Avion's Tabakoto Project, Mali Continues To Intersect High Grade Gold Zones

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NEW INTERSECTIONS OF UP TO 23.77 g/t Au over 5.0 METRES and 38.55 g/t Au over 4.5 METRES

TORONTO, ONTARIO -- (Marketwire) -- 03/12/12 -- Avion Gold Corporation (TSX: AVR)(OTCQX: AVGCF) ('Avion') is pleased to announce new drill results for the area just north of the Tabakoto Pit and for the Tabakoto South zone. The holes drilled to the north of the pit were designed to better define gold mineralization in known and new cross-structures and the holes drilled into the Tabakoto South zone were drilled to extend the zone down dip and along strike and to convert Inferred mineral resources to Measured and Indicated mineral resources. Intercept highlights include the following:

-- 13.38 g/t Au over 4.4 metres
-- 6.57 g/t Au over 6.9 metres
-- 6.44 g/t Au over 8.8 metres
-- 23.77 g/t Au over 5.0 metres
-- 7.39 g/t Au over 5.0 metres
-- 6.75 g/t Au over 9.5 metres
-- 38.55 g/t Au over 4.5 metres

The Tabakoto South Zone trend lies approximately 260 metres southeast of, and is parallel to, the NE1 zone described in Avion's news release dated September 9, 2010. Within this trend, three coherent, partially overlapping zones of higher grade mineralization have been identified: the Tabakoto South, Tabakoto South Spur and Dabo zones (see Figure 1). The current program consisted of 19 core holes totaling 5,142 metres of drilling. All of the holes intersected the target zone with one of the deepest holes returning 38.55 g/t Au over 4.5 metres (see Figure 2). The zone is open to depth and to the east. An updated mineral resource estimate is in progress and additional holes have been planned. A summary of drill hole intercepts are presented in a table at the end of this release.

Drilling at the north end of the Tabakoto Pit (see Figure 1) intersected four previously documented mineralized structures that returned up to 14.38 g/t Au over 4.4 metres (NW6 zone) and up to nine additional gold-bearing zones, in a single hole, with a best intercept of 6.57 g/t Au over 6.9 metres. This current program consisted of eight holes totaling 2,026 metres of drilling. Additional holes have been planned and a summary of the drill intercepts are presented in a table at the end of this release.

Don Dudek, Avion's Senior Vice President Exploration stated: 'The Tabakoto exploration program further supports management's belief that the known zones are open to expansion and that there is significant opportunity to define additional zones proximal to the current underground mine workings. This exploration data, in conjunction with data derived from underground mapping and drilling are providing an excellent database from which to refine the gold mineralization models at the Tabakoto Mine.'

The Tabakoto South trend and Tabakoto North area zones lie along a four kilometre long northerly trend that are cut by both northeast and northwest-trending cross structures that often host high grade gold mineralization. These structures are the focus of Avion's Tabakoto pit area exploration plans and underground mine development at Tabakoto. Exploration in 2011 had focused drilling on seven of these cross-structures in the immediate Tabakoto pit area and intersected numerous additional mineralized features.

Assays presented in the attached table have been capped at cut-offs ranging from 20 g/t Au to 40 g/t Au as per the latest technical report on the Tabakoto deposit. Avion's procedures for handling core have been presented in previous news releases (See for example Avion News Release dated May 13, 2010).

In 2011 Avion completed approximately 104 core and reverse circulation drill holes totaling approximately 15,600 metres of drilling, at its Tabakoto, Kofi and Hounde properties. This work has focused predominantly on the Djambaye II, Kofi C, Bassindi and Vindaloo areas. Approximately 60,000 metres of exploration drilling is currently planned for 2012. Zone mineral resource updates and modeling of all zones, with an emphasis on the Tabakoto mine area zones, are in progress with a resource update planned to be completed by the end of April, 2012 and a reserve update to follow shortly after.

Long-hole stoping commenced at the Tabakoto mine on 9, February 2012. A single stope has been mined

on the NW1 structure and other stopes have started production on the NW2 and NE1 structures. Another production stope will be developed soon in the Tabakoto South zone. Stope results are very encouraging with minimal over-break and stable walls. Daily production targets are being achieved. More internal dilution was blasted within the first stope than was originally expected and work is ongoing to define the ore zone boundaries with more precision so that internal dilution is minimized. Positive results from this effort are already being seen in the second and third stopes.

