

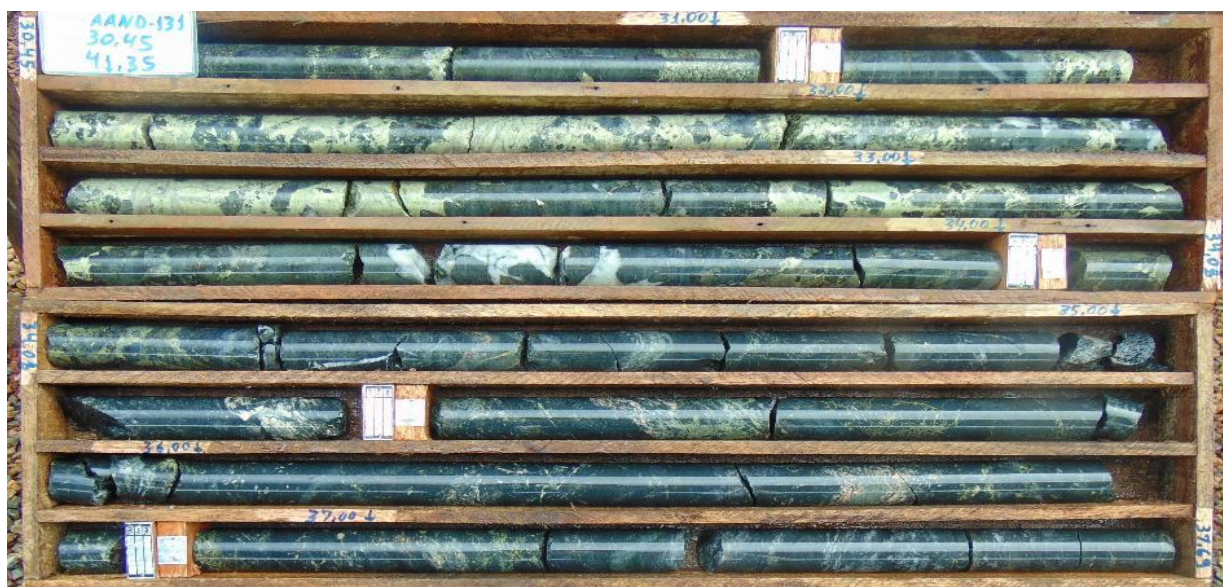
24 May 2018

## Azevedo Exploration Update

**ASX: AVB ('AVANCO' OR 'THE COMPANY')** is pleased to provide the following update on exploration activities at the Azevedo prospect situated proximal to the Antas Mine <sup>1</sup>.

### Highlights

- Significant intersections from a further 5 completed diamond drill holes (for 820 metres) include:  
**AAND-130**                                    **10.15 m @ 0.85% copper and 0.34 g/t gold from 140.35 m<sup>2</sup>**  
**AAND-131**                                    **4.30 m @ 7.61% copper from 30.00 m<sup>2</sup>**  
**incl. 1.80 m @ 10.90% copper from 30.90 m<sup>2</sup>**
- Results confirm continuity of the copper sulphide mineralisation from section to section, with a narrow, steep-plunging shoot outlined similar to Antas, although smaller in scale
- Further drilling planned to the immediate west, aimed at defining the extent of the Azevedo shoot
- Current indications are that Azevedo may host potential to supply up to six months of mill feed for the Antas plant, however the possibility that Azevedo forms part of a larger mineralised system remains feasible and justifies the Company's on-going investment in near mine exploration



**High-grade copper mineralisation (chalcopyrite) at Azevedo – hole AAND-131**

### Azevedo (Antas Mine) - 100% AVANCO

The Azevedo prospect is located approximately 400 metres northwest of the producing Antas open pit mine. The prospect was discovered in 2017 from near-mine scout drilling of an EM (electromagnetic) geophysical anomaly, which identified a plunging mineralised shoot (refer to ASX announcement “Antas Exploration Update: New Near Mine Exploration Prospect Identified” dated 20 July 2017).

