

12 November 2009

Companies Announcement Office Australian Securities Exchange Limited Level 6 20 Bridge Street Sydney NSW 2000

Via E-lodgement

## Multiple High Grade Zones Extend over a total of 2000 Metres

## **Highlights:**

- Surface channel assay results from the Hammerhead prospect confirm high grade zones extend over a continued strike length of 2000m
- Grab samples of up to 64% Fe within existing eastern high grade zone at Hammerhead
- Surface channel sample results at Hammerhead show additional multiple high grade bands including;
  - > 30m at 34%Fe
  - > 20m at 30%Fe
  - > 10m at 43% Fe and 10m at 48% Fe
- Surface channel sample results at the adjoining Nail Prospect include;
  - > 30m at 21% Fe,
  - 50m at 20% Fe,

Namibian explorer, **Avonlea Minerals Limited ("Avonlea" ASX: AVZ)** announced today assay results from its Hammerhead and Nail iron ore ("Fe") prospects. The Hammerhead and Nail Prospects are located in the northern region of the 1,000sq km Okatumba Exclusive Prospecting Licence ("EPL") 4129.

Two significant high grade mineralised zones have been indentified within the northern and eastern sectors of Hammerhead where Avonlea has previously reported multiple high grades.

The eastern sector now extends to 750m and contains multiple high grade bands that trend to the south and include grab samples of up to 64% Fe. This grab sample was collected along strike from the higher grade bands within a stratigraphically concordant horizon that consists of laminated magnetite-hematite lithologies.

The northern sector extends for a strike length of approximately 1300 metres and incorporates 10m @ 48% Fe, 10m @ 43% Fe, and 30m @ 34% Fe together with previously reported results of 5m @ 49% (ASX Announcement 18/09/2009), and 20m @ 40% Fe (ASX Announcement 13/10/2009). Further infill surface channel sampling is underway to confirm the continuity, width and potential extensions to these identified multiple high grade bands.



The current round of assay results from its surface channel program, have confirmed Fe mineralisation 4km south of Hammerhead within the Nail Prospect. Mineralisation at Nail is hosted in the same lithology and is situated directly south of the Hammerhead. Additional assays are still pending for the balance of surface channel sampling undertaken at both Nail and Hammerhead.

Commenting on the results, Managing Director David Riekie said:

"While these current results have the potential to extend the combined strike length of the Fe mineralisation, (over the Hammerhead and the Nail Prospects), they have more importantly demonstrated the continuity of the previously reported, multiple high grade zones of mineralisation within Hammerhead by a combined 2000 metres. These northern and eastern zones of multiple high grade bands within Hammerhead are of particular interest as they hold significant potential and will become priority drill targets"

"We can now use these results with other indicators and information to confirm the scale, indicative grade and true width of our Fe exploration target at Hammerhead before the obvious next step, which is the commencement of a focussed diamond and RC drilling program. Our drilling program is currently being negotiated and is expected to commence in the first half of next year."

The locations of the current surface channel samples taken from Hammerhead and the zones of multiple high grade mineralised bands are shown in Figure 1.

Tables 1 and 2 provide details of the current channel, rock chip and grab samples.

Yours Faithfully

David Riekie

**Managing Director** 

## **About Avonlea**

Avonlea Minerals Limited (ASX: AVZ) is an Australian publically listed exploration company based in Perth, Western Australia. While Avonlea has gold and base metal interests in Central Queensland and iron ore rights to the Diemals Iron Ore Project in Western Australia, the Company's focus has become its Exclusive Prospecting Licences ("EPL's") in Namibia.

Namibia is generally considered to be one of the more desirable places in Africa to explore for minerals based on the stable political environment and mining culture.

Avonlea acquired 95% of the issued capital in Eris Mining (Pty) Ltd ("Eris"), a Namibia incorporated Exploration Company. Eris has commenced exploration on its EPL's which are considered highly prospective for iron ore, copper, gold and rare earths/metals. Eris also holds a large Exclusive Reconnaissance Licence ("ERL"). Collectively, these licences provide scope to explore approximately 12,000km<sup>2</sup>.

