



AVALON

MINERALS LTD

COPPER IN SWEDEN

BUILDING A EUROPEAN COPPER PRODUCER



5 November 2015

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DISCLAIMER

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AVALON MINERALS – THE INVESTMENT CASE

ASSET

100% ownership of the High Quality Viscaria Copper Asset

Near Term Development,
Significant Upside; Adding thick and high grade intersections
Affordable Capex,
Expandable,
Infrastructure in place

TEAM

Discovery, Mining, Finance, Track Record of Delivery

CORPORATE

Tidy structure,
Strong shareholder support

UNDERVALUED

Low Market Capitalisation,
Low Enterprise Value,
Low \$/lb in Mineral Resources,
Low Forecast Capital Intensity

CORPORATE

TICKER	ASX:AVI
SHARE PRICE*	\$0.027
SHARES ON ISSUE	255,171,330
MARKET CAP	\$6.9M
CASH#	\$1.2M
52 WEEK TRADING	\$0.016 - \$0.04
BROKER	Morgans Stockbroking
COVERAGE	Morgans Stockbroking Breakaway Research
CORPORATE ADVISORY	Viaticus Capital

As at 30.10.15 - 30 day VWAP *

As at 30.10.15 - unaudited #

Top 10 shareholders hold 65% of shares on issue

Top 10 comprise institutions and high net worth individuals

Board and management hold 3.2% and have participated in recent placements

European and UK shareholders total 42%

SUBSTANTIAL SHAREHOLDERS

NAME	%
Valbonne II	13.3%
Tan Sri Abu Sahid Bin Mohamed	8.8%
Marilei International	8.2%
Phoenix Copper Ltd (ASX:PNX)	5.1%

AVALON MINERALS – THE FOCUS IS ..

- **Moving the Viscaria Copper Deposit towards production**
- ‘90%’ of focus and funding
 - Update Scoping Study in Q4 2015 to deliver copper only development scenario
 - Focus on D Zone resource increase
 - D Zone continuing to deliver improved results; we are drilling and adding high grade and thick intersections
 - A Zone high grade underground targets and resource growth now represent future upside; they are not included in the initial 10 year mine plan scenarios
 - Good progress on ESIA and Development Permitting
 - Targeting a ‘Decision to Mine’ in 2017
- **Assessing opportunities**
- ‘10%’ of focus and funding
 - Viscaria district - Discovery of additional copper in a ‘near mine’ environment could modify Viscaria development plans
 - Other Opportunities – our vision is to build a European copper company and we are therefore periodically assessing other opportunities in greater Europe

VISCARIA COPPER PROJECT



PROJECT SITE



KIRUNA TOWN



PUBLIC ACCESS ELECTRIC RAIL



LOW COST HYDRO POWER

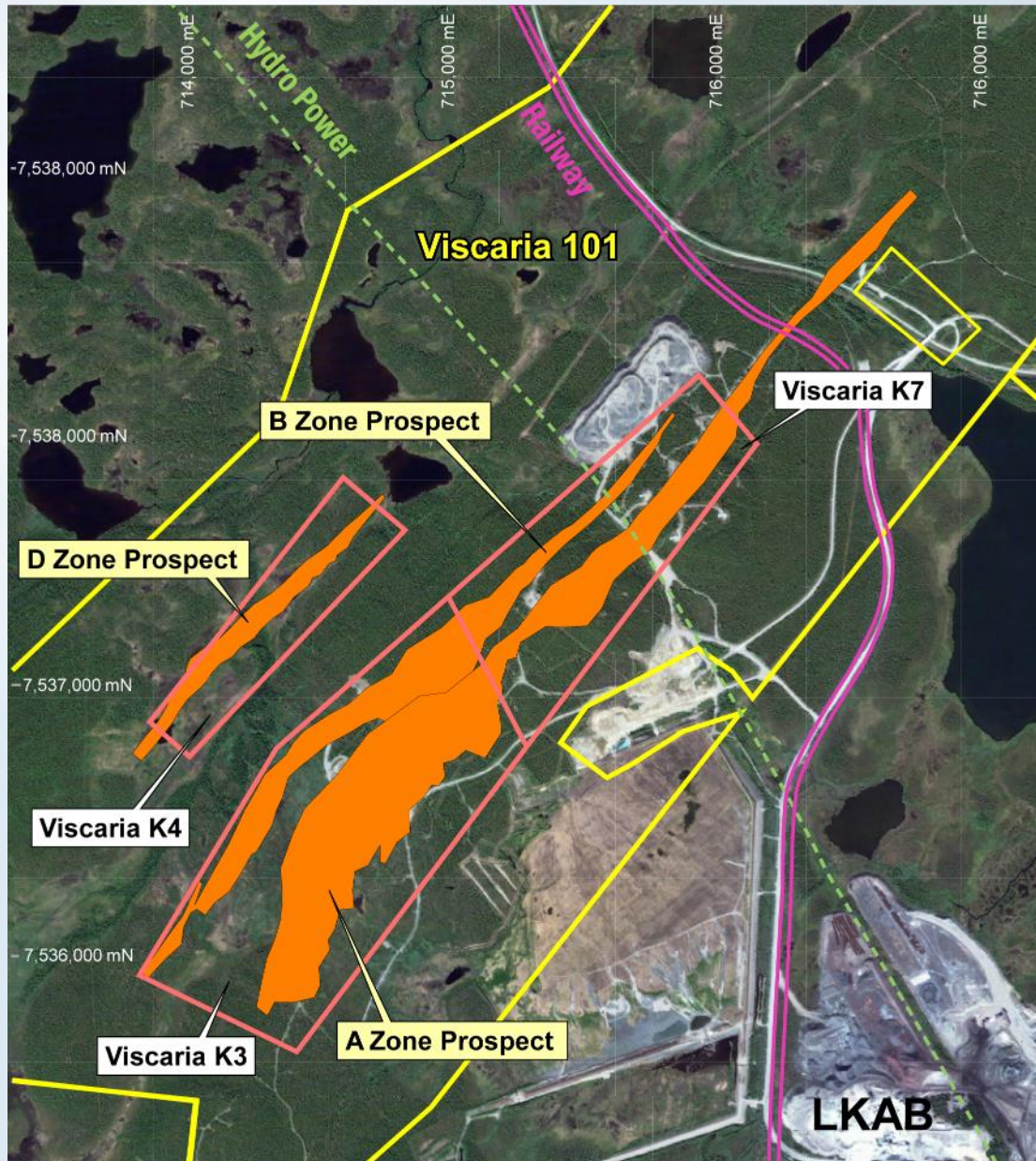


VISCARIA COPPER – OPEN PIT & UNDERGROUND

Avalon aspires to be a long term >20,000 tonne per annum copper producer within 4 years

- Drilling Program and Scoping Study in progress
- Assessing an **\$80M CAPEX**, minimum **1.2Mt per annum** plant, copper-only start up project
- Timing –
 - updated **Scoping Study delivery Q4, 2015,**
 - **decision to build 2017,**
 - **copper production 2018**
- Defined Mineral Resource contains Measured and Indicated grades of **>1.0% Cu in open pit positions** and **>1.7% - 2.3% Cu in underground development zones**

LOCATION



- 3 Exploitation Concessions approved covering the main areas of mineralisation at Viscaria
- Viscaria is in an area of 'National Interest for Minerals'
- Outstanding access to, and quality of, infrastructure, and low cost power
- Commitment to highest standards of stakeholder engagement and environmental management

