

ASX Announcement

Thursday, 17 September 2009

DRILLING RESUMES AT BARBARA COPPER PROSPECT

Highlights:

- **Reverse circulation drilling resumes at the Barbara Copper Prospect**
- **21 hole program testing North Lode system over a minimum 400m strike length**
- **Target includes down dip extensions to previously reported drill holes:**
 - **8 metres at 3.7% Cu and 0.27g/t Au from 32 metres (in BARC19)**
 - **5 metres at 2.2% Cu from 43 metres (in BARC18);**
- **Initial testing of North Lode TEM conductor (250m vertical depth).**
- **Excellent potential to define potentially open-pittable sulphide mineralisation in this area.**

The Board of Mt Isa Metals (MET) is pleased to announce that a second and expanded phase of exploration drilling has commenced at the Barbara Copper Prospect.

The current program is to comprise 21 reverse circulation drill holes which will test the North Lode structure over a strike length in excess of 400 metres and to an average depth of less than 150 vertical metres from surface (refer Figure 1).

The drill program is designed to follow up significant sulphide intersections received from first phase drilling which included:

- 8 metres at 3.7% Cu and 0.27g/t Au from 32 metres (in BARC19), and
- 5 metres at 2.2% Cu from 43 metres (in BARC18)

In addition to the 'near surface' drilling a deeper reverse circulation drill hole is also planned to provide an initial test of the North Lode TEM conductor.

The North Lode conductive zone was identified by a geophysical survey completed by the joint venture in early 2009 and may indicate the presence of a structurally controlled accumulation of copper sulphides down-plunge from the surface gossan and recent encouraging drilling results.

Barbara is located approximately 50 kilometres northeast of Mount Isa in Northwest Queensland and forms part of the Company's Leichardt exploration project.

The project tenement (EPM 16112) is held in joint venture between Mt Isa Metals Limited (49%) and Syndicated Metals Limited (51% manager).

It is anticipated that the current phase of drilling will be completed by mid-October with assay results thereafter.

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Further information on Mt Isa Metals can be found on our website www.mtisametals.com.au

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.

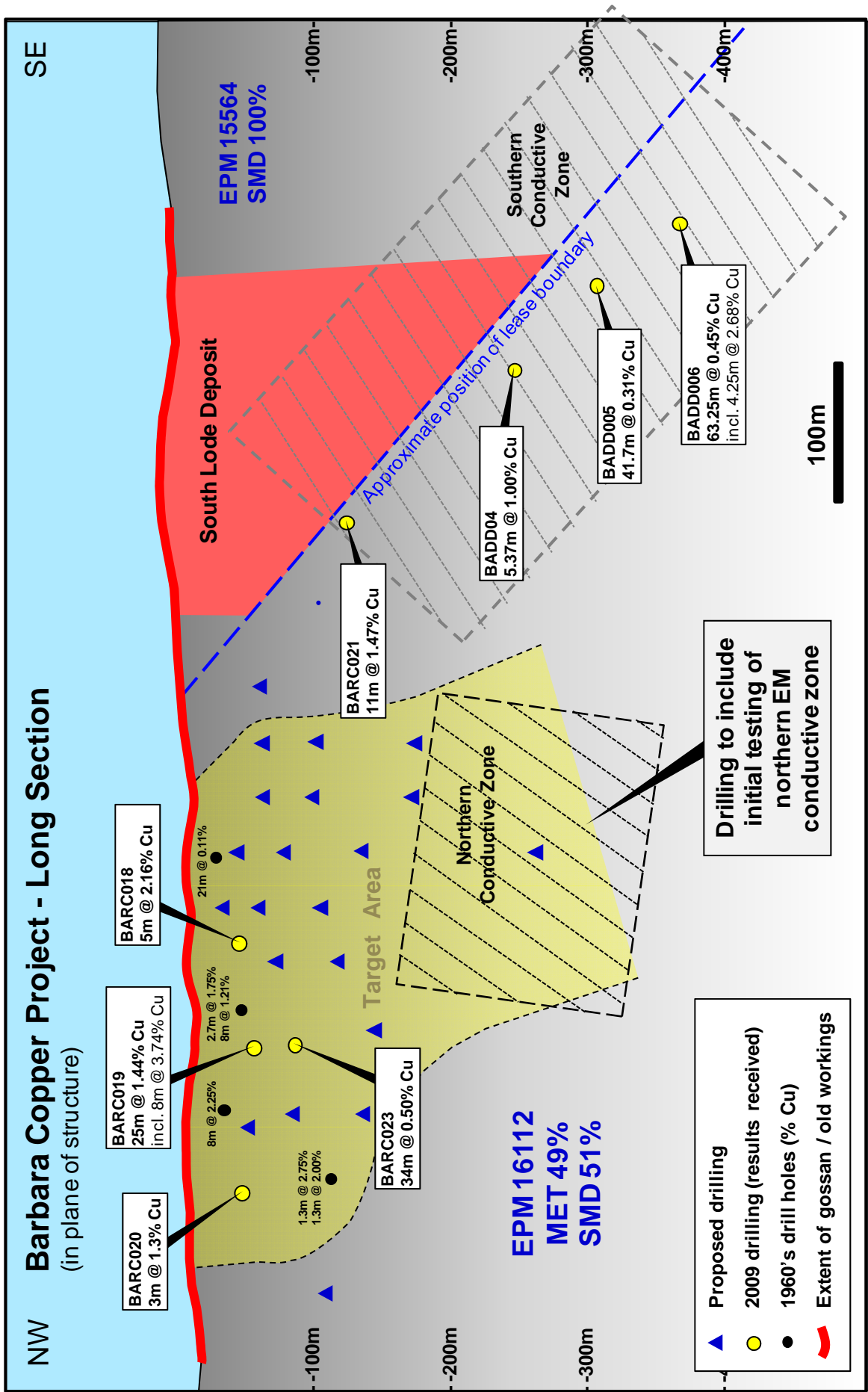


Figure 1: Barbara Long Section.