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Companies Announcement Office  
Australian Securities Exchange Limited  
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Via E-lodgement

## Fe Prospect Ondjou, Delivering on Scale and Grade - Namibia

- **Broad zones of Fe mineralisation encountered in all 18 completed drill holes**
  - **2,800m strike length (which remains open)**
  - **100m+ true thickness, shallow dipping mineralisation**
  - **Mineralisation exposed over 400m width (at surface)**
  - **4,200m RC drilling program 80% complete**
  - **Initial results supported infill drilling**

Namibian explorer **Avonlea Minerals Limited** (“Avonlea” or “Company” ASX: **AVZ**) is pleased to advise of the better than anticipated preliminary results from the reverse circulation (“RC”) drilling program currently in progress, at the **Ondjou Prospect** held by the Company’s Fe focussed, Namibian subsidiary, **Himba Iron Exploration** (Proprietary) Ltd (“Himba Iron”).

Ondjou is situated on the extensive iron rich horizon of the Chuos formation of North West Namibia, within Exclusive Prospecting Licence (“EPL”) 4286 and is approximately 35kms from the regional capital of Opuwo. Ondjou is also in close proximity to EPL 4129 (comprising the Company’s Thresher and Hammerhead, magnetite prospects).

The 4,200m+ RC drilling program at the Ondjou (“Elephant”) Prospect is approximately 80+% complete and has exceeded initial expectations with regard to the scale of mineralisation, its continuity and the average Fe grades encountered. Summarised below are the highlighted results.

**Table 1: Highlighted results 20% Fe + results from Omega handheld XRF analyser**

Hole ID	From (m)	To (m)	Intercept	Head Fe %
OJRC001	0	105	<b>105</b>	<b>26</b>
OJRC002	63	189	<b>126</b>	<b>26</b>
OJRC005	0	93	<b>93</b>	<b>25</b>
OJRC013	42	167	<b>125</b>	<b>24</b>
OJRC014	0	102	<b>102</b>	<b>25</b>
OJRC015	2	135	<b>133</b>	<b>25</b>
OJRC017	0	113	<b>113</b>	<b>27</b>

The current RC drilling program will encompass only 2,800m of the strike length of a 10 km long magnetic anomaly on EPL 4286.

The continuity of the Fe mineralisation over the initial 2,800m strike length has been confirmed with the initial 800m drill line spacing and this prompted immediate infill drilling to 400m line spacing. The Company proposes to extend drilling over the balance of the 10 km strike extension.

A plan view incorporating completed drill sections and accompanying table of key intersections is shown below in Figure 1 and Table 2 respectively. Drill hole coordinates and sampling protocols are detailed in Appendix One.

