



AVALON
minerals ltd

ASX Code: AVI

A New Era in Northern Sweden

November 2011
Andrew Munckton, CEO

Forward Looking Statement

This Presentation contains general information about Avalon Minerals Limited (Avalon). It does not purport to contain all the information that a prospective investor may require. The Presentation should not be considered as an offer or invitation to subscribe for or purchase of any securities in Avalon and no agreement to subscribe for securities will be entered into on the basis of this Presentation.

This Presentation includes certain statements, estimates and forward looking projections that rely upon various assumptions which may or may not prove to be correct in time. Further, Avalon is in the business of exploring for minerals which is a speculative and risky venture. Some of the 'risk factors' are listed in Avalon's Rights Issue Prospectus dated 17 December 2009, which is available on the Company Announcements section of the ASX website Code AVI .

Avalon is listed on the Australian Securities Exchange (ASX) and its ASX code is AVI. As a listed company Avalon is subject to and complies with the continuous disclosure requirements of the ASX listing rules. From time to time Avalon will make public announcements on its ASX website updating information and risk factors affecting Avalon's operations and its prospects of success.

Potential investors should conduct their own investigation and analysis and should check the accuracy, reliability, and completeness of the information provided and obtain independent and specific advice from appropriate professional advisors.

To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and, to the maximum extent permitted by law, no responsibility or liability is accepted by Avalon or any of its officers, employees, agents or consultants or any other person as to the adequacy, accuracy, completeness or reasonableness of this Presentation. To the maximum extent permitted by law, no responsibility for any errors or omissions from this Presentation whether arising out of negligence or otherwise is accepted.

Competent Persons Statement

The information in this report that relates to Mineral Resources and Exploration Results is based upon information reviewed by Mr Andrew Munckton BSc (Mining Geology) who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Munckton is a full time employee of Avalon Minerals Ltd and 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". Mr Munckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Targets

This presentation comments on and discusses Avalon's exploration in terms of target size and type. The information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The potential quantity and quality of material discussed as Exploration Targets is conceptual in nature since there has been insufficient work completed to define them as Resources or Reserves. It is uncertain if further exploration work will result in the determination if a Mineral Resource or Ore Reserve

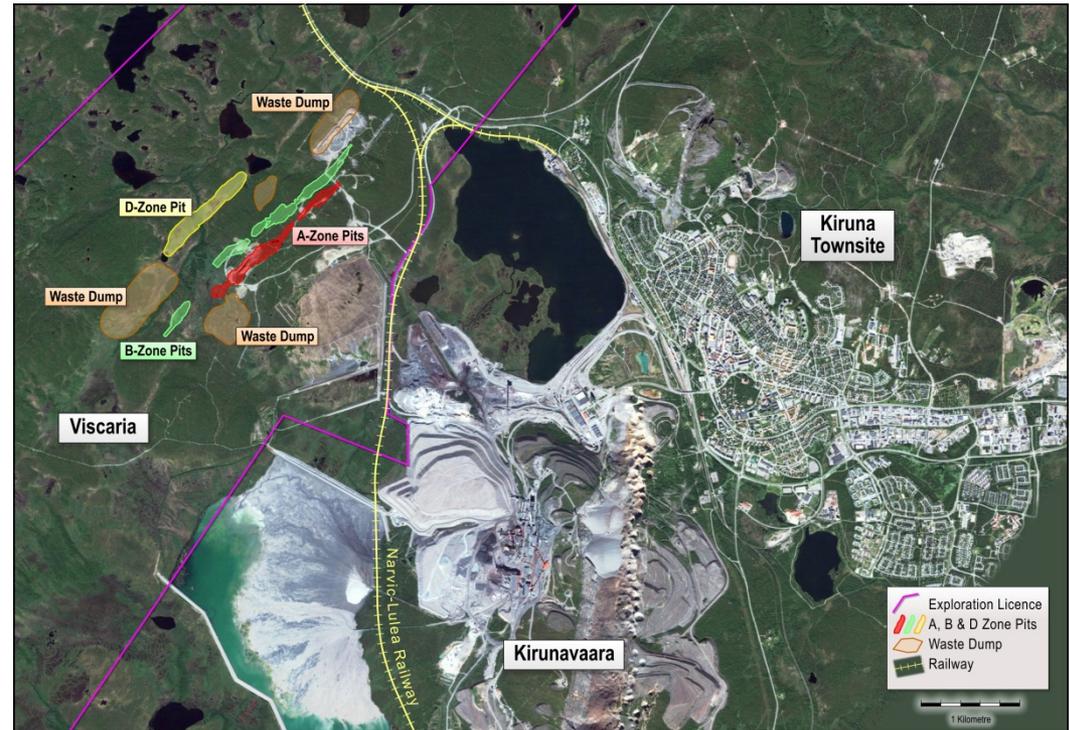
Avalon – A Snapshot

- Developing the 100%-owned Viscaria Copper-Iron Project, Northern Sweden
- Large resource base
 - 44.7Mt grading 1.2% Cu (518,000t Cu metal)
 - 9.0Mt grading 0.6% Cu and 27% Fe (49,000t Cu metal, 3.1Mt Iron Ore concentrate)
- Pre-Feasibility Study completed
 - 5 year LOM at 3.0Mtpa or
 - 10 year LOM at 3.0Mtpa
 - Rapid payback, strong returns
- Definitive Feasibility Study underway
- Production from 2014
 - Cu – 19,000 tpa Cu metal, 41.8Mlb pa in concentrate
 - Fe – 725,000 tpa of 69.5% Fe concentrate
- Outstanding exploration package
 - Expansion of existing resources
 - New projects



