



AVNEL GOLD MINING LIMITED

Avnel Gold Completes Phase IV RC Drill Program at the Kalana Exploitation Permit, South Mali

Intersections include: 15.8g/t Au over 2m, 9.7g/t over 3m, and 10.1g/t over 1m

FOR IMMEDIATE RELEASE (July 17th, 2006)

Avnel Gold Mining Ltd. (AVK:TSX) is pleased to announce the completion of an exploration RC drill program at the Grid-8 and Grid-7A areas of the Kalana Exploitation Permit in South Mali, West Africa. The program specifically targeted the southeastern parts of the Kalana Exploitation Permit, following on the success of the drill programs conducted within Grid-8 in 2005 and early 2006. The results at the Grid-8 area confirm and extend (up-dip) the mineralised zone discovered in 2005 (see press releases of August 8, 2005, and of April 19, 2006). The results of the Grid-7A area indicate that the mineralised systems in this grid area appear to have more modest grades and widths within 50 metres of surface. The location of the drill holes in the Grid-8 and Grid-7A areas are shown in figures 1 and 2 and the significant and anomalous intersections from the current drill campaign are given in tables 1 and 2.

Grid-8 area

Twenty-five holes, inclined at -50 degrees, were drilled within Grid-8 totaling 2,542m (RC-27 to RC-51, fig. 1): 9 holes to test the near-surface block within the known mineralised section of the Djirila Main Zone; 9 step-out holes along the Djirila Main Zone horizon; 6 holes to test IP geophysical anomalies east of the Djirila Main Zone; and 1 hole to check anomalous gold values obtained in quartz material sampled in an artisanal mining pit situated approximately 1km NE of the Djirila Main Zone.

Six of the nine drill holes testing the near-surface, up-dip block at the Djirila Main Zone returned significant intersections and confirm that gold mineralisation continues to surface. The best intersections include: **15.8g/t over 2m** from 53-55m, and **10.1g/t over 1m** from 59-60m in **RC-28**; **2.1g/t over 2m** from 24-26m and **4.7g/t over 2m** from 96-98m in **RC-29**; **2.2g/t** over 1m from 17-18m and **4.6g/t** over 1m from 100-101m in **RC-31**; **4.4g/t** over 1m from 88-89m and **4.4g/t** over 1m from 96-97m in **RC-32**; **9.7g/t over 3m** from 84-87m and **2.0g/t** over 1m from 94-95m in **RC-33**.

Of the 9 step-out holes, 5 holes returned anomalous intersections above 1g/t (RC-35, RC-36, RC-46, RC-47, RC-48). RC-35 and 36 are located along the SW part of the Djirila Main Zone, RC-47 and RC-48 are located along the NE extension of the Djirila Main Zone and RC-46 is located near an artisanal mining zone located west of the Djirila Main Zone.

None of the six holes drilled to check the IP geophysical anomalies east of Djirila Main Zone encountered mineralisation of interest. RC-51 returned only a weak mineralized intersection and did not fully verify the mineralisation (i.e., 5.3g/t) found in place within an artisanal pit above the hole.

A longitudinal section along the Djirila Main Zone is presented in figure 3. All significant values to date are shown on the section, including the 2005 Phase IV DDH drill campaign (yellow background) and the 2006 Phase IV RC drill campaign (blue background).

Grid-7A area

Thirty holes, inclined at -50 degrees, were drilled in Grid-7A totaling 2,525m (RC-52 to RC-81, fig. 2). The holes were located in the Tonda anomalies, to the north, and in the Dabaran West anomalies, to the south. The holes were planned to test various soil anomalies and artisanal workings: 11 holes in Tonda "A" sector (RC-71 to RC-81) and 2 holes in Tonda "D" sector (RC-60 and RC-61) tested the two largest clusters of anomalous gold values of Grid-7A; 7 holes in Tonda "B" sector (RC-64 to RC-70) and 2 holes in Tonda "C" sector (RC-62 and RC-63) tested the smaller soil anomalies on strike with the larger mineralised trends of Tonda "A" and Tonda "D"; and 8 holes in the Dabaran West sector tested a weaker, NNW-trending band of gold anomalism present in the south-central part of Grid-7A.

