

London, 31 May 2017

Standstill agreement agreed with Inata's major creditors

Avocet Mining PLC, ('Avocet' or 'the Company') is pleased to announce today that its subsidiary Société des Mines de Bélahouro SA ('SMB') that operates the Inata gold mine in Burkina Faso, has entered into a standstill agreement with its major trade and financial creditors — a key milestone in SMB's balance sheet restructuring process.

As announced earlier, SMB is in discussions with trade creditors, banks and government to stabilize SMB and with a view to restructure its balance sheet.

In this process a key step has now been achieved: SMB, its major trade and financial creditors — together representing approximately seventy per cent of SMB's debt — have agreed the terms of a standstill agreement for the duration of two months as strategic options are being explored in connection with a financial, debt and corporate restructuring of the SMB.

Pursuant to this agreement, SMB's major trade creditors and its bank shall refrain from exercising their rights and remedies, and taking any legal action to protect and preserve such rights and remedies, in relation to their outstanding debts. In turn, SMB agreed to a payment scheme for deliveries of services and goods during the standstill period that provides for payments thereof in sync with the receipt of the gold proceeds by SMB, once the mine has resumed its full operation.

The standstill agreement is part of a complex process. As SMB moves on with the implementation of the agreement, it will have to ensure the support of all stakeholders. All of them (including creditors, government, key operational stakeholders and employees) will need to contribute to achieve a consensual restructuring solution. The backing of SMB's major trade creditors and its bank is greatly appreciated and gives the process momentum.

— END —

FOR FURTHER INFORMATION PLEASE CONTACT

Avocet Mining PLC

Boudewijn Wentink, CEO
Yolanda Bolleurs, CFO

+44 20 3709 2570

Blytheweigh

Financial PR

Tim Blythe
Camilla Horsfall
Megan Ray

+44 207 138 3204

J.P. Morgan Cazenove

Corporate Broker

Michael Wentworth-Stanley

+44 20 7742 4000

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 per cent of the Inata Gold Mine. The Inata Gold Mine poured its first gold in December 2009 and produced 72,485 ounces of gold in 2016. 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 kilometers from the Inata Gold Mine.

The Company also holds an interest in the Tri-K project in Guinea. On 10 October 2016, the Company announced that it had agreed to dispose of 40 per cent of the project to Managem, a Moroccan group listed on the Casablanca stock exchange, which, which will increase upon completion of a bankable feasibility study for a CIL plant at the site, the incurring of expenditures of at least US\$10 million, and the enlarging of the ore reserve, to 70 per cent (in the event of an increase of the reserve to 1 million ounce or more) or 60 per cent (if less than 1 million ounces).