



Avocet Mining

News Release

For Immediate Release

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DEFINITIVE AGREEMENT RELATING TO THE HOUNDE GROUP OF LICENCES IN BURKINA FASO

Avocet Mining PLC (AIM & OSE: AVM) (“Avocet” or the “Company”) and Avion Gold Corporation (TSXV: AVR) (“Avion”) announce that they have executed a legally binding definitive agreement in relation to the transaction previously announced on 29 January 2010 pursuant to which Avion has agreed to acquire from Avocet a 100% interest in the Houndé group of licences (the “Houndé Licences”) in Burkina Faso.

In order to acquire the Houndé Licences, 10.3 million shares of Avion (“Consideration Shares”) will be issued to Avocet and held in escrow pending completion of the acquisition, which remains subject to certain conditions, including without limitation, completion of the assignment of an existing royalty agreement to Avion on some of the Houndé Licences and approval of the Toronto Stock Exchange. The Consideration Shares will at closing represent approximately 3% of Avion.

Avocet is continuing its accelerated exploration programmes in northern Burkina Faso during the second half of 2010, as announced on 19 May 2010, and focusing on the 100 per cent owned Bélahouro group of licences that cover an area of 1,660 square kilometres surrounding the Inata Gold Mine.

Brett Richards, Interim CEO, commented:

“The disposal of our Hounde licences to Avion allows Avocet to focus on our aggressive drilling programme at Inata and on the Bélahouro group of licences. We look forward to being a shareholder in Avion, which has an exciting growth profile in West Africa”.

For further information please contact:

Avocet Mining PLC	Buchanan Communications	Ambrian Partners Limited	J.P. Morgan Cazenove	Arctic Securities	First Securities
	Financial PR Consultants	NOMAD and Joint Broker	Lead Broker	Financial Adviser	Financial Adviser
Brett Richards, Interim CEO	Bobby Morse	Richard Brown	Michael Wentworth-Stanley	Arne Wenger	Stein Hansen
Mike Norris, FD	Katharine Sutton	Richard Greenfield	Anish Patel	Kim Galtung	Eirik Lilledahl
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Notes to Editors

Avocet Mining PLC (“Avocet” or “the Company”) is a gold mining company listed on the AIM of the London Stock Exchange (Ticker: AVM) and as of 16 June 2010 is also listed on the Oslo Stock Exchange (Ticker: AVM). The Company’s principal activities are gold mining and exploration in Burkina Faso (as 90 per cent owner of the Inata gold mine), Malaysia (as 100 per cent owner of the Penjom gold mine) and Indonesia (as 80 per cent owner of the North Lanut gold mine and Bakan project in North Sulawesi).

The Company recently announced that it had initiated exploration within the Inata Mining License area and in the surrounding Belahouro district with the objective of significantly increasing Inata’s resource and reserve base as well as investigating the highly prospective Souma Trend. The Company has a number of other advanced exploration projects in West Africa and South East Asia.

Background to operations

Inata has a resource of 1.7 million ounces and reserves of 932,000 ounces. Inata poured first gold in December 2009 and as of May 2010 has ramped up to full production rates in excess of 10,000 ounces per month. Other assets in West Africa include exploration licences in Burkina Faso, Guinea and Mali (the most advanced being the Tri-K gold exploration project in Guinea with a resource of 666,500 ounces).

Penjom is Malaysia’s largest gold mine and was developed by Avocet after applying modern technology to grass roots exploration in an area of historic alluvial mining. The mine is located in Pahang State, approximately 120 km north of the country’s capital, Kuala Lumpur.

North Lanut in North Sulawesi, Indonesia, was developed by Avocet from the exploration stage and has produced over 270,000 ounces since it was commissioned in 2004. North Lanut is located within a Contract of Work which includes exploration and mining rights over approximately 50,000 hectares in an area highly prospective for gold. Avocet holds an 80 per cent interest and an Indonesian company, PT Lebong Tandai, owns the remaining 20 per cent.