RESOURCE ESTIMATE SUMMARY

VISCARIA COPPER FOCUS

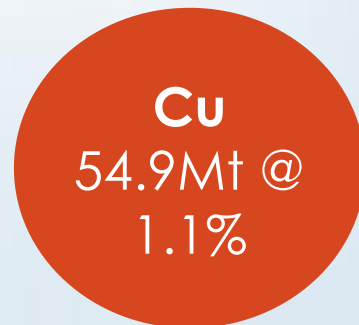
TARGETING 12 million tonnes, to deliver 1.2Mt/yr for 10 years

A Zone Open Pit 2.6Mt @ 1.25% Cu in current A Zone resource estimate

Defining D Zone Underground @ 1.7% Cu
Defining D Zone Open Pit @ 1.0% Cu } Current drilling focus

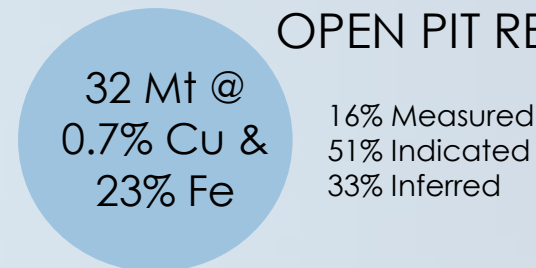
A Zone Underground @ 2.5% Cu expected to deliver upside beyond 10 year plan

VISCARIA COPPER RESOURCE



604,000t or 1.33 Billion lbs Copper

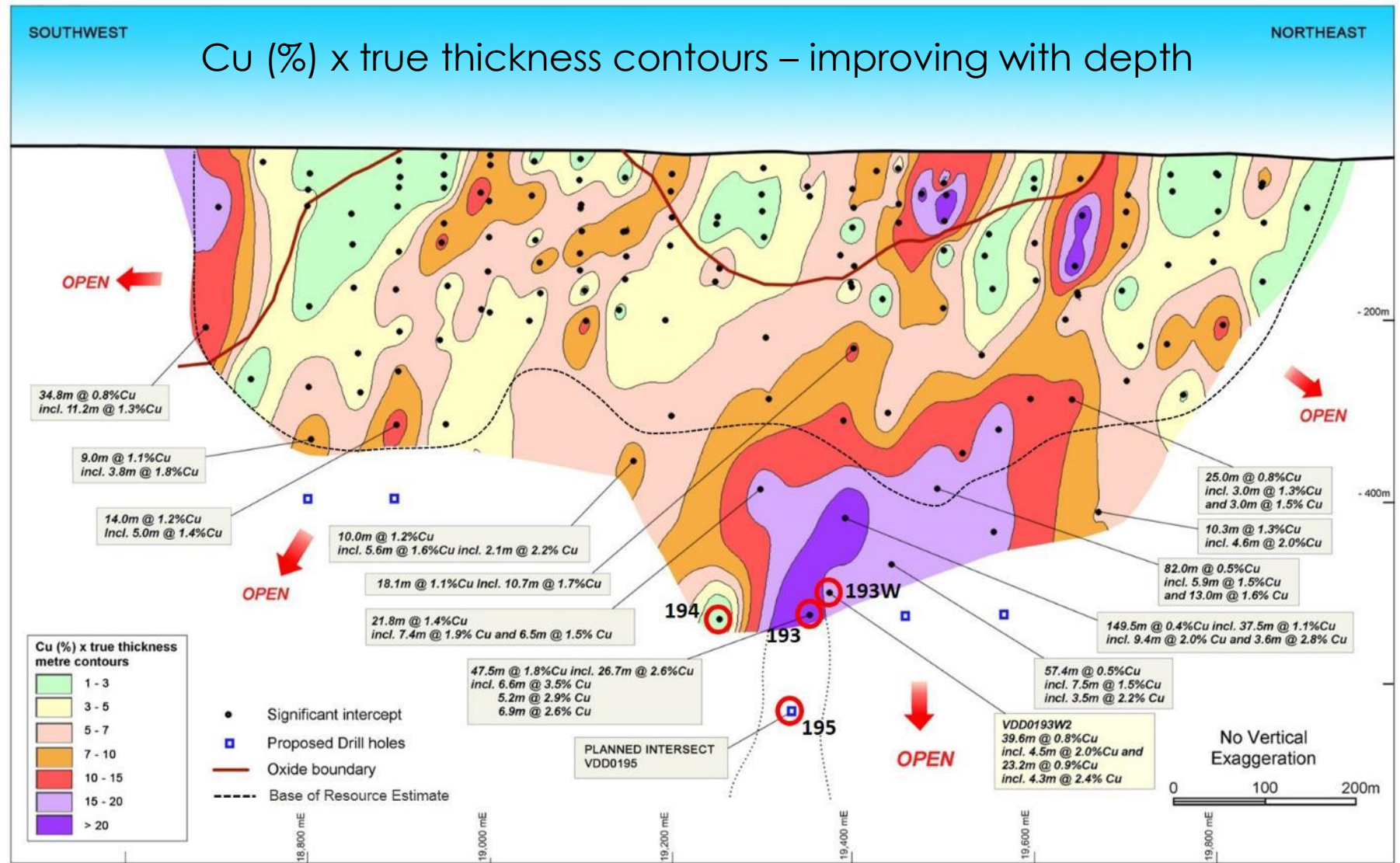
2014 COPPER-IRON SCOPING STUDY OPEN PIT RESOURCE



