



ASX/Media Release

Annual General Meeting - 19 November 2009 Chairman's Address

VISCARIA COPPER PROJECT DRILLING UPDATE – Three Drill Rigs Targeting Resource Extensions

The Chairman of Australia-based minerals company Avalon Minerals Ltd (ASX: **AVI**; "Avalon") Mr David McSweeney provided the following interim update on drilling at the company's wholly owned **Viscaria Copper Project**, located in northern Sweden. A more detailed report will be released upon completion of this phase of drilling and testwork.

It has been a very active second half of the year with a total of 2,384.3 metres of diamond drilling and 2,513 metres of RC drilling completed since mid year. Assays for most of this drilling are yet to be submitted for analysis.

Two diamond drilling rigs and one RC drilling rig are currently on site at Viscaria testing a number of separate high-priority brownfields exploration and resource targets:

1. 'A' Zone South Drilling

An RC drilling rig is located at Target 2 (**Figure 1**) to test for shallower southerly extensions to the 'A' Zone and is expected to drill 16 holes for 3,120 metres.

2. Link Zone

One of the two diamond drilling rigs is positioned in the 250 metre 'gap' zone between the 'A' Zone South and the 'A' Zone North resources to target the potential to join the 'A' Zone South and the 'A' Zone North copper resources. A 15 hole, 2,280 metre drilling program is planned.- Target 3 (**Figure 1**).

3. Deep 'A' Zone South

The second diamond drilling rig is testing for depth and southerly extensions to the 'A' Zone South – Target 1 (**Figure 1**). The 'parent' hole has been completed to a depth of 945.3 metres (vertical depth 890 metres) and the first of two 'daughter' holes has commenced.

1. 'A' Zone South Drilling

A zone of anomalous zinc mineralisation was observed in hole VRC0008 at Target 2, between 42 metres and 52 metres down-hole. A second zone of anomalous zinc mineralisation was observed in hole VRC0013 between a depth of approximately 123 metres and 127 metres.

Avalon Minerals Ltd
ACN 123 184 412

PO Box 165
West Perth WA 6872

Telephone:
+61 8 9322 2752

Mobile:
0439 399 318

Email:
david@avalonminerals.com.au
Web:
www.avalonminerals.com.au

ASX Code: AVI

Directors

David McSweeney
(Managing Director &
CEO)

Tan Sri Abu Sahid
Mohamed (Non-Executive
Director)

Stephen Stone
(Non-Executive Director)

Gary Steinepreis
(Non- Executive Director)

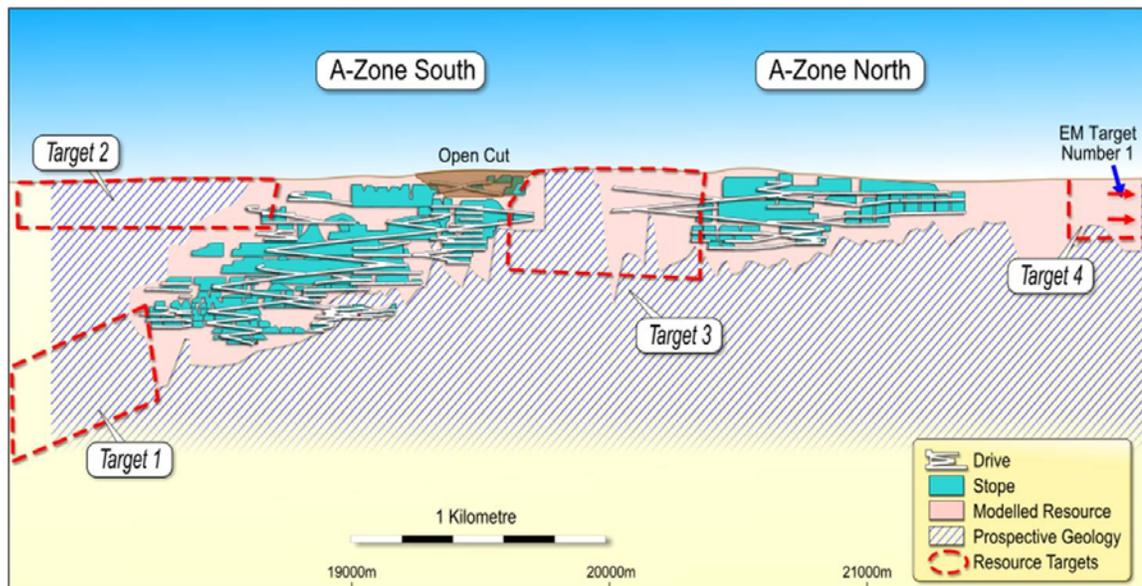
The mineralised zones were confirmed with the use of the hand held Niton XRF Analyser. Samples from these holes will be despatched for analysis in December together with other samples from the current drilling program. Results are expected in early 2010.

