



Level 17, 500 Collins Street
Melbourne, VIC, 3000
Phone: 03 9614 0600
Fax: 03 914 0550

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The Manager
ASX Limited
Company Announcements

Granting of Bunnawarra lease and work program proposal

ASX Code: NAE

Granting of lease

New Age Exploration Limited ("the Company") is pleased to advise that the Bunnawarra exploration tenement (Exploration Lease 59/1391) ("Bunnawarra Tenement") has been granted by the Department of Industry and Resources (WA).

Work undertaken to date and assessment by Independent Geologist, Derek Foster & Ass.

Outcropping granite, mafic and banded iron make up the 5% exposed bedrock on the Bunnawarra Tenement. The remainder of the surface is sand, colluvium and laterite. The area was mapped in the 1970's by the Geological Survey of Western Australia and assumed to be underlain mainly by a large regional monzo-granite.

An aeromagnetic interpretation by Senior Geologist Geoff Hewlett indicated that the area hosted folded banded iron formation, mafic volcanics and schistose mafic and felsic rocks.

Smaller granitoid intrusions are present which include high magnetic felsic intrusion.

Recently, the Company conducted an auger soil analysis which identified extensive copper, gold and molybdenum anomalism.

The copper and molybdenum anomalies appear associated with granitoid rocks possibly porphyry intrusions. The molybdenum anomaly is extensive being approximately 4 kilometres long and 600 metres wide. Gold is associated with it in one location.

Gold appears to be associated with folded and faulted mafic rocks. Three gold anomalies extend over 2 kilometres and eight gold anomalies extend over 1 kilometre.

The work to date has provided encouraging results warranting further exploration work in the areas of gold, copper and molybdenum anomalism whereby the Company intends to undertake an extensive drilling program. The Bunnawarra Tenement is in an area that has had very little work reported on it in the past.

Background

New Age Exploration entered into a joint venture agreement with Redfeather Holdings Pty Ltd ("Redfeather"), to earn up an 80% interest in the Bunnawarra Tenement by spending \$1.35 million on exploration expenditure (in three stages) and \$150,000 in new shares of the Company. The Company also has the first right of refusal to purchase the remaining 20% held by Redfeather.

The Bunnawarra Tenement is 180 sq km in size and is situated on a pastoral lease in the Mid West iron ore province of Western Australia (WA). The Bunnawarra Tenement is located 40km south of Yalgoo, 80km north east of Morawa and 210 km east of Geraldton.

Competent persons statement:

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by D.Foster, who is a Member of the Australasian Institute of Mining and Metallurgy. D. Foster 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 Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. D.Foster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Regards

A handwritten signature in black ink, appearing to read 'Ad. Wing', with a horizontal line underneath.

Adrien Wing
Company Secretary