Avion's Hounde Property, Burkina Faso, Returns Intercept of 2.96 g/t Au Over 86.0 Metres

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New Gold Zone Discovered-Returns 1.72 g/t Au Over 45.0 Metres

TORONTO, ONTARIO -- (Marketwire) -- 05/24/12 -- Avion Gold Corporation (TSX: AVR) (OTCQX: AVGCF) ("Avion" or the "Company") is pleased to announce results for an additional 75 holes drilled in 2012 in the Vindaloo zone area, Hounde Project, Burkina Faso (see Figure 1). These encouraging new drill hole intercepts demonstrate the following:

- Gold-bearing Vindaloo zone has been traced for approximately 5.6 kilometres and is open along strike and to depth,

- Gold mineralization has been identified within an approximate 4.5 kilometre wide by 9 kilometre long, open-ended structural corridor,

- There is high potential for the discovery of additional mineralized zones and,

- There is a reasonable likelihood that additional mineral resources will be defined.

The last round of drilling has returned the best result to date with an exceptional near surface intercept of 2.96 g/t Au over 87.0 metres (see Figure 2), located at the northern end of the currently defined mineral resources. As well, a new zone of mineralization, which returned 1.72 g/t Au over 45.0 metres, was intersected approximately 100 metres north and east of the above intercept. A summary of the better drill intercepts is presented below.

- 1.50 g/t Au over 32.0 metres
- 3.59 g/t Au over 19.0 metres
- 31.27 g/t Au over 4.0 metres
- 2.18 g/t Au over 31.0 metres
- 3.01 g/t Au over 21.0 metres
- 2.96 g/t Au over 87.0 metres
- 2.45 g/t Au over 20.0 metres
- 1.59 g/t Au over 57.0 metres
- 1.72 g/t Au over 45.0 metres
- 26.4 g/t Au over 4.0 metres
- 34.5 g/t Au over 2.0 metres

John Begeman, President and CEO of Avion stated: "Avion is pleased to report these new exploration results for the Hounde Project, which in management's opinion, once again increases shareholder value. As well, the continued move towards a constitutionally acceptable transitional Malian government, with a goal of free elections within a year, is welcome news. Gold prices have remained strong and are expected to strengthen further and I believe that in a year from now the current delay in completing our Tabakoto mill upgrade will be a non-issue."

The gold-bearing zones that define the Vindaloo zone, now including the Madras and Madras NW zones (see Figure 2), have now been traced, by drilling, more or less continuously for approximately 5.6 kilometres. Avion has now completed at least one hole per 100 metres of strike along the defined mineralized trends. The current mineral resource is defined as the southern 2.65 kilometres part of the Vindaloo zone. Drilling, and the discovery of a new artisanal zone, located to the south along strike of the mineral resource area could potentially add another 3.7 kilometres of strike to the Vindaloo zone for a total of 9.3 kilometres.

A single hole drilled to validate a 2011 drill intercept of 12.4 g/t Au over 6.5 metres at the Vindaloo Far South zone (see Figure 2) returned two strong intercepts of 25.6 g/t over 4.0 metres and 3.73 g/t Au over 8.0 metres. These holes were drilled 1.7 kilometres south, along strike of the southern-most Vindaloo zone hole.

Additional drilling is planned in this area.

A new artisanal mining area, Soukou, has developed approximately 3.7 kilometres south (see Figure 2), along strike of the southern end of the Vindaloo zone. Currently the artisanal mining area is approximately 400 metres long by 150 metres wide and appears to consist of at least four lines of north-northeast trending artisanal shafts. Drill holes have been planned in this area.

Another mineralized zone, Kari Sud, lies approximately 3.5 kilometres east-northeast of the new artisanal area. A previous hole in this area returned 3.47 g/t Au over 18.0 metres.

A recent review of the Madras area indicates increasing artisanal mining activity that suggests mineralized zones trending northerly, east-northeast and north-northeast in an area approximately 400 metres long and 200 metres wide. More drilling is planned in this area where a drill hole returned 2.53 g/t Au over 18.3 metres.

A follow-up hole at the Nema target (previous intercept of 1.17 g/t Au over 7.5 metres) returned 3.28 g/t Au over 1.0 metre. This intersection is related to a northeast trending IP chargeability anomaly that can be traced for approximately 1.75 kilometres before extending off of the surveyed area, both to the northeast and to the southwest. More drilling is required in this area.