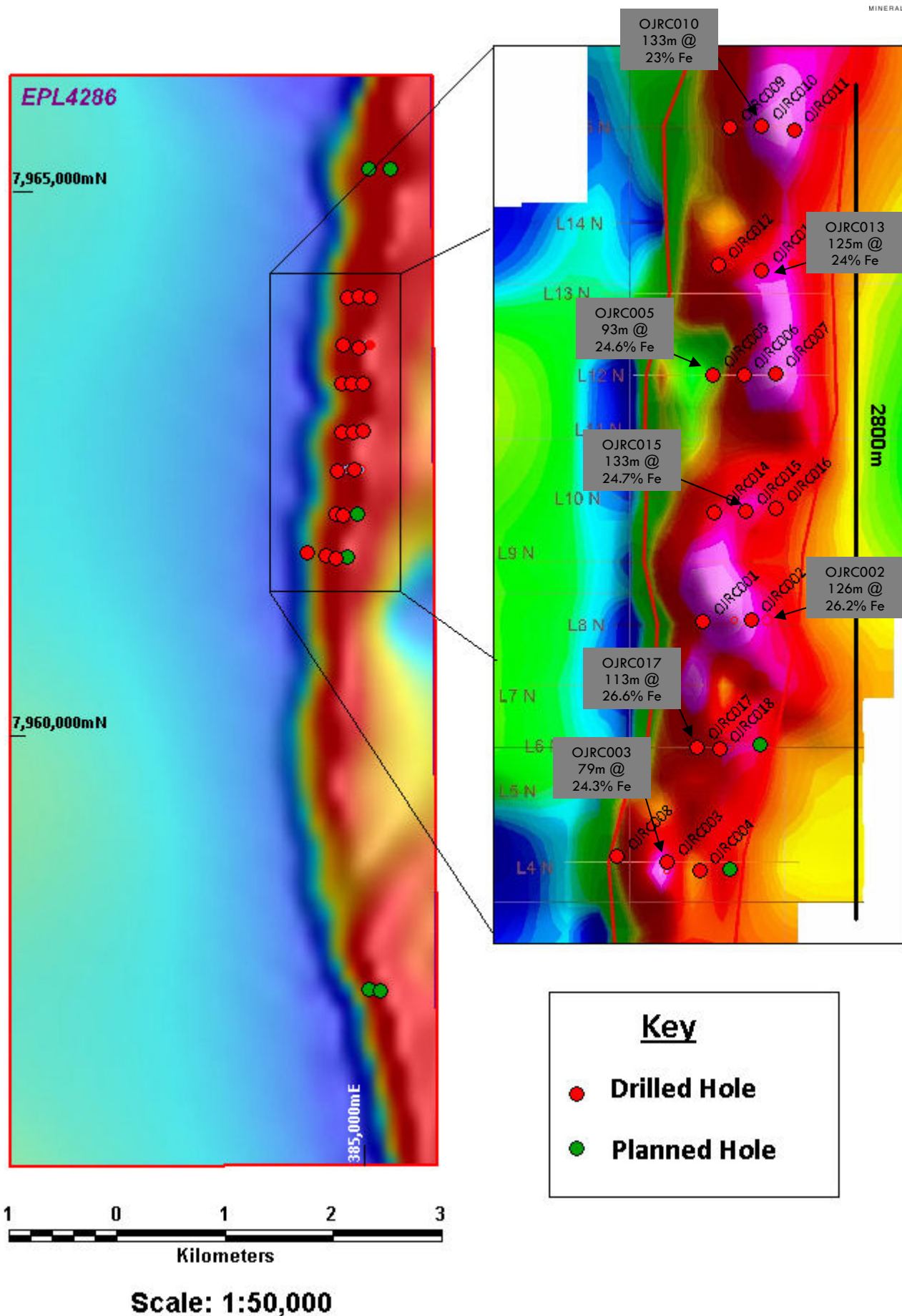


Figure 1: Drilling Highlights for completed drill sections and expanded view highlighting the area of drilling within the 10 km anomaly. Recorded Fe grades are from an Omega handheld XRF analyser.

**Table 2: Summary 20% + Fe results from Omega handheld XRF analyser\***

Hole ID	From (m)	To (m)	Intercept	Head Fe %
<b>OJRC001</b>	<b>0</b>	<b>105</b>	<b>105</b>	<b>26.3</b>
<b>OJRC002</b>	<b>63</b>	<b>189</b>	<b>126</b>	<b>26.2</b>
OJRC003	0	79	79	24.3
OJRC004	30	79	49	25.0
<b>OJRC005</b>	<b>0</b>	<b>93</b>	<b>93</b>	<b>24.6</b>
OJRC006	48	132	84	25.0
OJRC007	60	100	40	25.3
OJRC007	118	198	80	24.5
OJRC008	3	22	19	27.3
OJRC009	58	111	53	25.0
<b>OJRC010</b>	<b>2</b>	<b>135</b>	<b>133</b>	<b>23.1</b>
<b>OJRC011</b>	<b>39</b>	<b>173</b>	<b>134</b>	<b>23.0</b>
OJRC012	0	79	79	23.4
<b>OJRC013</b>	<b>42</b>	<b>167</b>	<b>125</b>	<b>24.0</b>
<b>OJRC014</b>	<b>0</b>	<b>102</b>	<b>102</b>	<b>24.5</b>
<b>OJRC015</b>	<b>2</b>	<b>135</b>	<b>133</b>	<b>24.7</b>
OJRC016	70	167	97	26.3
<b>OJRC017</b>	<b>0</b>	<b>113</b>	<b>113</b>	<b>26.6</b>
OJRC018	35	146	111	25.6

\*Note 20%Fe cut-off grade

Continuity of mineralisation was initially highlighted from magnetic interpretation, satellite imagery and subsequently confirmed by reconnaissance mapping and sampling as shown in Figure 1. The current drilling has confirmed mineralisation continues to depth and further drilling is still required to confirm the continuity of mineralisation at depth along the full strike extension. Drilling to date has demonstrated a simple geologic sequence with consistent mineralisation as shown in the example cross sections in Figures 2 and 3.

All results show a strong correlation between drill holes and the neighbouring drill sections as shown in Figure 1. This consistency of mineralisation is encouraging and suggests that the mineralisation is likely to continue for the length of the magnetic anomaly and to continue at depth with the mineralisation dipping shallowly towards the east (see Figure 2 and 3).

