



Avocet Mining

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News Release

For Immediate Release

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STATEMENT REGARDING PRESS SPECULATION

Avocet Mining PLC ("Avocet" or "the Company") notes recent press coverage in the Indonesian media which speculates that PT Lebong Tandai, a subsidiary of PT Merukh Enterprises, intends to sue Avocet over the proposed sale of its South East Asian assets to J&Partners, a private company backed by Indonesian businessmen ("the transaction", as announced on 24 December 2010). The press coverage also speculates that PT Lebong Tandai will attempt to block the transaction, on the basis that Avocet allegedly agreed on 26 April 2010 to sell its South East Asian assets to PT Lebong Tandai.

Avocet would like to confirm that it has not received any law suit in respect of its South East Asian assets and is unaware of the Minister of Justice and Human Rights taking any action to block its transaction with J&Partners. As first stated on 10 May 2010, there has never been any agreement for the sale of Avocet's South East Asian assets to PT Lebong Tandai. PT Lebong Tandai holds a 20 per cent interest in PT Avocet Bolaang Mongondow ("PT ABM"), which holds the Contract of Work for the North Lanut mine and the Bakan exploration project only, and had a right of first refusal over Avocet's 80 per cent interest in PT ABM. Although this right was offered to PT Lebong Tandai it was not exercised and has therefore lapsed, in accordance with the terms of the PT ABM joint venture agreement, as was announced on 22 February 2011. PT Lebong Tandai has no right of first refusal over any of Avocet's other assets.

Avocet is confident that all actions it has taken in the past and will take in the future are in accordance with prevailing rules and regulations and there are no grounds for criminal or civil action.

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Notes to Editors

Avocet Mining PLC (“Avocet” or “the Company”) is a gold mining company listed on the AIM market of the London Stock Exchange (Ticker: AVM.L) and the Oslo Børs (Ticker: AVM.OL). 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, the country’s largest gold producer) and Indonesia (as 80 per cent owner of the North Lanut gold mine and Bakan project in North Sulawesi).

In December 2010 Avocet announced that it had signed a binding agreement for the conditional sale of its South East Asian assets to J&Partners L.P, a private company, for US\$200 million. The transaction with J&Partners will leave Avocet as a West African gold producer with a clear strategy for growth in that region. Further details can be found in the press release dated 24 December 2010 and in the Company’s preliminary results statement for 2010, dated 22 February 2011.

Background to operations

The Inata deposit presently comprises a Mineral Resource of 1.84 million ounces and a Mineral Reserve of 1.08 million ounces. Inata poured its first gold in December 2009 and has now reached a production rate in excess of 13,500 ounces per month. Other assets in West Africa include exploration permits in Burkina Faso (the most advanced being the Souma trend at Bélahouro, some 20 kilometres from Inata, with a Mineral Resource of 561,100 ounces), Guinea and Mali (the most advanced being the Tri-K gold exploration project in Guinea with a Mineral Resource of 666,500 ounces).

Penjom is Malaysia’s largest gold mine and was developed by Avocet 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. The mine 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.