



TWO DRILLING RIGS ON SITE AT VISCARIA COPPER PROJECT, SWEDEN

HIGHLIGHTS

- **Two drilling rigs on site at Viscaria**
- **1,200 metre diamond drilling program and 5,600 metre RC drilling program commences at Viscaria Copper Project, Sweden**
- **Drilling designed to test four targets including depth extensions of the 'A' Zone South orebody**
- **Drilling expected to be completed within three months with results released to the market as they are received**
- **Drilling to underpin Avalon's aggressive exploration campaign aimed at unlocking the vast potential of the Viscaria mineralised system.**

Australian-based minerals Company Avalon Minerals Ltd (ASX: **AVI**; "Avalon") is pleased to announce the commencement of **deep diamond drill** drilling at its **Viscaria Copper Project**, located in northern Sweden.

The diamond drilling which commenced this week, is designed to test the down plunge extensions of the previously defined 'A' Zone South ore body at Viscaria, which currently hosts an inferred mineral resource of 8.2 million tonnes grading of 2.7% copper.

Avalon has completed the first 1,500 metres of Reverse Circulation (RC) drilling which began in June 2009. Results from that program were released in August 2009 and confirmed the extension of copper mineralisation 500 metres to the north of the 'A' Zone.

Avalon's interpretation of the geological data and historical drilling data base at the 3.5km long 'A' Zone ore body at Viscaria has identified a number of highly prospective areas for additional copper mineralisation including:

- the down plunge potential of the 'A' Zone South; (Target 1 in Figure 1 below)
- additional surface mineralisation potential at the southern 'A' Zone (Target 2);
- the area between the 'A' Zone South and the 'A' Zone North (Target 3); and
- the northern extensions of the 'A' Zone as identified by Avalon in its first RC drilling program (Target 4).

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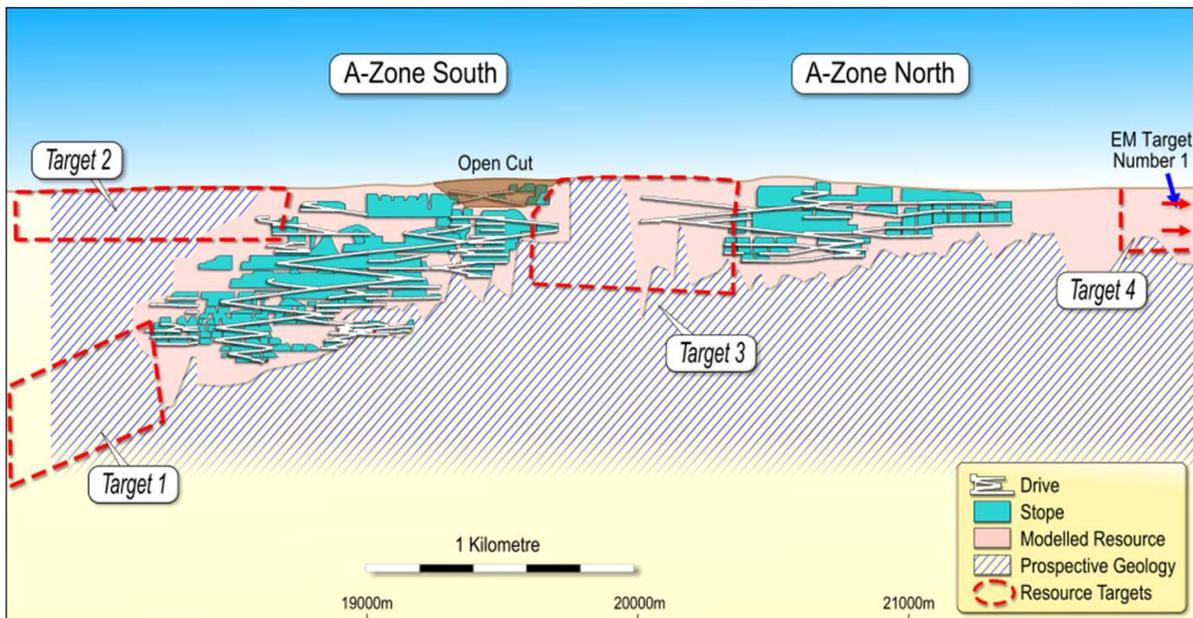


Figure 1: Schematic diagram of identified target areas

The current 1,200m diamond and 5,600m RC drilling program is designed to:

- intersect the projected down plunge component of the 'A' Zone South ore body approximately 100 metres south of the historical mining (Target 1 in Figure 1);
- provide a parent hole for a series of planned *daughter holes in the vicinity of the parent hole. (Target 1 in Figure 1);
(* two daughter holes 50m apart are planned as part of this programme, however the number of daughter holes can be expanded to up to 12)
- test the shallower extensions of the 'A' Zone to the immediate south and in between the 'A' Zone South and A Zone North (Target 3 in Figure 1)

The diamond drilling and RC programs are expected to be completed by November 2009.

In addition to the 3.5km long 'A' Zone, Avalon has identified a number of exploration targets at the unmined 'D' Zone orebody located 400 metres to the west of the 'A' Zone.

Avalon's primary objective is to become a significant copper producer within three years based on existing and new copper resources at Viscaria.