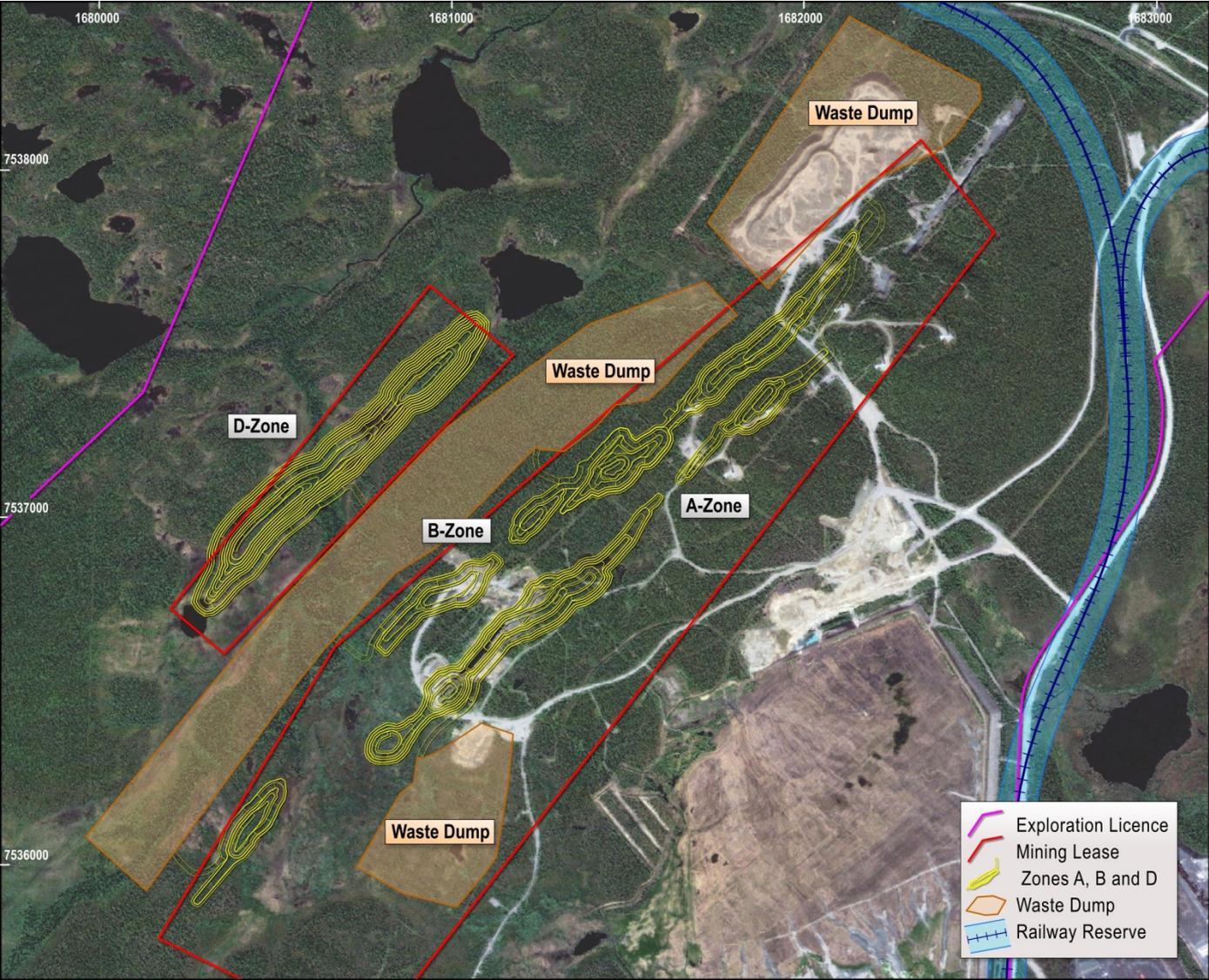
Viscaria – *In a world-class mining province*

- **Discovered in the 1970's**
 - 4km from mining centre of Kiruna (pop 20,000)
 - world-class Iron Oxide Copper Gold (IOCG) province
 - 15 years historical production to 1997 – 100,000tpa @ 26% Cu concentrate, (57Mlb pa) Cu metal
- **Purchased 100% by Avalon**
 - Acquired 2008 from Phelps Dodge – 1% NSR
 - All historical data
 - Zero liabilities
- **Extensive existing infrastructure**
 - Rail – heavy haul
 - Ports – Narvik (ice free), Luleå
 - Power
 - Access to local contractors, construction and mining workforce
 - Nearby smelters, concentrators, pellet plants