Don Dudek, P.Geo., the Senior Vice President, Exploration of the Company and a qualified person under National Instrument 43-101, has reviewed the scientific and technical information in this press release.

About Avion Gold Corporation

Avion is a Canadian-based gold mining company focused in West Africa that holds 80% of the Tabakoto and Segala gold projects in Mali. Gold production commenced at these projects in 2009 with approximately 51,290 ounces produced. 2010 production was 87,630 ounces of gold. 2011 production was 91,200 ounces of gold. The current mineral reserve estimate (as of January 1, 2011) of 7.24 million tonnes grading 3.92 g/t Au totaling 913,100 ounces of gold (proven and probable), for the Tabakoto project property, demonstrates several sources of excellent grade open pit and good grade underground mineral resources thus providing significant flexibility for Avion's future mining plans. The Company has developed an underground mine at the Tabakoto deposit, and is developing another underground mine at the Segala deposit. The Tabakoto project property also contains several producing open pit mines. Production sustainability will continue to be supported by exploration programs over an approximately 600 km2 exploration package that both surrounds and is near to the Company's existing mine infrastructure, and contains mineral resources on the Kofi property. Additionally, mineral resources have grown considerably at Avion's 1,600 km2 Hounde exploration property in Burkina Faso. Aggressive exploration programs are underway at the Tabakoto, Kofi and Hounde properties for 2012. Avion continues to progress towards its short term goal of producing 200,000 ounces of gold per year and a longer term goal of 400,000 to 500,000 ounces of gold per year through development of its exploration properties. Avion has a highly skilled management team, with a focus on growth and consolidation within West Africa.

Cautionary Notes

This press release contains 'forward-looking information' within the meaning of applicable Canadian securities legislation. Forward-looking information includes, without limitation, statements regarding the impact of the NI 43-101 reserve report on the Company, the impact of drilling results; statements with respect to the development potential and timetable of the Company's projects; the future price of gold; the estimation of mineral resources; conclusions of economic evaluation (including scoping studies); the realization of mineral resource estimates; the timing and amount of estimated future production, development and exploration; costs of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking information can be identified by the use of forward-looking terminology such as 'plans', 'expects' or 'does not expect', 'is expected', 'budget', 'scheduled', 'estimates', 'forecasts', 'intends', 'anticipates' or 'does not anticipate', or 'believes', or variations of such words and phrases or state that certain actions, events or results 'may', 'could', 'would', 'might' or 'will be taken', 'occur' or 'be achieved'. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to those risks described in the annual information form of the Company which is available under the profile of the Company on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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To view figure 1, please visit the following link:
http://media3.marketwire.com/docs/773523Fig1.pdf

To view figure 2, please visit the following link:
http://media3.marketwire.com/docs/773523Fig2.pdf

