

ASX Announcement

22 September 2010

HIGHLY ENCOURAGING COPPER-GOLD ASSAY RESULTS FROM INITIAL DRILLING AT THE BLOCKADE PROJECT

Highlights:

- **Significant copper-gold drill intersections recorded from first pass drilling of historical mine workings in the Blockade Permit (EPM 16197).**
- **Blue Star Prospect:**
 - **14m @ 1.15% Cu and 0.17g/t Au from 51 m (BSRC 002)
(incl. 2m @ 3.25% Cu and 0.38g/t Au from 51m)**
 - **14m @ 1.63% Cu and 0.25g/t Au from 100m (BSRC 003)
(incl. 3m @ 2.95% Cu and 0.67g/t Au from 103m)**
 - **4m @ 2.56% Cu and 0.28g/t Au from 63m (BSRC 005)**
- **Trey Bit Prospect:**
 - **3m @ 1.57% Cu from 76m (TBRC 001)**
 - **3m @ 1.27% Cu from 43m (TBRC 002)**
- **Mineralisation recorded in multiple lodes - open along strike and at depth.**

The Board of Mt Isa Metals Limited (MET) is pleased to advise that significant assay results have been received from first pass drilling of new copper-gold targets within the Blockade Permit (Leichardt Exploration Project).

The Blockade permit (EPM 16197) is located approximately 45 kilometres east of Mount Isa and forms part of the West Leichardt Joint Venture between MET (49%) and Syndicated Metals Limited (51% and manager).

The current drilling program was completed as an appraisal of historical copper workings at the Blue Star and Trey Bit prospects. Drilling was generally completed to a depth of between 50 and 70 metres from surface.

The Blue Star and Trey Bit prospects were drilled in the late 1960's and returned intersections of up to 9.1 metres at 2.8% Cu and 15 metres at 1.13% Cu at Blue Star and 7 metres at 1.5% Cu at Trey Bit. Gold was not assayed at the time.

Results from the current drilling program were very encouraging with plus 1% copper intersections returned from both prospects along with significant gold values (up to 0.67g/t Au) associated with the copper mineralisation at Blue Star, and, significant cobalt values (up to 2m @ 506ppm Co) at the Trey Bit Prospect.

Drilling at the Blue Star Prospect intersected multiple predominantly northwest-trending copper “lodes” as recorded on historical maps (refer figure 1).

The thickest mineralised intervals at the Blue Star Prospect were recorded in the No.2 Lode which returned 14 metre down hole intervals assaying greater than 1% copper in two holes (BSRC 002 and BSRC 003). Both intersections included elevated copper and gold values along the footwall and hangingwall contacts as follows:

BSRC 002:

- 2m @ 3.25% Cu and 0.38g/t Au (from 51m)
- 1m @ 3.02% Cu and 0.41g/t Au (from 64m)

BSRC 003:

- 3m @ 2.95% Cu and 0.67g/t Au (from 103m)
- 2m @ 5.55% Cu and 0.52g/t Au (from 112m)

Drilling at the Trey Bit Prospect targeted a talc-biotite altered east-west trending copper “lode” hosted in dolerite and rhyolite (refer figure 2). Drilling at Trey Bit recorded significant (+0.5% Cu) assays in each hole over a restricted (approximate 80m) strike length.

Further drilling of the Blue Star and Trey Bit prospects is proposed.

Assay results will be reported as they come to hand.

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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.

