

ASX ANNOUNCEMENT

12 July 2016



AVALON MINERALS LIMITED Disclosure under ASX Listing Rule 3.10.5A

ASX: AVI

REGISTERED OFFICE

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Further to the announcement dated 6 July 2016, Avalon Minerals Ltd ('Company') has today issued 94,525,000 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:	383,101,936
Contemporaneous issue under LR 7.1 of 56,315,000 shares	14.7%
Placement issue under LR 7.1A of 38,210,000 shares	9.97%
Total dilution as a result of the Placement	24.67%
Number of shares on issue following the Placement	477,626,936

- b) The 38,210,000 shares under LR 7.1A were issued to several new sophisticated and professional investors 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) Fees of 6% are payable on the amount raised.

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 trading price-volume data available on market for Avalon shares.

Gavin Leicht
Company Secretary
Avalon Minerals Limited

