

ASX Announcement

27 September 2011

NEW HIGH GRADE GOLD INTERSECTIONS FROM RC DRILLING AT THE BANTOU GOLD PROSPECT – BURKINA FASO

Highlights:

- **New high grade gold drill intersections recorded in reverse circulation (RC) drilling at the Bantou Gold Prospect in south-west Burkina Faso.**
- **Significant drill intersections include:**
 - **6m @ 7.35g/t Au** (from 44m in DYRC014)
 - **4m @ 6.03g/t Au** (from 66m in DYRC018)
 - **9m @ 16.79g/t Au** (from 91m in DYRC026)
 - **11m @ 2.59g/t Au** (from 7m in DYRC028)
 - **16m @ 10.20g/t Au** (from 17m in DYRC029)
 - **5m @ 6.55g/t Au** (from 109m in DYRC030)
 - **11m @ 2.63g/t Au** (from 48m in DYRC034)
- **Gold mineralisation defined in multiple structures over a 600 metre strike length - including a recently defined hangingwall structure.**
- **Gold mineralisation open along strike to the north and south and at depth.**
- **Additional RC drilling proposed to test strike extensions to mineralised structures.**

The Board of Mt Isa Metals Limited (MET) is pleased to announce that new high grade gold assay results have been received from phase 2 reverse circulation (RC) drilling at the Bantou Gold Prospect in south-west Burkina Faso (figure 1).

Drilling completed to date at the Bantou Prospect has now defined near-surface gold mineralisation over an approximate 600 metre strike length. The new drilling results have also confirmed gold mineralisation in a second structure located approximately 30 metres in the hangingwall (to the west of) the Bantou Main Lode.

Gold mineralisation at the Bantou Prospect is open in all directions – ie: along strike to the north and south, and at depth below the limit of current drilling.