The results returned for the Grid-7A area (Tonda and Dabaran West anomalies) indicate that the mineralised systems in this grid area appear to have more modest grades and widths in the near-surface environment. The significant and anomalous results for Grid-7A are presented in table 2.

Avnel management is encouraged by the results of the Phase IV RC drill program in that it extends significant mineralisation to surface in the Djirila Main Zone and the high-grade mineralisation remains open below 100 metres. Management is compiling a report that will recommend the next phase of work at Djirila.

QA-QC entailed adding control samples at the level of 12% of the number of samples, comprising standards (4%), blanks (4%), and duplicates (4%). Six different certified reference material (CRM) standards were used.

The RC drill campaign was supervised in the field by Michel Mercier (a "Qualified Person" in accordance with National Instrument 43-101), who is a consulting geochemist and exploration geologist with more than 20 years of experience in West Africa.

Avnel's principal asset is an 80-per-cent interest in Société d'Exploitation des Mines de Kalana (SOMIKA). SOMIKA is the holder of an exploitation permit encompassing 387.4 square kilometers around the Kalana gold mine in southern Mali. The Malian government holds the remaining 20 per cent in SOMIKA. The Kalana Mine is an operating mine with a Proved and Probable Ore Reserve of 428,000 ounces at an average grade of 14.2g/t.

Exploration to date has identified km-scale gold anomalies on 11 targets of which two have been tested.

ON BEHALF
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Caution Regarding Forward Looking Statements:

Statements regarding the corporation's plans with respect to the Kalana Mine and exploration of the Kalana Permit are forward-looking statements. There can be no assurance that the planned ongoing development of the Kalana Gold Mine will be completed as forecast or that the exploration program on the Kalana Permit will identify minerals resources.

The TSX has neither approved nor disapproved the form or content of this information release.

TABLE 1. Significant and anomalous RC drill results from the Phase IV drill program at Grid-8.

Hole ID	Type	UTM North	UTM East	Line	Azimuth	Dip	Length of Hole (m)	From (m)	To (m)	Interval (m)	Au (ppb)
RC-27	RC	600228,2	1176596,1	1176600	N271.6°	-51,4	112	25	26	1	433
&								27	28	1	540
&								28	29	1	1153
&								85	86	1	340
&								86	87	1	1360
&								89	90	1	560
RC-28	RC	600226,7	1176537,1	1176540	N270.3°	-52,1	101	19	24	5	1921
&								27	30	3	536
&								42	43	1	329
&								48	49	1	748
&								50	51	1	416
&								53	55	2	15773
&								55	56	1	344
&								56	57	1	1225
&								57	58	1	522
&								59	60	1	10100
&								60	62	2	653
RC-29	RC	600230,1	1176494,5	1176500	N269.2°	-50,7	135	24	26	2	2117
&								26	29	3	754
&								29	33	4	1884
&								33	34	1	520
&								35	37	2	612
&								38	39	1	569
&								43	44	1	840
&								44	45	1	1329
&								45	46	1	642
&								48	50	2	355
&								96	98	2	4725
&								98	99	1	503
RC-30	RC	600321,2	1176496,2	1176500	N270.3°	-56,0	108,0	95	96	1	654
RC-31	RC	600199,2	1176459,9	1176460	N270.5°	-54,8	101	5	6	1	381
&								8	12	4	526
&								14	17	3	565
&								17	18	1	2225
&								18	19	1	367
&								20	21	1	728
&								25	26	1	352
&								26	27	1	1050
&								94	95	1	460
&								98	99	1	340
&								100	101	1	4600
RC-32	RC	600190,8	1176417,3	1176420	N270.3°	-50,6	102	37	39	2	562
&								88	89	1	4410
&								89	91	2	705
&								95	96	1	473
&								96	97	1	4420
&								100	101	1	304
RC-33	RC	600186,3	1176395,1	1176400	N271.4°	-50,3	115	27	28	1	890
&								30	31	1	368
&								31	32	1	1130
&								32	33	1	580
&								84	87	3	9671
&								87	88	1	691
&								94	95	1	2037
&								95	96	1	880
RC-34	RC	600168,5	1176373,6	1176375	N272.6°	-49,2	84	76	78	2	671
RC-35	RC	600165,6	1176335,8	1176340	N267.7°	-50,6	100	62	64	2	864
&								64	66	2	1081
&								86	88	2	520
RC-36	RC	600138,3	1176298,5	1176300	N268.4°	-50,9	100	24	26	2	600
&								30	32	2	326
&								34	36	2	971
&								64	66	2	1902
RC-44	RC	600280,4	1176497,3	1176500	N269.0°	-70,0	108	6	7	1	615
&								66	67	1	384
RC-45	RC	600183,7	1176536,0	1176540	N272.2°	-50,6	100	26	28	2	446
&								30	32	2	477

