

31 October 2013

ASX ANNOUNCEMENT



Avalon Minerals Limited (ASX: AVI) ("Avalon" or "Company")

Correction to Updated Offer Document

As announced on 28 October 2013, the non-renounceable pro-rata 1:1 rights issue (announced on 9 August 2013) has been re-opened.

It has come to the Company's attention that a statement contained in the Updated Offer Document (Document) is potentially confusing. Section 5.3 of the Document sets out some of the key terms and conditions of the Substitute Underwriting Agreement. Paragraph (a) of section 5.3 relates to the allocation of Shortfall Shares (as that term is defined in the Underwriting Agreement) under the terms of the Substitute Underwriting Agreement.

The last sentence of paragraph (a) in section 5.3 reads "The Substitute Underwriter may at any time in consultation with the Company appoint sub-underwriters to sub-underwrite the Offer" (our emphasis). However, the sentence should read "The Substitute Underwriter may at any time in consultation with the Company appoint sub-underwriters to sub-underwrite the Underwritten Shares."

Set out below is section 5.3(a) in its entirety (incorporating the clarification described above).

(a) Allocation of Shortfall Shares

If, as at the Closing Date, the Company has not received valid Applications pursuant to the Offer and the Shortfall Offer for all of the New Shares and the Company gives notice to the Substitute Underwriter within 2 Business Days stating the number of New Shares that valid Applications have not been received for, the Substitute Underwriter must subscribe or cause its nominees to subscribe for that number of New Shares equal to the Underwritten Shares within 2 Business Days of receiving the notice from the Company. The Substitute Underwriter may at any time in consultation with the Company appoint sub underwriters to sub underwrite the Underwritten Shares.

The closing date for the re-opened Rights Issue is 5.00 pm (AEST) on Monday, 11 November 2013.

This announcement has also been put on the Company's website.

For further information please visit www.avalonminerals.com.au

ASX: AVI

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