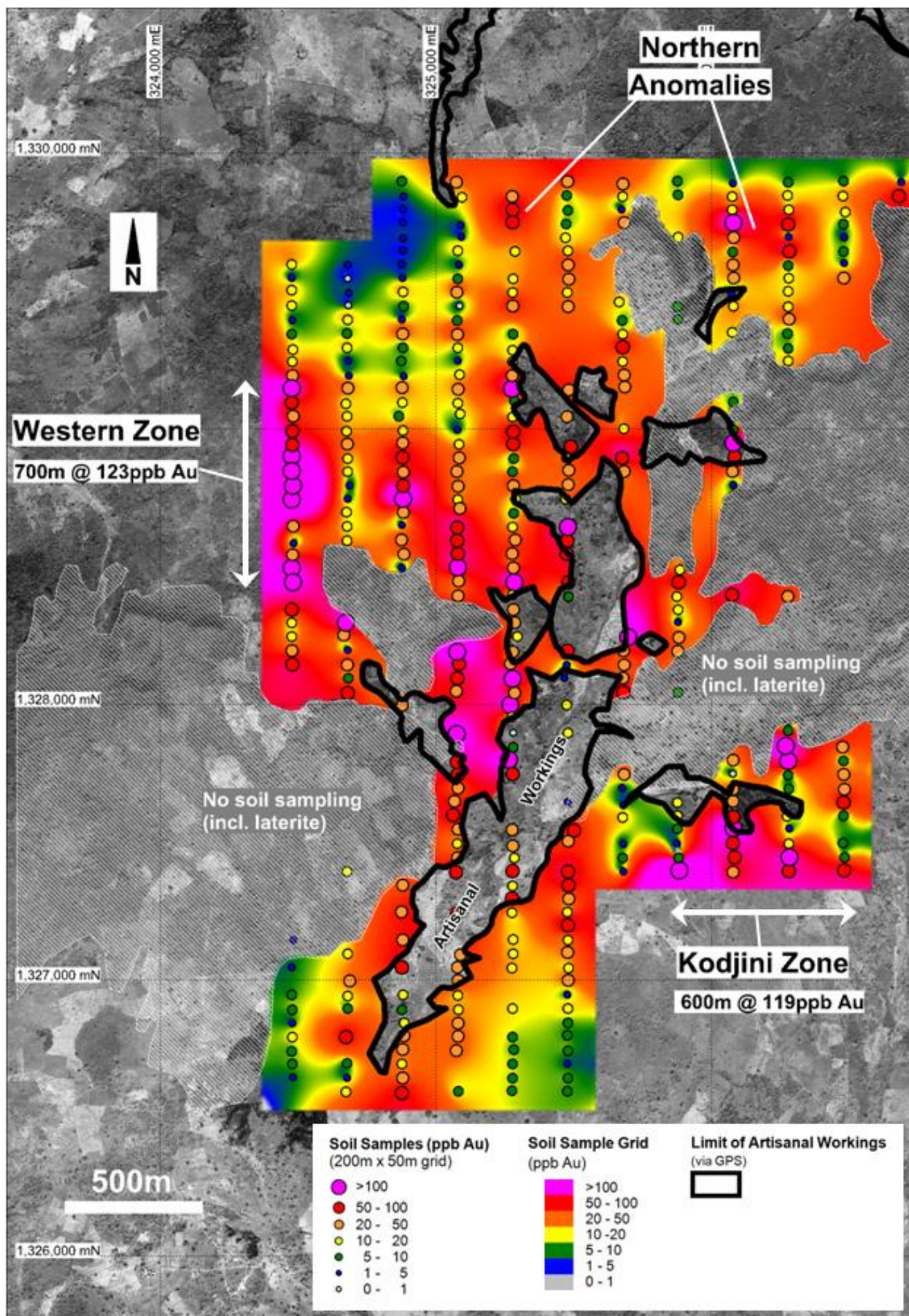


Figure 2 – Boungou Prospect – Showing initial phase one soil sample results.

In addition to the high order soil anomalies reported above, the first phase soil sampling results received to date also include a number of discrete anomalies in the northern end of the sample area.

These additional anomalies (labelled as the “Northern Anomalies” in figure 2) are separate from known artisanal workings and indicate potential for additional extensions to the Boungou system – in particular along “strike” to the north of the main artisanal workings.

Additional Soil Sample Results Awaited

The assay results received to date by MET represent only approximately 25% of the first phase soil sampling program currently being implemented across the broader Boungou Prospect area.

