

## Appendix 5B

### Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001

Name of entity

**Mt Isa Metals Limited**

ACN or ARBN

**59 120 212 017**

Quarter ended ("current quarter")

**31 March 2009**

#### Consolidated statement of cash flows

|   | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>Cash flows related to operating activities</b>   |                            |                                       |
| 1.1 Receipts from product sales and related debtors including refunds of Goods and Services Tax | 54                         | 173                                   |
| 1.2 Payments for (a) exploration and evaluation   | (344)                      | (789)                                 |
| (b) development   | -                          | -                                     |
| (c) production  | -                          | -                                     |
| (d) administration  | (243)                      | (992)                                 |
| 1.3 Dividends received  | -                          | -                                     |
| 1.4 Interest and other items of a similar nature received                                       | 31                         | 194                                   |
| 1.5 Interest and other costs of finance paid  | -                          | -                                     |
| 1.6 Income taxes paid   | -                          | -                                     |
| 1.7 Other   | -                          | -                                     |
| <b>Net Operating Cash Flows</b>   | <b>(502)</b>               | <b>(1,414)</b>                        |
| <b>Cash flows related to investing activities</b>   |                            |                                       |
| 1.8 Payment for purchases of:   |                            |                                       |
| (a) prospects   | -                          | -                                     |
| (b) equity investments  | -                          | -                                     |
| (c) other fixed assets  | (10)                       | (53)                                  |
| 1.9 Proceeds from sale of:  |                            |                                       |
| (a) prospects   | -                          | -                                     |
| (b) equity investments  | -                          | -                                     |
| (c) other fixed assets  | -                          | -                                     |
| 1.10 Loans to other entities  | -                          | -                                     |
| 1.11 Loans repaid by other entities   | -                          | -                                     |
| 1.12 Other  | -                          | (14)                                  |
| <b>Net investing cash flows</b>   | <b>(10)</b>                | <b>(67)</b>                           |
| 1.13 Total operating and investing cash flows (carried forward)                                 | (512)                      | (1,481)                               |

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

|   |   |       |         |
|---|---|-------|---------|
| 1.13  | Total operating and investing cash flows (brought forward)                | (512) | (1,481) |
| <b>Cash flows related to financing activities</b> |   |       |         |
| 1.14  | Proceeds from issues of shares and call payments.                         | -     | 7,000   |
| 1.15  | Proceeds from issue of shares in subsidiaries to outside equity interests | -     | -       |
| 1.16  | Proceeds from sale of forfeited shares                                    | -     | -       |
| 1.17  | Proceeds from borrowings (leases)   | -     | -       |
| 1.18  | Repayment of borrowings (leases)  | -     | -       |
| 1.19  | Dividends paid  | -     | -       |
| 1.20  | Other - capital raising costs   | -     | (446)   |
| <b>Net financing cash flows</b>                   |   | -     | 6,554   |
| <b>Net increase (decrease) in cash held</b>       |   | (512) | 5,073   |
| 1.21  | Cash at beginning of quarter/year to date                                 | 6,177 | 592     |
| 1.22  | Exchange rate adjustments to item 1.20                                    | -     | -       |
| 1.23  | <b>Cash at end of quarter</b>   | 5,665 | 5,665   |

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

|     |  | Current quarter<br>\$A'000 |
|-----|--|----------------------------|
| 1.2 | Aggregate amount of payments to the parties included in item 1.2 | 97                         |
| 1.2 | Aggregate amount of loans to the parties included in item 1.10   | -                          |
| 1.2 | Explanation necessary for an understanding of the transactions   |                            |
|     |  |                            |

**Non-cash financing and investing activities**

|     |  |     |
|-----|--|-----|
| 2.1 | Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows | Nil |
| 2.2 | Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest               | Nil |

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

|                                 | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities             | -                           | -                      |
| 3.2 Credit standby arrangements | -                           | -                      |

### Estimated cash outflows for next quarter

|                                | \$A'000      |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 1,000        |
| 4.2 Development                | -            |
| <b>Total</b>                   | <b>1,000</b> |

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

|  | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                     | 5,665                      | 6,177                       |
| 5.2 Deposits at call                             | -                          | -                           |
| 5.3 Bank overdraft                               | -                          | -                           |
| 5.4 Other (provide details)                      | -                          | -                           |
| <b>Total: cash at end of quarter</b> (item 1.22) | <b>5,665</b>               | <b>6,177</b>                |

### Changes in interests in mining tenements

|   | Tenement reference<br>(Holder) | Nature of<br>interest<br>(note (2))     | Interest at<br>beginning of<br>quarter | Interest at<br>end of<br>quarter |
|---|--------------------------------|---|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed |                                |   |  |                                  |
| 6.2 Interests in mining tenements acquired or increased           | EPM 16498                      | Exploration Permit for Minerals ("EPM") | 0%                                     | 100%                             |

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**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

|  | Number issued                                  | Number quoted    | Issue price per security (see note 3) (cents)                         | Amount paid up per security (see note 3) (cents)               |
|--|--|------------------|---|--|
| 7.1 <b>Preference +securities</b><br><i>(description)</i>  | Nil  |                  |   |  |
| 7.2 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions   |  |                  |   |  |
| 7.3 <b>+Ordinary securities</b>  | 103,750,000                                    | 50,617,354       |   |  |
| 7.4 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, consolidation (1 for 25)<br>(c) Increases through acquisition of projects<br>(d) Increases through acquisition of companies<br>(e) Release of ASX restriction<br>(f) Increase through exercise of options |  |                  |   |  |
| 7.5 <b>+Convertible debt securities</b><br><i>(description)</i>  | Nil  |                  |   |  |
| 7.6 Changes during quarter<br>(c) Increases through issues<br>(d) Decreases through returns of capital, buy-backs, redemptions   |  |                  |   |  |
| 7.7 <b>Options</b> <i>(description and conversion factor)</i><br>- to purchase one ordinary share  | 5,900,000<br>800,000<br>3,700,000<br>1,500,000 | -<br>-<br>-<br>- | <i>Exercise price</i><br>20 cents<br>20 cents<br>20 cents<br>25 cents | <i>Expiry date</i><br>31/5/12<br>31/7/10<br>20/8/11<br>20/8/11 |
| 7.8 Issued during quarter  |  |                  |   |  |
| 7.9 Exercised during quarter   |  |                  |   |  |
| 7.1 Expired during quarter<br>0  | 3,000,000                                      | -                | 25 cents  | 31/3/09  |
| 7.1 <b>Debentures</b> <i>(totals only)</i><br>1  | Nil  |                  |   |  |
| 7.1 <b>Unsecured notes</b> <i>(totals only)</i><br>2   | Nil  |                  |   |  |

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

29 April 2009

On Behalf of the Board  
D P Cornish  
Company Secretary

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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