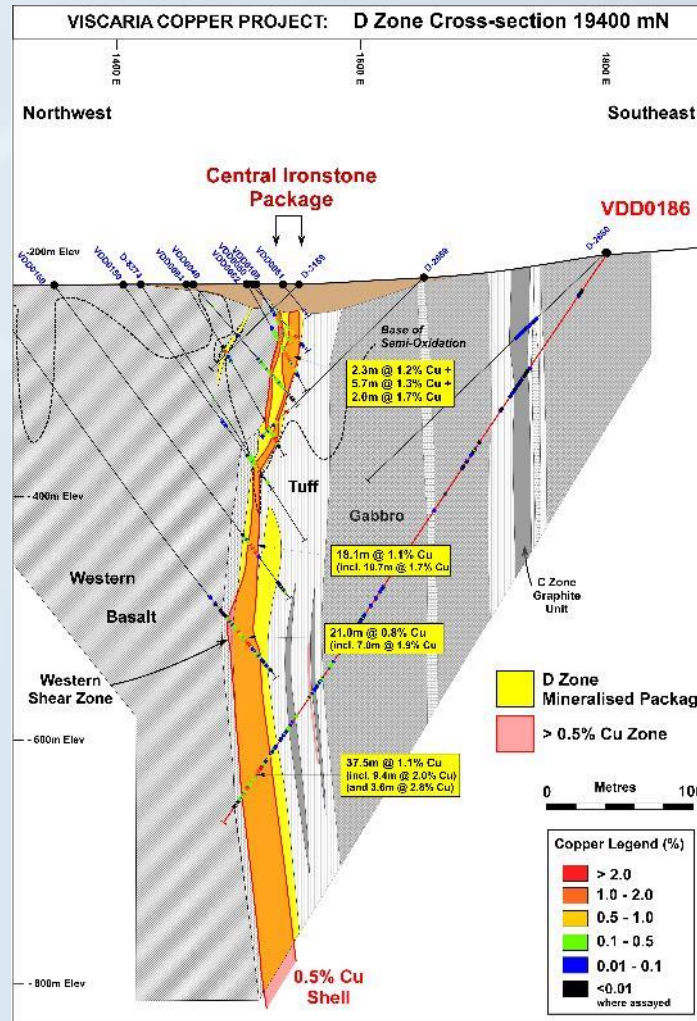
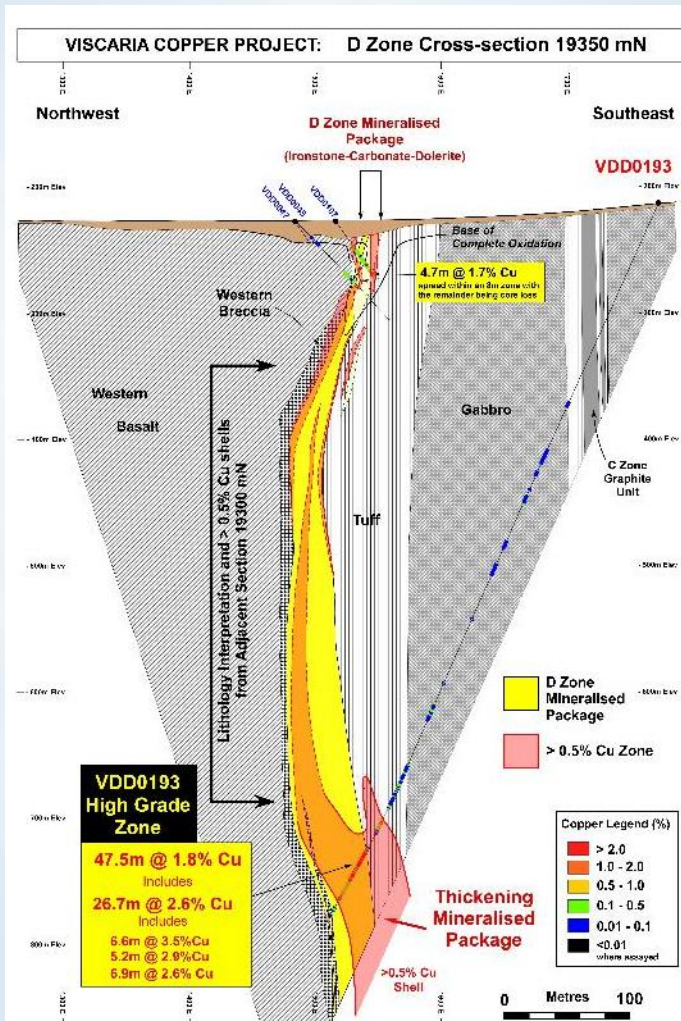
215,000t or 471M lbs Copper
6Mt Recoverable iron



