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NEWS RELEASE

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Avalon Arranges Private Placement of 1,500,000 Flow-through Units

Avalon Ventures Ltd. TSX-V: AVL (the “Company”) is pleased to announce that, subject to regulatory approval, it has arranged \$1,575,000 in flow-through financing through the non-brokered private placement of a total of 1,500,000 units at a price of \$1.05 per unit.

Each unit consists of one flow-through common share and one-half of one share purchase warrant. One whole warrant will entitle the holder to purchase one non-flow-through common share at a price of \$1.35 for a one year period from the date of issuance. A 3% cash finders fee is payable on 600,000 units. No commissions or finders fees are payable on the balance of the units to be placed.

The proceeds of the private placement will be used to fund exploration drilling programs in 2007 on the Company’s Thor Lake and East Kemptville rare metals projects and the Red Hill copper-zinc-silver project. The private placement is expected to close within the next two weeks.

About Avalon Ventures Ltd.

Avalon Ventures Ltd. (TSX-V: AVL) is a Canadian junior mineral exploration and development company, with a primary focus on industrial minerals and rare metals with high technology applications. Avalon currently holds a valuable portfolio of advanced stage projects, including three projects at the feasibility stage, that have received considerable interest from around the world. To find out more about Avalon Ventures Ltd. (TSX-V: AVL), please visit our website at www.avalonventures.com. Shares Outstanding as at the date of this release: 48,817,248. Working Capital: \$1.8 million

This news release is available on the Company’s official on-line investor relations site for investor commentary, feedback and questions. Investors are invited to visit the “Avalon Ventures” IR Hub at <http://www.agoracom.com/ir/avalon>. In addition, investors are invited to e-mail their questions and correspondence to AVL@agoracom.com or phone Don Bubar, P.Ge. President, at 416-364-4938. Mr. Bubar is the Qualified Person responsible for the technical content of this news release.

The language used in this News Release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's forward-looking statements and expectations. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.