Don Dudek, Avion's Senior Vice President Exploration stated: "The new zones that Avion intersected in the drilling and that Avion has not closed off the mineralized trend, demonstrates that we are still very much in an exploration stage and that there is a high likelihood that the Hounde property will return more positive surprises in the future. The key now is to continue to increase the mineralization footprint with the drilling we are doing."

The Vindaloo zones are hosted by an intensely sericite- and silica-altered mafic intrusion and similarly-altered, intensely sheared and altered intermediate to mafic volcanoclastics. The mineralization is often quartz stockwork-style and is weakly to moderately pyritic. The entire mineralized package strikes north-northeast and dips steeply to the west to vertical. Drilling along the approximate 1.2 kilometre strike of the central core of the Vindaloo gold system has defined a coherent gold-mineralized, apparently shallow south plunging zone that has been traced at least to 300 metres depth. Along strike, both to the north and south of the core of the Vindaloo zone, the gold mineralization can vary from weak to quite strong over relatively short, generally vertical distances, leading to nodes of higher grade mineralization connected by less well gold mineralized zones.

In 2012, 124 holes totaling approximately 18,600 have been drilled on the Hounde Property with just under 50% of the drill program completed. This program was designed to define additional inferred mineral resources, in-fill drill where necessary to support a Preliminary Economic Study (PEA) and continue to extend the mineralized zones along strike. Approximately 60% of the assays submitted for analysis have been received. Baseline work for the PEA is continuing with potential water dam sites located, initial land ownership surveys completed and on-going community relations work. A summary of all drill intercepts in attached at the end of this press release.

Avion's 2012 US$ 12.4 million exploration program is continuing with 216 holes totaling approximately 32,980 metres completed at the Hounde, Tabakoto and Kofi properties. The Hounde Preliminary Economic Assessment has been initiated with completion expected in Q4 2012 to allow for the reception of sufficient drill data.

Avion's procedures for handling core have been presented in previous news releases (See for e.g. Avion's News Release dated September 10, 2011). Assays presented in the attached table have been capped at 30 g/t Au.

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

Mining in Burkina Faso

The mining industry in Burkina Faso is growing at a rapid rate due to a combination of a stable elected democratic government, excellent geology and a competitive fiscal regime. Currently six gold mines are in production or development in Burkina Faso (Essakane - IAMGOLD Corporation, Mana - SEMAFO, Inata - Avocet Mining PLC, Youga - Endeavor Mining Corporation, Taparko - High River Gold Mines Ltd., Kalsaka - Cluff Gold PLC). In 2012, it is expected that Burkina Faso will become the fourth largest gold producing country in Africa. The country has legislated low taxes with a corporate tax rate of 20% for mining companies. The government is entitled to a 10% free carried interest and a competitive 3-5% sliding royalty on gold production. Political and economic protests that occurred back in the spring of 2011 did not materially affect Avion's exploration program and no new issues of concern have since arisen.

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, 2012) of 6.91 million tonnes grading 3.73 g/t Au totaling 827,100 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. 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 drilling results on the Company; statements with respect to the development potential and timetable of the Hounde project; statements regarding the political environment and mining industry in Burkina Faso; 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; results of geophysical data and metallurgical results; results and timing of drilling programs; 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.

To view Figure 1, please visit the following link:
http://media3.marketwire.com/docs/AVR2305_Figure1.pdf

To view Figure 2, please visit the following link:
http://media3.marketwire.com/docs/AVR2305_Figure2.pdf

