



Avocet Mining  
European Gold Forum: Zurich  
April 2013

focused on **west africa**





## Corporate

- Market cap.: US\$57 M
- Group Resources: 8.7 Moz.

## Inata Gold Mine

- 135,000 oz. produced in 2012 at total cash cost (incl. royalties) of US\$1,000/oz.
- Mineral Resources of 4.2 Moz. within mining licence
- Upside expected from Souma deposit located 20km from Inata process plant – currently 0.8Moz with potential to grow significantly

## Tri-K development project

- Feasibility study underway, due H2 2013
- Planned development of low capex heap leach project



Complete negotiations with Macquarie regarding hedge and financing



Fully funded for 2013 exploration and production



Deliver Inata operating budget in line with guidance

- 135,000 oz. at total cash cost (incl. royalty) of \$1,100/oz.



Increase reserves at Inata



Successfully apply for mine licence expansion at Inata



Progress exploration at Souma



Complete feasibility study at Tri-K as part of mining permit application



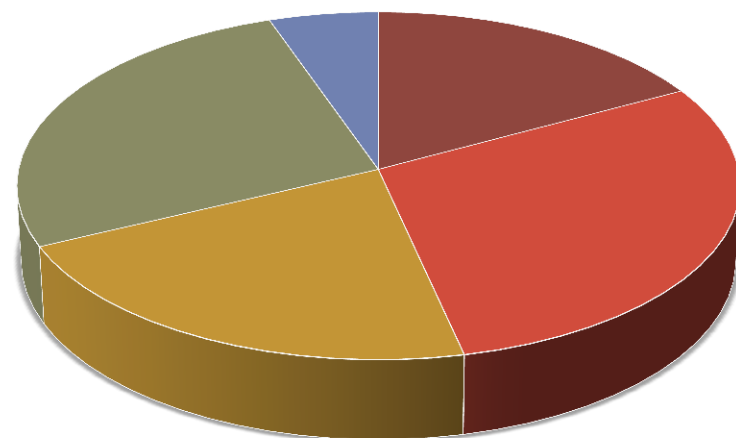
- Fully funded for 2013 work at key Tri-K and Souma projects
- Financing now in place reduces burden of Inata's hedge
- Restructure of Inata hedge completed 24 March 2013
  - Triggered by reduction in Mineral Reserves in February 2013
  - 29,020 ounces bought back at a cost of \$20 M, representing 17% of previous total of 173,250 ounces
  - Accelerated delivery of the remaining hedge gold ounces, reducing the hedge position to 100,000 ounces by end of 2013 and eliminating it by 2016
  - Additional loan of up to US\$15 M from an associate of 27% shareholder Elliott Management to fund feasibility study in Guinea and corporate costs

- First gold poured in 2009
- Guidance for 2013 of 135,000 oz. at total cash cost (incl. royalty) of \$1,050-1,100/oz.
- Open pit mining across three operational pits
- Ore body consists of Inata and Minfo trends
  - Mining on Inata trend to date – mining commencing at Minfo in Q2 2013
- Owner-operator mining fleet
- Processing via conventional CIL plant
- Significant exploration potential
- Mining licence extends to 2027, across 26km<sup>2</sup>
- Application in progress to extend mining licence by 50%, including Filio



