

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

AVANCO RESOURCES LIMITED

ABN

85 126 379 646

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares and Options
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2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	Approximately 44,000,002 Fully paid ordinary shares Approximately 44,000,002 Options
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Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully Paid Ordinary Shares Options are exercisable at \$0.20 on or before 30 June 2010.
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+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>						
<p>5 Issue price or consideration</p>	<p>\$0.05</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To augment the current working capital to enable the company to continue its stated exploration and business development activities in Brazil.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>18 November 2008</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">69,632,505</td> <td style="text-align: center;">Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">99,000,005</td> <td style="text-align: center;">Options</td> </tr> </tbody> </table>	Number	+Class	69,632,505	Ordinary Shares	99,000,005	Options
Number	+Class						
69,632,505	Ordinary Shares						
99,000,005	Options						

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	29,367,500	Ordinary shares restricted for 24 months from 7/12/07
	1,500,000	Options exercisable at \$0.20 on or before 30/04/13.
	545,000	Options exercisable at \$0.35 on or before 12/05/13.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	Renounceable
13 Ratio in which the +securities will be offered	Four (4) Shares for every five (5) Shares held together with four (4) free attaching Options for every four (4) new Shares subscribed for and allotted.
14 +Class of +securities to which the offer relates	Fully Paid Ordinary Shares
15 +Record date to determine entitlements	22 October 2008
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17 Policy for deciding entitlements in relation to fractions	Round Up

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Appendix 3B
New issue announcement

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents	
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	12 November 2008
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Patersons Securities Limited
23	Fee or commission payable to the broker to the issue	\$50,000 together with a placement fee of 6% on the total amount placed
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Nil
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	27 October 2008
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	15 October 2008
28	Date rights trading will begin (if applicable)	16 October 2008
29	Date rights trading will end (if applicable)	5 November 2008
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a	Complete back of entitlement and acceptance form and send to broker

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	broker?	<input style="width: 95%; height: 15px;" type="text"/>
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Complete back of entitlement and acceptance form and send to broker together with the rights to be accepted
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Complete a standard renunciation form (obtainable from broker or share registry) and send together with entitlement and acceptance form to the share registry
33	+Despatch date	27 October 2008

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

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Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

N/A

39 Class of +securities for which
 quotation is sought

N/A

40 Do the +securities rank equally in all
 respects from the date of allotment
 with an existing +class of quoted
 +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next dividend,
 (in the case of a trust,
 distribution) or interest payment
- the extent to which they do not
 rank equally, other than in
 relation to the next dividend,
 distribution or interest payment

N/A

41 Reason for request for quotation
 now

Example: In the case of restricted securities, end of
 restriction period

(if issued upon conversion of
 another security, clearly identify that
 other security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	N/A	

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:Scott Funston.....Date: 13 October 2008.....
(Company Secretary)

Print name:

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