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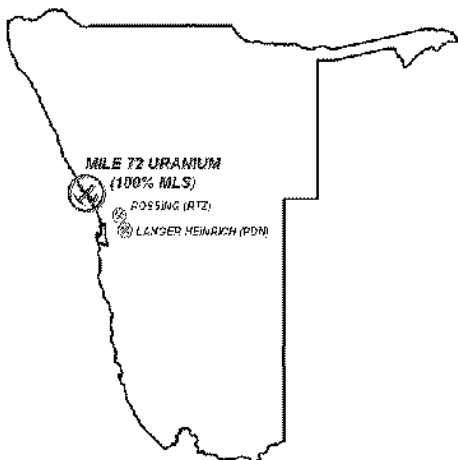
21 June 2007

The Manager
Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

URANIUM MINERALISATION DEFINED OVER ELEVEN KILOMETRES AT MILE 72, NAMIBIA.

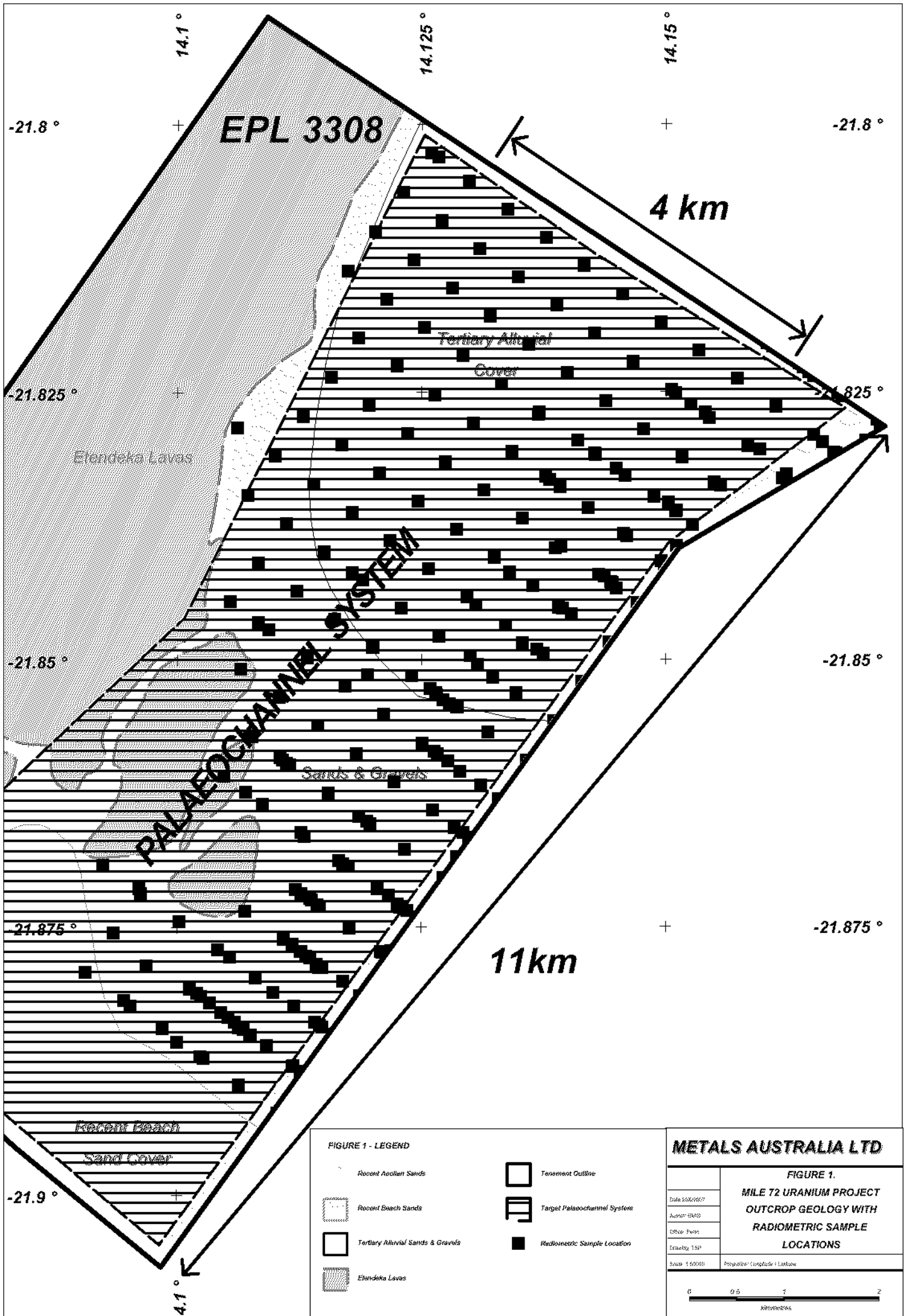
Metals Australia Ltd ('Metals') is pleased to announce the following results from the Mile 72 uranium project:

