

ASX Announcement

Friday, 15 May 2009

D-TREE JV - HIGH GRADE PHOSPHATE RESULTS

Highlights:

- **High grade phosphate intersections received from delineation drilling within Mining Lease Application (MLA) 90190**
- **Multiple near-surface phosphate horizons confirmed – potential low strip ratio Direct Shipment Ore (DSO)**
- **JORC compliant Mineral Resource estimation in progress for potential DSO material**

The Board of Mt Isa Metals (MET) is pleased to announce that further significant high grade phosphate intercepts have been received from RC drilling at the D-Tree Phosphate Project.

The high grade intersections are located in the D-Tree North area within and adjacent to Mining Lease Application (MLA) 90190 which was recently lodged with the Queensland Department of Mines and Energy.

D-Tree North was identified as a potential direct shipment ore (DSO) development site following the receipt of positive results from a broad spaced drilling program completed in late 2008.

A total of 122 holes for 4,615 metres have been drilled into the D-Tree North area to date, directly aimed at defining DSO material. Results for a total of 96 holes have been received with the remaining due before the end of May 2009. High grade phosphate results received include 23 intersections in the upper phosphate horizon with an average grade **in excess of 30% P₂O₅** (refer table 1 and figure 1).

The latest drilling results from D-Tree North confirm the continuity of near-surface phosphate mineralisation. All drilling has been undertaken with vertical holes which, as the deposit is nominally flat lying, gives a true width for each mineralised interval.

The main (upper) mineralised horizon at D-Tree North typically lies within 5m to 15m of the surface providing for low strip ratios and a potential short lead time to mine development (refer figure 2).

A comprehensive list of all recent drill hole results received from the MLA 90190 area (upper phosphate horizon, 10% lower cut-off-grade) is provided in Appendix 1.

The D-Tree Project is a joint venture between Mt Isa Metals (MET 20%) and Legend International Holdings, Inc. (Legend 80%, manager). The joint venture controls 100% of the known D-Tree deposit which includes an Inferred Mineral Resource of 305Mt @ 15.0% P₂O₅¹.

¹ Refer MET ASX release "MAIDEN JV RESOURCE" also dated 15 May 2009.

Subject to the completion of a positive feasibility study, the joint venture has targeted the development of a 0.5Mtpa DSO operation at D-Tree North by the end of 2009.

A JORC-compliant resource estimate for the high grade DSO material is currently in preparation.

The proposed D-Tree North DSO operation represents an initial first phase of the development of the broader D-Tree deposit. The current mining lease application (MLA 90190) comprises less than 1% of the total footprint area of the known D-Tree deposit.

Mt Isa Metals and Legend are also actively investigating potential for phase 2 development of D-Tree as a bulk mining operation to feed Legend's proposed 100%-owned 5Mtpa Paradise beneficiation plant which is to be constructed approximately 15km to the east of the D-Tree site.

Hole ID	From (m)	To (m)	Width (m)	P ₂ O ₅ %	Fe ₂ O ₃ %	Al ₂ O ₃ %	Fe+Al %
DTRC0098B	8	11	3	30.60	0.41	2.12	2.53
DTRC0147B	8	11	3	34.70	0.42	1.99	2.41
DTRC0148A	6	8	2	31.90	3.88	2.41	6.29
DTRC0500	11	13	2	32.45	1.39	2.71	4.10
DTRC0501	9	12	3	30.73	0.97	2.25	3.21
DTRC0502	9	13	4	32.13	0.58	2.60	3.18
DTRC0504	9	11	2	30.10	0.74	3.25	3.98
DTRC0507	7	9	2	30.00	4.10	3.28	7.38
DTRC0523	7	10	3	30.40	3.27	2.48	5.75
DTRC0524	9	11	2	30.90	2.00	3.03	5.03
DTRC0525	8	12	4	32.03	0.53	2.16	2.69
DTRC0526	7	11	4	31.60	0.55	2.57	3.12
DTRC0527	10	12	2	32.15	0.47	2.50	2.97
DTRC0529	7	9	2	33.10	0.49	2.39	2.88
DTRC0535	3	5	2	31.00	3.48	1.95	5.43
DTRC0538	7	10	3	31.03	0.56	2.84	3.40
DTRC0539	10	12	2	30.10	4.02	2.09	6.11
DTRC0540	9	11	2	32.20	0.65	2.69	3.33
DTRC0544	6	8	2	30.90	0.93	2.66	3.59
DTRC0548	9	12	3	31.43	1.32	2.42	3.74
DTRC0551	11	13	2	33.40	0.78	1.95	2.72
DTRC0564	17	19	2	30.35	4.15	1.75	5.89
DTRC0572	7	9	2	30.20	1.13	3.04	4.17

Table 1: D-Tree North area - Summary of significant intercepts >30% P₂O₅ (upper phosphate horizon)².

