



ABN 85 126 379 646

20 November 2008

Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sir / Madam

**RE: AVANCO RESOURCES LIMITED – COMPLETION OF ENTITLEMENT
OFFER AND UPDATED APPENDIX 3B**

Further to the announcement on 17 November 2008 concerning close of the Entitlement Offer, Avanco Resources Limited (the Company) wishes to advise that placement of the cleared applications has been completed.

The Company advises that holding statements will be despatched on Friday 21 November 2008.

An updated Appendix 3B is attached.

Yours faithfully

Scott Funston
Company Secretary
AVANCO RESOURCES LIMITED

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 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 15,415,186 Fully paid ordinary shares 15,415,186 Options |
| | 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. |

+ 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>20 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="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">41,047,689</td> <td style="text-align: center;">Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">70,415,189</td> <td style="text-align: center;">Options</td> </tr> </tbody> </table> | Number | +Class | 41,047,689 | Ordinary Shares | 70,415,189 | Options |
| Number | +Class | | | | | | |
| 41,047,689 | Ordinary Shares | | | | | | |
| 70,415,189 | Options | | | | | | |

+ See chapter 19 for defined terms.

| | 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 |

+ See chapter 19 for defined terms.

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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 |

+ See chapter 19 for defined terms.

| | |
|---|---|
| broker? | |
| 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 | 21 November 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

+ See chapter 19 for defined terms.

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 (including the securities in clause 38) | N/A | |

+ See chapter 19 for defined terms.

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:..20 November 2008.....
(Company Secretary)

Print name:

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+ See chapter 19 for defined terms.