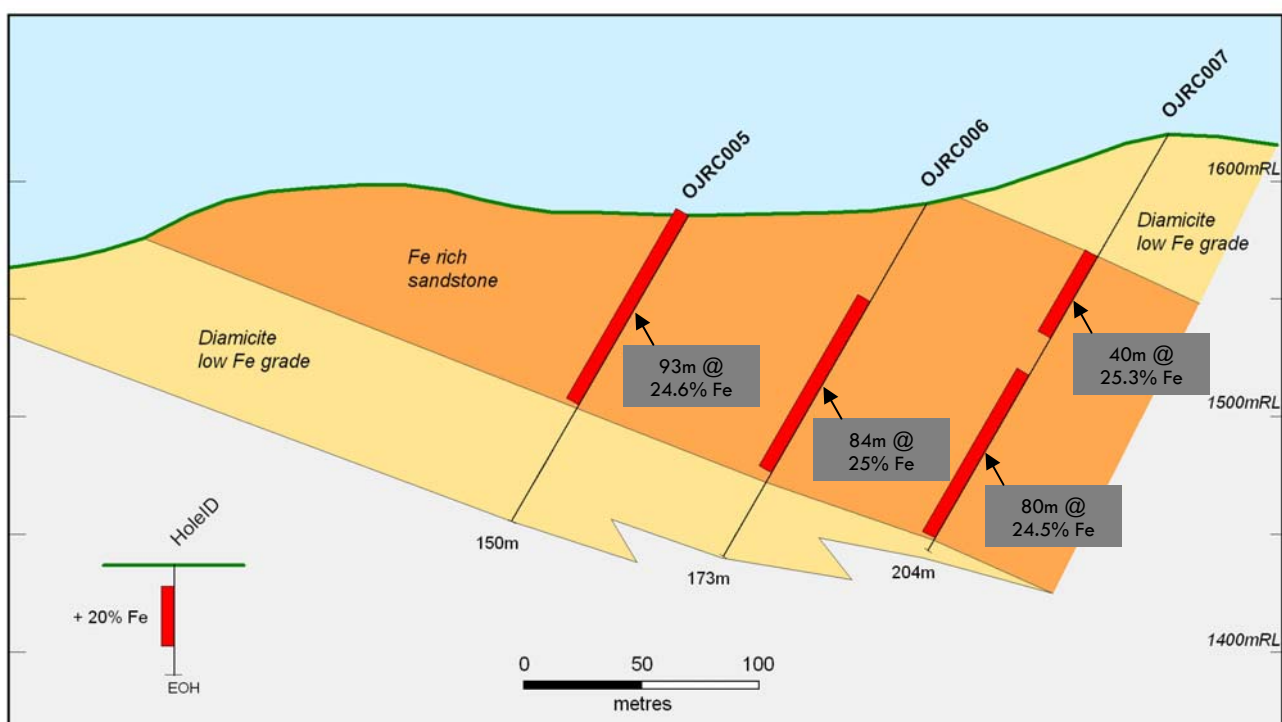


Figure 2: Sample cross section for Ondjou Reverse Circulation drill holes OJRC 005, 006 and 007. Recorded Fe grades are from an Omega handheld XRF analyser.

