Disclaimer


Such forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Avanco, its officers, employees, agents and associates, which may cause actual results to differ materially from those expressed or implied in such forward-looking statements.

Actual results, performance, or outcomes may differ materially from any projections or forward-looking statements or the assumptions on which those statements are based.

You should not place any undue reliance on forward-looking statements and neither Avanco nor its directors, officers, employees, servants or agents assume any responsibility to update such information.
CORPORATE

- Focussed copper explorer-developer
- 1.1B shares at ~7.5c & MC~$82M
- $7.5m cash (Dec 2012)
- Xstrata (15%) largest shareholder
- 100% ownership of Stage I & II
- Current objectives – (i) development of Stage I
  (ii) expand Stage II resources
  (iii) discover third project
- Medium Term 40,000tpa to 50,000tpa of Copper from Stage I & II
### JORC REPORTED MINERAL RESOURCES

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<tr>
<th>Category</th>
<th>Million Tonnes</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Copper Metal (T)</th>
<th>Gold Metal (Oz)</th>
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<td><strong>STAGE I</strong></td>
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<td>ANTAS NORTH</td>
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<td>PEDRA BRANCA</td>
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<td><strong>GLOBAL TOTAL</strong></td>
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<td>52.11</td>
<td>1.27</td>
<td>661,000*</td>
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*Copper Equivalent = 773,000t of contained Copper at 1.48% Copper

Copper Equivalent conversion = Cu % + (Au(ppm) x 0.6686) @ Cu (US$3.50/lb) & Au (US$1,600/oz)
WORLD CLASS CARAJAS

- Under explored Copper province
- Vale dominates the Carajas in Copper, Iron ore and Nickel
- Avanco has second largest tenure
- Vale operates Sossego, commissioning giant Salobo Copper mine
- Major copper deposits: Furnas, Paulo Afonso, 118 and Cristalino
- Also multi-$B Serra Sul Iron ore development & Onca Puma Nickel
- Neighbours: Codelco, Xstrata, Anglo and Teck
- Large, hungry copper smelter within trucking distance
Stage I – commissioning possible from mid 2014
Stage I – cash flow timely for Stage II funding
Regional drilling for Stage III
STAGE I - ANTAS NORTH DEPOSIT

STAGE I

- Located within a 10km x 9km license
- Hosts Antas North & Antas South Deposits
- Exploration upside within license & neighbouring licenses

Excellent access, available power and water, with no environmental concerns

ASX-AVB
### STAGE I – JORC SULPHIDE RESOURCE

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<td>0.44</td>
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The Antas North Deposit remains Open at depth
Resource estimate by independent group - CSA Global
Stage I – GEOLOGY

- Stage I Antas North Deposit is a classical IOCG copper-gold breccia sulphide pipe overlain by a thin oxidised cap
- Lenses of high grade massive sulphides around the skin of the orebody are common in the upper part of the deposit
- The orebody remains open at depth
- Waste rocks are basalt and rhyolite
- Orientated in a South-Westerly direction and situated on the side of a prominent hill
- Located only 300m from Antas South Copper Deposit
STAGE I – OPEN PIT OUTLINE

YEAR 7 PIT OUTLINE

ADDITIONAL RESOURCES

47.9m at 1.7% Cu, 0.24g/t Au from 79.6m
35.6m at 3.67% Cu, 0.22g/t Au from 153m
27.7m at 5.96% Cu, 2.80g/t Au from 53m
10.7m at 3.69% Cu, 1.60g/t Au from 104m
20.9m at 2.58% Cu, 0.18g/t Au from 93m
10.3m at 4.15% Cu, 0.16g/t Au from 93m
10.4m at 8.06% Cu, 9.46g/t Au from 161m
30.3m at 7.23% Cu, 1.89g/t Au from 134m
Incl. 6.6m @ 26% Cu, 1.2g/t Au from 161m
79.7m at 1.42% Cu, 0.2g/t Au from 223m
35.7m at 1.88% Cu, 0.42g/t Au from 337m
6.1m at 6.37% Cu, 0.33g/t Au from 223m
STAGE 1 MINING

- Trial Mining License approved
- Whittle optimisation produced simple Open Pit
- High grade, +3% Cu + 0.7gpt Au for 400,000tpa Run Of Mine
- Favourable topography and geo-technical conditions for early Low Strip Ratio ~ 5:1
- Local experience of mining methodology – Sossego
- Owner-operated mining studied, mining contract services available
- Orebody open at depth – option to extend Life Of Mine with Underground
STAGE I - METALLURGY

