

ASX Announcement

22 July 2010

HELICOPTER GEOPHYSICAL SURVEY TO FAST TRACK IDENTIFICATION OF COPPER–GOLD TARGETS AT BARBARA, MOUNT ISA.

Highlights:

- **Helicopter-borne geophysical survey commenced over the Barbara exploration permit (EPM 16112, MET 49%).**
- **Survey to fast track identification of “hidden” copper-gold targets.**
- **Survey to test the extension of known copper-gold mineralised structures and known copper-gold mineralised rock sequences.**
- **High priority targets expected to be drilled by year end.**

The Board of Mt Isa Metals Limited (MET) is pleased to announce that a helicopter-borne geophysical survey has commenced over highly prospective copper-gold targets within the Barbara exploration permit in north-west Queensland.

The survey is being conducted by Geotech Airborne Pty Ltd using a helicopter-borne VTEM (Versatile Time-Domain Electromagnetic) system. VTEM measures the conductivity of sub-surface features down to a depth of approximately 400 metres and also records magnetic intensity data which can be used to enhance the VTEM product.

The survey will encompass the entire Barbara exploration permit (EPM 16112) and will be undertaken on 200 metre-spaced flight lines. Closer-spaced flight lines will be completed over all conductors identified during the survey (ie: potential copper-gold deposits).

This is the first time that VTEM has been conducted over the Barbara permit. However, ground-based electromagnetic surveying has previously been conducted over the Barbara copper deposit with excellent results due to the high conductivity of the copper sulphides. The VTEM method is therefore considered well suited to the detection of additional copper-gold deposits throughout the balance of the permit area.

The survey will cover repetitions and extensions of rock sequences and structures that host the Barbara deposit in an area on the eastern margin of the Mount Remarkable Fault. The survey will include assessment of known copper occurrences within the project area including the Lilly May, Manxman and Mount Olive prospects (figure 1).

The Barbara exploration permit (EPM 16112) is held in joint venture between Mt Isa Metals Limited (49%) and Syndicated Metals Limited (51% and manager). The “Barbara” VTEM survey comprises a sub-set of a broader survey being conducted by Syndicated Metals Limited over its adjacent 100%-owned permits.

It is anticipated that priority targets generated by the VTEM survey will drill tested before the end of the year.

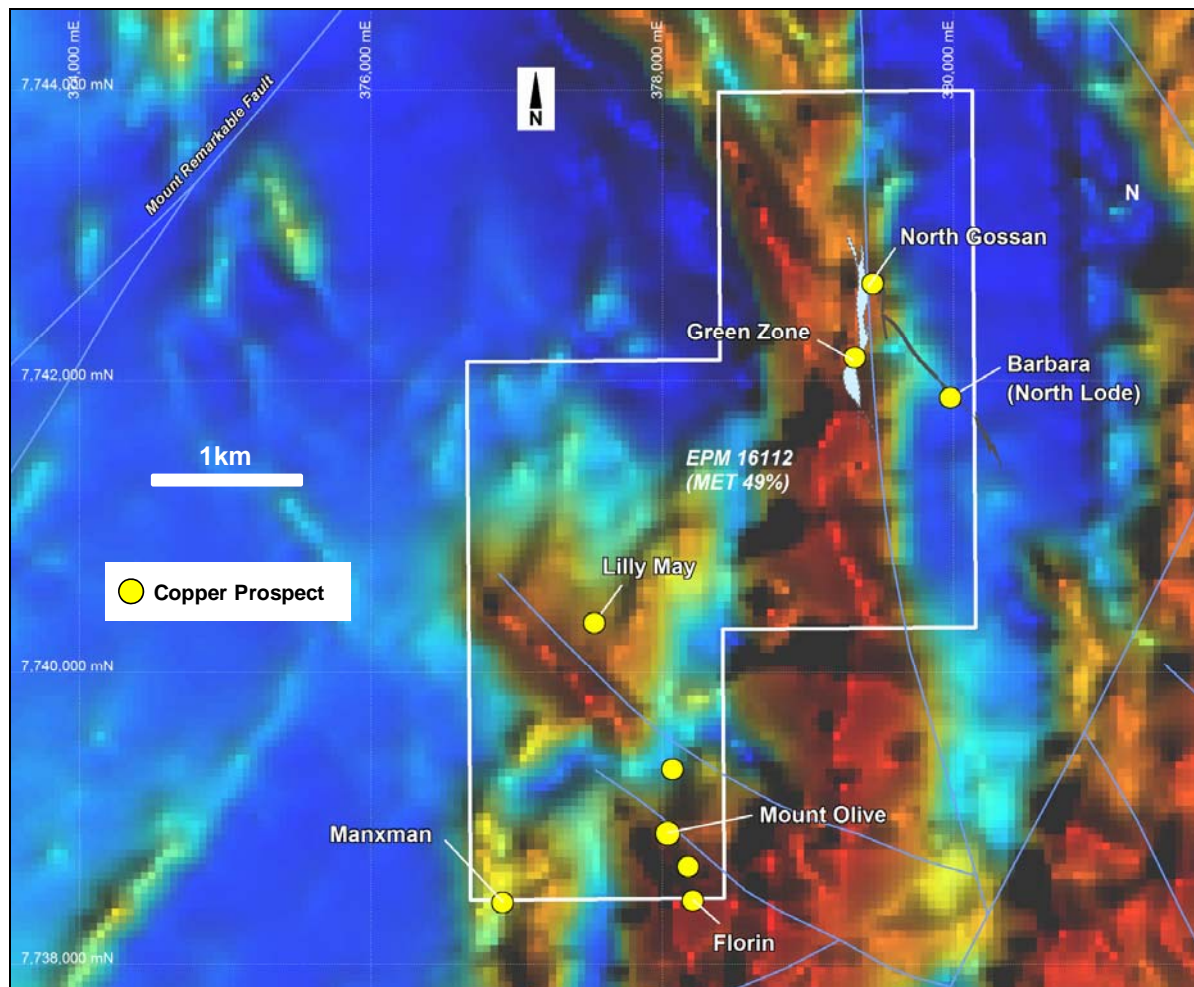


Figure 1 – Copper prospects within the Barbara exploration permit (shown on magnetic background).

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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.