The RC rig was stood down for several weeks to undergo modifications and has now recommenced drilling at the 'A' Zone south extension zone to complete the remaining 7 holes for a total of 1,320 metres. This program is scheduled to be completed by 1 December 2009.

2. Link Zone

Five holes have been completed to date for a total of 800 metres. A visual examination of the drill core identified a zone of semi-massive sulphides over 1.5 metres from 69.3 metres to 71.1 metres down-hole in VDD0004, the first hole drilled into Target 3. Core from VDD0004 (**Figure 2**) is currently being cut and will be despatched for assaying early in December 2009

Figure 1: Longitude Section: South, Link Zone and Deep 'A' Zone South Targets



3. Deep 'A' Zone South Diamond Drilling

The drilling of the parent hole, VDD0001, and the use of the Devico directional drilling device went very smoothly. From a visual inspection, VDD0001 did not intersect the projected down plunge 'A' Zone mineralisation where expected, however minor chalcopyrite veining was intersected at approximate depths of 199 metres and 546 metres down-hole and minor disseminated chalcopyrite was observed in parts of the greenstone units around and below the target depth.

The first of two daughter holes, VDD0001D1, designed to test for extensions of the projected 'A' Zone mineralisation between 50 metres and 100 metres below the parent hole, has commenced and is at a depth of 745.1 metres at the time of this report. A vein of massive chalcopyrite was identified in this hole at a depth of 644 metres. It is proposed to use down-hole EM to test for off-hole conductors with the daughter holes.

The drilling of the two daughter holes is expected to be completed by mid-December 2009 with assays due in January and February 2010. Up to 12 daughter holes can be drilled from the parent hole. The

fact that a historical hole (approximately 200 metres below the deepest of the historical mining) reported an intercept of 2.7 metres at 4.59% Cu, confirms that the mineralisation continued beyond the limits of the historical mining.

Figure 2: NQ2 Core from VDD0004 showing sulphides



New 'D' Zone target

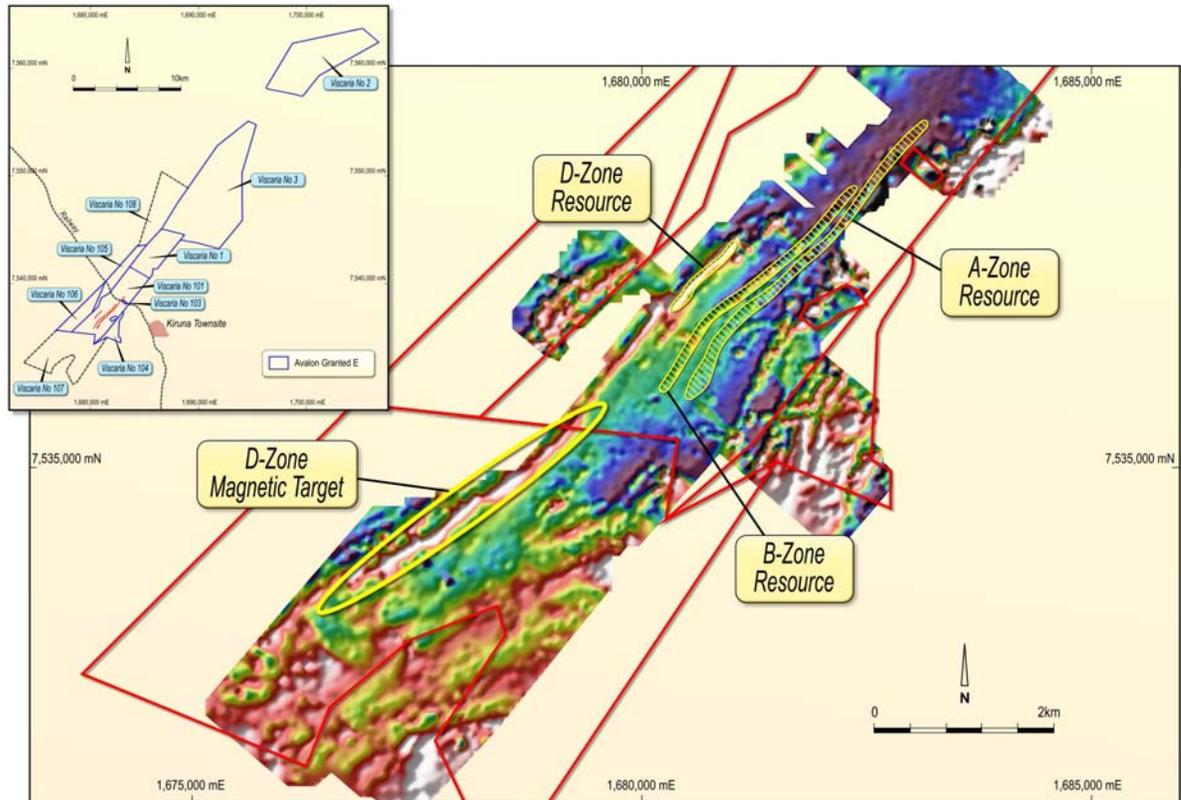
The 'D' Zone is approximately 400 metres west of the 'A' Zone and currently has an inferred JORC resource of 2.5 million tonnes @ 1.6% Cu. The 'D' Zone is open at depth and along strike and is hosted by a magnetite rock unit.

