



AVALON ACCELERATES LENNARD SHELF EXPLORATION PLANS AFTER CLOSING IN ON KEY LICENCES

Key Points

- **Application for six key exploration licences in the renowned Lennard Shelf lead-zinc region on track for approval within the next few weeks.**
- **Several key lead-zinc targets identified by geological consultants CSA Australia Pty Ltd, with reconnaissance field visits identifying outcropping mineralization of up to 0.5% Pb.**

Avalon Minerals Ltd (**ASX: AVI**) is pleased to advise that its application for six key exploration licences within the world-class **Lennard Shelf lead-zinc province** of Western Australia is expected to be approved within the next few weeks after the Kimberley Land Council (KLC) withdrew its objection to the grant of the tenements.

The tenements – which are located adjacent to and along strike from Teck Cominco / Xstrata's Lennard Shelf deposits, including the 23 million tonne Pillara Deposit – will be a key focus of Avalon's exploration and growth strategy. The granting of the tenements will enable the Company to expedite its exploration activities in the Lennard Shelf region in the second half of 2007.

The KLC's decision to withdraw its objection to the granting of the tenements paves the way for the Exploration Licences to be granted under the Native Title Act within the next two weeks.

A study by respected international geological consultants, CSA Australia Pty Ltd, has identified a number of highly prospective MVT (Mississippi Valley Type) base metal exploration targets within the area covered by the Exploration Licences. In addition, CSA has identified a number of potential new host rock units that have previously only received minor exploration.

CSA is considered to be a leader in lead-zinc mineralisation and exploration in Australia and has an extensive regional geological, geochemical and geophysical dataset for the Lennard Shelf region.

Avalon's exploration management consultant, Digirock Pty Ltd, has undertaken reconnaissance field visits to the Lennard Shelf projects ahead of the planned commencement of exploration programs later this year. Outcropping mineralisation of up to 0.5% Pb (analysed by Niton) was identified during these visits, which also confirmed the effectiveness of the Niton field-portable XRF unit recently acquired by Avalon as an effective first-pass soil geochemistry tool for the rapid testing of large areas.

Avalon's Managing Director, Mr David McSweeney, said he was pleased that the approvals process for the tenements had been expedited thanks to the excellent relationship the Company was developing with the Kimberley Land Council.

Avalon Minerals Ltd

PO Box 165
West Perth WA 6872

Telephone:
+61 8 9322 2827
Mobile:
0439 399 318

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

ASX Code: AVI

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

Market Capitalisation
A\$8.8 million

Cash
A\$3.48 million

Directors
David McSweeney
(Managing Director &
CEO)

Stephen Stone
(Director)

Gary Steinepreis
(Director)

“We are delighted that these tenements will be granted within weeks and, in anticipation of this, we have targets lined-up, exploration programs planned and field crews on stand-by,” he added. “Initial work will involve the collection of geochemical and geophysical data to better define priority targets, and we expect to drill test selected targets before the end of the 2007 field season.”

“With CSA providing their technical expertise on lead-zinc mineralisation and Digirock managing the exploration process and providing experienced field personnel, we believe that we have assembled an excellent team to effectively progress these projects,” Mr McSweeney said.

Avalon has assembled a large tenement package in the Lennard Shelf in Western Australia’s East Kimberley region comprising 14 Exploration Licences covering almost 2,600sq km. The tenements cover three distinct project areas – Barramundi, Lawford and Oscar Range – which are prospective for base metals, specifically zinc and lead.

Lennard Shelf – Background

The Lennard Shelf is an ancient limestone reef that hosts a world-class Mississippi Valley-Type (MVT) zinc-lead province with reported resources in June 2003 totaling 22.18Mt at grades of 6.9% zinc and 2.8% lead. MVT deposits tend to form in clusters of small, medium-high grade ore bodies and have historically accounted for a significant proportion of the world’s zinc supply.

Previous exploration in the Lennard Shelf province has been concentrated along the southwest margin of the reef where most base metal deposits and occurrences are located.

Avalon’s tenements are in the central and southeast Lennard Shelf, where the largest known deposits (Cadjebut and Pillara) lie within 3km and 28km, respectively, of the Lawford Project.

Pillara is currently being mined by a Joint Venture between Teck Cominco Ltd and Xstrata Plc. The Pillara resources, as reported by Teck Cominco, are currently: 1.4Mt at 8.8% Zn and 2.2% Pb (Measured); 1.4Mt at 8.1% Zn and 1.8% Pb (Indicated); and 0.3Mt at 8.2% Zn and 1.7% Pb (Inferred). Teck Cominco has also identified several advanced prospects, with potential to significantly boost the region’s known resources.

Avalon Minerals – Background

Avalon Minerals Ltd completed a successful listing on the Australian Stock Exchange on the 22nd of March 2007, after closing an A\$3.5 million IPO oversubscribed, approximately three weeks after its launch.

The Company is initially seeking to become an independent zinc producer by focusing on the exploration and evaluation of its substantial Lennard Shelf Project, located in the West Kimberley region of Western Australia, within a world-class mineral province.

Avalon is simultaneously conducting exploration programs on its Paterson Uranium and Copper-Gold Projects, covering seven exploration licence areas in the mineral rich East Pilbara region of Western Australia. In addition, it aims to identify and evaluate other mineral resource opportunities, both in Australia and overseas.

Avalon has commenced and will maintain an active project generation and review program for advanced projects which it can independently develop and operate

Competent Person Statements

The details contained in this report that pertain to mineral resources and exploration results are based upon information compiled by Mr John Libby, Chief Consulting Geologist at Digirock Pty Ltd. Mr Libby is a Member of the Australian Institute of Geoscientists (AIG) 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 December 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Libby consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

- 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