

## ASX Announcement

20 July 2010

### HIGH GRADE GOLD ASSAYS – TAPOA PROJECT

#### Highlights:

- High grade gold assays received from first pass grab sampling of the Tapoa Project.
  - Kodjini Prospect – average grade 38.20g/t Au (5 quartz vein grab samples).
  - Boungou Prospect – average grade 13.30g/t Au (11 quartz vein grab samples).
  - Tawori Prospect – single quartz vein grab sample 54.30g/t Au.
- Extensive shallow artisanal mining activity distributed along a 5km long corridor.
- Numerous artisanal mining sites remain to be assessed.
- Potential shear-hosted gold mineralisation at depth.

The Board of Mt Isa Metals (MET) is pleased to advise that high grade gold assays have been received from preliminary sampling of artisanal gold mining sites at the Company's Tapoa Project in south-east Burkina Faso.

The positive assay results were received from initial reconnaissance grab sampling of artisanal workings at the Kodjini, Boungou and Tawori Prospects (refer figure 1).

Grab sample assay results are summarised below:

Prospect	Material Sampled	No. of Samples	Mean	Median	Minimum	Maximum
Kodjini	Quartz vein	5	<b>38.20g/t Au</b>	30.30g/t Au	0.68g/t Au	93.40g/t Au
Tawori	Quartz vein	1	<b>54.30g/t Au</b>	n/a	n/a	n/a
Boungou	Quartz vein	11	<b>13.30g/t Au</b>	5.82g/t Au	0.30g/t Au	56.30g/t Au
	Amphibolite	6	<b>1.52g/t Au</b>	1.19g/t Au	0.41g/t Au	4.01g/t Au

Table 1 – Tapoa Project - Summary grab sample assay results <sup>1</sup>.

<sup>1</sup> Average and median gold grades are presented to provide an indication of the high grade nature of the gold assays received. They are not to be taken as representative of the grade of any subsequent Mineral Resource estimates.