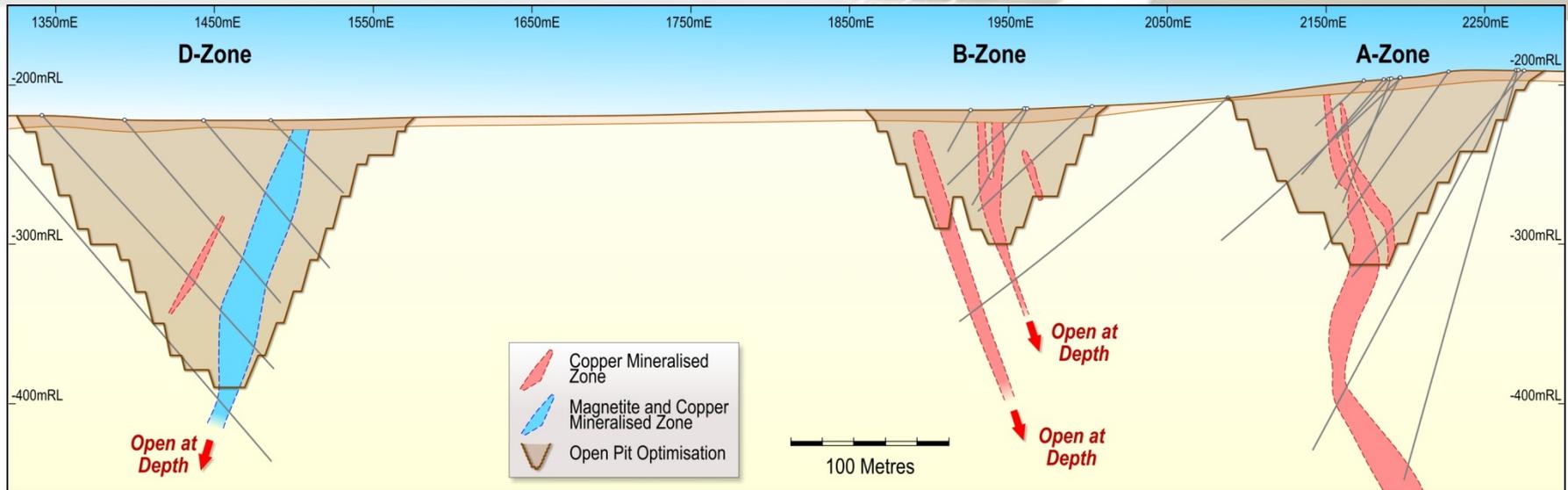


- **On the doorstep of LKAB – 20Mtpa iron concentrate and pellets**
 - Europe's largest iron ore mine
 - World's best quality pellets

Viscaria – Pre-Feasibility Study



Mining– Copper and Iron Products



Section 19000N

■ D Zone Pit – Stage 1

- Open pit design @ US\$3.00/lb Cu
- Mass_Rec @ 35% and US\$1.38/dmtu Fe
- Cu-rich and Fe-rich lodes
- Deeper drilling assessment in 2012

■ A Zone and B Zone – Stage 2

- Open Pit Design @US\$3.00/lb
- Recovery 88%
- Standard “off the shelf” processing technology

■ Iron Ore Concentrate

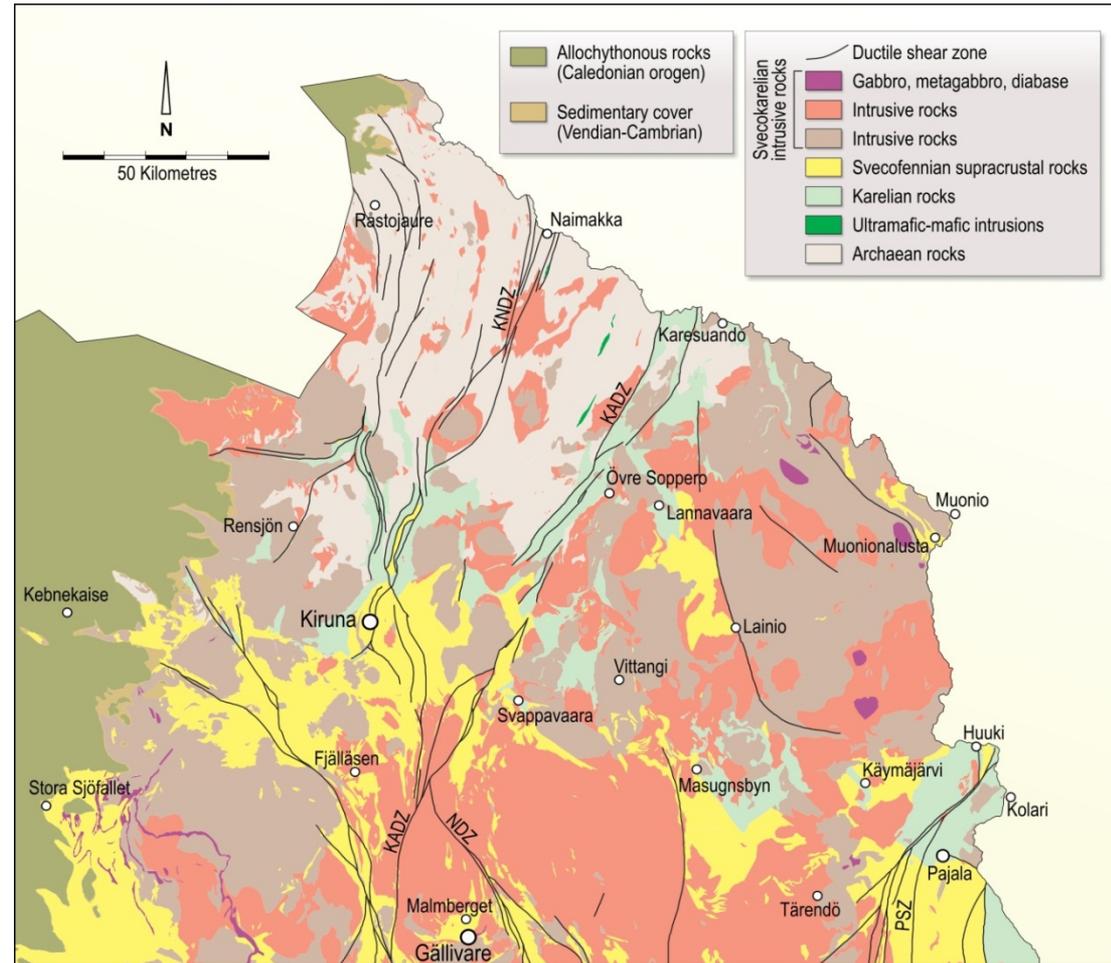
- 69.5% Fe grade – BF and DR quality
- 1.5% SiO₂, low alumina and phos
- High MgO, CaO
- Compatible with Kiruna
- Pellet testing underway

