



## **PRESS RELEASE**

**22 June 2009**

### **Avannaa Resources commences 2009 field work programme in West Greenland**

Avannaa Resources Ltd ("Avannaa") is about to commence the 2009 field work programme in its core area in the Disko Bay region of West Greenland. Work will commence on 25 June 2009 and run until 7 September 2009.

The objective of this fieldwork programme is to build on the exploration successes of the 2007 and 2008 field seasons and to deliver candidate projects to take towards Pre Feasibility Studies. Of the five workstreams making up the programme, two will include further analysis of a diamondiferous dyke and prospecting for new diamond bearing ultramafic lamprophyres, while the two gold projects will involve bulk sampling to identify drilling targets for 2010 and mapping and sampling of gold mineralisations. The fifth stream will acquire further samples and data on a rare earth element discovered in 2007.

Further details on the projects are as follows:

- **Qeqertaa, licence 2007/52 subarea 4:** the discovery by Avannaa of a diamondiferous ultramafic lamprophyre dyke at Qeqertaa in 2007 and subsequent verification in 2008 opened up a new diamond province in Greenland. The 2009 objective is to define the trace of the dyke, determine width and compositional variation and the potential of the dyke to host large diamonds. Work performed will include ground magnetic survey, detailed mapping, excavation and micro sampling from selected sites and collection of a 5-15 tonne bulk sample to be processed by dense media separation.
- **Ataa, licence 2008/33:** in 2007 Avannaa discovered a Ni-Cu mineralized dyke at Qajutaa and in 2008 Avannaa made diamond discoveries at Anap Nunaa and Ataa hills. All three discoveries have the potential for substantial tonnages. 2009 work will include prospecting for new diamond bearing ultramafic lamprophyres, prospecting for extensions to the Qajuta Ni-Cu dyke, and prospecting for new base metal deposits. Ground prospecting will be backed by the acquisition of nearly 2000km helicopter borne aeromag data to cover some 400-500km<sup>2</sup> of priority areas. Gold mineralizations at Eqi in the eastern part of the licence area will be examined, since a review of historical data suggests substantial economic potential may exist.
- **Saqqaq, licence 2008/27 subarea 1:** during 2008 Avannaa verified a known gold mineralisation, extended the strike length of the mineralisation and demonstrated high grade zones of 10-15ppm gold over 2-3m thickness. The 2009 work will comprise bulk sampling (100-150kg) from five locations with the aim of obtaining reliable information on gold grade and to identify potential drill targets for 2010.
- **Itilliarsuk, licence 2008/27 subarea 2:** this area contains numerous gold indications and has the potential to host a substantial gold deposit. 2009 work will focus on determining the geological controls on gold mineralisation and will involve mapping and sampling of known gold mineralisations, some of which have never been tested along strike despite promising grades of up to 9g/t Au over 1.7m.
- **Karrat REE, licence 2009/31:** Avannaa made a rare earth element (REE) discovery on Nuugaatsiaq island in 2007 and verified it in 2008. The objective of the 2009 work is to

document grade by channel sampling and collect micro-bulk samples to enable determination of mineral assemblages, identification of REE bearing minerals and processes to liberate mineral grains.

The various projects have considerable logistical and technical synergies that enable efficiencies in the conduct of the operation. Access to the field areas is by boat and helicopter and the logistics are straightforward. The areas of operation are close to Ilulissat, Greenland's second largest town, from where technical and support services are readily available as well as port facilities and an international airport.

### **Notes to Editors**

Avannaa Resources is a mineral exploration company founded in 2006 in the UK. Avannaa's primary focus is grass roots exploration in Greenland. The founders of Avannaa have been involved in exploration in Greenland since 1982 and have special knowledge of the geology and opportunities in Greenland. Avannaa's strategy is to exploit its expertise to build and mature an exploration portfolio and to bring in development partners for production.

Avannaa Resources Ltd. is the holding company for two 100% owned subsidiary companies: Avannaa Exploration Ltd. and Avannaa Diamonds Ltd. Avannaa Exploration holds four exploration licences in West Greenland: 2007/08 and 2009/31 in the Karrat Fjord region, 2007/52 at Disko Bay and 2008/27 at Saqqaq/Itilliarsuk. These licences are prospective for gold, diamonds and, REE. Avannaa Diamonds holds licence 2008/33 at Ataa, located in the eastern Disko area, this licence is prospective for diamonds, gold and Ni-Cu/PGE.

Avannaa Resources has offices in Copenhagen and London.

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