

ASX Announcement

08 March 2012

NEAR SURFACE HIGH GRADE DRILL ASSAY RESULTS CONTINUE FROM NABANGA GOLD PROSPECT – NORTH ZONE AREA

Highlights:

- New near-surface assay results received from reverse circulation (RC) drilling at Nabanga Gold Project – North Zone target.
- High grade gold mineralisation extended at North Zone to a 700m strike length (at surface) and confirmed to a minimum 125 metre vertical depth.
- New North Zone high grade gold drill intersections include:
 - 9m @ 6.63g/t Au from 54m (in NARC083 ext.)
(incl. 2m @ 19.75g/t Au - from 56m)
 - 5m @ 6.57g/t Au from 103m (in NARC133 ext.)
(incl. 2m @ 14.90g/t Au - from 104m)
 - 3m @ 23.46g/t Au from 105m (in NARC190)
(incl. 2m @ 33.20g/t Au - from 106m)
 - 8m @ 9.48g/t Au from 123m (in NARC192)
(incl. 2m @ 30.45g/t Au - from 127m)
 - 4m @ 8.26g/t Au from 87m (in NARC196)
(incl. 2m @ 14.17g/t Au - from 88m)
 - 4m @ 17.25g/t Au from 28m (in NARC199)
(incl. 2m @ 28.90g/t Au - from 29m)
 - 2m @ 18.20g/t Au from 92m (in NARC204)
 - 2m @ 14.01g/t Au from 28m (in NARC209)
- Gold mineralisation on the North Zone target remains open along strike and at depth.
- Assay results awaited for a final 4 RC drill holes in the North Zone area – initial resource estimation to commence thereafter.
- Ongoing RC drilling at Nabanga currently focussed on Central Zone and South Zone areas with two rigs in operation.

New High Grade Assay Results in North Zone Area

The Board of Mt Isa Metals Limited (MET) is pleased to advise that further high grade gold assay results have been received from RC drilling at the Nabanga Gold Project in south-east Burkina Faso.

The results are from the North Zone area – one of three high grade gold zones with an aggregate strike length in excess of 2 kilometres currently being drill tested by MET in the Nabanga Project area (figure 1). The new results include additional high grade near-surface drill intersections that further strengthen the potential for open pit gold mine development in the Nabanga area.

The new drill assay results include:

- **9m @ 6.63g/t Au** from 54m (in NARC083 ext.)
(incl. **2m @ 19.75g/t Au** - from 56m)
- **5m @ 6.57g/t Au** from 103m (in NARC133 ext.)
(incl. **2m @ 14.90g/t Au** - from 104m)
- **3m @ 23.46g/t Au** from 105m (in NARC190)
(incl. **2m @ 33.20g/t Au** - from 106m)
- **8m @ 9.48g/t Au** from 123m (in NARC192)
(incl. **2m @ 30.45g/t Au** - from 127m)
- **3m @ 5.47g/t Au** from 120m (in NARC195)
(incl. **1m @ 13.50g/t Au** - from 122m)
- **4m @ 8.26g/t Au** from 87m (in NARC196)
(incl. **2m @ 14.17g/t Au** - from 88m)
- **4m @ 17.25g/t Au** from 28m (in NARC199)
(incl. **2m @ 28.90g/t Au** - from 29m)
- **2m @ 18.20g/t Au** from 92m (in NARC204)
- **2m @ 14.01g/t Au** from 28m (in NARC209)
- **3m @ 8.85g/t Au** from 21m (in NARC212)

A longitudinal section through the North Zone area showing the new drill hole intersections is provided at figure 2.

The new assay results have extended near-surface high grade gold mineralisation in the North Zone area to a minimum 700 metre strike length. Gold mineralisation on the North Zone target remains open along strike to the north and south and at depth below the limit of current drilling.

Schematic cross sections through the North Zone area incorporating select new drilling results (shown in yellow) are included at figure 3. These cross sections illustrate an area of higher grade gold mineralisation defined at the north end of the North Zone target area.

To date assay results have been received for 69 RC drill holes from within the North Zone target area. **The average down hole drill intersection for all such holes is 3.8 metres @ 5.61 g/t Au.**

Detailed data for the new drill holes in the North Zone area are provided in table 1 (Nabanga Main Lode intersections) and table 2 (other intersections).

