

News Release

For Immediate Release

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Avocet Mining PLC
7th Floor 9 Berkeley Street
London W1J 8DW
Tel +44 (0) 20 7907 9000
Fax +44 (0) 20 7907 9019
E-mail avocetmining@avocet.co.uk
www.avocet.co.uk

AVOCET UPGRADES RESOURCES AT PENJOM, MALAYSIA WITH CONTINUED DRILLING SUCCESS

Avocet Mining PLC (“Avocet” or “the Company”) announces revised gold resource and reserve estimates for the Company’s wholly owned Penjom gold mine in Malaysia. The Company has now added nearly one million ounces of gold resources and close to 600,000 ounces of gold reserves at Penjom since 2002.

Resources

Recent geological modelling and grade estimation have resulted in total JORC classified Measured, Indicated and Inferred Resources of **9.41 million tonnes with a grade of 3.16 g/t Au**, above the economic cut-off of 0.8 g/t Au used at the mine, for a **total resource of 954,900 ounces** including stockpiles. This includes Inferred Resources of 3.16 million tonnes grading 3.35 g/t Au and containing 339,700 ounces of gold. The new resources, which are reported below the 31 January 2008 topographic surface, represent an addition of 47,400 ounces.

The new resource follows the completion of 182 reverse circulation and diamond drill holes (27,160 metres) to the end of November 2007. This drilling has focused on infill holes to ensure a high degree of confidence in the resource model at depth. The addition of 47,400 ounces to resources before depletion since 31 March 2007 reflects the Company’s focus on this infill drilling. A programme of step out drilling will recommence this year, assisted by a new larger drill rig, capable of drilling to greater depth and extending the resource further. This rig is expected to be commissioned on site in May. In addition, a further rig is soon to be ordered; these two new drills will allow the operation to carry out a major deep-drilling programme to investigate the potential for a larger open pit and a focused underground operation.

The Company has continued infill drilling in key areas since November 2007. The reverse circulation drill rig has completed 80 holes (12,350 metres) to the end of February 2008. These holes have returned several significant intercepts that are typically higher grade than the current resource model indicates. This is expected to translate into production upside in the coming years. **Table 1** at the end of this announcement summarises the better intercepts, which include 4m @ 62.3 g/t Au, 8m @ 21.5 g/t Au, 4m @ 42.4 g/t Au, 7m @ 22.8 g/t Au, 4m @ 33.3 g/t Au and 2m @ 50.6 g/t Au at Kalampong, as well as 5m @ 25.0 g/t Au and 3m @ 19.4 g/t Au at Manik-Janik. All intercepts are reported using a top cut of 100 g/t Au. Many of the more significant intercepts include assays above 100 g/t Au with a highest grade of 1m @ 707 g/t Au in Kalampong.

The table below summarises the distribution of resources by category.

	Tonnes (millions)	Grade (g/t Au)	Attributable Ounces ⁽¹⁾
Measured	0.92	3.59	106,100
Indicated	4.18	3.32	446,900
Stockpiles	1.15	1.68	62,200
Measured + Indicated	6.25	3.06	615,200
Inferred	3.16	3.35	339,700
Total (31 January 2008)	9.41	3.16	954,900
Depletion ⁽²⁾	0.48	4.79	74,100
Resource (31 March 2007)	8.68	3.52	981,600
Additions	1.21	(0.36)	47,400

(1) The Company owns 100% of Avocet Gold Limited, the owner of the Penjom mine

(2) For the period 1st April 2007 to 31st January 2008

The resource has mainly grown in the area of the west wall of the Kalampong pit where the grades are lower than the deposit average, but the mineralisation is closer to surface and requires a lower amount of waste stripping.

Reserves

The revised Proven and Probable Reserves at Penjom are 3.77 million tonnes grading 3.27 g/t Au (396,600 ounces of gold). The open pit design includes 0.65 million tonnes containing 77,900 ounces of gold (3.73 g/t Au average grade) of Inferred Resources, making a total Life of Mine forecast (including stockpiles) of **4.42 million tonnes grading 3.34 g/t Au and containing 474,500 ounces of gold**. The table below summarises the Life of Mine plan as at the end of January 2008.

	Tonnes (millions)	Grade (g/t Au)	Attributable Ounces ⁽¹⁾
Forecast at 31 March 2007	4.44	4.02	574,300
Depleted during the year	(0.48)	4.79	(74,100)
Additions ⁽²⁾	0.46		(25,700)
Life of Mine Forecast at 31 January 2008	4.42	3.34	474,500
Including			
Proven & Probable Reserves ⁽³⁾	3.77	3.27	396,600
Inferred Resources	0.65	3.73	77,900

(1) The Company owns 100% of Avocet Gold Limited, the owner of the Penjom mine

(2) Addition to tonnes, however the lower grade of the revised life of mine forecast has meant a reduction in contained ounces

(3) Proven and Probable Reserves based on gold price of US\$700/oz

The new Proven and Probable Reserves incorporate pit design changes based on a US\$700/oz gold price and higher consumable costs than last year. The most significant changes in the Life of Mine plan are in the Inferred Resources contained within the new designed pit. Escalated drilling in 2008 will target resource expansions that the Company is targeting to translate into increased reserves during 2009.

