



A Growing Gold Producer in West Africa with Exploration Upside

TSX: AVR

February 2012



Forward Looking Statement

This company presentation contains forward-looking statements under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the development potential and timetable of the projects; the Company's ability to raise additional funds as necessary; 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 statements 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 statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of mining at the Mali projects are based on assumptions underlying mineral resource estimates and the realization of such estimates; results of previous mining activities at the projects, and detailed research and analysis completed by independent consultants and management of the Company; research and estimates regarding the timing of delivery for long-lead items; knowledge regarding the factors involved in building a mine and other factors described in the annual information form of the company. Capital and operating cost estimates are based on results of previous mining activities, research of the Company and independent consultants, recent estimates of construction and mining costs and other factors that are set out in the scoping study. Production estimates are based on mine plans and production schedules, which have been developed by the Company's personnel and independent consultants. Forward-looking statements are 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 statements, including but not limited to risks related to: timing and availability of external financing on acceptable terms; unexpected events and delays during construction, expansion and start-up; variations in ore grade and recovery rates; receipt and revocation of government approvals; actual results of exploration and mining activities; changes in project parameters as plans continue to be refined; future prices of gold; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements 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 statements. The Company does not undertake to update any forward-looking statements except in accordance with applicable securities laws.

The ability of Avion to increase production to 200,000 ounces of gold per year has not been the subject of a feasibility study and there is no certainty that the proposed expansion will be economically viable.

Investors are advised that National Instrument NI 43-101 of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The company uses the term "cash costs" in this presentation. Cash costs is a non-GAAP figure. Please see the Company's Management Discussion & Analysis for an explanation of this figure and the associated uncertainty.

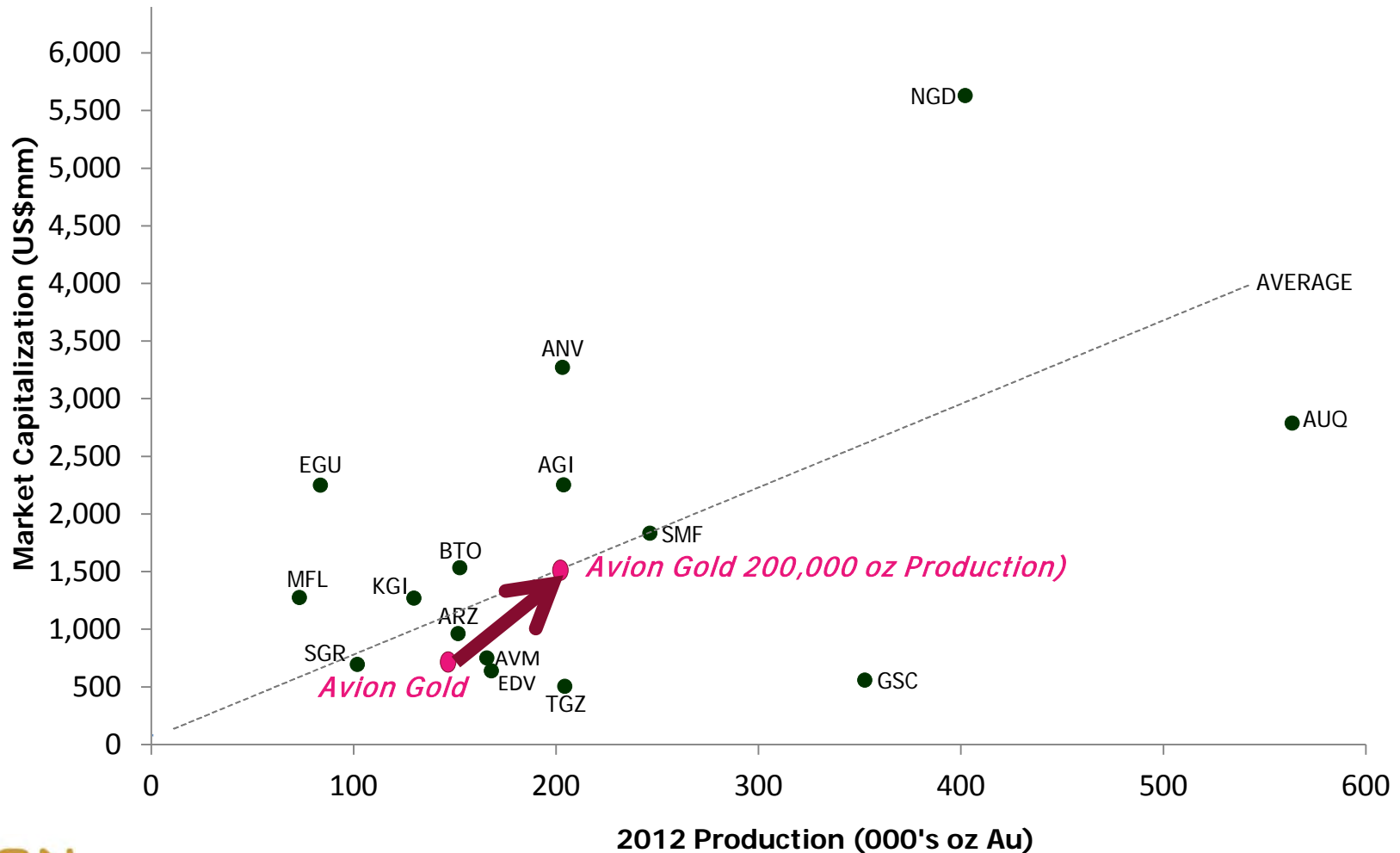
Cautionary Note to U.S. Investors Concerning Estimates of Measured, Indicated or Inferred Resources

The information presented uses the terms "measured", "indicated" and "inferred" mineral resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize these terms. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.