■ Copper Concentrates

- 23-26% Cu
- 2g/t Au, 30g/t Ag, 1.5% Zn
- Low contaminants
- Better than Viscaria historically

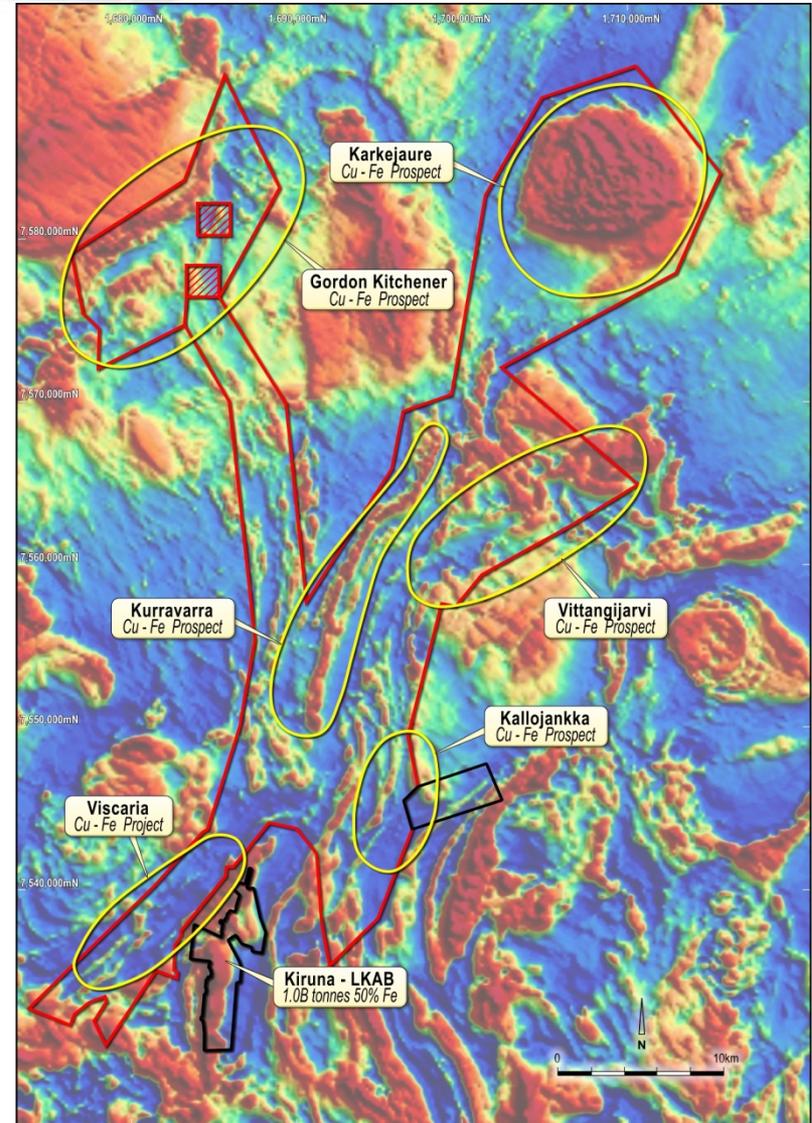
Exploration

- Northern Sweden is a major IOCG district
- **World Class Deposits**
 - Kiruna. 2Bn tonnes high grade magnetite
 - Aitik. 1Bn tonnes @ 0.4% Cu
 - Malmberget. 1bn tonnes high grade magnetite
- Proterozoic age intrusions drive mineralisation
- Crustal depth shear zones tap metals, heat, fluid
- **AVI with 80 km of strike length**



