

25 May 2018

The Manager, Companies
Australian Securities Exchange
Companies Announcement Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Takeover bid by OZ Minerals Brazil (Holdings) Pty Ltd for Avanco Resources Limited — notice of change of interests of substantial holder and institutional acceptance facility

Enclosed is an ASIC Form 604 - Notice of change of interests of substantial holder, issued in relation to shares in Avanco Resources Limited ACN 126 379 646 (**Avanco**) in accordance with section 671B of the *Corporations Act 2001* (Cth).

OZ Minerals Brazil (Holdings) Pty Ltd ACN 625 407 141 (**OZ Minerals Brazil**) currently has a relevant interest in 645,202,517 Avanco shares (representing approximately 26.25% of the total number of Avanco shares on issue). This is an increase from 639,715,070 Avanco shares (representing approximately 26.03% of the total number of Avanco shares on issue) as disclosed in OZ Minerals Brazil's previous ASIC Form 604 dated 21 May 2018.

Since the previous ASIC Form 604 referred to above, the aggregate of:

- (a) the number of Avanco shares in respect of which acceptance instructions (in the form of acceptance forms and/or directions to custodians to accept OZ Mineral Brazil's offer) have been received in the acceptance facility as at 7:00 PM on 24 May 2018; and
- (b) the number of Avanco shares in which OZ Minerals Brazil and its associates have a relevant interest,

has changed from 38.30% to 40.80%.

The following table shows a break down between those two categories:

| | Number of Avanco shares | % of all Avanco shares |
|---------------------|-------------------------|------------------------|
| Relevant interest | 645,202,517 | 26.25% |
| Acceptance facility | 357,628,762 | 14.55% |
| Total | 1,002,831,279 | 40.80% |

Acceptance instructions deposited with the facility agent, Pacific Custodians Pty Limited ACN 009 682 866 (**Facility Agent**), do not constitute acceptances of the OZ Minerals Brazil takeover offer dated 11 April 2018 (the **Offer**) and neither the Facility Agent nor OZ Minerals Brazil and its associates have a relevant interest in any of the Avanco shares the subject of the acceptance instructions. Accordingly, the Avanco shares in which OZ Minerals Brazil and its associates have a relevant interest (as disclosed in the attached ASIC Form 604) do not include the Avanco shares the subject of acceptance instructions deposited with the Facility Agent.

OZ Minerals Brazil notes:

- (a) **(Preconditions to the Facility Agent releasing the acceptance instructions)** the Facility Agent will release the acceptance instructions in the facility as soon as possible after

(and not before) OZ Minerals Brazil confirms to the Facility Agent by written notice (**Confirmation Letter**) that OZ Minerals Brazil has declared the Offer free of all defeating conditions or will declare the Offer free of all defeating conditions not later than the time that all acceptance instructions are processed; and

- (b) (**Withdrawal of facility acceptances**) persons who have provided acceptance instructions retain all rights and control over their Avanco shares and will be able to withdraw their acceptance instructions at any time prior to the Facility Agent receiving the Confirmation Letter from OZ Minerals Brazil.

Sincerely,

A handwritten signature in black ink, appearing to be 'Michelle Pole', with a stylized, flowing script.

Michelle Pole

Company Secretary and Senior Legal Counsel

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Avanco Resources Limited (**Avanco**)

ACN/ARSN 126 379 646

1. Details of substantial holder (1)

Name OZ Minerals Limited ABN 40 005 482 824 (**OZ Minerals**) and OZ Minerals Brazil (Holdings) Pty Ltd ABN 74 625 407 141 (**OZ Minerals Brazil**) and each of the entities listed in OZ Minerals' 2017 Annual and Sustainability Report on page 121 (as updated from time to time and available on request) (together the **OZ Minerals Group Entities**)

ACN/ARSN (if applicable) 005 482 824

There was a change in the interests of the
substantial holder on 24/05/2018
The previous notice was given to the company on 21/05/2018
The previous notice was dated 21/05/2018

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of securities (4) | Previous notice | | Present notice | |
|-------------------------|-----------------|--|----------------|--|
| | Person's votes | Voting power (5) | Person's votes | Voting power (5) |
| Ordinary shares | 639,715,070 | 26.03% (based on 2,457,806,443 ordinary shares on issue in Avanco) | 645,202,517 | 26.25% (based on 2,457,806,443 ordinary shares on issue in Avanco) |

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (6) | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------|--|---|---|---|-------------------------|
| See Annexure A | OZ Minerals Group Entities | Acquisition of relevant interests pursuant to acceptances of offers dated 11 April 2018 made under OZ Minerals' off-market takeover bid (through its wholly owned subsidiary OZ Minerals Brazil) for all the ordinary shares in Avanco on the terms and conditions set out in the bidder's statement dated 10 April 2018 (Bidder's Statement) (the Offer). | The Offer consideration as set out in the Bidder's Statement. | See Annexure A | See Annexure A |

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered | Nature of relevant interest (6) | Class and number of securities | Person's votes |
|--|--|---|--|--------------------------------|--|
| OZ Minerals Brazil | Avanco shareholders to whom the Offer was made and who have accepted the Offer | Subject to the terms of the Offer, OZ Minerals Brazil | Relevant interest under s608(1) and/or s608(8) of the Corporations Act pursuant to acceptances of the Offer. The ordinary shares which are the subject of the acceptances have not yet been transferred into the name of OZ Minerals Brazil. The power of OZ Minerals Brazil to vote or dispose of the ordinary shares that are the subject of acceptances of the Offer is qualified since the Offer has not been declared unconditional and OZ Minerals Brazil is not presently registered as the holder of the ordinary shares. | 645,202,517 ordinary shares | 26.25% (based on 2,457,806,443 ordinary shares on issue in Avanco) |
| OZ Minerals Group Entities (other than OZ Minerals Brazil) | Avanco shareholders to whom the Offer was made and who have accepted the Offer | Subject to the terms of the Offer, OZ Minerals Brazil | Relevant interest in the ordinary shares referred to in the 3rd row of this table under s608(3)(a) of the Corporations Act, being a relevant interest held through a body corporate in which the relevant entity's voting power is above 20%. | 645,202,517 ordinary shares | 26.25% (based on 2,457,806,443 ordinary shares on issue in Avanco) |

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| N/A | N/A |

6. Addresses

The addresses of persons named in this form are as follows:

| Name | Address |
|--|---|
| Each of the OZ Minerals Group Entities | Level 1, 162 Greenhill Road, Parkside, South Australia 5063 |

Signature

print name Michelle Pole

capacity Company Secretary

sign here



date 25/05/2018

1. Annexure “A”

This is Annexure “A” of 1 page referred to in ASIC Form 604 – Notice of change of interests of substantial holder, signed by me and dated 25 May 2018.



Michelle Pole, Company Secretary

Details of changes in relevant interests pursuant to acceptances of the Offer

| Date of change | Class and number of securities affected | Person's votes affected |
|----------------|---|-------------------------|
| 21/05/2018 | 1,653,473 | 1,653,473 |
| 22/05/2018 | 721,000 | 721,000 |
| 23/05/2018 | 2,155,964 | 2,155,964 |
| 24/05/2018 | 957,010 | 957,010 |
| Total | 5,487,447 ordinary shares | 5,487,447 |