The first phase soil sampling program is designed to provide an initial assessment of the overall orientation and extent of the Boungou gold system. The first phase soil sampling program is being conducted on a 200 metre by 50 metre sample grid and will cover a total area of 24km² (6 kilometre by 4 kilometre area) (figure 3).

Given that multiple gold-in-soil anomalies related to and extending from artisanal workings have been defined to date, and these anomalies are “open” in several directions, the potential to define further extensions to Boungou Prospect upon receipt of additional soil sample assay results is considered high.

A substantial number of assay results are currently awaited from the ongoing Boungou soil sampling program.

It is anticipated that the first phase soil program will be completed in approximately four weeks time.

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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.

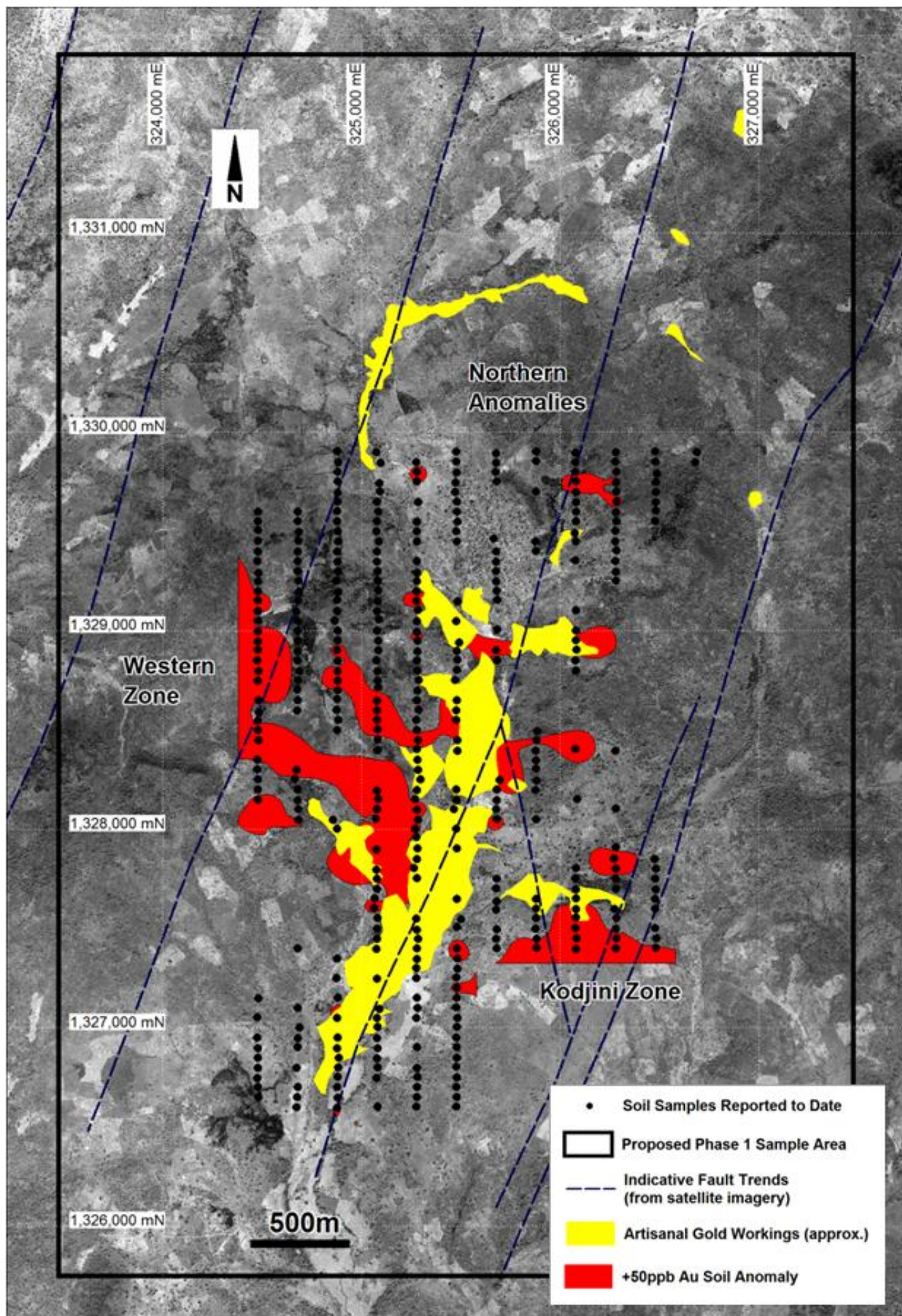


Figure 3 – Boungou Prospect – Showing extent of new gold anomalies and the total area of the planned phase one soil sampling program.