

ASX ANNOUNCEMENT
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Avanco Resources (ASX:AVB)

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PEDRA BRANCA VIDEO UPDATE

Avanco Resources (ASX: AVB) is pleased to advise that it has released the latest Pedra Branca video on the website www.avancoresources.com

In particular the video highlights the significant construction progress on the recently approved box-cut, portal and underground access at Pedra Branca East.

Tony Polglase
Managing Director

ABOUT AVANCO

- Avanco (ASX: AVB) is an emerging mid-tier copper and gold company situated in the mining friendly world class Carajas Mineral Province in northern Brazil
- Avanco either owns, or holds the rights to 100% of the second largest area of mineral tenure in the Carajas region behind Vale SA
- The Company is well positioned to potentially operate a number of high grade, low cost copper-gold mines in the region establishing Avanco as a profitable long life producer
- Management has been successful in financing the development of the Antas Copper Mine via an equity capital raising placing Avanco in a strong position, i.e. fully funded into production whilst remaining debt and covenant free
- The Antas Mine was built on time, under budget with an exceptional commissioning and ramp performance during Q2 2016
- Commercial production was declared in July 2016 for 12,000tpa of copper in concentrate and 7,000ozpa of gold by-product credits.
- Management believe the Antas plant output can possibly be increased to 17,000tpa of copper by 2018 as a result of additional ore supply from Pedra Branca and/or new near mine discoveries
- Avanco has engaged MACA, an Australian mining contractor group for the Antas open pit
- Antas is producing a desirable, clean copper concentrate and the Company has executed a three-year offtake contract
- Development of the nearby Pedra Branca East and Pedra Branca West projects have the potential to increase Avanco's production to ~50,000tpa of copper with gold credits
- Study of an initial, smaller scale operation at Pedra Branca East is at an advanced stage as a pre-cursor to full scale development with construction of access commenced
- The Company is supported by institutional shareholders: Blackrock World Mining Trust, Appian Natural Resources Fund, Greenstone Resources and Glencore
- Avanco is managed by highly experienced international and Brazilian mining professionals, most of whom are Portuguese speaking and reside in Brazil
- Whilst near term priorities are focused on life-of-mine growth, Brazil offers significant opportunities to enhance shareholder value through new discoveries, acquisitions or partnerships with neighbouring majors and other companies to increase exposure to copper and gold assets

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