

18 November 2013

ASX ANNOUNCEMENT



Avalon Minerals Limited (ASX: AVI) ("Avalon" or "Company")

Results of Non-Renounceable 1:1 Rights Issue

Avalon announces that shares applied for under the non-renounceable pro-rata 1:1 rights issue (Rights Issue), which closed on 11 November 2013, have been issued.

The Company is today dispatching to shareholders holding certificates and refund cheques.

Results of the Rights Issue

Avalon initially offered up to 588,540,623 new full paid ordinary shares pursuant to the Rights Issue on 19 August 2013. Of the 588,540,623 shares offered, 212,303,648 shares were issued on 1 October 2013 as permitted by the Takeovers Panel interim orders dated 27 September 2013 to Tan Sri Abu Sahid Bin Mohammed, Dato Lim Heng Suan and Dato Siew Mun Chuang.

On 28 October 2013, the remaining 376,236,975 shares were offered pursuant to the reopened Rights Issue. The results of the reopened Rights Issue are set out below:

- Total applications for Entitlements: 229,054,766;
- Total Shortfall: 147,182,209;
- Total Shortfall Offers: 354,682,445;
- Total Shortfall Offers that were issued: 147,182,209;
- Total Shortfall Offers that were not issued: 207,500,236; and
- Total withdrawals: 826,048.

Details of Scale Back

Since Shortfall Offers exceeded the Shortfall, a scale back was implemented as follows:-

- All valid applications for Shortfall Shares were accepted up to \$500 (being the definition of a marketable parcel pursuant to the ASX Operating Rules at the \$0.01 offer price). All such accepted shares were removed from the Shortfall and the scale back was conducted pursuant to the below formula.
- For each Shareholder, their initial proportionate shortfall allocation was calculated as follows:

$$\text{Proportionate Shortfall Allocation} = A * \frac{B}{C}$$

Where:

A = remaining Shortfall;

B = Relevant Shareholder's shareholding as at the Record Date;

ASX: AVI

REGISTERED OFFICE

Avalon Minerals Ltd
ABN 68 123 184 412
65 Park Road
Milton Qld 4064 Australia
P + 61 7 3368 9888
F + 61 7 3368 9899
info@avalonminerals.com.au
www.avalonminerals.com.au

C = Aggregate shareholdings as at the Record Date of the remaining relevant Shareholders.

- If a Shareholder's Shortfall Offer was for less than their Proportionate Shortfall Allocation, they were issued the total shares they applied for.
- If a Shareholder's Shortfall Offer was for more than their Proportionate Shortfall Allocation, they were issued their Proportionate Shortfall Allocation and the difference between the Shortfall Offer and their Proportionate Shortfall Allocation formed the Unallocated Shortfall.
- The above described formula was re-applied to the sum of all the Unallocated Shortfalls (Total Unallocated Shortfall) iteratively, in respect of the Shareholders whose Shortfall applications remained not fully satisfied, until all the Shortfall Shares were allocated.

Terms defined in the Updated Offer Document announced on 28 October 2013 have the same meaning when used in this announcement.

This announcement has also been put on the Company's website.

For further information please visit www.avalonminerals.com.au