² Intercepts reported above a 25% P₂O₅ cut-off, minimum 2m width and maximum 5m contiguous internal dilution.

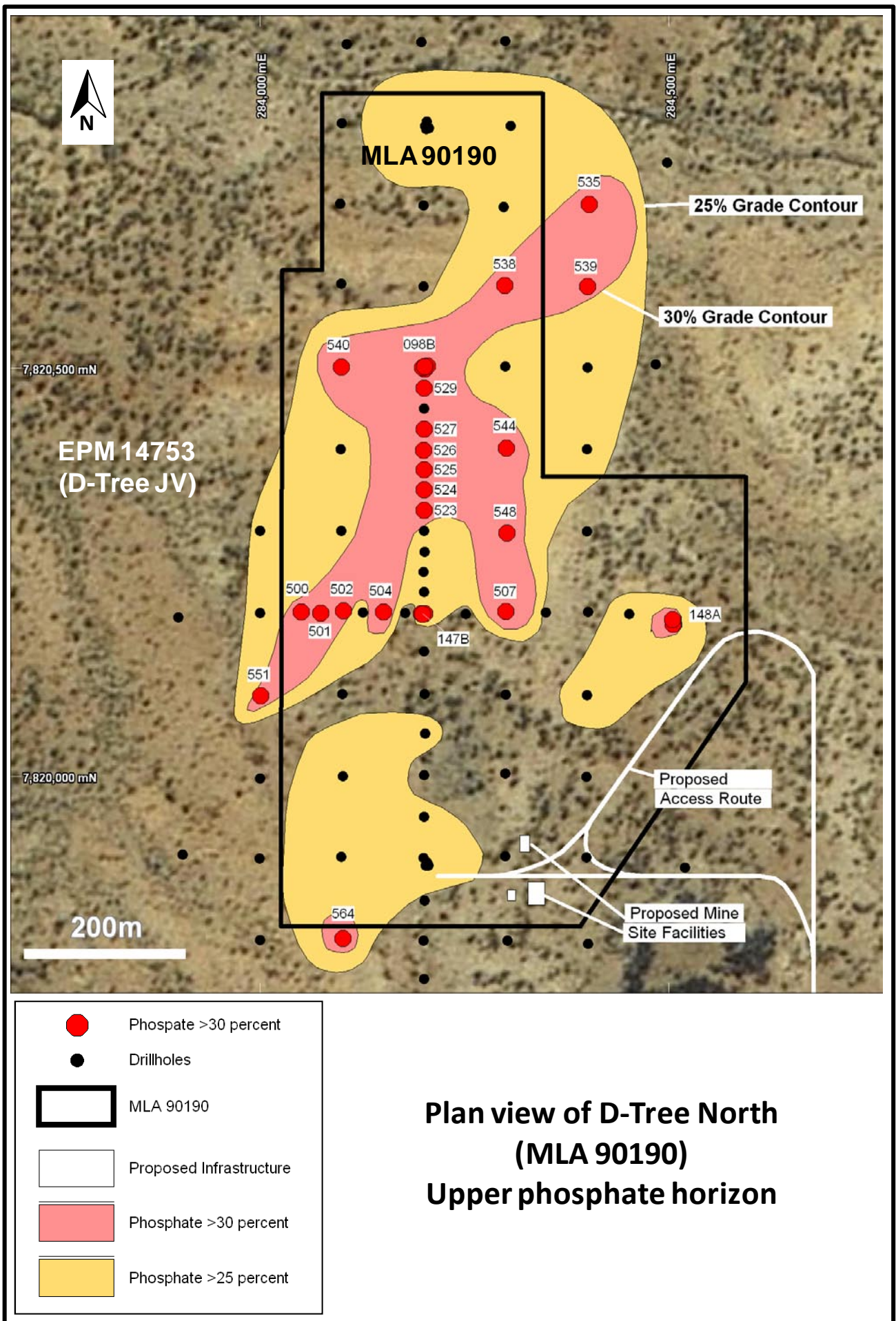


Figure 1: MLA 90190 showing location of drill holes, P₂O₅ grade contours, and +30% P₂O₅ intersections.