- Ore Bond Work Index = 16 for conventional crush/grind at 50tph
- Ore is very amenable to the traditional flotation process
- Excellent metallurgical results*: 
  - ~94% copper recovery
  - ~80% gold recovery
  - ~30% copper concentrate with low impurities
- Simple “open-circuit” flotation envisaged replicating Vale’s Sossego Copper Mine

*Based on preliminary testing and metallurgical performance of proximal mines treating similar ores
Feasibility study at an advanced stage

Improved Opex with owner operated mining

Ideal pilot project ahead of Stage II featuring

- Low Capex
- Low Opex
- Low Risk

Basic economic analysis nearing completion

- Sulphide Ore Production Rate ktpa: 400
- Mine Life - Years: 9 (Including Low Grade Treatment)
- Preproduction Capital $m: $50 (Before Contingency and Owner's Cost)
- Plant Copper Recovery: 94% (Excluding Low Grade Treatment)
- Plant Gold Recovery: 80% (Excluding Low Grade Treatment)
- First 3 Years Av. Cu Production Tonnes: 11,868
- First 3 Years Av. Gold Production Oz: 7,798
- First 3 Years Av. C1 Cost $/lb: $0.84 (Incl: TC's, RC's, Royalties, Freight less Gold credits)
- First 3 Years Av. "On Site" Cost $/lb: $0.75 (Mine Gate Costs)
- First 3 Years Average Headgrade %Cu: 3.16%
- First 3 Years Average Headgrade Au g/t: 0.76
- First 3 Years Av. Strip Ratio X:1: 5.4
- Mine Life Av. C1 Costs: $1.10 (inc TC's, RC's, Royalties, Freight less Gold credits)
- Mine Life Av. "On Site" Costs $/lb Cu: $1.01 (Mine Gate Costs)
- Mine Life Av. Strip Ratio X:1: 7.9
- Mine Life Av. Headgrade Cu: 3.08% (Excluding Low Grade Treatment)
- Mine Life Av. Headgrade Cu: 2.72% (Including Low Grade Treatment)

* Feasibility Study is continually being updated refer to slide 36 for provisions and notes
STAGE I PROJECT MANAGEMENT

- International experienced management team to oversee design/engineering/construction
- Recently appointed Brazilian Directors to facilitate permitting, implementation and operations
- Well priced second-hand equipment immediately available in Brazil
STAGE I – 2013 PROGRAMME

- Strengthen Board to support development – done
- Continue Met Testing
- Progress studies/engineering
- Secure equipment/access
- Drilling for Reserves
- Pursue regulatory approvals
- Examine off-take opportunities & funding options for ~$50m build cost
- Aim for mid 2014 plant commissioning
STAGE I OPPORTUNITIES

- Favourable possibility to extend the Life Of Mine with Underground Mining
- Scheduling and tonnage upside with “in-fill” drilling- Q2-2013
- ~2mt oxide cap runs at around 0.7%Cu
- Proximity to Antas South which hosts a JORC sulphide resource of 2mt at 1.64% Cu + 0.32gpt Au
- Antas North and Antas South potentially connected at depth
STAGE I
A RAPID DEVELOPMENT OPPORTUNITY

Antas North
Open Pit

Plant

Tailings Dam

3MW of 34.5kv grid power and abundant water supply
STAGE II
A SIGNIFICANT COPPER DEPOSIT IN THE MAKING
STAGE II proximal to giant Sossegó Cu Mine
355Mt at 1.1% Cu, 0.28g/t Au

STAGE II
PEDRA BRANCA
30.99Mt at 1.27% Cu & 0.33g/t Au – drilling currently & growing fast
STAGE II – PEDRA BRANCA

- IOCG deposit acquired (100%) from Xstrata
- 3 rigs operational, JORC resource up-grades H1-2013
- Targeting +35,000tpa of copper mine ~ 10y Life Of Mine
- Underground on East and Open Pit on West (2mpta Run Of Mine)
- High Grade lens on West potentially supporting an all Underground operation
- Economies from proximity to Stage I
- Stage II Feasibility in 2013, significant NPV expected
- Cash flow from Stage I to fund Stage II
STAGE II  INTERSECTIONS