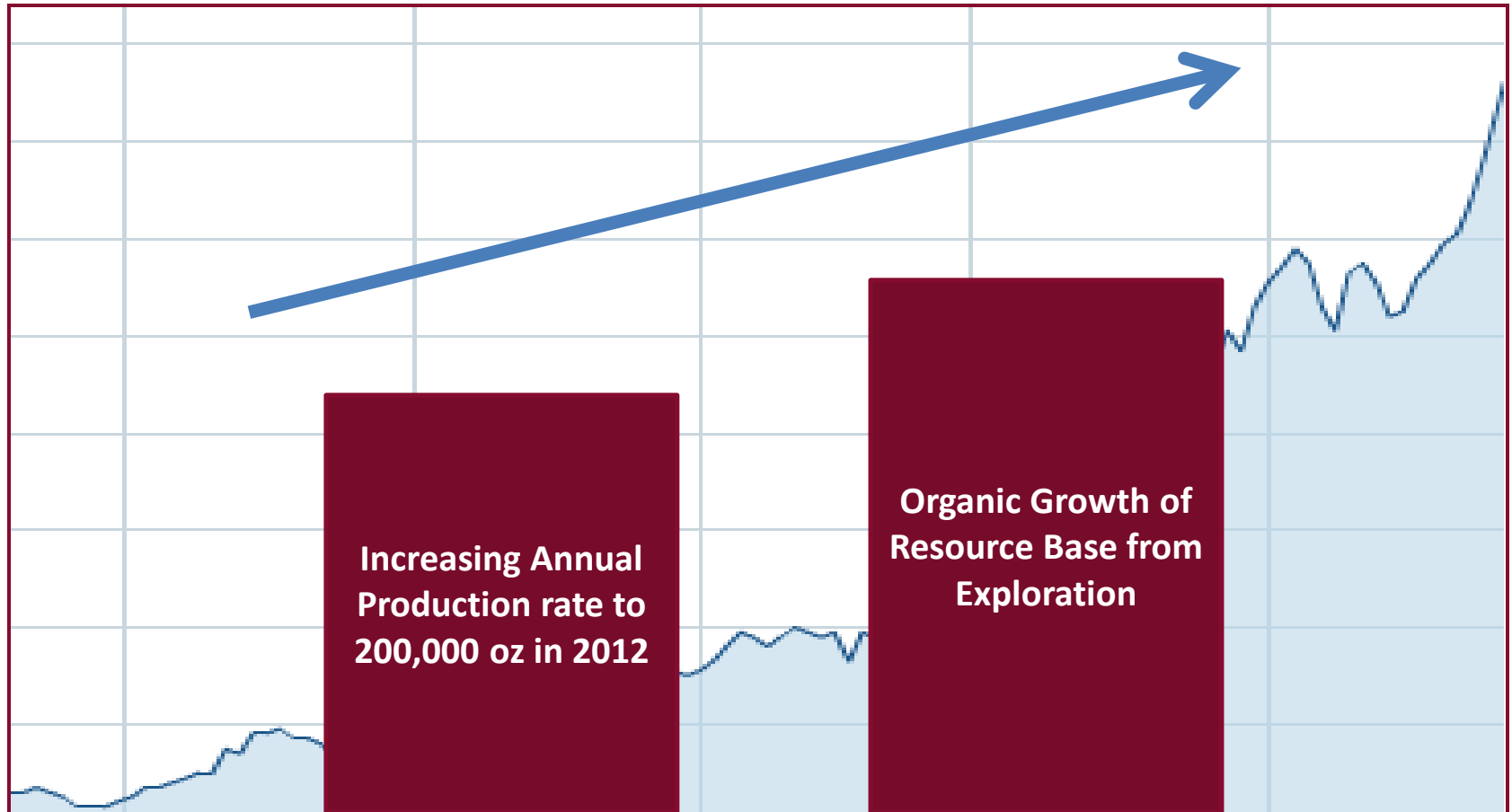
Investment Highlights

- Increasing production profile from 91,230 ounces in 2011 to run rate of 200,000 ounces in the latter half of 2012
- Expect a significant valuation change in H2, 2012 based on production ramp up from new 4,000 tonne per day mill and advancement of exploration projects.
- 1,139,000 M&I ounces and 564,000 inferred ounces added in 2011/early 2012 demonstrates increasing resource base
- 10 year plan at Tabakoto based on likelihood of resource additions
- Cash flow positive – estimated 2012 cash costs mid \$600's/oz