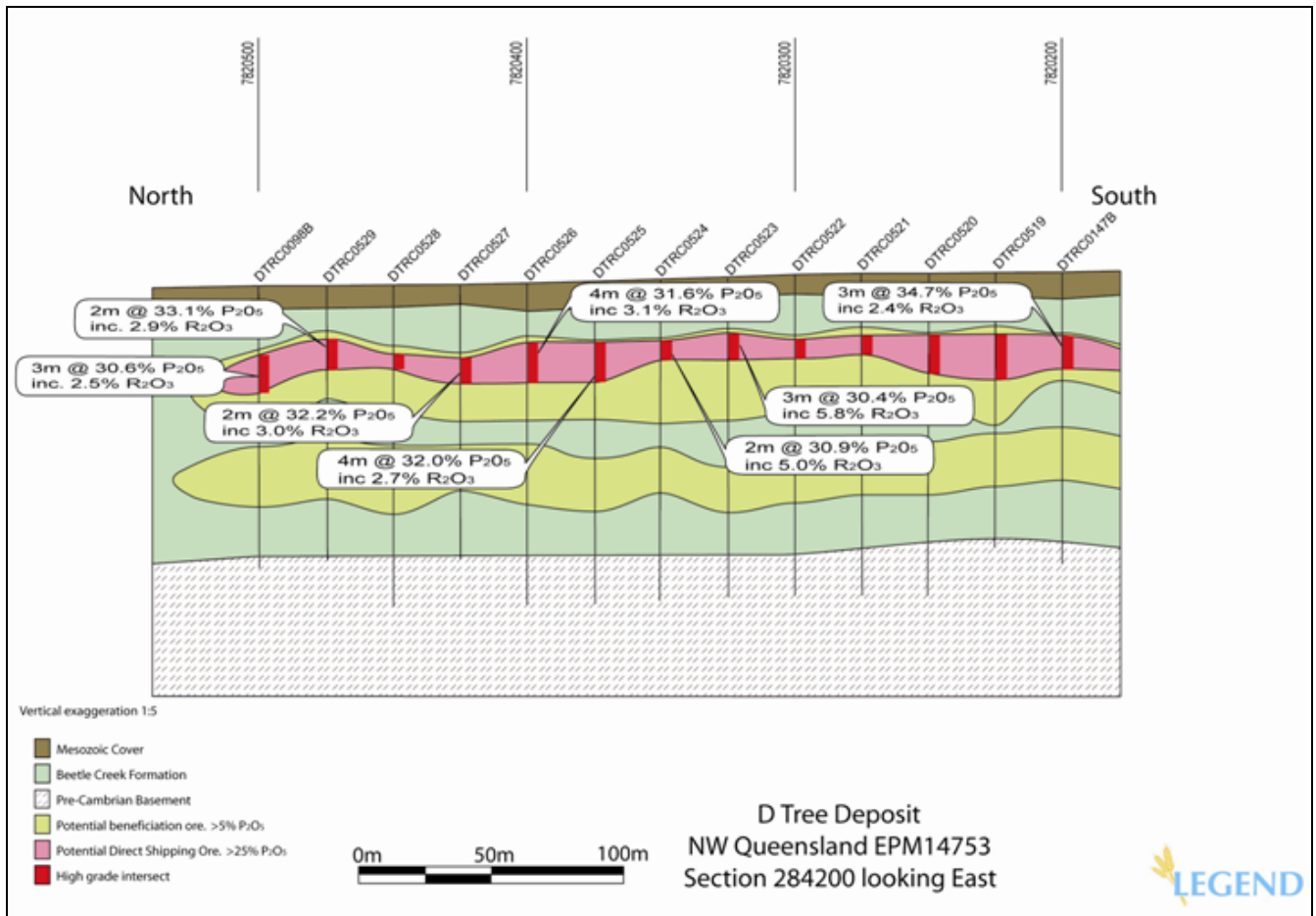


Figure 2: Schematic cross section through D-Tree North area (section 7,820,200mN).