Subsequent drilling has outlined a narrow, steeply plunging, pipe-like shoot similar to the Antas orebody but on a smaller scale. Mineralisation consists of disseminated sulphide and lesser amounts of semi-massive sulphide (chalcopyrite) mineralisation, and gangue sulphides. Mineralisation is broadly continuous from section to section, extending some 100 metres vertically from surface.

The drill sections presented in the appendix to this announcement illustrates the plunging nature and potential extent of copper mineralisation. Section 1 confirms a high-grade intersection close to surface in hole AAND-131, with the mineralised zone interpreted to plunge below hole AAND-132. Additionally, AAND-132 intersects lower grade mineralisation situated over the top of the mineralised zone.

This is consistent with the interpretation of the earlier drill holes on Section 2 (refer to ASX announcement “Positive exploration results at Azevedo Prospect” dated 14 December 2017), which has been reproduced for reference. This section also shows sulphide mineralisation intersected close to surface in holes AAND-114 and AAND-127, with the mineralisation interpreted to plunge below hole AAND-122, with the drill string passing over the top of mineralisation.

Although there is currently insufficient information to prepare a Mineral Resource estimate for Azevedo, management believe that Azevedo has the potential to provide a modest quantity of additional feed for the Antas plant. To support this assumption, another section will be drilled further to the west of the prospect aimed at testing the potential strike extent. On completion of this additional drilling, management will be able to examine the open pit potential for Azevedo.

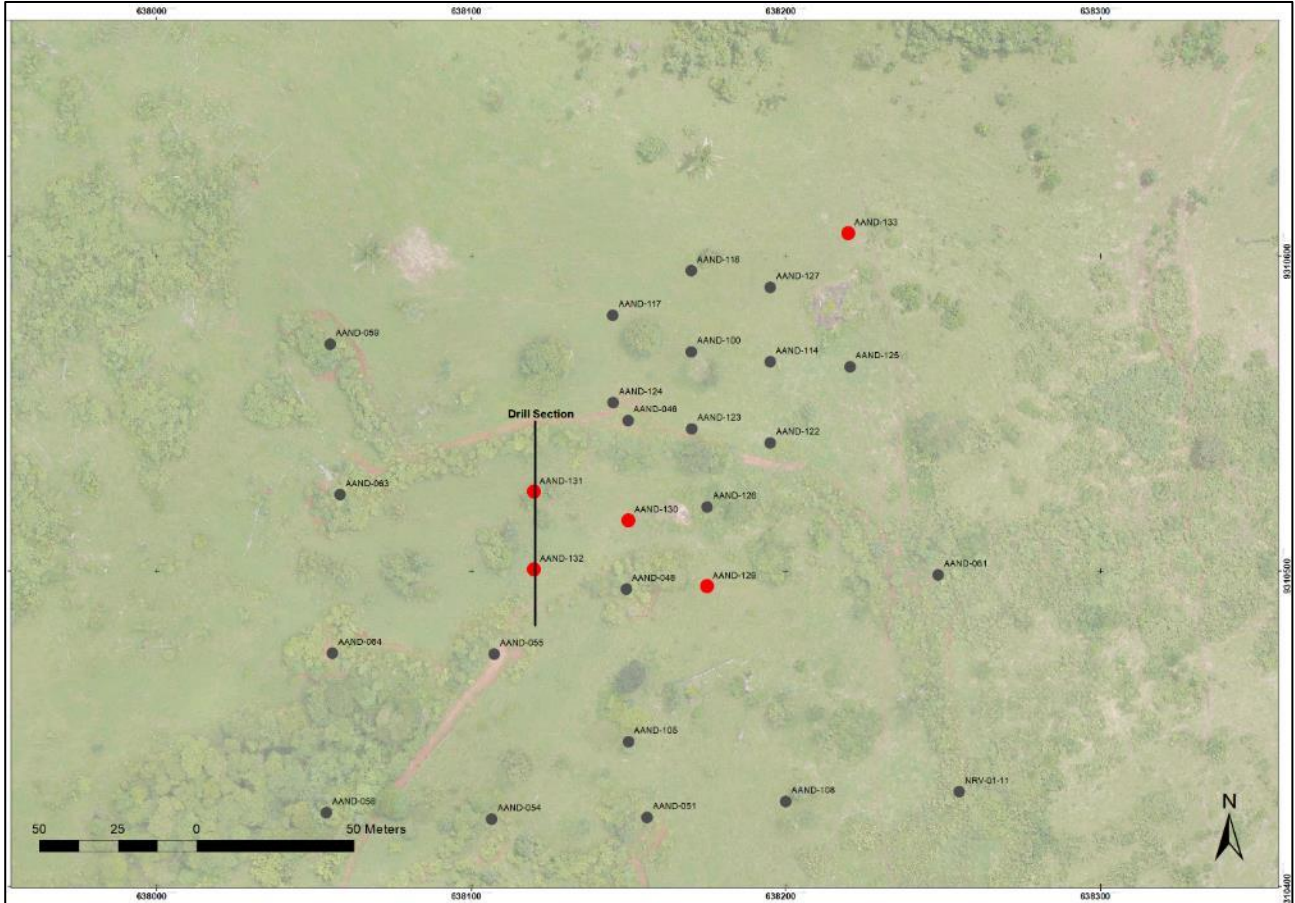
The Company maintains the view that Azevedo could form part of a larger mineralised system around Antas, thus any proximal EM anomalies warrant further investigation. The potential for a significant discovery justifies the Company’ on-going investment in near mine exploration at Antas.

