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Companies Announcement Office
Australian Securities Exchange Limited
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Via E-lodgement

Vanadium and Base Metal EPL's granted - Northern Namibia

Exclusive Prospecting Licences granted to Eris Mining

- **EPL 4416 - Vanadium prospectivity**
 - Hosts historic Abenab vanadium mine (42 million pounds V₂O₅ in conc)
 - 40kms from Tsumeb mine (Cu, Pb, Zn)
 - Immediate exploration targets
- **EPL 4339 - Copper, Lead, Zinc priorities**
 - Along strike from operating Tsongoari Mine (Cu, Pb, Zn)
 - Contiguous with existing EPL 4129 (granted)

Namibian explorer, **Avonlea Minerals Limited** ("Avonlea" or "Company" ASX: **AVZ**) has been notified by the Namibian Ministry of Mines and Energy ("MME") of the preparedness to grant two Exclusive Prospecting Licences ("EPL's") to Avonlea's 95% owned, Namibian subsidiary Eris Mining (Proprietary) Ltd ("Eris").

EPL 4416 - Vanadium prospectivity - Northern Namibia

EPL 4416 covers approximately 420 sq. kms incorporating the historic Abenab vanadium mine and is situated on the edge of the Otavi Mountainland, close to the well-known mining town of Tsumeb in Northern Namibia (as shown in Figure 1). The world renowned Tsumeb mine (historic production of 1.7Mt Cu, 2.8Mt Pb, and 0.9Mt Zn) was in operation from 1905 to mid-1990.

The licence remains highly prospective for Vanadium, along with other base metals including Pb, Zn, and Cu. The Abenab Mine operated between 1921 and 1958 and is reported to have produced 42 million pounds of V₂O₅ in concentrate with underground mining ceasing in mineralisation, due to the incursion of water.

Along with the potential for additional vanadium rich mineralisation to be identified below the limit of historical mining, the broader licence area is also considered prospective for Tsumeb style mineralisation (Cu, Pb, and Zn). This view has been founded on the inclusion within the licence of approximately 45km of the Mulden/Hüttenberg lithologic contact. This contact horizon has been the locus of mineralisation, exemplified by the world renowned Tsumeb mine and a variety of ore bodies including V, Pb, Zn, Cu and Ag, Au within in the Otavi Mountainland region.