Note: $R_2O_3 = Fe_2O_3 + Al_2O_3$.

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Competent Persons Statement

The information in this report that relates to Exploration Results or Mineral Resources 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.

Appendix 1 – Recent D-Tree North drilling results.

(upper phosphate horizon, 10% P₂O₅ cut-off grade, maximum 2m internal dilution)

Hole_ID	From (m)	To (m)	Width (m)	Grade (P ₂ O ₅ %)	North (MGA54)	East (MGA54)
DTRC0092	14	18	4	18.55	7,819,893	284,205
DTRC0092A	13	18	5	19.74	7,819,890	284,202
DTRC0092B	13	18	5	19.75	7,819,891	284,206
DTRC0092C	13	16	3	17.52	7,819,895	284,204
DTRC0092D	13	18	5	18.75	7,819,893	284,203
DTRC0098	9	28	19	17.66	7,820,501	284,202
DTRC0098A	8	16	8	20.80	7,820,498	284,201
DTRC0098B	8	16	8	21.25	7,820,501	284,198
DTRC0098C	8	17	9	20.07	7,820,502	284,205
DTRC0098D	7	14	7	22.86	7,820,502	284,201
DTRC0139	6	11	5	18.86	7,820,795	284,204
DTRC0139A	8	12	4	16.89	7,820,792	284,203
DTRC0139B	8	11	3	13.47	7,820,794	284,206
DTRC0139C	6	10	4	19.49	7,820,796	284,202
DTRC0139D	7	11	4	18.40	7,820,795	284,204
DTRC0147	8	14	6	26.47	7,820,199	284,199
DTRC0147A	7	17	10	15.41	7,820,196	284,199
DTRC0147B	8	13	5	27.44	7,820,199	284,201
DTRC0147C	8	14	6	28.49	7,820,199	284,197
DTRC0147D	8	18	10	22.09	7,820,199	284,199
DTRC0148	5	11	6	19.17	7,820,189	284,505
DTRC0148A	6	11	5	21.37	7,820,186	284,505
DTRC0148B	6	10	4	20.38	7,820,189	284,502
DTRC0148C	6	10	4	25.35	7,820,192	284,504
DTRC0148D	6	11	5	17.35	7,820,190	284,507
DTRC0500	10	14	4	26.63	7,820,201	284,050
DTRC0501	9	13	4	25.56	7,820,200	284,074
DTRC0502	9	16	7	24.98	7,820,203	284,102
DTRC0503	10	15	5	20.47	7,820,201	284,126
DTRC0504	8	12	4	22.35	7,820,201	284,151
DTRC0505	9	17	8	13.98	7,820,200	284,177
DTRC0506	7	12	5	18.85	7,820,199	284,252
DTRC0507	7	11	4	22.65	7,820,202	284,300
DTRC0508	7	11	4	14.55	7,820,201	284,350
DTRC0510	7	12	5	22.21	7,820,199	284,451
DTRC0511	16	21	5	17.40	7,819,752	284,201
DTRC0512	16	18	2	19.60	7,819,799	284,200
DTRC0513	16	19	3	19.93	7,819,848	284,201
DTRC0514	11	17	6	17.61	7,819,950	284,200
DTRC0515	11	17	6	16.65	7,820,001	284,201
DTRC0516	12	21	9	16.58	7,820,052	284,202
DTRC0517	13	15	2	18.10	7,820,100	284,201
DTRC0518	13	19	6	14.95	7,820,153	284,201
DTRC0519	8	17	9	20.19	7,820,226	284,201
DTRC0520	8	16	8	19.72	7,820,250	284,200
DTRC0521	7	14	7	21.83	7,820,275	284,201
DTRC0522	8	11	3	22.38	7,820,300	284,201
DTRC0523	7	15	8	19.61	7,820,326	284,201
DTRC0524	8	15	7	19.04	7,820,351	284,200
DTRC0525	8	14	6	26.36	7,820,375	284,200

