

EARLY SUCCESS IN CARAJAS EXPLORATION DRILLING

The Company is especially pleased to report significant IOCG¹ Copper mineralisation intersected at the beginning of the current exploration programme. Drilling at the Nova Esperança Project has intersected wide zones of mineralisation within an anomalous copper trend covering 2.7km of strike and hosting high grade zones including:

15.00m² @ 1.06% Copper, 0.21g/t Gold from 81.00m²

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HIGHLIGHTS

- **The Company has resumed its exploration programme in the Carajás, seeking a new discovery. The programme has set out to systematically test five targets proximal to the Company's (Stage 2) – Pedra Branca Project**
- **These early results are very encouraging and affirm Avanco's ability to identify new and potentially economic Copper projects**
- **Drilling commencing at Nova Esperança has intersected wide intersections of Copper sulphide mineralisation (Chalcopyrite) hosted in typical IOCG hydrothermally altered breccia, identical to that seen at Pedra Branca**
 - **38.00m² at 0.53% Copper, 0.15g/t Gold from 25.00m² ANED-01**
And 32.40m² at 0.77% Copper, 0.14g/t Gold from 81.00m²
Inc. 15.00m² at 1.06% Copper, 0.21g/t Gold from 88.00m²
- **Additional to above, Nickel sulphide (pentlandite) is present in unusually high concentrations (associated with gangue sulphides such as pyrrhotite). This supports the prospectivity of the mineralisation with the presence of Nickel and Cobalt in Carajas IOCG systems being regarded as reliable pathfinder elements**
- **Nova Esperanca also benefits from early exploration completed by Xstrata and while the aforementioned work is less comprehensive than that undertaken by previous explorers at Pedra Branca, management believe these results clearly indicate potential for the discovery of a new IOCG copper-gold project, the type of which is common in the region**
- **As well as the potential for a large stand-alone (Stage 3) discovery, any discovery proximal to Pedra Branca could lend itself to exploitation by way of a Stage 2 Satellite operation. This low Capex approach would benefit from utilisation of the Pedra Branca plant and profoundly improve economics of a new discovery**
- **Five addition holes have since been collard at Nova Esperanca with results expected throughout the quarter**

REGIONAL EXPLORATION

Whilst the Company's project team is preparing to commence construction of the Antas Copper Mine, the exploration division has returned to the field in search of the next copper project.

The Board is committed to identifying new opportunities for growth and to the drill-out of Stage 2 Pedra Branca Project.

In pursuing the corporate growth strategy, regional exploration has resumed targeting new discoveries by way of a cost effective, 2,500m drill programme.

Nova Esperança Target:

Located 32km west of the Stage 2 – Pedra Branca Copper/Gold Project, Nova Esperança comprises of a highly anomalous magnetic trend striking for over 2.7km. Coincident with this trend is very strong IOCG hydrothermal alteration (appearing almost identical to that seen at Pedra Branca), anomalous soil geochemistry (Copper, Gold, Phosphorus), and coincident VTEM conductors generated from previous historical work.

Historical scout drilling performed previously hit wide low-grade copper/gold intersections³, however new interpretations suggest that drilling may have been too far south.

An initial diamond drill program of six holes are in progress.

East Pedra Branca:

East Pedra Branca is located immediately to the east of Pedra Branca, on the eastern extension of the same structural trend, and ~20km to the southeast of the Sossego Copper/Gold Mine.

Geology consists of sheared and hydrothermally altered granites, gneisses, and diorites with abundant pegmatite veins. IOCG¹ hydrothermal alteration of the same kind seen in the Pedra Branca Project has also been identified, including the proximal alteration, which is associated with chalcopyrite mineralisation at Pedra Branca.

Past exploration identified anomalous copper in soil geochemistry, since confirmed in follow up soil sampling and mechanical auger drilling by Avanco. These copper anomalies together with the extension of the same host structure and similar magnetic anomalies now warrant drill testing.

Four diamond drill holes are planned.

São Pedro:

São Pedro is located ~28km to the west of Pedra Branca. Geology comprises of sheared granites with two distinct hydrothermal alteration assemblages – regional IOCG style alteration, and proximal alteration associated with chalcopyrite mineralisation similar to that seen Pedra Branca and Sossego. Three scout diamond holes will test the coincident copper/magnetic anomaly identified.