D ZONE LONG SECTION

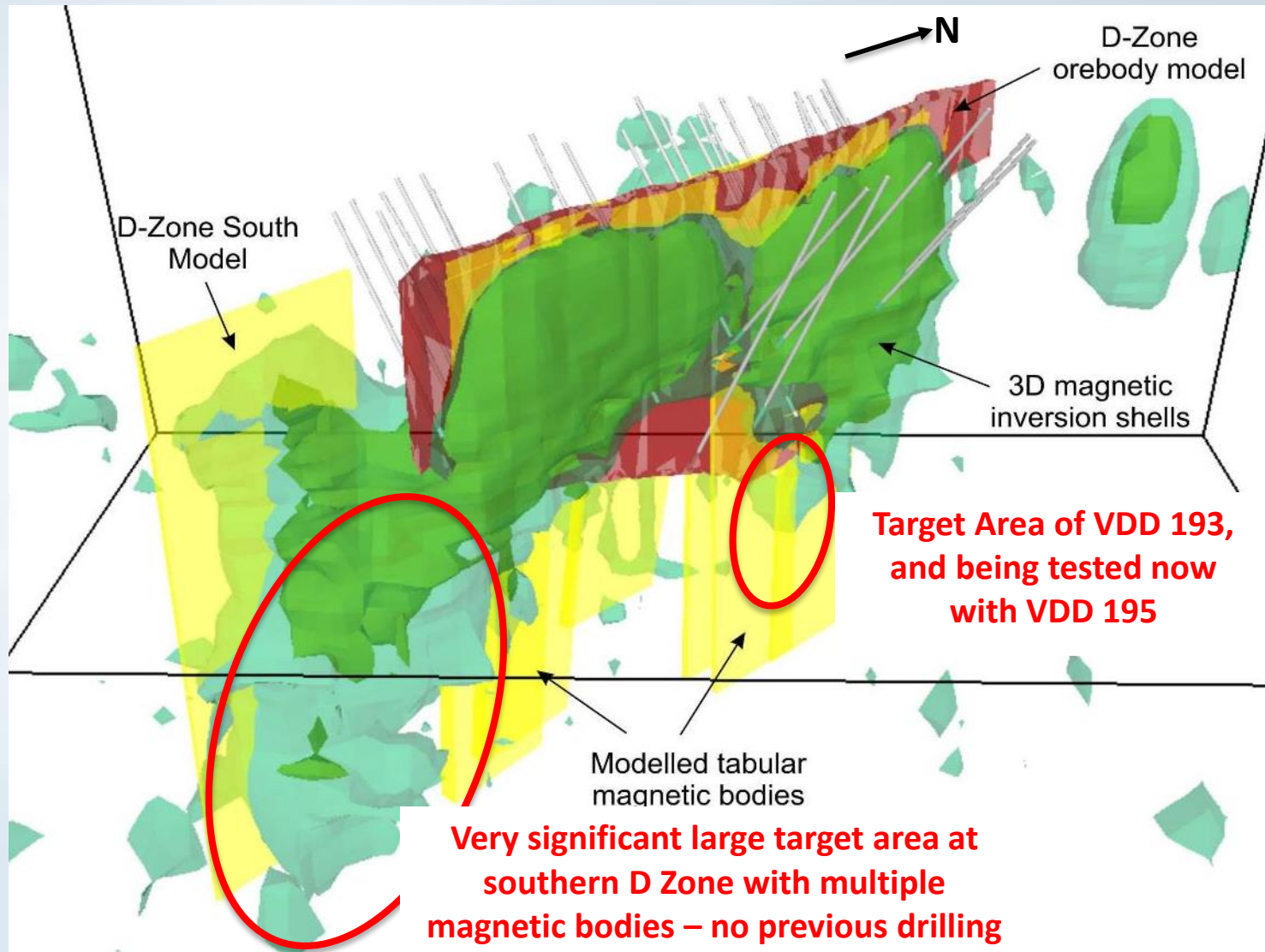


D ZONE CROSS SECTIONS; VDD 193, 186



Sub-vertical orebody, with steep south-westerly plunging geometry

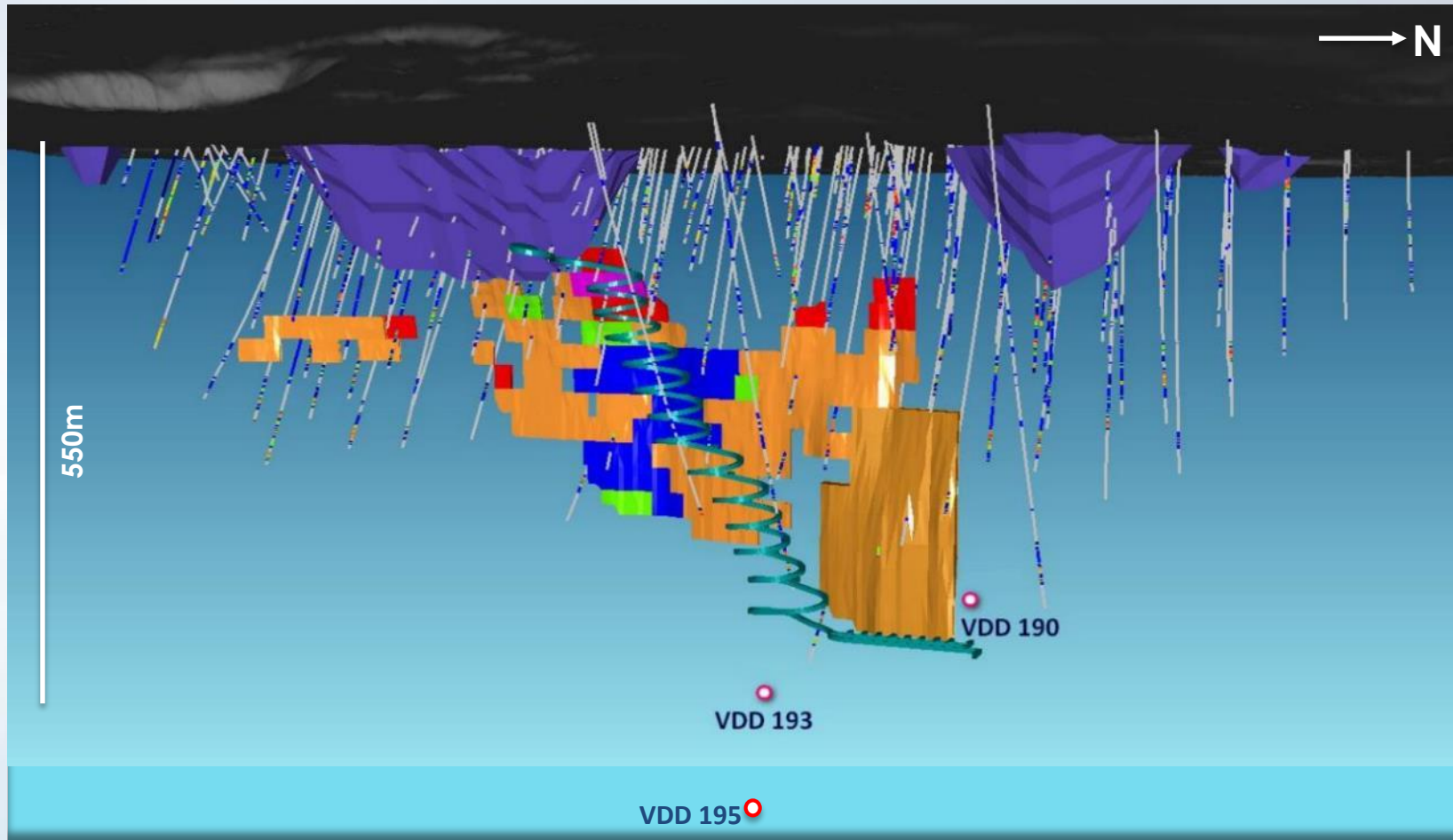
D ZONE LONG SECTION – SIGNIFICANT UPSIDE



D Zone is delivering very robust intersections

Geophysical modelling and structural geology is enabling the delivery of a predictive model for resource growth

D ZONE DRILLING AND PLANNING UNDERWAY

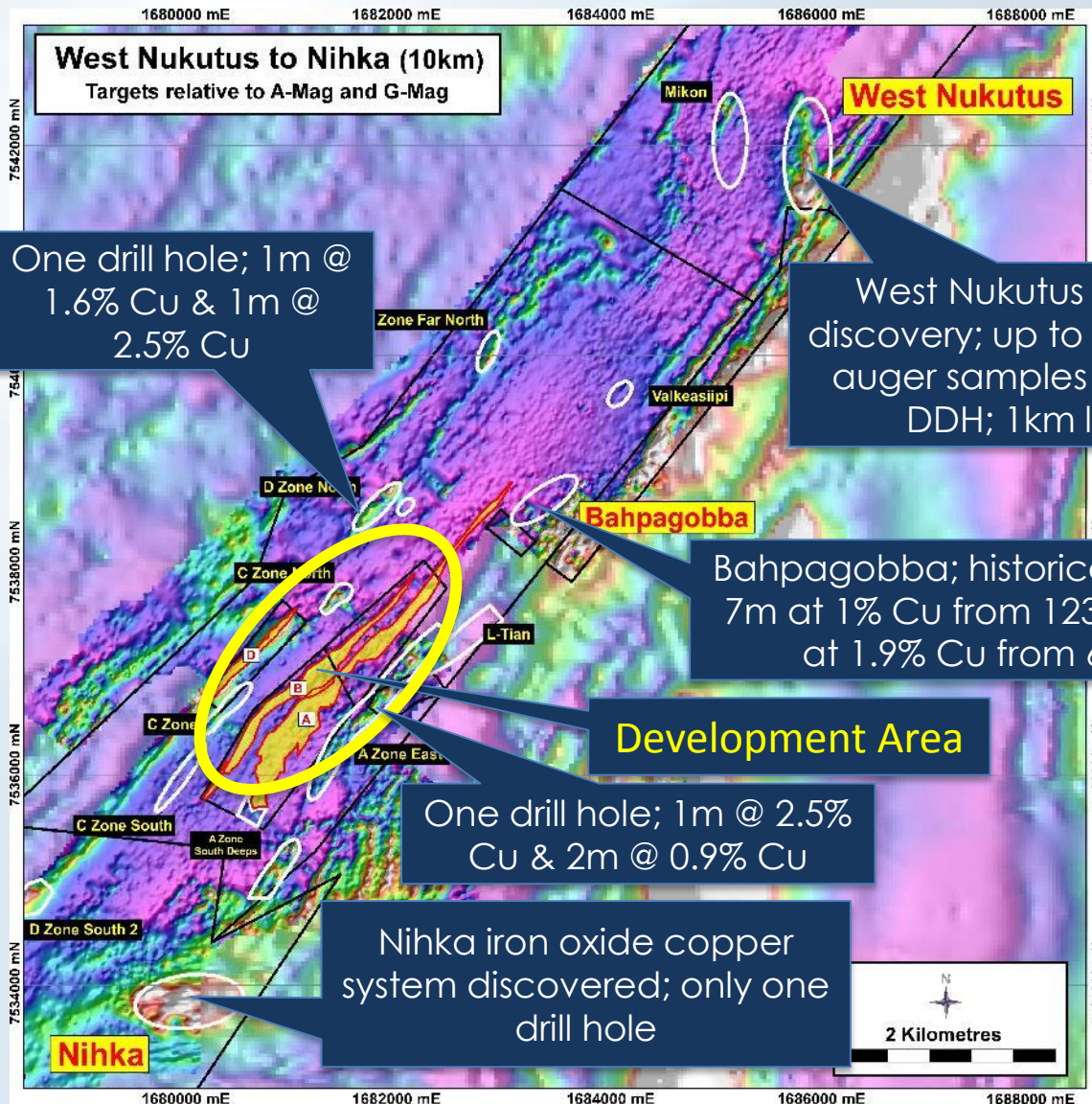


D Zone showing planned open pits and schematic underground mine planning scenario based on studies in progress

PROJECT PLANNING AND ESIA UNDERWAY

- Approved Exploitation Concessions (mining leases) over A, B and D Zones; valid to 2037 and 2039
- ESIA is the critical path for environmental permitting, and dictates the 'Decision to Mine' timetable
- ESIA has commenced
- Recognised international and Swedish consulting groups, ERM and Hifab, engaged
- Process managed by Avalon GM – Studies
- D Zone preliminary metallurgical studies deliver a concentrate grade of ~25% Cu with ~94% recoveries
- D zone ores have average competency and moderate hardness

OUTSTANDING BELT SCALE EXPLORATION UPSIDE



One drill hole; 1m @ 1.6% Cu & 1m @ 2.5% Cu

West Nukutus copper discovery; up to 0.5% Cu in auger samples and one DDH; 1km long.

