

ASX Announcement

Tuesday, 2 June 2009

DRILLING COMMENCES AT BARBARA COPPER PROSPECT

Mt Isa Metals Limited (ASX:MET) is pleased to advise that drilling has commenced on the Barbara Copper Prospect located approximately 50 kilometres north-east of Mt Isa.

The drilling is planned to test for high grade sulphide copper mineralisation indicated at surface by historical copper workings and visible copper occurrences.

The Barbara Prospect is located within tenement EPM 16112 which forms parts of the West Leichardt Joint Venture between Mt Isa Metals (49%) and Syndicated Metals Limited ("Syndicated") (51% manager).

In October 2008 Syndicated announced a maiden Inferred Mineral Resource estimate within the Barbara structure (1.5Mt @ 2.1% Cu, 1% Cu cut-off) external but immediately adjacent to the joint venture tenement boundary. Exploration drilling included high grade sulphide copper intersections within 50 metres of the joint venture tenement.

The current drilling program aims to test for down dip extensions to the known copper deposit within the joint venture tenement and to test beneath gossanous copper outcrop along strike to the northwest (refer figure 1).

The planned program at Barbara comprises approximately 1,300 metres of diamond and reverse circulation drilling in 7 holes.

Assay results for the drilling are expected to be available in mid-July.

For further information please contact:

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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.

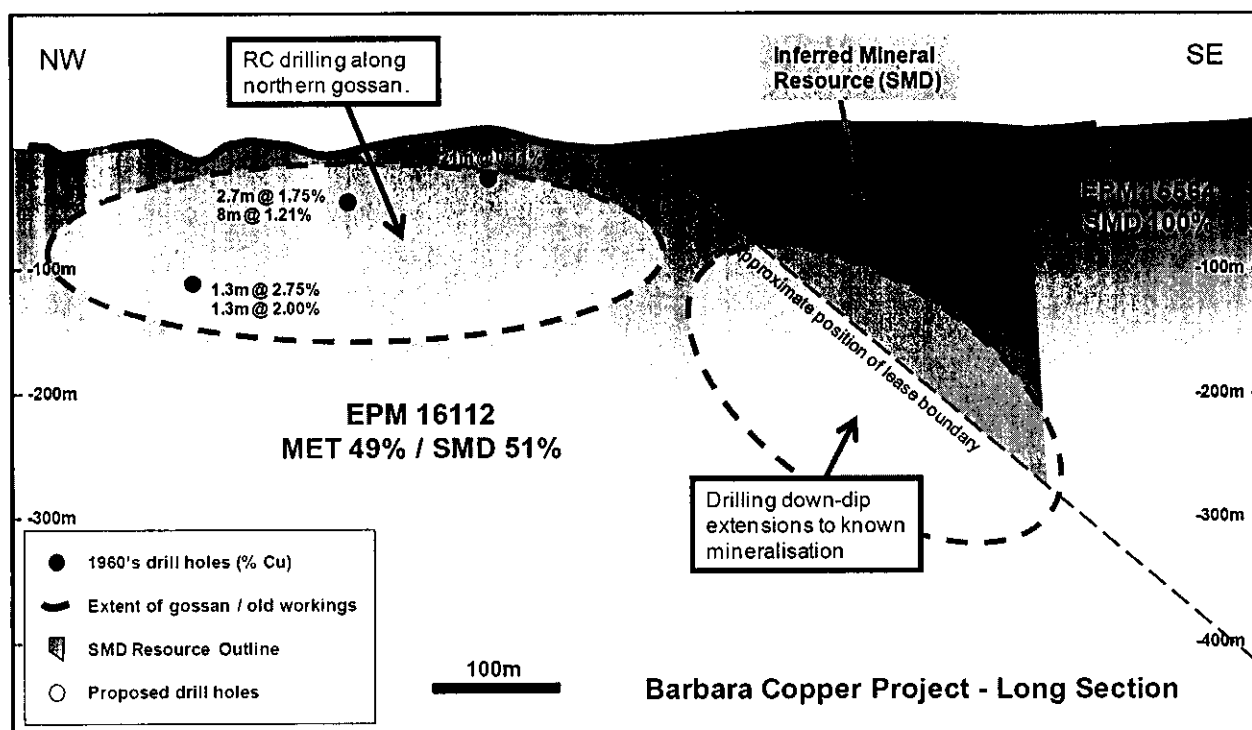


Figure 1: Schematic long section Barbara Prospect.