

20 July 2011

**The Manager
Company Announcements Office
Australian Securities Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000**

Dear Sir

NAMIBIAN TENEMENTS

The Company has received a written Notice pursuant to Section 48(4) of the Minerals (Prospecting and Mining) Act from the Ministry of Mines and Energy (MME) in Namibia in respect of each of Exclusive Prospecting Licences 3306 (Engo Valley) and 3308 (Mile 72) stating that they are prepared to grant a renewal of each licence.

Each Notice sets out a schedule of terms and conditions which would apply to the renewal of the respective licence. The Company considers the terms and conditions of the renewal as set out in the two Notices are normal and acceptable to the Company.

Given, however, that the licences were due for renewal on 14 June 2008 (EPL 3306) and 18 May 2008 (EPL 3308), but were not at that time renewed due to the then unresolved dispute and litigation, the MME is currently reviewing the proper administrative procedure required to effectively renew the two licences going forward.

Another update will be provided when additional information is received from the MME.

**Yours faithfully
Norman Grafton
Company Secretary
Metals Australia Ltd**