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Companies Announcement Office
Australian Securities Exchange Limited
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Via E-lodgement

High Grade Fe Concentrate achieved from Davis Tube Recovery Tests at Thresher Prospect, Namibia

Highlights

- **Preliminary DTR testing from Thresher Prospect diamond drilling program confirms:**
  - **DTR Mass recovery**
    - **38.6% at 75 micron (µm)**
    - **39.9% at 106 micron (µm)**
  - **High grade magnetite concentrates ~ 70 % Fe**
  - **Very low impurities (SiO_2, P, Al_2O_3)**
  - **Excellent yields from Magnetic Fe**

Namibian explorer, **Avonlea Minerals Limited ("Avonlea" or "Company" ASX: AVZ)** wishes to advise of the receipt of preliminary results from Davis Tube Recovery (DTR's) testing undertaken from a section of the diamond drilling program, recently completed at the Hammerhead and Thresher prospects. These prospects are located within the northern region of the 1,000sq km Okatumba Exclusive Prospecting Licence ("EPL") 4129 and are shown in Figure One.
These preliminary results are summarised in Table One below and are based on a composite of samples drawn from the diamond drill core Thresher West Prospect (TWD001). Details are shown in Appendix One.

Table One: Summary DTR Results for composite 1, from Thresher West Drill hole TWDD001 26-38m

Size micron	Feed Fe %	Wt Rec %	Fe Concentrate %	SiO_2 %	Al_2O_3 %	P %	LOI %	Fe Recovery %
75	29.1	38.6	69.3	2.83	0.25	0.02	-3	92%

Avonlea is now assessing the potential of the adjoining and extensive Bronzy prospect within EPL 4129, with the view to expanding the exploration target size previously reported to the market. Avonlea is also advancing its plans for additional drilling for the purpose of defining a JORC compliant resource of the existing exploration target areas comprising the Thresher and Hammerhead Prospects. Additional assay and metallurgical recovery testing including DTR's are continuing and will be incorporated into these assessments and the planning of the resultant drilling program. These pending DTR results and possibly further drilling is required, to ascertain whether the preliminary results are representative of the entire Thresher and Hammerhead Prospect areas.

The exploration target size, tonnage and grade referred to in this and previous announcements is conceptual in nature as there has been insufficient exploration completed to define a Mineral Resource in accordance with the JORC Code (2004), and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Commenting on these initial results Managing Director, Mr David Riekie said,

"We are delighted with these preliminary DTR outcomes. The objective of the DTR test program was to ascertain the suitability and liberation of the contained Fe and provide indicative concentrate quality and grade. This has clearly been demonstrated with these excellent recoveries, together with very low impurities, within a widely recognised industry standard grind of 75 microns. These results are really better than we had expected and firmly place the company of comparable, but very significant, high concentrate grade magnetite project with much more significant enterprise valuations.
It reinforces the significance of the potential within our existing exploration target size, which included Thresher , Hammerhead and the Nail prospects and also the need to qualify the true scale of the exploration target size expanded to include the adjoining Bronzy prospect.

Importantly, the broad zones of magnetite mineralisation at the higher grade Thresher prospect and the much larger Hammerhead prospect remain open along strike and at depth.

Very simply put, we have a very large exploration target area which can be expanded. Our grades look very good and recoveries excellent. With the receipt of the remainder of the DTR's and assays, correlation of recent diamond drilling program with our extensive 31.5 km surface channel sampling program, there is significant scope to redefine our exploration target potential prior to the commencement of a modest near term drilling program to delineate a JORC compliant Resource.

Drilling Program

Three holes were drilled into each of the Thresher West (TWDD001, TWDD002 and TWDD003) and Thresher East (TEDD001, TEDD002 and TEDD003) prospects. Results presented here are from the first drill hole into the Thresher West Prospect TWDD001, and the first composite results received.

Thresher West

In summary, the preliminary results from the Thresher West drill holes indicate broad highly magnetic, iron rich mineralisation. The main zone of mineralisation was pierced as anticipated, based on the surface mapping and sampling, giving confidence in the vertical extent of the mineralisation. Strike extensions of these zones have been mapped and sampled on surface to the north and can be projected to extend under cover to the south leaving the full strike extent of the mineralisation open. In terms of depth, additional drilling is necessary to determine the depth of the mineralisation, and this is therefore also considered open. Additional drilling is still required.