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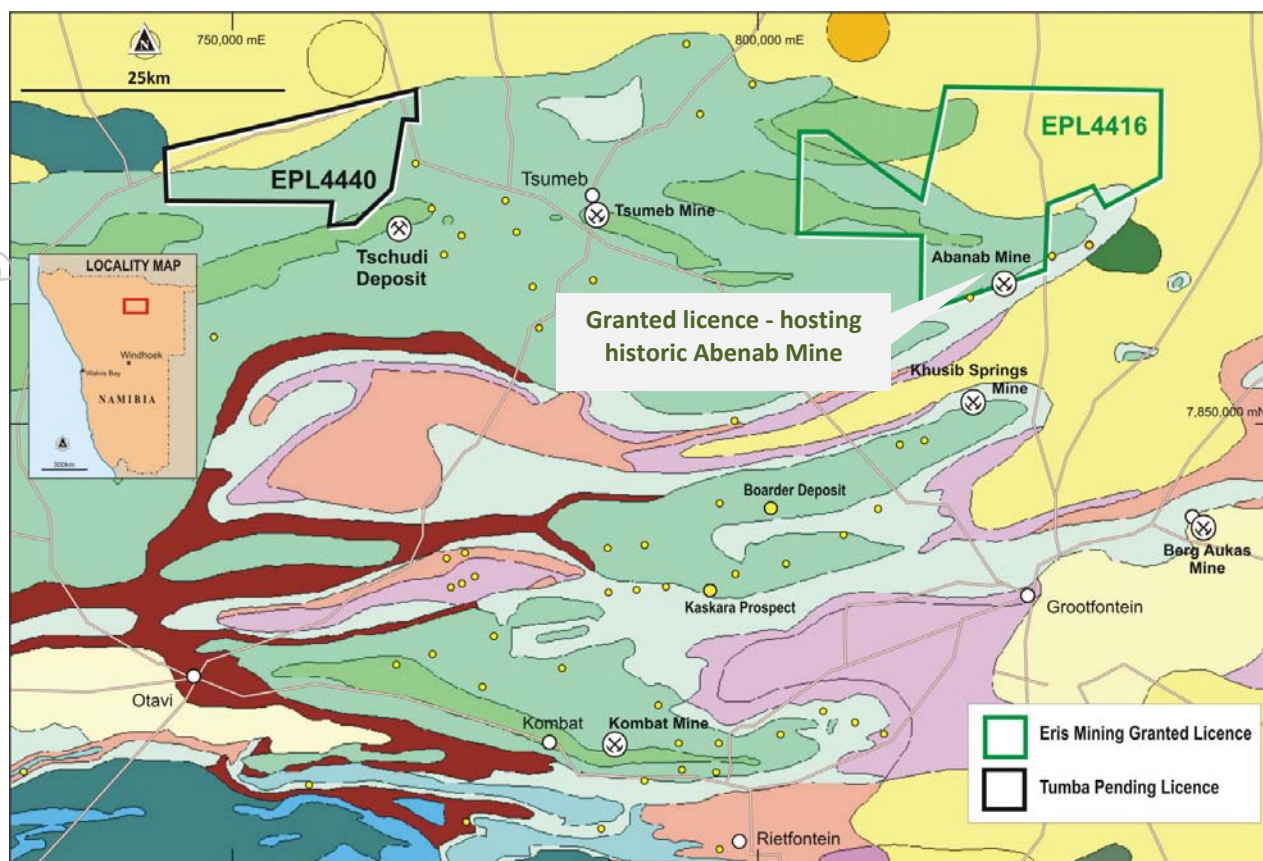


Figure 1: EPL 4416 location and geological setting.

Note the continuation of the rock types that host the Tsumeb deposit continuing into the new licence, along with other deposits within the same geology and the Otavi Mountainland region (light green and aqua).

EPL 4339 - Copper, Lead and Zinc - North western Namibia

EPL 4339 is located east of (but contiguous with) Eris's EPL 4129, containing the large-scale Thresher and Hammerhead, magnetite prospects. The licence comprises 342 sq. kms strategically located in close proximity to the local regional township of Opuwo, and along strike from the operating Cu, Pb and Zn Tsongoari Mine.

Targets within the licence are considered prospective for sedimentary exhalative (SEDEX) base metal deposits (Cu, Pb, Zn \pm Ag, \pm Au), such as those currently being mined at Tsongoari. Host rocks to the Tsongoari deposits are seen to trend into the EPL 4339 as shown in Figure 2 below.