Hole_ID	From (m)	To (m)	Width (m)	Grade (P ₂ O ₅ %)	North (MGA54)	East (MGA54)
DTRC0526	7	13	6	26.13	7,820,399	284,200
DTRC0527	9	16	7	20.06	7,820,425	284,200
DTRC0528	8	11	3	23.02	7,820,450	284,200
DTRC0529	6	15	9	19.23	7,820,475	284,200
DTRC0530	12	15	3	21.35	7,820,800	284,100
DTRC0531	7	12	5	20.47	7,820,796	284,307
DTRC0532	10	14	4	16.46	7,820,701	284,098
DTRC0533	8	16	8	13.15	7,820,699	284,200
DTRC0534	2	6	4	16.29	7,820,697	284,298
DTRC0535	3	12	9	18.20	7,820,700	284,403
DTRC0536	11	17	6	11.54	7,820,603	284,099
DTRC0537	10	16	6	15.99	7,820,600	284,200
DTRC0538	7	12	5	26.39	7,820,601	284,299
DTRC0539	10	15	5	21.89	7,820,600	284,400
DTRC0540	9	17	8	18.89	7,820,501	284,099
DTRC0541	6	11	5	20.09	7,820,502	284,300
DTRC0542	9	14	5	20.61	7,820,501	284,400
DTRC0543	11	17	6	22.26	7,820,401	284,099
DTRC0544	6	15	9	16.04	7,820,402	284,301
DTRC0545	8	14	6	16.92	7,820,400	284,400
DTRC0546	10	14	4	21.73	7,820,300	284,000
DTRC0547	8	15	7	16.28	7,820,301	284,099
DTRC0548	9	14	5	24.57	7,820,298	284,302
DTRC0549	8	16	8	15.25	7,820,300	284,400
DTRC0550	8	13	5	17.81	7,820,200	284,000
DTRC0551	10	16	6	21.28	7,820,099	284,001
DTRC0552	11	17	6	16.09	7,820,100	284,100
DTRC0553	8	11	3	16.88	7,820,100	284,300
DTRC0554	1	6	5	18.62	7,820,099	284,400
DTRC0555	13	17	4	16.21	7,819,998	284,000
DTRC0556	11	17	6	18.71	7,820,000	284,101
DTRC0557	15	19	4	13.41	7,820,003	284,300
DTRC0558	5	8	3	21.82	7,819,999	284,399
DTRC0559	15	19	4	11.47	7,819,899	283,999
DTRC0560	13	18	5	18.82	7,819,901	284,099
DTRC0561	13	18	5	16.83	7,819,902	284,300
DTRC0562	10	16	6	13.62	7,819,901	284,399
DTRC0563	16	19	3	22.38	7,819,800	284,000
DTRC0564	16	22	6	19.08	7,819,801	284,101
DTRC0565	11	16	5	19.70	7,819,799	284,302
DTRC0566	13	19	6	17.80	7,819,795	284,401
DTRC0569	10	12	2	17.55	7,820,896	284,106
DTRC0570	23	27	4	12.68	7,820,899	284,198
DTRC0571	18	22	4	15.39	7,820,900	284,300
DTRC0572	6	12	6	21.63	7,820,999	284,100

Appendix 2 - Drilling and Sampling Methodology

During the second quarter of 2009 a resource definition drilling program of the D-Tree deposit was conducted within MLA 90190 (EPM14753).

The drilling program was undertaken on a nominal 100 metre by 100 metre grid pattern. Drilling on two key sections (7,820,200mN and 284,200mE) was completed with drill hole spacing in the range 25m to 50m to assess the continuity of higher grade mineralisation.

All recent delineation drilling was conducted using Reverse Circulation (RC) methodology using either a 4.5" (114.3mm) or 5" (127mm) drill bit.

All RC samples were collected using a cone splitter over 1 metre intervals, yielding a 2-3 kg sample for subsequent assaying. A second split was also collected from some high grade intervals to use in quality assurance of the sampling process. Assay results from all field duplicate samples received so far show very good correlation between assays from original and duplicate samples.

All phosphate samples were submitted to either one of two commercial laboratories located in either Mt Isa or Brisbane. The analytical technique used was fused bead XRF. All samples were analyzed for P_2O_5 , Al_2O_3 , Fe_2O_3 , MgO, CaO and SiO_2 .

A series of pulp duplicates were taken at the preparation stage to test for laboratory accuracy and precision with all results showing good correlation and within acceptable limits. A series of matrix matched phosphate reference standards were also submitted with the samples to ensure accuracy and precision of assaying. The results of these standards are within acceptable limits.

In addition to the above RC drilling a number of diamond drill holes were completed as "twins" to the RC drilling. Assay results for these diamond drill holes are awaited.