Bahpagobba; historical drilling; 7m at 1% Cu from 123m, 1.5m at 1.9% Cu from 60m

Development Area

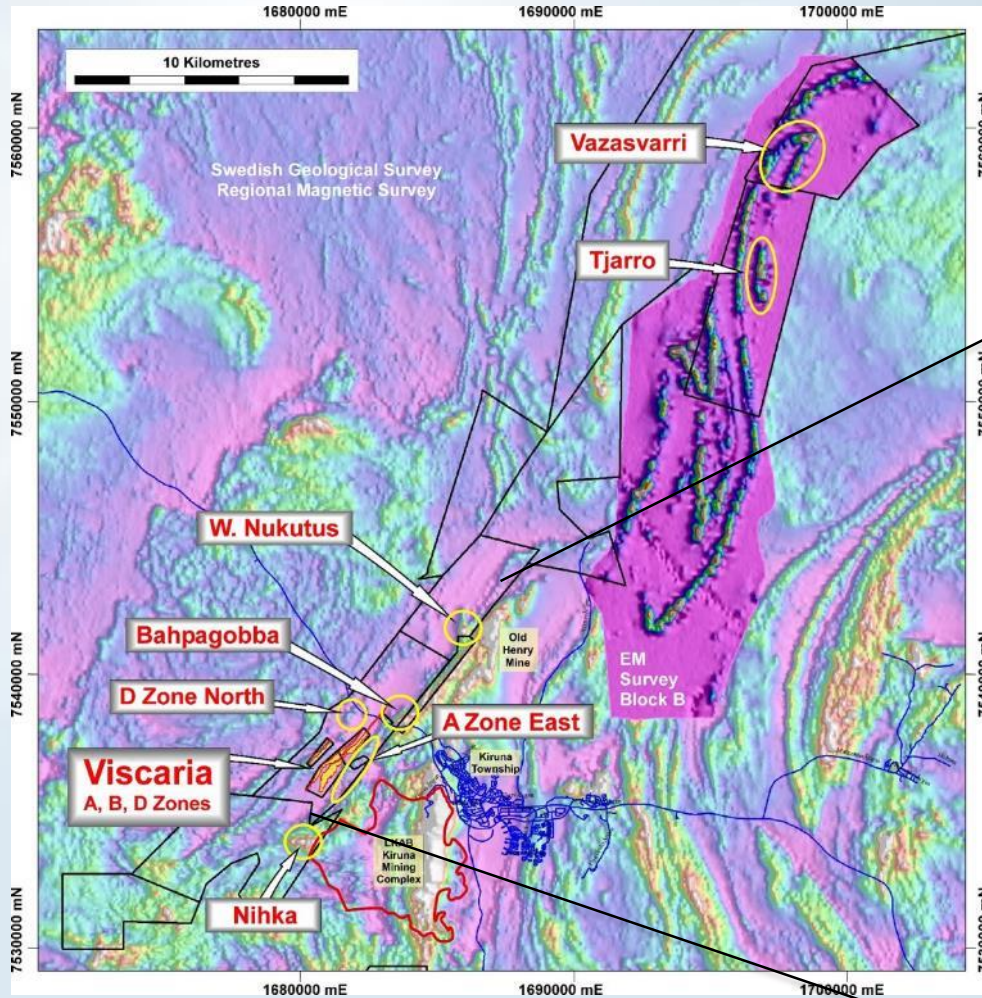
One drill hole; 1m @ 2.5% Cu & 2m @ 0.9% Cu

Nihka iron oxide copper system discovered; only one drill hole

- Mine scale orebody extensions, low technical risk
- Exploration success within 5km; several targets defined and being tested
- **A rich portfolio of near mine targets to add to the scale of the project**

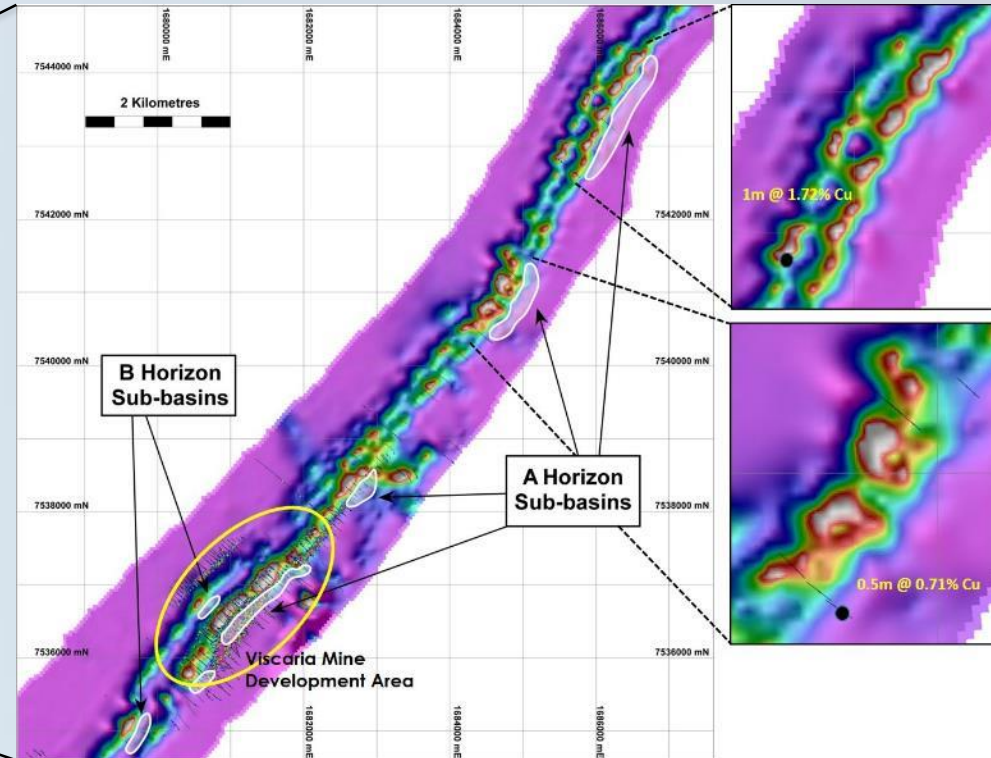
Background; TMI magnetics

OUTSTANDING BELT SCALE EXPLORATION UPSIDE



Targets outlined in yellow – geophysically driven

A Horizon sub-basins represent additional geological targets requiring drill testing