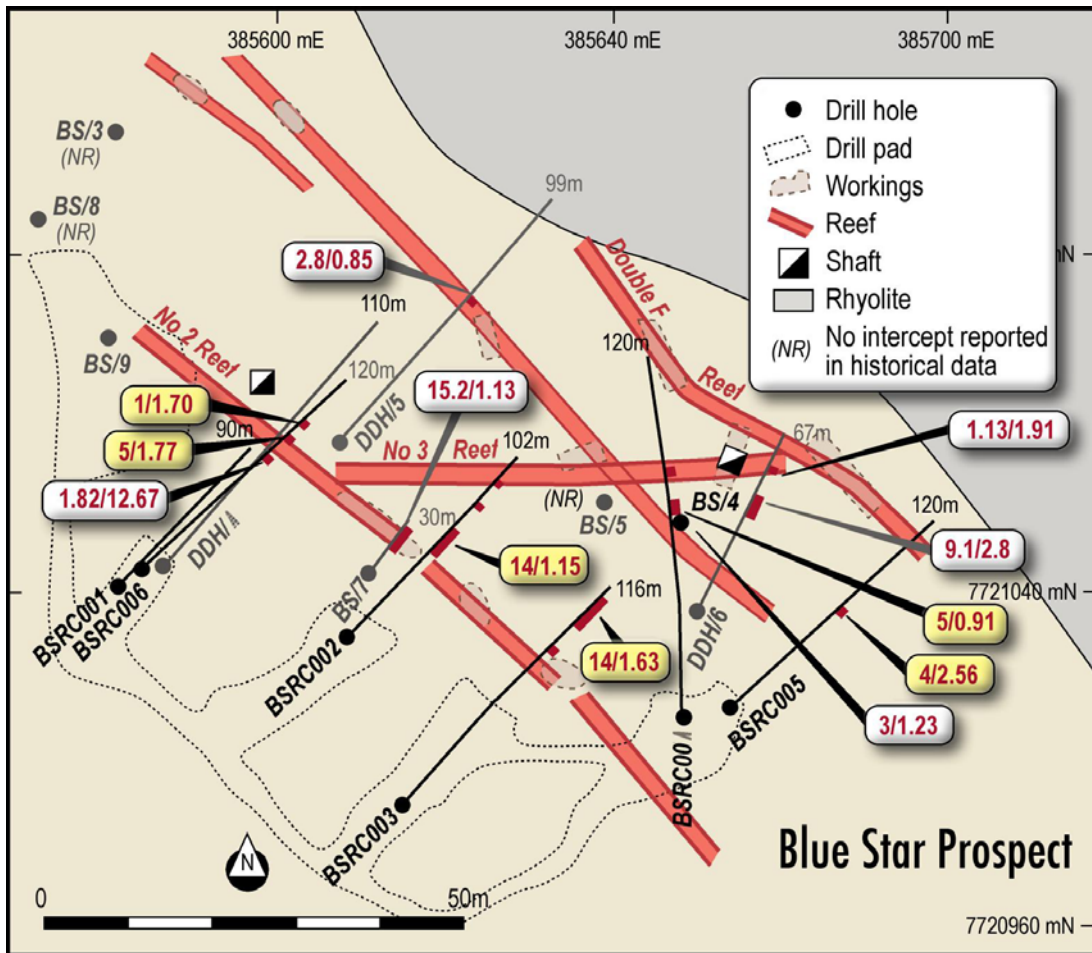


Figure 1 – Blue Star Prospect – Drill hole locations.

Hole No.	East (GDA94)	North (GDA94)	TD (m)	Dip	Azi		From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)	Co (ppm)
BSRC 001	385602	7721041	90	-65	38.5	Hole Abandoned						
BSRC 002	385657	7721029	102	-60	44.9		51	65	14	1.15	0.17	127
						incl.	51	53	2	3.25	0.38	298
						and	58	59	1	2.78	0.48	154
						and	64	65	1	3.02	0.41	207
							78	79	1	0.98	0.45	59
BSRC 003	385670	7720989	116	-60	44.9		89	90	1	0.82	0.06	54
							87	88	1	0.84	0.09	29
							100	114	14	1.63	0.25	85
						incl.	103	106	3	2.95	0.67	174
						and	112	114	2	5.55	0.52	183
BSRC 004	385737	7721010	120	-60	363.9		68	69	1	0.60	0.32	39
							71	76	5	0.91	0.15	55
						incl.	71	73	2	1.43	0.25	64
							84	85	1	0.65	0.05	42
BSRC 005	385748	7721012	120	-60	44.9		63	67	4	2.56	0.28	77
						incl.	63	65	2	3.22	0.46	99
BSRC 006	385608	7721045	120	-60	44.9		82	87	5	1.77	0.30	262
						incl.	82	85	3	2.60	0.48	392
							94	95	1	1.70	0.12	35

Table 1 – Blue Star Prospect – Assay results (at 0.5% Cu cut-off grade).

