



PRESS RELEASE

3rd June 2008

Avannaa Resources commences major field work programme in West Greenland

Avannaa Resources Ltd ("Avannaa") is commencing a large programme of fieldwork on its project portfolio in West Greenland.

Avannaa's portfolio comprises nine distinct projects located within four licence areas covering a total of 3,158 square kilometers in West Greenland between latitudes 68°N and 72°N. Seven of the nine projects are located within the northeast Disko Bay region and will be serviced from a single basecamp using an EC120 helicopter chartered from Air Greenland/Unifly a/s. Eleven geologists and five support personnel are involved in the operation which will run from June 9th to September 1st 2008.

The most advanced projects in 2008 are focusing on diamonds, gold and iron ore and consist of respectively alluvial and hard-rock diamond projects covering a large part of the Disko Bay region, a gold project at Saqqaq and an iron-ore project at Itilliarsuk.

The objective of the alluvial diamond project will be to search for macro-diamonds in the Cretaceous Atane Formation sediments. 500 tonnes of river deposited sands and gravels will be processed through a custom built Inline Pressure Jig supplied by Gekko Systems, Australia. Concentrate from the jig will be shipped to Denmark for further processing on an Armstrong Grease Table before shipping final concentrates to accredited laboratories for evaluation.

The hard-rock diamond project will build on Avannaa's earlier success in demonstrating the diamond potential of a 4 meter wide kimberlitic dyke in the central Ataa Sund region. The dyke itself will be characterized by bulk sampling of up to 500 kilograms and by a high-resolution aeromagnetic survey which will provide a basis for locating additional similar dykes in the region. In addition a regional survey will inspect the large numbers of already reported kimberlitic dykes and one plug of lamproitic affinity. Where appropriate, samples will be taken for diamond testing.

The major shear-zone hosted orogenic gold system at Saqqaq has an estimated strike length of up to 10 km of which only 2 kilometers has been investigated in detail to date. The objective of the 2008 program is to characterize the mineralization over a larger strike length and to set a drill strategy to define the down dip extent of the deposit.

The Banded Iron Formation hosted magnetite ore body at Itilliarsuk will be investigated by 150 line kilometers of aeromagnetic survey run by Skytem a/s. The ore body will be mapped in detail and profiled using diamond sawed channels. The objective is to confirm earlier reports of the presence of a 200 Mt deposit of 50% or more magnetite, and to prepare for phase one drilling.

In addition to these four major programmes a number of early phase projects will be targeting gold, REE and magmatic hosted Cu-Ni-PGE deposits.

Avannaa's management team, consisting of exploration director Stefan Bernstein together with CEO Nicholas Rose and Executive Chairman Hugh Mackay, will be closely involved on the ground

with all stages of the summer programme. 2008 is considered to be an important year for maturing the portfolio and providing a large amount of material to plan phase one drilling on one or more projects in 2009 and 2010.

Avannaa has hired a permanent staff member Dr Martin Bromann Klausen whose primary responsibility will be the technical program at Saqqaq and Itilliarsuk. Additional expert support in the field this summer will be provided by Professor Dennis Bird, Stanford University, who is a geological advisor to Avannaa and by Dr Mark Hutchinson, Trigon Geoservices, who is advising on the exploration strategy for hard-rock diamonds.

Notes to Editors

Avannaa Resources is a privately owned junior mining 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, to take projects forward to development and to bring in 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 three licences in West Greenland: 2007/08 at Karrat Fjord region, 2007/52 at Disko Bay and 2008/27 at Saqqaq/Itilliarsuk. These licences are prospective for gold, diamonds, REE and iron. Avannaa Diamonds has applied for licence 2008/33 at Ataa, located in the eastern Disko area, this licence is prospective for diamonds and Ni/PGE.

Avannaa Resources has offices in Copenhagen and London.

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