ANED-01. Close-up of Copper Mineralisation at ~61m²



ANED-02. Copper Mineralisation at ~151m²

Água Azul:

Água Azul is comprised of a 5km long by 1km wide strongly magnetic target, located 60km west-southwest of the Pedra Branca Copper/Gold Project, near the Água Azul do Norte Township, which has good infrastructure and is accessible via paved road PA-278.

Geology is typical of the Sapucaia Greenstone Belt sequence to the south and the Água Azul Granodiorite. Strong east - west shear zones cross the region with related biotite and magnetite hydrothermal alteration, associated in places with fine grained chalcopyrite and pyrite.

Numerous copper in soil anomalies are present along the 5km of strike. Confirmed by mechanical auger drilling by Avanco, and coincident with hydrothermal magnetite (an important feature to most IOCG deposits in the Carajás). Three zones will be tested by scout drilling.

Rio Branco:

Rio Branco is located 11km northwest of the Pedra Branca Copper/Gold Project and 10km south-southwest of the Sossego Copper/Gold Mine, close to the new asphalt road connecting to the giant S11D (Serra Sul) iron ore mine development. Two scout diamond holes will test this copper in soil anomaly.



ANED-02. Close-up of Copper Mineralisation

Tony Polglase
Managing Director



ANED-05. Close-up of Copper Mineralisation with classic Pedra Branca style alteration



Drilling at Nova Esperança

ANED-01

ABOUT AVANCO

- Avanco (ASX-AVB) is an emerging mid-tier copper company focussed in the mining friendly world class Carajas Mineral Province, Brazil.
- The Carajas Mineral Province hosts the world's greatest concentration of large tonnage IOCG copper gold deposits and Avanco either owns, or holds the rights to 100% of the second largest area of mineral tenure in the region (behind Vale SA)
- The Company is ultimately well positioned to potentially operate a number of high grade, low cost copper / gold mines in the region which will establish Avanco as a profitable long life copper company in Brazil
- The Antas Copper Mine (Stage 1) is Avanco's first mine development. It was granted a full Mining License in September 2014 and has JORC Reported Ore Reserves (Proved + Probable) of 2.649 million tonnes at 3.19% copper and 0.66gpt Gold for 84,518 tonnes of contained copper and 56,277 ounces of Gold at a 0.9% Cu cut-off
- US\$70m of project funding is aligned to the start of Stage 1 construction in 2014, with first production targeted for 2015. Timely implementation of Stage 1 is being pursued to help finance the Company's second copper project
- Pedra Branca, known as Stage 2 is located in the same district as Stage 1. Pedra Branca is the Company's next project and is considerably larger. Infill drilling, aimed at improving Resources classification will facilitate "a decision to mine" in 2015
- The Company has ~1.661m shares on issue and is well supported by: Glencore ~12.2%, Blackrock World Mining Trust ~11.5%, and the Appian Natural Resources Fund ~11.5 %
- Avanco is managed by highly experienced international and Brazilian mining professionals who are predominantly Portuguese speaking
- Whilst near term priorities are focussed on transition to copper producer status the Carajas offers significant other opportunities to enhance shareholder value over time