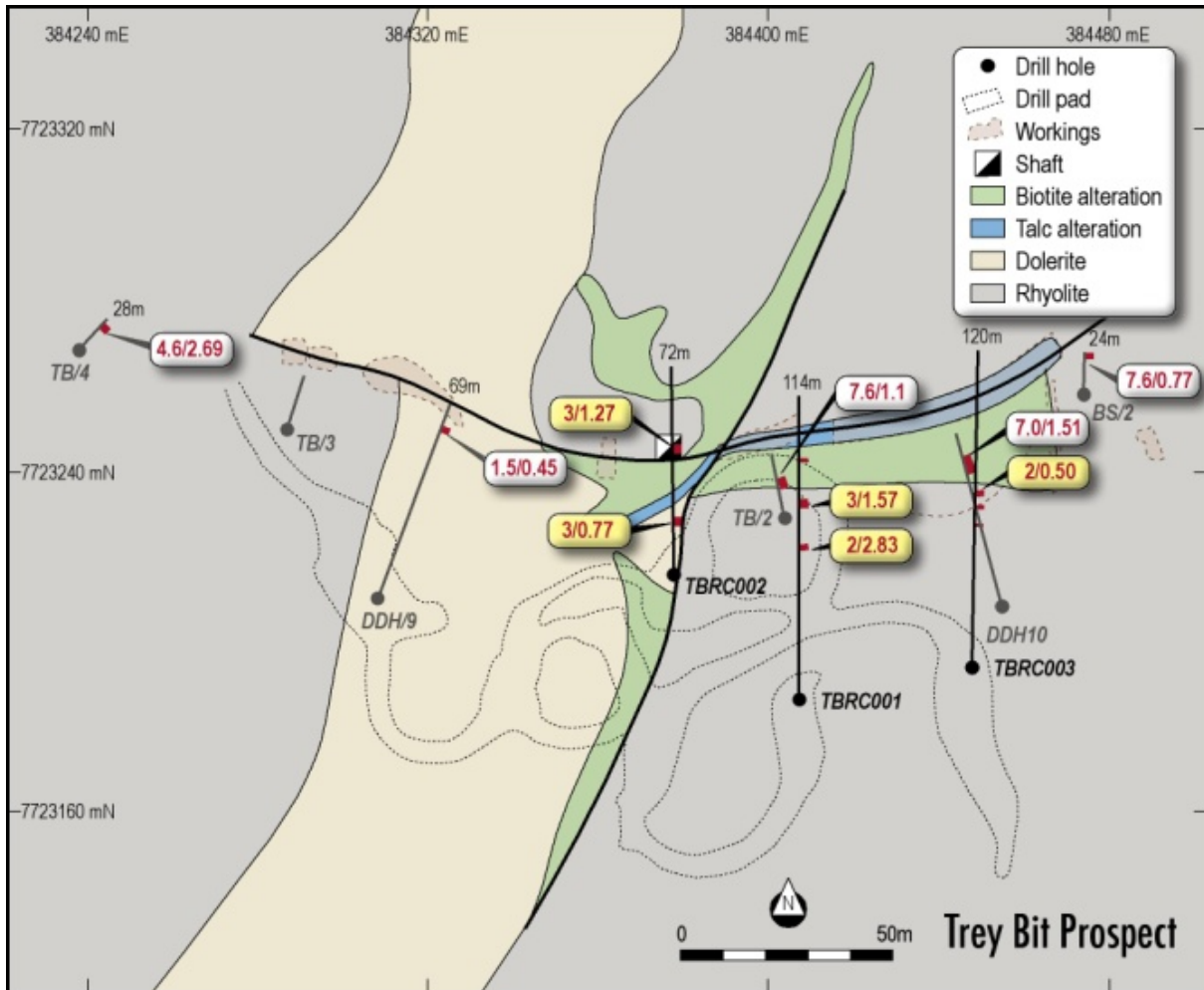


Figure 2 – Trey Bit Prospect – Drill hole locations.

Hole No.	East (GDA94)	North (GDA94)	TD (m)	Dip	Azi		From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)	Co (ppm)
TBRC 001	384407	7723188	114	-60	358.5		60	62	2	2.83	0.05	506
							76	79	3	1.57	0.01	108
						incl.	77	78	1	2.71	0.02	184
							92	93	1	0.58	0.05	41
TBRC 002	384378	7723216	72	-60	360		20	23	3	0.77	0.03	182
						incl.	21	22	1	1.08	0.01	119
							43	46	3	1.27	0.04	95
						incl.	44	46	2	1.66	0.05	68
TBRC 003	384448	7723194	120	-60	358.5		61	62	1	0.54	0.1	184
							67	68	1	0.57	0.01	314
							72	74	2	0.50	0.02	244

Table 2 – Trey Bit Prospect – Assay results (at 0.5% Cu cut-off grade).