

# Avanti Mining Announces Initiation of Strategic Process

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jan 8, 2014) - [Avanti Mining Inc.](#) (TSX VENTURE:AVT)(PINKSHEETS:AVNMF) ("Avanti" or "Company") is pleased to announce that it has retained BMO Capital Markets to assist with a process to identify, examine and consider various strategic financing alternatives available to the Company with a view to securing financing to develop the Kitsault Molybdenum Project and maximizing shareholder value.

Strategic options may include, but are not limited to, strategic financing opportunities to develop the Kitsault Project by way of a minority investment by a strategic party, off-take agreement(s) with third parties, joint venture of the Kitsault Project and / or other value maximizing transactions.

In conjunction with this process, Avanti will renew discussions with five interested lenders regarding the provision of approximately 60% of the funding needed in the form of project debt.

The Company cautions that there is no assurance or guarantee that the review process will result in any transaction. No definitive schedule has been set for the completion of this process and it is the Company's intention not to provide any updates with respect to the strategic review process unless and until the Board of Directors has approved a specific transaction or has otherwise determined that disclosure is necessary or appropriate.

## Kitsault Molybdenum Project Highlights

An optimized version of the Company's 2013 Feasibility Study Update was released by the Company on November 14 2013. Highlights include:

- Initial capital costs including working capital are estimated at \$812 million and the life of mine (LOM) sustaining capital at \$132 million (+/- 15% accuracy).
- Cash operating cost at the mine site are estimated at \$6.58 per pound of molybdenum (Mo) produced. It drops to \$5.60 (US\$ 5.21), when a Silver by-product credit of \$0.98 per pound of Mo is realized. Total cash cost including transportation and smelter charges would be \$7.07 (US\$ 6.57) per pound of Mo.
- The new mine plan based upon the resource model developed in 2012 calls for a total of 226 million tonnes of proven and probable reserves grading 0.083% Mo and 5.3 g/t silver to be mined over a 14-year mine life, producing 367 million pounds of Mo and 15.3 million ounces of silver. The Mo grade to the mill over the first five years of production averages 0.101% Mo.
- At a long term price Mo price of US\$14.50/lb, (long term price projections are supported by CPM July 2013 commodity report), the project has an after tax Net Present Value (NPV) at an 8% discount rate of \$417 million and a 17.3% IRR.
- The mine has certain infrastructure in place with road access and will be serviced by the existing BC Hydro transmission grid.
- The reopening of the mine is projected to create over 300 high paying local jobs during its 14-year life, and at the peak of construction, over 700 jobs. The construction period is estimated at 25 months.
- The Project received the BC Environmental Assessment Certificate in March 2013 and expects federal approval shortly.

All economic figures contained in this press release are expressed in Canadian dollars except where noted.

**The technical information of this news release has been reviewed and approved by Mark Premo, a qualified person for the purposes of National Instrument 43-101.**

**About Avanti Mining Inc.**

[Avanti Mining Inc.](#) is a Toronto Stock Exchange (TSX VENTURE:AVT) listed exploration and development company focused on developing its core asset, the past producing Kitsault molybdenum mine located 140 km north of Prince Rupert in British Columbia.

### **About BMO Capital Markets**

BMO Capital Markets is a leading North American financial services provider offering investment and corporate banking, advisory services, treasury and market risk management, institutional investing, and research.

For further information on Avanti, please visit [www.avantimining.com](http://www.avantimining.com).

For further information on the strategic process, please contact one of the following BMO representatives:

Jason Attew	Sarfraz Visram	Joshua Goldfarb
Managing Director	Managing Director	Vice President
Metals & Mining Group	Mergers & Acquisitions Group	Metals & Mining Group
+1 416 359 6173	+1 416 359 5864	+1 416 359 5992
<a href="mailto:jason.atted@bmo.com">jason.atted@bmo.com</a>	<a href="mailto:sarfraz.visram@bmo.com">sarfraz.visram@bmo.com</a>	<a href="mailto:joshua.goldfarb@bmo.com">joshua.goldfarb@bmo.com</a>

### **Forward-Looking Statements**

This news release contains certain forward-looking information concerning the business of [Avanti Mining Inc.](#) (the "Corporation"). All statements, other than statements of historical fact, included herein including, without limitation; statements related to the strategic process and development of the Kitsault molybdenum mine, statements with respect to entering into a strategic partnership for the development of the Corporation's Kitsault molybdenum project and arranging financing for the Project, the timing of the receipt of environmental approvals and other regulatory permits, production operating cost, capital cost, cash flow and return estimates, are forward-looking statements. These forward-looking statements are based on the opinions of management at the date the statements are made and are based on assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events to differ materially from those projected in forward-looking statements. Important factors that could cause actual results to differ materially from the Corporation's expectations include fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; and other risks and uncertainties disclosed in the Corporation's Annual Information Form for the year ended December 31, 2012, which are available at [www.sedar.com](http://www.sedar.com). The Corporation is under no obligation to update forward-looking statements if circumstances or management's opinions should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

## Contact

[Avanti Mining Inc.](#)

Mark Premo

Chief Executive Officer

604-620-7670, extension 223

[Avanti Mining Inc.](#)

A.J. Ali

Chief Financial Officer

604-620-7670, extension 222

[www.avantimining.com](http://www.avantimining.com)

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