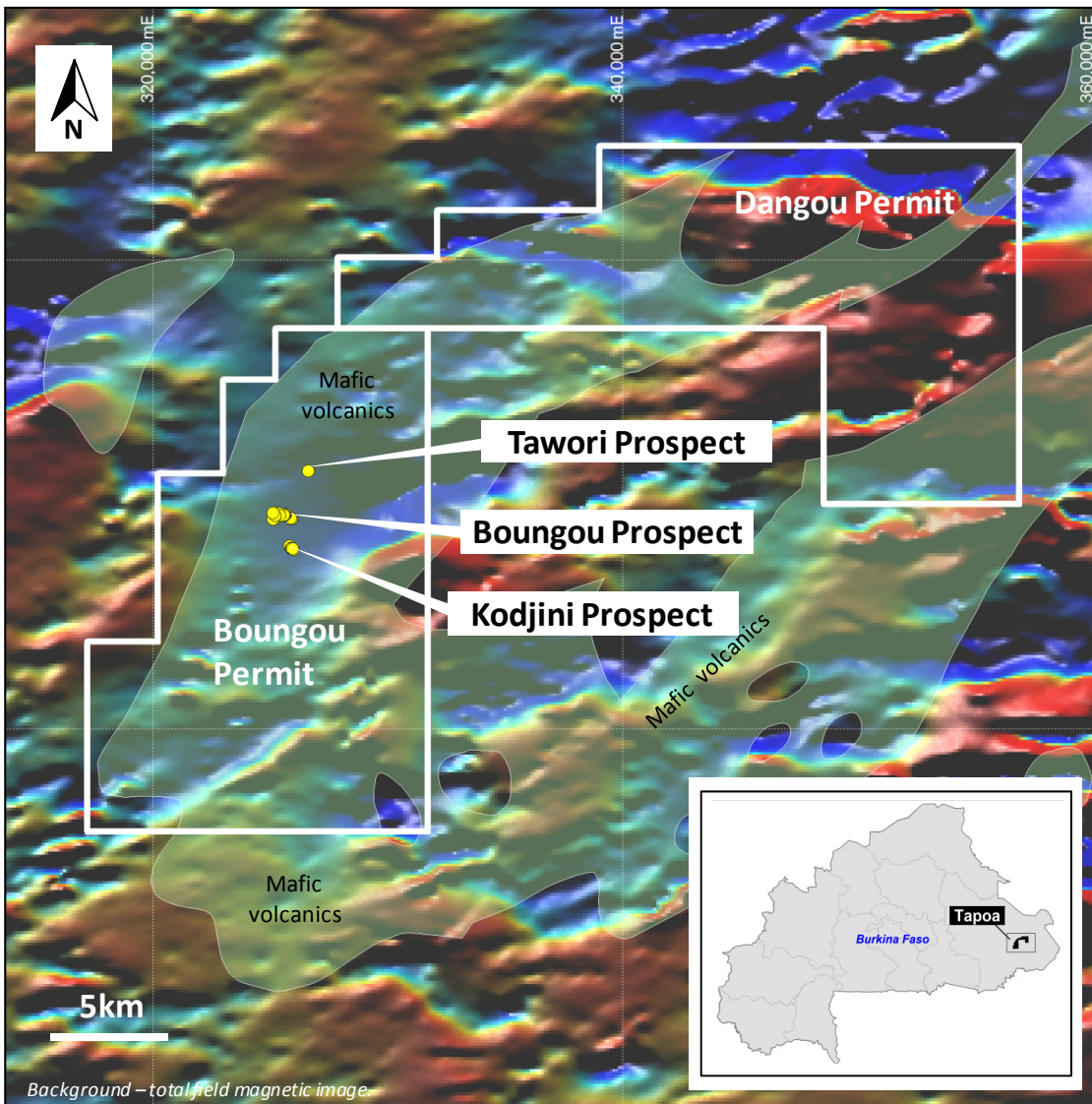


Figure 1: **Tapoa Project** – Permit and prospect locations.

Artisanal gold workings within the Tapoa Project (Boungou Permit) are widespread and have been identified within a 5 km long NNE-trending corridor (figure 2).

The artisanal workings are generally shallow (<10m deep) and are developed in highly weathered soils with poor evidence of the primary controls on gold mineralisation.

The widespread distribution of the artisanal workings suggests either near-surface re-mobilisation of gold in the weathering profile or potentially a more widely distributed primary gold source (eg: stock-work mineralisation, multiple faults).

Artisanal gold workings in the project area have also been noted to (in part) follow current drainage trends. MET considers that these trends may reflect deeper-seated structures that have preferentially weathered to form the current day drainage patterns (as opposed to simple exploitation of alluvial gold mineralisation).

Multiple linear features (possible gold-bearing fault structures) are evident on high resolution satellite imagery (figure 2).