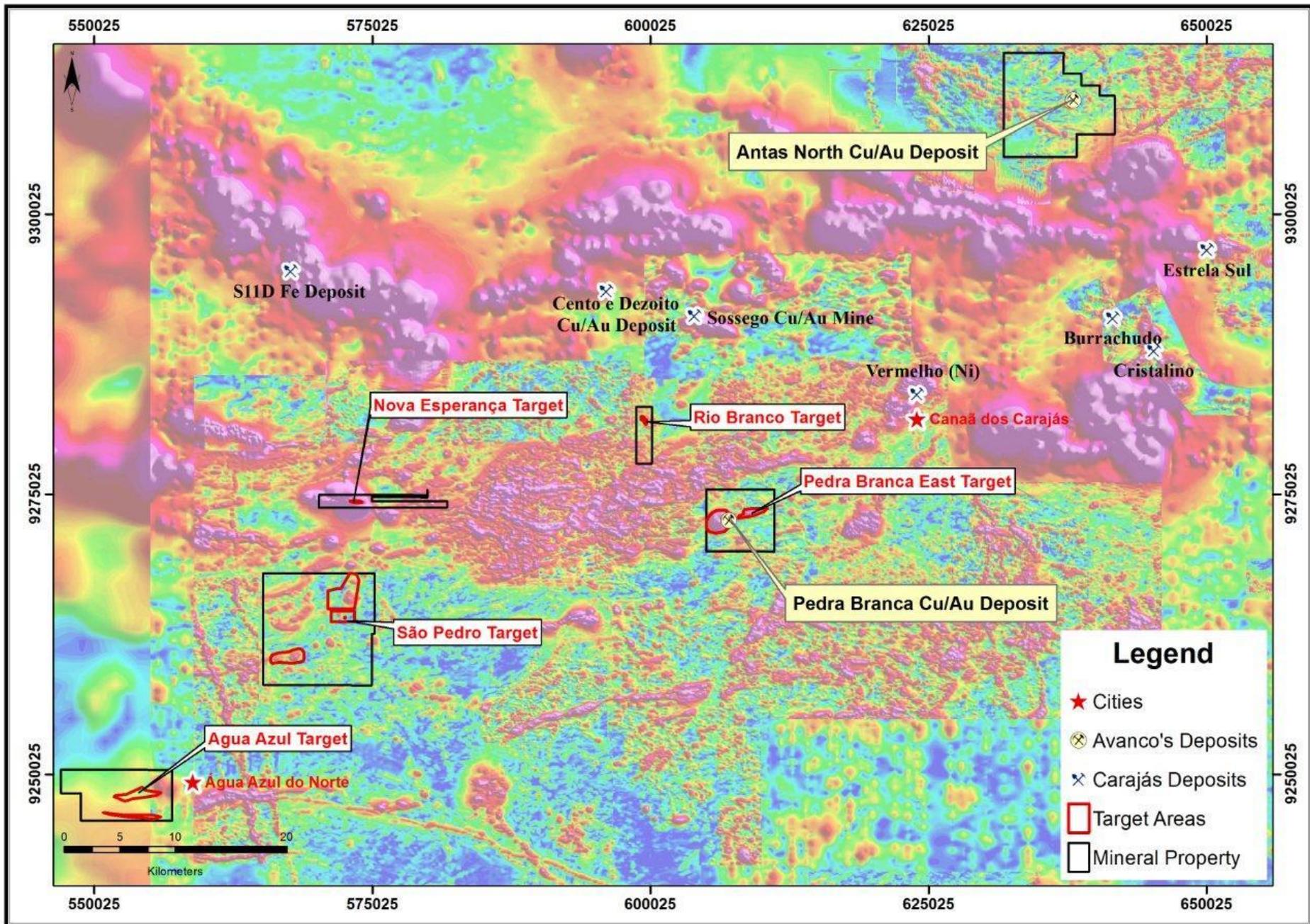
**ANED-06 Close-up of
Copper
Mineralisation**

CARAJAS - TOTAL JORC Reported Mineral Resources ^{4,5,6,7}							
DEPOSIT	Category	Million Tonnes	Cu (%)	Au (ppm)	Copper Metal (T)	Gold Metal (Oz)	
PEDRA BRANCA ⁸	Inferred	46.82	1.20	0.33	560,000	500,000	
	Total	46.82	1.20	0.33	560,000	500,000	
ANTAS NORTH ^{9,10}	Measured	2.83	3.01	0.72	85,079	65,578	
	Indicated	1.65	2.20	0.42	36,365	22,058	
	Inferred	1.9	1.59	0.23	30,242	14,122	
	Total	6.38	2.38	0.50	152,000	102,000	
ANTAS SOUTH ¹¹	Measured	0.59	1.34	0.18	8,000	3,000	
	Indicated	7.5	0.7	0.2	53,000	49,000	
	Inferred	1.99	1.18	0.2	24,000	13,000	
	Total	10.08	0.83	0.2	85,000	65,000	
TOTAL		63.28	1.26	0.33	797,000	667,000	
ANTAS NORTH – JORC Reported Ore Reserves. August 2014 ^{13,14,15}							
Classification	Type	Economic Cut-Off Cu%	Tonnes (Mt)	Copper (%)	Gold (g/t)	Copper Metal (T)	Gold (Oz)
Proved	ROM Ore	0.90	1,385	3.62	0.74	50,137	33,046
Probable	ROM Ore	0.90	1,264	2.72	0.57	34,381	23,231
PROVEN + PROBABLE ROM ORE			2,649	3.19	0.66	84,518	56,277
Proved	Low Grade	0.65	0,342	0.74	0.30	2,531	3,308
Probable	Low Grade	0.65	0,635	0.72	0.23	4,572	4,709
TOTAL PROVEN + PROBABLE			3.63	2.53	0.55	91,621	64,294