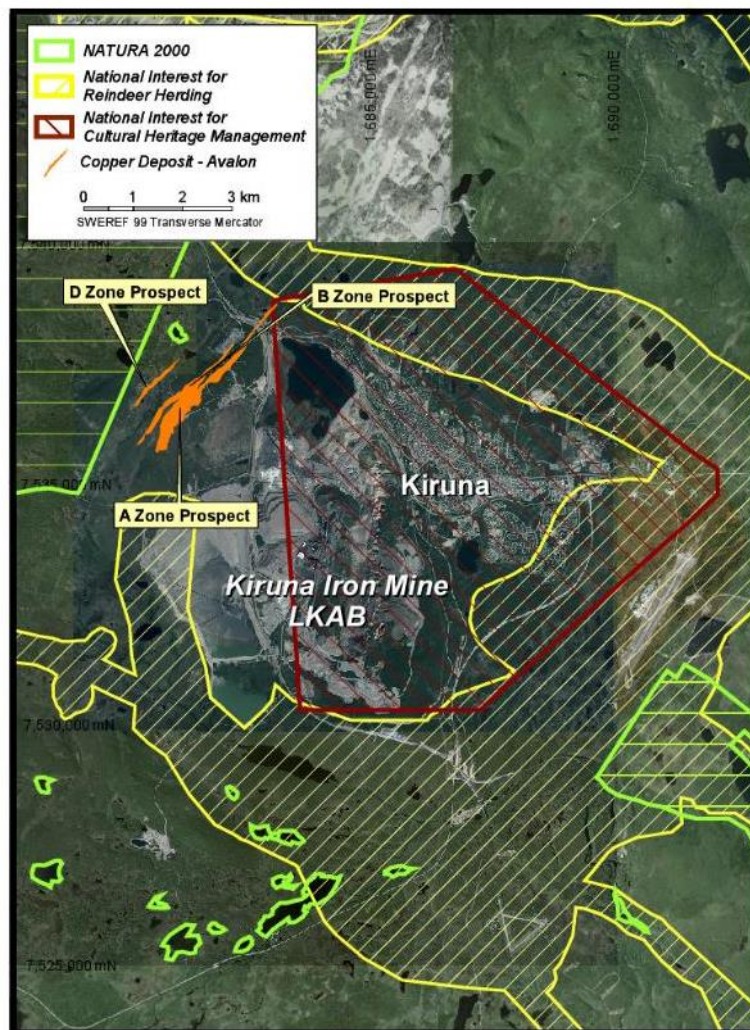
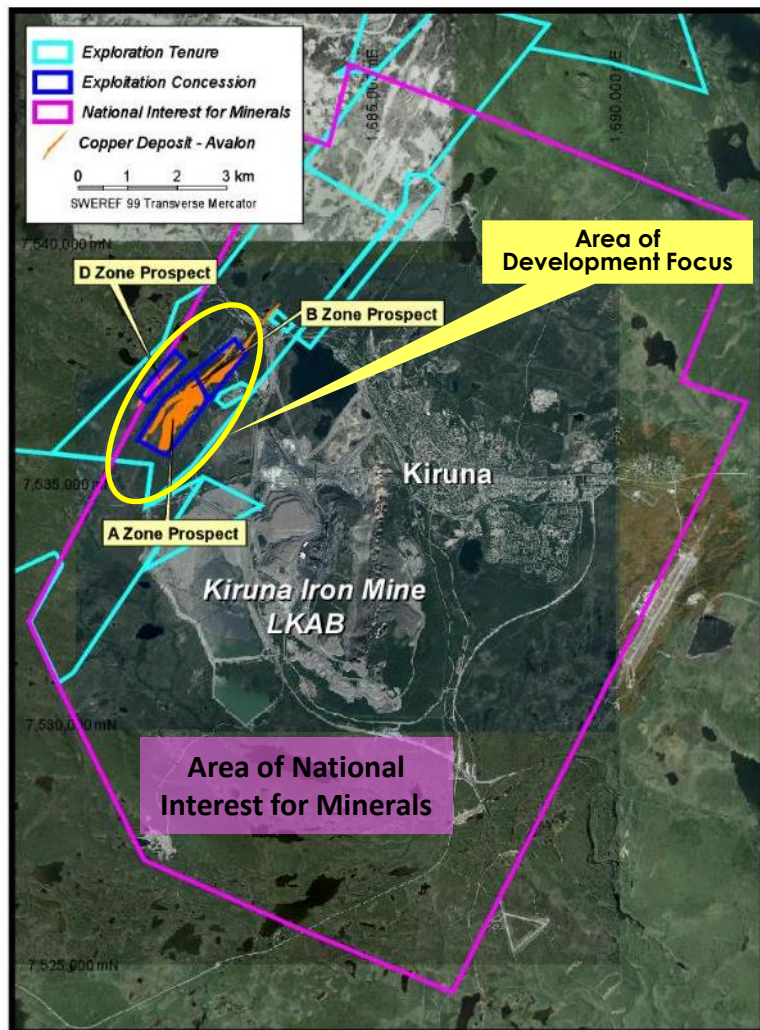


INFRASTRUCTURE – IN PLACE, HIGH QUALITY

- Kiruna town population 20,000, skilled workforce
- Sealed national highway to mine gate
- Electrified public access rail to mine gate
- Abundant Low Cost Power Supply ~8c/kwh
- Contractors and OEM presence in Kiruna
- 100+ year mining heritage
- Local smelter & multiple ports within 350km by rail

STAKEHOLDER ENGAGEMENT

- Proposed development area is in a window surrounded by multiple land use areas
- The key issues are (1) a strong mining heritage, (2) reindeer herding, (3) Natura 2000, and (4) recreation



A VERY HIGH QUALITY LEADERSHIP TEAM



Chairman
Graham Ascough

Resources executive. Broad global experience with large companies and building juniors

CEO and Managing Director
Malcolm Norris

Geologist and Business Development. Track record of discovery and growth

General Manager
Studies and Technical Services
Ray Robinson

Mining Engineer.
Has delivered many feasibility studies

CFO & Company Secretary
Gavin Leicht

Finance professional with significant experience in copper



General Manager - Geology
Dr. Bruce Rohrlach

Geologist who has played a key role in several significant copper discoveries and feasibility studies