- **Exploration has confirmed uranium mineralisation over a strike length of 11 kilometres, including strong evidence of both primary and secondary uranium mineralisation.**
- **Metals has identified uranium-bearing alaskites, the same host rock found at RTZ's Rossing mine.**
- **The near surface calcrete-hosted mineralisation is well suited to rapid and cost effective exploration.**
- **A second phase of detailed magnetics, radiometrics and sampling covering more than 360 line kilometres, is well advanced.**



The first phase of a systematic exploration programme of geophysical and geochemical sampling has been completed at the Mile 72 project (100% MLS) in Namibia. Reconnaissance exploration by Metals has previously generated results of up to 0.28% U₃O₈ from calcrete sampling. The project shows strong potential to host substantial near-surface pedogenic uranium deposits, as well as deeper alaskite hosted primary mineralisation.

The Mile 72 uranium project lies within a small depression on the central Namibian coast and is largely covered by surficial aeolian sand and alluvial gravels of varying thickness. These sands and gravels mask the radiometric and geochemical signature of the subsurface uranium mineralisation.



PHASE 1 - REGIONAL RADIOMETRICS AND SAMPLING

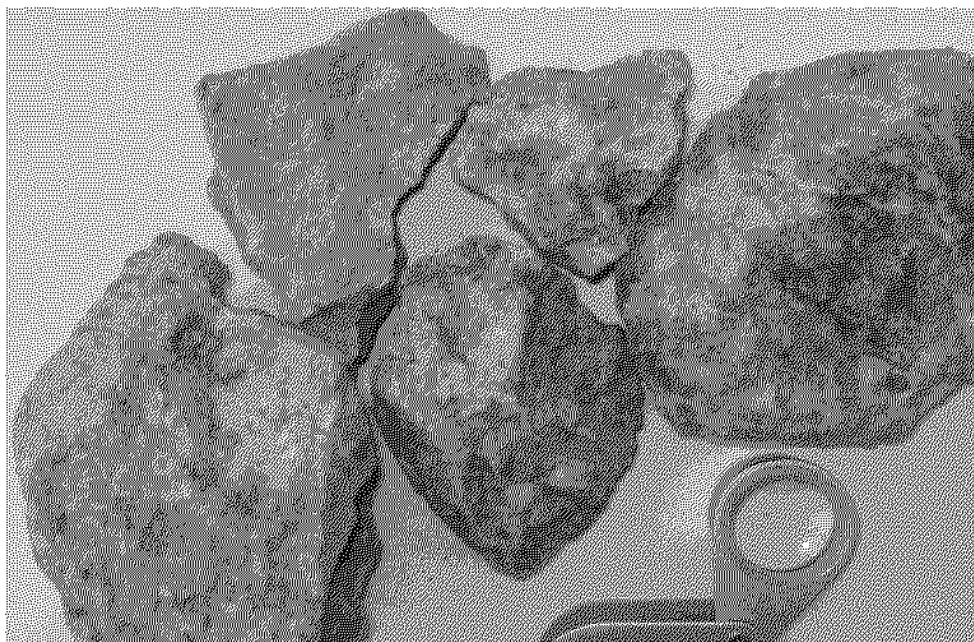
The initial phase of exploration at Mile 72 consisted of regional line traverses across the interpreted area of the palaeochannel, which covers more than 42 square kilometres. These traverses were surveyed on 500 metre line spacing, in an approximate northwest-southeast orientation, with radiometric readings at 500 metre intervals (or closer in areas of significant anomalism) along these lines (see Figure 1). Where a suitable medium, such as calcrete, gypcrete or basement rock was encountered, samples of this material were taken for laboratory analysis.

