

Developing the Kalana Open-Pit Mine

September 2014 Investor Presentation



Avnel Gold
MINING LIMITED

TSX: AVK

Cautionary Notes

Forward Looking Statements:

This presentation contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities legislation, concerning the business, operations and financial performance and condition of the Company. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may constitute forward-looking statements. Forward-looking statements contained in this presentation include statements with respect to: expectations regarding the potential mineralization and geological merits of the Company's projects, including the Kalana Project and the Fougadian Project; the Company's goals regarding development of the Kalana Project and regarding raising capital and conducting further exploration and development of its projects; the Company's proposed plans for advancing its projects, including drilling and other exploration work; expectations regarding the continuity of mineral deposits, including in relation to adjacent or other properties (including producing or past-producing properties) that are in the vicinity or same region as the Company's projects; expectations regarding any environmental issues that may affect planned or future exploitation and exploration programs; mineral exploitation and exploration program cost estimates; statements with respect to the future price of gold and other metals; timing and completion of geological studies and reports; receipt and timing of the Kalana Project exploitation permits and other third party approvals; and government regulation of mineral exploration and development operations in Mali. Estimates of mineral resources and mineral reserves may also constitute forward-looking statements and information in that they represent estimates of mineralization that may be encountered if mining is commenced, and/or economic viability of such mineralization.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements or forward-looking information, including but not limited to: (i) political developments in Mali, whether generally or in respect of the mining industry specifically, which may not be consistent with the Company's current expectations, (ii) the Company's expectations in connection with the projects, exploration programs and development plans discussed herein being met, (iii) the ability to develop the Kalana Project on a basis consistent with the Company's current expectations, (iv) changes in project parameters as the Kalana Project continues to be advanced, (v) changes in project development, construction, production and commissioning time frames, (vi) the possibility of project cost overruns or unanticipated costs and expenses, (vii) unanticipated results of future studies, (viii) costs and timing of the development of new deposits, (ix) success of exploration and drilling activities, (x) risks and uncertainties relating to the interpretation of drill results and other exploration data, and the geology, grade and continuity of mineral deposits, (xi) the possibility that future exploration results will not be consistent with the Company's expectations, (xii) risks related to metallurgical characteristics of mineralization contained within the Company's properties which may not be fully determined, (xiii) potential delays in completion of geological reports (including preliminary economic assessments, pre-feasibility and feasibility studies), or that the contents of geological reports will not be consistent with the Company's expectations, (xiv) permitting time lines, (xv) government regulation and the risk of government expropriation or nationalization of mining operations, (xvi) unanticipated environmental risks, (xvii) the continued employment of key employees, and (xviii) the factors discussed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" in the Company's annual information form which is available under the Company's profile on the SEDAR website at www.sedar.com.

These forward-looking statements are based on certain assumptions which the Company believes are reasonable, including that: all necessary government and third party permits, approvals and licenses necessary for the planned exploration and development of the Company's mineral projects will be obtained in a timely manner and on terms acceptable to the Company; key management and directors will continue to be retained by the Company; any proposed future development of the Company's mineral projects will be viable operationally and economically and proceed as expected; and the other assumptions listed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" in the Company's annual information form which is available under the Company's profile on the SEDAR website at www.sedar.com. Assumptions relating to the potential mineralization on the Company's Kalana Project are discussed in the most recent technical reports in respect thereof which are available under the Company's profile on the SEDAR website at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update any of the forward-looking statements or forward-looking information in this presentation, except as required by applicable law.

Disclosure of Mineral Reserves and Mineral Resources:

Information concerning the properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws. National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Please refer to the Company's annual information form and other continuous disclosure documents available at www.sedar.com, for this detailed information, which is subject to the qualifications and notes set forth therein.

Qualified Person:

Information in this presentation regarding the Kalana Gold Project and exploration activities is provided by Avnel management under the supervision of Dr. Olivier Féménias, Vice-President Geology and Mr. Roy Meade, Executive Director, Operations, whom are all non-independent "Qualified Persons" as such term is defined in National Instrument 43-101. Portions of the information are based on assumptions, qualifications and procedures which may not be fully described herein.

Cautionary Note to U.S. Readers Concerning Mineral Reserve and Resource Estimates: This presentation uses the terms "Mineral Resource", "Inferred Mineral Resource", and "Probable Mineral Reserves", Canadian mining terms as defined in accordance with NI 43-101 under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council. While the use of such terms is recognized and required by Canadian regulators, the United States Securities and Exchange Commission does not recognize such terms. For further information, refer to the Company's website at www.avnelgold.com.

All dollar amounts are in US dollars, unless otherwise indicated. References to "\$C" are to Canadian dollars.

Investment Highlights

The Kalana Project is Unique

- High-grade mineable resource (1.5M oz at 3.1 g/t Au head-grade)
- Unique 30-year Exploitation Permit
- Kalana to be developed into a low-cost, high-grade open-pit mine

Robust PEA Economics at \$1,110/oz Au

- Low capex of \$149 million
- After-tax NPV_{10%} of \$206 million & IRR of 59% at \$1,110/oz Au
- Total Cash Costs of \$589/oz over 14-year LOM

Pre-Feasibility Study Underway

- Fully financed with cash on hand
- Snowden, Ivor Jones, DRA Global and Epoch retained
- Scheduled to be completed near the end of 2014

Significant Exploration Upside

- Kalana Main deposit is open for expansion laterally and at depth
- Only a small portion of the 387 km² Kalana Permit explored
- 150km² Fougadian Permits being explored under IAMGOLD JV

Financial Position and Capital Structure

Shares Outstanding¹	261,430,124
Fully Diluted¹	343,063,300
Recent Share Price	C\$0.16
Market Capitalization	C\$42 million
Cash & Equivalents²	~US\$9.5 million
Debt	None