Assay results have been received for the upper portion of drill hole TWDD001, to a depth of 142m. The first high grade zone encountered has returned a result of 26m at 33.9% Fe. Additional assays are awaited.

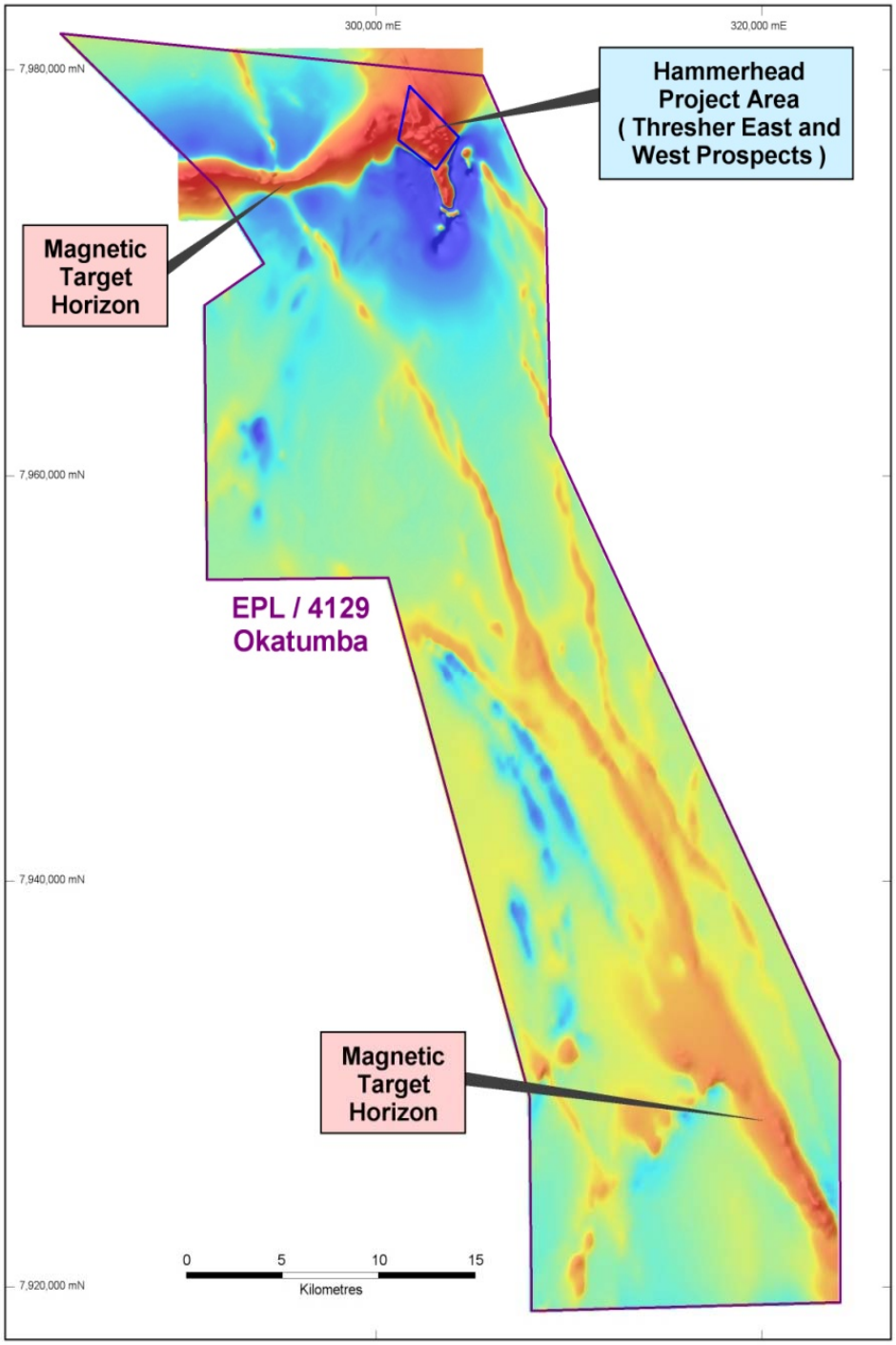

Figure One: Prospect areas on EPL

Thresher East

Drilling at the Thresher East Prospect encountered narrower zones of high grade within broad zones of moderate grade mineralisation.

