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Companies Announcement Office  
 Australian Securities Exchange Limited  
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 Sydney NSW 2000

Via E-lodgement

## Base, Precious Metal and Tin EPL's granted - Northern Namibia

### Highlights

- **5 key Exclusive Prospecting Licences granted covering 2,419 km<sup>2</sup>**
  - **Four Base, Precious & Rare Metals EPL's within the Otavi Carbonate Platform**
  - **Grant of one Tin focussed EPL**

Namibian Explorer, **Avonlea Minerals Limited** (ASX: AVZ) ("Avonlea" or the "Company") advises that it has been notified by the Namibian Ministry of Mines and Energy ("MME"), of the "Preparedness to grant" five Exclusive Prospecting Licences ("EPL's") to the Company's 95% owned Namibian subsidiaries, Tumba Base Metals X (Pty) Ltd ("Tumba") and Eris Mining (Pty) Ltd. Tumba is Avonlea's base metal focussed subsidiary. The location of the Licence areas are shown in Figures One and Two and the EPL details are summarised in Table 1 as follows:

Subsidiary	Licence	Initial Term	Target Minerals	Area (kms)
TUMBA	EPL4437	3 years	Pb, Zn, Cu, Ag (Au)	497
TUMBA	EPL4438	3 years	Pb, Zn, Cu, Ag (Au)	741
TUMBA	EPL4439	3 years	Pb, Zn, Cu, Ag (Au)	998
TUMBA	EPL4440	3 years	Pb, Zn, Cu, Ag (Au)	183
ERIS	EPL4624	3 years	Sn & Base Metals	78
				<b>2,419</b>

### Tumba Exclusive Prospecting Licences

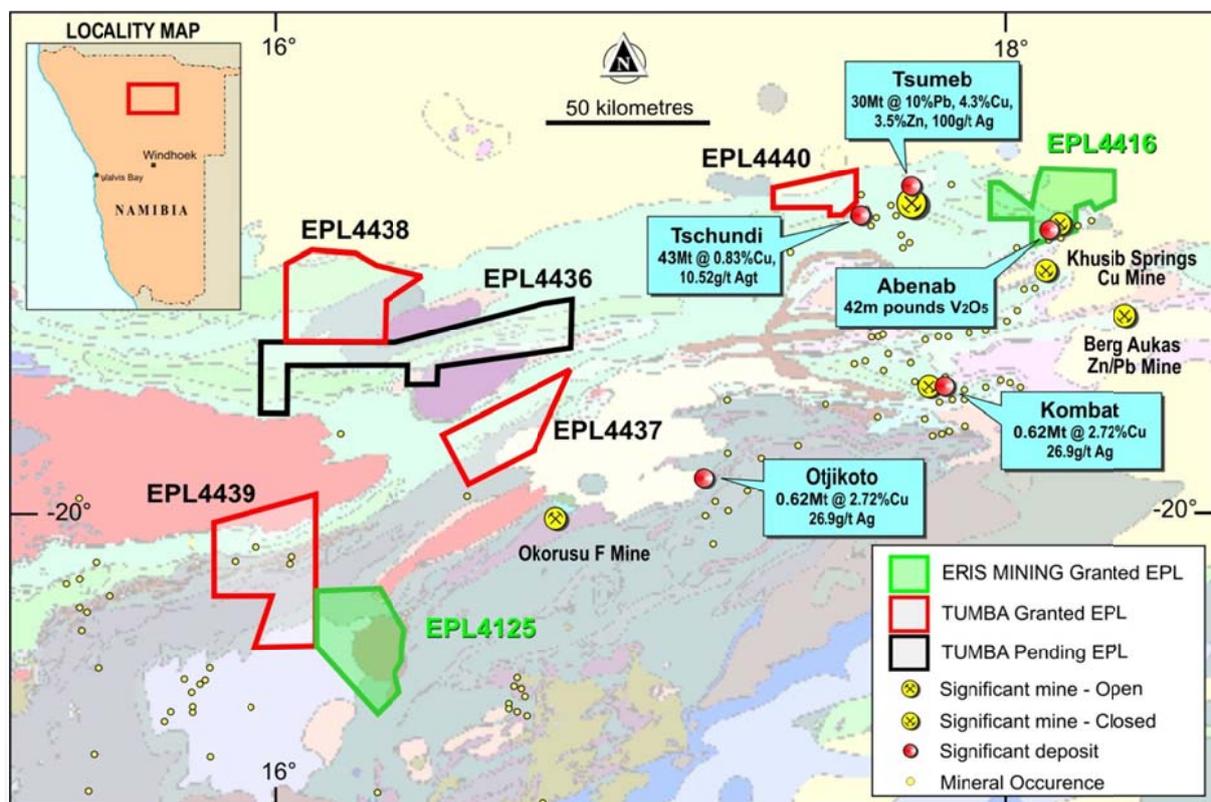
The four new Tumba EPL's comprise 2,341 km<sup>2</sup> and are located in north eastern Namibia, within the highly prospective Otavi Carbonate Platform. This geological region is well known in Africa, as it hosts the 1.9Moz Otjikoto Au deposit (currently being developed), the Tschudi Cu deposit, Tsumeb and the Okorusu Fluorspar mine.