1 – Pro forma as at 5 September 2014

2 – Unaudited management estimate as at 31 August 2014

Kalana is Our Flagship Project

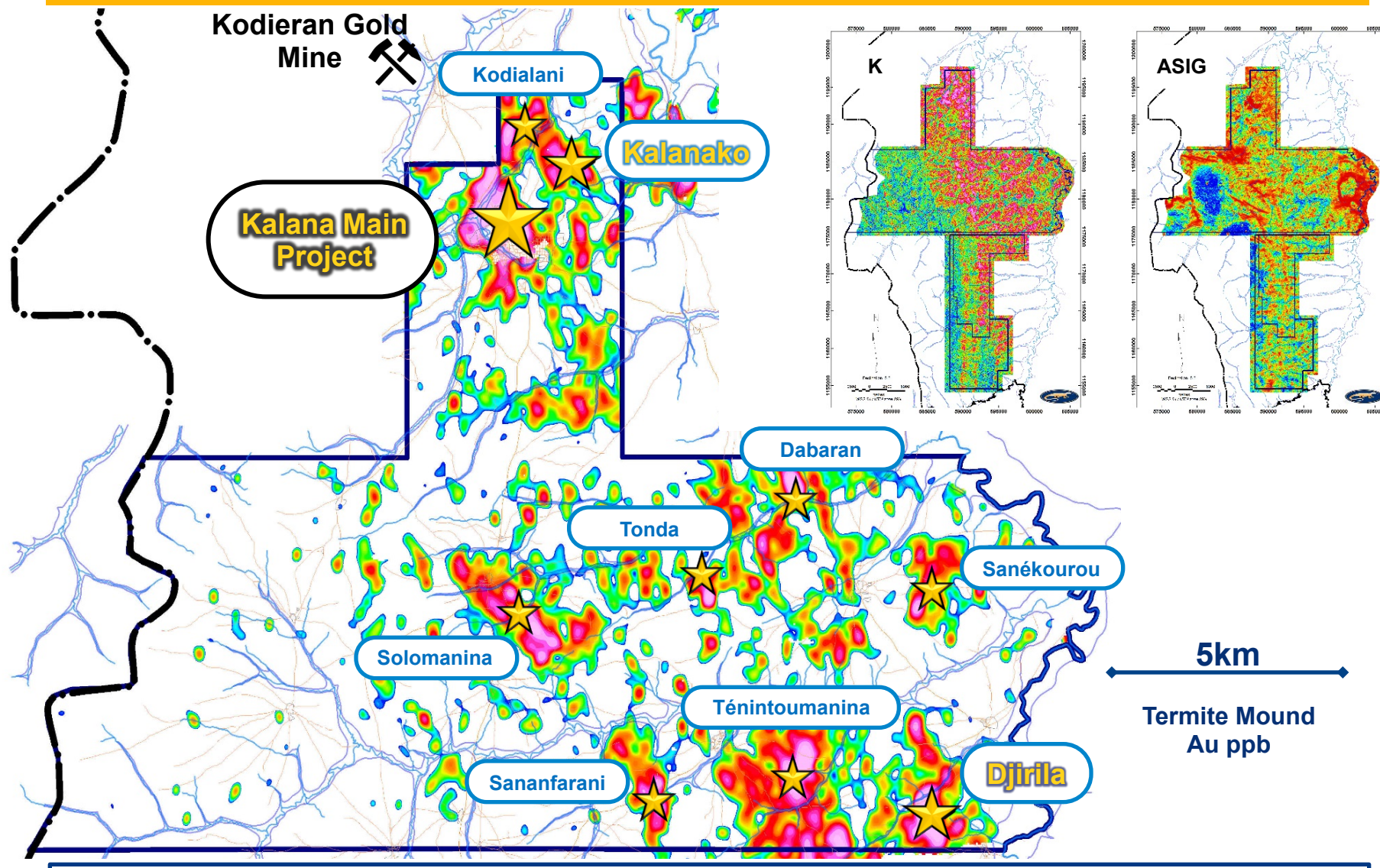
- **Mali is Africa's 3rd largest gold producing nation**
 - Behind South Africa and Ghana
- **Key infrastructure is in place**
 - 270km south of Bamako
 - Abundant water supply
 - Hydroelectric power
 - Modern telecommunications
- **Strong community relations**
 - Three community medical clinics
 - Four schools
- **Great support for the project**
 - Largest employer in the region
 - Government keen to see development



The Kalana Exploitation Permit is Unique

- **Avnel owns an 80% equity interest in SOMIKA**
 - SOMIKA holds the Kalana Permit (1999 Mining Code)
 - Government of Mali has a 20% free-carry equity interest in SOMIKA
- **30-year Exploitation Permit**
 - Granted in 2003 for 30 years, plus two 10-year extension options
- **Large 387km² highly prospective land package**
 - Kalana Main plus 2 priority projects and several defined prospects
- **Streamlined permitting process**
 - Brownfield site that only requires an ESIA for new mines
- **Significant tax holiday**
 - 3-year tax holiday for all new mines, including the Kalana open-pit mine
- **Rolling exonerations of exploration and development expenditures**
 - No VAT and import duties
- **Existing Soviet-era underground mine**
 - Principally operated to maintain socioeconomic stability in the community
 - Key exploration tool that also provides metallurgical data