## For further information please contact:

David Riekie, Managing Director

+61 419 994 301

david.riekie@avonleaminerals.com.au

Joanna Kiernan, Company Secretary

+61 412 241 292

joanna.kiernan@avonleaminerals.com.au

The information in this report that relates to Exploration Results, Exploration Targets, Minerals Resources or Ore Reserves is based upon information compiled by Mr Chris Shaw who is a member of The Australian Institute of Mining and Metallurgy. Mr Chris Shaw is a full time employee of the Company. Mr Chris Shaw 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Shaw 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: Location of the current surface channel samples taken from Hammerhead and the zones of multiple high grade Fe mineralised bands.

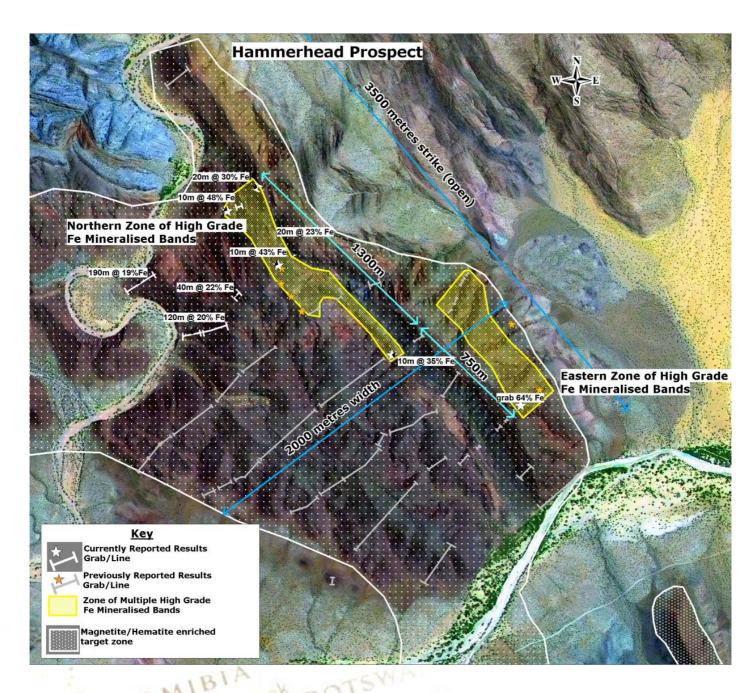




Table 1: Complete list of surface channel sample results

ELEMENTS		Fe	Al2O3	CaO	Cr2O3	K20	LOI	MgO	Mn	Na2O	P2O5	S	SiO2	TiO2	Total
UNITS		%	%	%	%	%	%	%	%	%	%	%	%	%	%
DETECTION		0.01	0.01	0.01	0.005	0.01	0.01	0.01	0.005	0.01	0.001	0.002	0.01	0.01	0.01
METHOD	Length	FS/XRF10	FS/XRF10	FS/XRF10	FS/XRF10	FS/XRF10	/TGA	FS/XRF10							
G1L23a	120	20.15	4.77	7.60	0.01	1.30	6.97	2.58	0.07	0.89	1.79	0.02	45.31	0.34	100.58
G1L23b	180	19.04	5.48	4.46	0.01	1.62	4.50	2.51	0.07	1.13	1.42	0.02	51.60	0.40	100.57
G1L23c	40	21.56	5.43	7.68	0.01	0.85	7.39	3.02	0.23	1.17	0.54	0.02	42.86	0.40	100.56
G1L23d	20	23.01	5.41	8.52	0.01	1.22	8.90	3.84	0.26	0.83	0.61	0.01	37.85	0.39	100.88
G1L27a	190	19.07	4.90	7.35	0.01	1.46	7.13	2.49	0.07	0.97	1.44	0.02	47.08	0.36	100.67
G1L27b	30	33.69	4.20	5.20	0.01	0.62	4.72	2.20	0.43	0.62	0.51	0.01	33.48	0.32	100.71
G1L27c	20	29.63	5.71	5.90	0.01	1.28	4.34	1.91	0.14	1.46	0.77	0.02	36.04	0.47	100.53
G2L16a	30	20.60	7.59	7.91	0.01	1.17	8.35	3.04	0.07	0.70	1.26	0.02	40.69	0.40	100.79
G2L16b	50	20.20	5.66	3.96	0.01	1.39	3.87	2.67	0.07	0.94	1.33	0.02	51.45	0.41	100.78