TONY POLGLASE  
MANAGING DIRECTOR

For further information please visit [www.avancoresources.com](http://www.avancoresources.com) or contact

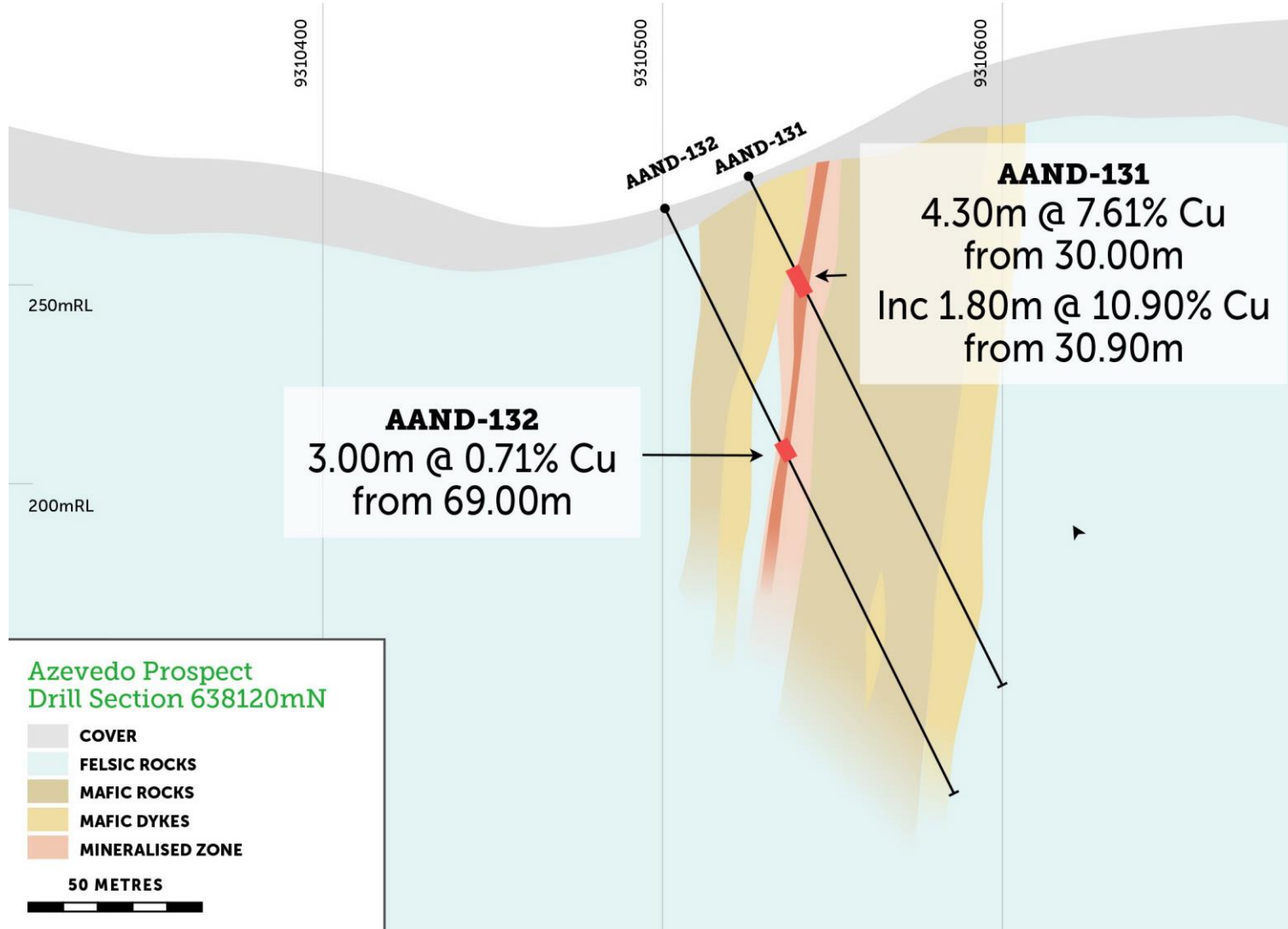
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Drill hole collar plan at Azevedo - new drill collars in red

