

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES
OR FOR DISSEMINATION IN THE UNITED STATES

**FERN TRUST ANNOUNCES INCREASE IN HOLDINGS
IN AVNEL GOLD MINING LIMITED**

ST. PETER PORT, Guernsey, February 27, 2009 – Fern Trust has announced that it has acquired a further 2,638,908 ordinary shares (the “**Shares**”) in the capital of Avnel Gold Mining Limited (“**Avnel**”), representing 3.33% of the issued and outstanding Shares of Avnel following the acquisition. Fern Trust acquired the Shares through a non-arm’s length, non-brokered private placement whereby Avnel issued to its principal shareholders 5,277,817 Shares at a price of \$0.0315 per Share in partial satisfaction of the payment of the interest due on December 31, 2008 on certain outstanding convertible loan notes previously issued by Avnel to such principal shareholders.

The Shares acquired by Fern Trust, when taken together with Fern Trust’s existing holdings, comprise a total of 22,515,229 Shares, representing 28.43% of the outstanding Shares. Fern Trust may from time to time, depending on market and other conditions, increase or decrease such holdings of Shares or other securities of Avnel.

For further information, or to obtain a copy of Fern Trust’s early warning report, please contact:

Diorite Securities Limited as Trustees of the Fern Trust
c/o Merlin Quayport Trustees Limited
Quay House, South Esplanade
St. Peter Port, Guernsey
Channel Islands
GY1 4EJ
Attention: Mr. Martin Priest
Email: mrp@quayport.com