
Q4 2015 Inata production update

Q4 2015 Inata Production

Avocet Mining PLC (“Avocet” or “the Company”) today announces production and cash costs for the fourth quarter of 2015 at the Inata Gold Mine.

- Gold production for Q4 was 17,380 ounces at a cash cost of US\$1,094 per ounce, compared with 17,517 ounces produced in Q3 at a cash cost of US\$1,107 per ounce
- Full year gold production for 2015 was 74,755 ounces at a cash cost of US\$1,058 per ounce, compared with 86,037 ounces in 2014 at a cash cost of US\$1,186 per ounce

In spite of production challenges and cash constraints, safety continues to be a key result area for management. At year end, the mine had achieved 823 days (approximately 6.8 million man hours) since the last Lost Time Injury (LTI).

Mining and processing in the quarter focussed on lower grade, softer oxide ores, with head grades of 1.22 g/t and average recovery levels of 89%, compared with 1.50 g/t at 72% in Q3. Throughput increased to 508k tonnes from 448k tonnes in Q3, in spite of disruption caused by supply issues in the wake of the September attempted military coup.

Average mining costs of US\$318 per ounce in 2015 were lower than the 2014 level of US\$422 per ounce, despite the stripping ratio more than doubling from 4.5 to 9.8. This has been achieved principally as a result of the waste from the final North Pit pushback being dumped within worked out adjacent pits. The high grade carbonaceous ore from North pit is planned to be mined later in 2016.

The mine continues to seek further areas for cost reductions, and during the quarter all management salaries were reduced by 10%. In spite of a decrease in cash costs in the quarter, margins remain tight in the context of gold spot rates and particularly diesel prices, which have been held at March 2015 levels. The Company continues to work with the Chamber of Mines to lobby the Burkina Faso government to reduce the price of fuel to reflect the fall in global oil prices.

Further details of Q4 2015 production are set out at **Appendix I**.

FOR FURTHER INFORMATION PLEASE CONTACT

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NOTES TO EDITORS

Avocet Mining PLC ("Avocet" or the "Company") is an unhedged gold mining and exploration company listed on 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 West Africa.

In Burkina Faso the Company owns 90% of the Inata Gold Mine. The Inata Gold Mine poured its first gold in December 2009 and produced 74,755 ounces of gold in 2015. Other assets in Burkina Faso include five exploration permits surrounding the Inata Gold Mine in the broader Bélahouro region. The most advanced of these projects is Souma, some 20 kilometres from the Inata Gold Mine.

In Guinea, Avocet owns 100% of the Tri-K Project in the north east of the country. Drilling to date has outlined a Mineral Resource of 3.0 million ounces, and in October 2013 the Company announced a maiden Ore Reserve on the oxide portion of the orebody, which is suitable for heap leaching, of 0.5 million ounces. As an alternative, the potential exists to exploit the entire 3.0 million ounce Tri-K orebody via the CIL processing method. The Company announced on 2 April 2015 that an exploitation permit had been awarded for Tri-K.

Appendix 1

Inata Gold Mine quarterly production information 2014-15

	2014					2015				
	Q1	Q2	Q3	Q4	2014	Q1	Q2	Q3	Q4	2015
Ore mined (k tonnes)	621	818	591	499	2,529	393	397	232	290	1,313
Waste mined (k tonnes)	4,351	3,583	2,116	1,445	11,495	1,420	3,563	4,349	3,494	12,826
Total mined (k tonnes)	4,972	4,401	2,707	1,944	14,024	1,813	3,960	4,581	3,784	14,139
Ore processed (k tonnes)	483	537	554	329	1,903	437	471	448	509	1,865
Average head grade (g/t)	1.61	1.44	1.53	2.92	1.77	2.50	2.27	1.50	1.22	1.85
Process recovery rate	86%	88%	85%	61%	79%	52%	67%	72%	89%	67%
Gold Produced (oz)	23,148	21,650	21,736	19,503	86,037	17,011	22,848	17,517	17,782	74,755
Cash costs (US\$/oz)	Q1	Q2	Q3	Q4	2014	Q1	Q2	Q3	Q4	2015
Mining	464	508	395	306	422	262	313	362	335	318
Processing	402	478	461	431	442	540	408	486	430	462
Administration	223	242	239	232	234	236	155	188	251	203
Royalties	90	89	88	83	88	75	76	71	78	75
	1,179	1,317	1,183	1,052	1,186	1,113	952	1,107	1,094	1,058