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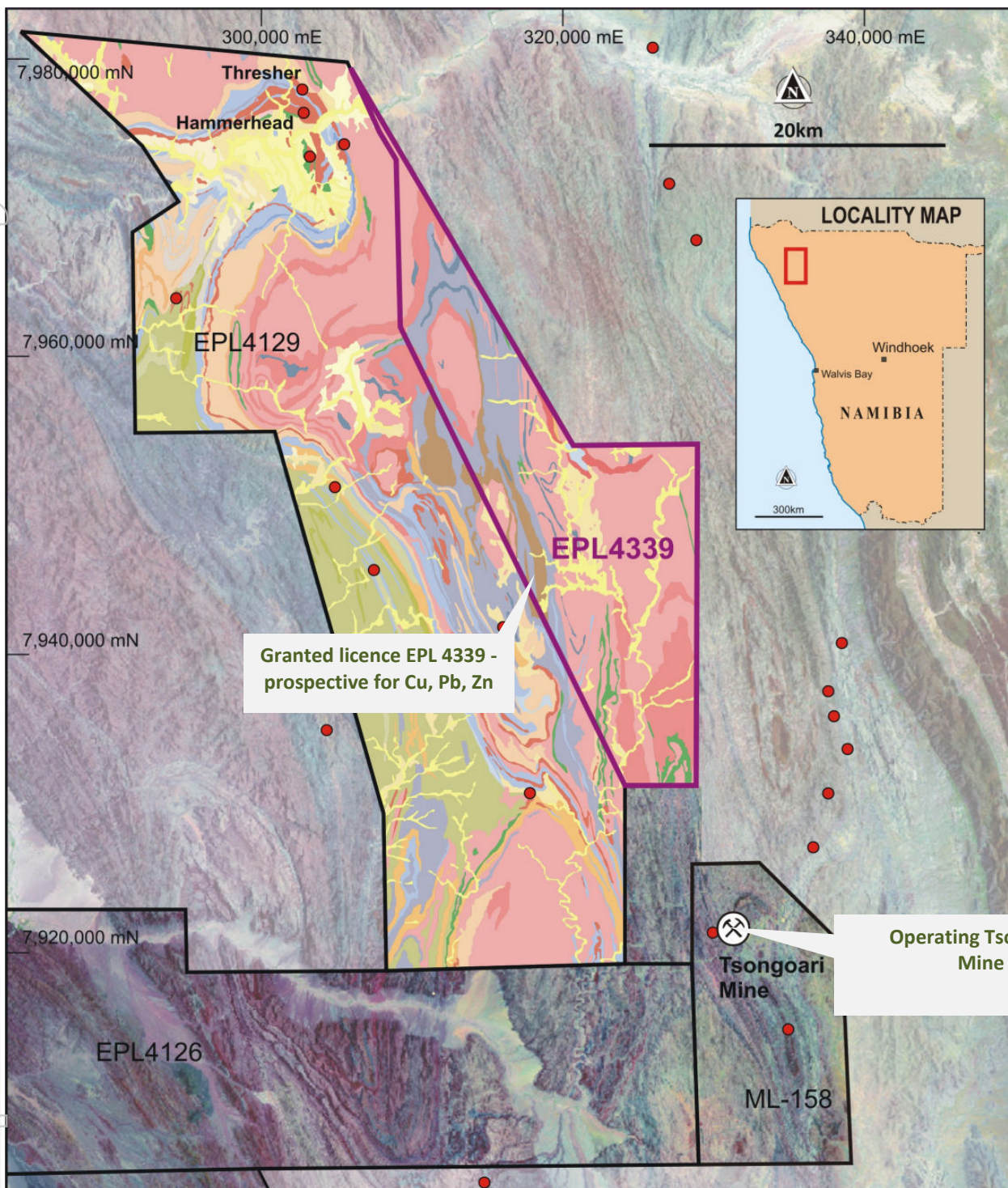


Figure 2: EPL 4339 location and underlying geology.
 Note the host rocks to the Tsongoari Mine trending into both EPL4339 and EPL4126.
 Regional mineral occurrences have been designated by the highlighted red dots.

Avonlea has geological and field exploration personnel in country, available to commence exploration activity immediately on the formal issue of the respective licences and confirmation of environmental clearance; both events are considered to be imminent.

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Managing Director, David Riekie commented:

“This is great news for Avonlea. The timing is most convenient as our regional exploration team will be able to assess the potential of these licences on completion of the drilling program being finalised at our Ondjou Fe Prospect.

Preliminary reconnaissance has already commenced and we have identified exploration targets for immediate investigation when formal environmental clearance approval has been received.

Both of the licence areas have demonstrated prospectivity; either as a result of significant historical mining operations or proximity to an operating mine. They will also provide an opportunity for Avonlea to expand the scope of its exploration interests as planned, to incorporate base and rare metal prospects.

The timely issue of these licences also ensures the continuity and ongoing utilisation of our “in-country” geological exploration team during this new, expansionary exploration phase. “

Yours Faithfully



David Riekie

MANAGING DIRECTOR

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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.

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