Summary 2012 Vindaloo Drill results

(ii)Hole #	mineralized interval (m) from	to	width	True Width (m)	Au g/t	Au (capped)(i)
HA-12-06	89.5	90.4	0.9	0.6	1.16	1.16
HA-12-06	239.0	241.0	2.0	1.5	1.17	1.17
HA-12-06	269.0	271.0	2.0	1.5	1.35	1.35
HA-12-06	279.0	317.0	38.0	29.1	1.09	1.09
HA-12-07	111.0	115.0	4.0	3.0	2.43	2.43
HA-12-07	120.2	122.0	1.8	1.4	2.89	2.89
HA-12-07	237.0	269.0	32.0	25.3	1.50	1.50
HA-12-07	274.0	275.0	1.0	0.8	1.36	1.36
HA-12-24	76.9	78.0	1.2	0.8	16.10	16.10
HA-12-24	168.4	170.0	1.6	1.2	2.66	2.66
HA-12-24	194.0	197.4	3.4	2.5	3.12	3.12
HA-12-24	198.8	200.6	1.8	1.3	2.14	2.14
HA-12-24	207.0	208.5	1.5	1.1	13.80	13.80
HA-12-25	11.0	16.0	5.0	2.8	1.60	1.60
HA-12-25	49.0	52.5	3.5	2.0	3.42	3.42
HA-12-25	182.0	185.0	3.0	2.0	1.54	1.54
HD-12-01	72.0	73.0	1.0	0.7	1.47	1.47
HD-12-02	37.0	38.0	1.0	0.7	2.88	2.88
HD-12-02	87.0	88.0	1.0	0.7	2.28	2.28
HD-12-02	91.0	92.0	1.0	0.7	2.74	2.74
HD-12-02	104.0	123.0	19.0	13.3	0.86	0.86
HD-12-03					NSR	NSR
HD-12-04	108.0	110.0	2.0	1.4	1.29	1.29
HD-12-05					NSR	NSR
HD-12-06	44.0	45.0	1.0	0.7	2.46	2.46
HD-12-06	56.0	57.0	1.0	0.7	3.78	3.78
HD-12-06	62.0	64.0	2.0	1.4	3.47	3.47
HD-12-06	82.0	84.0	2.0	1.4	1.74	1.74
HD-12-06	92.0	93.0	1.0	0.7	4.37	4.37
HD-12-07	42.0	46.0	4.0	2.6	0.96	0.96
HD-12-07	54.0	55.0	1.0	0.6	2.12	2.12

HD-12-08	25.0	27.0	2.0	1.2	4.42	4.42
HD-12-08	36.0	37.0	1.0	0.6	2.40	2.40
HD-12-09	36.0	42.0	6.0	3.5	3.68	3.68
HD-12-10	60.0	64.0	4.0	2.3	0.93	0.93
HD-12-11	55.0	60.0	5.0	2.8	2.85	2.85
HD-12-12					NSR	NSR
HD-12-13					NSR	NSR
HD-12-14	72.0	73.0	1.0	0.6	2.50	2.50
HD-12-14	76.0	79.0	3.0	1.9	1.00	1.00
HD-12-14	87.0	93.0	6.0	3.8	4.97	4.97
HD-12-14	105.0	106.0	1.0	0.6	1.48	1.48
HD-12-15	45.0	49.0	4.0	2.4	31.27	17.19
HD-12-15	58.0	59.0	1.0	0.6	12.90	12.90
HD-12-16					NSR	NSR
HD-12-17	40.0	41.0	1.0	0.7	9.84	9.84
HD-12-18	11.0	12.0	1.0	0.7	1.19	1.19
HD-12-19	15.0	25.0	10.0	5.7	4.97	4.97
HD-12-20	91.0	95.0	4.0	2.3	1.92	1.92
HD-12-20	105.0	109.0	4.0	2.3	4.17	4.17
HD-12-20	131.0	133.0	2.0	1.2	1.29	1.29
HD-12-21	61.0	62.0	1.0	0.6	3.32	3.32
HD-12-21	88.0	94.0	6.0	3.5	1.60	1.60
HD-12-21	124.0	133.0	9.0	5.1	3.43	3.43
HD-12-21	142.0	145.0	3.0	1.7	6.95	6.95
HD-12-22	41.0	45.0	4.0	2.9	2.13	2.13
HD-12-22	52.0	71.0	19.0	14.3	3.59	3.59
HD-12-22	85.0	87.0	2.0	1.5	3.42	3.42
HD-12-22	95.0	97.0	2.0	1.5	2.87	2.87
HD-12-23	49.0	80.0	31.0	18.3	2.18	2.18
Incl.	51.0	73.0	22.0	13.0	2.62	2.62
HD-12-24	0.0	6.0	6.0	3.5	1.16	1.16
HD-12-24	28.0	30.0	2.0	1.2	1.69	1.69
HD-12-25	28.0	38.0	10.0	6.1	1.53	1.53
HD-12-25	73.0	74.0	1.0	0.6	2.04	2.04

