

SÃO PAULO**Avanco to set up copper cathode ops in Brazil by early 2010**

Australia's Avanco Resources plans to have a copper cathode operation running in the Carajás region in northern Brazil by early 2010, Avanco Resources md Tony Polglase told MB.

The project will be developed within Avanco's Rio Verde property, which has six known copper targets and potential for new discoveries, according to the executive.

"The company's target is to produce the first copper cathode in the first quarter of 2010," he said,

adding that the next steps include hiring an engineering company to develop the pre-feasibility and feasibility studies on the Carajás copper project. "It will take probably nine to twelve months to get things moving."

"We are getting some very high grades and what we are seriously looking at now is increasing the capacity upwards [from a plan for a 6,000 tpy copper cathode operation]. We are not sure yet where to, but I would say it could be somewhere between 6,000-10,000 tpy of copper cathode," Polglase said. "We believe there's enough high grade available to increase the production capacity."