Figure 2: Diamond Drill Rig arriving at VDD0001 drill site

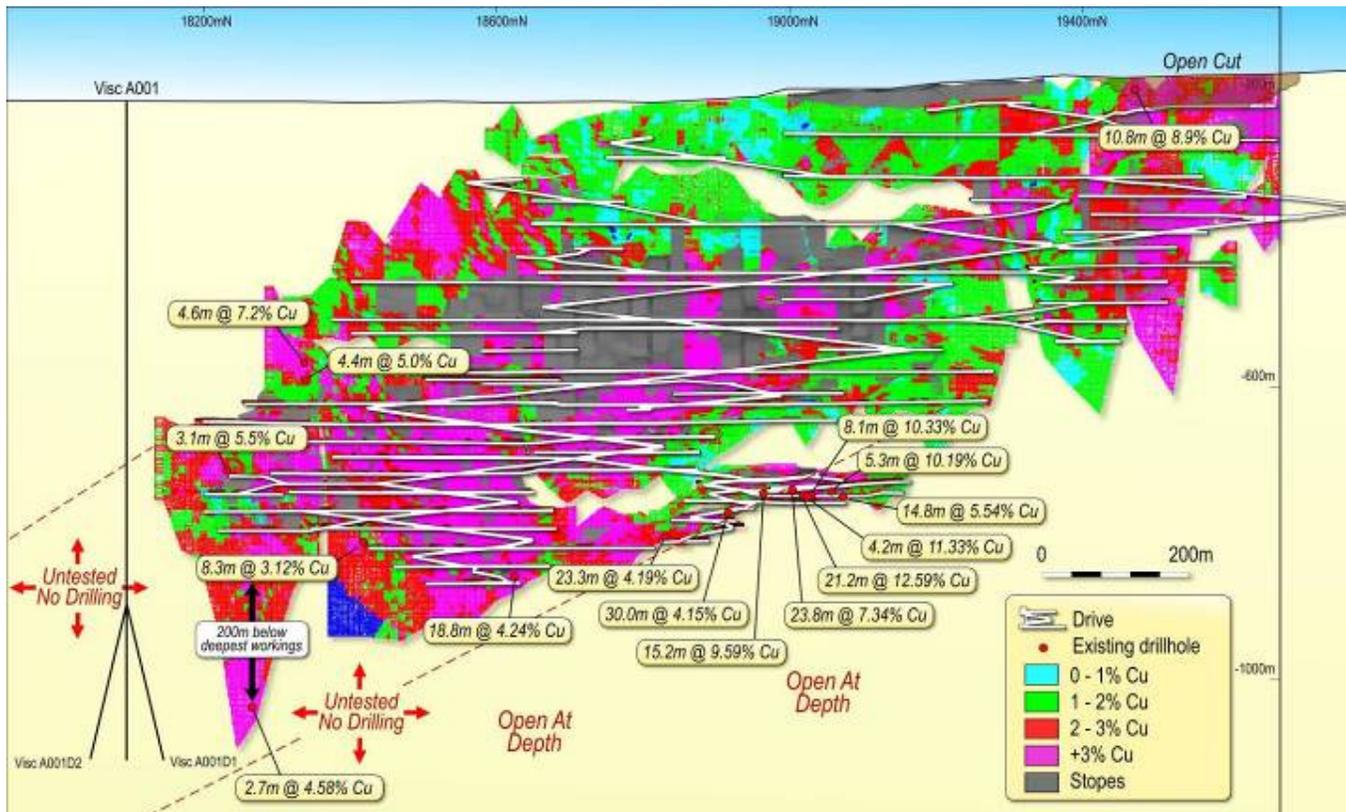


Figure 3: 'A' Zone South long section – Target 1 showing position of parent and daughter holes currently underway.



– ENDS –

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Competent Persons Statements

The information in this report relating to Exploration Results is reviewed by Ms Louise Lindskog BSc Hons (Geol) who is a Member of the Australasian Institute of Mining and Metallurgy and is the company's Exploration Manager. Ms Lindskog has over 7 years of exploration experience in a variety of mineral deposit styles including uranium, diamonds, base metals and gold mineralisation and she consents to inclusion of the information in this report in the form and context in which it appears. She 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".

Avalon Minerals – Background

Avalon Minerals Ltd listed in March 2007 with the aim of developing and discovering mineral deposits.

Avalon's corporate objective is to build a diversified resource mining group based on cash flows from producing operations.

The primary project generation strategy has been successful with the acquisition of the advanced Viscaria copper deposit in northern Sweden where a maiden JORC Code compliant copper resource has been defined. This resource comprises of an Inferred Resource of:

8.2 million tonnes grading 2.7% Cu for the 'A' Zone South;
5.1 million tonnes grading 1.2% Cu for the 'A' Zone North;
24.1 million tonnes grading 0.8% Cu for the 'B' Zone; and
2.5 million tonnes grading 1.6% Cu for the 'D' Zone.

When combined, this totals 514,600 tonnes of contained copper.

In addition the recently acquired cluster of six closed historical copper- zinc mines at Adak, 300km south of Viscaria, also provides potential for Avalon to grow its base metal inventory within northern Sweden.