Valuation Bump-up from a Production Increase to 200,000 oz rate



Valuation Increase Factors



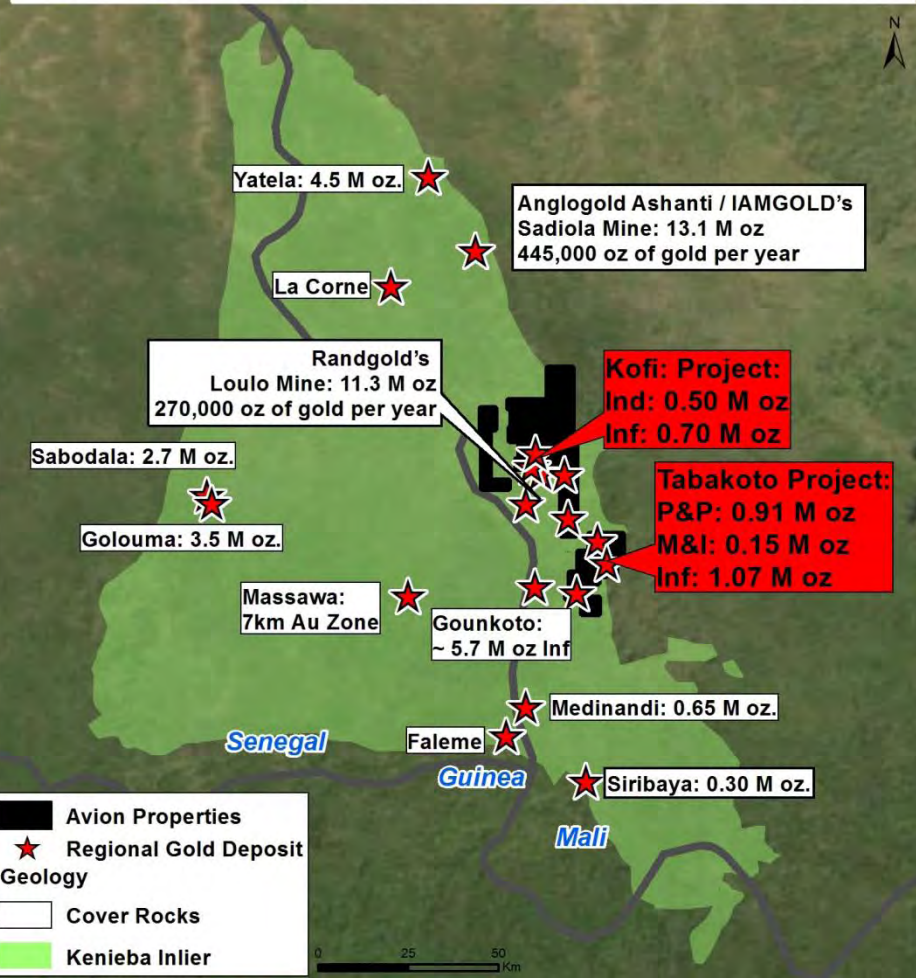
Avion Properties – West African Focus



In a good Neighborhood

Mali: Africa's Third Largest Gold Producer

Western Mali Gold Belt >40 million ounces of Resources



Strong Assets

Resource Base

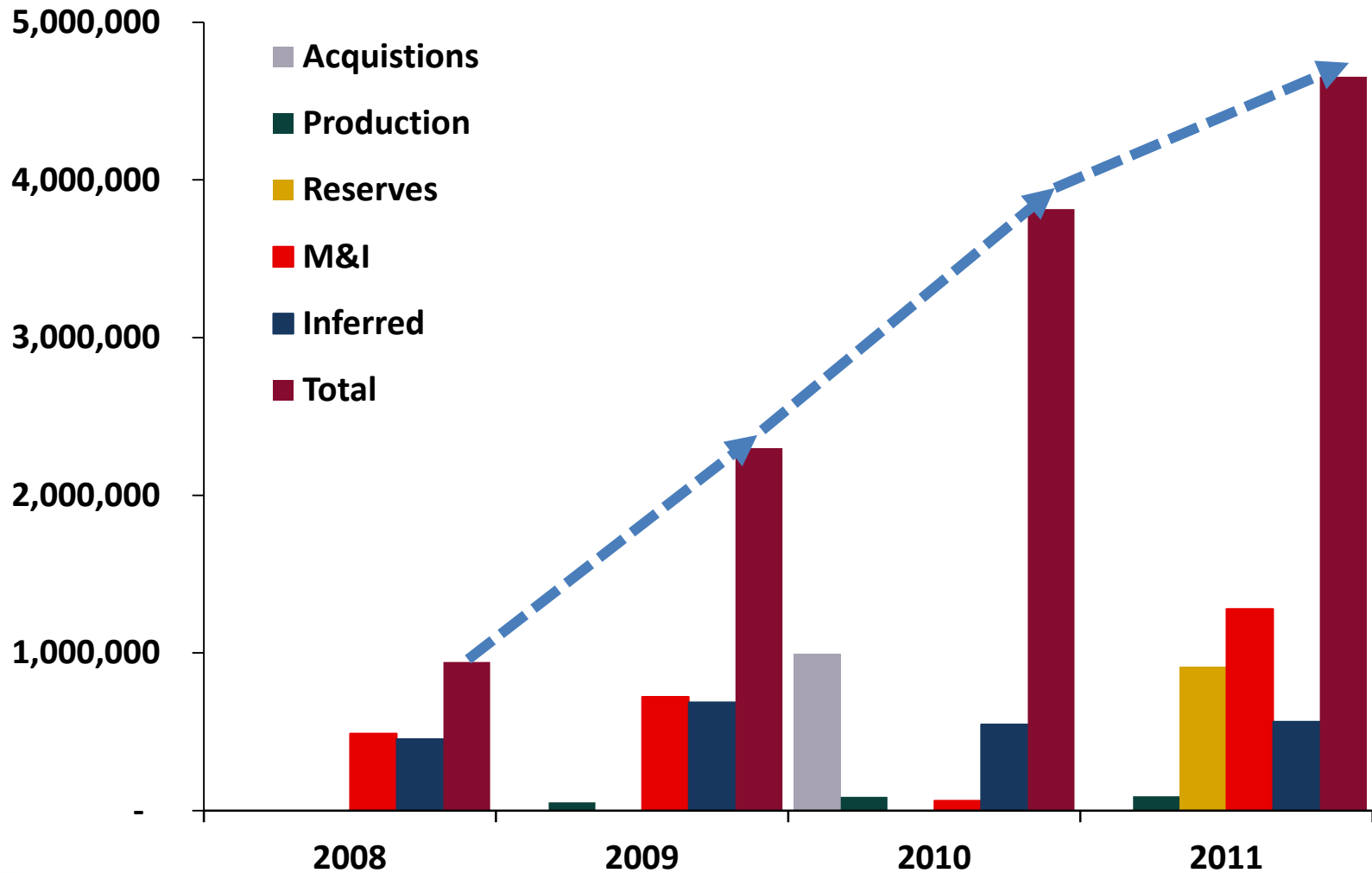
Updated – Corporate Mineral Resources*			
	Tonnes	Grade (g/t Au)	Gold Ounces
Proven & Probable (SP/OP)⁽¹⁾ (1 to 2 g/t Au Cut-off)	2,611,000	2.90	243,600 (167,600²)
Proven & Probable (UG) (2 g/t Au Cut-off)	4,630,000	4.50	669,500 (654,200²)
Measured & Indicated (0.5 to 2 g/t Au Cut-off)	21,238,000	2.21	1,510,000
Inferred (0.5 to 2 g/t Au Cut-off)	30,186,000	2.47	2,411,000

(1) Includes stockpile of 1,207,300 tonnes grading 1.53 g/t Au containing 59,600 ozs as of January 1, 2011

- The resource study was prepared by Eugene Puritch, P.Eng. and Antoine Yassa, P. Geo of P&E Mining Consultants Inc. Note that open pit mineral resources were calculated at a cut-off of 0.5 and 1.0 g/t Au and underground mineral resources were calculated using a 2.0 g/t cut-off.
- Estimates include 93.75% of Kofi Project resources
- Resource updated to include estimated mining drawdown, Great Quest Acquisition, Kofi Project and Hounde's Vindaloo zone.

(2) Number in brackets indicates estimated reserve drawdown from 2011 production. Tonnes and grade numbers will be adjusted once reserves are updated at the end of Q1.

