

Inata Mineral Resource and Mineral Reserve Increase

Avocet Mining PLC (“Avocet” or “the Company”), a leading West African gold mining and exploration company, today announces an updated Mineral Resource estimate of 3.46 million ounces and an increased Mineral Reserve estimate of 1.85 million ounces within the Inata mine licence area. This achieves the Company’s stated objective of doubling the Mineral Reserve at the Inata Gold Mine, this target being reached even after depletion of the Mineral Reserve by 93,000 ounces through mining since the last Mineral Reserve estimate as at 30 June 2011.

The table below reports the Mineral Reserve estimate beneath the 31 December 2011 topographic surface and above a 0.63 g/t Au economic cut-off grade, which is lower than the 0.7 g/t cut-off grade. This cut-off is lower than the 0.7 g/t cut-off grade used in the previous estimate, in accordance with the Australasian code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The Mineral Reserve has been estimated in accordance with the principles of the Canadian NI 43-101 and the JORC Code.

Mineral Reserves

	Metric tonnes	Grade (g/t Au)	Gold ounces	Attributable ounces
In situ Ore Reserves				
Proven	16,091,000	1.72	888,000	799,000
Probable	17,234,000	1.70	940,000	846,000
ROM Stockpiles				
Proven	497,000	1.22	20,000	18,000
Total	33,822,000	1.70	1,848,000	1,663,000

The Company owns 90% of Société des Mines de Bélahouro, owner of the Inata Gold Mine.
Note: rounding errors may occur.

The increased Mineral Reserve estimate of 1.85 million ounces represents an increase of 385,000 ounces or 27% over the previous Mineral Reserve and is estimated without taking into account depletion due to mining since this previous reported Mineral Reserve estimate. After allowing for depletion of 93,000 ounces between 30 June 2011 and 31 December 2011, the new Mineral Reserve represents a gross increase of 478,000 ounces or 33%.

The increased Mineral Reserve extends the mine life to 12.5 years at the current life of mine average annual production capacity of 2.7 Mt of ore processed.

The new Mineral Reserve is the result of an economic analysis, an updated drill hole database, a new open pit optimisation study and a revised pit design that is based on operating costs in line with those that are currently being incurred and an assumed gold

price of US\$1,400 per ounce of gold. This gold price assumption compares with US\$1,200 per ounce used for the previous Mineral Reserve estimate and a current gold price of approximately US\$1,748. This new Mineral Resource is based on the enlarged Mineral Resource at Inata of 3.46 million ounces also announced today.

The revised Mineral Resource represents an increase of 0.09 million ounces, or 3%, over the previously published Mineral Resource of 3.36 million ounces as at 30 June 2011. This increase is also after depletion of the Mineral Resource due to mining.

Over the period, drilling focused on improving the quality of the Mineral Resource, most notably by upgrading the Inferred Mineral Resource to Indicated at Minfo and at Inata Far South. The Mineral Resource remains open along strike and at depth, particularly in the south of the mine licence area where extensions to the Minfo Trend and additional mineralisation in the fold nose connecting the Inata and Minfo Trends have been identified. Drilling is ongoing in these areas.

The table below reports the revised Mineral Resource above a 0.5 g/t Au cut off and beneath the 31 December 2011 topographic surface in accordance with the Australian JORC code. The Mineral Resource has been estimated in accordance with the principles of the Canadian NI 43-101 and the JORC Code.

Mineral Resource

	Metric tonnes	Grade (g/t Au)	Gold ounces	Attributable ounces
Measured	17,881,000	1.68	964,000	868,000
Indicated	39,446,000	1.35	1,712,000	1,541,000
Measured + Indicated	57,327,000	1.45	2,676,000	2,409,000
Inferred	17,846,000	1.36	779,000	701,000
Total	75,172,000	1.43	3,455,000	3,110,000

The Company owns 90% of Société des Mines de Bélahouro, owner of the Inata Gold Mine.
Note: rounding errors may occur.

In July 2011, Avocet announced its intention to undertake a scoping study investigate the potential to significantly increase the processing capacity at the Inata Gold Mine. The increase in Mineral Reserves announced today and the associated extension of the life of mine supports the study's mandate of optimizing production capacity at the Inata Gold mine. The findings of this scoping study are expected to be announced in the first quarter of 2012.

Commenting on the Mineral Resource and Mineral Reserve increase at Inata, Brett Richards, Chief Executive Officer for Avocet, stated:

"The doubling of the Mineral Reserves at Inata was one of our key strategic objectives for 2011, not only because it demonstrates the significant potential of the deposit at Inata, but because it underpins our decision to continue investing in and growing the Inata Gold Mine and the surrounding

Bélahouro District. Entering 2012, we are now focused on completing the scoping study and delivering on this potential by expanding the mine to its optimal production capacity."

The information in this announcement pertaining to the Mineral Reserve estimate is based on information compiled by Mr. Clayton Reeves, (Member SAIMM), Principal Mining Consultant, CSA Global (UK), who qualifies as a Competent Person as defined by the Australasian JORC Code (2004) and as a Qualified Person as defined by the Canadian National Instrument 43-101 (NI43-101). Mr. Reeves consents to the inclusion of the technical information in this announcement in the form and context in which it appears.

The information in this announcement pertaining to the Mineral Resource is based on information compiled by Mr. John Milovanovic (FAusIMM), Chief Resource Geologist for Avocet, Mr. David Williams (MAusIMM, MAIG), Principal Consultant, CSA Global Pty Ltd, and Mr. Sam Beckett (MAusIMM), Senior Resource Geologist, CSA Global Pty Ltd. Mr. Milovanovic, Mr. Williams and Mr. Beckett have experience relevant to the style of mineralisation and type of deposit under consideration and qualify as Competent Persons as defined by the Australasian JORC Code (2004), and Mr. Milovanovic and Mr. Williams as Qualified Persons as defined by the Canadian National Instrument 43-101 (NI43-101), for the reporting of Exploration Results, Mineral Resources and Mineral Reserves. Mr. Williams, Mr. Beckett and Mr. Milovanovic consent to the inclusion of the technical information in this announcement in the form and context in which it appears.

For further information please contact:

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Background

Avocet Mining PLC is a gold mining and exploration company listed on the London Stock Exchange (Ticker: AVM.L) and the Oslo Børs (Ticker: AVM.OL). The Company's principal activities are gold mining and exploration in West Africa.

In Burkina Faso the Company owns 90% of the Inata Gold Mine. The deposit at Inata currently comprises a Mineral Resource of 3.46 million ounces and a Mineral Reserve of 1.85 million ounces. The Inata Gold Mine poured its first gold in December 2009 and produced 167,000 ounces of gold in 2011.

Other assets in Burkina Faso include eight exploration permits surrounding the Inata Gold Mine in the broader Bélahouro region. The most advanced of these projects is at Souma, some 20 kilometres from the Inata Gold Mine, with a Mineral Resource of 0.56 million ounces.

In Guinea, Avocet holds twelve exploration permits in the north east of the country. Mineral Resource development has been ongoing since 2005 and the project at Tri-K is the most advanced. Within the Tri-K project, Koulékoun has a Mineral Resource of 1.83 million ounces and Kodiéran of 0.41 million ounces.

The Company currently has total stated Mineral Resource of 6.26 million ounces.