TABLE 1. Significant and anomalous RC drill results from the Phase IV drill program at Grid-8 (continued).

Hole ID	Type	UTM North	UTM East	Line	Azimuth	Dip	Length of Hole (m)	From (m)	To (m)	Interval (m)	Au (ppb)
RC-46	RC	600067,6	1176627,3	1176630	N269.5°	-49,5	100	4	6	2	2348
&								6	8	2	338
RC-47	RC	600317,3	1176646,7	1176650	N270.6°	-51,0	100	86	88	2	573
&								94	96	2	1678
&								96	98	2	620
RC-48	RC	600251,6	1176649,1	1176650	N270.8°	-50,4	100	0	2	2	369
&								42	44	2	643
&								46	48	2	779
&								48	52	4	1873
&								54	56	2	810
RC-50	RC	600260,8	1176748,1	1176750	N268.3°	-50,1	90	34	36	2	459
RC-51	RC	600532,3	1177720,9	1177720	N087.6°	-50,6	90	86	88	2	416

TABLE 2. Significant and anomalous RC drill results from the Phase IV drill program at Grid-7A.

Hole ID	Type	UTM North	UTM East	Line	Azimuth	Dip	Length of Hole (m)	From (m)	To (m)	Interval (m)	Au (ppb)
RC-59	RC	597206,0	1183400,2	1183400	N270.0°	-50,0	84	54	56	2	376
RC-61	RC	597132,2	1184800,3	1184800	N270.0°	-50,0	100	72	74	2	378
RC-63	RC	597831,6	1185201,5	1185200	N270.0°	-50,0	75	32	34	2	1304
RC-71	RC	596331,3	1185998,7	1186000	N270.0°	-50,0	100	26	28	2	329
RC-72	RC	596265,8	1185998,5	1186000	N270.0°	-50,0	100	30	32	2	550
RC-73	RC	596201,5	1185997,3	1186000	N270.0°	-50,0	100	60	62	2	363
&								62	64	2	1063
RC-74	RC	596138,1	1185996,4	1186000	N270.0°	-50,0	100	1	2	1	985
RC-76	RC	596402,1	1185798,6	1185800	N270.0°	-50,0	90	36	38	2	537
&								62	64	2	311
RC-77	RC	596343,6	1185798,6	1185800	N270.0°	-50,0	70	58	60	2	759
RC-79	RC	596334,4	1185696,5	1185700	N270.0°	-50,0	72	6	8	2	677
&								16	18	2	624

