

ASX Release

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ASX Symbol: AVB, AVBOB



**Avanco is the leading  
copper junior in the  
Carajas Mineral Province**

# RIO VERDE DRILLING EXPANDED

The Company is pleased to report that two additional drill rigs have mobilised to the Rio Verde Copper Project and have immediately commenced drilling. These latest rigs have been deployed to test for deeper mineralisation underlying the High Grade Zone and a number of high priority targets located within the recently acquired Xstrata tenure<sup>1</sup>.

## HIGHLIGHTS

- **50,000m drill programme aggressively expanding with five rigs already operational and further mobilisations scheduled.**
- **One rig has commenced drill testing for sulphide copper mineralisation beneath the High Grade Zone with 9 holes programmed.**
- **The second rig will test high priority targets within the recently acquired 14km copper soils anomaly with the first hole commenced at the Agua Boa Prospect.**
- **The high copper soils at Agua Boa present a very clear “bullseye” precisely coincident with the strong magnetic “bullseye” and is associated with magnetite alternation, typical of Carajas style IOCG mineralisation and support the potential for a substantial discovery.**
- **With the arrival of additional rigs and improving weather, drilling rates are expected to increase significantly.**

## **RIO VERDE COPPER PROJECT**

These latest rigs have superior drilling capacity (over existing units) and one rig has already commenced an initial nine hole programme testing beneath the High Grade Zone (HGZ). The HGZ zone is part of the Antas South Deposit which is interpreted to be highly structurally controlled and holes up to 300 metres are planned to reach potentially deep seated mineralisation. The second new rig has been deployed to the Agua Boa Prospect where drilling has started to test extremely prospective IOGC characteristics.

Drilling of the Antas South high grade zone continues with the infill and step out on strike extensions. Interpretation indicates that the HGZ remains open in both directions.

As drilling activity increases the Company is cognisant of the importance for timely results and to mitigate any future delays additional analytical services are being engaged. Samples from sixteen Rio Verde drill holes are in the laboratory, including holes from the eastern and western extensions of the HGZ. Results are expected within the coming weeks.



**Rio Verde drill hole at the eastern extension of the HGZ, ARVD- 114 has been logged with high concentrations of chalcocite, results pending.**

Drilling continues at the neighbouring Serra Verde Project where significant intersects of sulphide copper mineralisation have been recently reported<sup>2</sup>. Further strong news flow from drilling activities across copper and iron ore is expected within the month.

Tony Polglase  
Managing Director

1. ASX Announcement “Agreement with major copper miner brings threefold increase to the Rio Verde Project” 21 March 2011
2. ASX Announcement “Carajas Copper Exploration Update” 02 March 2011

*The information in this report that relates to Mineral Resources and Exploration Results are based on information compiled by Mr Simon Mottram who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mottram is a Director of Avanco Resources Limited. Mr Mottram 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 ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Mottram consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*