The Kalana Exploitation Permit



Kalana is a High-Grade Coarse Gold Deposit¹

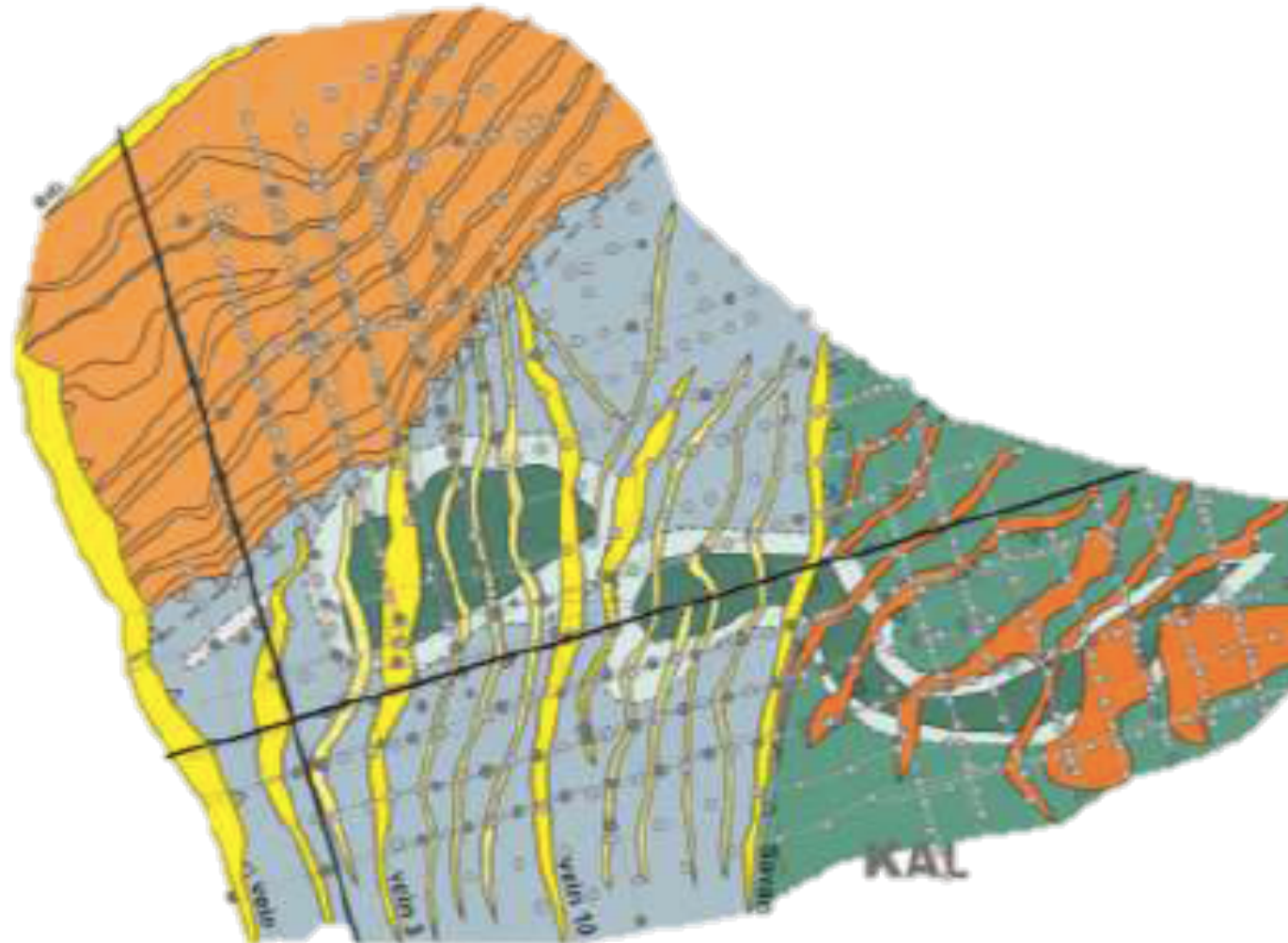
0.9 g/t Au <i>cut-off</i> \$1,110/oz Au	Indicated Resources			Inferred Resources		
	Tonnes (millions)	Grade (g/t Au)	Ounces (millions)	Tonnes (millions)	Grade (g/t Au)	Ounces (millions)
Kalana Main Pit	8.5	4.53	1.25	2.1	3.76	0.25
Kalana Tailings	0.7	1.8	0.04			
Kalana PEA (100%)	9.6	4.34	1.29	2.1	3.76	0.25
Avnel Gold (80%)	9.0	4.34	1.03	1.7	3.76	0.20



1 – See Appendix for details on the Mineral Resource Statement presented as part of the Kalana Main PEA

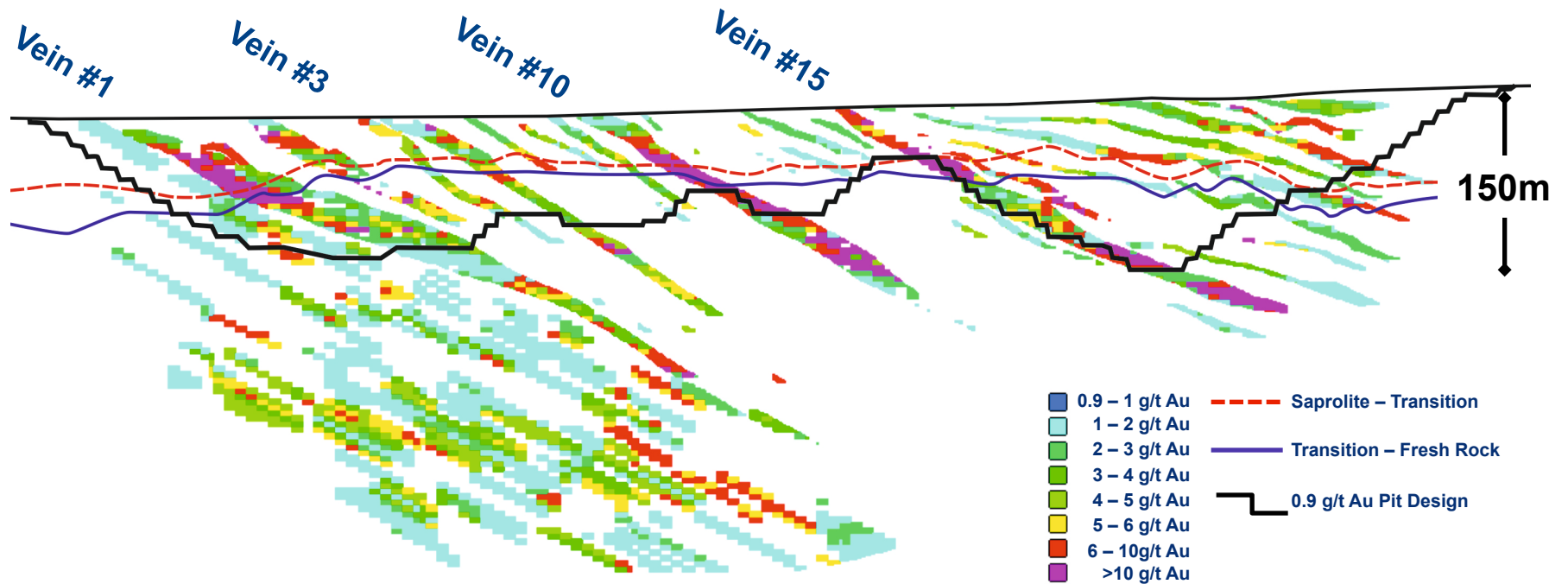
Vein Packages Exhibit Strong Continuity

Kalana Main Vein Packages Surface Projection



Vein Packages Exhibit Strong Continuity

Kalana PEA Pit Section (looking northwest)