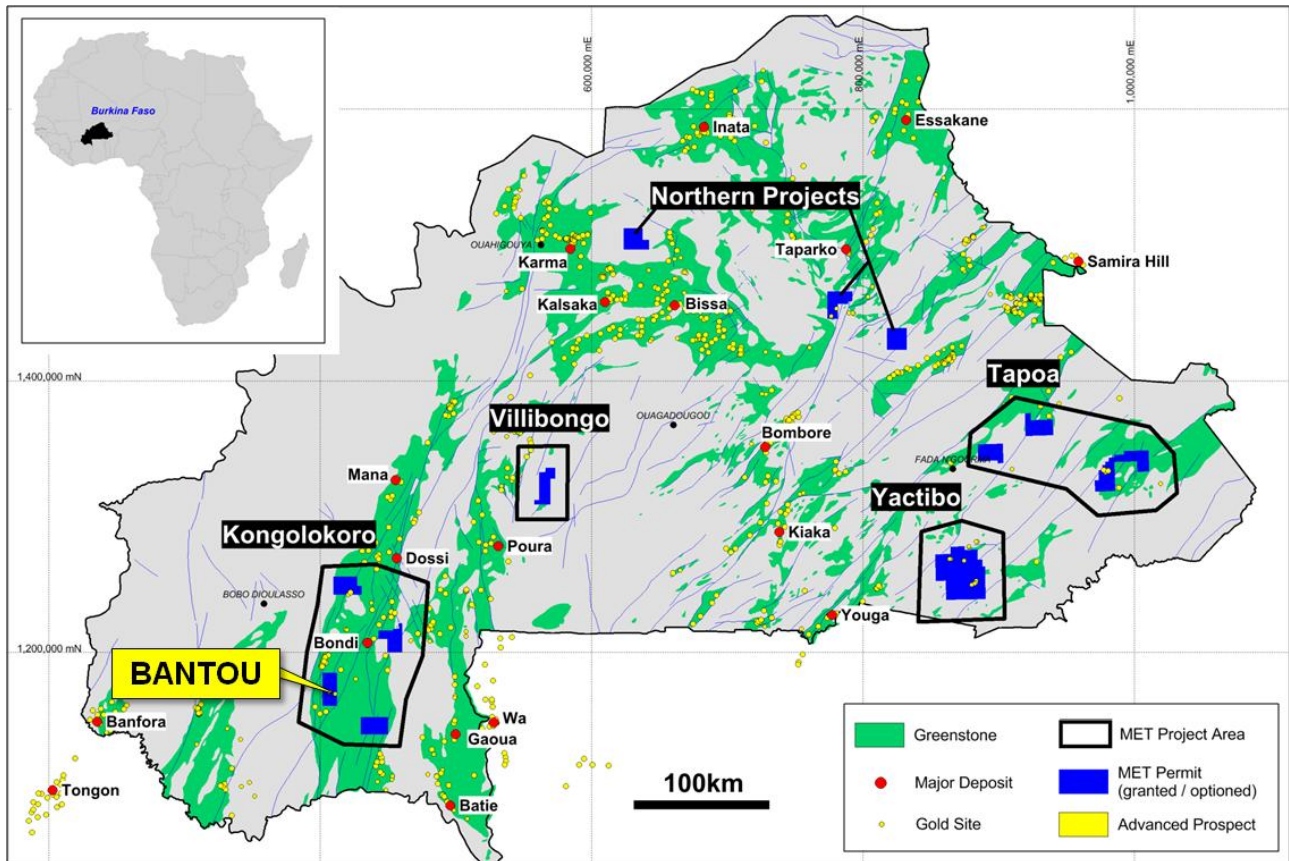


Figure 1 – Location of MET Burkina Faso exploration permits / projects (excludes applications).

Bantou Gold Prospect

The Bantou Gold Prospect is located in south-west Burkina Faso and lies within the Company's Kongolokoro Project area (figure 1). The Bantou Prospect was originally identified by a zone of shallow northeast-trending artisanal gold workings that extend over an approximate 1,000 metre strike length.

MET completed an initial scout drilling program at Bantou in late 2010 which recorded near-surface gold mineralisation including intersections of **8m @ 80.32g/t Au** from 36m (in DYRC03) and **5m @ 6.12g/t Au** from 60m (in DYRC04).

MET recently completed a second (phase 2) RC drilling program at Bantou over a 600 metre strike length to follow up the significant phase 1 drilling results.

New High Grade RC Drill Results

New phase 2 RC drilling results have been received from the Bantou Gold Prospect. The drilling results include significant near-surface gold intersections in multiple structures (figure 2).

Drill intersections recorded on the **Main Lode** structure (ie: directly below the main trend of artisanal workings) include:

- **4m @ 6.03g/t Au** (from 66m in DYRC018)
- **9m @ 16.79g/t Au** (from 91m in DYRC026)
- **16m @ 10.20g/t Au** (from 17m in DYRC029)
- **5m @ 6.55g/t Au** (from 109m in DYRC030)