Non-Executive Director
Crispin Henderson

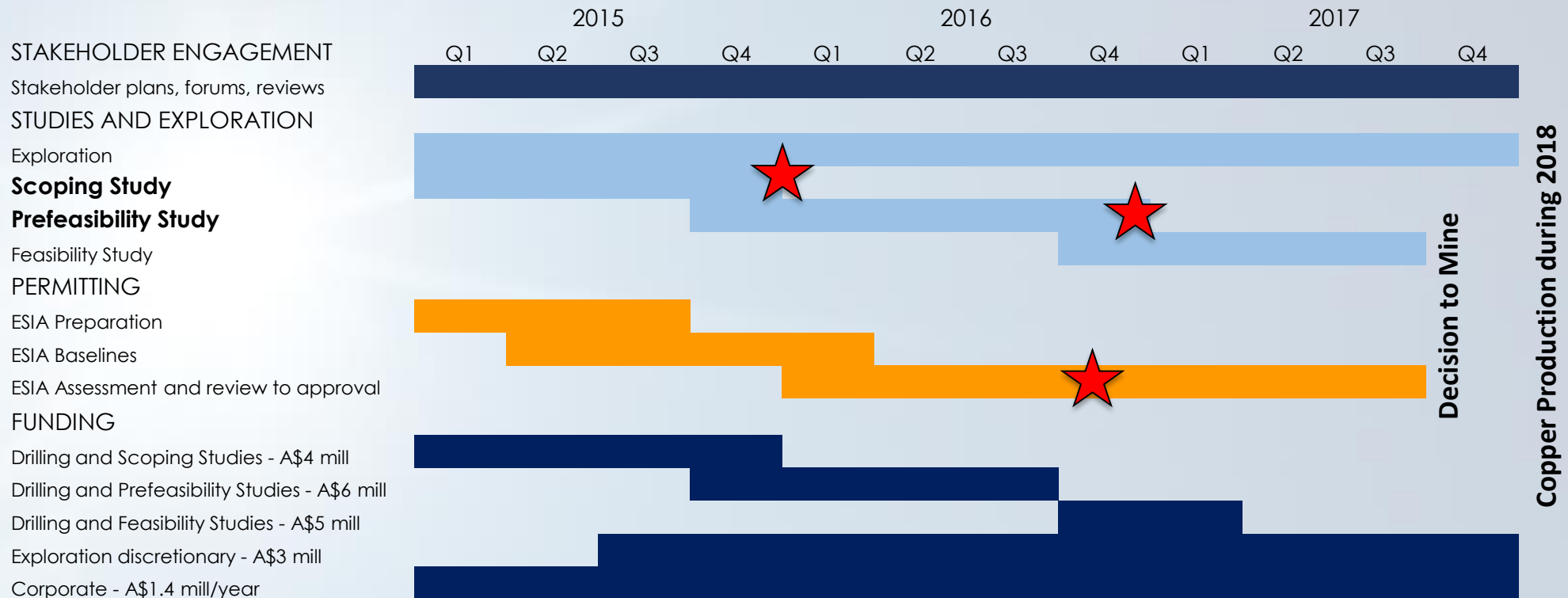
Senior banking executive

Non-Executive Director
Don Hyma

Senior project management executive across multiple commodities



PLANNING TO DELIVER



TARGET TIME FRAMES

- Scoping Study Copper Project - December 2015
- Pre-Feasibility Study - Q4, 2016
- Decision to Build and construction start in 2017
- Cu production 2018; expansion potential 2022

WHY SHOULD YOU OWN AVALON MINERALS?

- We hold 100% of a high quality asset
- We are in a low risk mining district
- We have Infrastructure and low cost hydro power
- Low sovereign risk
- There is a manageable path to production
- There is leverage to copper
- We will deliver exploration success in a low technical risk environment
- We are undervalued relative to our peers
- Strong news flow over next several months
- EV ~A\$5.7 mill

ASX:AVI



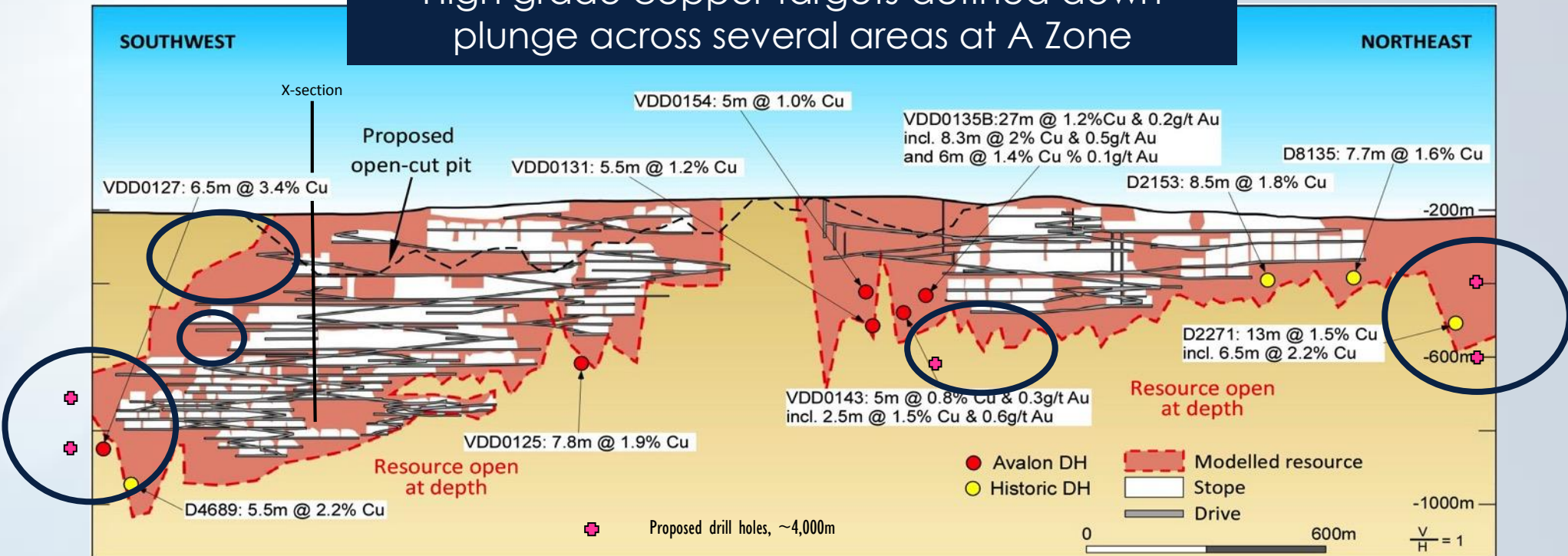


avalonminerals.com

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A ZONE LONG SECTION

High grade copper targets defined down plunge across several areas at A Zone



- Previously mined by Outokumpu – 15 years of production to 1997 – 12.5Mt of 2.3% Cu at 850,000tpa, producing a concentrate of 26% Cu, 2% Zn & 0.5g/t Au
- (43Mlb (19.5kt) pa Cu metal in concentrate)

ASX:AVI vs XSR



AVI bottomed, in a weakening copper price environment



Copper price; USD/lb and Swedish Krona/lb

Over the period SEK copper decreased by 19%, while USD copper has fallen 34%.



PEER GROUP COMPARISON

AVALON MINERALS IS CONSIDERED TO BE HEAVILY DISCOUNTED RELATIVE TO ITS PEERS

- LOW Capital Intensity, forecast at 5,500 \$/t
- LOW Cost/lb copper production
<\$2.00/lb forecast for copper only project
- LOW Valuation - EV/Resource lb of Copper
very low at <0.01 c/lb
- LOW Enterprise Value relative to peers