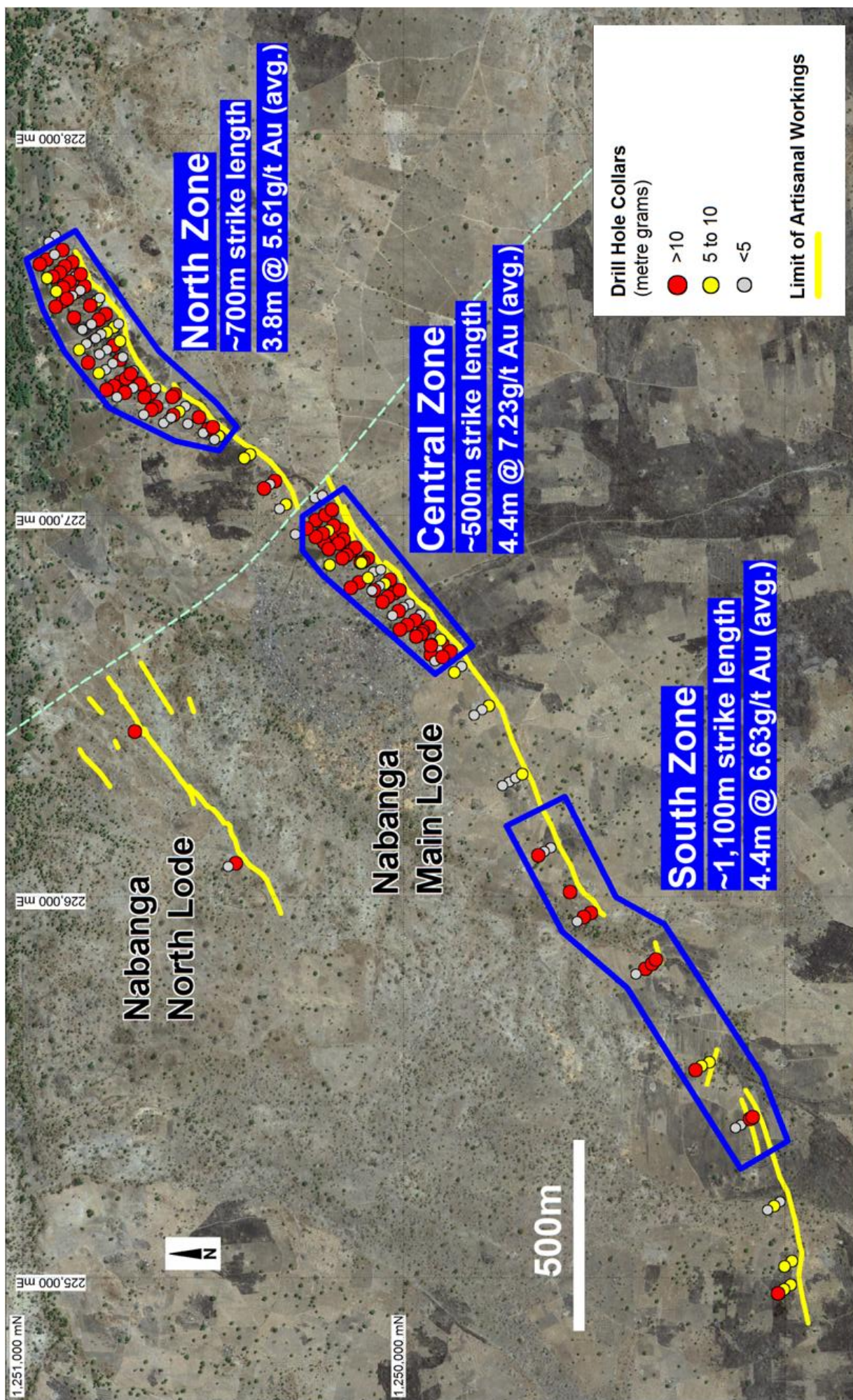


Figure 1 – Nabanga location diagram (showing location of high grade zones and drill hole collars).

