



WA URANIUM EXPLORATION LICENCE GRANTED

Key Points

- **48km² Lake Barlee Exploration Licence granted (E59/665).**
- **Tenement considered prospective for calcrete-hosted uranium mineralisation at shallow depths.**
- **Geological setting similar to known uranium deposits at Yeelirrie and Lake Way in the northern Yilgarn Craton.**
- **Planning underway for first pass drill testing including wide-spaced auger drilling and shallow aircore drilling.**

Avalon Minerals Ltd (**ASX: AVI**) is pleased to announce a significant addition to its Western Australian uranium exploration portfolio with the granting of the **Lake Barlee Exploration Licence**, located some 190 km north of Kalgoorlie, which covers part of Lake Barlee and the Raeside palaeodrainage channel in the highly prospective Yilgarn region of Western Australia.

The 100% owned Lake Barlee licence covers an area of approximately 48km² and is the first application to be granted within the portfolio of 13 Western Australian uranium exploration licences, covering a total area of approximately 1,900km², acquired by Avalon last year from private company Resource Properties Pty Ltd.

The tenement is considered prospective for calcrete-hosted uranium mineralisation at shallow depths in a geological setting similar to other known uranium deposits at Yeelirrie and Lake Way in the northern Yilgarn Craton. The surficial geology comprises Playa Lake and other sediments of Quaternary age.

Three calcrete-hosted uranium deposits discovered in the 1970's are located in the same palaeochannel, 80 kilometres downstream (east) of the Lake Barlee Project, at Lake Raeside. These deposits are currently being explored by Energy Metals Limited, as the Mopoke Well Project.

Historical radiometric data indicates that uranium channel radiometric anomalism is present in the northeast and the northwest of the tenement associated with the palaeochannel. It seems likely that uranium-bearing Tertiary calcrete lying within the palaeodrainage is masked by non-radioactive recent surficial sediments.

Planning is currently underway to commence first pass, wide-spaced auger drilling of these outcropping radiometric anomalies and shallow aircore drilling to test for buried mineralisation. No previous uranium exploration has been carried out on the Lake Barlee tenement.

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ASX Code: AVI

Issued Capital
44 million shares
11 million unlisted options

Market Capitalisation
~A\$8.5 million

Cash
A\$2.0 million

Directors
David McSweeney
(Managing Director &
CEO)

Stephen Stone
(Director)

Gary Steinepreis
(Director)



“The granting of the Lake Barlee tenement is a great start to what we believe will be a watershed year for Avalon as we ramp up our exploration programs in 2008,” said Avalon’s Managing Director, Mr David McSweeney.

“The fact that the tenement is located in close proximity to known uranium deposits and yet has had no previous uranium exploration of any kind significantly enhances its potential as one of the most exciting uranium exploration opportunities within our portfolio,” he added.

- ENDS -

Competent Persons Statements

The information in this report relates to Exploration information reviewed by Mr Geoff Hewlett MSc DIC MAIG who is a Member of the Australasian Institute of Mining and Metallurgy and acts as a geological consultant to Avalon Minerals Ltd. Mr Hewlett has over 30 years of exploration experience in a variety of mineral deposit styles including four years relevant experience in exploration for uranium mineralisation and he consents to inclusion of the information in this report in the form and context in which it appears. He qualifies as a Competent Person as defined in the 2004 Edition of the “Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves”.

- ENDS -

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Avalon Minerals – Background

Avalon Minerals Ltd was established in late 2006 to search for, acquire and develop mineral deposits after completing a successful listing on the Australian Stock Exchange on the 22nd of March 2007 - closing a A\$3.5 million IPO oversubscribed, approximately three weeks after its launch.

Avalon’s corporate objective is to build a resource mining group based on cash flows from producing operations. The primary strategy for achieving this objective is the acquisition and exploration of strategic regional exploration landholdings in proven mineral provinces. A secondary objective is to acquire advanced resource projects with the potential for early cash flow.

The Company has continued to build on its business model by the expansion of its uranium portfolio to include thirteen new projects in Western Australia’s Yilgarn and Kimberley regions, one new uranium/base metals project in North Queensland and by the progress of its Lennard Shelf zinc project in Western Australia’s East Kimberley region.

Avalon’s aim is to explore its current portfolio of zinc and uranium assets in its own right and with the use of joint ventures, whilst expanding its portfolio in Australia and overseas. The company also maintains an active interest in iron ore opportunities given management’s previous experience in this area.

Figure 1 E29/665 –Uranium channel radiometric image
Radiometric data sourced from GSWA Central Yilgarn