PEDRA BRANCA DEPOSIT
Drill Status Plan

NCN-03-01
24.7m @ 1.51% Cu, 0.67g/t Au from 39.3m
Inc. 8.8m @ 4.45% Cu, 1.51g/t Au from 152.3m

NCN-03-02
24.9m @ 0.24% Cu, 0.18g/t Au from 39.9m
Inc. 9.3m @ 1.30% Cu, 0.33g/t Au from 54.3m
43.1m @ 1.98% Cu, 4.19g/t Au from 84.5m
10.2m @ 0.58% Cu, 0.26g/t Au from 193.75m

NCN-04-05
0.76m @ 1.37% Cu, 0.66g/t Au from 126.30m

NCN-04-03
24.7m @ 0.80% Cu, 0.20g/t Au from 32.40m
9.5m @ 0.28% Cu, 0.13g/t Au from 80.85m
4.95m @ 0.65% Cu, 0.05g/t Au from 111.65m

NCN-05-18
27.7m @ 0.96% Cu, 0.15g/t Au from 221.15m
Inc. 10.3m @ 1.05% Cu, 0.15g/t Au from 221.15m

NCN-05-04
24.7m @ 0.84% Cu, 0.13g/t Au from 0.00m
Inc. 23.8m @ 0.98% Cu, 0.13g/t Au from 0.00m
6.05m @ 1.05% Cu, 0.14g/t Au from 112.30m

NCN-08-16
57.0m @ 0.82% Cu, 0.04g/t Au from 57.0m
Inc. 57.0m @ 0.82% Cu, 0.04g/t Au from 57.0m

NCN-04-22
18.4m @ 0.88% Cu, 0.05g/t Au from 134.65m

APBCD-12-06
48.35m at 0.86% Cu, 0.36g/t Au from 193.15m
Inc. 27.35m @ 0.94% Cu, 0.36g/t Au from 203.15m

APBCD-12-08
14.10m @ 2.77% Cu, 0.41g/t Au from 296.05m
Inc. 24.0m @ 1.21% Cu, 0.27g/t Au from 315.64m
6.66m @ 1.21% Cu, 0.13g/t Au from 326.54m

LEGEND
Historic drilling
Results Pending
NSR: No Significant Result

Lithology Type
Quartzite
Granite
Grease
Supergene

ASX-AVH
STAGE II Section 607200mE

7.80m @ 1.88%Cu, 0.47g/t Au from 267.50m

11.00m @ 0.38%Cu, 0.06g/t Au from 246.50m

39.20m @ 1.44%Cu, 0.23g/t Au from 419.00m Incl. 27.15m @ 1.92% Cu, 0.32g/t Au from 426.35m

49.05m @ 1.60%Cu, 0.36g/t Au from 522.00m Incl. 18.70@ 2.35% Cu, 0.43g/t Au from 522.00m

11.00m @ 0.38%Cu, 0.06g/t Au from 246.50m
STAGE II Section 606300mE

- 167.7m @ 0.83% Cu, 0.28g/t Au from 257.2m; incl. 20.4m @ 2.0% Cu, 1.01g/t Au from 257.2m
- 24.00m @ 1.50% Cu, 0.50g/t Au from 172.40m; incl. 9.80m @ 2.41% Cu, 0.80g/t Au from 182.70m
- 167.7m @ 0.83% Cu, 0.28g/t Au from 257.2m; incl. 20.4m @ 2.0% Cu, 1.01g/t Au from 257.2m

Legend:
- Holes
- Mineralised Zone
- Pegmatite
- Sheared Granite
- Gneiss
- Diorite

1.5 Metres
STAGE II – HIGHLIGHTS

- Excellent rock geotechnical properties and minimal cover
- Simple Metallurgy indicated
- Good access and infrastructure
- AVB has excellent management with international underground mine experience
- Proximity to Stage I facilitates supervision and reduces costs
- District undergoing substantial growth and investment by Vale SA
- Terms for acquisition of surface rights agreed
REGIONAL EXPLORATION

- Aiming for a new discovery (Stage III)
- Stage III success to support a production target in excess of 50,000tpa of copper
- 100% ownership of highly prospective ~2,000sqkm portfolio (ex Xstrata)
- Drilling of the Sao Jorge target already commenced
- Auger crews in the field testing magnetic (path finder) anomalies
REGIONAL MAGNETIC MAP