At this stage the full extension of the higher grade zones of mineralisation is not fully tested, due to terrain, prevailing weather conditions (flooding) at the time of drilling and restricted access.

Davis Tube Recovery Tests

Davis Tube Recovery (DTR) is a laboratory method of determining the magnetic mineral content of a given sample. The objective of the DTR test program was to ascertain the suitability of the contained Fe for separation and indicative concentrate quality. Composite samples tested have returned excellent recovery of the contained iron with a yield of up to 92% at a grind size of 75µm. Concentrate quality is also excellent with an iron content of 69.3% and low deleterious elements as shown in table 1.

Composite Sampling for DTR

Composite samples for the DTR testing were determined by a combination of the geological logging, magnetic susceptibility, and the Omega Analyser results. Each composite is made up of the coarse excess of the assay samples and represents the interval as indicated.

The composite reported here is composed of samples submitted in the first batch of samples sent and thus only covers a portion of the reported high grade interval. Additional composites have been designed for the remainder of the first high grade zone, and additional zones lower down the drill hole. Remaining samples and composites will be reported as soon as they come to hand.

Samples for laboratory assay are composed of approximately 8mm slivers cut from the side of the drill core. This cutting process has the benefits of reducing sample size and associated transport and processing costs and preserves a greater amount of core for further metallurgical testing without the need to drill additional holes.

Composite 1 which has now been reported for TWD001 is made up of 6 individual two metre samples covering 12 metres from 26 to 38 metres down hole depth. The head grade for composite 1 based on the individual assays is 31.4% Fe, and this compares well to the head grade of the composite tested at 75µm of 29.1% Fe. Individual samples and composite samples are assayed by different laboratories and the compatibility of the sample head grade gives the Company additional surety in representativeness of the sample grades.

A total number of 6 composite samples have been submitted for DTR testing and the remaining composite results are expected shortly and cover TWD001, TWD002 and TWD003.

Composite DTR Test Procedure and Results

Each composite was split into three subsamples and crushed to give an 80% passing the nominated screen size of 106µm, 75µm or 38µm. Head, tail, and each concentrate grade is recorded and assessed to indicate the grade of each size fraction in the concentrate of magnetic minerals (magnetite). Appendix one provides details of each of these 3 pulverized fractions 106µm, 75µm or 38µm.

Yours Faithfully

David Riekie
Managing Director

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The information in this report that relates to Exploration Results and Exploration Targets is based upon information compiled by Mr Chris Shaw and S. A. Hibbird who are both members of The Australian Institute of Mining and Metallurgy. Mr Chris Shaw is a full time employee of the Company, while Mr Hibbird is an independent consultant to the company. Mr Shaw and Mr Hibbird have 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 Persons as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr's Shaw and Hibbird consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix One - Laboratory DTR Results

Size micron	Feed Fe %	Wt Rec %	Fe Concentrate %	SiO_2 %	Al_2O_3 %	P %	LOI %	Fe Recovery %
106	28.5	39.9	66.5	6.62	0.58	0.04	-3.39	93.1
75	29.1	38.6	69.3	2.83	0.25	0.02	-3	92
38	30.9	39.1	70.5	1.7	0.21	0.02	-3.59	89.2

Prospect	Hole	East UTMz3.3s	North UTMz3.3s	RL m	Azi UTM	Dip	EOH m	From m	To m	Interval m	Fe %
Thresher West	**TWDD001**	**302499**	**7977535**	**860**	**220**	**-45**	**193**	**24**	**56**	**32**	**31.5**
	Incl.							**28**	**54**	**26**	**33.9**
								84	**96**	**12**	**20.3**
								122	**142**	**20**	**24.8**
	Composite 1							**26**	**38**	**12**	**31.4**

TWDD001 Drill Hole Location