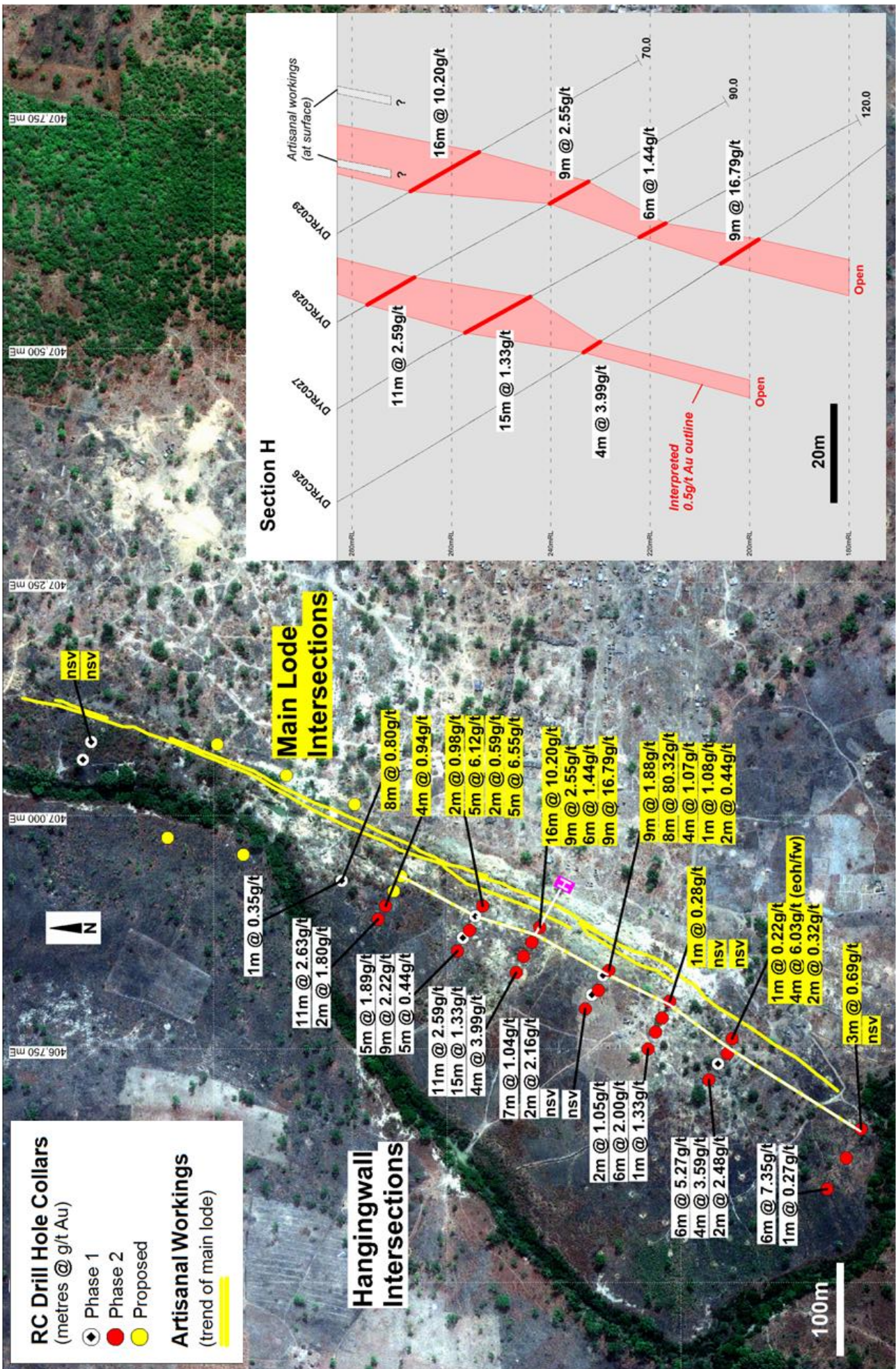


Figure 2 – Bantou Prospect – Drill hole locations.

Drill intersections recorded on the Bantou **Hangingwall Structure** include:

- **6m @ 7.35g/t Au** (from 44m in DYRC014)
- **6m @ 5.27g/t Au** (from 8m in DYRC017)
- **11m @ 2.59g/t Au** (from 7m in DYRC028)
- **11m @ 2.63g/t Au** (from 48m in DYRC034)

Mineralisation on both the Main Lode and Hangingwall structures is open along strike to the north and south of current drilling. Mineralisation is also open at depth below the limit of current drilling (approx. 100m vertical depth) (figure 2).

Detailed drilling data is provided in table 1.

Forward Plan / Regional Potential

MET proposes to conduct additional RC drilling of the Bantou Prospect in the forthcoming field season. In particular drilling will test strike extensions to the north of current drilling in the vicinity of a wide zone (up to 40m across) of surface artisanal workings.

In addition to the immediate Bantou area, the balance of the 250km² Dynikongolo permit (which includes the Bantou Prospect) also presents significant potential for additional gold discoveries.

MET recently completed a high resolution aeromagnetic / radiometric geophysical survey over the Dynikongolo permit (figure 3). Numerous structural targets were identified in this survey that will also be subject to more detailed investigation during the forthcoming field season.