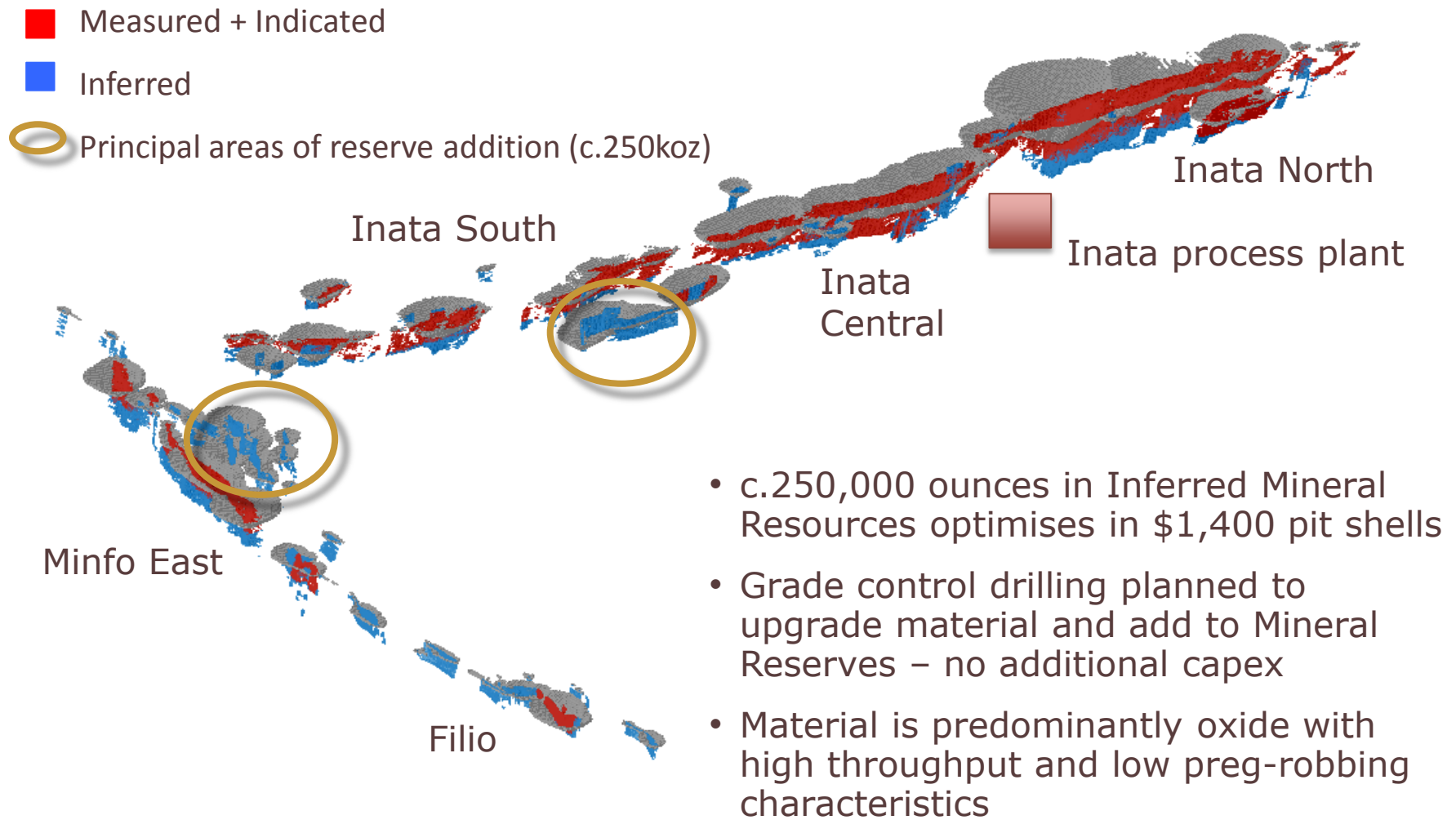
- Revision of assumptions resulting in reserves decrease from 1.85 Moz to 0.92 Moz
- Initiatives underway to increase reserves:
  - Application underway to increase mining licence area by 50%
  - c.250koz material identified adjacent to existing reserves – grade control drilling to upgrade to reserves
  - Evaluation underway of low cost plant modifications for processing metallurgically complex ores, including kerosene blanking

## Key drivers behind reserve reduction



- Depletion during 2012 - 160koz
- Gold price assumption (\$1,200 vs \$1,400) - 275koz
- Ore hardness - 200koz
- Recovery - 250koz
- Operating costs - 50koz

