



RIGHTS ISSUE SUCCESSFULLY COMPLETED AS SHAREHOLDERS BACK NEW TEAM

HIGHLIGHTS

- **Rights Issue successfully completed raising approximately AU\$2.86 million**
- **Strong demand received from shareholders with 88% take-up.**

Avalon Minerals Ltd (ASX: **AVI**; **Avalon** or **Company**) announces that it has successfully completed its 1 for 5 non-renounceable pro-rata rights issue which was announced to the market on 23 February 2012 (**Rights Issue**). The Rights Issue raised approximately AU\$2.86 million (before expenses) at an issue price of AU\$0.06 per share (**New Shares**).

Avalon accepted applications for approximately 42,053,138 New Shares, raising approximately AU\$2.52 million.

As the Rights Issue was fully underwritten, subscriptions for the remaining 5,759,129 New Shares have been obtained under the terms of the underwriting agreement.

Funds raised under the Rights Issue will be used by Avalon to:

- complete a targeted drilling program on the Viscaria Copper Project in northern Sweden which will investigate extensions to high grade copper mineralisation;
- undertake a review of the Company's projects and determine how best to advance those projects with the goal of creating value for shareholders;
- complete the transition of the head office from Perth to Brisbane; and
- replenish working capital.

Managing Director of Avalon, Jeremy Read said that "the result is extremely pleasing and reflects strong shareholder support for the Company".

He added, "in 2012 and 2013, Avalon will concentrate efforts on determining the full potential of the high grade copper mineralisation within the A, B and D Zone Mineral Resources on the Viscaria Copper Project. The drilling program, which is currently in progress, is an important step in the development of a strategy to create value for shareholders by focusing our project assessment activities on the Company's copper Mineral Resources at Viscaria."

Avalon will issue 51,812,267 New Shares in relation to the Rights Issue. Final allocations are subject to a reconciliation and audit process currently being conducted by Avalon's share registry. Holding statements for the New Shares will be dispatched to shareholders on 30 March 2012 which will complete the allotment of the New Shares. The New Shares are expected to commence normal trading on the ASX on 2 April 2012.

Information on Avalon is available on the Company's website www.avalonminerals.com.au.

Jeremy Read
Managing Director
Avalon Minerals Ltd