HD-12-26	0.0	1.0	1.0	0.6	1.08	1.08
HD-12-26	6.0	12.0	6.0	3.9	2.38	2.38
HD-12-27	37.0	39.0	2.0	1.4	4.48	4.48
HD-12-28	19.0	22.0	3.0	1.9	1.34	1.34
HD-12-29	26.0	30.0	4.0	2.9	1.10	1.10
HD-12-30	18.0	39.0	21.0	12.0	3.01	3.01
HD-12-30	98.0	99.0	1.0	0.6	1.22	1.22
HD-12-30	116.0	134.0	18.0	10.2	1.33	1.33
HD-12-30	126.0	128.0	2.0	1.1	5.68	5.68
HD-12-30	129.0	130.0	1.0	0.6	1.53	1.53
HD-12-30	132.0	133.0	1.0	0.6	1.56	1.56
HD-12-30	139.0	141.0	2.0	1.1	1.23	1.23
HD-12-30	144.0	145.0	1.0	0.6	1.31	1.31
HD-12-30	147.0	148.0	1.0	0.6	1.84	1.84
HD-12-30	149.0	150.0	1.0	0.6	1.88	1.88
HD-12-31	14.0	15.0	1.0	0.7	1.30	1.30
HD-12-31	20.0	23.0	3.0	2.2	2.63	2.63
HD-12-31	36.0	41.0	5.0	3.6	1.24	1.24
HD-12-32	22.0	23.0	1.0	0.5	1.40	1.40
HD-12-32	56.0	57.0	1.0	0.5	2.25	2.25
HD-12-32	75.0	95.0	20.0	9.9	2.45	2.45
HD-12-32	107.0	108.0	1.0	0.5	3.65	3.65
HD-12-33	76.0	77.0	1.0	0.7	2.12	2.12
HD-12-33	80.0	82.0	2.0	1.5	3.02	3.02
HD-12-33	87.0	88.0	1.0	0.7	3.05	3.05
HD-12-46	31.0	118.0	87.0	63.2	2.96	2.96
Incl.	85.0	118.0	33.0	24.0	3.89	3.89
HD-12-48	56.0	58.0	2.0	1.5	2.06	2.06
HD-12-48	69.0	74.0	5.0	3.7	0.78	0.78
HD-12-49	76.0	79.0	3.0	2.1	1.39	1.39
HD-12-50	86.0	93.0	7.0	5.2	0.97	0.97
HD-12-51	49.0	51.0	2.0	1.3	0.73	0.73
HD-12-52	31.0	35.0	4.0	2.8	0.68	0.68

HD-12-53				0.0	NSR	
HD-12-54	52.0	53.0	1.0	0.7	1.63	1.63
HD-12-54	79.0	85.0	6.0	4.4	2.09	2.09
HD-12-55	51.0	52.0	1.0	0.8	2.36	2.36
HD-12-56	26.0	58.0	32.0	23.3	0.84	0.84
HD-12-57	41.0	47.0	6.0	4.5	2.92	2.92
HD-12-57	66.0	67.0	1.0	0.7	1.60	1.60
HD-12-58					NSR	
HD-12-59	64.0	66.0	2.0	1.5	2.20	2.20
HD-12-59	83.0	84.0	1.0	0.7	1.42	1.42
HD-12-60	67.0	68.0	1.0	0.7	3.41	3.41
HD-12-61	40.0	42.0	2.0	1.4	0.92	0.92
HD-12-61	50.0	56.0	6.0	4.3	1.13	1.13
HD-12-62	58.0	59.0	1.0	0.7	1.29	1.29
HD-12-62	66.0	79.0	13.0	9.4	0.57	0.57
HD-12-63	9.0	12.0	3.0	2.3	3.15	3.15
HD-12-64	40.0	47.0	7.0	5.1	0.63	0.63
HD-12-66	60.0	61.0	1.0	0.7	3.28	3.28
HD-12-67					NSR	
HD-12-68	81.0	82.0	1.0	0.6	2.50	2.50
HD-12-73	21.0	30.0	9.0	6.8	0.99	0.99
HD-12-73	49.0	50.0	1.0	0.8	1.61	1.61
HD-12-74	20.0	25.0	5.0	3.6	1.00	1.00
HD-12-74	32.0	40.0	8.0	5.8	1.96	1.96
HD-12-74	90.0	94.0	4.0	2.9	1.99	1.99
HD-12-74	138.0	140.0	2.0	1.5	1.85	1.85
HD-12-75	27.0	33.0	6.0	3.5	0.64	0.64
HD-12-75	36.0	37.0	1.0	0.6	1.18	1.18
HD-12-75	60.0	61.0	1.0	0.6	1.07	1.07
HD-12-75	66.0	67.0	1.0	0.6	1.25	1.25
HD-12-75	93.0	95.0	2.0	1.2	2.07	2.07
HD-12-76	143.0	151.0	8.0	5.0	2.72	2.72
HD-12-77	21.0	23.0	2.0	1.5	2.81	2.81
HD-12-77	42.0	44.0	2.0	1.5	2.00	2.00