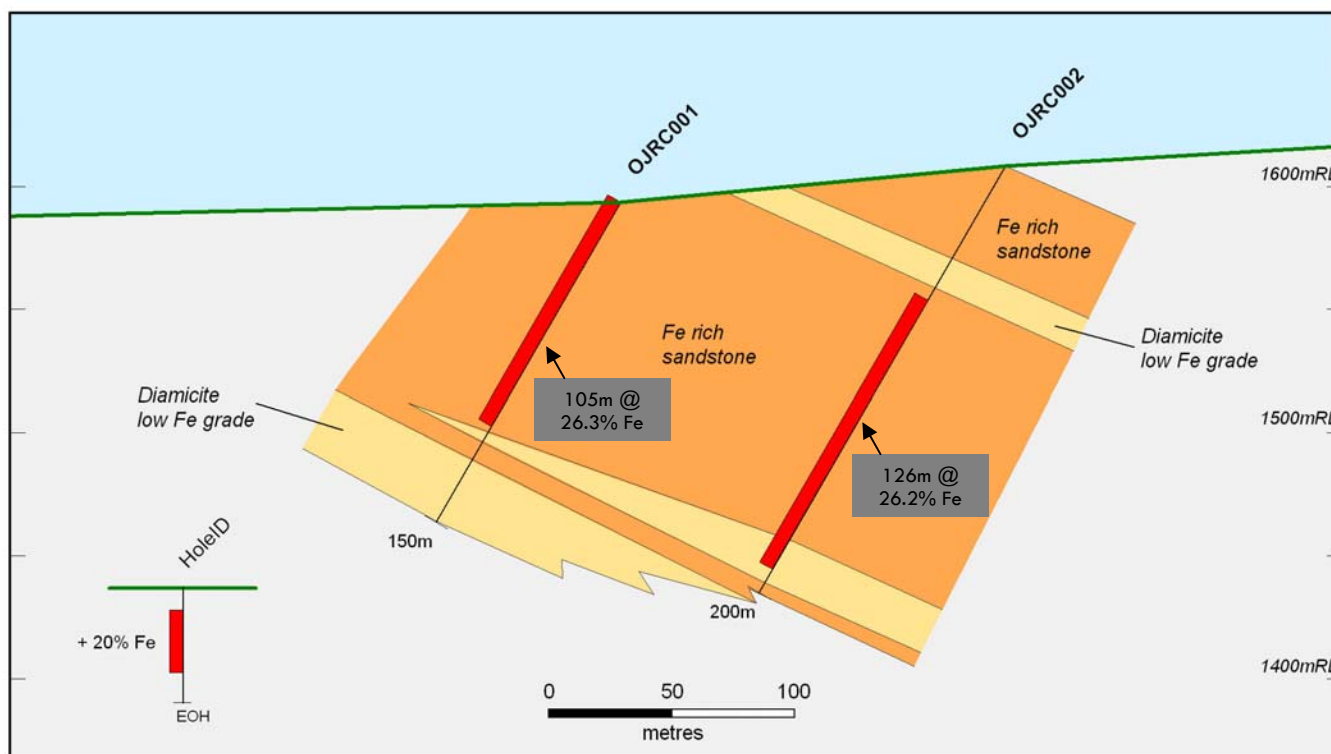


Figure 3: Sample cross section Ondjou Reverse Circulation drill holes OJRC 001 and 002. Recorded Fe grades are from an Omega handheld XRF analyser.

Davis Tube Recovery results and additional metallurgical testing will be reported for the completed drill lines after completion of drilling, composite sampling and analysis. The balance of the RC drilling is anticipated to be completed within 2 weeks.

Managing Director, David Riekie commented:

*"We are delighted with these initial exploration results at Ondjou. The positive correlation between the regional magnetic data and the observations seen thus far with drilling is most encouraging.*

*The Fe grades are at the upper end of our expectations and compare very favourably with other Fe projects around the world.*

*We are more than three quarters of the way through our drilling program and it is gratifying to see the emergence of the current level of continuity of mineralisation over the wider spaced RC drilling lines.*

*The balance of our drilling is expected to be completed before the end of this month with assays and metallurgical tests results expected shortly thereafter. We will then be well positioned to proceed with a JORC compliant inferred resource determination before December year end"*

Yours Faithfully



**David Riekie**  
**MANAGING DIRECTOR**

For further information please contact: David Riekie, Managing Director

The information in this report that relates to Exploration Results is based upon information compiled by Mr Chris Shaw a member of The Australian Institute of Mining and Metallurgy. Mr Chris Shaw is a consultant to the company. Mr 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 Persons as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Shaw has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## Appendix One

Hole ID	Licence	Northing	Eastings	(m) RL	EOH (m)	Dip (degrees)	Azimuth UTM (degrees)
OJRC001	EPL 4286	7,962,408	384,732	1594	150	-60	270
OJRC002	EPL 4286	7,962,414	384,888	1608	200	-60	270
OJRC003	EPL 4286	7,961,626	384,617	1602	150	-60	270
OJRC004	EPL 4286	7,961,600	384,720	1599	200	-60	270
OJRC005	EPL 4286	7,963,209	384,764	1586	250	-60	270
OJRC006	EPL 4286	7,963,207	384,865	1591	200	-60	270
OJRC007	EPL 4286	7,963,210	384,968	1620	250	-60	270
OJRC008	EPL 4286	7,961,645	384,454	1614	70	-60	270
OJRC009	EPL 4286	7,964,009	384,822	1574	138	-60	270
OJRC010	EPL 4286	7,964,015	384,923	1594	141	-60	270
OJRC011	EPL 4286	7,964,004	385,028	1604	223	-60	270
OJRC012	EPL 4286	7,963,565	384,781	1577	121	-60	270
OJRC013	EPL 4286	7,963,547	384,922	1613	195	-60	270
OJRC014	EPL 4286	7,962,759	384,769	1590	120	-60	270
OJRC015	EPL 4286	7,962,765	384,872	1591	141	-60	270
OJRC016	EPL 4286	7,962,773	384,970	1592	168	-60	270
OJRC017	EPL 4286	7,962,000	384,713	1591	126	-60	270
OJRC018	EPL 4286	7,961,995	384,786	1600	170	-60	270

### Sampling Protocols

Samples were recovered from drill chips at one metre intervals where three Omega analyser results and three magnetic susceptibility readings are collected along with geologic logging. Composite samples have been compiled from four individual metre samples and these have been sent for metallurgical and recovery tests.