

ASX Announcement

29 June 2010

GOLD ASSAYS RECEIVED FOR YACTI PROSPECT – MET CONSOLIDATES LAND POSITION IN YACTIBO AREA

Highlights:

- Initial gold assays received from first pass grab sampling of the Yacti Prospect.
- Maximum value of 15.85g/t Au recorded in quartz vein material from artisanal workings.
- MET secures option agreement over strategic “Ouargaye” exploration permit.
- Ouargaye permit includes key structural targets and artisanal gold mining sites at Pilogre, Biou, Tangoko and Kaneoghin.

Yacti Prospect – Assay Results

The Board of Mt Isa Metals (MET) is pleased to advise that the Company has received positive assay results from first pass grab sampling at the Yacti Gold Prospect in south-east Burkina Faso (figure 1).

Assay results were received from limited reconnaissance grab sampling of shallow artisanal gold workings at Yacti and comprised:

- 14.40g/t Au – quartz vein material
- 15.85g/t Au – quartz vein material
- 0.03g/t Au – granodiorite host rock

The Yacti assay results follow high grade gold assays recently announced from the Nabanga Prospect (25km south-east of Yacti) which included a 3.5km long mineralised vein system (refer ASX release “*High grade gold assays – Yactibo Project*” - 18th June 2010).

The high grade gold assay results received from the initial sampling at both the Nabanga and Yacti Prospects (together with multiple artisanal gold mining sites) support the Company’s view that gold mineralisation is widespread throughout the broader Yactibo Project area.

As the Company has only recently commenced exploration activity in Burkina Faso, a significant number of gold targets remain to be evaluated throughout the Yactibo area.

MET Secures Additional Exploration Permit

On the basis of positive assay results received to date the Board is also pleased to advise that the Company has secured an option agreement over an additional and strategic gold exploration permit in the Yactibo Project area.

The finalisation of an option agreement over the “Ouargaye” permit (refer figure 1) consolidates the Company’s land position in the highly prospective Yactibo region and secures access to:

- additional high priority structural targets identified in regional geophysical data, and
- additional artisanal gold mining sites at Pilogre, Biou, Tangoko and Kaneoghin.

The Ouargaye permit was secured under a three year option agreement under substantially similar terms to those previously announced for other properties optioned by MET in Burkina Faso. The option agreement includes an up-front signing fee, and a fee payable at the completion of a 60 day due diligence period. The option can be maintained by staged annual cash payments over a three year period.

If MET elects to participate to the end of the third year 100%¹ ownership of the permit will be transferred to MET. MET has a right to withdraw from the agreement at any time. The vendor will be entitled to a 1.5% net smelter royalty over any gold produced from the permit.

Conclusion

Managing Director Peter Spiers said, “We are very encouraged by the positive assay results received to date at Nabanga and Yacti. Those positive results led us to act quickly to secure the Ouargaye permit and consolidate our tenement position in the region.”

“Our strategy of targeting artisanal sites has already generated early success. The additional gold targets secured within the Ouargaye permit now provide us with an even better opportunity to repeat that success across an expanded project area.”

Additional assay results are awaited from other gold targets and will be reported as they come to hand.

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Further information on Mt Isa Metals can be found on our website www.mtisametals.com.au

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.

¹ Subject to a net 10% Government free carry interest (as is applicable to all exploration permits in Burkina Faso).

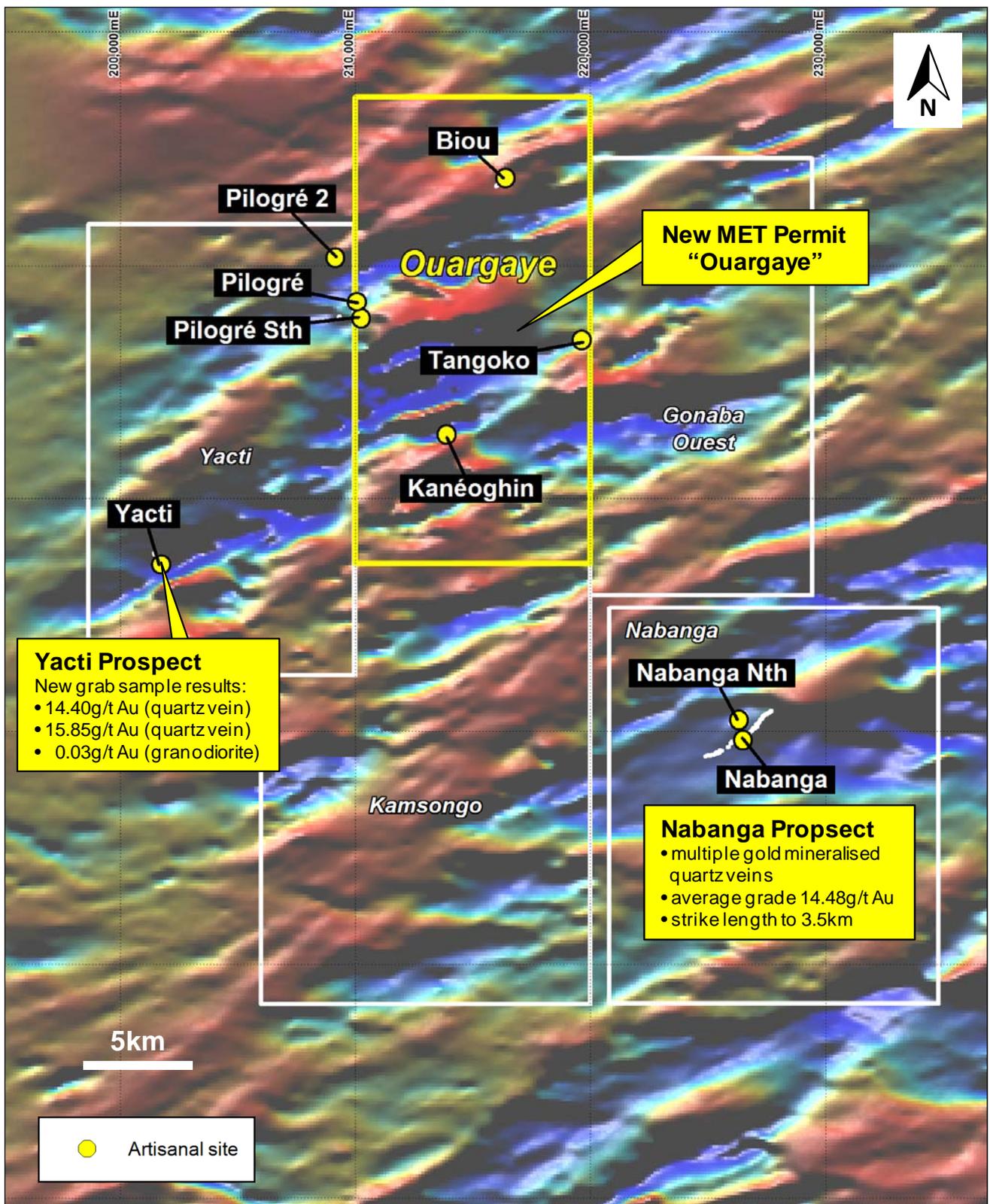


Figure 1: **Yactibo Project** – Location of permits and Yacti Prospect grab sample results