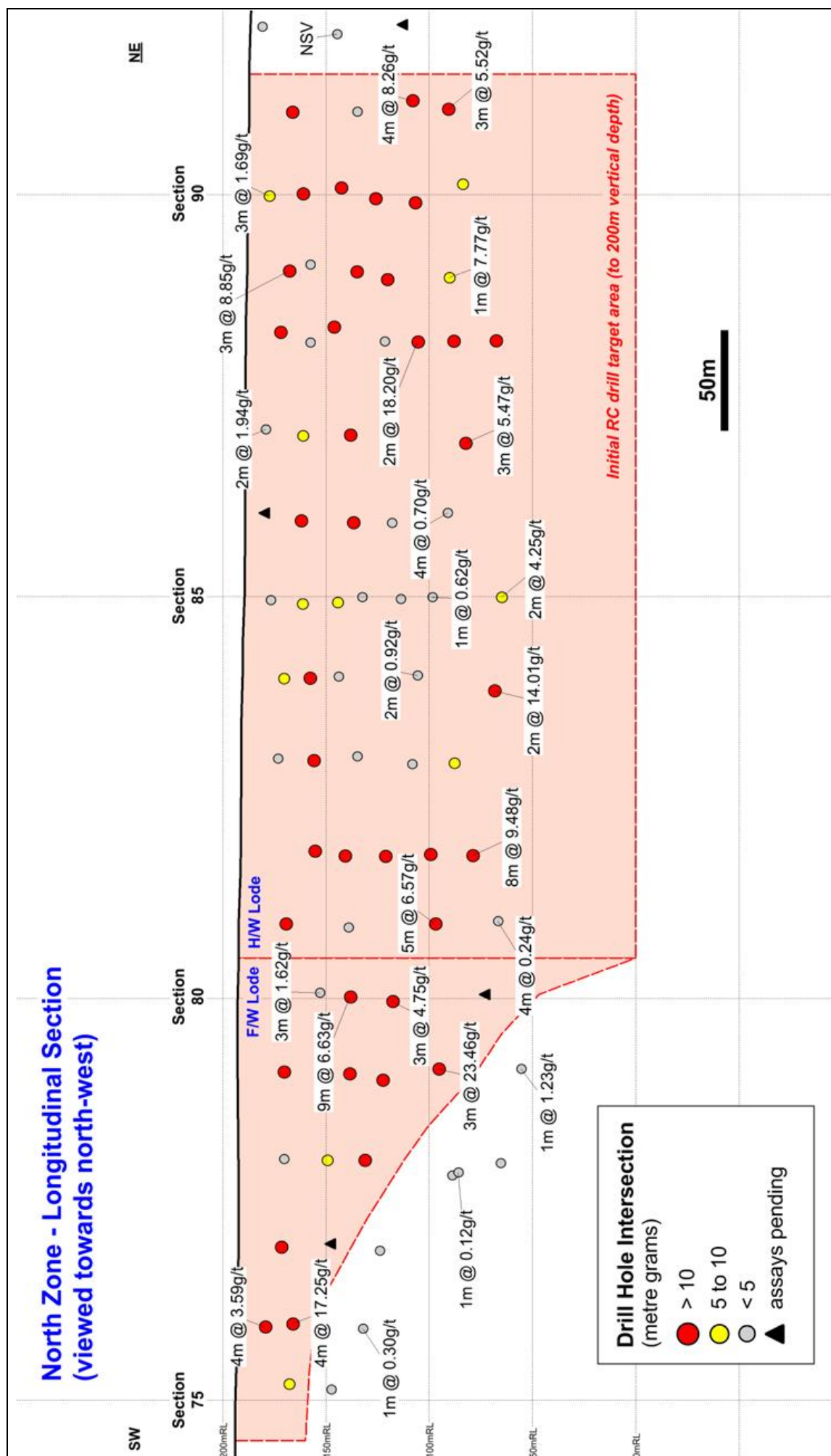


Figure 2 – Nabanga North Zone long section (showing new drill intersections and assays awaited).