The radiometric survey has been successful in defining two extensive anomalies along the mineralised trend of the Mile 72 palaeochannel system (see Figure 2):

A. KUDU

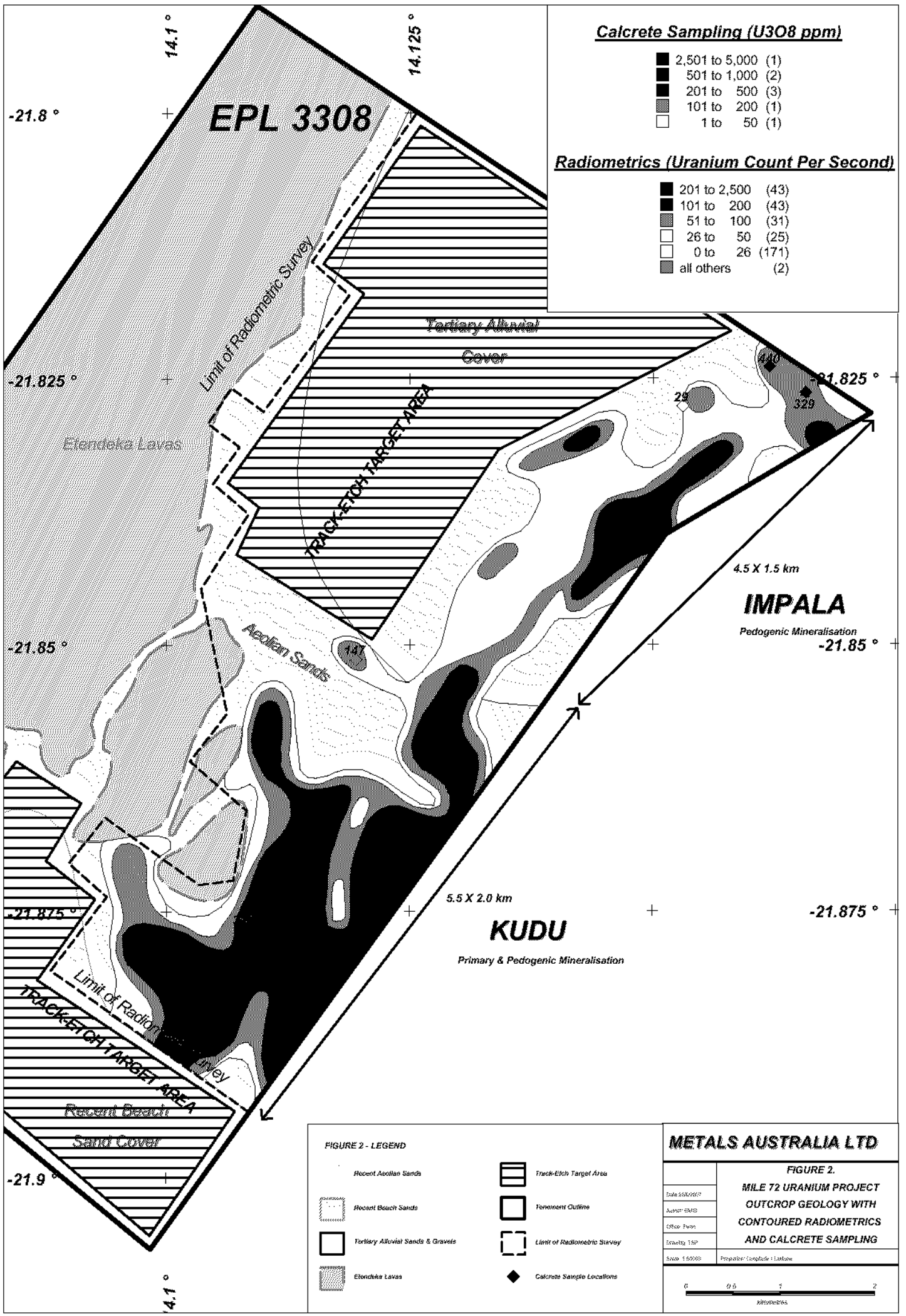
The Kudu anomaly extends over 11 square kilometres, covers approximately 5.5 kilometres of strike and is over 2 kilometres wide. The anomaly shows peak radiometric values of over 1242 uranium counts per second. Recent sampling through this prospect area generated samples of up to 2819 ppm U₃O₈.

A detailed geological assessment of the prospect revealed that a thin veneer of wind-blown sand and gravel covers the Kudu prospect. This cover was cleared at each sample site to allow radiometric and geochemical sampling. The underlying stratigraphy was found to be a blend of uraniumiferous calcrete and gypcrete, overlying basement granites. An examination of these granites also discovered intrusive alaskites, the host rocks for the mineralisation at Rio Tinto's Rossing uranium mine. In addition, visible uranium oxide mineralisation or carnotite was sampled from the fracture planes of the granites (see image below).



