

29 November 2007

**CHAIRMANS ADDRESS
ANNUAL GENERAL MEETING**

Thank you and welcome to the first AGM for Avalon Minerals Ltd. Firstly let me thank my fellow directors, Mr Gary Steinepreis and Mr Stephen Stone and the management team of Avalon including Mr Geoff Hewlett, Linda Loughton and Des Kelly. Also I would like to thank the growing number of key consultants who are engaged in various activities on behalf of the Company.

Avalon was formed with the vision to grow a diversified minerals group through exploration, discovery and acquisition. Ultimately our aim is to become a self-funded explorer. There is no greater joy in this business than being involved in a new minerals discovery. I am fortunate to have been involved in several exciting discoveries over my career as part of strong management teams. To then be involved in the development and operation of those discoveries was an added bonus.

At the end of the day, if you are in the minerals business whether you are an explorer or a producer you rely on making new discoveries to increase shareholder value. In fact the very foundation of every great company rests with not only its initial discoveries but also its new discoveries moving forward.

As mentioned above making discoveries and building companies is a team effort. A good example of this is Gindalbie Metals, where the team that I was fortunate enough to lead for over 10 years and who were responsible for discovering and building two successful gold mines during the lowest point in the gold market for over 25 years, is still in place. They have also unlocked the iron ore potential of the surrounding ground at Karara. That management team needs to be congratulated for its efforts over the past 12 months since I departed which was in December 2006, not July 2006 as quoted in today's Western Australian Newspaper.

At Avalon, I am enjoying building a strong management team around our existing and new projects. We have assembled a strong project portfolio during the year in both Western Australia and in Queensland. The company also has an active deal flow with new projects and opportunities being assessed on a weekly basis.

Our goal is to make discoveries either in our own right or in partnership with others, and to then bring these projects into production. To do this we have assembled a number of exciting grass roots projects in Australia with the potential for major new discoveries. Our strategy with these projects is to add value by compiling all previous geological and geophysical data and generating targets which Avalon or our joint venture partners will test over the coming year. The first example of this approach was with the Lennard Shelf project which was joint ventured to Rox Resources Ltd during the year.

We have advanced our Pilbara base metals and uranium projects through to the stage where we have now identified priority exploration targets at the Marloo project whilst simultaneously completing heritage agreements -paving the way for the grant of that project.

Next week, field sampling will commence at the Company's 800km² Empress Springs project in Queensland to assess the targets generated by SRK. In addition, we have commenced the task of adding value to the large uranium portfolio which was acquired during the year. By completing independent geological reviews and by signing several heritage agreements, including the Wondinong project, we are paving the way for an active field program in 2008.

I am confident that we will continue to grow during the next 12 months as Avalon and our joint venture partners progress exploration activities on the large portfolio of projects. To compliment our exploration portfolio we are actively seeking out more advanced brown fields projects for acquisition here and overseas.

The stage is set for an exciting 12 months ahead as we continue to build on our business plans.

David McSweeney
Chairman