Historical exploration was undertaken on the Tumba EPL's area by both BHP and the Tsumeb Corporation and identified multiple areas of anomalous mineralisation. This was the rationale for Tumba to originally apply for these Licence areas and a review of this data has assisted in the development of the Company's proposed exploration activities.

A number of priority targets exist within EPL4440 which is proximal to the Tschudi Cu deposit (43Mtn @ 0.83% Cu, 10.54g/t Ag) and is on the same stratigraphic horizon as the Tsumeb polymetallic and Cu deposit. Historical production at Tsumeb was significant and included 30Mt @ 10%Pb, 4.3% Cu, 3.5% Zn, 100g/t Ag. EPL 4440 is approximately 25 kms from the regional township of Tsumeb; a mining and exploration hub, which is well serviced with supporting resources and existing infrastructure. Importantly, all the Tumba licences (granted and pending) are within 25 and 200kms of Tsumeb.

The region is also generally considered to be under explored for Au. In light of the discovery and development of the Otjikoto Au deposit within the Otavi Carbonates, all the Tumba EPLs are considered prospective for Au.

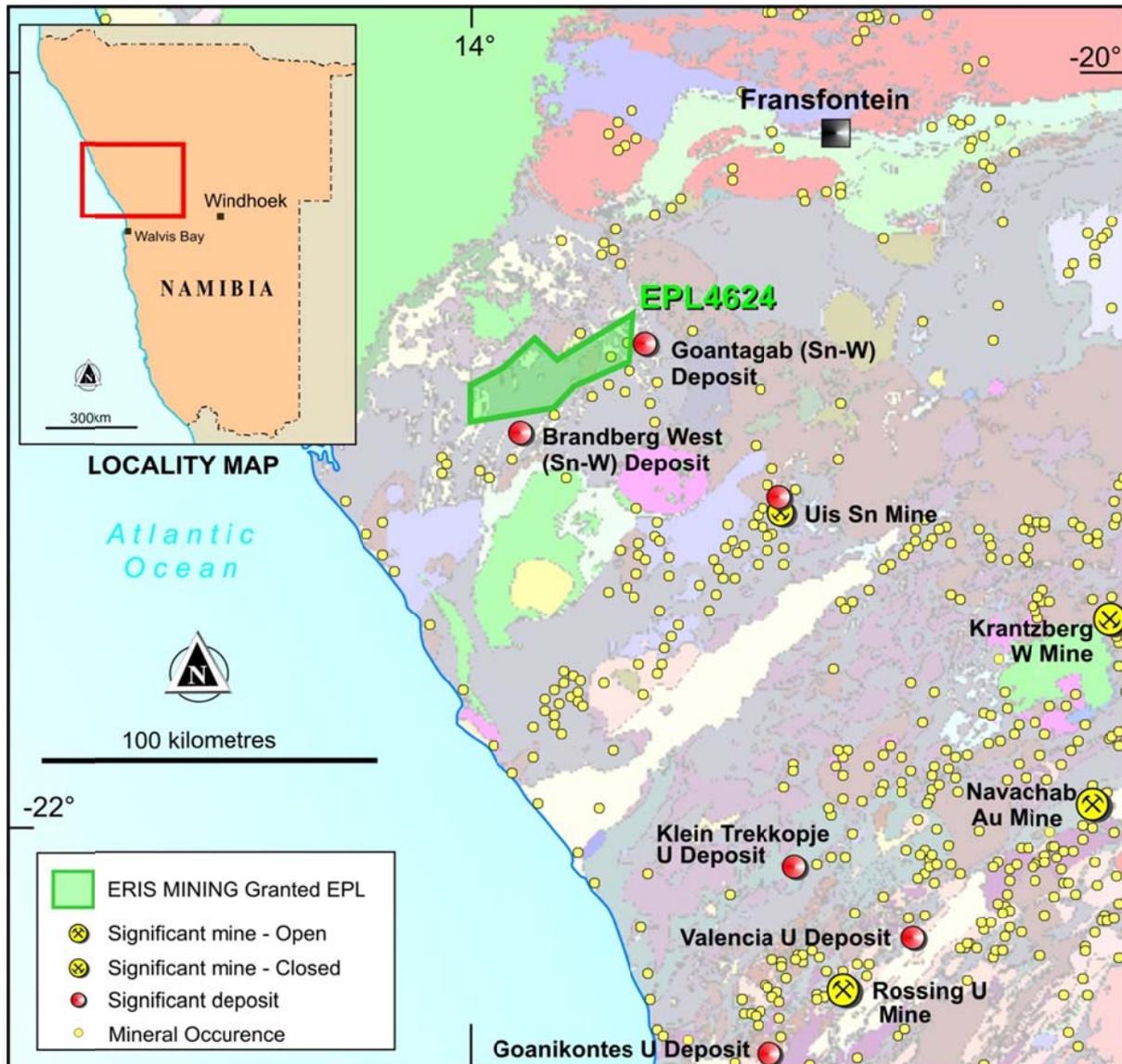
Figure 1: Granted and Pending Tumba EPL's; including key deposits and mines.