Avion 2011 Tabakoto South and North Areas Intercepts

HOLE	FROM (m)	TO (m)	LENGTH (m)	Estimated True Width	Au g/t	Au g/t Capped	Zone (ii)
T-11-18	96.0	98.5	2.5	2.0	8.91	8.91	NW9
T-11-18	177.0	179.1	2.1	-	1.24	1.24	-
T-11-18	191.6	196.5	4.9	-	0.82	0.82	-
T-11-18	212.0	212.5	0.5	-	29.58	29.58	-
T-11-18	220.5	221.6	1.1	-	9.15	9.15	-
T-11-19	13.5	27.0	13.5	5.0	1.09	1.09	NW6
T-11-19	31.0	33.4	2.4	-	6.37	6.37	-
T-11-20	124.9	125.7	0.8	0.5	2.80	2.80	NW10
T-11-21	190.9	194.4	3.5	-	2.46	2.46	-
T-11-22	51.1	55.5	4.4	3.3	14.38	11.70	NW6
T-11-22	71.9	78.1	6.2	-	1.64	1.64	-
T-11-22	104.1	106.4	2.5	-	6.35	6.35	-
including	104.1	105.6	1.5	-	9.70	9.70	-
T-11-22	123.0	123.6	0.6	-	2.24	2.24	-
T-11-22	125.5	127.1	1.6	-	1.12	1.12	-
T-11-22	133.4	135.6	2.2	-	1.18	1.18	-
T-11-22	147.0	152.5	5.5	-	2.83	2.83	-
T-11-22	183.6	184.4	0.8	-	1.54	1.54	-
T-11-22	200.7	206.6	5.9	3.0	3.10	3.10	NW9
T-11-22	225.7	226.7	1.0	0.8	6.99	6.99	-
T-11-22	285.0	286.0	1.0	-	3.84	3.84	-
T-11-23	13.5	16.5	3.0	-	1.23	1.23	-
T-11-23	112.4	113.9	1.5	1.0	1.04	1.04	NW14
T-11-23	119.9	121.4	1.5	-	1.23	1.23	-
T-11-23	125.6	128.6	3.0	-	2.08	2.08	-
T-11-23	155.8	157.0	1.2	-	12.29	12.29	-
T-11-23	166.0	169.0	3.0	-	3.15	3.15	-
T-11-23	174.4	181.3	6.9	-	6.57	6.57	-
including	174.4	176.0	1.4	-	1.82	1.82	-
including	179.0	181.3	2.3	-	17.73	17.73	-
T-11-23	195.9	198.5	2.6	-	2.79	2.79	-
T-11-24	12.0	13.7	1.7	-	2.09	2.09	-
T-11-24	24.0	25.5	1.5	-	1.38	1.38	-
T-11-24	39.7	40.3	0.6	-	3.27	3.27	-
T-11-24	48.6	54.8	6.2	-	5.59	5.59	-
T-11-24	63.0	66.5	3.5	-	9.64	9.64	-
T-11-24	79.0	83.5	4.5	3.5	1.50	1.50	NW10
T-11-24	91.3	92.8	1.5	-	2.40	2.40	-
T-11-24	143.5	147.8	4.3	2.8	5.83	5.83	NW9
T-11-24	209.8	211.3	1.5	-	11.70	11.70	-
T-11-24	226.0	234.8	8.8	-	6.44	6.44	-
T-11-24	239.3	242.2	2.9	-	13.85	13.85	-
T-11-25	62.5	73.5	11.0	-	0.94	0.94	-
including	62.5	65.0	2.5	-	1.37	1.37	-
including	69.0	70.5	1.5	-	1.12	1.12	-
including	72.5	73.5	1.0	-	1.08	1.08	-
T-11-25	92.5	95.0	2.5	-	4.93	4.93	-
T-11-25	100.5	105.5	5.0	-	23.77	9.01	-
T-11-25	113.0	114.0	1.0	-	4.09	4.09	-
T-11-25	124.0	128.0	4.0	-	1.75	1.75	-
T-11-25	134.0	135.4	1.4	-	2.77	2.77	-
T-11-25	149.0	150.5	1.5	-	3.87	3.87	-
T-11-25	220.0	225.5	5.5	-	1.01	1.01	-
T-11-25	230.0	231.5	1.5	-	1.15	1.15	-
T-11-26	140.5	141.7	1.2	1.0	12.56	12.56	Dabo
T-11-26	180.0	180.5	0.5	-	1.28	1.28	-
T-11-26	188.0	190.0	2.0	1.4	9.89	9.89	TKS
T-11-27	109.3	110.1	0.8	-	1.08	1.08	Dabo