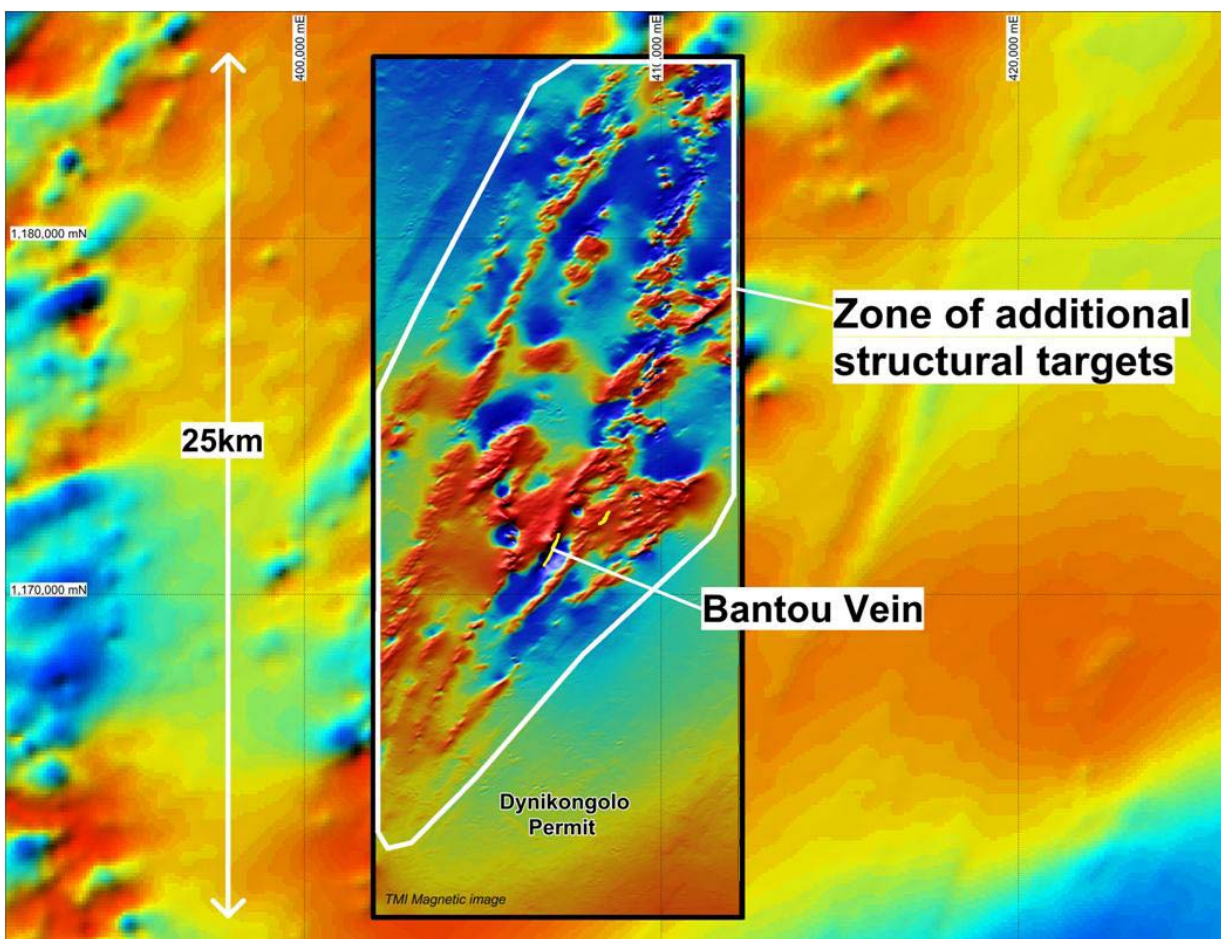


Figure 3 – Dynikongolo Permit – New TMI magnetic image showing target area.

Hole No.	East (WGS84)	North (WGS84)	TD (m)	Dip	Azi	From (m)	To (m)	Width (m)	Au (g/t)
DYRC013	406,600	1,170,843	124	-60	118	6	7	1	1.33
DYRC014	406,633	1,170,823	120	-60	118	15	16	1	0.74
						44	50	6	7.35
DYRC015	406,664	1,170,807	80	-60	118	17	20	3	0.69
DYRC016	406,717	1,170,970	140	-60	118	66	68	2	2.48
DYRC017	406,745	1,170,950	80	-60	118	8	14	6	5.27
						18	19	1	0.55
DYRC018	406,761	1,170,945	70	-60	118	59	60	1	0.60
						66	70	4	6.03
DYRC019	406,750	1,171,035	90	-60	118	80	81	1	1.33
DYRC020	406,768	1,171,027	120	-60	118	48	54	6	2.00
						66	68	2	1.59
						73	74	1	1.01
DYRC021	406,783	1,171,020	90	-60	118	23	25	2	1.05
DYRC022	406,801	1,171,012	70	-60	118	nsv			
DYRC023	406,793	1,171,102	140	-60	118	102	103	1	0.92
DYRC024	406,813	1,171,088	90	-60	118	29	31	2	2.16
						60	64	4	1.07
DYRC025	406,834	1,171,077	60	-60	118	1	2	1	115.50
						23	32	9	1.88
DYRC026	406,832	1,171,176	150	-60	118	58	62	4	3.99
						65	66	1	0.50
						91	100	9	16.79
DYRC027	406,849	1,171,168	120	-60	118	30	45	15	1.33
						70	76	6	1.44
						115	116	1	1.79
DYRC028	406,864	1,171,159	90	-60	118	7	18	11	2.59
						49	58	9	2.55
DYRC029	406,880	1,171,151	70	-60	118	13	14	1	1.98
						17	33	16	10.20
						36	37	1	0.58
DYRC030	406,855	1,171,239	150	-60	118	63	64	1	0.62
						66	67	1	0.63
						71	74	3	0.86
						103	104	1	3.20
						109	114	5	6.55
DYRC031	406,877	1,171,226	120	-60	118	20	21	1	0.66
						25	30	5	1.89
						37	38	1	2.74
						65	70	5	0.50
						76	78	2	1.48
						82	84	2	0.59
DYRC032	406,903	1,171,212	66	-60	118	16	21	5	0.61
						33	35	2	0.98
DYRC033	406,889	1,171,324	150	-60	118	70	72	2	1.80
						108	109	1	1.08
						127	131	4	0.94
DYRC034	406,903	1,171,316	96	-60	118	8	9	1	0.70
						48	59	11	2.63
						63	70	7	0.92

Table 1 – Bantou RC Drill Results (0.5g/t Au cut-off grade).

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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.