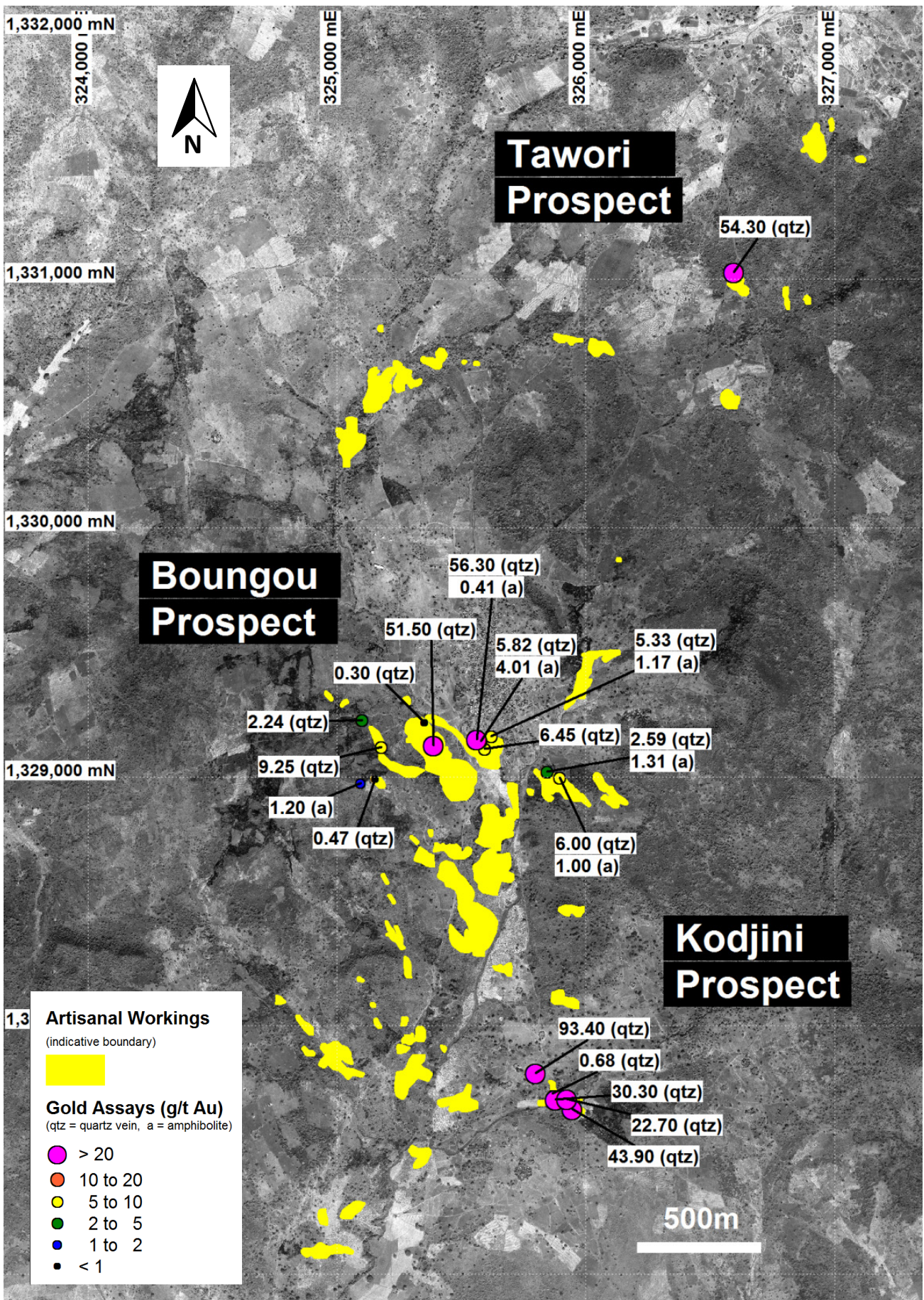


Figure 2 - Artisanal gold mining sites (by photo interpretation) and MET grab sample sites along the Kodjini – Boungou - Tawori trend.

The central Boungou Prospect has been subject to the most intense artisanal mining activity in the immediate project area. Grab sampling by MET at Boungou included both quartz vein material and samples of the surrounding mafic host rocks (amphibolites).

Quartz vein samples at Boungou generated high gold grades (average grade 13.30g/t Au - table 1). However, amphibolite samples from Boungou are also significantly anomalous in gold (average grade 1.52g/t Au - table 1) providing an indication of potential greater “width” to mineralised structures. Amphibolite samples were generally highly deformed (schistose) with variable development of pyrite and stockwork veining.

The distribution of quartz and amphibolite grab samples in the central Boungou Prospect is shown at figure 2.

The reconnaissance exploration completed by MET to date within the Tapoa Project (Boungou Permit) has now identified:

- high grade quartz vein associated gold mineralisation
- gold mineralised wall rocks (amphibolites)
- a widespread distribution of artisanal workings, and
- evidence of possible controlling structures in satellite imagery and geophysical data

A significant exploration program is warranted to advance gold targets in the immediate Kodjini-Boungou-Tawori trend and also to develop additional drill targets in the broader (500km<sup>2</sup>) Tapoa Project area.

The positive results announced for the Tapoa Project follow high grade gold assays recently reported by MET from its Yactibo Project area (refer ASX release “*High grade gold assays – Yactibo Project*” – 18<sup>th</sup> June 2010). As such the Company’s strategy of securing exploration permits with evidence of active artisanal sites is providing a reliable pathfinder to high grade gold mineralisation.

The Company is targeting drill assessment of high priority sites (including the Tapoa and Yactibo Projects) following the cessation of the current northern hemisphere wet season (estimated during October-November 2010).

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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.