SOCIÉTÉ DES MINES DE KALANA

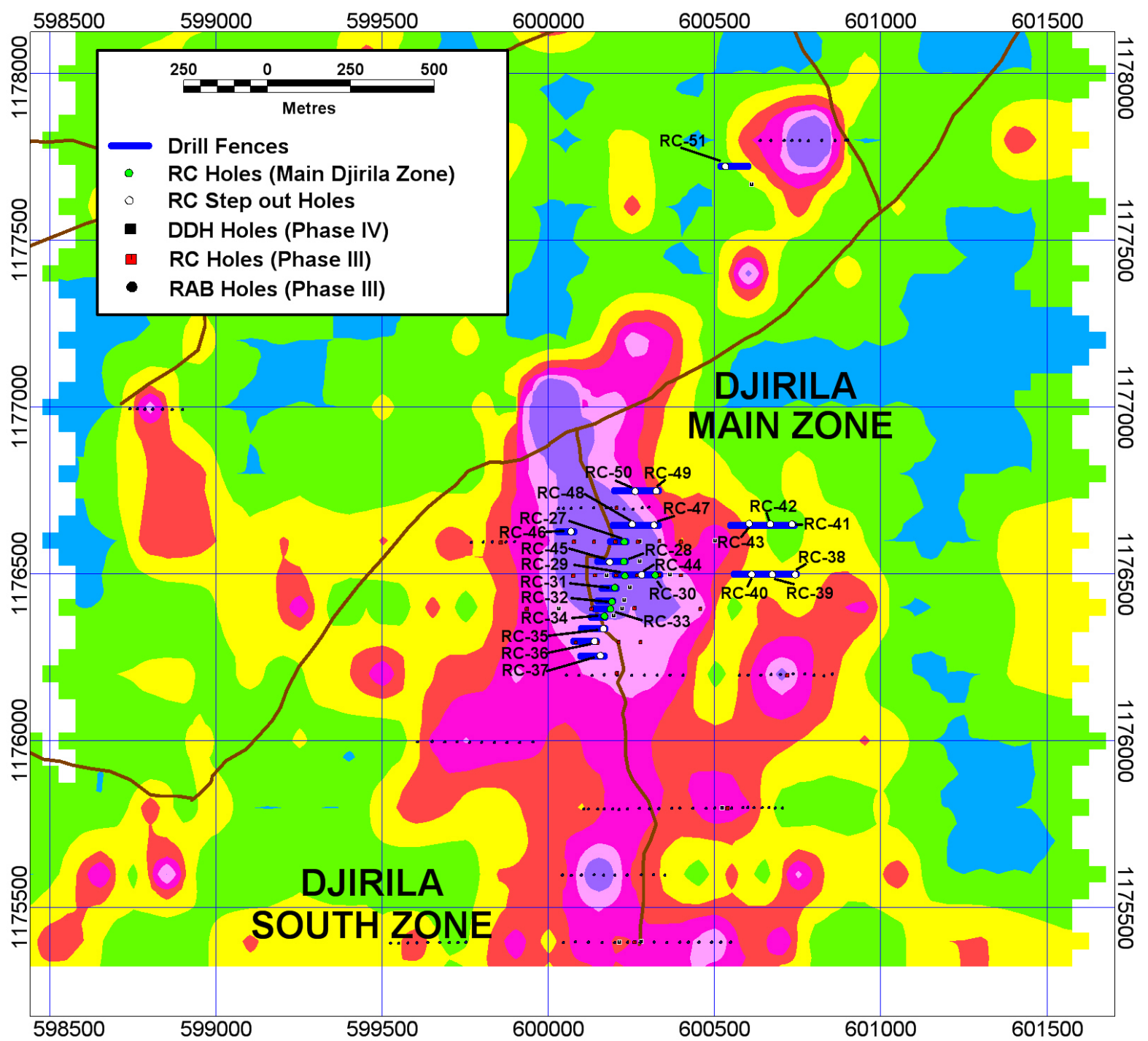


FIGURE 1. RC drill hole locations for Grid-8.

