

ASX Announcement

9th September 2010

SUCCESSFUL COMPLETION OF INSTITUTIONAL OFFER AND LODGEMENT OF PROSPECTUS

Highlights:

- Accelerated Institutional Offer successfully completed following receipt of binding commitments for \$1.9 million
- Institutional Offer well supported by existing shareholders and new investors
- \$2.0 million Retail Offer to follow - fully underwritten by Bizzell Capital Partners
- Prospectus lodged with ASIC
- Offer proceeds will provide funds for aggressive gold exploration program in West Africa

The Board of Mt Isa Metals ('MET') is pleased to announce the successful completion of the accelerated institutional component ('Institutional Offer') of the 1 for 4 non-renounceable entitlement offer ('Entitlement Offer') announced on Tuesday 7 September 2010.

The Institutional Offer will raise approximately \$1.9 million at offer price of \$0.15 per share. Settlement of the Institutional Offer will occur on 23 September 2010.

Proceeds from the Institutional Offer and fully underwritten \$2.0 million Retail Offer will be utilised in conjunction with existing cash reserves to fund an aggressive gold exploration program in Burkina Faso. This exploration will include significant drilling programs on identified high grade gold prospects.

Mt Isa Metal's Managing Director, Peter Spiers commented - "The Institutional Offer received strong support from existing major shareholders and new investors. Following completion of the Entitlement Offer MET will be in a strong financial position to complete an aggressive exploration program in Burkina Faso over the next 12 months."

MET shares are expected to resume trading today, Thursday, 9 September 2010.

Retail Offer

The Retail Offer will open on Thursday, 23 September 2010 and will raise an additional amount of approximately \$2.0 million. A prospectus was lodged with ASIC today (Thursday, 8 September 2010). The prospectus will be sent to shareholders on or around Thursday, 23 September 2010.

Eligible retail shareholders are invited to participate in the Retail Offer at the same price and offer ratio as under the Institutional Offer, on the terms set out in the Prospectus.

Eligible retail shareholders wishing to participate in the Retail Offer will need to complete the Entitlement and Acceptance Form which will accompany the prospectus. You may wish to obtain professional advice to assist you with your decision to take up your Entitlement.

The Retail Offer is fully underwritten by Bizzell Capital Partners Pty Ltd.

A timetable in relation to the Retail Offer is provided below:

Announcement of outcome of the Institutional Offer	09 September 2010
Prospectus lodged with ASIC	09 September 2010
Trading resumes	09 September 2010
Ex-date	14 September 2010
Record date	20 September 2010 (7pm AEST)
Retail Offer opens	23 September 2010
Retail Offer closes	11 October 2010
Allotment of Retail Offer	19 October 2010
New shares issued under the Retail Offer quoted on a normal settlement basis	21 October 2010

The dates set out in the table above are subject to change and are indicative only.

An electronic copy of the Prospectus is also available at www.mtisametals.com.au. All offers of shares will be made in or accompanied by a copy of the Prospectus. Any eligible shareholder seeking to apply for shares should consider the Prospectus prior making a decision to acquire the shares. Any eligible shareholder seeking to acquire shares will need to complete the Entitlement and Acceptance Form that accompanies the Prospectus.

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
