



AVNEL GOLD MINING LIMITED

AVNEL GOLD MINING LIMITED (AVK: TSX) ANNOUNCES THIRD QUARTER 2007 RESULTS

Period ended September 30, 2007.

For Immediate Release: November 14, 2007

Avnel records a net loss of \$1.3 million in the third quarter of 2007 (net loss of \$0.3 million in the year to date) and gold sales for the quarter of 5,334 ounces

Results

Avnel Gold Mining Limited ("Avnel" or the "Company") recorded net loss of \$1.3 million (\$0.02 per share) for the three months ended September 30, 2007. Avnel recorded a net loss of \$271,000 (\$0.004 per share) for the nine months ended September 30, 2007 compared to a net loss of \$1,232,000 (\$0.02 per share) in the first three quarters of 2006. The improvement compared to last year is mainly due to the increase in revenue of 39% whilst total expenses have only increased by 16%. Gold production has increased by 14% for the first nine months of 2007 compared to the same period in 2006.

Gold production totalled 5,242 ounces for the quarter, with a head grade of 20.9g/t compared to production of 6,205 ounces with a head grade of 26.7 g/t in the corresponding period of 2006. Gold sales during the quarter totalled 5,344 ounces at an average price of \$651 per ounce. 900 ounces were sold into a forward contract at an average price of \$447 per ounce. 4,444 ounces were sold at spot with an average price of \$692 per ounce. Cash costs per ounce sold increased from \$380 per ounce in the third quarter of 2006 to \$480 per ounce in the third quarter of 2007 mainly due to lower gold production.

The Company is selling all gold production at spot price from August 2007.

Gold production decreased in the third quarter compared to the first two quarters of 2007. This decrease was in line with the mine plan as mining of lower grade reserve blocks commenced. The mine grade is expected to be in the range of 14g/t to 15g/t over the next 12 months before rising to over 20g/t. Development of a new vein, No 18, will commence in the fourth quarter of 2007. The mine plan shows vein 18 with a grade of 15g/t as the main source of ore during 2008. During the first half of 2008, mine development will expose other ore reserve blocks allowing ore production to increase to 5,000 tonnes per month. The Company anticipates the mine will generate an operating margin to cover capital expenditures. Funding of exploration programs and corporate expenses will be required and the Company is evaluating alternatives as part of a strategic review.

Operations

Avnel's principal assets are an 80% interest in Societe des Mines d'Or De Kalana ("SOMIKA") and a 90% interest in the Fougadian Exploration Permit through its subsidiary, Avnel Mali SARL. The State of Mali holds the remaining 20% interest in SOMIKA. SOMIKA is the owner and operator of the Kalana Gold Mine located in the southwest of Mali and is the holder of an exploration permit in respect of 387.4 kilometres squared in south western Mali. Avnel's strategic objective, through SOMIKA, is to commercially exploit the reserves at the Kalana Gold Mine, and enhance the economics of the Kalana Gold Mine through underground exploration to increase mineral reserves and through surface exploration.

The mine was acquired by Avnel in late 2002 following which the existing plant and infrastructure were upgraded and mining operations were resumed by SOMIKA in January 2004 with commercial production commencing in March 2004. During the years 2004, 2005 and 2006 Avnel has been

engaged on increasing gold production from 7,396 ounces in 2004, to 14,823 ounces in 2005 and to 22,638 ounces in 2006. Gold production for the first nine months of 2007 amounted to 20,006 ounces. At the same time, Avnel has invested significantly in capital expenditures and underground development required to expand production to a planned annual rate of 60,000 tonnes. The mine development was behind schedule in 2005 and 2006 and it is now planned that underground production will increase from 23,000 tonnes in 2006 to 35,000 tonnes in 2007 with the objective of developing the mine to attain its design throughput rate of 60,000 tonnes per annum on a sustainable basis.