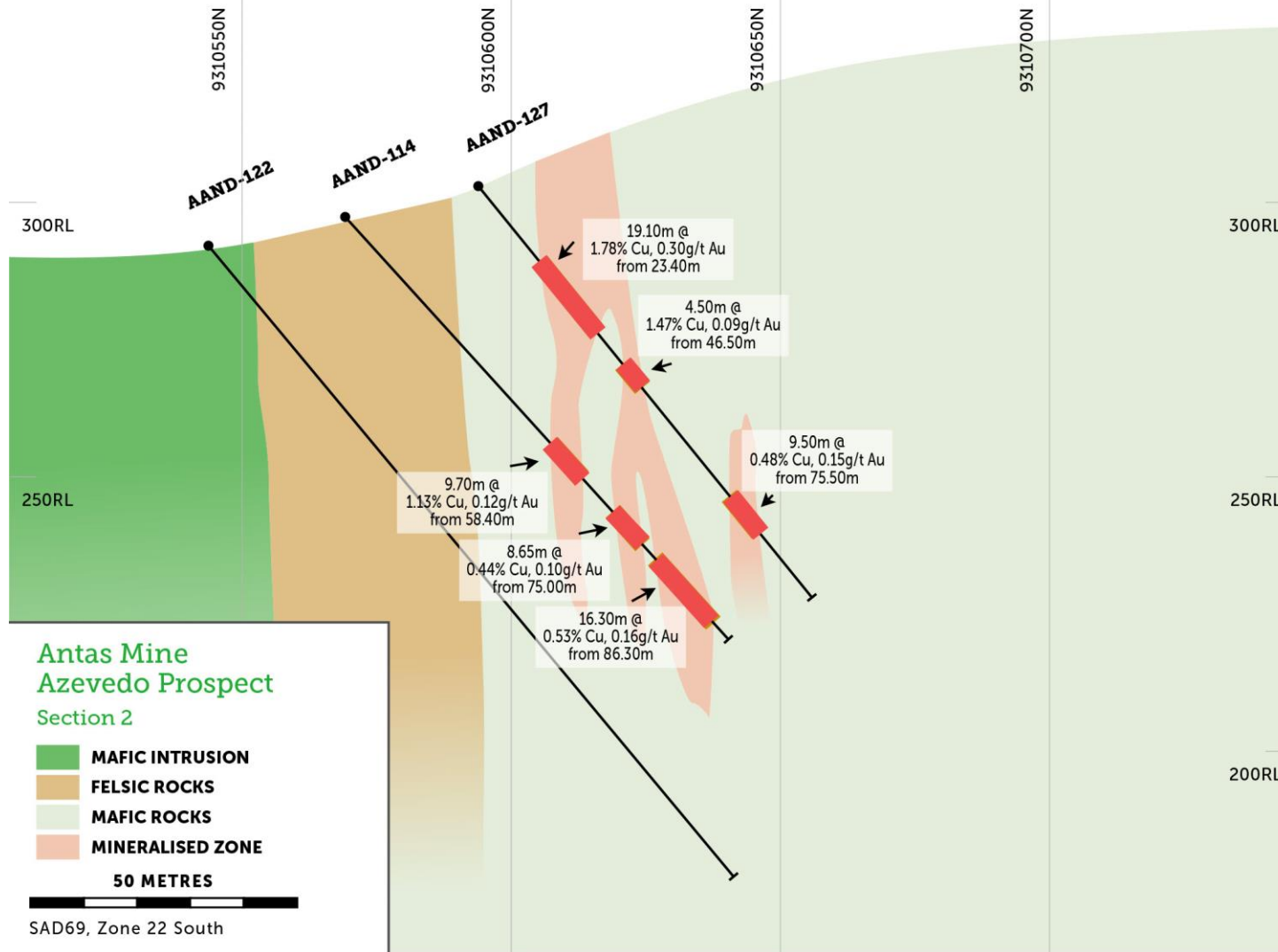




Azevedo - Section 1



Azevedo - Section 2 (Previous Drilling: ASX announcement 'Positive Exploration Results at Azevedo Prospect' 14 December 2017)



CARAJAS COPPER – Mineral Resources <sup>3,4,5,6,7,8</sup>

DEPOSIT	Category	Million Tonnes	Cu (%)	Au (ppm)	Copper Metal (T)	Gold Metal (Oz)
Pantera <sup>9</sup>	Inferred	20.80	1.7	0.2	350,000	140,000
<b>Total Pantera</b>		<b>20.80</b>	<b>1.7</b>	<b>0.2</b>	<b>350,000</b>	<b>140,000</b>
PB East <sup>10</sup>	Measured	1.98	2.7	0.7	53,000	43,000
	Indicated	5.72	2.8	0.7	161,000	123,000
	Inferred	2.78	2.7	0.6	75,000	55,000
	<b>Total</b>	<b>10.48</b>	<b>2.8</b>	<b>0.7</b>	<b>289,000</b>	<b>221,000</b>
PB West <sup>10</sup>	Indicated	4.46	2.04	0.61	91,000	87,000
	Inferred	2.74	1.72	0.56	47,000	49,000
