



AVNEL GOLD MINING LIMITED

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AVNEL GOLD MINING LIMITED ANNOUNCES RIGHTS OFFERING RAISES CDN\$3,541,635

For immediate release March 28, 2007

Avnel Gold Mining Limited (the “Company”) (TSX: AVK) announces that it has completed a rights offering for gross proceeds of CDN\$3,541,635. The Company intends to use the proceeds of the Offering (after payment of the expenses of the Offering) to finance necessary capital expenditures, including costs of development of the Kalana Gold Mine, exploration and for general working capital purposes.

A total of 44,007,120 rights were exercised and 5,500,890 shares were subscribed for at a price of CDN\$0.50. Shareholders who exercised all of their Rights were also be entitled to acquire additional Common Shares, if any, which are not subscribed for by other holders of Rights pursuant to an additional subscription privilege. An additional 564,750 shares were subscribed for as an over subscription privilege at a price of CDN\$0.50.

Elliott International, L.P. (“Elliott”), which, together with its affiliates, is the Company’s largest beneficial shareholder, had entered into a stand-by agreement with the Company pursuant to which Elliott has agreed to purchase, or arrange for the purchase of, all Common Shares issuable on the exercise of Rights which are not acquired by other holders of Rights or pursuant to the additional subscription privilege. Elliott has subscribed for 1,017,630 shares at a price of CDN\$0.50 in terms of the stand-by agreement.

A total of 7,083,270 common shares will be issued for gross proceeds of CDN\$3,541,635

The company will have 63,749,457 common shares outstanding after giving effect to the rights offering.

ON BEHALF OF AVNEL GOLD MINING LIMITED

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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.

The Rights and underlying Common Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.