



AVALON SECURES LENNARD SHELF JOINT VENTURE WITH ROX RESOURCES

Key Points

- Agreement with ASX-listed Rox Resources for Rox to earn up to a 60% interest in Avalon's Lennard Shelf Zinc-Lead Projects in WA's East Kimberley region.
- Rox to manage the Joint Venture, with a minimum \$500,000 exploration commitment in the first year.
- Rox can earn its 60% interest in the project by issuing \$300,000 worth of shares to Avalon and spending a further \$1.5 million on the project over three years.
- Strategic JV enabling Avalon to allocate further resources to its uranium and gold projects in Queensland and Western Australia.
- Exploration scheduled to commence shortly following granting of six key Exploration Licences.

Avalon Minerals Ltd (**ASX: AVI**) is pleased to announce that it has finalised a Joint Venture agreement with Perth-based exploration company, **Rox Resources Limited (ASX: RXL)**, for Rox to earn up to a **60% interest** in Avalon's **Lennard Shelf Zinc-Lead Projects** in Western Australia's East Kimberley region.

Avalon's Lennard Shelf Projects comprise a 2,594km² Lennard Shelf land holding in the acclaimed zinc province in the East Kimberley region of Western Australia and include several defined zinc targets at the Oscar Range, Barramundi and Lawford Projects. The tenements are located adjacent to and along strike from Teck Cominco / Xstrata's Lennard Shelf deposits, including the 23 million tonne Pillara Deposit.

The Joint Venture with Rox Resources represents a strategic move by Avalon, enabling it to focus its resources on its uranium and gold projects in Queensland and Western Australia, while retaining significant exposure to an enhanced exploration effort in the Lennard Shelf.

Under the terms of the agreement, Rox will manage the Joint Venture and will initially have a 12-month option during which it will be required to spend \$500,000 on exploration. Rox can then earn a 60% interest in the project by issuing \$300,000 worth of Rox shares to Avalon and spending a further \$1.5 million on exploration over three years.

Other standard Joint Venture terms such as dilution, tenement maintenance, pre-emptive rights and environmental responsibility apply to the option agreement.

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ASX Code: AVI

Issued Capital
40 million shares
11 million unlisted options
Nil convertible notes

Market Capitalisation
~A\$8.7 million

Cash
A\$2.7 million

Directors
David McSweeney
(Managing Director &
CEO)

Stephen Stone
(Director)

Gary Steinepreis
(Director)

Following the granting of six new key exploration licences within the Lennard Shelf portfolio under the Native Title Act, the Avalon/Rox Joint Venture is aiming to expedite exploration activities in the region in the second half of 2007 and into 2008.

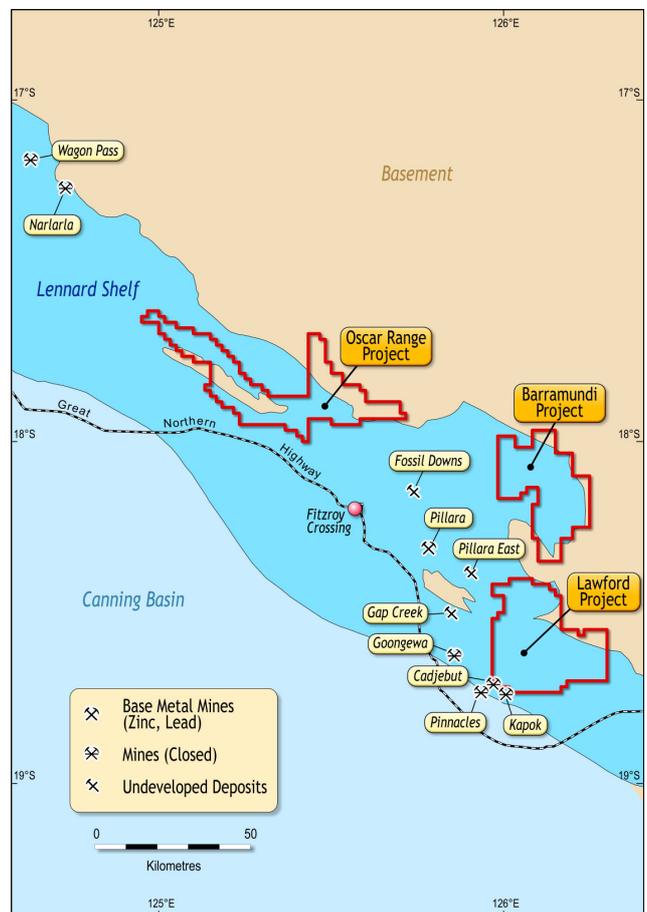
Commenting on the agreement, Avalon's Managing Director, Mr David McSweeney, said the Joint Venture with Rox Resources was a positive strategic move.

"The decision to develop our Lennard Shelf Projects as a Joint Venture allows us to allocate further resources to the exploration of our other exciting prospects, such as the recently acquired Empress Springs gold and base metals project in Queensland and our uranium projects in Western Australia, while still maintaining an interest in the promising Lennard Shelf Projects," said Mr McSweeney.

"We are pleased to be working alongside Rox Resources and look forward to a long and successful partnership with them," he added.

The next phase of exploration at Lennard Shelf will include NITON soil sampling field programs over an initial 12 priority targets which are scheduled to commence upon receiving final clearance from the Kimberley Land Council. Avalon is in advanced negotiations for land access and field work will commence as soon as heritage clearances are received from the traditional owners.

"This is an important phase for Avalon with the Lennard Shelf activities underpinning what will be a very active exploration program in the next 12 months over a number of highly prospective tenements both here in WA and in Queensland," Mr McSweeney said.



Lennard Shelf Projects



Competent Persons Statements

The information in this report relates to Exploration information reviewed by Mr Geoff Hewlett MSc DIC MAIG who is a Member of the Australasian Institute of Mining and Metallurgy and acts as a geological consultant to Avalon Minerals Ltd. Mr Hewlett has over 30 years of exploration experience in a variety of mineral deposit styles including four years relevant experience in exploration for uranium mineralisation and he consents to inclusion of the information in this report in the form and context in which it appears. He 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".

- ENDS -

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Avalon Minerals – Background

Avalon Minerals Ltd was established in late 2006 to search for, acquire and develop mineral deposits after completing a successful listing on the Australian Stock Exchange on the 22nd of March 2007 - closing a A\$3.5 million IPO oversubscribed, approximately three weeks after its launch.

Avalon's corporate objective is to build a resource mining group based on cash flows from producing operations. The primary strategy for achieving this objective is the acquisition and exploration of strategic regional exploration landholdings in proven mineral provinces. A secondary objective is to acquire advanced resource projects with the potential for early cash flow.

The Company has continued to build on its business model by the expansion of its uranium portfolio to include thirteen new projects in Western Australia's Yilgarn and Kimberley regions, one new uranium/base metals project in North Queensland and by the progress of its Lennard Shelf zinc project in Western Australia's East Kimberley region.

Avalon's aim is to explore its current portfolio of zinc and uranium assets in its own right and with the use of joint ventures, whilst expanding its portfolio in Australia and overseas. The company also maintains an active interest in iron ore opportunities given management's previous experience in this area.