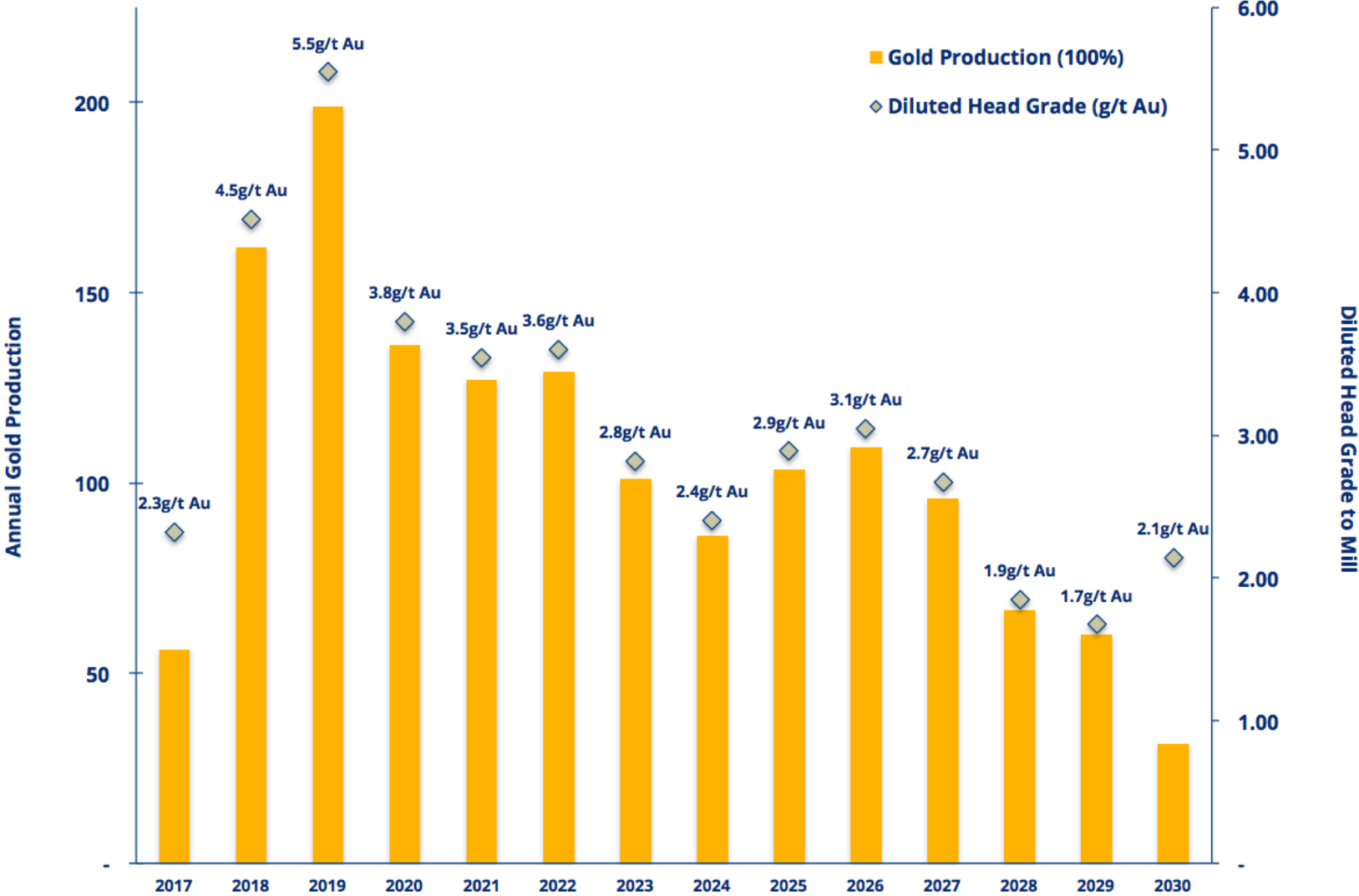
These four vein packages contain ~42% of the pit-contained mineable resources

Kalana PEA Highlights¹ (March 2014)

- **1.5 million ounce pit-contained mineable resource**
 - Based upon 132,392 m of drilling from 771 holes
 - 1.25 million ounces indicated (8.5 million tonnes grading 4.53 g/t Au)
 - 0.25 million ounces inferred (2.1 million tonnes grading 3.76 g/t Au)
- **Contract mining**
 - 15.1 million tonnes grading 3.2 g/t Au (including 50% dilution assumption)
 - 128 million tonnes of waste (8.5 waste-to-ore ratio)
- **A small and simple milling operation**
 - 3,000 tonnes per day milling operation (1.2Mtpa)
 - LOM head grade of 3.1 g/t Au (includes processing of historic tailings)
- **Simple metallurgy**
 - 93% recovery with gravity + conventional CIL process
- **14-year mine life**
 - Average annual production of 135,000 ounces for first 6 years
 - Peak production of 200,000 ounces in 2019 (year 3)

1 – Based upon the 31 March 2014 Preliminary Economic Assessment (“PEA”) NI 43-101 Technical Report utilizing a gold price of \$1,110 per ounce. All results are reported on a 100% life-of-mine (LOM) basis, unless stated otherwise.

Kalana PEA Production Forecast



Kalana PEA Highlights¹ (March 2014)

- **Low initial capital cost of \$149 million** (including contingency)
 - Low initial capital intensity of \$102 per ounce produced
 - Contract mining
- **Total Cash Costs of \$589 per ounce over LOM**
 - Total Cash Costs of \$483 per ounce over first 6 years
 - A low-cost producer
- **Adjusted AISC of \$608 per ounce over LOM**
 - Sustaining capital of \$29 million (\$20 per ounce produced)
- **After-tax NPV_{10%} of \$206 million at \$1,110/oz Au**
 - 59% IRR
 - 2-year pay back period

1 – Based upon the 31 March 2014 Preliminary Economic Assessment (“PEA”) NI 43-101 Technical Report and reported on a 100% project basis utilizing a gold price of \$1,110 per ounce and excluding 8% imputed interest on all pre-production capital expenses as reported in the PEA. All unit costs are expressed as the average over the life of mine, unless stated otherwise. Capital and operating cost measures are defined and reconciled in the appendix to this presentation.

