

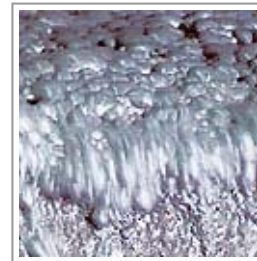
Solid news for Metals Australia

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Kate Haycock

METALS Australia has reported further high-grade zinc intercepts from its Manindi zinc project, including one intercept of 48% zinc, which indicated near-surface, high-grade mineralisation suitable for openpit mining, the company said.

According to Metals Australia, the latest round of infill and extensional drilling at the Mulgara deposit continues to intersect significant and shallow economic mineralisation, with better hits including 2m at 31.55% zinc from 20m, 5.9m at 17.67% zinc from 14.25m and 3.99m at 17.22% zinc from 22.45m.



These intersections were from both the main lode at the Mulgara deposit and a new footwall lode, Metals Australia said, which was discovered through detailed analysis of recent drilling.

The best assay from the footwall lode included 4m at 19.76% zinc and 0.23% copper from 19m, including 1.25m at 48.16% zinc from 21m.

The footwall lode remains open at depth and along strike, and the company said the new lode as "strong potential to add significant tonnes to the resource at Mulgara".

A second phase of drilling is planned for the Mulgara deposit and other prospects within the Manindi project.

"The drilling we've been doing at Manindi is going really well, but a lot slower than we had hoped," Metals Australia exploration manager Tim Putt told *MiningNews.net*.

"We've been encountering some broken ground ... and some rather weird weather conditions, they've had a lot of rain through that part of the Goldfields which has slowed us down.

"But we've drilled our two southernmost resources, including Mulgara, and that's where we've been getting our high-grade hits, at Mulgara in particular we've discovered [the] new footwall lode, which is very zinc-copper rich as was previously unrecognised. It's very shallow, it's only 12m below the surface, and it's a fresh sulphide lode."

Putt also said the company's minor share price gain yesterday of 0.3c was not a bad result given the overall downward trend of the market.

"I think followers of our stock have been waiting for us to put out more news – the bottom line is that isn't there to give, as the drilling's been slower than we thought and the assay turnaround is about four weeks. But when we've been getting it, we've been putting it out," he said.

Putt also said further results were coming from the drilling program, with additional grades coming from the drilling at the northern part of the project "looking good".

He added that the company was also looking at releasing a revised resource in the not-too-distant future.

Shares in Metals Australia had lost yesterday's gains and were down 0.3c this morning at 7.2c.

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