SOCIÉTÉ DES MINES DE KALANA (SOMIKA EXPLORATION)

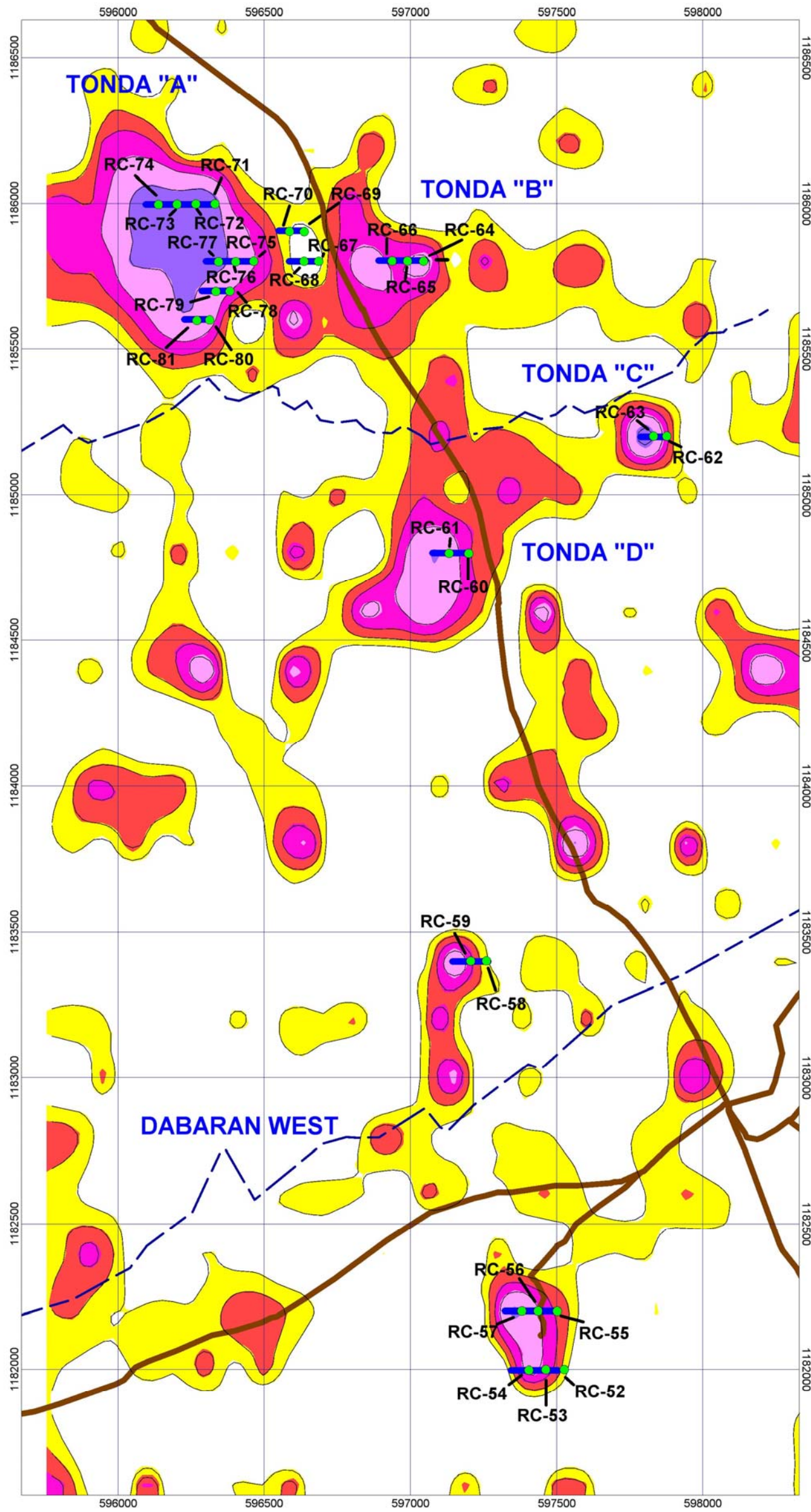


FIGURE 2. RC drill hole locations for Grid-7A.