After-Tax NPV¹ (millions)

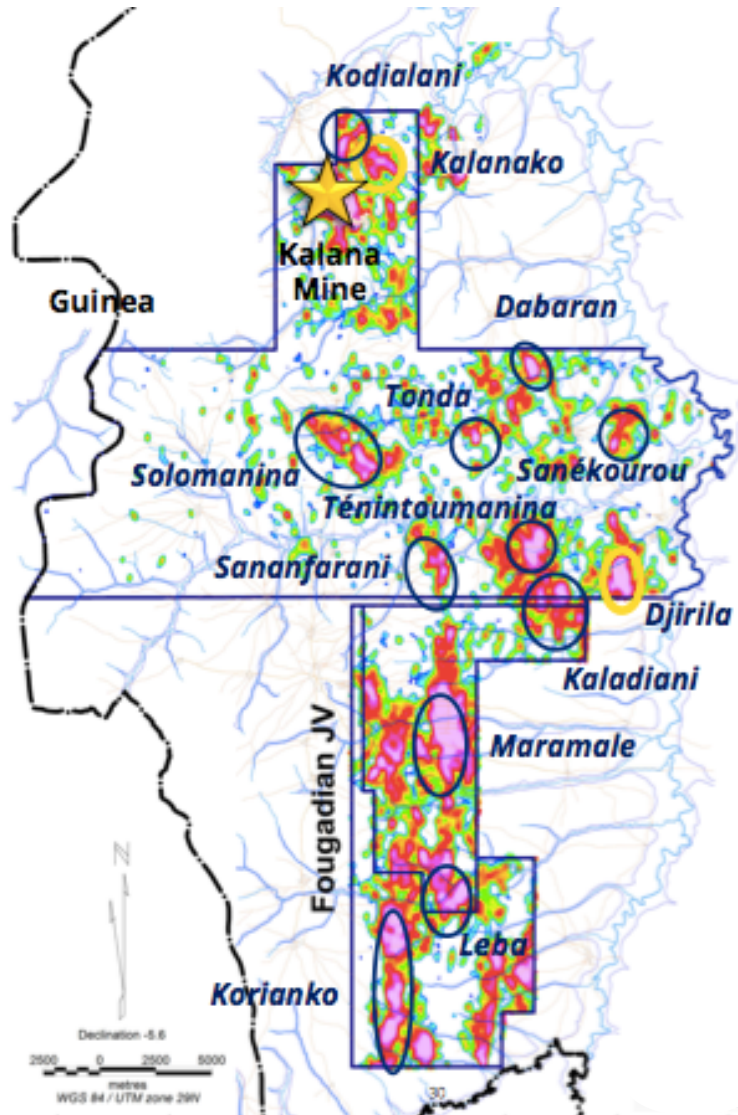
Discount Rate	Gold Price (\$/oz)				
	\$1,110	\$1,200	\$1,300	\$1,400	\$1,500
0%	\$415	\$510	\$617	\$723	\$830
5%	\$289	\$358	\$435	\$512	\$590
10%	\$206	\$258	\$317	\$375	\$433
IRR	59%	70%	81%	92%	103%

1 – Based upon the 31 March 2014 43-101 Technical Report and cashflow model prepared by Snowden. The after-tax NPV and IRR presented in this table are on a 100% project basis that expenses all initial and sustaining capital in the year incurred and excludes the 8% imputed interest on all pre-production expenditures considered in the PEA.

Key Milestones & Timeline to Production

	2014E	2015E	2016E	2017E
Kalana PEA & New Resource Estimate	■ ✓			
PFS Metallurgical Test Work	■			
Updated Mineral Resource Estimates	■	□		
Infill and Extension Drilling	□	□		
Preliminary Feasibility Study (PFS)	■			
DFS Metallurgical Test Work		□		
Environmental & Social Impact Assessment	■			
Community Consultation & RAP	■			
Definitive Feasibility Study (DFS)		□		
Construction Financing		□		
Mine Construction			□	□
Mill Commissioning and Tailings Processing				□
Commercial Production				▶

An Emerging High-Grade Gold Camp?



387km² Kalana Exploitation Permit

150km² Fougadian Exploration Permits (JV with IAMGOLD)

Legend

Kalana Mine



Advanced Target



Prospect



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Appendix: Management Team

Howard Miller
Chairman and CEO

Mr. Miller is a former lawyer with more than 35 years experience in the legal and financial sector in Africa, Canada and the UK. He has been Avnel's Chairman since its inception and has been CEO since 2008. Mr. Miller was also a founding director of Nelson Resources Ltd., which was sold to LukOil for \$2.2 billion in 2005.

Roy Meade
Executive Director, Operations

Mr. Meade is a professional engineer with more than 25 years of experience in the mining industry. Prior to joining Avnel, he was Senior Vice President of Kahama Mining Corp., a subsidiary of Barrick Gold, where he was responsible for its operations in Tanzania. Mr. Meade has been with Avnel Gold since its inception.

Alan McFarlane
Chief Financial Officer

Mr. McFarlane is an accountant and joined Avnel in 2009 as Vice President, Finance and Corporate Secretary, and was appointed Chief Financial Officer in 2012. Prior to joining Avnel, Mr. McFarlane served as Vice President of Finance of Avocet Mining Plc, an AIM-listed gold mining company.

Dr. Olivier Féménias
Vice-President, Geology

Dr. Féménias has PhD doctorates in Geology by the University of Brussels and the University of La Rochelle in France. He held the appointment of Assistant Professor at the University of Brussels from 2006 until 2009 when he was recruited by IAMGOLD to manage their \$32 million Kalana exploration program until he joined Avnel in 2013.

Jeremy Link
Vice-President, Corporate Development

Mr. Link is a professional engineer with more than 10 years experience in the resource and financial industries. He has held roles in exploration, mining, equity research, investment banking, asset management, and been a member of the management team of several gold mining companies. Mr. Link joined Avnel in 2014.

Appendix: Board of Directors

Howard Miller
Chairman and CEO

Mr. Miller is a former lawyer with more than 35 years experience in the legal and financial sector in Africa, Canada and the UK. He has been Avnel's Chairman since its inception and has been CEO since 2008. Mr. Miller was also a founding director of Nelson Resources Ltd., which was sold to LukOil for \$2.2 billion in 2005.

