



Avalon Minerals Ltd

ABN 68 123 184 412

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at 11.00 am on 29 November 2007 (WST) at the Company's Registered Office, Suite 2, 2 Richardson St, West Perth 6005, Western Australia.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (08) 9322 2752

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of the Company will be held at 11.00 am on 29 November 2007 at the Company's Registered Office, Suite 2, 2 Richardson St, West Perth 6005 Western Australia ("Meeting").

The Proxy Form forms part of this Notice of Annual General Meeting ("Notice").

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 11.00 am on 27 November 2007 (WST).

AGENDA

ORDINARY BUSINESS

Financial Report

To receive the financial report of the Company and its controlled entity for the period from incorporation on the 20 December 2006 to the 30 June 2007 together with a directors' report in relation to that financial period and the auditor's report on the financial report.

1. Directors' Remuneration

To consider, and if thought fit, pass the following as a non binding resolution:

"That the Directors' Remuneration Report required by Section 300A of the Corporations Act, as contained in the Directors' Report of the Company, for the year ended 30 June 2007 be adopted."

2. Re-election of Director – Mr David McSweeney

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That Mr David McSweeney who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a director."

3. Re-election of Director – Mr Gary Steinepreis

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That Mr Gary Steinepreis who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a director."

4. Re-election of Director – Mr Stephen Stone

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That Mr Stephen Stone who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a director."

5. Appointment of Auditor

To consider, and if thought fit, pass as an ordinary resolution the following:

"That, Ernst & Young having been nominated by a member of the Company and consented in writing to act, be appointed as auditors of the Company."

6. Ratification of Prior Issue of Shares

To consider, and if thought fit, pass with or without amendment as an ordinary resolution the following:

"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue and allotment of 4,000,000 ordinary fully paid shares at a deemed issue price of 22 cents per share in accordance with the terms of the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Issue or any associate of that person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
 - (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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By Order of the Board

Desmond Kelly
COMPANY SECRETARY
25 September 2007

Avalon Minerals Ltd

ABN 68 123 184 412

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at the Company's Registered Office, Suite 2, 2 Richardson St, West Perth, Western Australia on 29 November 2007 at 11.00 am.

The purpose of this Explanatory Memorandum is to provide information the Board believes is material to Shareholders in relation to the Resolutions. The Explanatory Memorandum explains the Resolutions and identifies the Directors' decisions for putting them to Shareholders.

2. Resolution 1 – Directors' Remuneration

Pursuant to section 250R (2) of the Corporations Act the Company is required to put the Remuneration Report to the vote of Shareholders. The Annual Report for the year ended 30 June 2007 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive director, specified executives and non-executive directors.

The provisions of the Corporations Act provide that Resolution 1 need only be an advisory vote of Shareholders.

Accordingly Resolution 1 is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report, however the board will take the outcome of the vote into consideration when considering the remuneration policy.

The Chairman of the Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

3. Resolutions 2, 3 & 4 – Re-election of Directors – Messrs McSweeney, Steinepreis and Stone

The Constitution requires that at the Company's first annual general meeting after incorporation, all the Directors shall retire from office, and at the annual general meeting in every subsequent year, one-third of the Directors for the time being shall retire from office.

The Constitution provides that a Director who retires is eligible for re-election. Pursuant to the Constitution Messrs McSweeney, Steinepreis and Stone will retire and seek re-election.

Brief CV's of Messrs McSweeney, Steinepreis and Stone are contained in the Annual Report.

4. Resolution 5 – Appointment of Auditor

Resolution 5 seeks shareholder approval to the appointment of Ernst & Young 11 Mounts Bay Rd Perth Western Australia to the office of auditors of the Company, and is proposed for the purpose of appointing Ernst & Young as auditor of the Company.

Pursuant to section 327 of the Corporations Act, the Company seeks approval of shareholders by ordinary resolution to appoint Ernst & Young as auditor. A copy of the nomination is contained in Annexure A to this Explanatory Memorandum. Ernst & Young has consented in writing to this appointment.

5. Resolution 6 - Ratification of Prior Issue of Shares

5.1 General

Resolution 6 seeks Shareholder approval for the ratification of a prior issue of shares.

5.2 Listing Rule 7.4

The ordinary shares issued were issued within the 15% limit permitted under Listing Rule 7.1, without the need for Shareholder approval. The effect of Shareholders passing Resolution 6 by ratifying the prior issue will be to restore the Company's ability to issue securities within that limit.

5.3 Specific Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- (a) the 4,000,000 ordinary shares were issued on 2 August 2007 to David Donald Boyer <DB Family Account>;
- (b) the ordinary shares were issued at a deemed issue price of 22 cents;
- (c) the ordinary shares rank equally with the existing ordinary shares on issue;
- (d) no funds were raised as the ordinary shares were issued in consideration of the purchase of all the shares in Resource Properties Pty Ltd which holds thirteen exploration licence applications in the Kimberley and Yilgarn regions of Western Australia;
- (e) the shares are subject to a 12 month escrow period from date of issue; and
- (f) a voting exclusion statement is included in the Notice.

ANNEXURE A NOMINATION OF AUDITOR

The Company Secretary
Avalon Minerals Ltd
Suite 2,
2 Richardson St
West Perth WA 6005

Dear Sir

NOMINATION OF AUDITOR

For the purpose of Section 328B(1) of the *Corporations Act 2001*, I, Gary Steinepreis being a member of Avalon Minerals Ltd hereby nominate Ernst & Young of 11 Mounts Bay Rd Perth, Western Australia for appointment as Auditor of the Company at the Annual General Meeting of the Company convened for 11.00 am on 29 November 2007 (or adjournment thereof).

Yours sincerely

Gary Steinepreis
22 September 2007

AVALON MINERALS LTD
ABN 68 123 184 412
PROXY FORM

By delivery:
Suite 2, 2 Richardson St West Perth WA 6005

By post:
PO Box 165 West Perth WA 6872

By facsimile:
+61 8 9322 2827

I/We¹ _____
of _____
being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint² _____

or failing such appointment the chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11.00 am on 29 November 2007 (WST) at the company's Office, Suite 2, 2 Richardson St, West Perth, Western Australia and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is* []% of the Shareholder's votes*/ [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

IMPORTANT: FOR RESOLUTION 6

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If the chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on Resolutions 6 please tick this box. By marking this box you acknowledge that the chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 6 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the chairman of the Meeting will not cast your votes on Resolutions 6 and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

The chairman of the Meeting intends to vote undirected proxies in favour of the Resolution.

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Approval of Remuneration Report	☐	☐	☐
Resolution 2	Reappointment of a Director Mr David McSweeney	☐	☐	☐
Resolution 3	Reappointment of a Director Mr Gary Steinepreis	☐	☐	☐
Resolution 4	Reappointment of a Director Mr Stephen Stone	☐	☐	☐
Resolution 5	Appointment of Auditor	☐	☐	☐
Resolution 6	Ratification of Prior Share Issue	☐	☐	☐

Authorised signature/s

This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹ Insert name and address of Shareholder

² Insert name and address of proxy

* Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that meeting, the representative of the body corporate to attend the meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

- Joint Holding: where the holding is in more than one name all of the holders must sign.
- Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
- Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office (Suite 2, 2 Richardson St West Perth Western Australia 6005, or by post to GPO Box 165 West Perth WA 6872 or Facsimile (08) 9322 2827 if faxed from within Australia or +618 9322 2827 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).