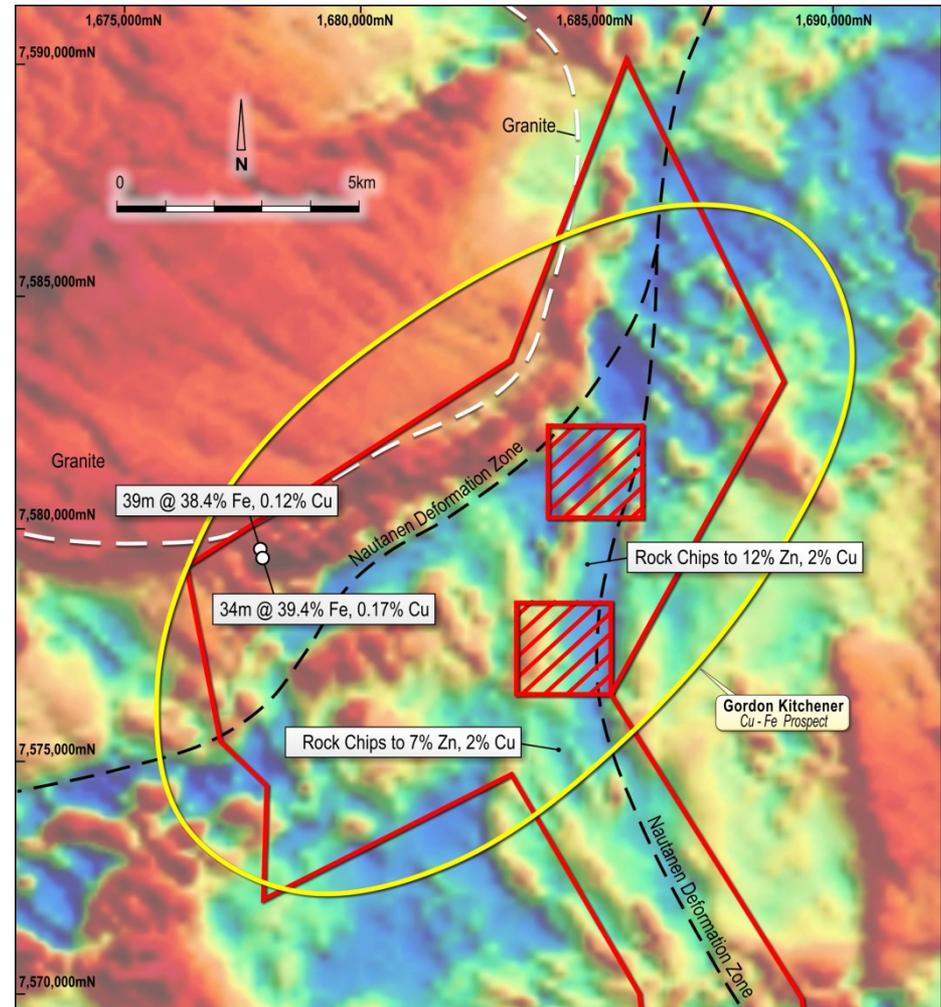
Regional Exploration

- **Outstanding exploration ground**
 - 625km² tenure
 - 100km of strike
- **Focus on Deposit Types:**
 - IOCG deposits of +200Mt
 - VMS deposits of + 20Mt @ 2% Cu
 - Skarn deposits of +100Mt Fe +/- Cu
 - Close to infrastructure
- **Key targets identified:**
 - 5 Project areas identified
 - Combination of IOCG and VMS Copper
- **JV Opportunities:**
 - Good partners
 - Experience in Scandinavian Exploration