Preliminary pit optimisation studies indicate that up to 750,000 tonnes of copper resources at the 'D' Zone grading approximately 1.5% Cu are amenable to open cut mining.

Recent interpretation of historical magnetic data for the Viscaria project has highlighted a strongly magnetic unit extending for over 2 kilometres immediately south of the current 'D' Zone resource (**Figure 3**).

The magnetic signature of the magnetite unit is similar to the magnetic unit hosting the 'D' Zone resource and is therefore considered highly prospective for new copper/gold resources. The 'D' Zone magnetic target will be drill tested early in 2010 together with several other high priority regional targets.

Figure 3: New 'D' Zone Magnetic Target



In summary, it has been a very active year in the field at Viscaria. Avalon has now put in place on site in Viscaria all of the systems and logistics to continue a very active drilling and feasibility program throughout the forthcoming year. In addition to the resource extension targets and the exploration targets within our own ground holdings and in order to build on the quality infrastructure we have established we are also very actively reviewing other opportunities to acquire gold and base metals projects in Northern Sweden.

Drilling programs are due to cease on or around 18 December 2009. Diamond drilling can be continued throughout the winter months and is scheduled to recommence in January 2010.

We have a team of three geologists and a number of key consultants working with the company. Our plan is to expand the team in the first half of 2010 as we build up the momentum in our exploration and mine development departments.

On behalf of the Board of directors of Avalon Minerals Ltd, I take this opportunity to thank the shareholders for all of their support throughout 2009 and look forward to an exciting and very active year ahead.

I am very confident that Avalon's strategy of focussing on the under-explored mineral provinces of Northern Sweden will enhance the Company's growth in the short to medium term.

David McSweeney
Chairman
Avalon Minerals Ltd



– ENDS –

Released by:
Nicholas Read/Jason Cunningham
Read Corporate
Telephone: +61 (0)8 9388 1474

On behalf of:
Mr David McSweeney
Managing Director and CEO
Avalon Minerals Limited
Mobile: +61 0439 399 318

Competent Persons Statements

The information in this report relating to Exploration Results is reviewed by Ms Louise Lindskog BSc Hons (Geol) who is a Member of the Australasian Institute of Mining and Metallurgy and is the company's Exploration Manager. Ms Lindskog has over 7 years of exploration experience in a variety of mineral deposit styles including uranium, diamonds, base metals and gold mineralisation and she consents to inclusion of the information in this report in the form and context in which it appears. She qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".

Avalon Minerals – Background

Avalon Minerals Ltd listed in March 2007 with the aim of developing and discovering mineral deposits.

Avalon's corporate objective is to build a diversified resource mining group based on cash flows from producing operations.

The primary project generation strategy has been successful with the acquisition of the advanced Viscaria copper deposit in northern Sweden where a maiden JORC Code compliant copper resource has been defined. This resource comprises of an Inferred Resource of:

- 8.2 million tonnes grading 2.7% Cu for the 'A' Zone South;
- 5.1 million tonnes grading 1.2% Cu for the 'A' Zone North;
- 24.1 million tonnes grading 0.8% Cu for the 'B' Zone; and
- 2.5 million tonnes grading 1.6% Cu for the 'D' Zone.

When combined, this totals 514,600 tonnes of contained copper.

In addition the recently acquired cluster of six closed historical copper- zinc mines at Adak, 300km south of Viscaria, also provides potential for Avalon to grow its base metal inventory within northern Sweden.