# Inata: potential near term reserve gains



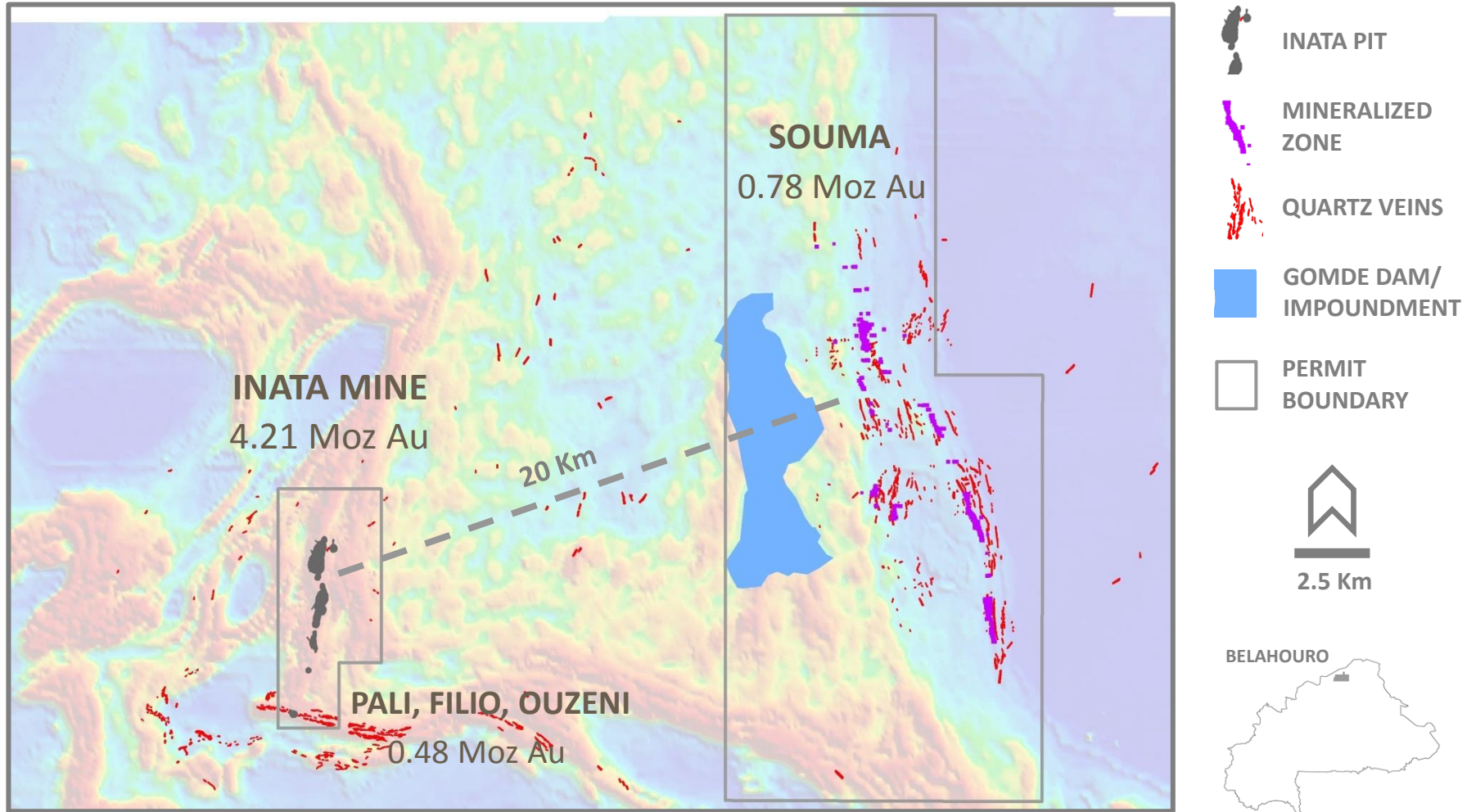


- New mine management team in place
- Increased productivity of owner operated fleet during 2012
  - H1: 83,000 tonnes/day (average)
  - H2: over 100,000 tonnes/day (average)
- Mining rates reached 110,000 tpd on several occasions in Q4 2012
- Current mine plan set at 107,000 tpd in 2013
- Operational improvement initiatives:
  - Revised haul cycles
  - Operator training programmes
  - Improved supervisor monitoring
  - Loading optimisation
  - Detailed revision of SOP's
- Improved maintenance planning in process plant has resulted in increased uptime



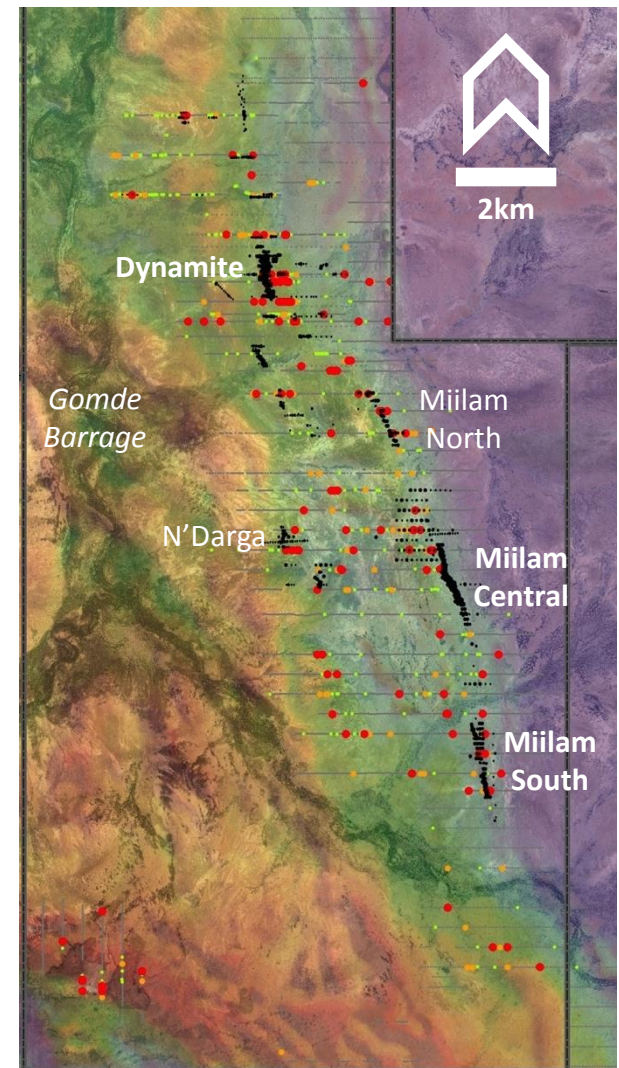


# Souma exploration project



# Souma: further upside for Inata


- 20km from Inata – within hauling distance across flat terrain
- 16 kilometre gold in soil anomaly
- Mineral Resource currently 0.78M oz. at 1.48 g/t
  - High grade core of +2 g/t material
  - Expanded Mineral Resource and initial Mineral Reserve due 2014
- Entirely different geological setting – nuggety gold hosted in quartz lodes and sheared gabbro; no preg-robbing identified.





- Test work received to date:
  - Metallurgy – initial results show gold to be amenable to standard CIL processing methods (+90%)
  - Ore hardness – comminution work to date shows ore is harder than Inata
- Work plan for 2013:
  - Scout drilling to evaluate the resource potential of the quartz vein zones mapped in the area
  - Ground geophysics and mapping along the Souma trend to better define drilling targets.