ASX-AVB
27
WESTERN LEASES

4 of the 5 Intersected Economic Copper Mineralisation

- Nova Esperança North
- União
- São Jorge
- Pedra Branca
SAO JORGE TARGET

22.10m @ 0.64% Cu, from 119.10m
Incl. 2.00m @ 4.3% Cu, 0.28g/t Au

47.88m @ 0.54% Cu, 0.08g/t Au from 158.77m
Incl. 17.46m @ 1.21% Cu, 0.18g/t Au
ACTIVITIES SUMMARY

- **STAGE I**
  - Progress studies for 12,000tpa copper production
  - Drill for reserves
  - Secure access and equipment
  - Seek funding and commence construction

- **STAGE II**
  - Expand global resource to 1,000,000t of contained Copper
  - Feasibility Study for +30,000tpa Copper production

- **STAGE III**
  - Discover next project
INVESTMENT SNAPSHOT

- Avanco pure Copper play, potential exceeding 50,000tpa Copper
- 100% ownership of multiple projects in same district reducing risk
- Proven local and international management team
- Stage I ~12,000tpa Copper - low Opex/Capex, rapid payback with significant return on investment anticipated - ideal “pilot” project
- Followed by much bigger Stage II ~30,000 to 35,000tpa Copper project with funding facilitated by cashflow from Stage I
- Growth beyond 50,000tpa envisaged from continuous exploration transforming Avanco into a successful Copper company
Director of Operations – Wayne Phillips, Brazilian national with solid track record of project management, extensive local network. *Ex Technical Director Kinross Gold* South America, pivotal role in expanding the giant Paracatu Gold Mine, Brazil - assumes immediate responsibility for Stage I

Director - Luis Azevedo, expert in Brazilian regulatory law, land tenure and permitting. *Extensive knowledge of the Carajas and respected within the local mining community*
✅ HAS STRATEGY & ABILITY TO BUILD COPPER MINES IN BRAZIL

✅ AIMING FOR 50,000tpa COPPER IN NEAR TERM

✅ SINGLE INVESTMENT IN STAGE I REPRESENTS A MID TEIR COMPANY MAKING OPPORTUNITY
Sources: For further information contact:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tr>
<td>Matthew Wood</td>
<td>Chairman</td>
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<tr>
<td>Tony Polglase</td>
<td>Managing Director</td>
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<td>Simon Mottram</td>
<td>Exploration Director</td>
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<td>Wayne Philips</td>
<td>Operations Director</td>
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<tr>
<td>Scott Funston</td>
<td>Director/Company Secretary</td>
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<td>Colin Jones</td>
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<tr>
<td>Jailson Araujo</td>
<td>Exploration Manager</td>
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<tr>
<td>Antonio Madalosso</td>
<td>Chief Geoscientist</td>
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Tony Polglase
Managing Director
Level 1, 33 Richardson St
West Perth
Ph: +61 8 93216600
Fax: +61 8 92004469
Stage I Feasibility Study relates to Antas North Deposit Copper Sulphide ore. The objective of this study is to develop a preliminary view as to the economic performance of the project, to support the decision to undertake further studies and consequently a decision to mine. The Feasibility Study is not complete and values shown are best estimates at this time and are likely to vary with continued work. The pit design was based on JORC resources only with pit slope estimation and basic early Whittle pit design completed by independent consultants. Cash costs include offsets from gold credits. Copper and gold recoveries are based on Avanco’s interpretation of flotation test work, and performance at a proximal mine treating similar ores. Capital Expenditure estimate is for preproduction expenditure, excluding contingency, owner’s costs and working capital. The Capital cost estimate may change as studies are progressed. LOM time excludes potential additional life arising from other resources (such as Antas South sulphide ore), new resources, treatment of lower grade ore, and oxide ores.
REFERENCES

1. Grade Tonnage Reported above a Cut-off Grade of 0.4% Cu for Sulphide Resources, and 0.3% Cu for Oxide resources.

Competent Persons Statement
The information in this report that relates to Exploration Results is based on information compiled by Mr. Simon Mottram who is a Fellow 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.

The information in this report that relates to Mineral Resources is based on information compiled by Dr. Bielin Shi, who is a member of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Dr. Shi is an employee of CSA Global Pty. Ltd. Dr. Shi has sufficient experience 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”. Dr. Shi consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
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