Visible yellow carnotite (uranium oxide) mineralisation on fracture planes within granites at Kudu.

The presence of alaskites is significant in that it points to a potential 'primary source' of the mineralisation already defined within the Mile 72 project area. These alaskites indicate 'depth' potential beyond the near-surface calcrete and gypcrete. The depth extensions of the mineralised system will be drill-tested as exploration progresses over the coming months.



Calcrete Sampling (U3O8 ppm)

- 2,501 to 5,000 (1)
- 501 to 1,000 (2)
- 201 to 500 (3)
- 101 to 200 (1)
- 1 to 50 (1)

Radiometrics (Uranium Count Per Second)

- 201 to 2,500 (43)
- 101 to 200 (43)
- 51 to 100 (31)
- 26 to 50 (25)
- 0 to 26 (171)
- all others (2)

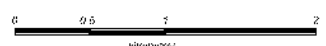
FIGURE 2 - LEGEND

- Recent Aeolian Sands
- Recent Beach Sands
- Tertiary Alluvial Sands & Gravels
- Efondeka Lavas
- Track-Etch Target Area
- Perimeter Outline
- Limit of Radiometric Survey
- Calcrete Sampling Locations

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FIGURE 2.
MILE 72 URANIUM PROJECT
OUTCROP GEOLOGY WITH
CONTOURED RADIOMETRICS
AND CALCRETE SAMPLING

Date: 20/06/97
 Author: BMD
 GIS: PWS
 Entity: 1SP
 Scale: 1:50000
 Prepared: Longitude 114.0000



The radiometric anomaly at Kudu becomes masked to the south, by increasingly wind-blown and beach sands near the coast. This obscured target area, which covers approximately 9 square kilometres, will be tested utilizing 'track-etch' cups following the completion of the Phase 2 geophysical and geochemical survey, detailed below.

B. IMPALA

The Impala anomaly extends over 6.75 square kilometres, covers approximately 4.5 kilometres of strike and is over 1.5 kilometres wide. The anomaly shows peak radiometric values of over 640 uranium counts per second. Recent sampling through this prospect area generated samples of up to 440 ppm U3O8.

The Impala prospect is largely covered by deep wind-blown and alluvial sands and gravels, which have constrained the surface expression of the anomaly. The alluvial cover and depth of weathering through this prospect area has rendered the radiometrics only partially effective, hence the constrained anomaly in comparison to that at Kudu. The sampling has, nevertheless, highlighted the mineralised trend for later drill testing.

Increasingly deep alluvial sands and gravels mask the area immediately to the northwest of the Impala anomaly. These sediments completely blanket the target area and could not be effectively cleared at the sample sites to allow a 'meaningful' radiometric or geochemical sample to be taken. This obscured target area covers approximately 12.5 square kilometres and will be tested utilising 'track-etch' cups following completion of the Phase 2 geophysical and geochemical survey (see Figure 2).

The geochemical samples taken during the radiometric survey have been forwarded to Genalysis in Perth, Western Australia, for assay. The results of this sampling will be made available as soon as they have been received and evaluated.

PHASE 2 - PROSPECT MAGNETICS, RADIOMETRICS AND SAMPLING

The second phase of exploration is already well advanced at Mile 72 and consists of detailed ground magnetics, radiometrics and geochemical sampling. The use of ground magnetics is designed to allow an interpretation of the underlying rock types and structure. In particular it will highlight areas of alaskite emplacement within the basement granites for drill testing.

The line traverses have been closed to 100 metre spacing, with radiometric and magnetic readings taken at 20 metre intervals along these lines. These traverses are being undertaken on foot, by an experienced geological survey team. A total of over 360 line kilometres will be traversed during this phase of exploration.

This survey will more accurately delineate the anomalies defined during the first phase of exploration, as well as highlighting targets for trenching and drill-testing as part of the continuing exploration programme.

Metals forward to updating shareholders as exploration progresses at the Mile 72 project.

Yours faithfully,

Norman Grafton
Company Secretary
Metals Australia Ltd

Competent Person Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Alex Clemen of Clemen & Associates Pty Ltd who is a member of the Australian Institute of Mining & Metallurgy. Mr Clemen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Alex Clemen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

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Or consult our website:

www.metalsaustralia.com.au