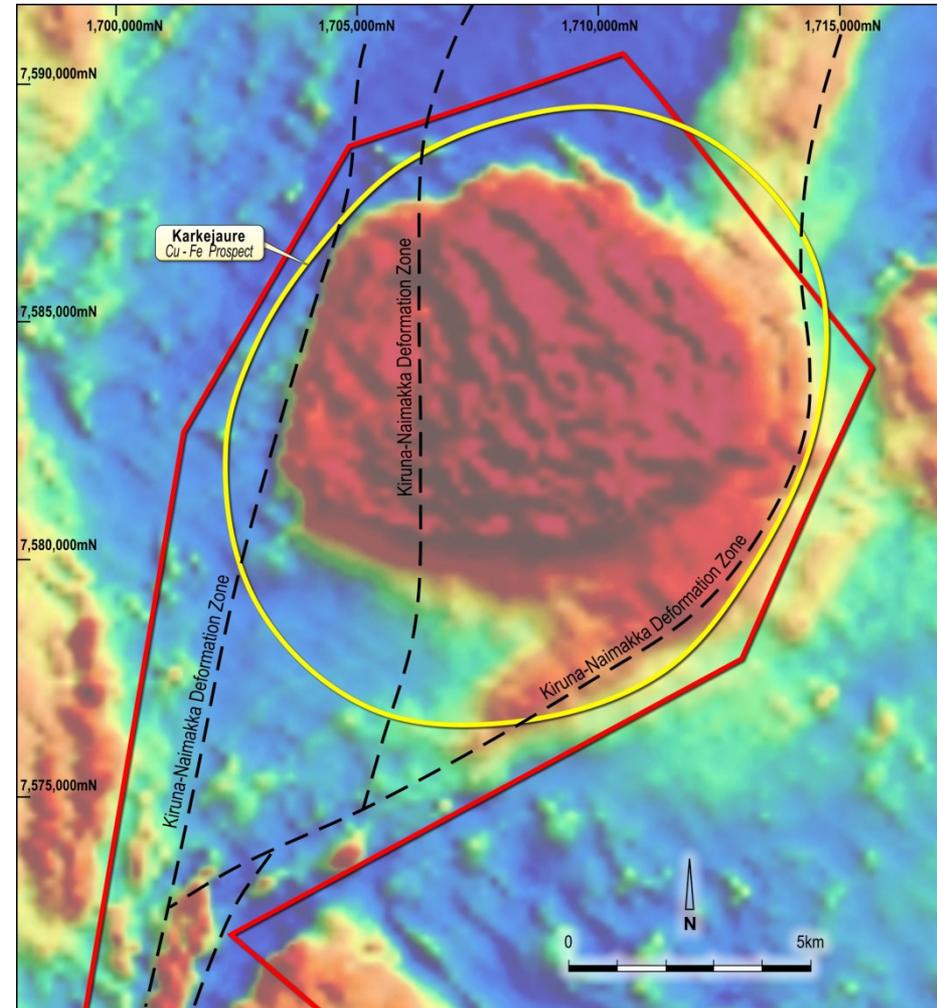
Exploration – Gordon Kitchener

- **Historical drilling shows IOCG mineralisation style**
 - 39m @ 38.4% Fe and 0.12% Cu
 - 34m @ 39.2% Fe and 0.17% Cu
- **Features**
 - Adjacent to large granite intrusion
 - Clear magnetite alteration halo
 - Proximal to NDZ
- **Historical boulder and samples rich Cu and Zn**



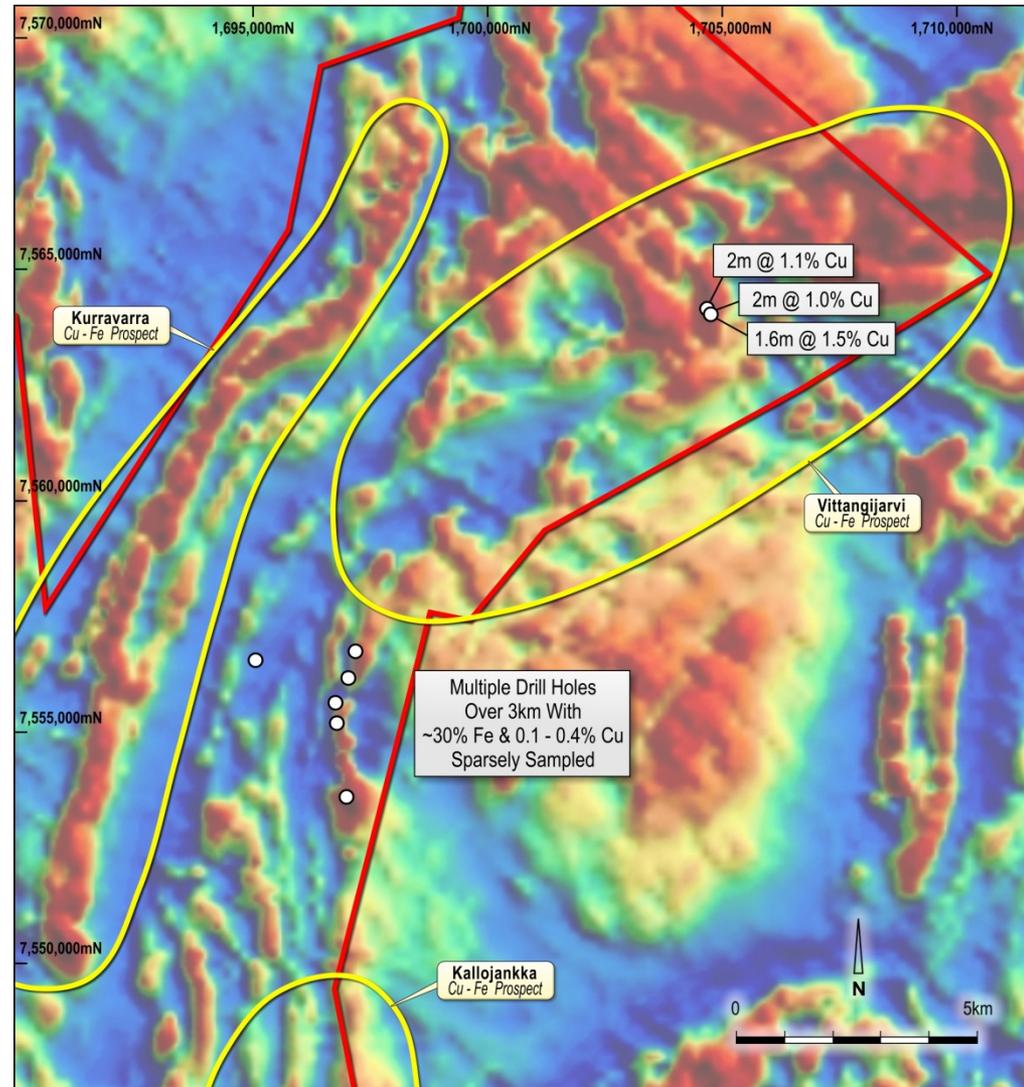
Exploration - Karkejaure

- Large magnetite rich intrusion in KNDZ
- Very large magnetic and gravity anomaly
 - Largest in the region
 - 8km x 9km
- Multiple phases of deformation and fault reactivation
- AVI is first explorer



