

AVANCO RESOURCES LIMITED
ACN 126 379 646

SUPPLEMENTARY PROSPECTUS

1. IMPORTANT NOTICE

This Supplementary Prospectus is dated 21 April 2009 and is supplementary to the Prospectus dated 6 April 2009 issued by Avanco Resources Limited (ACN 126 379 646) (**Company**) (**Prospectus**). This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 21 April 2009. The ASIC does not take any responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. Terms defined in the Prospectus have the same meaning in this Supplementary Prospectus. This Supplementary Prospectus will be issued with the Prospectus.

2. CLARIFICATION OF UNDERWRITER'S CONTROL POSITION

To comply with requirement to fully disclose the Underwriter's potential voting power in the Company and the effect of the underwriting by the Underwriter, the following is inserted as a new section of the Prospectus:

8.2.1 Disclosure of Underwriting on Voting Power

As set out above, the Offer is fully underwritten by Patersons Securities Limited (**Underwriter**).

The potential maximum increase in the voting power of the Underwriter is set out below (100% Shortfall) and will only occur if no Shareholders take up their Entitlement under the Offer.

Event	No. of Shares held by the Underwriter ¹	Voting power of the Underwriter in the Company (Undiluted)	Voting power (Fully Diluted) assuming that all Options are exercised ²	Voting power (Fully diluted) assuming that no Options are exercised other than held by Underwriter ³
After issue of Shares to the Underwriter assuming 100% Shortfall	223,494,567	75.00%	71.55%	83.61%
After issue of Shares to the Underwriter assuming 75% Shortfall	167,620,926	56.25%	53.67%	68.61%
After issue of Shares to the Underwriter assuming 50% Shortfall	111,747,284	37.50%	35.78%	50.50%
After issue of Shares to the Underwriter assuming 25% Shortfall	55,873,642	18.75%	17.89%	28.18%

Notes:

1. The Underwriter does not have a relevant interest in any Securities as at the date of this Prospectus.
2. Assumes that all Options issued pursuant to the Prospectus and currently on issue are exercised (including 44,698,913 Options issued under the Underwriting Agreement).
3. Assumes that no Options issued pursuant to the Prospectus or currently on issue are exercised except for those issued to the Underwriter (including 44,698,913 Options issued under the Underwriting Agreement).

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is highly unlikely that no Shareholders will take up their Entitlement under this Offer. The underwriting obligation of the Underwriter, and therefore voting power of the Underwriter, will reduce by a corresponding amount for the amount of Entitlements taken up by other Shareholders. In addition, the future pattern of shareholding of the Company will change depending on the take up of Entitlements of the other Shareholders and the extent to which Shareholders trade their Rights.

Notwithstanding the potential effect of the underwriting detailed in the table above, the Underwriter has advised the Company that it has entered into arrangements with sub-underwriters in relation to the Shortfall such that neither the Underwriter nor any sub-underwriter will individually have a voting power in the Company in excess of 20% after the issue of the Shortfall. Therefore, although the information detailed in this Section 8.2.1, sets out the hypothetical position of the Underwriter, if it is required to subscribe for the Shortfall under the Offer, in practical terms, neither the Underwriter nor any sub-underwriter will obtain control of the Company as a result of the Underwriter underwriting the Offer.

The Underwriter has consented to the inclusion of the statement above in this Supplementary Prospectus in the form and context in which it has been included.

3. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Scott Funston
Director
For and on behalf of
Avanco Resources Limited

Note: All other details in relation to the Prospectus remain unchanged. The directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor on the basis that the issue of the Shortfall as referred to in this Supplementary Prospectus was set out in and detailed in the Prospectus in full.