Jonathan Henry, Chief Executive Officer, commented:

“Since Avocet built the Penjom mine in 1996 it has produced over one million ounces of gold, compared with an original five year mine life of 223,000 ounces of gold. The drilling campaign last year indicates that Penjom has at least another five years of production to

come at current production rates, with some very encouraging intercepts from the last phase of drilling. We look forward to bringing new drilling capacity to site which should allow for further resource expansion and a better understanding of the long term future at Penjom, particularly with the potential of underground mining in the short to medium term as well as maintaining production from the highly successful open pit operations.”

For further information please contact:

Avocet Mining PLC

Jonathan Henry, Chief Executive Officer

Mike Norris, Finance Director

020 7907 9000

www.avocet.co.uk

Buchanan Communications

Financial PR Consultants

Bobby Morse

Robin Hadrill

020 7466 5000

www.buchanan.uk.com

www.jporgancazenove.com

Ambrian Partners Limited

NOMAD and Joint Broker

Richard Brown

Richard Greenfield

020 7634 4700

www.ambrian.com

JPMorgan Cazenove

Lead Broker

Michael Wentworth-Stanley

Sam Critchlow

020 7588 2828

Notes to Editors

Avocet is a mining company listed on the AIM market of the London Stock Exchange (Ticker: AVM). The Company's principal activities are gold mining and exploration in Malaysia (as 100% owner of the Penjom mine, the country's largest gold producer), and Indonesia (as 80% owner of the North Lanut gold mine and Bakan project in North Sulawesi). The Company has a number of other advanced mining and exploration projects in South East Asia.

All references to resources and exploration results have been approved for release by Mr Peter Flindell, BSc (Hons) MAusIMM, Chief Geologist for Avocet, who has more than 20 years experience in the field of activity concerned and is a Competent Person as defined by the JORC Code (2004). He has consented to the inclusion of the material in the form and context in which it appears.

All references to reserves have been approved for release by Mr Eric Vesel, BSc (Hons) MAusIMM, Chief Operating Officer for Avocet, who has more than 20 years experience in the field of activity concerned and is a Competent Person as defined by the JORC Code (2004). He has consented to the inclusion of the material in the form and context in which it appears.

All resources and reserves referred to above are classified according to the definitions outlined in the JORC Code of 2004 (Australasian Joint Ore Reserves Committee).