Exploration – KKV Area

- Multiple prospects with IOCG features
 - Shear Zones
 - Granite intrusions
 - Magnetite alteration Halo
- Limited drilling shows
 - 30% Fe
 - 0.1% to 0.4% Cu
 - Only targeted for Cu
- Kurravarra
 - Same stratigraphic position as D Zone
 - Geochemistry shows Cu, Au and Ag in till sampling
 - Extensive geochemical data set



Avalon Offers

- **Mid Sized Viscaria Project**
 - Resources Upgrade
 - Cu and Fe Concentrate
 - Low Cash Cost
 - Approvals well progressed
- **First World Logistics**
 - Established markets
 - Established Infrastructure
- **Low Risk**
 - Sweden
 - Potential Customers next door
- **Outstanding Exploration Opportunity**
 - World Class IOCG area
 - Large ground Holding
 - Excellent prospects
- **Quality Management**





AVALON
minerals ltd

For further information:

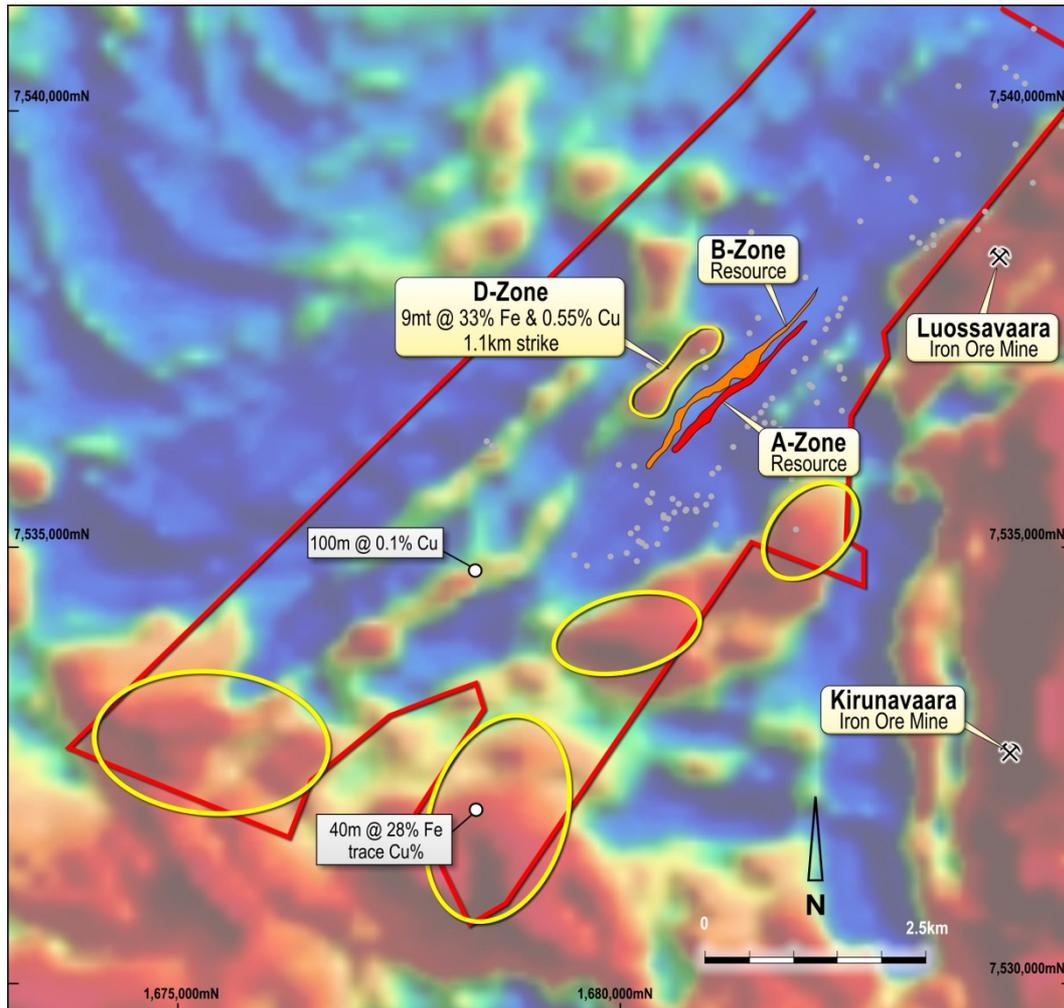
Andrew Munckton

Phone: +61 (0) 435 635 598

- Concentrate Product Comparison
- D Zone
- A Zone deeps
- Project Comparison

Concentrate Product – Comparison

Concentrate Product	Fe %	SiO ₂ %	P %	Al ₂ O ₃ %	CaO+MgO %	CaO+MgO / SiO ₂ +Al ₂ O ₃ %
Kiruna SWE/ KAB	70.5	1.5	0.022	0.4	0.5	0.26
Samarco BRA/BHP,Vale	67.2	1.8	0.033	0.7	0.1	0.06
Marcona PER/Shougang	69.8	1.6	0.015	0.4	1.0	0.50
Viscaria SWE/Avalon	69.5	1.5	0.012	0.1	0.9	0.56



