



(Formerly New World Alloys Limited)

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26 June 2009

Manager, Company Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

Dear Sir/Madam

RIGHTS ISSUE TO SHAREHOLDERS

The Directors are pleased to announce that they have resolved to make a one for one pro rata non-renounceable rights issue to all shareholders. The funds to be raised from this offer will be applied to the orderly sale of the Company's furnaces in Democratic Republic of Congo, seeking new mineral opportunities in Australia and Africa and general working capital.

The key details of the planned rights issue are as follows:

- One (1) new share for every one (1) share held as at the Record Date (date to be advised) at an issue price of A\$0.001 (0.1 cents) per new ordinary share to raise up to approximately \$903,306 (less the costs of the issue).

Further details of this rights issue, which will not be underwritten, will be advised in due course.

Yours faithfully,
for **AUSTRAL AFRICA RESOURCES LIMITED**

A handwritten signature in black ink, appearing to read 'L A Colless'.

L A Colless
Chairman