



News Release

For Immediate Release

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Q2 AND FIRST HALF GOLD PRODUCTION - CONTINUING OPERATIONS UP 12%, CASH COSTS DOWN 16%

Second quarter

Avocet Mining PLC (“Avocet” or “the Company”) announces gold production of 44,028 ounces for the second quarter ended 30 September 2007 at a cash cost of US\$289/oz. This compares with 47,171 ounces at US\$426/oz for the same period last year which included 7,819 ounces from the ZGC mine disposed on 9 July 2007.

On a like for like basis, second quarter gold production from continuing operations at Penjom in Malaysia and North Lanut in Indonesia was up 12% at 44,028 ounces compared with 39,352 ounces for the corresponding period last year. Cash costs from continuing operations were also better at US\$289/oz, 16% lower than the prior year of US\$346/oz.

First half year

These results follow the improving trend in performance at Avocet’s continuing operations compared with last year, with management initiatives at both Penjom and North Lanut generating increased efficiencies. Production and costs for the first half of this year from continuing operations show a similar year on year improvement to the quarterly trend, with production up 12% at 82,830 ounces and cash costs down 18% at US\$294/oz, compared with the first half of last year when production was 74,238 ounces at a cash cost of US\$359/oz.

The 12% year on year increase in production in the first half reflects a particularly strong performance at North Lanut where the introduction of all weather haul trucks allowed the operation to take full advantage of significantly higher grades currently being mined with first half production up 66% from the prior year at 38,866 ounces. At Penjom production of 43,964 ounces was 13% lower than last year when a greater proportion of higher grade stockpiles was available for processing. The grade of ore mined at Penjom in the first half of this year was equal to the grade mined in the corresponding period last year.

Penjom's cost per ounce fell from US\$370/oz to US\$320/oz. Costs remain under pressure from higher royalties linked to the gold price and from the continuing rise in fuel, reagents, and other costs that have led to some analysts estimating average costs for the gold mining industry in the range of US\$375-US\$400/oz. However, efficiencies from the mine's new haul fleet and other operational initiatives enabled Penjom to offset these increases and keep its mining cost per tonne flat. As a result, and despite lower production, cash costs per ounce were maintained in line with the prior year, before adjustment for deferred stripping. With the pit expansion in progress, the waste-to-ore stripping ratio for the half year was 31:1 which exceeded the life of mine average of 22.5:1, and excess stripping costs of US\$2.4 million were deferred, equivalent to US\$54/oz. Cash costs at North Lanut of US\$265/oz were 21% better than the prior year reflecting higher production as well as targeted improvements in haulage productivity, drilling and the use of emulsion explosives to achieve better fragmentation in blasting operations.

Avocet's interim results will be released on 14 November. These will be prepared for the first time under International Financial Reporting Standards (IFRS), and will feature certain fair value adjustments including a mark to market adjustment of the Company's gold collar, in addition to the impacts of the previously announced disposal of ZGC in Tajikistan and the divestment of the Buffalo Reef prospect in Malaysia.

Jonathan Henry, Chief Executive Officer, commented:

"Q2 was another strong quarter in terms of our delivery on operational performance. In a year in which industry average cash costs are expected to reach in the region of US\$400/oz, it is particularly pleasing to be able to report cash costs that are in the lowest quartile, as well as increasing production from our continuing operations."

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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 advanced mining and exploration projects in South East Asia and owns significant interests in Dynasty Gold and Monument Mining, both Toronto Venture Exchange listed companies with interests in Western China and Malaysia, respectively.