■ D Zone

- Cu-Fe IOCG in carbonate rocks and alteration zone
- 1.1km of strike
- Characteristic magnetic signature

■ Other mineralisation

- Smoke but no fire yet



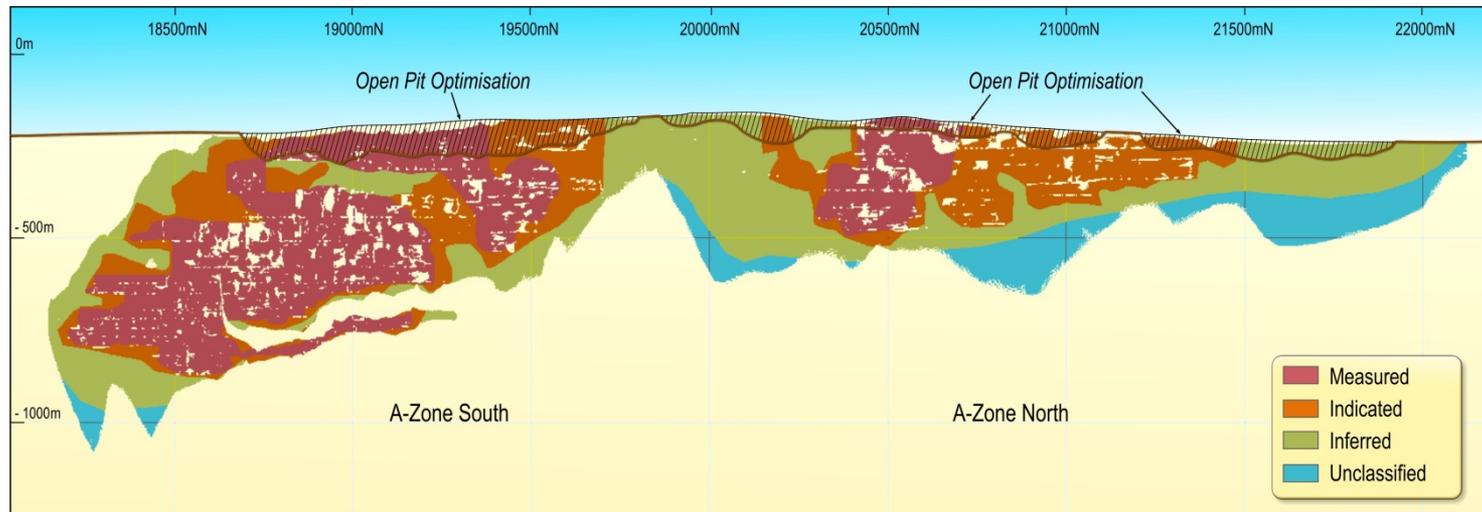
Viscaria – A Zone - Deep Potential

■ A Zone Open Pit

- Above historical Viscaria Copper Mine
- 2.5mt @ 1.4% Cu Reserve
- Quality concentrate – 25% Cu, 2.5% Zn, 45g/t Ag, 3g/t Au
- Low contaminants

■ A Zone Deeps

- Historical production of 12.5Mt @ 2.7% Cu
- 30km of decline and development
- Drilled to >600m below surface
- High grade parts extracted
- Remnants and lower grade zones 17Mt @ 1.% Cu Resource



A Zone Long Section

Project Comparison

- Projects with similar ore processing

Project, Location, Owner	Copper	Iron Ore
Ernest Henry - Australia (Xstrata) (A\$500M Investment)	72Mt @ 1.0% Cu 50ktpa Cu metal output	22% mag Fe 1.2mtpa @ 67% Fe Concentrate
Palabora – South Africa (Rio Tinto, Anglo American) (40 Years)	80Mt @ 0.6%Cu 81ktpa Cu metal output	20% Fe 2.8Mt @ 66% Fe Other by-products
Marcona – Peru (Shougang Hierro) (5 Years)	780Mt @ 0.1% Cu removed but not concentrated	55% Fe 8.2mtpa @ 68% Fe DR pellets, BF pellets Concentrate, Fines, Chips
Pampa del Pongo- Peru (Cardero after Rio Tinto)	953Mt @ 0.1% Cu DFS	42% Fe DFS
Mina Justa – Peru (Chariot Resources)	350 Mt @ 0.7% Cu Flotation and leaching	35% Fe 63% Fe con-mag sep
Viscaria – Sweden (Avalon)	66Mt @ 0.9% Cu Proposed 19,000tpa Cu metal	Exp Target 30-50 Mt @ 30% Fe Proposed 725,000tpa @ 69.5%Fe

Generally applies to IOCG deposits.... Cloncurry, Gawler Craton, Andean Copper Belt.