T-11-27	167.3	171.0	3.7	2.9	1.73	1.73	TKS
including	167.3	167.8	0.5	-	7.93	7.93	TKS
including	169.8	171.0	1.2	-	1.96	1.96	TKS
T-11-27	181.0	182.5	1.5	-	2.73	2.73	-
T-11-28	120.0	121.5	1.5	-	1.02	1.02	-
T-11-28	124.0	125.4	1.4	1.1	2.51	2.51	Dabo
T-11-28	174.5	179.3	4.8	4.1	1.57	1.57	TKS
including	174.5	176.0	1.5	-	1.29	1.29	TKS
including	177.5	179.3	1.8	1.3	3.11	3.11	TKS
T-11-29	114.6	116.0	1.4	1.2	0.27	0.27	Dabo
T-11-29	187.0	190.6	3.6	2.6	8.16	8.16	TKS
T-11-30	176.2	180.1	3.9	2.8	6.70	6.70	TKS
T-11-31A	148.2	148.7	0.5	-	1.08	1.08	-
T-11-31A	217.0	218.4	1.4	1.0	2.90	2.90	TKS
T-11-31A	236.4	238.3	1.9	1.4	2.97	2.97	F/W spur
T-11-32	145.7	147.9	2.2	2.0	4.35	4.35	Dabo
T-11-32	161.6	162.5	0.9	-	6.34	6.34	-
T-11-32	217.0	222.0	5.0	3.6	7.39	7.39	TKS
T-11-32	252.1	253.6	1.5	-	1.84	1.84	-
T-11-32	259.3	260.3	1.0	-	6.19	6.19	-
T-11-32	267.6	268.9	1.3	-	2.54	2.54	-
T-11-33	210.0	212.0	2.0	1.5	2.35	2.35	-
T-11-33	232.1	235.7	3.6	2.5	0.62	0.62	TKS
T-11-34	263.3	264.8	1.5	1.1	11.29	11.29	TKS
T-11-35	209.0	214.5	5.5	4.0	2.44	2.44	TKS
T-11-35	215.6	216.1	0.5	-	1.85	1.85	-
T-11-35	217.5	220.3	2.8	2.0	2.45	2.45	-
T-11-35	224.5	225.3	0.8	-	26.52	26.52	-
T-11-36	302.4	303.0	0.6	0.5	4.31	4.31	TKS
T-11-37	159.0	168.5	9.5	6.5	6.75	6.75	TKS
T-11-37	176.5	177.4	0.9	0.8	2.09	2.09	-
T-11-38	207.0	207.9	0.9	-	7.76	7.76	-
T-11-38	211.4	220.1	8.7	7.0	1.77	1.77	TKS
T-11-39	87.7	89.2	1.5	-	1.33	1.33	-
T-11-39	161.0	162.5	1.5	-	2.00	2.00	-
T-11-39	188.7	189.7	1.0	0.9	4.03	4.03	-
T-11-39	195.0	198.0	3.0	2.2	2.86	2.86	TKS
T-11-39	205.0	210.6	5.6	5.0	3.09	3.09	-
T-11-40	10.5	12.0	1.5	-	1.00	1.00	-
T-11-40	210.0	210.5	0.5	-	4.42	4.42	-
T-11-40	222.3	228.0	5.7	4.2	2.66	2.66	TKS
T-11-41A	291.9	293.7	1.8	-	1.64	1.64	-
T-11-41A	301.4	301.9	0.5	0.4	4.93	4.93	TKS
T-11-41A	327.5	328.7	1.2	1.0	4.14	4.14	-
T-11-42	240.4	243.0	2.6	2.2	0.22	0.22	TKS
T-11-42	261.9	262.3	0.4	0.3	28.87	28.87	F/W spur
T-11-43	119.4	120.1	0.7	0.5	15.70	15.70	-
T-11-43	301.4	302.6	1.2	-	1.29	1.29	-
T-11-43	322.0	323.0	1.0	0.8	2.21	2.21	TKS
T-11-44	211.5	213.0	1.5	-	1.62	1.62	-
T-11-44	300.0	301.0	1.0	-	1.46	1.46	-
T-11-44	305.0	306.3	1.3	-	1.14	1.14	-
T-11-44	315.0	319.5	4.5	3.4	38.55	13.09	TKS

(i) true widths are estimated where there is sufficient information
(ii) assays capped are per Puritch et. al. 2011: NW1 = 40g/t, NW2 = 40g/t, NW3 = 25g/t, NW5 = 40g/t, NW6 = 32g/t, NW7 = 40g/t, NW8 = 20g/t, NW10 = 40g/t, NW11 = 20g/t, NW14 = 40g/t, Dabo = 35g/t, Tab South = 25g/t
(iii) TKS = Tabakoto South, F/W spur = Tabakoto South Splay zone (Tabakoto South Spur)

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