John Kearney
Lead Independent Director

Mr. Kearney is a lawyer with more than 25 years experience managing public companies. Mr. Kearney has been Chairman and President of Canadian Zinc Corporation since June 2003 and has held the positions of Chairman and Chief Executive Officer of Labrador Iron Mines Holding Limited since May 2007.

Roy Meade
Executive Director, Operations

Mr. Meade is a professional engineer with more than 25 years of experience in the mining industry. Prior to joining Avnel, he was Senior Vice President of Kahama Mining Corp., a subsidiary of Barrick Gold, where he was responsible for its operations in Tanzania. Mr. Meade has been with Avnel Gold since its inception.

Ibrahim Kantao
Independent Director

Mr. Kantao has more than 25 years of experience in the natural resource sector as a geologist and administrator. He is currently the Director General of AEL Mali SARL, a Malian mining service company. Previously, he was National Director of Geology and Mines for the Malian Government.

Anthony M. Bousfield
Independent Director

Mr. Bousfield has more than 30 years experience in the finance sector and was the CEO of Merlin Group Securities when he retired in 2008. Mr. Bousfield is the Executive Chairman of the Fern Group Ltd. and is also a director of Diorite Securities, a trustee of the Fern Trust.

Derek Kyle
Independent Director

Mr. Kyle is a geologist with more than 45 years of experience in the mining sector. Mr. Kyle is currently an independent mineral advisor to the mining industry and is based in South Africa. He was formerly the Founder and Chairman of Mineral Corporation and served as a non-executive director of AfriOre SA.

Jonas U. Rydell
Independent Director

Mr. Rydell has more than 15 years experience in the finance Sector and has been employed as a Securities Analyst with Elliott Advisors (UK) since April 2004. Prior to that, he was a Vice President of Credit Suisse First Boston in London, UK. Mr. Rydell is also a director of Public Service Properties Investments Limited since 2007.

Appendix: Equity Research and Major Shareholders



Dr. Ryan D. Long



Tom Hayes & Charles Gibson

Shareholder	Ordinary Shares	%
Elliot Group ¹	166,981,945	63.9%
Fern Trust ²	33,602,022	12.9%
M2 ³	21,292,641	8.1%

1 – Elliott Group also controls 54 million share purchase warrants

2 – The family trust of Avnel's CEO and Chairman, Howard Miller

3 – M2 also controls 7.8 million share purchase warrants

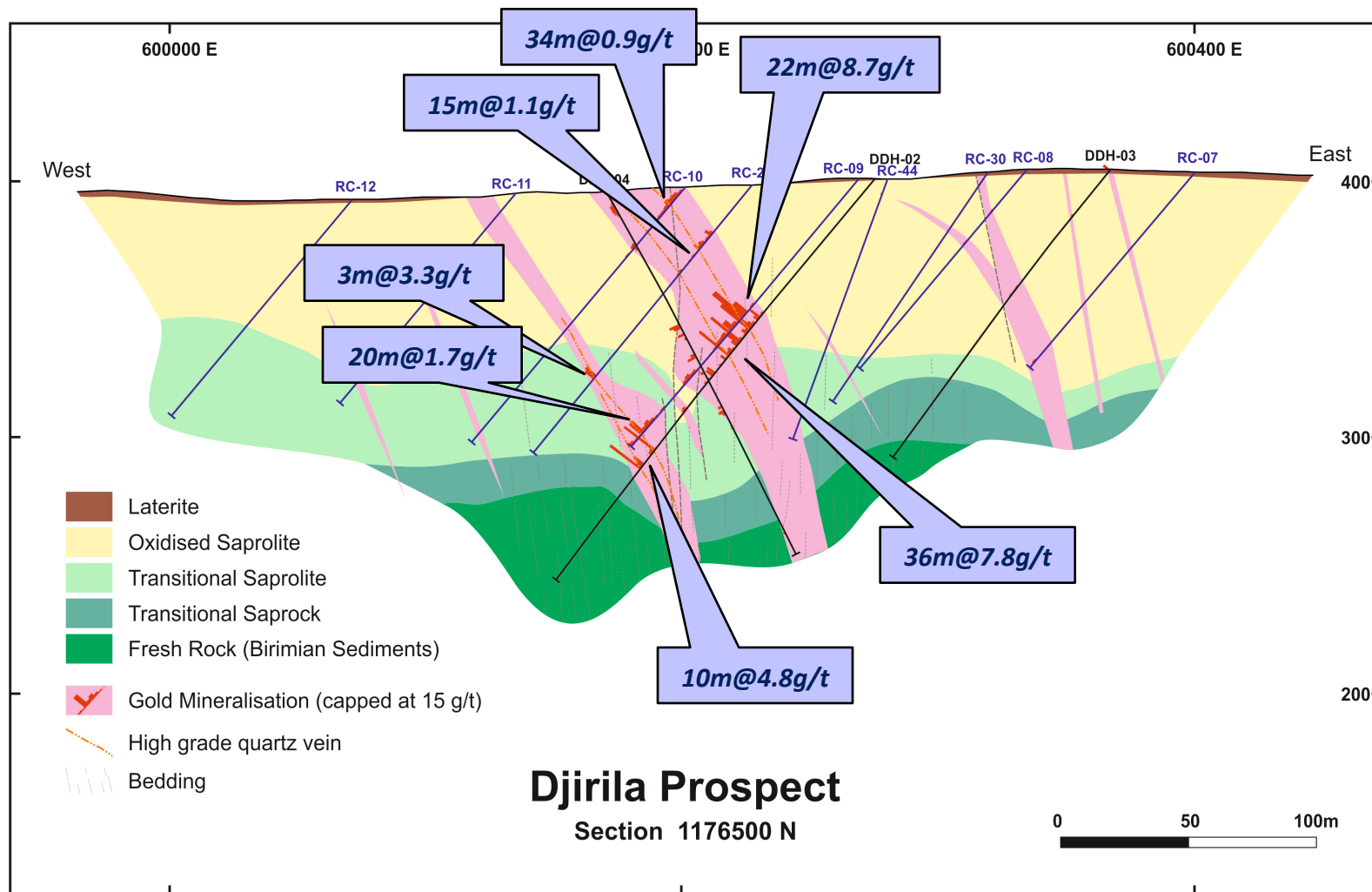
Avnel Gold is formally covered by the equity research analysts listed above. Any opinions, estimates, or forecasts regarding Avne Gold's performance made by these analysts are theirs alone and do not represent opinions, forecasts, or predictions of Avnel Gold or its management. Avnel Gold does not by its reference above, or distribution, imply its endorsement of or concurrence with such information, conclusions, or recommendations.