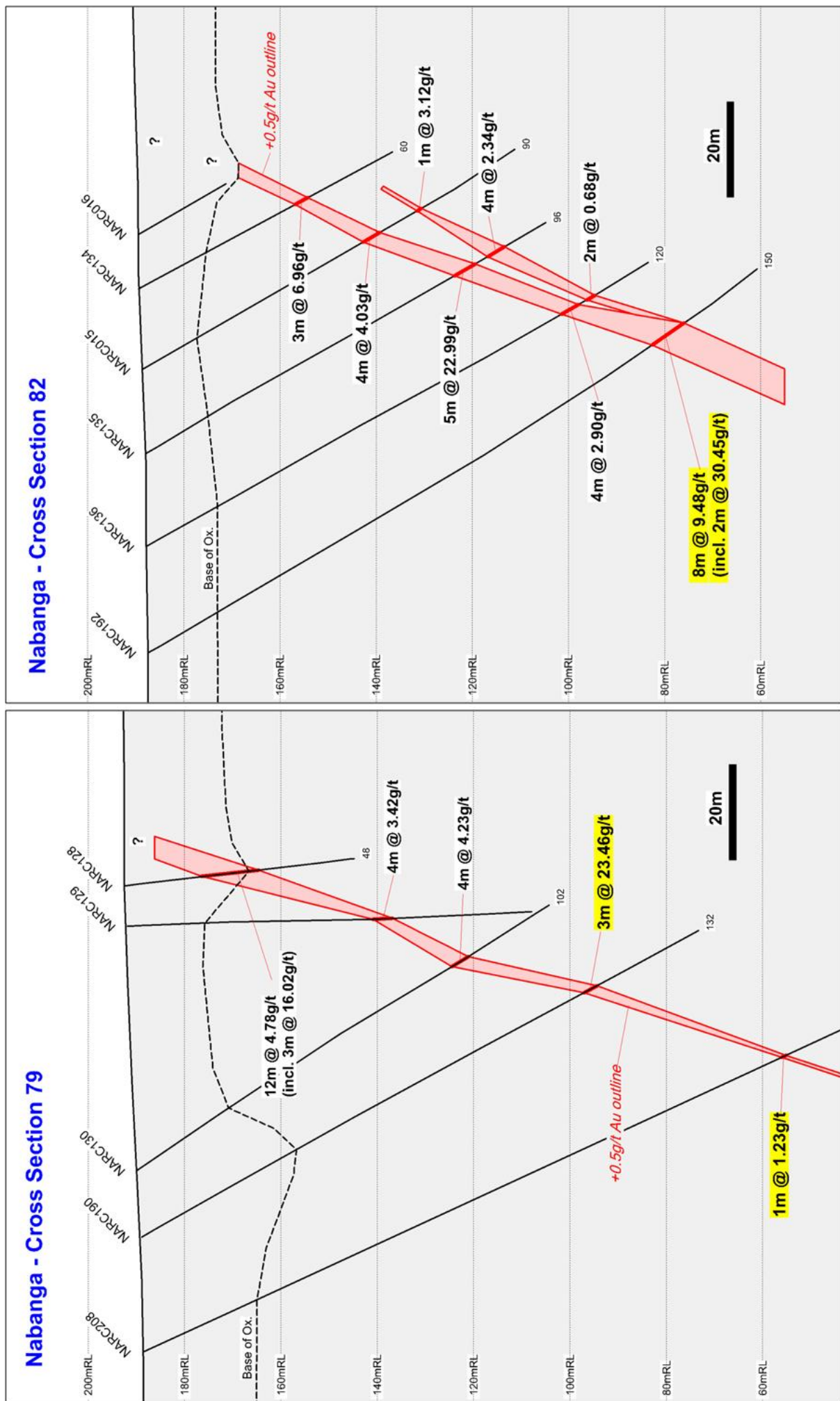


Figure 3 – Schematic cross sections showing high grade gold intersections on cross sections 79 and 82 (new results highlighted in yellow).

Additional Drill Assay Results Pending / Resource Estimation

RC drilling is ongoing in the Nabanga Project area with two rigs in operation. The drilling is currently targeting high grade gold mineralisation in the Central and South Zone target areas.

The Company is aiming to complete the current near-surface drill-out of the Nabanga structure (including the North, Central and South Zones) by April 2012, and subject to receipt of assays and analysis, release a maiden resource estimate for these zones as soon as practicable thereafter.

In addition to the above, RC drilling is scheduled to progressively test additional target areas to extend the “footprint” and potential of the Nabanga gold system including:

- **Nabanga North Lode** - 800m long quartz vein, three RC holes completed to date, assay results include: 2m @ 8.32g/t Au (in NARC019) and 1m @ 11.65g/t Au (in NARC024) (figure 1)
- **Nabanga strike extensions** – drill testing of the Nabanga structure beyond the limit of the currently defined 3.6km strike length, and
- **Drilling of intermediate areas between currently defined “high grade” zones** – drilling of poorly tested areas between the North, Central and South Zones, significant potential to define additional high grade shoots at shallow depth, total strike length 1.4km (figure 1).