Table 1: Significant drillhole intercepts at Penjom, Malaysia

Hole ID	East (m)	North (m)	RL (m)	Azimuth (°)	Dip (°)	Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Comments
KEP639	29321.9	50307.0	887.6	90	-75	210	190	192	2	10.4	incl 1m @ 20.1 g/t Au from 190m
							194	197	3	7.15	incl 1m @ 14.6 g/t Au from 195m
							144	147	3	5.16	
KEP641	29302.6	50342.4	883.3	90	-70	180	113	116	3	3.81	
							144	147	3	5.16	
KEP644	29200.3	50356.5	870.4	270	-80	180	31	34	3	11.3	incl 1m @ 27.7 g/t Au from 31m
KEP646	29249.9	50330.2	868.4	270	-80	140	97	100	3	2.84	
KEP648	29276.7	50349.7	880.7		-90	150	62	64	2	10.7	incl 1m @ 20.1 g/t Au from 62m
KEP649	29325.0	50285.8	887.7		-90	180	97	106	9	9.41	incl 3m @ 20.2 g/t Au from 101m
KEP652	29209.2	50137.7	804.2	90	-60	100	24	27	3	2.90	
							29	30	1	13.3	
							32	39	7	7.49	incl 1m @ 29.4 g/t Au from 32m
KEP653	29193.8	50174.5	804.2	90	-60	100	5	6	1	59.2	
KEP653	29193.8	50174.5	804.2	90	-60	100	28	29	1	7.38	
KEP654	29207.1	50156.8	803.7	90	-60	100	8	10	2	4.87	
							16	20	4	2.98	
KEP655	29265.0	50170.7	834.0		-90	204	187	189	2	3.30	
KEP656	29181.8	50168.2	804.2	90	-80	120	24	26	2	3.22	
							64	66	2	50.6	incl 1m @ 707 g/t Au from 65m
							67	70	3	5.21	
							91	95	4	33.3	incl 1m @ 149 g/t Au from 91m
KEP657	29160.8	50201.8	804.7	90	-80	100	14	21	7	22.8	incl 1m @ 27.8 g/t Au from 15m; and 2m @ 56.0 g/t Au from 18m
							22	26	4	1.68	
							39	40	1	22.7	
							47	55	8	11.2	incl 1m @ 31.9 g/t Au from 48 m; and 1m @ 24.2 g/t Au from 51m; and 1m @ 12.2 g/t Au from 53m
							57	61	4	62.3	incl 1m @ 127 g/t Au from 57m; and 1m @ 91.5 g/t Au from 58m; and 1m @ 50.2 g/t Au from 59m
KEP659	29172.2	50185.6	804.3	90	-75	95	17	18	1	6.24	
							25	26	1	9.48	
							28	36	8	21.5	incl 1m @ 257 g/t Au from 31m; and 1m @ 38.6 g/t Au from 33m
							41	44	3	5.99	incl 1m @ 13.4 g/t Au from 41m
KEP669	29277.8	50138.1	833.9	270	-75	150	80	82	2	3.65	
KEP670	29297.4	50120.3	834.5	90	-75	180	6	10	4	14.5	incl 1m @ 13.0 g/t Au from 7m; and 1m @ 34.1 g/t Au from 8m
KEP671	29306.6	50101.0	838.9		-90	180	144	153	9	2.48	
KEP672	29290.2	50115.2	836.4	270	-65	204	91	93	2	4.13	
							149	150	1	18.6	
KEP674	29330.3	50000.3	843.2	270	-85	180	122	125	3	2.10	
							132	134	2	5.50	
KEP675	29340.7	49988.4	843.2	270	-70	180	101	102	1	9.06	
KEP676	29362.2	49944.8	843.1	270	-80	180	24	28	4	2.15	
KEP680	29375.9	49881.5	844.4	270	-80	180	79	81	2	4.60	
KEP681	29408.6	49866.3	847.1		-90	150	133	137	4	2.38	
							190	193	3	7.34	incl 1m @ 16.3 g/t Au from 190m
KEP684	29352.4	50059.9	866.8		-90	210	184	187	3	8.36	incl 1m @ 23.2 g/t Au from 184m
KEP687	29355.7	50038.4	864.7	270	-75	201	184	187	3	8.36	incl 1m @ 23.2 g/t Au from 184m
							199	201	2	3.56	
KEP688	29379.0	49980.8	858.3	270	-75	200	151	153	2	7.85	
KEP693	29423.1	49891.6	849.9	360	-90	198	166	167	1	6.42	
KEP694	29298.7	50315.7	866.4	270	-70	180	61	70	9	8.00	incl 1m @ 10.7 g/t Au from 63m; and 1m @ 20.8 g/t Au from 64m
KEP695	29309.4	50299.5	888.8	270	-75	180	70	75	5	11.9	incl 1m @ 48.2 g/t Au from 71m
KEP696	29316.0	50278.7	887.8	270	-85	160	84	87	3	3.35	
							91	94	3	3.99	
							100	101	1	16.3	
KEP697	29324.9	50285.7	888.2	270	-80	180	107	108	1	13.9	
KEP698	29303.4	50318.0	885.6	270	-80	170	74	80	6	3.07	
KEP699	29307.9	50322.8	885.4	90	-80	204	96	101	5	5.80	incl 1m @ 15.8 g/t Au from 97m
							189	194	5	2.69	
KEP703	29500.4	49578.7	934.3		-90	204	189	191	2	3.31	
KEP704	29485.5	49567.0	932.7	270	-80	180	114	115	1	6.90	
KEP706	29455.9	49595.1	910.4		-90	166	157	161	4	3.21	
KEP707	29452.1	49593.3	910.8	270	-65	140	62	66	4	8.62	incl 1m @ 24.3 g/t Au from 63m
							107	108	1	16.0	
KEP708	29455.8	49644.1	906.5	270	-70	170	79	81	2	3.40	
							134	138	4	42.5	incl 1m @ 71.6 g/t Au from 134m; and 1m @ 91.1 g/t Au from 135m
KEP711	29447.4	49785.3	898.0		-90	216	193	195	2	4.93	
MNP125	29401.8	48856.4	983.7		-90	80	27	33	6	2.09	
MNP135	29482.0	48783.8	980.3	270	-60	89	69	71	2	8.28	
MNP149	29702.4	49181.5	963.1	270	-60	162	103	108	5	25.0	incl 1m @ 159 g/t Au from 103m; and 1m @ 19.3 from 104m
MNP150	29700.2	49203.0	962.6	270	-60	185	107	111	4	3.97	
							122	125	3	9.31	incl 1m @ 15.4 g/t Au from 122m
MNP151	29718.6	49192.4	962.7	270	-60	193	120	123	3	8.19	
MNP152	29742.9	49160.0	963.4	270	-60	182	128	131	3	6.80	incl 1m @ 10.6 g/t Au from 129m
							135	139	4	5.32	incl 1m @ 13.1 g/t Au from 136m
							149	151	2	3.78	
							155	158	3	19.4	incl 1m @ 53.9 g/t Au from 155m
MNP154	29650.1	49120.3	975.6		-90	198	98	103	5	4.30	
MNP155	29684.4	49027.3	972.7	270	-70	174	110	111	1	10.7	
							113	114	1	7.56	
MNP158	29766.2	49201.4	963.1	270	-60	209	171	172	1	7.44	

Note: Individual gold assays have a top cut of 100 g/t Au and a lower cut of 0.8 g/t Au for intercept calculations. Maximum internal waste allowed is 0.5m and minimum mineralised interval is 0.5m. All holes are drilled from surface using conventional reverse circulation drilling techniques.