LONGITUDINAL SECTION ALONG THE DJIRILA MAIN ZONE, VIEWED TO WEST

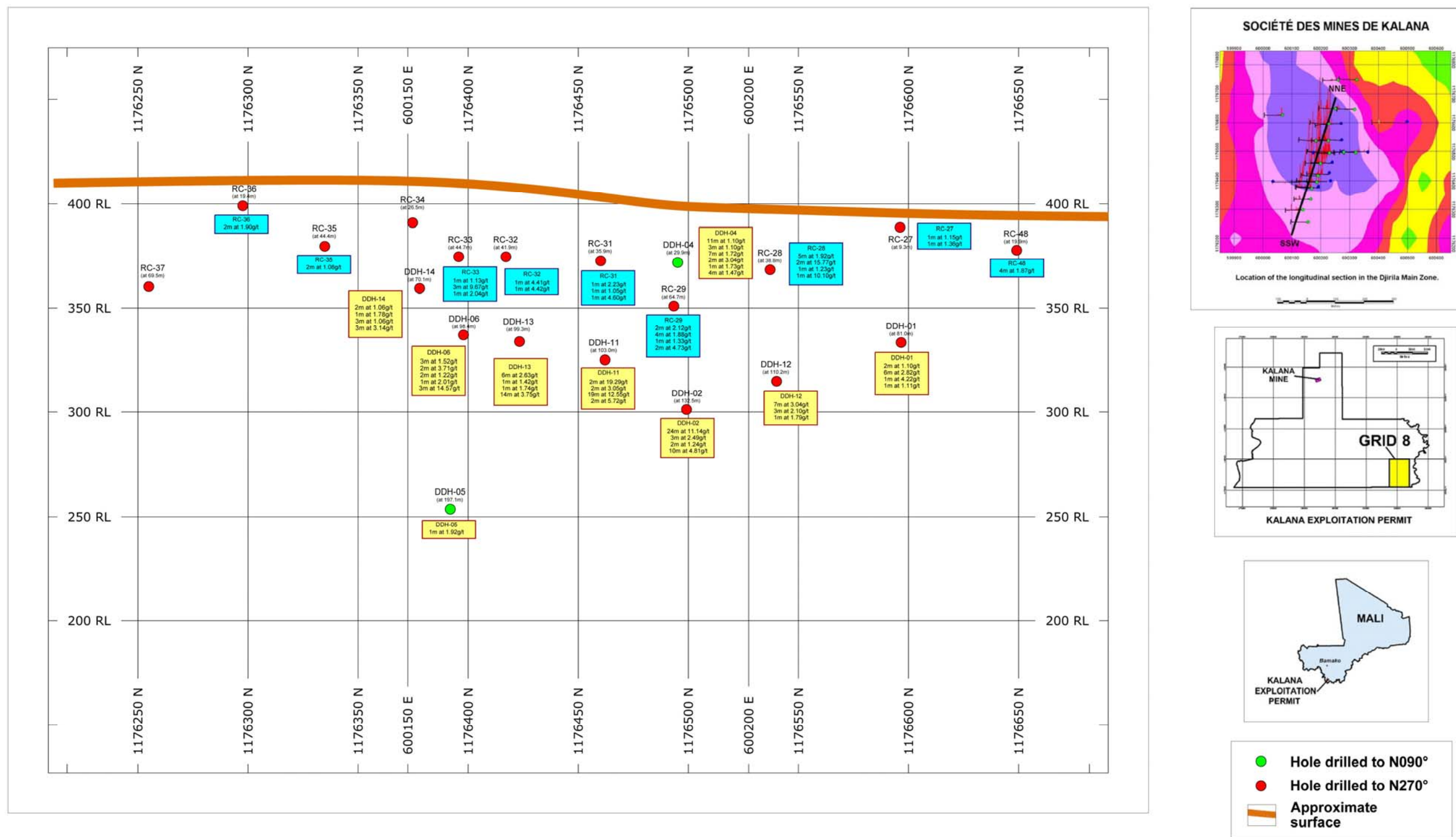


FIGURE 3. Longitudinal section along the Djirila Main Zone showing drill hole pierce points on a generalised plane along the strike of mineralisation.