### Eris Exclusive Prospecting Licence

Eris Mining's EPL 4624 covers an area of 78km<sup>2</sup> and is considered prospective for Brandberg West Tin Mine style mineralisation. Brandberg West was an open pit mine from 1946-1980 and produced 14,374tn of concentrate grading 32-56% Sn and 14.5-19% WO. The historical Brandberg West and Goantagab mines focused on Sn-W mineralised quartz veins. The Company's exploration programs will target these mineralised quartz veins and together with replacement deposits associated brecciation and marbles hosting cassiterite (Sn).

Figure 2: Location of EPL 4624



In anticipation of the issue of these licences, Avonlea has assessed the local requirements and has prepared the relevant environmental clearances for these licence areas, to enable in country geological and logistical evaluation and field exploration to commence. The Company will continue to utilise its existing local service providers, in country geologists and local community participation (where practical), to develop these exploration programs.

**Managing Director, David Riekie commented;**

*“The issue of these licences is another milestone for Avonlea. It also serves to dispel some of the negative sentiment that has recently surrounded the grant of exploration licences in Namibia. It will allow the Company to continue with its strategy of identifying highly prospective areas of mineralisation within Namibia through the early low cost delineation of exploration targets.*

*The focus now evident with these licence areas has been the result of an independent review and a distillation of an 7,000km<sup>2</sup> reconnaissance licence previously held by the Company. The proximity to historical deposits within the Otavi Carbonate group of rocks is why we consider this ground to hold so much potential.”*

Yours Faithfully



**David Riekie**

## **MANAGING DIRECTOR**

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The information in this report that relates to Exploration Results, Exploration Targets, Minerals Resources and Ore Reserves is based upon information compiled by Mr Alex Aitken a member of The Australian Institute of Geoscientists. Mr Alex Aitken is a full time employee of the company. Mr Aitken 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 Aitken has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **About Avonlea**

*Avonlea Minerals Limited (ASX: AVZ) is an Australian publicly listed exploration company based in Perth, Western Australia. It operates with a board experienced in African exploration and corporate matters.*

*AVZ through its local subsidiaries in Namibia has accumulated an exciting portfolio of Exclusive Prospecting Licences (EPL's). The company has applied for EPL's covering 9,500sq km (1,625kms remain pending) and are considered prospective for Iron Ore, Precious and Base metals, REE and Vanadium.*

*AVZ announced on 14 December 2010 details of a JORC compliant Fe inferred Resource estimate of 521 million tonnes at 24% from its Ondjou Prospect; drilling is continuing to expand on this base. In addition the company has released details of the potential Exploration Target size of its prospect of between 2 to 3.4Bt (20 – 30%+ Fe) from this and it's other Fe prospects.\**

*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.*

\* This target mineralisation tonnage and grade is conceptual in nature as there has been insufficient exploration completed to define 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.