

## ASX Announcement

19 October 2010

### Retail Entitlement Offer and Institutional Placement allotment

The Board of Mt Isa Metals (MET) is pleased to announce the allotment of the retail component of MET's 1 for 4 non-renounceable entitlement offer (**Retail Entitlement Offer**).

A placement to raise a further \$0.90 million (6,000,000 New Shares at \$0.15 each) (**Institutional Placement**) has also been completed and allotted following notification by the underwriter (Bizzell Capital Partners Pty Ltd) that it will be exercising its rights under the underwriting agreement.

MET received applications totalling over \$3.24 million in respect of the Retail Entitlement Offer, including valid applications for Entitlements of \$1.88 million and applications for Additional New Shares of \$1.36 million.

All Shareholders who submitted valid applications for the Entitlements will receive 100% of their applications.

Allocation of the Shares that were not subscribed for under the Retail Entitlement Offer (1,229,614 Shares with a value at \$0.15 of \$184,442.10) has been made by the Board of MET in its absolute discretion, in consultation with the underwriter.

As applications for Additional New Shares exceed the shortfall, the MET Board have allocated the shortfall as follows:

- By scaling back the number of applications for Additional New Shares to a maximum of 17% of shareholders valid Entitlements under the Retail Entitlement Offer, resulting in 630,232 New Shares (\$94,534.80) being allotted; and
- As to the balance, totalling 599,382 New Shares (\$89,907.30), dealing with the shares under the Underwriting Agreement, such that they were subscribed for or placed by Bizzell Capital Partners Pty Ltd.

Allotment of all New Shares under the Retail Entitlement Offer and the Institutional Placement will occur Tuesday 19 October 2010. Despatch of Holding Statements will occur on Wednesday 20 October 2010. Refunds for unfilled applications for Additional New Shares will be despatched to Shareholders as soon as practicable. New Shares are expected to commence trading on ASX on Thursday 21 October 2010.

This completes capital raisings totalling \$4.84 million. The proceeds of these capital raisings 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.

On behalf of the board,  
D P Cornish  
Company Secretary

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Further information on Mt Isa Metals can be found on our website [www.mtisametals.com.au](http://www.mtisametals.com.au)

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