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 an Executive Director of Avanco Resources Limited, in which he is also a shareholder. 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 (CP) as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) "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.

1. Iron Oxide Copper Gold (IOCG) deposit, typical of that found in the Carajas Province of Brazil, and well documented in respected geological texts
2. Down-hole length
3. Historical diamond drilling completed in 2006 by previous owners
4. See ASX Announcement "Stage 1 set to excel on new high grade Copper Resource", 7 May 2014, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Antas North resource estimate
5. See ASX announcement "Stage II – Pedra Branca Resource Upgrade", 24 June 2013, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Pedra Branca resource estimate
6. See ASX announcement "Major Resource Upgrade for Rio Verde", 8 February 2012, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Antas South resource estimate
7. The Pedra Branca and Antas South JORC compliant resources were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012, on the basis that the information has not materially changed since it was last reported
8. Grade Tonnage Reported above a Cut-off Grade of 0.4% Cu for Primary Resources only
9. Grade Tonnage Reported above a Cut-off Grade of 0.9% Cu for Primary Resources only
10. Grade Tonnage Reported above a Cut-off Grade of 0.3% Cu for Oxide Resources
11. See ASX Announcement "Stage 1 set to excel on new high grade Copper Resource", 7 May 2014, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Antas North JORC (2012) Reported Resource estimate
12. JORC Reported Proved + Probable Reserves using the ROM 0.9% Cu cut-off grade
13. See ASX Announcement "Maiden Reserves Exceed Expectations for Antas Copper", 17 September 2014, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Antas North JORC (2012) Reported Reserve estimate
14. Measured and Indicated Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves



The following Table and Sections are provided to ensure compliance with the JORC Code (2012 Edition)

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. 	<ul style="list-style-type: none"> Diamond drilling core is cut in half onsite using an industry standard core saw, perpendicular to mineralisation or geology to produce two identical (mirrored) halves. Samples are collected consistently from the same side of cut core, sent to an internationally accredited independent assay laboratory, and analysed for a suite of elements by appropriate analytical techniques for the style and type of Iron Oxide Copper Gold (IOCG) mineralisation.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> The drill hole collar locations are surveyed by GPS. Drill samples are logged for lithology, weathering, structure (diamond core), mineralogy, mineralisation, colour and other features. Logging and sampling is carried out according to Avanco protocols and QAQC procedures as per industry standard, and overseen by its Geological Managers and the Competent Person (CP).
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Diamond core is HQ and NQ in size, sampled on mineralised intervals or regular 1.0m intervals in wide mineralised zones. Core is cut in half to produce sample weights of 3-5kg. Samples are crushed, dried and pulverised (total prep) to produce a sub-sample for analysis. Using a four digest drill core samples are analysed for Cu, Ni (ICP) and Au (Fire Assay, 50g). Mineralised zones and samples with >2,000ppm Cu are further analysed for “Ore Grade” Cu by Atomic Absorption. Additional elements may be assayed based on geological observations.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Drilling is a combination of HQ and NQ Diamond drilling. Core is reconstructed into continuous runs on an angle iron cradle orientation.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> Diamond core recoveries are logged and recorded in the database. Overall recoveries are consistently >95% in oxide and >98% in fresh rock. Drill sample recoveries are recorded as an average for each metre and recorded in the database. Recoveries are excellent and there are no known sample recovery problems, with the exception of the soil profile
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Diamond core is reconstructed into continuous runs on an angle iron cradle for recovery measurement and core orientation. Depths are checked against those marked on the core blocks, and against the drilling company’s records.
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> There is no known sample bias or potential for sample bias.

