

ASX ANNOUNCEMENT

17 June 2009

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JUDGMENT IN FAVOUR OF BLACK RANGE IN HIGH COURT OF NAMIBIA PROCEEDINGS. ANCASH INVESTMENTS APPEALS TO SUPREME COURT OF NAMIBIA

Magna Mining NL (**Magna**) is pleased to advise that judgment in the proceedings taken by its wholly owned Namibian subsidiary Black Range Mining (Pty) Ltd (**Black Range**) in the High Court of Namibia against the Namibian Minister for Mines and Energy (**Minister**) and Ancash Investments (Pty) Ltd (**Ancash**) was delivered on 12 June 2009.

In the proceedings Black Range sought relief to the effect that the Minister's decision to grant nuclear fuel exploration rights to Ancash in respect of areas of the Erongo Region of Namibia over which Black Range already held Exclusive Prospecting Licences for precious and base metals was null and void or alternatively should be reviewed and set aside. The rights were given to Ancash by the Minister's grant of Exclusive Prospecting Licences 3632, 3635, 3636 and 3637 (**Ancash Licences**). Black Range's prior application to the Minister for nuclear fuel exploration rights over the areas had been refused. Black Range contended, inter alia, that in granting the Ancash Licences the Minister failed to comply with certain mandatory provisions of the Namibian Minerals (Prospecting and Mining) Act (**Act**).

In the judgment the presiding judge, the Honourable Judge Manyarara, found that the Minister's compliance with the mandatory provisions of the Act was an indispensable jurisdictional fact and that the Minister had not complied with those provisions. The judge also found that it was an undeniable fact that the Minister's non-compliance deprived Black Range of the opportunity of accessing Ancash's application to enable it to make representations to the Minister and also raise the issue of plagiarism in its proper context. Accordingly, Black Range's application was allowed with an order to the effect that the Ancash Licences be set aside. It was also ordered that the Minister and Ancash pay Black Range's costs of the proceedings.

The orders made in the proceedings enable Black Range to apply to the Minister for nuclear fuel exploration rights over the areas previously covered by the Ancash Licences. However, Ancash has since given notice to Black Range and the Minister of its lodgment of an appeal against the judgment to the Supreme Court of Namibia. The appeal has the effect of suspending the operation of the orders made by the judge until the appeal is determined.

Magna is currently considering its position in relation to Ancash's appeal with its Namibian legal advisers. Preliminary advice from Namibian counsel is that the judgment in favour of Black Range is sound and that the appeal should be vigorously contested.

David Semmens
Company Secretary

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