



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

News Release

For immediate release

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SECOND QUARTER GOLD PRODUCTION **ENCOURAGING DRILLING RESULTS IN INDONESIA** **US\$5 MILLION REVOLVING CREDIT FACILITY AGREED**

Avocet Mining announces that gold production from its Penjom mine in Malaysia amounted to 26,741 ounces for the second quarter ended 30 September 2002. Penjom's total production for the first six months was 54,382 ounces, the highest level ever achieved by the mine for the first half of a year. The principal reason for Penjom's improved performance was the realisation of higher than expected ore grades.

At the company's North Lanut project in North Sulawesi, Indonesia, confirmatory exploration drilling of the Riska deposit is nearing completion. Summarised at the end of this release are the results from holes drilled since the company's press release dated 10 July 2002.

An independent resource estimation for Riska has been completed based on 22 holes previously drilled by Newmont Mining Corporation and 25 holes drilled by Avocet to the end of August. The results below accord with the JORC code for resource estimation and categorisation (the internationally accepted Australian code for reporting mineral resources) and assume a cut-off grade of 0.4 g/t.

<u>Category</u>	<u>Tonnes</u>	<u>Grade (g/t)</u>	<u>Gold (ozs)</u>
Measured	2,950,000	2.2	208,000
Indicated	4,240,000	1.2	166,000
Inferred	3,440,000	0.8	94,000
Total	10,630,000	1.4	468,000

The results of hole NLD-81 (121m @ 6.22 g/t Au) indicate that the deposit contains a high grade core that could improve the overall grade of the estimated resource. Also, the results from a further thirteen holes drilled by Avocet, which are not included in this resource estimation, are likely to increase Riska's resource base.

Approximately 85% of the estimated total gold resource lies within oxide and transition zones where metallurgical test work has confirmed that uncrushed ore is amenable to heap leaching giving gold recovery rates averaging more than 70%. With the likely improvements in Riska's resource base, and an apparently low waste to ore ratio of approximately 1:1, Avocet believes that Riska will support a gold mining operation with production costs in the lowest quartile of the world's current producing gold mines. Therefore, the company is proceeding with full feasibility studies with the objective of having the North Lanut project in production by early 2004.

The North Lanut project also includes the smaller Effendi target, which already has an inferred resource of 50,000 to 100,000 ounces following diamond drilling by Newmont. Like Riska, this

deposit remains open in several directions. The company is also assessing a number of other targets in the area for the potential to add further gold resources to the proposed mine at Riska.

Avocet has accepted an offer from Macquarie Bank Limited of a US\$5 million line of credit, which will be fully available until 30 June 2004. The company views this financing as a strong endorsement of the prospects of its business. These include not only improving cash flows from Penjom and the likelihood of a new gold mine in Indonesia, but also the acquisition of Nelson Resources' gold interests in Tajikistan and the divestiture of Avocet's tungsten business, both of which are proceeding on schedule.

Avocet is a mining company listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

North Lanut Drill Results:

Drill Hole	From (m)	To (m)	Interval (m)	Average Grade (g/t Au)
NLD-74	0	150.3*	150.3	2.70
incl.	40.5	78.0	37.5	6.91
NLD-76	0	113.1*	113.1	1.50
incl.	8.5	70.5	62.0	2.12
NLD-77	3.2	9.4	6.2	2.21
and	36.0	147.0	111.0	2.25
NLD-78	65.0	76.8	11.8	0.82
NLD-79	24.5	35.9	11.4	1.03
NLD-80	25.5	37.5	12.0	1.27
and	81.5	89.5	8.0	1.78
NLD-81	40.0	195.0*	155.0	5.02
incl.	74.0	195.0	121.0	6.22
NLD-82	90.0	129.1*	39.1	1.32
NLD-83	76.0	142.0*	66.0	0.74
NLD-84	4.0	115.0	111.0	0.82
NLD-85	0	102.7	102.7	1.02
incl.	4.3	17.0	12.7	2.24
NLD-86	14.0	80.0*	66.0	1.37
incl.	40.8	61.8	21.0	2.74
NLD-87	1.2	27.0	25.8	0.92
and	54.5	164.1*	109.6	2.06
incl.	120.3	147.0	26.7	5.51

* indicates that mineralisation is open at depth

Note: Standard sampling procedures were followed whereby drill core was sawn in half using a diamond saw then sampled on two metre or smaller intervals, leaving half of the core for archival storage on site in Indonesia. Gold is analysed using a standard fire assay technique by an independent Indonesian subsidiary of Analabs. Analabs is an internationally recognised firm owned and operated by Scientific Services Ltd., an Australian Stock Exchange listed company.

Note: NLD-75 (12.4m @ 1.77 g/t Au) is not included in this list because it was drilled at Effendi.

For further information please contact:

Avocet Mining PLC

John Catchpole (Chief Executive and Finance Director)

Jonathan Henry (Executive Vice President)

020 7907 9000

www.avocet.co.uk

4C Communications Ltd

Carina Corbett

020 8949 7171

020 7907 4761