Appendix: Community & Government Support

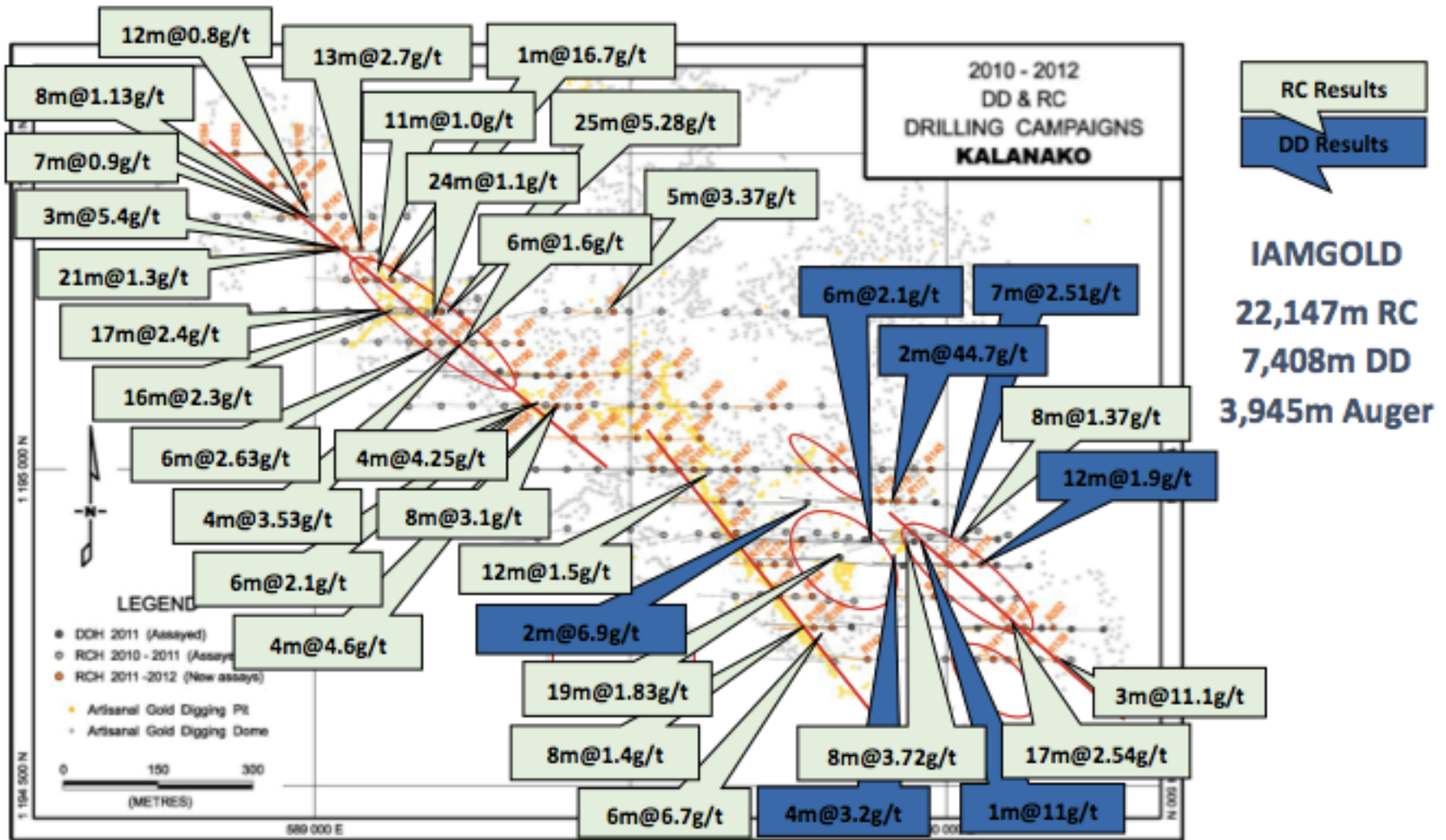
- **Avnel has strong ties to the Malian Government, the Village of Kalana and other surrounding communities**
- **Kalana has a population of 9,000 people**
 - We currently employ ~450 people
- **Mine clinic provides community health services**
 - 1 doctor, 2 nurses
 - Sponsor three clinics in the region
 - Improved health, especially for children
- **We have electrified most of the community**
- **We have brought potable water to most of the community**
- **We have built 4 schools (12 classrooms)**
 - We provide the teachers
 - French education
 - Starting a high school



