Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

AVANCO RESOURCES LIMITED					
ABN	Quarter ended ("current quarter")				
85 126 379 646	31 March 2012				

Consolidated statement of cash flows

<i>a</i>			Current quarter	Year to date
Cash f	lows related to operating ac	ctivities	\$A'000	(9 months) \$A'000
1.1	Receipts from product sale	s and related debtors	-	-
1.2	Payments for (a) ex	ploration and		
		aluation	(1,894)	(8,190)
	(b) d	evelopment	- -	-
		roduction	-	-
		dministration	(409)	(1,095)
1.3	Dividends received		-	-
1.4	Interest and other items received	of a similar nature	204	719
1.5	Interest and other costs of f	inance paid	-	-
1.6	Income taxes paid		-	-
1.7	Other – receipt from option	agreement	<u>-</u>	557
	Net Operating Cash Flow	'S	(2,099)	(8,009)
	Cash flows related to invo	esting activities		
1.8	Payment for purchases of:	(a)prospects	<u>-</u>	_
	- ny F	(b)equity investments	-	-
		(c) other fixed assets	(12)	(75)
1.9	Proceeds from sale of:	(a)prospects	· · ·	, , , _
		(b)equity investments	-	-
		(c)other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)			
	Tenement Expenditure Gua	arantee (refundable)	-	-
	Net investing cash flows		(12)	(75)
1.13	Total operating and invest	ing cash flows (carried		
	forward)		(2,111)	(8,084)

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⁺ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows		
	(brought forward)	(2,111)	(8,084)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	407	668
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Fundraising refund / (costs)	-	-
	Net financing cash flows	407	668
	Net increase (decrease) in cash held	(1,704)	(7,416)
1.20	Cash at beginning of quarter/year to date	13,904	19,616
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	12,200	12,200

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	\$252k
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments for Directors consulting fees and Directors fees - \$190k Payments for serviced office - \$45k

Re-imbursement for administration, accounting and secretarial staff at cost - \$17k

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated						
	assets and liabilities but did not involve cash flows						
	Nil						

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil			

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Financing facilities available *Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

4.1	Evaluation and avaluation	\$A'000
4.1	Exploration and evaluation	2,500
4.2	Development	-
4.3	Production	-
4.4	Administration	300
	Total	2,800

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	2,200	904
5.2	Deposits at call	10,000	13,000
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	12,200	13,904

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Changes in interests in mining tenements

- 6.1 Interests in mining tenements relinquished, reduced or lapsed
- 6.2 Interests in mining tenements acquired or increased

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
-	-	-	-
-	-	-	-

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Issued and quoted securities at end of current quarterDescription includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities (description)			3) (601.65)	(cons)
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	⁺ Ordinary securities	832,469,004	832,469,004		
7.4	Changes during quarter (a) Increases through issues - Placement - Pursuant to a prospectus - Option conversion - Release from Escrow - In lieu of consulting fees (b) Decreases through returns of	26,177,155	26,177,155	\$0.015	\$0.015
7.5	capital, buy-backs *Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options - Shareholder	116,910,943 1,500,000 545,000 10,000,000	116,910,943 - - -	Exercise price \$0.015 \$0.20 \$0.35 \$0.15	Expiry date 30/04/12 30/04/13 12/05/13 14/12/13
	- Employee	25,000,000 5,000,000 1,000,000 8,360,000 5,000,000	- - - -	\$0.18 \$0.18 \$0.18 \$0.15 \$0.18	30/09/13 10/01/14 04/02/14 27/06/14 31/12/14

⁺ See chapter 19 for defined terms.

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7.8	Issued during quarter				
	Employee	5,000,000	-	\$0.18	31/12/14
7.9	Exercised during quarter	(26,177,155)	(26,177,155)	\$0.015	30/04/12
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:	David McEntaggart	Date: 30 April 2012
	(Company Secretary)	

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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