PEER GROUP COMPARISON

COMPANY	CODE	SHARE PRICE (A\$)	SHARES ON ISSUE	CU RESOURCES (M+I+I)	LBS CU	M. CAP (A\$)	A\$ CASH AND RECEIVABLES	A\$ DEBT	EV	EV/LB CU IN RESOURCE	COUNTRY	STAGE	CAPITAL INTENSITY	
Avalon Minerals	ASX	AVI	\$0.026	255,171,330	55mt @ 1.1% Cu	1,333,420,000	\$6,634,455	\$2,000,000	\$0	\$4,634,455	\$0.0035	Sweden	in SS	5,500
Intrepid Mines	ASX	IAU	\$0.140	370,038,296	34.7mt @ 2.29% Cu	1,748,186,000	\$51,805,361	\$60,506,944	\$0	-\$8,701,583	-\$0.0050	Zambia	in DFS	12,000
KGL Resources	ASX	KGL	\$0.140	141,540,563	25.3mt @ 1.1% Cu, 25.8g/t Ag	612,260,000	\$19,815,679	\$3,163,000	\$0	\$16,652,679	\$0.0272	Australia	in PFS	12,000
Altona Mining	ASX	AOH	\$0.110	534,800,592	129.1mt @ 0.53% Cu, 0.1g/t Au	1,504,800,000	\$58,828,065	\$45,017,000	\$0	\$13,811,065	\$0.0092	Australia	in DFS/JV	6,753
Rex Minerals	ASX	RXM	\$0.085	220,519,784	337mt @ 0.6% Cu, 0.14g/t Au	4,448,400,000	\$18,744,182	\$9,278,000	\$0	\$9,466,182	\$0.0021	Australia	in EFS	9,500
Peel Mining	ASX	PEX	\$0.220	132,485,969	3.9Mt @ 2.3% Cu, 32g/t Ag, 0.3g/t Au	197,698,800	\$29,146,913	\$2,705,000	\$0	\$26,441,913	\$0.2675	Australia	SS	n/a
Geopacific Resources	ASX	GPR	\$0.050	799,593,584			\$39,979,679	\$16,879,000	\$0	\$23,100,679		Cambodia		
Avanco Resources	ASX	AVB	\$0.060	2,456,906,443	63.28mt @ 1.26% Cu, 0.33g/t Au	1,754,121,600	\$147,414,387	\$61,565,000	\$0	\$85,849,387	\$0.0489	Brazil	in DFS	5,833
Stavely Minerals	ASX	SVY	\$0.195	93,528,707	1.3mt @ 2.0% Cu, 0.5g/t Au + 28mt @ 0.4% Cu	299,744,000	\$18,238,098	\$2,824,000	\$0	\$15,414,098	\$0.0514	Australia	expl	n/a
Emmerson Resources	ASX	ERM	\$0.051	377,636,454			\$19,259,459	\$2,615,000	\$0	\$16,644,459	n/a	Australia	expl/JV	n/a
Kombat Copper	TSX-V	KBT	\$0.040	114,782,047	1.73mt @ 1.93% Cu, 16g/t Ag	72,182,000	\$4,591,282	\$2,000,000	\$0	\$2,591,282	\$0.0359	Namibia	Past Producer	n/a
Tintina Resources	TSX-V	TAU	\$0.080	222,492,510	18mt @ 3.3% Cu	1,173,920,000	\$17,799,401	\$7,400,000	\$0	\$10,399,401	\$0.0089	US, Montana	PEA completed	7,736
Constantine Metal Resources	TSX-V	CEM	\$0.100	116,352,665	4.75mt @ 1.84% Cu, 4.57% Zn	192,280,000	\$11,635,267	\$1,000,000	\$0	\$10,635,267	\$0.0553	US, Alaska		

VALUE GROWTH DRIVERS

CURRENT	NEAR TERM (within 12 months)	LONGER TERM
Manage appropriate funding position vs dilution (capital and asset)	Complete required ESIA to allow for full permitting	Secure Environmental Permit and all development approvals
Environmental and Social Impact Assessment (ESIA) in progress	De-risk project through PFS	Secure funding for development
Drilling at D Zone	Grow D Zone Resource and drilling at A Zone	Commence construction
Strengthen stakeholder engagement and align with development plans	Key project enabling agreements in place	Build a European Copper company
Update Resource Estimate	Define optimised path	
Update Scoping Study	Deliver exploration success track record	
	Consider second copper development opportunity	

RESOURCE ESTIMATE SUMMARY - COPPER

Currently Defined Mineral Resource for Copper for Avalon Minerals above a 0.4% Cu cut-off.

Resource Name	Classification	Tonnes (Million Tonnes)	Cu Grade (%)	Cu Metal (t)
A Zone	Measured	14.44	1.7	240,000
	Indicated	4.69	1.2	57,200
	Inferred	2.48	1.0	25,500
	Subtotal	21.61	1.5	322,700
B Zone	Measured	0.12	1.3	1,600
	Indicated	4.12	0.7	29,700
	Inferred	15.41	0.8	118,700
	Subtotal	19.65	0.8	149,000
D Zone Cu Resource	Measured	1.0	1.25	12,000
	Indicated	4.2	1.02	43,000
	Inferred	8.5	0.96	81,000
	Subtotal	13.6	1.00	136,000
Overall Cu	Total	54.9	1.1	604,000

RESOURCE ESTIMATE SUMMARY

Currently Defined Mineral resource for iron reported for Avalon Minerals above a 15% Mass Recovery cut-off

Resource Name	Classification	Tonnes (Million Tonnes)	Fe Grade (%)	Mass Recovery (%)	Estimated recoverable iron (Million Tonnes)
D Zone Fe Resource	Measured	2.0	28.7	35.1	0.5
	Indicated	9.7	27.2	33.1	2.2
	Inferred	13.9	25.7	31.0	3.0
	Total	25.6	26.5	32.1	5.7

RESOURCE ESTIMATE SUMMARY - NOTES

- The A, B, and D Zone Mineral Resources were prepared and first disclosed under the JORC Code 2004. They have been updated since to comply with the JORC Code (2012).
- All Copper Mineral Resource estimates are reported above a block cut-off Grade of 0.4% Cu.
- All Iron Mineral Resource estimates are reported above a block cut-off of 15% Mass Recovery.
- Estimated recoverable iron is based on Davis Tube Recovery test work at a 75 micron grind size. Estimated recoverable iron is tonnes x mass recovery % x Fe % in concentrate (69% Fe).
- Total D Zone Measured, Indicated and Inferred Mineral Resource reported for Copper above a cut-off grade of 0.4% Cu and Iron above 15% Mass Recovery are broadly spatially coincident. However, they are modelled and reported separately to avoid mixing geological domains.
- Any discrepancies in the sums and weighted averages are introduced by rounding.

COMPETENT PERSONS STATEMENT

Competent Persons Statement

The information in this report that relates to the 2014 Scoping Study is based upon information compiled by, or under the supervision of Manish Garg B.Eng. (Hons.), Master of Applied Finance, MAusIMM, MAICD; Tim Horsley B.Sc. (Hons) (Mining Engineering), MAusIMM; and Trevor Ellice B.Sc. (Hons), M.Sc. (Geology), MAusIMM. Mr. Garg, Mr. Horsley, and Mr. Ellice have sufficient technical and techno-economic assessment experience, which is relevant to the activity that they are undertaking, to qualify as an Experts as defined in the 2005 Edition of the "Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports" (VALMIN Code).

The information in this report that relates to the A Zone and B Zone Mineral Resources are based on the information compiled by Dr Bielin Shi who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists, and is a full time employee of CSA Global Pty Ltd (CSA). CSA are an independent mining consultancy who have been engaged by Avalon Minerals Limited to perform geological consulting on a fee for service basis. Dr Bielin Shi has sufficient experience that is relevant to the style of mineralisation being considered and to the activity being undertaken to qualify as a competent person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Shi consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the D Zone Mineral Resources are based on the information compiled by Trevor Ellice who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of HDR Inc. ("HDR"). HDR is an independent mining consultancy engaged by Avalon Minerals Limited to perform geological consulting on a fee for service basis. Mr Ellice has sufficient experience that is relevant to the style of mineralisation being considered and to the activity being undertaken to qualify as a competent person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ellice consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration results is based upon information reviewed by Mr Malcolm Norris who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Norris is a full time employee of Avalon Minerals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.