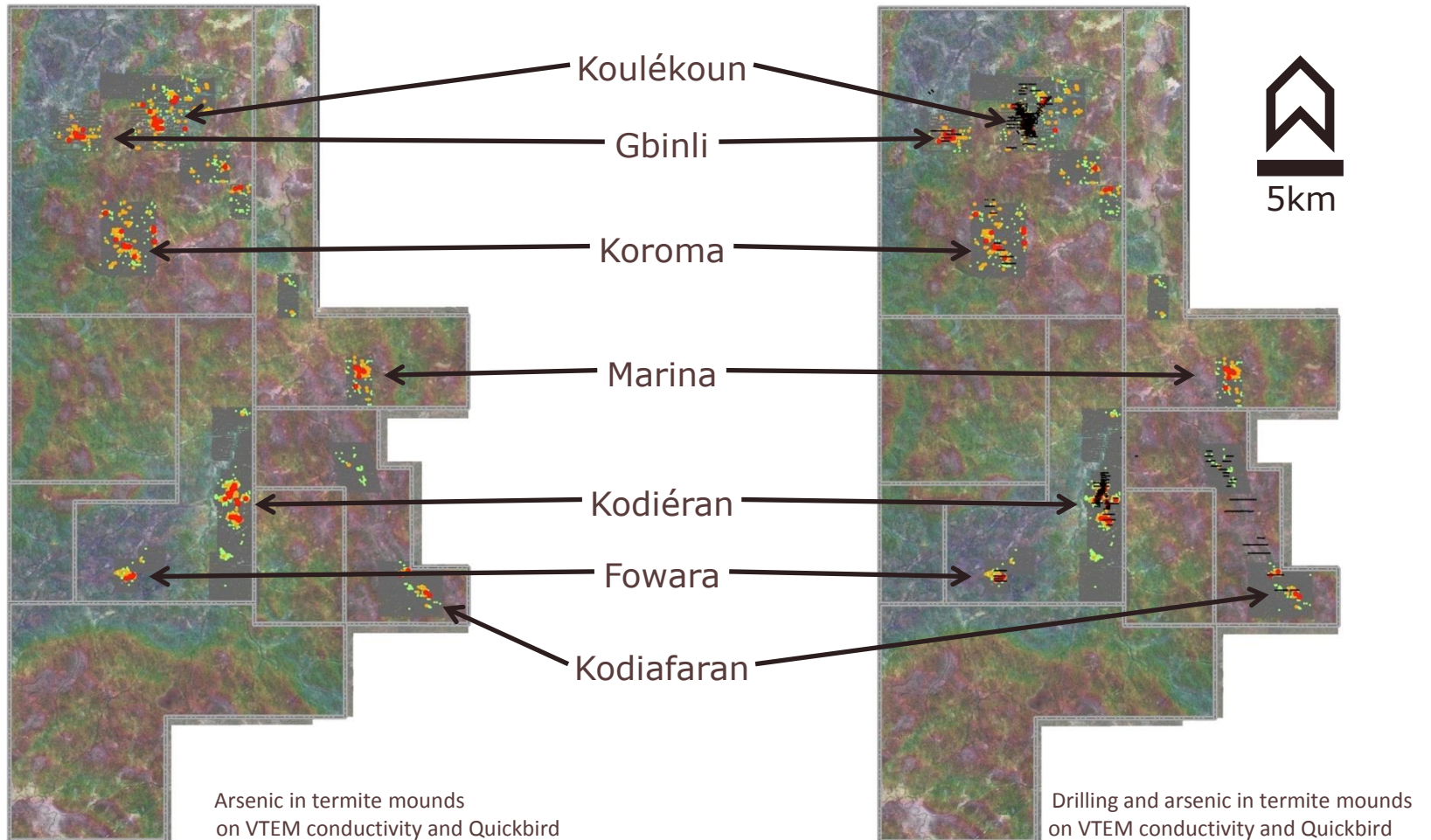
A close-up photograph of a mineral specimen. The specimen has a white, crystalline matrix with several dark, reddish-brown spots scattered across its surface. The background is dark and out of focus.

