

ASX Release

Monday 6 April 2009

**AVANCO RESOURCES
LIMITED**

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Directors / Officers:

Matthew Wood
Tony Polglase
Scott Funston
Antonio Madalosso

Issued Capital:

74.5 million shares
74.5 million (\$0.20) options

ASX Symbol: AVB, AVBO

RENOUNCEABLE ENTITLEMENTS ISSUE

Avanco Resources Limited is pleased to announce a fully underwritten renounceable entitlements issue of approximately 223,494,567 Shares at an issue price of 1 cent each, on the basis of three (3) Shares for every one (1) Share held on the record date, together with one (1) free attaching option for every two (2) shares applied for and allotted, to raise approximately \$2,234,946 (**Offer**).

Key Details of the Offer are:

- Funds raised will ensure existing Carajas Copper assets are advanced to a decision point of development, sale or joint venture
- Funds raised will allow for the evaluation and acquisition of new projects
- Shareholders will be able to maintain exposure to the Company's highly prospective properties in the Carajas region of Brazil including the high grade Carajas Copper Project where the Company has previously published (12 January 2009) a JORC Resource of 210,000t at 11.65% copper, containing 24,400t of copper.
- The Company will have a strong cash position to take advantage of opportunities that are now becoming available in a subdued economic climate
- The attaching options will be a new class of option and the Company will apply to have these options listed on the ASX

The Board takes this opportunity to thank all Shareholders for their support and look forward to their continued support in the future.

Matthew Wood
Chairman

The information in this report that relates to mineral resources or ore resources is based on information compiled by Mr. Peter Ball who is a member of the Australian Institute of Mining and Metallurgy. Mr. Ball is the manager of Data Geo. Mr. Ball has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2004 edition of the Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr. Ball consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