	<b>Total</b>	<b>7.19</b>	<b>1.92</b>	<b>0.59</b>	<b>138,000</b>	<b>136,000</b>
<b>Total Pedra Branca</b>		<b>17.67</b>	<b>2.44</b>	<b>0.65</b>	<b>427,000</b>	<b>357,000</b>
Antas North <sup>11</sup>	Measured	2.84	2.2	0.5	62,200	48,400
	Indicated	2.93	1.5	0.3	44,000	31,500
	Inferred	3.99	1.1	0.2	43,200	24,200
	<b>Total</b>	<b>9.76</b>	<b>1.5</b>	<b>0.3</b>	<b>149,400</b>	<b>104,100</b>
Antas South <sup>12</sup>	Measured	0.59	1.34	0.18	8,000	3,000
	Indicated	7.50	0.7	0.2	53,000	49,000
	Inferred	1.99	1.18	0.2	24,000	13,000
	<b>Total</b>	<b>10.08</b>	<b>0.83</b>	<b>0.2</b>	<b>85,000</b>	<b>65,000</b>
<b>Total Antas</b>		<b>19.84</b>	<b>1.1</b>	<b>0.2</b>	<b>234,400</b>	<b>169,100</b>
<b>TOTAL</b>		<b>58.31</b>	<b>1.7</b>	<b>0.3</b>	<b>1,011,400</b>	<b>666,100</b>