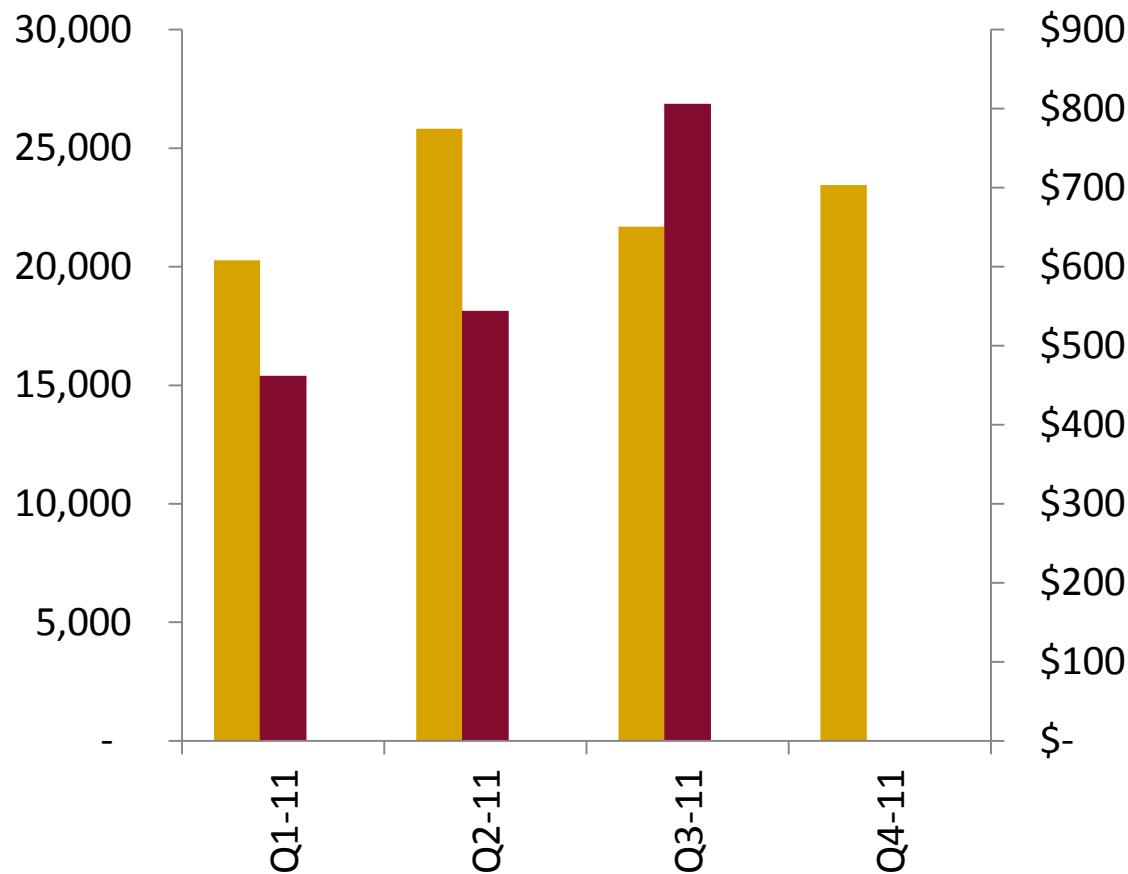
Resource Base Growth



2011 – 91,228 oz. Produced

2012 – Range of 140,000-150,000 oz. Forecasted

Au Production at Tabakoto



■ Oz. Produced
■ Cost/Oz.



Avion Production To Date

	2009 Total ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	2010
Ore Milled (000 t)	562.8	705.9
Head Grade (g/t Au)	2.95	4.02
Recovery (%)	95.4	96.5
Gold Production (oz)	51,291	87,631

(1) Mill was restarted on February 17, 2009. Gold production includes 747 oz recovered from plant clean-up work in 2009 prior to the mill restart.

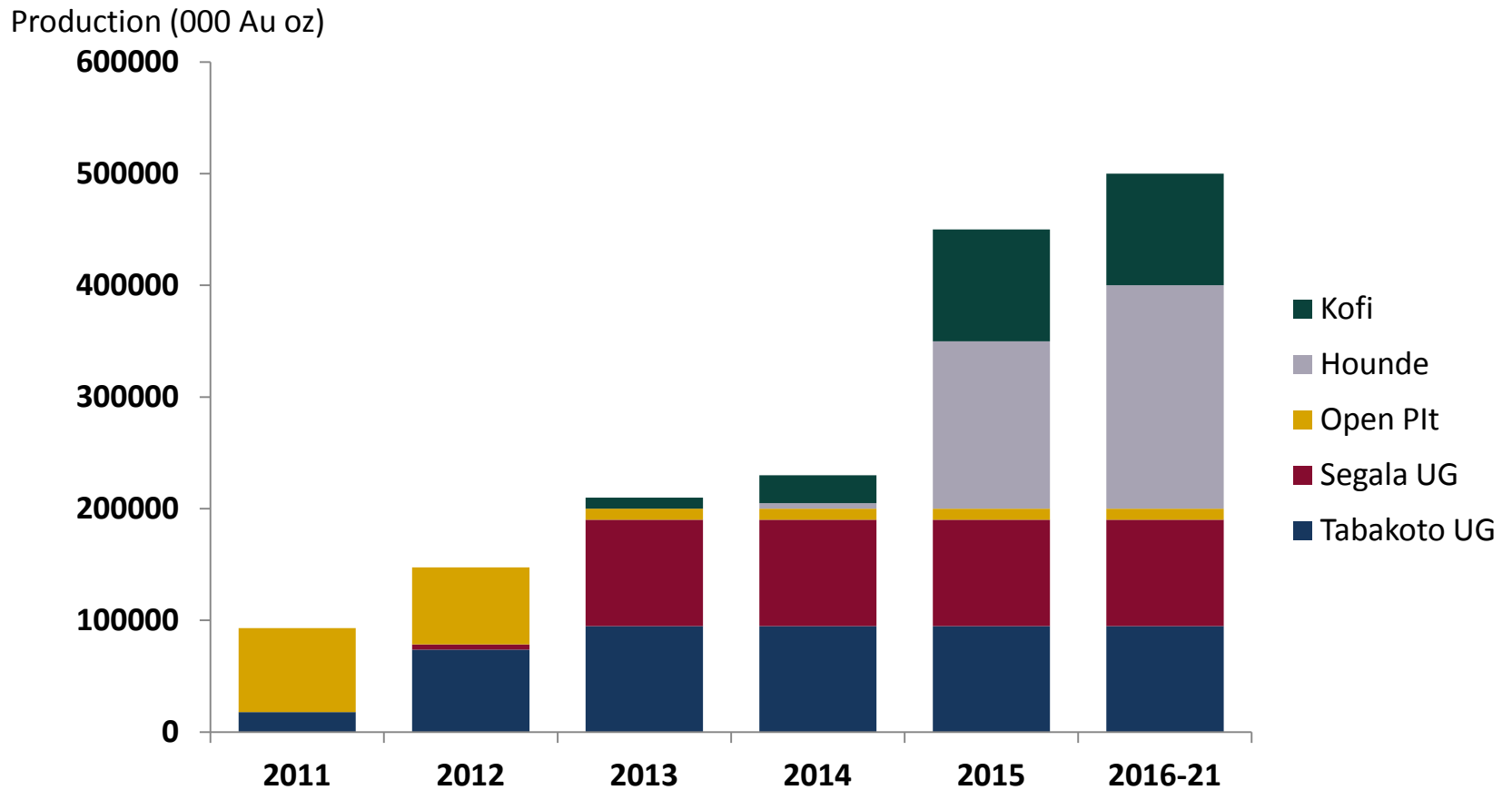
(2) Commercial production was declared May 1, 2009.

(3) Includes 2 weeks downtime due to heavy rainfall and road transportation issues.

(4) 2009 Total adjusted by -483 oz to reconcile to refined ounces.