Table 1 provides a complete list of the surface channel sample results. The surface channel samples were collected continuously as 10m composite rock chip samples once the stratigraphy was assessed as being potentially mineralised. The topography from which the samples have been taken is rugged and accordingly the lengths of the sample lines have been measured across surface and should not be construed as true width of mineralisation.

Table 2: Complete list of grab samples and rock chip samples

ELEMENTS		Fe	Al2O3	CaO	Cr2O3	K2O	LOI	MgO	Mn	Na2O	P2O5	S	SiO2	TiO2	Total
UNITS		%	%	%	%	%	%	%	%	%	%	%	%	%	%
DETECTION		0.01	0.01	0.01	0.005	0.01	0.01	0.01	0.005	0.01	0.001	0.002	0.01	0.01	0.01
	Sample														
METHOD	type	FS/XRF10	FS/XRF10	FS/XRF10	FS/XRF10	FS/XRF10	/TGA	FS/XRF10							
59328	grab	63.6	0.45	0.55	X	0.02	1	0.24	0.036	0.1	0.183	X	5.7	0.05	99.04
59330	grab	21.87	4.66	5.77	X	1.21	8.01	4.94	0.568	1.51	0.287	X	40.49	0.29	99.13
58895	10m	34.66	4.45	1.74	0.005	0.79	0.94	1.36	0.119	1.64	0.694	X	37.76	0.29	99.35
58939	10m	24.19	3.04	8.45	0.008	0.4	9.36	3.48	0.233	0.05	0.445	0.023	40.39	0.24	100.87
58940	10m	17.87	5.37	15.45	X	1	12.86	2.14	0.297	1.8	0.377	0.024	35.42	0.38	100.87
58941	10m	15.99	5.78	13.7	X	0.89	12.38	3.16	0.322	1.93	0.388	0.012	38.75	0.4	100.75
58942	10m	43.41	1.17	1.17	0.005	0.19	0.76	0.55	0.205	0.04	0.51	0.014	33.55	0.11	100.47
58965	10m	47.77	1.23	5.69	0.005	0.06	5.4	0.77	0.209	0.06	0.362	0.036	18.26	0.11	100.63
58969	10m	24.23	5.12	8.53	0.005	0.96	8.02	3.08	0.243	1.2	0.497	0.008	38	0.39	100.86
58978	10m	18.58	6.18	3.89	X	1.71	4.07	2.64	0.065	0.65	1.525	0.033	53.02	0.42	100.96
58979	10m	30.66	4.94	3.6	0.005	0.89	2.4	2.86	0.65	0.73	0.57	0.013	39.6	0.32	100.7
58983	10m	16.68	6.92	4.53	0.007	1.6	5.1	2.95	0.052	0.81	1.42	0.021	53.05	0.49	100.97
58984	10m	17.73	5.31	7.73	X	1.23	7.82	3	0.073	0.46	1.191	0.024	47.84	0.37	100.54
58992	10m	21.77	4.35	5.57	X	1.26	6.19	2.54	0.078	0.92	1.405	0.02	46.41	0.33	100.34
58993	10m	17.51	7.34	4.32	X	1.58	6.6	2.74	4.925	0.68	0.718	0.032	44.75	0.51	100.87

Table 2 provides a complete list of grab samples and samples that were collected continuously over 10m.

