

ASX ANNOUNCEMENT

19 October 2015



AVALON MINERALS LIMITED Disclosure under ASX Listing Rule 3.10.5A

ASX: AVI

REGISTERED OFFICE

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Further to the announcement dated 16 October 2015, relating to the Avalon Minerals Ltd ('Company') placement of 14,851,852 fully paid ordinary shares.

Details of issue of 10% Placement Facility under ASX LR 7.1A

The Company provides the following information as required under ASX LR 3.10.5A in respect of the shares issued under the Placement:

- a) The dilutive effect of the Placement on existing shareholders is as follows:

| | |
|--|--------------------|
| Number of shares on issue prior to the Placement: | 240,319,478 |
| Total dilution as a result of the Placement | 6.18% |
| Number of shares on issue following the Placement | 255,171,330 |

- b) The 14,851,852 shares under LR 7.1A were issued to four sophisticated and professional investors, in conjunction with a 1 for 2 non-renounceable Rights Issue, as it was considered to be the most efficient mechanism for raising the funds at the time.
- c) There were no underwriting arrangements entered into.
- d) No fees are payable on the amount raised from the placement.

Avalon also confirms that the source of the data for determining the placement issue price, which was at least 75% of the 15 Day VWAP as calculated under LR 7.1A.3, was Morgans Stockbroking and trading price-volume data available on market for Avalon shares.

Gavin Leicht
Company Secretary
Avalon Minerals Limited