2011	Q1	Q2	Q3	Q4	Total YTD
Ore Milled (000 t)	180.8	197.1	227.9	233.1	838.8
Head Grade (g/t Au)	3.64	4.21	3.12	3.48	3.59
Recovery (%)	96.2	96.8	95.4	90.0	94.6
Gold Production (oz)	20,272	25,823	21,687	23,445	91,228

Gold Production Growth



Tabakoto and Segala deposit mine schedules from 2011 to 2014 are based on Avion's NI43-101 technical report on Tabakoto Mining Operations, issued on August 17, 2011, and filed on SEDAR. For subsequent years, and for projections of the Kofi and Hounde deposits, Inferred Mineral Resources have been included, and the plan is based on an in-house study by Avion.

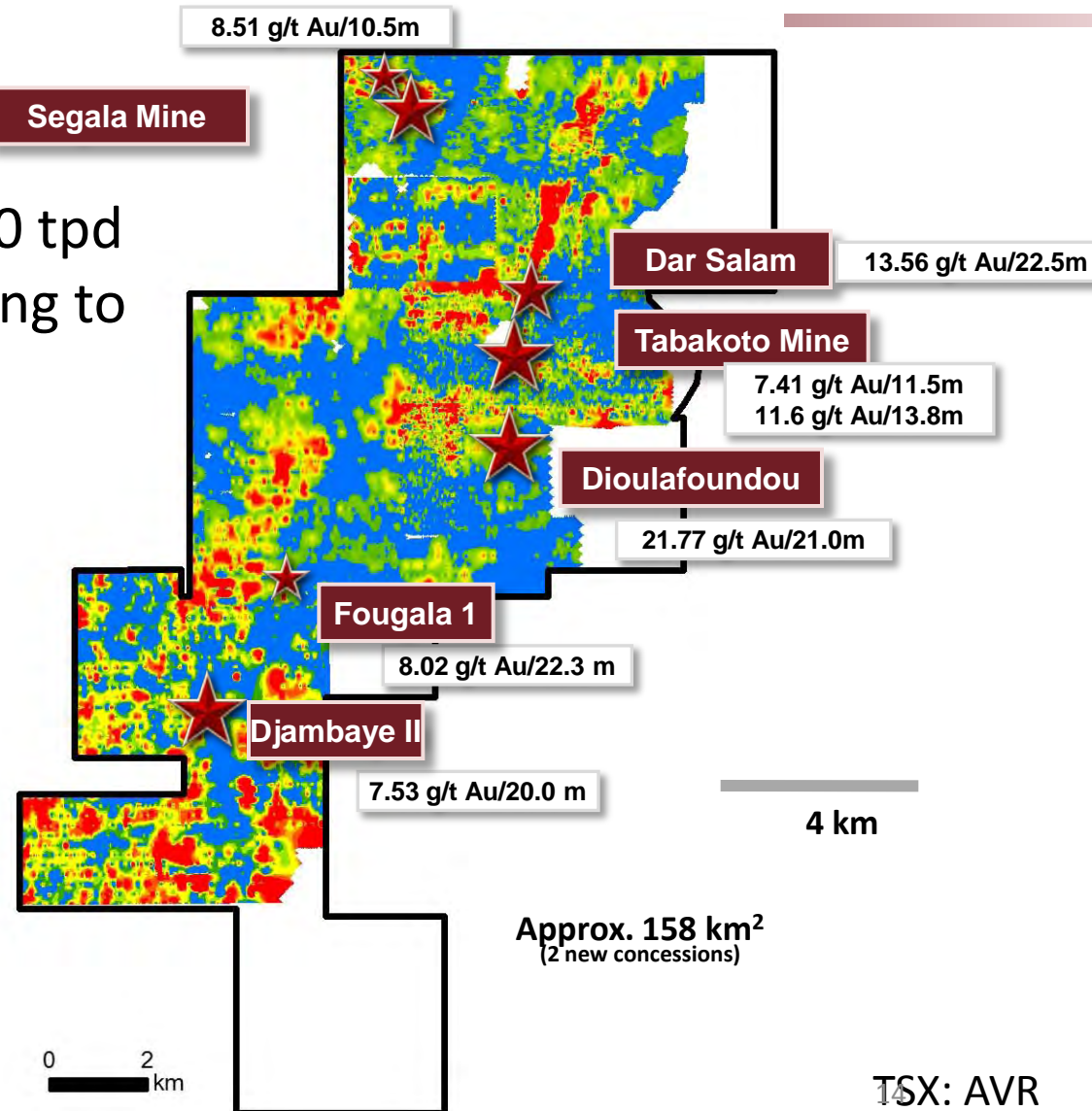
200,000 oz/year Run-Rate in 2012

Anticipated project milestones	2012			
	Q1	Q2	Q3	Q4
60,000 metre exploration program	→			
Tabakoto underground stoping	→			
Issue updated resource and reserve reports	→			
Start new open pit mine at Djambaye II	→			
Segala underground development	→			
Plant expansion construction	→			
Hot and Cold commissioning of new Mill		→		
200,000 oz/year gold production run rate*			→	

Strong Assets

Large, Target-Rich Property with Central Milling Complex

- ✓ Mill – currently at 2,100 tpd capacity being expanding to 4,000 tpd by H2-2012
- ✓ Roads
- ✓ Tailings pond
- ✓ Power
- ✓ Water