## Tri-K development project

- Potential to be Guinea's next gold mine
- 2013 programme to focus on:
  - Infill drilling to convert resources to reserves
  - Metallurgical testwork for heap leaching process method
- Feasibility study to be completed in H2 2013
  - Work commenced in Q4 2012
  - Bateman (South Africa) contracted to complete technical studies
  - Development plan assumes initial heap leach project with low capex
- Heap leach project will target oxide portion of orebody
  - Represents 44% of current Kodiéran resource and 10% of Koulékoun resource









- Conservative management focussed on value generation at all assets
- Three key focus areas will unlock value at Inata:
  - Operations – opportunity to improve Inata LOM plan with minor plant modifications, financed from Inata cash flows
  - Financial – focussing on cash flow generation
  - Resource development – new areas to contribute to Inata reserves at negligible cost
- Growth opportunities on track
  - Modest spend at both Souma/Tri-K to generate near term value
  - Tri-K: complete feasibility study to generate tangible value through reserves and life-of-mine plan
  - Souma: investigate scale of resource with a greatly reduced exploration budget and position the project for feasibility in 2014



Avocet Mining – a West African  
focused gold mining  
and exploration company

This Presentation is for information purposes in connection with Avocet Mining PLC (the "Company"). While the information contained herein has been prepared in good faith, neither the Company nor any of its shareholders, directors, officers, agents, employees, consultants or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability, completeness or suitability of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as "Information") and liability therefore is expressly disclaimed.

Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees, consultants or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising or out of or in connection with the use of this Presentation. Each party to whom this Presentation is made available must make its own independent assessment of the Company and the Presentation after making such investigations and taking such advice as may be deemed necessary. Any reliance placed on the Presentation is strictly at the risk of such person relying on such Presentation and the Information contained within.

This Presentation may contain forward-looking statements regarding the Company and its subsidiaries. These statements are based on various assumptions made by the Company. Such assumptions are subject to factors which are beyond our control and which involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Forward-looking statements may in some cases be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential" or "continue", the negative of such terms or other comparable terminology. These forward looking statements are only predictions. Actual events or results may differ materially, and a number of factors may cause the Company's actual results to differ materially from any such statement. Such factors include among others general market conditions, demand for the Company's products, development in reserves and resources, unpredictable changes in regulations affecting our markets, market acceptance of products and such other factors that may be relevant from time to time.

Although we believe that the expectations and assumptions reflected in the statements are reasonable, any person relying on such Information and Presentation are cautioned that the Company cannot guarantee future results, levels of activity, performance or achievement. In preparing this Presentation and except as required by law, the Company does not undertake or agree to any obligation or responsibility to provide the recipient with access to any additional information or to update this Presentation or Information or to correct any inaccuracies in, or omission from this Presentation or to update publicly any forward-looking statements for any reason after the date of this Presentation to conform these statements to actual results or to changes in our expectations. You are advised, however, to consult any further public disclosures made by the Company, such as filings made with the London Stock Exchange, Oslo Stock Exchange or press releases.

This Presentation does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever. Copies of this Presentation should not be distributed to any affiliates, third parties or indirect recipients in any manner whatsoever. The distribution of this Presentation in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdictions.

United Kingdom: This Presentation has not been approved by an authorised person in accordance with Section 21 of the Financial Services and Markets Act 2000 and therefore it is being delivered for information purposes only to a very limited number of persons and companies who are persons who have professional experience in matters relating to investments and who fall within the category of person set out in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or are high net worth companies within the meaning set out in Article 49 of the Order or are otherwise permitted to receive it. Any person who receives this Presentation who does not fall within the category of person set out in Article 19 and Article 49 of the Order should not rely on or act upon it. By accepting this Presentation, the recipient represents and warrants that they are a person who falls within the above description of persons entitled to receive the Presentation