

28 JULY 2014

ASX ANNOUNCEMENT



AVALON MINERALS COMPLETES AUD\$1.95M PLACEMENT

Highlights

- Successfully completed a placement to new, professional investors and an existing Australian shareholder to raise AUD\$1.95M through the issue of approx. 244M shares at \$0.008 per share;
- Proceeds from the equity raising will be used to progress Avalon's flagship Viscaria Copper-Iron Project in northern Sweden and for working capital.

Avalon Minerals Ltd (**ASX: AVI**) ('Avalon' or 'Company') announces that it has arranged a placement to raise **AUD\$1.95 million** (before costs). The placement was made to new, professional investors in Australia, UK and Hong Kong as well as a major, existing Australian shareholder. The funds will be applied to progress the Company's Viscaria Copper-Iron Project in northern Sweden and for working capital

Avalon's Managing Director, Mr Malcolm Norris said, "It is pleasing to complete this placement of AUD\$1.95 million to fund the ongoing operations of the Company and to progress the Viscaria Project. Although the resources sector is facing challenging times, this placement confirms the solid financial support Avalon continues to receive, particularly with the renewed focus on moving the Viscaria Project forward".

Viaticus Capital LLC (New York), Bromius Capital and Morgans Corporate Ltd managed the placement, with the issue and allotment of shares scheduled to occur on 5 August 2014.

Two Directors (Mr Ascough and Mr Norris) have also indicated that they wish to participate in the placement. The Company will seek approval at a shareholders meeting for the directors to participate in the placement.

The Company will require further funds to support its strategy of progressing the Viscaria Project through feasibility and permitting stages, in readiness for mine development. Directors are currently considering several suitable capital raising options to ensure the Company is well funded to move forward to its next stage of development.

Announcements will be made as required to keep the market informed.

The placement is within the Company's available capacity under the ASX Listing Rules. An Appendix 3B and other requisite information will be lodged with ASX upon issue and allotment of the placement shares. This announcement will now bring to an end the current trading halt for Avalon shares.

For further information please visit www.avalonminerals.com.au or contact:

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