Strong Assets



Milling Facility – expanding to 4,000 tpd



Fuel Supply – Contracted



Camp – now houses >200 staff



Expanded Power Supply

Recent Tabakoto Underground Development

Avion is Mali's 3rd Largest Gold Company



Tabakoto Pit



Tabakoto Underground Development

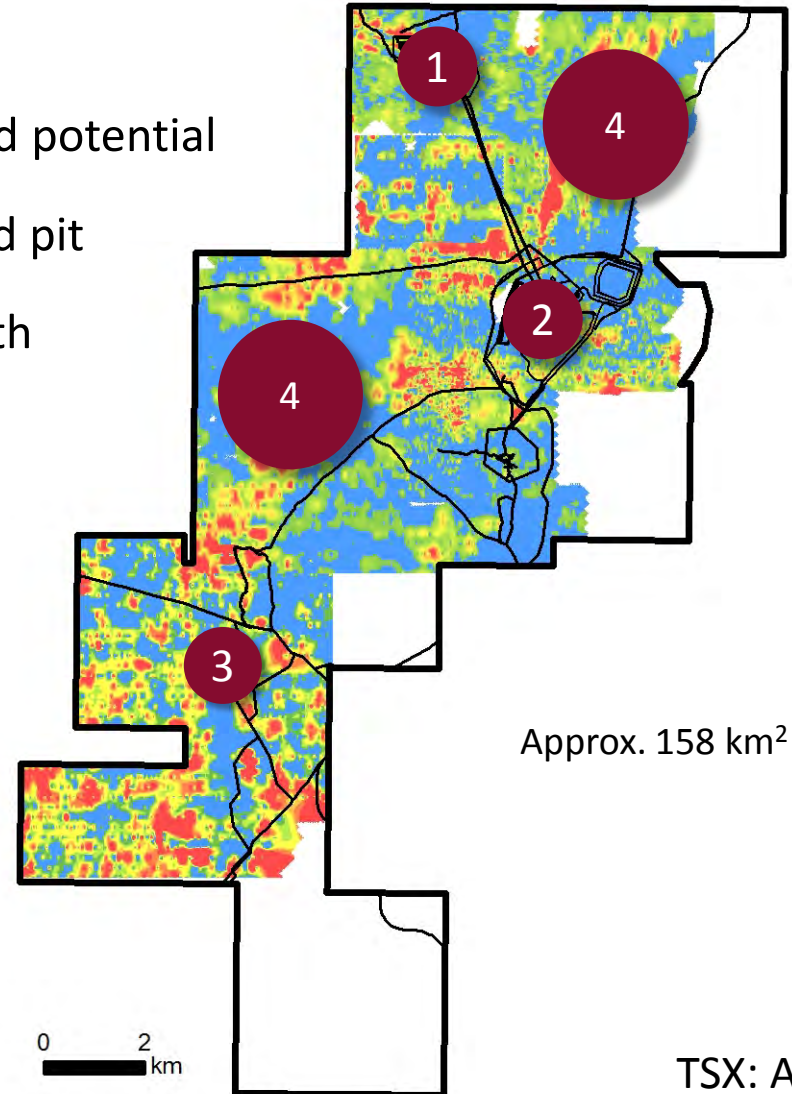


Tabakoto Underground

Resources Expansion Potential

Four Target Concepts

- 1 Segala open to depth – underground potential
- 2 Tabakoto open to depth, and around pit
- 3 Djambaye II along strike and to depth
- 4 Remainder of property



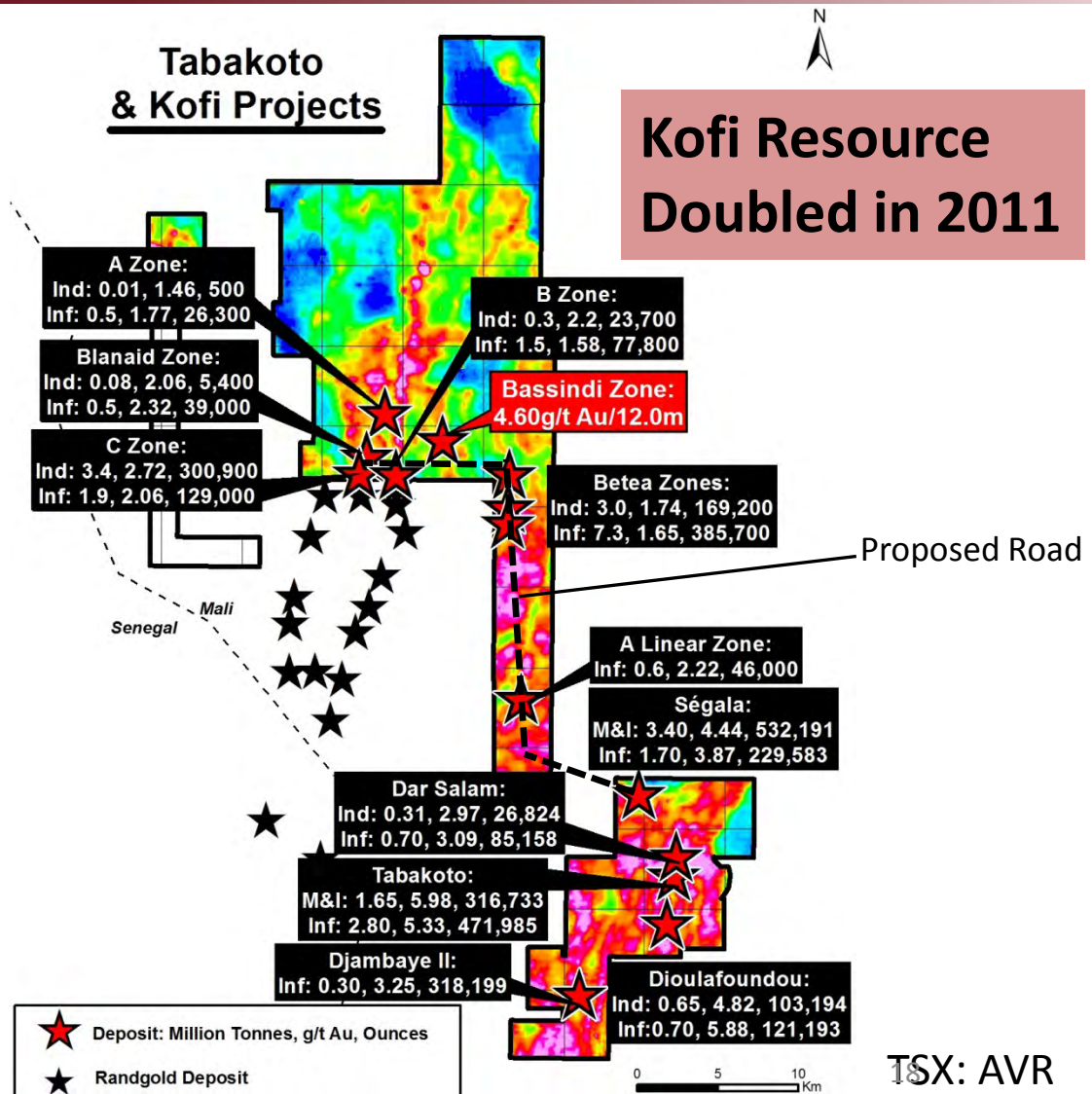
Target-Rich Exploration Package (~600 km²)

- 2011 discovery cost overall
 - ~\$6.6/oz Inf
 - ~\$23.5/oz Ind

- Exploration Program of ~\$11.4 Million for 2012 (all properties)