ANTAS COPPER MINE – Ore Reserves <sup>13,14</sup>

LOCATION	JORC Category	Economic Cut-Off Cu%	Million Tonnes	Copper (%)	Gold (g/t)	Copper Metal (T)	Gold Metal (Oz)
Antas Mine	Proved	0.5	0.90	3.58	0.73	32,300	21,200
	Probable	0.5	1.83	1.83	0.43	33,600	25,600
Mine Stockpiles	Proved	0.5	0.04	0.93	0.28	400	400
<b>TOTAL PROVEN + PROBABLE</b>			<b>2.78</b>	<b>2.38</b>	<b>0.53</b>	<b>66,300</b>	<b>47,200</b>

CENTROGOLD – Mineral Resources <sup>15,16,17</sup>

DEPOSIT	Category	Million Tonnes	Au (g/t)	Gold Metal (Oz)
Contact <sup>18</sup>	Indicated	4.4	3.6	509,000
	Inferred	3.8	2.5	301,000
	<b>Total</b>	<b>8.2</b>	<b>3.1</b>	<b>811,000</b>
Blanket <sup>18</sup>	Indicated	11.4	1.9	711,000
	Inferred	1.9	2.0	118,000
	<b>Total</b>	<b>13.3</b>	<b>1.9</b>	<b>829,000</b>
Chega Tudo <sup>18</sup>	Indicated	8.2	1.6	432,000
	Inferred	3.1	1.5	145,000
	<b>Total</b>	<b>11.3</b>	<b>1.6</b>	<b>577,000</b>
<b>COMBINED TOTAL</b>		<b>32.8</b>	<b>2.1</b>	<b>2,217,000</b>

**Competent Persons Statement**

*The information in this report that relates to Exploration Results and Mineral Resources is an accurate representation of the available data and 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. The Antas copper mine and surrounding targets including Azevedo, are defined as Iron Oxide Copper Gold (IOCG) style deposits/targets, typical of that found in the Carajás Province of Brazil, and well documented in respected geological texts.
2. Grades are uncut. Depths and widths are downhole
3. Refer ASX Announcement "Maiden Pantera MRE pushes Avanco's Carajás Resource Base Beyond 1 Mt of Contained Copper", 19 March 2018, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Pantera MRE
4. Refer ASX Announcement "Pedra Branca Resource Upgrade, Advances Development Strategy", 26 May 2016, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Pedra Branca East MRE
5. See ASX Announcement "Pedra Branca Resource Upgrade Delivers Substantial Increase in Both Contained Copper and Confidence", 13 July 2015, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Pedra Branca West MRE
6. 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 MRE
7. 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 MRE
8. The Antas South JORC MRE was prepared and first disclosed under the JORC Code 2004. It has 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
9. Grade Tonnage Reported above a Cut-off Grade of 0.6% Copper for Sulphide Resources
10. Grade Tonnage Reported above a Cut-off Grade of 0.9% Copper for Sulphide Resources
11. Grade Tonnage Reported above a Cut-off Grade of 0.4% Copper for Sulphide Resources
12. Grade Tonnage Reported above a Cut-off Grade of 0.3% Copper for Oxide Resources
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
15. See ASX Announcement "CentroGold Approaches 2 Million Ounces", 21 March 2018, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Contact MRE
16. See ASX Announcement "CentroGold – Updated Contact Deposit Resource Grade Now Exceeds 3 g/t Gold", 7 February 2018, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Blanket MRE
17. See ASX Announcement "CentroGold Resources Increase 45% and Exceeds 1.8 Million Ounces", 13 November 2017, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Chega Tudo MRE
18. Grade Tonnage Reported above a Cut-off Grade of 1.0 g/t Gold