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Production data for the Kalana Mine for the three and nine month periods ended September 30, 2007 and 2006 are as follows:

	Three months ended September 30		Nine months ended September 30	
	2007	2006	2007	2006
Tonnes milled:				
Underground ore	8,458	6,594	24,405	18,528
Coarse sand reclaimed	-	1,512	-	2,956
Total	8,458	8,106	24,405	21,484
Gold grade - grams per tonne (g/t):				
Underground ore	20.9	31.5	27.6	32.1
Coarse sand reclaimed	-	5.7	-	5.9
Total	20.9	26.7	27.6	28.5
Recovery rate - %	92.2	89.3	92.4	89.4
Gold production – ounces	5,242	6,205	20,006	17,568
Cost per tonne milled	\$295	\$300	\$291	\$305
Operating cost per ounce of gold sold	\$480	\$380	\$360	\$371
Operating cost per ounce of gold produced	\$476	\$392	\$355	\$373

Gold production of 5,242 ounces in the third quarter of 2007 was marginally ahead of plan and 16% lower than the production in the third quarter of 2006. The higher gold production than plan was due to higher mill throughput (11%), lower grade (13%) and higher gold recovery of 92.2% (plan 87.8%).

Tonnes milled in the third quarter of 2007 were 4% above the production achieved in the corresponding period of 2006 and 11% above the planned production for the third quarter. 1,512 tonnes of coarse sand was included in the mill production in the third quarter of 2006. Underground ore increased from 6,594 tonnes in the third quarter of 2006 to 8,458 tonnes in the same period of 2007. Production from stoping on vein 1 was ahead of plan as productivity improved with up dip mining from the 160 level.

The gold grade of ore milled in the third quarter of 2007 was 22% lower than the corresponding period of 2006 and was 13% lower than the plan. Mining has commenced in lower grade mineral reserve blocks (19g/t) during the quarter and this has resulted in a decrease in grade to mill. Grades of 11.0g/t from new reserve block, vein 1 block VC2, were significantly lower than the reserve grade (19.0g/t) and lower than the higher grades mined in the previous quarter. The lower grades seem to be associated with a thin diorite intrusion in contact with the quartz vein. Gold recovery (92.2%) in the plant was higher than the corresponding period in 2006 (89.3%) and exceeded the plan (87.8%). Gold recovery

decreased from the first quarter of 2007 due to a lower head grade but is higher than the second quarter despite a reduction in head grade in the third quarter.

Development advanced 485 metres in the third quarter of 2007 compared to the planned 421 metres. Development of the 150 level haulage north to vein 18 advanced 170 metres in the third quarter. Vein 18 was intersected at the end of the third quarter. During the fourth quarter, two ore raises will be mined from 150 level to 100 level.

Exploration

Avnel completed the first phase of exploration on the Fougadian Exploration Permit. A total of 8,241 soil samples (including 468 controls) were collected along E-W oriented lines spaced 200 meters apart (N-S), with a sample spacing of 50 meters in an E-W direction. All samples were analysed for gold (fire assay) and for a 35 multi-element suite (ICP-AES) that includes arsenic, copper and potassium.

The results of the soil sampling survey have outlined several km-scale, gold-in-soil anomalies and coincident arsenic anomalies. The numerous significant gold and arsenic anomalous clusters that have been delineated were grouped into 14 anomalies (Avnel-1 to Avnel-14). It was observed that these 14 gold anomalies fall along three major mineralised corridors. Two of these corridors are sub-parallel, strike approximately N-S and can be traced nearly continuously through the length of the property. The third corridor strikes NNE-SSW and passes through the south-eastern and north-eastern quadrants of the licence.

Avnel has received two reports from The Mineral Corporation which can be viewed on the company website. The Mineral Corporation conducted a mapping and regolith study on the Fougadian Permit. The study indicated that a complete lateritic regolith is preserved in the western part of the permit. The regolith has been incised and eroded by streams flowing west to east, leaving some lateritic residuum on the intervening ridges.

The Mineral Corporation interpreted existing airborne magnetic and radiometric data generated through the SYSMIN program in 2001. The study suggested that coincident potassium and magnetic anomalies are potential targets for further gold exploration. The study identified two north striking corridors defined by co-incident potassium and magnetic anomalies.

Using the geophysical interpretation, regolith study and geochemical soil sampling, the bedrock geology was interpreted, given there is no bedrock outcrop. Present indications are that the stratigraphy probably strikes in a north-south direction.

Avnel is now preparing a phase two exploration program that will include a RC drill program. The timing and funding for the next phase of exploration on the Fougadian Permit will be announced in due course.

Avnel continues to review its prospective drill targets on the Kalana Permit where it has a 30 year permit for exploration.

Avnel has appointed Dr Andy Killick as Vice President Exploration (see press release dated October 15, 2007).

Additional information is available in the MD&A for the quarter ended June 30, 2007 which is available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com and the Company's website www.avnelgold.com.

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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.