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> Drill samples are logged for lithology, weathering, structure (diamond core), mineralogy, mineralisation, colour and other features. Logging and sampling is carried out according to Avanco protocols and procedures as per industry standard, and overseen by the Company's Geological Managers and CP. The Company believes that the level of detail and quality of the work is appropriate to support current and future studies.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> Drill samples are logged for lithology, weathering, structure (diamond core), mineralogy, mineralisation, colour and other features. Core is photographed both wet and dry.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All drill holes are logged in full from start to finish of the hole.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Where sampled, core is cut in half onsite using an industry standard core saw, perpendicular to mineralisation or geology to produce two identical (mirrored) halves. Samples are collected consistently from the same side of cut core.
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	<ul style="list-style-type: none"> All drilling to date has been by diamond core.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> Sample preparation is according to industry standard, including oven drying, coarse crush, and pulverisation to at least 85% passing 100µm or better.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> Avanco uses an industry standard QAQC programme involving Certified Reference Materials "standards" for Cu (with Cu grades ranging from low to very high), and blank samples, which are introduced in the assay batches at an approximate rate of one control sample per 20 normal samples. These QAQC results are reported along with the sample values in the preliminary and final analysis reports. Umpire checking of the Primary laboratory is then carried out by a Secondary laboratory, where both are internationally accredited independent assay laboratories.
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 	<ul style="list-style-type: none"> Duplicates are inserted at an approximate rate of 1 duplicate per 40 normal samples. Umpire checking of the Primary laboratory is then carried out at by a Secondary laboratory, at an approximate rate of 1 control sample per 20 normal samples, or a minimum of 3 umpire samples per hole. Both are internationally accredited independent laboratories.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Sample sizes are considered to be appropriate and correctly represent the style and type of mineralisation.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> Assaying uses a four acid digest, which is a standard industry method for Base and Precious metals analysis. The acids used are hydrofluoric, nitric, perchloric and hydrochloric acids, suitable for silica based samples. The method approaches total dissolution of most minerals. "Ore grade" Cu is further analysed by an accredited AAS "Ore Grade" analysis method. The analysis is

Criteria	JORC Code explanation	Commentary
		considered total and appropriate.
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> It is the Company's policy not to use in-house tools to determine reportable results for anything other than regional soil sampling. XRF's are used internally by Company geologists to assist in geological and mineralogical interpretation. Avanco uses an industry standard QAQC programme involving Certified Reference Cu Materials "standards" (with Cu grades ranging from low to very high), blank samples, duplicates and Umpire Laboratory check sampling. Data is analysed and reported internally on a monthly basis for accuracy, precision, repeatability and various biases.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> Avanco's Exploration Manager (~30 years' experience) and Chief Geoscientist (~40 years' experience) visually verify significant intersections and results, with further verification by the Company's CP.
	<ul style="list-style-type: none"> The use of twinned holes. 	<ul style="list-style-type: none"> The Company uses twin holes routinely in the more advanced stages of resource definition drilling, and for metallurgical drilling. The current drilling programme however, is exploratory in nature.
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<ul style="list-style-type: none"> Primary data is collected on Excel templates with detailed geological and structural logging recorded on paper. Information is transferred, validated, compiled, and managed by the Company's in-house database manager in a relational database. All Company Intellectual Property is stored on a central server, kept in a secure and environmentally controlled room. Automated tape back-up occurs on a nightly basis and duplicate back-ups are regularly rotated "off-site" as a secondary precaution in case of loss of the Server site.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No adjustments or calibrations are made to assay data.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. 	<ul style="list-style-type: none"> Collar locations are surveyed by GPS on the State Survey Datum using true Mean Sea Level RL's. Downhole surveys are done using a Maxbor digital down-hole tool with readings every 3m.
	<ul style="list-style-type: none"> Specification of the grid system used. 	<ul style="list-style-type: none"> Universal Transverse Mercator, SAD69 Zone 22 South.
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Regional Topographic control (1m contours) and Digital Terrain Models are used.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> The current drilling is exploratory in nature, targeting individual anomalies and prospects. Drill will close into regular spaced patterns if and when warranted.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The current drilling is exploratory in nature, and not for the purposes of Resources or Reserves. No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<ul style="list-style-type: none"> The current drilling is exploratory in nature, but is targeting to intersect potential mineralisation or structures based on regional geological interpretation and historical work.
	<ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The company does not believe that any sample bias has been introduced.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> “Chain of custody” is managed by Avanco. All core samples are received intact and in their entirety in their core trays at the Company’s secure Core Yard in Parauapebas, Para, Brazil. All sampling and work on the samples is carried out within the confines of this secure facility. Samples are delivered by Avanco personnel directly to the laboratory in Parauapebas and thus at no point do the samples leave the possession of Avanco staff prior to arriving at the laboratory. Avanco has protocols and procedures for tracking the progress of the samples through the laboratory, ensuring accurate validation and authentication of results issued by the laboratory in relation to the samples that were submitted.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> CSA Global Pty Ltd (CSA) completed a full onsite (in Brazil) review of all Company drilling, sampling, data and exploration management procedures from start to finish, including a visit to the independent laboratory facilities, as part of their own “Competent Person’s” due diligence in 2012, prior to commencing Resource Estimation work for Avanco on the Company’s projects in Brazil. Avanco received a very favourable review, with no area needing any significant change or improvement, or any concern with the quality and integrity of data received by CSA from Avanco’s CP.