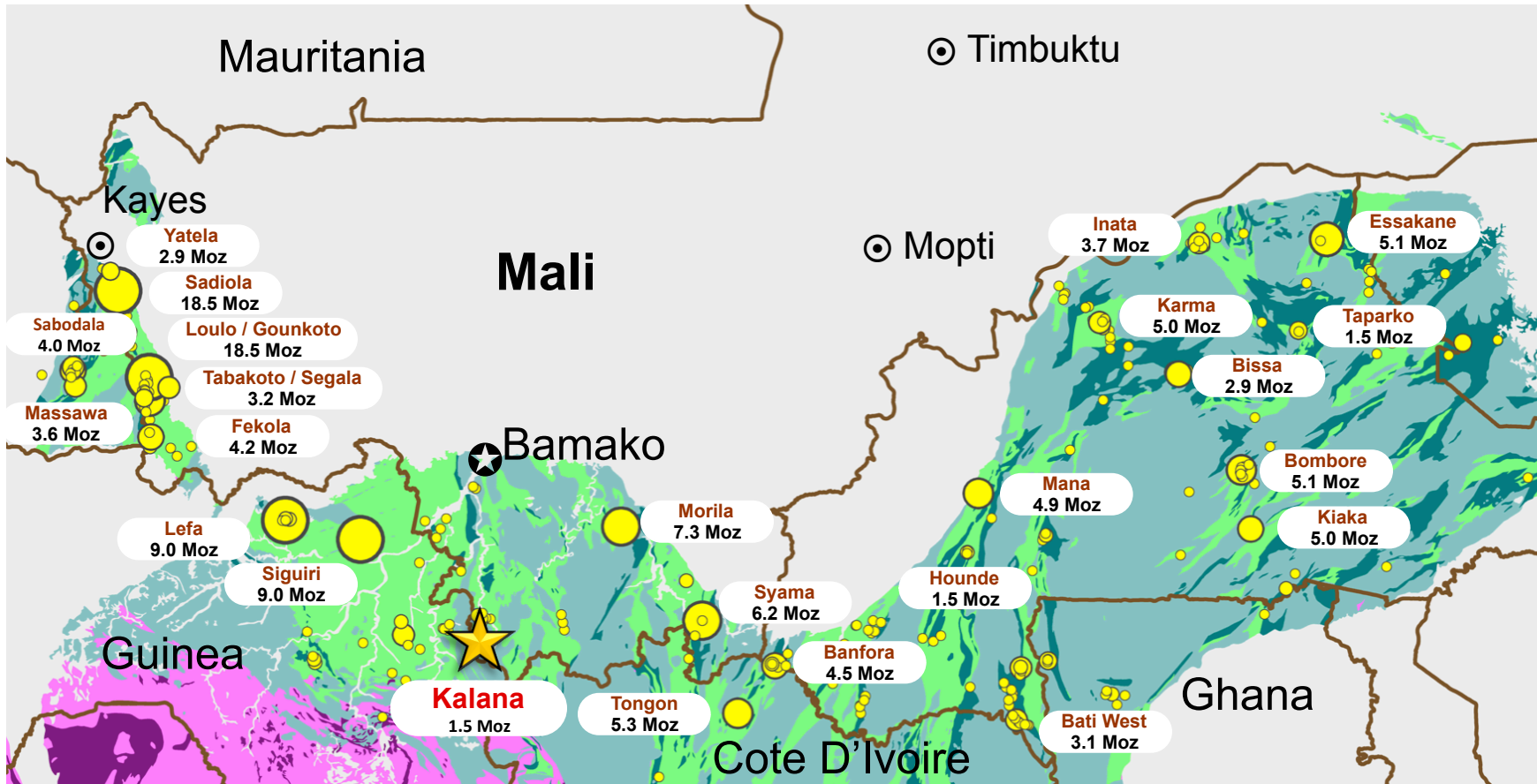
Appendix: Djirila Prospect



Appendix: Kalanako Prospect



Appendix: The Prolific Birimian Gold Belt¹



★ Kalana Project
 ● Gold Deposit

★ Capital City
 ● Major Centre

300km

¹ – Unaudited estimates based upon total resources and reported depletion from company reports and industry publications

Appendix: PEA Breakdown & Reconciliation

Capital Cost Breakdown

Item	\$M ¹
Pre-Strip ²	15.0
Infrastructure & Utilities	3.7
Power Plant	10.0
Process Plant	40.4
Ancillary Buildings	4.7
New Tailings Facility	9.4
EPCM	11.4
Indirect & Owners' Costs	32.3
Contingency (20%)	22.4
Initial Project Capital	149.3
Sustaining Capital	28.6
Closure Costs	10.0
Total LOM Capital Cost	187.9

Operating Cost Breakdown

Item	\$/t Ore ¹	\$/oz ¹
Mining	\$30.29/t	
Processing	\$16.37/t	
Site G&A	\$4.50/t	
Site Cash Operating Costs	\$51.16/t	\$551/oz
Royalties & Selling Costs		\$38/oz
Total Cash Costs³		\$589/oz
Sustaining Capital		\$20/oz
Adjusted AISC⁴		\$608/oz
Closure Costs		\$7/oz
Initial Project Capital		\$102/oz
Total Project Cash Costs⁵		\$717/oz

1 – Derived from the 31 March 2014 Preliminary Economic Assessment NI 43-101 Technical Report prepared by Snowden utilizing a gold price of \$1,110 per ounce for the determination of royalties. All amounts reported on a 100% project basis. All dollar amounts are in millions of US dollars, except for unit costs, which are in US dollars. Some amounts may not compute due to rounding and truncation.

2 – Pre-strip, sustaining capital, and closure costs are excluded from the contingency amount presented in the PEA.

3 – “Total cash costs” include mining, processing, site G&A, royalties and selling costs and are exclusive of depreciation, amortization, reclamation, construction, development, exploration and other non-site costs over the life of mine.

4 – “Adjusted All-in Sustaining Costs” or “Adjusted AISC” is defined as “Total Cash Costs” plus “Sustaining Capital” costs over the life of mine and excludes corporate G&A and exploration expenses as per the PEA.

5 – “Total Project Cash Costs” are defined as “Adjusted AISC” plus “Initial Project Capital” and “Closure Costs”.

Kalana PEA Mineral Resource Statement

	Indicated Resources			Inferred Resources		
	Tonnes (millions)	Grade (g/t Au)	Ounces (millions)	Tonnes (millions)	Grade (g/t Au)	Ounces (millions)
Kalana Main Pit	8.5	4.53	1.25	2.1	3.76	0.25
Kalana Tailings	0.7	1.8	0.04			
Kalana PEA (100%)	9.6	4.34	1.29	2.1	3.76	0.25
Avnel Gold (80%)	9.0	4.34	1.03	1.7	3.76	0.20

Notes on Mineral Resources:

1. The Kalana Main Pit and Kalana Tailings resource estimates are as at 31 March 2014. Mineral Reserves and Mineral Resources are disclosed on a total project basis at 100% and at an implied net interest of 80% to Avnel Gold, which owns an 80% equity interest in SOMIKA, the Malian company that holds the Kalana Exploitation Permit.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing or other relevant issues. These mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), *CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines* prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
3. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
4. Tonnages are metric tonnes and are rounded to the closest "0.0" million tonnes. Grades are rounded to the closest "0.00" and contained gold is reported as troy ounces. All reported grades and tonnes are prior to dilution.
5. Mineral Resources for Kalana are reported above a cut-off of 0.9 g/t Au and were estimated by Ivor W.O. Jones of Snowden Mining Industry Consultants, who is recognized as a Qualified Person for the purposes of NI 43-101. Grades were estimated using Multiple Indicator Kriging (MIK).
6. For additional technical information, please refer to the NI 43-101 compliant technical report or the Company's most recent AIF, which are available on SEDAR.

For additional information

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