AZEVEDO – 2018 Drilling<sup>2</sup>

Hole ID	UTM-E	UTM-N	RL (m)	Depth (m)	Dip	Az	Status	From (m) Downhole Depth	To (m) Downhole Depth	Width (m) Downhole Depth	Cu (%)	Au (g/t)
AAND-129	638,174.93	9,310,495.14	238.98	213.35	-50.0	360.0	Completed	158.00	158.60	0.60	3.40	0.34
AAND-130	638,150.03	9,310,516.06	278.38	172.25	-61	360	Completed	140.35	150.50	10.15	0.85	0.34
<b>AAND-131</b>	638,119.94	9,310,525.14	278.93	150.40	-59	360	Completed	<b>30.00</b>	<b>34.30</b>	<b>4.30</b>	<b>7.61</b>	Pending
<b>Including</b>								<b>30.90</b>	<b>32.70</b>	<b>1.80</b>	<b>10.90</b>	Pending
<b>AAND-132</b>	638,120.02	9,310,500.50	270.78	169.80	-60	360	Completed	69.00	72.00	3.00	0.71	Pending
AAND-133	638,174.93	9,310,495.14	238.98	213.35	-50.0	360.0	Completed					Results Pending



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
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Drilling consists of 5 diamond drill holes, for a total of approximately 820m.</li> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>The drill hole collar locations are surveyed by a Global Positioning System (GPS) instrument, and surveyed accurately (centimetre precision) after completion. 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 Avanco's Geological Managers and the Competent Person (CP).</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core is HQ and NQ in size, sampled on mineralised intervals or regular 1.0 m intervals in wide mineralised zones. Core is cut in half to produce sample weights of 3–5 kg. Samples are crushed, dried and pulverised (total prep) to produce a sub-sample for analysis. Using a four-acid digest, drill core samples are analysed for Cu, Ni (ICP) and Au (Fire Assay, 50 g). Mineralised zones and samples with &gt;2,000 ppm Cu are further analysed for "Ore Grade" Cu by Atomic Absorption Spectrometry (AAS). Additional elements may be assayed based on geological observations.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling is a combination of HQ and NQ. Core is reconstructed into continuous runs on an angle iron cradle orientation device.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>type, whether core is oriented and if so, by what method, etc).</i>	
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core recoveries are logged and recorded in the database. Overall recoveries are consistently &gt;95% in oxide and &gt;99% 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.</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>There is no known sample bias or potential for sample bias.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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. The Company believes that the level of detail and quality of the work is appropriate to support current and future studies.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>Drill samples are logged for lithology, weathering, structure (diamond core), mineralogy, mineralisation, colour and other features. Core is photographed both wet and dry.</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All drill holes are logged completely from start to finish of the hole.</li> </ul>
<b>Sub-sampling techniques and</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>Where sampled, core is cut in half onsite using an industry standard core saw, perpendicular to mineralisation or geology to produce two identical</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>sample preparation</b>		(mirrored) halves. Samples are collected consistently from the same side of cut core.
	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>All drilling to date has been by diamond core.</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>Sample preparation is according to industry standard, including oven drying, coarse crush, and pulverisation to 85% passing 100µm or better.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>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. Both are internationally accredited independent assay laboratories.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sample sizes are considered to be appropriate and correctly represent the style and type of mineralisation.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Drill samples were crushed to minus 10 mesh; then a 2 kg split was pulverized to a nominal 85% passing 100 mesh using a ring pulveriser. An assay split of 250 g was collected from the pulp for a 50 g fire assay digestion, and atomic absorption (AA) determination for Au. 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</li> </ul>