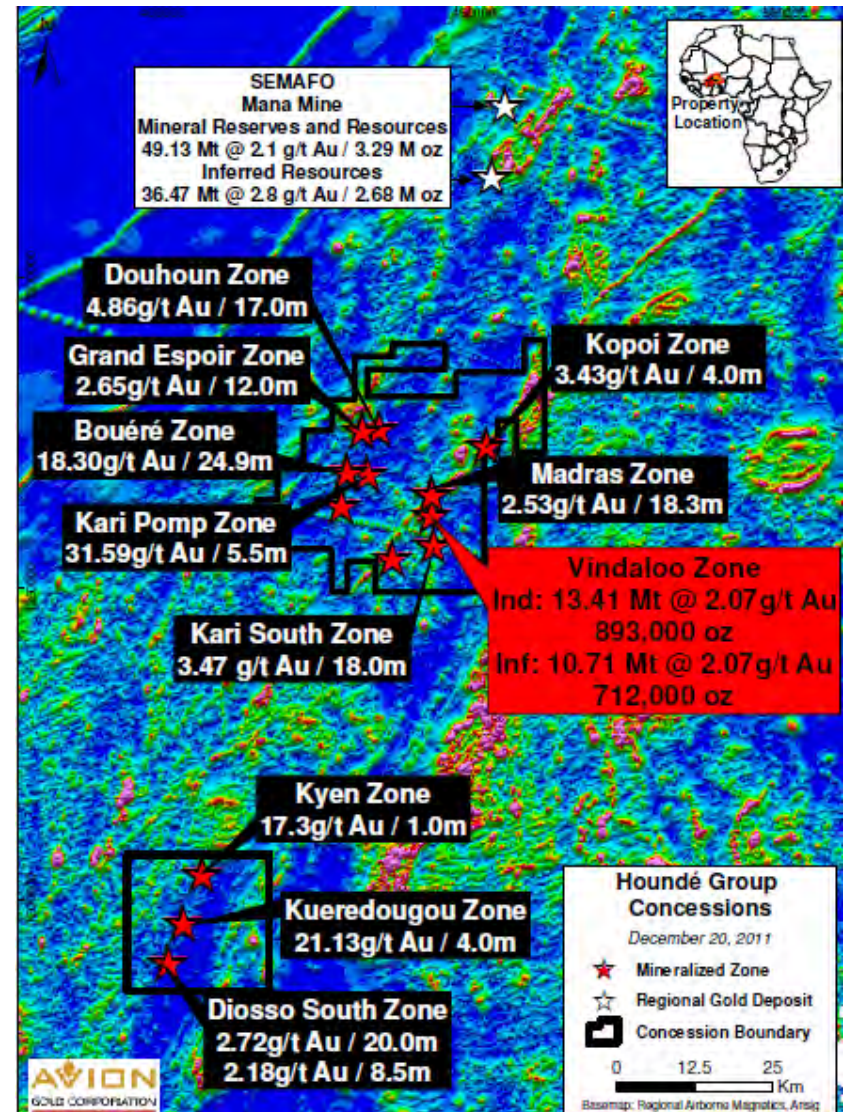
- Total Project (Avion + Great Quest+Kofi + Hounde) Resource of:
 - Res: 0.91 M ozs
 - M&I: 1.5 M ozs*
 - Inf: 2.4 M ozs*

* At 0.5 to 2.0 g/t cut-offs



Houndé – Burkina Faso

- Excellent Resource Expansion
Potential <5% of property evaluated
- \$8.0 Million Exploration program for 2012
- Current Resource of of:
 - Ind: 893,000 ozs
 - Inf: 712,000 ozs
- Vindaloo resource strike ~2.6 km, mineralized trend ~ 5.8 km open
- Preliminary Economic Assessment initiated for completion Q3/Q4 2012



Capital Structure

Exchange:	TSX
Ticker:	AVR
Shares Outstanding – basic:	441.1 million
Fully diluted:	466.0 million
52-Week High/Low:	\$2.57 - \$1.26
Recent Price (Feb 21, 2012):	\$1.64
Market Capitalization:	~\$723 million

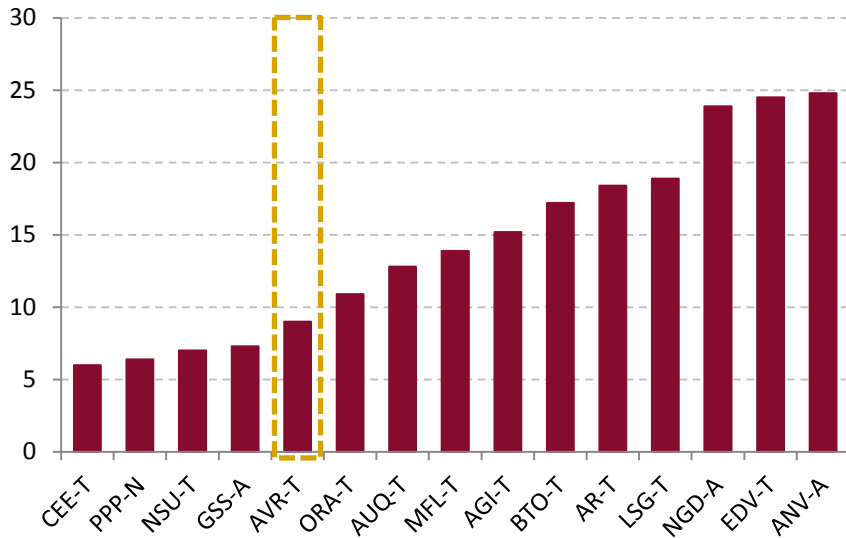
- **Cash flow positive**
- **No hedging of gold**



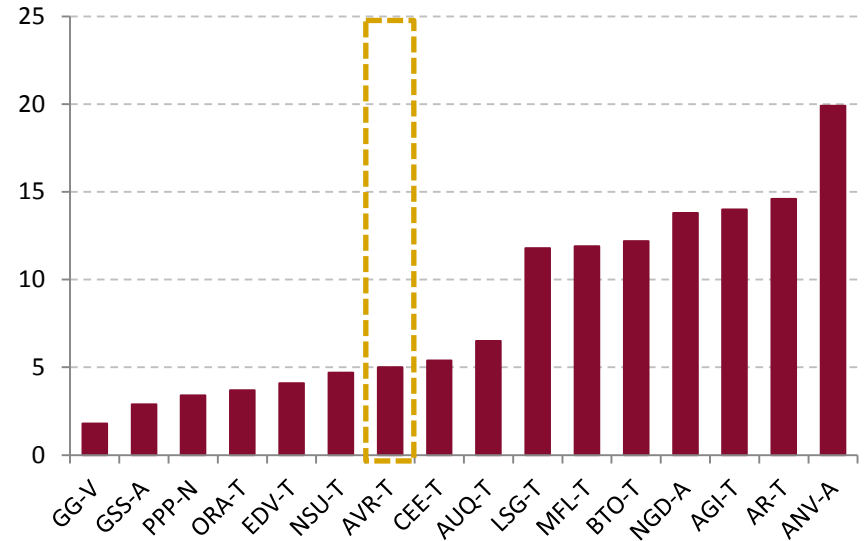
Undervalued Compared to Peers

Avion is undervalued relative to its producing peer group based on a price to earnings and cash flow multiples