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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)
NARC083 (ext.)	227,321	1,250,665	189	102	-60	145	54	63	9.0	6.63
							incl. 56	58	2.0	19.75
NARC084 (ext.)	227,311	1,250,682	189	114	-60	145	80	83	3.0	4.75
							incl. 80	81	1.0	11.90
NARC133 (ext.)	227,322	1,250,733	189	126	-60	145	103	108	5.0	6.57
							incl. 104	106	2.0	14.90
NARC190	227,278	1,250,663	189	132	-60	145	105	108	3.0	23.46
							incl. 106	107	2.0	33.20
NARC191	227,310	1,250,753	188	150	-65	145	nsv			
NARC192	227,330	1,250,781	187	150	-60	145	123	131	8.0	9.48
							incl. 127	128	2.0	30.45
NARC193	227,450	1,250,833	187	138	-60	145	102	103	1.0	0.62
NARC194	227,488	1,250,844	188	132	-60	145	109	113	4.0	0.70
NARC195	227,519	1,250,866	187	132	-60	145	120	123	3.0	5.47
							incl. 122	123	1.0	13.50
NARC196	227,671	1,250,939	185	108	-60	145	87	91	4.0	8.26
							incl. 88	90	2.0	14.17
NARC197	227,717	1,250,931	185	90	-60	145	nsv			
NARC198	227,333	1,250,651	190	84	-60	145	41	44	3.0	1.62
NARC199	227,227	1,250,514	192	52	-60	145	28	32	4.0	17.25
							incl. 29	31	2.0	28.90
NARC200	227,216	1,250,527	192	102	-60	145	nsv			
NARC201	227,232	1,250,502	193	38	-60	145	12	16	4.0	3.59
NARC202	227,588	1,250,912	185	126	-60	145	107	108	1.0	7.77
NARC203	227,659	1,250,956	185	135	-60	145	105	108	3.0	5.52
NARC204	227,569	1,250,885	186	121	-60	145	92	94	2.0	18.20
NARC205	227,435	1,250,852	187	170	-60	145	138	140	2.0	4.25
NARC206	227,423	1,250,799	187	120	-67	145	86	88	2.0	0.92
NARC207	227,257	1,250,611	191	132	-65	145	nsv			
NARC208	227,265	1,250,683	189	180	-65	145	146	147	1.0	1.23
NARC209	227,401	1,250,829	187	156	-60	145	133	135	2.0	14.01
NARC211	227,571	1,250,798	190	42	-60	145	11	13	2.0	1.94
NARC212	227,633	1,250,849	188	42	-60	145	21	24	3.0	8.85
NARC220	227,670	1,250,860	187	42	-60	145	9	12	3.0	1.69

Table 1 – Nabanga Drill Results – Main Lode Intersections (0.5g/t Au cut-off grade).

Hole No.	East (WGS84)	North (WGS84)	RL (m)	TD (m)	Dip	Azi	From (m)	To (m)	Width (m)	Au (g/t)
NARC083 (ext)	227,321	1,250,665	189	102	-60	145	70	71	1.0	2.06
NARC084 (ext)	227,311	1,250,682	189	114	-60	145	94	95	1.0	2.62
NARC133 (ext)	227,322	1,250,733	189	126	-60	145	114	115	1.0	0.68
NARC190	227,278	1,250,663	189	132	-60	145	112	113	1.0	3.22
NARC192	227,330	1,250,781	187	150	-60	145	136	137	1.0	0.90
NARC193	227,450	1,250,833	187	138	-60	145	36	40	4.0	0.98
							96	97	1.0	0.54
NARC198	227,333	1,250,651	190	84	-60	145	12	16	4.0	1.00
							31	32	1.0	0.85
NARC199	227,227	1,250,514	192	52	-60	145	1	3	2.0	1.54
							37	38	1.0	0.74
NARC200	227,216	1,250,527	192	102	-60	145	0	1	1.0	3.96
NARC201	227,232	1,250,502	193	38	-60	145	0	4	4.0	0.86
							20	23	3.0	1.56
NARC204	227,569	1,250,885	186	121	-60	145	12	20	8.0	1.63
							96	97	1.0	0.92
NARC205	227,435	1,250,852	187	170	-60	145	120	124	4.0	0.95
NARC209	227,401	1,250,829	187	156	-60	145	123	124	1.0	5.07
NARC219	227,407	1,250,818	187	18	-60	145	Hole abandoned at 18m.			

Table 2 – Nabanga Drill Results – Other Intersections (0.5g/t Au cut-off grade).