



28 November 2011

UPDATE ON SOUTH EAST ASIA SALE LAWSUIT

Avocet Mining PLC (“Avocet” or “the Company”) announces that it has been served with a law suit in the Indonesian courts by PT Lebong Tandai (“PT LT”), its former partner in PT Avocet Bolaang Mongondow in Indonesia. The law suit relates to the US\$200 million sale of Avocet’s South East Asian assets, which was announced in December 2010, to a private Indonesian company, J Resources Nusantara, an affiliate of J&Partners L.P.. The sale has been substantially completed, with US\$197 million of the total consideration received to date.

The basis for the law suit by PT LT is that Avocet allegedly infringed PT LT’s rights by entering into the transaction with J Resources Nusantara. PT LT alleges that Avocet agreed on 26 April 2010 to sell its South East Asian assets to PT LT. In its law suit, PT LT has claimed damages totalling US\$1.95 billion, comprising US\$450 million loss in respect of an alleged on-sale by PT LT of part of the assets, US\$500 million loss in respect of financing arrangements allegedly entered into by PT LT, and US\$1 billion for loss of reputation.

Avocet denies that it ever agreed to sell its assets to PT LT. As stated in its press release of 8 March 2011 and subsequently, Avocet is confident that all actions it has taken in respect of the sale of its South East Asian assets were in accordance with prevailing rules and regulations and there are no grounds for this legal action. The Company believes the lawsuit to be baseless and will defend itself vigorously.

Further updates will be given in due course.

For further information please contact:

Avocet Mining PLC	Buchanan Financial PR Consultants	Ambrian Partners Limited NOMAD & Joint Broker	J.P. Morgan Cazenove Lead Broker	Arctic Securities Financial Adviser & Market Maker	SEB Enskilda Market Maker
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About Avocet Mining PLC

Avocet Mining PLC (“Avocet Mining” or “the Company”) is a gold mining and exploration company listed on the AIM market of the London Stock Exchange (Ticker: AVM.L) and the Oslo Børs (Ticker: AVM.OL). Avocet announced in October 2011 its decision to move to the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange, which is expected to occur on or about 8 December 2011. The Company’s principal activities are gold mining and exploration in Burkina Faso (as 90 per cent owner of the Inata gold mine and 100 per cent owner of eight exploration licences in the Bélahouro region surrounding Inata) and exploration in Guinea.

The Inata deposit presently comprises a Mineral Resource of 3.36 million ounces and a Mineral Reserve of 1.46 million ounces. Inata poured its first gold in December 2009. Other assets in West Africa include exploration permits in Burkina Faso (the most advanced prospect within Bélahouro being the Souma trend, some 20kms from Inata, with a Mineral Resource of 0.56 million ounces), Guinea (the most advanced being Koulékoun with a Mineral Resource of 1.47 million ounces) and Mali.

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. To date US\$197 million of the total consideration has been received. Following an assignment agreement dated 20 June 2011, the counterparty for the completed sales announced in June and September 2011, and for the sale of the remaining assets, is J Resources Nusantara (formerly PT Bara Kutai Energi), an affiliate of J&Partners, L.P.

The substantial completion of this transaction has left Avocet as a West African gold producer and explorer, with a clear strategy for growth in that region.