HD-12-77	64.0	67.0	3.0	2.3	1.19	1.19
HD-12-77	73.0	82.0	9.0	6.9	0.58	0.58
HD-12-77	99.0	100.0	1.0	0.8	1.10	1.10
HD-12-79					NSR	
HD-12-78	26.0	32.0	6.0	4.2	1.05	1.05
HD-12-78	50.0	53.0	3.0	2.1	2.41	2.41
HD-12-78	60.0	61.0	1.0	0.7	2.13	2.13
HD-12-78	64.0	65.0	1.0	0.7	2.02	2.02
HD-12-78	71.0	72.0	1.0	0.7	1.32	1.32
HD-12-78	74.0	75.0	1.0	0.7	1.11	1.11
HD-12-78	89.0	155.0	66.0	46.7	0.64	0.64
HD-12-80	47.0	48.0	1.0	0.7	2.41	2.41
HD-12-80	117.0	118.0	1.0	0.8	1.47	1.47
HD-12-80	126.0	127.0	1.0	0.8	2.20	2.20
HD-12-80	131.0	132.0	1.0	0.8	1.26	1.26
HD-12-80	159.0	160.0	1.0	0.7	1.02	1.02
HD-12-80	177.0	179.0	2.0	1.5	34.50	22.00
HD-12-81	73.0	74.0	1.0	0.8	2.01	2.01
HD-12-81	123.0	124.0	1.0	0.8	2.11	2.11
HD-12-81	141.0	142.0	1.0	0.8	2.18	2.18
HD-12-81	151.0	196.0	45.0	34.7	1.72	1.72
Incl.	151.0	184.0	33.0	25.5	2.10	2.10
HD-12-84	78.0	85.0	7.0	4.4	4.03	4.03
HD-12-84	96.0	97.0	1.0	0.6	1.29	1.29
HD-12-84	100.0	101.0	1.0	0.6	1.13	1.13
HD-12-84	104.0	108.0	4.0	2.5	3.30	3.30
HD-12-84	110.0	111.0	1.0	0.6	1.18	1.18
HD-12-84	115.0	120.0	5.0	3.2	3.88	3.88
HD-12-85	136.0	141.0	5.0	3.2	6.96	6.96
HD-12-96	80.0	81.0	1.0	0.5	5.90	5.90
HD-12-96	90.0	147.0	57.0	29.4	1.59	1.59
Incl.	107.0	112.0	5.0	5.0	6.30	6.30
HD-12-96	153.0	154.0	1.0	0.5	1.36	1.36

HD-12-96	161.0	162.0	1.0	0.5	1.98	1.98
HD-12-97					NSR	NSR
HD-12-98	42.0	43.0	1.0	0.7	1.57	1.57
HD-12-98	57.0	61.0	4.0	2.8	25.60	8.10
HD-12-98	77.0	78.0	1.0	0.7	1.12	1.12
HD-12-98	121.0	129.0	8.0	5.7	3.73	3.73
HD-12-99	52.0	56.0	4.0	2.3	2.50	2.50
HD-12-99	81.0	83.0	2.0	1.1	3.54	3.54
HD-12-99	126.0	134.0	8.0	4.6	3.27	3.27
HD-12-99	155.0	156.0	1.0	0.6	1.80	1.80
HD-12-100	4.0	5.0	1.0	0.7	1.81	1.81
HD-12-100	134.0	135.0	1.0	0.7	1.43	1.43
HD-12-100	142.0	144.0	2.0	1.4	5.03	5.03

(i) Assays have been capped at 30 g/t Au
(ii) HA series holes are core holes, HD series holes are reverse circulation holes
NSR = No Significant Results

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