Criteria	JORC Code explanation	Commentary
		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 considered total and appropriate.
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>None were used.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Avanco's Exploration Manager and/or senior geologists visually verify significant intersections and results.</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>No twinned holes were drilled during this program. The Company uses twin holes routinely in the more advanced stages of resource definition drilling, and for metallurgical drilling.</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>Primary data is collected on Excel templates with detailed geological and structural logging recorded on paper. Information is transferred, validated, complied, 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.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No adjustments or calibrations are made to assay data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Collar locations are surveyed by GPS on the State Survey Datum using true Mean Sea Level RL's, and surveyed accurately (centimetre precision) after completion. Downhole surveys are completed using a Maxibor digital down-hole tool with readings taken every 3 m.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>Universal Transverse Mercator, SAD69 Zone 22 South.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Regional Topographic control (1 m contours) and Digital Terrain Models are used.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The current drill programme is infill and extensional in nature. Infill drilling follows a nominal 25 m by 25 m spacing.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No Mineral Resources are reported herein.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Sample compositing has not been applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li>Drilling has been orientated to be as close to perpendicular as practicable to the known geology in the vicinity of the Antas deposit.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The company does not believe that any sample bias has been introduced.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>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.</p>
<p><b>Audits or reviews</b></p>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Company’s independent Resource consultants (CSA Global Pty Ltd of Perth, WA) and their CP completed a satisfactory site visit in 2017, as part of ongoing Mineral Resource estimates produced by them.</li> </ul>

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

**TABLE 1 – Section 2: Sampling Techniques and Data**

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>AVB MINERAÇÃO Ltda, a wholly owned Brazilian subsidiary of Avanco Resources Ltd owns the rights to 100% of Mining Lease PL470/2014. Existing third-party Royalties amount to a 3% NSR on Cu and 26% NSR on Au. State royalties amount to a 2% gross on Cu and 1.5% gross on Au.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>PL470/2014 is a granted Mining License (Portaria de Lavra), granted on 9/9/2014 in perpetuity until all Reserves are exhausted. All tenements are granted exploration licenses</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>No work by other parties is included in this report.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Iron Oxide Copper Gold (IOCG) breccia pipe, hosted predominantly by mafic metavolcanic and granitic rocks.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>a. easting and northing of the drill hole collar</li> <li>b. elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>c. dip and azimuth of the hole</li> <li>d. down hole length and interception depth</li> <li>e. hole length.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The tables of drilling information contained in this report include the Information relating to Points “A” though to “E” inclusive.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The information has not been excluded.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Where results are reported, averaging of mineralised intervals are calculated by the following parameters                             <ol style="list-style-type: none"> <li>Weighted averaging of grade/thickness</li> <li>A minimum Cut-off grade of 0.2% Cu</li> <li>A maximum of 3 continuous metres of internal dilution (&lt;0.2 % Cu)</li> </ol> </li> <li>A top-cut has not been used</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Where results are reported and intercepts incorporate lengths of “high grade” (in the context of surrounding results), these “high grade” results are detailed transparently and separately in any reported results, both in the text of the report and in any attached tables.</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Metal Equivalentents have not been used in this report.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>Geology and mineralisation in proximity to Azevedo is relatively well understood. Drilling is angled at achieving the most representative perpendicular intersections.</li> </ul>
	<ul style="list-style-type: none"> <li>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’).</li> </ul>	<ul style="list-style-type: none"> <li>Downhole lengths have been used and this is clearly stated in the text and tables.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>An appropriate location plan has been included, which also shows the location of the representative sections presented in the report.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<i>hole collar locations and appropriate sectional views.</i>	
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant results from the drill holes have been reported.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All material and meaningful 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.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> </ul>	<ul style="list-style-type: none"> <li>Further drilling is in planning to test for lateral extensions to mineralisation.</li> </ul>
	<ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Figures included in this report show the location of drilling with respect to the known Azevedo mineralisation. Limited potential for extension exists at along strike and down dip.</li> </ul>