TABLE 1 – Section 2: Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	<ul style="list-style-type: none"> AVB MINERAÇÃO Ltda, a wholly owned Brazilian subsidiary of Avanco Resources Ltd owns the rights to 100% of the tenements in the current exploration drill program. Existing third party Royalties amount to 3% NSR on Cu and 3% NSR on Au. State royalties amount to 2% NSR on Cu and 1% NSR on Au. Unless negotiated otherwise with the owner surface rights (farmer), these equal to 50% of the State royalty.
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> All tenements are granted exploration licenses
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> AVB's CP has determined that the quality and integrity of historical work is adequate for inclusion, consideration and interpretation in the current work programme.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Iron Oxide Copper Gold (IOCG) breccia pipe, hosted predominantly by mafic metavolcanic and granitic rocks.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ol style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 	<ul style="list-style-type: none"> Tabulation of information relating to drilling can be found in this report listed in the table “Nova Esperança – Diamond Drilling Results 2014”. Information relating to Points “A” through to “E” inclusive, are all included in this table.
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No information listed in Points “A” through to “E” has been excluded. All information is complete and is presented in the table in the table “Nova Esperança – Diamond Drilling Results 2014” found within this report.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. 	<ul style="list-style-type: none"> Averaging of mineralised intervals are calculated by the following parameters <ol style="list-style-type: none"> Weighted averaging of grade/thickness A minimum Cut-off grade of 0.1% Cu A maximum of 3 continuous metres of internal dilution (<0.1% Cu) Top-Cuts of 20% Cu, 10g/t Au
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	<ul style="list-style-type: none"> Where intercepts incorporate lengths of “high grade” (in the context of surrounding results), these “high grade” results have been detailed transparently and separately in any reported results, both in the text of the report and in the table “Nova Esperança – Diamond Drilling Results 2014”. Detailed examples are present in this report and the table above.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> No assumptions are included in this report, because Metal Equivalents have not been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> The current drilling is exploratory in nature and thus this information is presently unknown, however drillhole angles are chosen based on a comprehensive understanding of the regional geological setting.
	<ul style="list-style-type: none"> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> True Depths of all assay intersections are known, have been calculated, and are shown tabulated in this report in the table "Nova Esperança – Diamond Drilling Results 2014". True depths where shown in this table are calculated based on core observations, where mineralisation appears to be intersected at 60 degrees to the axis of the core.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> The current drilling is exploratory in nature. A plan showing the location of prospects to be tested is included in this report. All intercepts are tabulated in Nova Esperança – Diamond Drilling Results 2014.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> The table "Nova Esperança – Diamond Drilling Results 2014" included in this report includes intersections and results for every hole drilled including high and low grade intersections. Even if secondary elements (credits) are below detection limit, they are still shown as such.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported) including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> All material and meaningful exploration data, relevant to the scope of work in this report, has been included in this report. There is no other information which is available and/or in the opinion of the Company's CP is lacking in this report.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> 	<ul style="list-style-type: none"> The current drilling is exploratory in nature. Favourable results will be followed up by further exploratory drilling.
	<ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> The current drilling is exploratory in nature, testing new prospects/targets. No further information is known at the time of this report.