

**FORM 604**  
Corporations Act 2001  
Section 671B

**NOTICE OF CHANGE OF INTERESTS OF SUBSTANTIAL HOLDER**

To: Company Name/Scheme AVI - Avalon Minerals Limited  
ACN/ARSN 123 184 412

**1. Details of Substantial Holder(1)**

Name Acorn Capital Limited  
ACN/ARSN (if applicable) 082 694 531  
There was a change in the interests of the substantial holder on 2/10/2014  
The previous notice was given to the company on 9/11/2012  
The previous notice was dated 9/11/2012

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of Securities (4) | Previous notice |                  | Present Notice |   |
|-------------------------|-----------------|------------------|----------------|---|
|                         | Person's votes  | Voting power (5) | Person's votes | Voting power (5)                              |
| Ordinary                | 57,142,857      | 12.29%           | 173,020,750    | 12.04%*                                       |
|                         |                 |                  |                | * Based on quoted no. of shares 1,437,354,886 |

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of Change             | Person whose relevant interest changed | Nature of change (6) | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------------------|--|----------------------|---|---|-------------------------|
| 09-Nov-2012 to 02-Oct-2014 | Acorn Capital Limited                  | Purchase             | \$1,705,589.42                                | 149,765,322                             | 149,765,322             |
| 09-Nov-2012 to 02-Oct-2014 | Acorn Capital Limited                  | Sell                 | \$403,074                                     | 33,887,429                              | 33,887,429              |

**4. Present relevant interests**

Particulars of each relevant interests of the substantial holder in voting securities after the change are as follows:

| Holder of Relevant Interest                     | Registered Holder of Securities | Person Entitled to be Registered as | Nature of relevant interest | Class and Number of Securities | Person's Votes |
|---|---------------------------------|-------------------------------------|-----------------------------|--------------------------------|----------------|
| Colonial Foundation                             | The Myer Family                 |                                     |                             | 4,734,997                      | 4,734,997      |
| UniSuper  | National Nominees               |                                     |                             | 47,712,503                     | 47,712,503     |
| Commonwealth Bank Officers' Superannuation Fund | Citicorp Nominees               |                                     |                             | 56,651,413                     | 56,651,413     |
| First State Super                               | JP Morgan Chase                 |                                     |                             | 63,921,837                     | 63,921,837     |

**5. Changes in Associates**

The persons who have become associates (2) of, ceased to be associates, or have change the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Name of Association |
|-----------------------------------|---------------------|
|                                   |                     |
|                                   |                     |
|                                   |                     |

**6. Addresses**

The addresses of persons named in this form are as follows:

| Name                 | Address   |
|----------------------|---|
| All Relevant Holders | C/O Acorn Capital Limited, Level 12, 90 Collins Street, Melbourne Victoria 3000 |
|                      |   |

Print Name PAUL PALUMBO

Capacity Portfolio Manager

Sign Here

Date 2/10/2014