P/E (2012E)



P/CFPS (2012E)



Source: Canaccord Genuity Research (updated Feb 6, 2012)

Avion Gold Corporation

MAJOR SHAREHOLDERS

Sentry Investments	~15%	Natcan Investment Mgmt	~2%
Sprott Asset Management	~13%	Oppenheimerfunds	~2%
Fidelity Asset Management	~12%	RBC Asset Management	~2%
Maple Leaf Partners	~8%	AGF Asset Management	~1%
Van Eck Jr Gold ETF	~5%	BlackRock Asset Management	~1%
Carmignac Gestion	~4%	IA Clarington Investments	~1%
Craton Capital	~3%	PI Financial Corp	~1%
Regent Pacific	~3%	US Global Asset Management	~1%

Total other positions of 1% or less is ~5%

Management Directors ~2%

Independent Research and Media Coverage

Independent Research – Full Coverage

Firm	Analyst
BMO Capital Markets	Andrew Breichmanas
Canaccord Genuity	Steven Butler
Cormark Securities	Mike Kozak
Mackie Research Capital	John McClintock
NB Financial	Tara Hassan

Independent Research – Research Notes

Firm	Analyst
Desjardins Securities	Brian Christie
PI Financial	Eric Zaunscherb

Media Coverage

Firm
Casey Research
Gecko Research



Experienced Management Team & Board

MANAGEMENT

John Begeman, President, Chief Executive Officer and Director

Don Dudek, Senior Vice President Exploration

Alex Dann, Chief Financial Officer

Andrew Bradfield, Chief Operating Officer

Neil Said, Legal Corporate Counsel

BOARD OF DIRECTORS

James Coleman—Independent Chairman

John Begeman

Stan Bharti

George Faught

Bruce Humphrey

Lewis Mackenzie, Major General (Ret.)

Honorable Pierre Pettigrew, P.C.



Avion Gold Corporation



Contacts:

John Begeman
President & CEO
Tel: (416) 861-5884
jbegeman@aviongoldcorp.com

Michael McAllister
Manager, Investor Relations
Tel: (416) 309-2134
info@aviongoldcorp.com

Address:

65 Queen Street West, Suite 800
PO Box 67
Toronto, ON M5H 2M5

Website: www.aviongoldcorp.com

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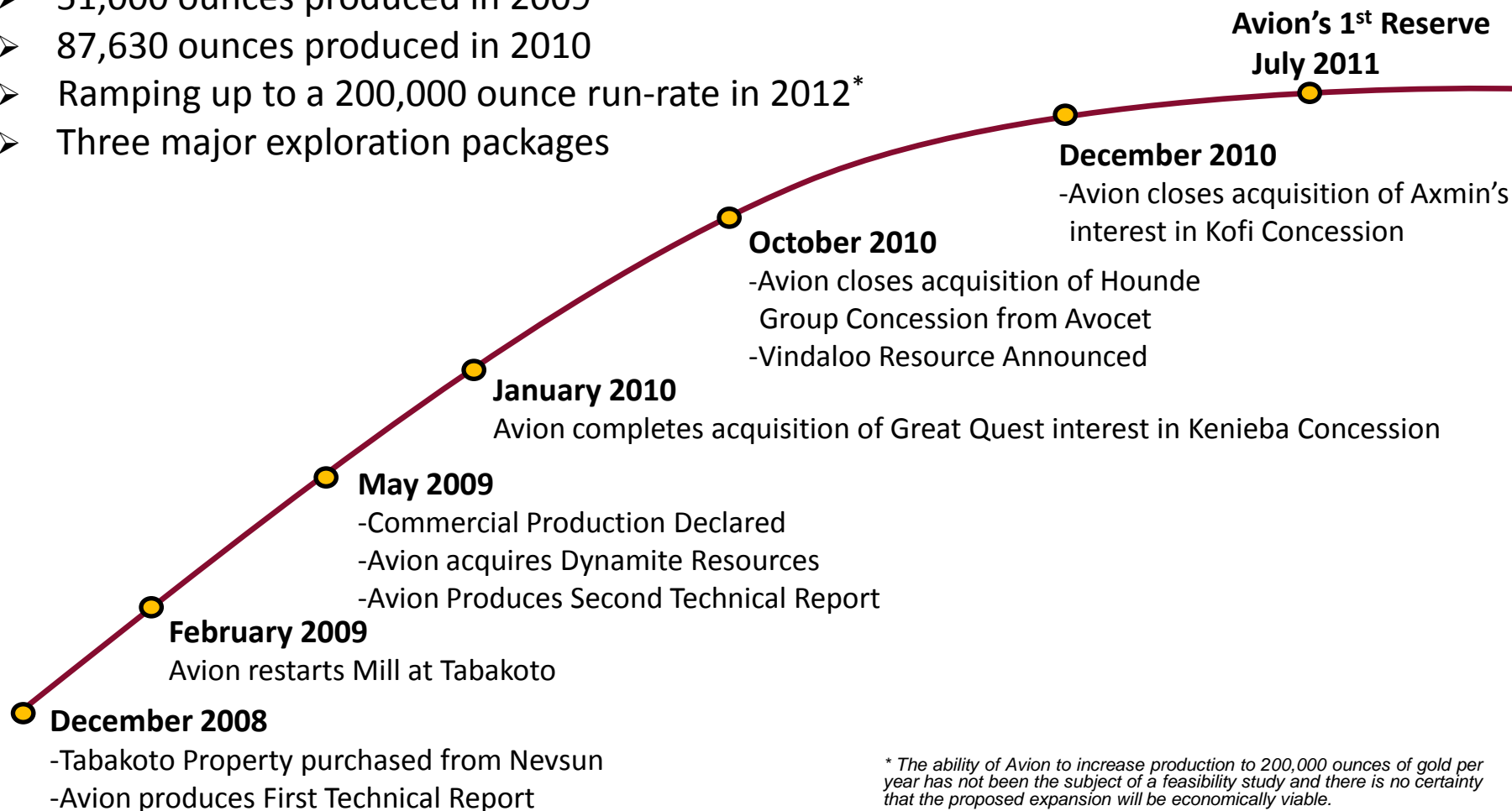


Appendix

Bringing Value Sooner

Delivering Production Expansion into Gold's Bull Market

- 51,000 ounces produced in 2009
- 87,630 ounces produced in 2010
- Ramping up to a 200,000 ounce run-rate in 2012*
- Three major exploration packages



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