



AVOCA RESOURCES LIMITED

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20 August 2009

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Avoca reaches 44.85% at close of Offer for Dioro

ASX200 gold producer, Avoca Resources Limited (ASX:AVO) is pleased to announce that its takeover offer for Dioro Exploration NL (ASX:DIO) closed at 5pm (Perth time) on Wednesday 19 August 2009, by which time its relevant interest in Dioro had reached **44.85%**.

To the best of Avoca's knowledge, most of Dioro's larger shareholders (including, significantly both Baker Steel and La Mancha Resources Australia accepted Avoca's Offer.

Avoca Chairman Robert Reynolds said this clearly demonstrates that major and sophisticated investors considered the Avoca Offer (and the receipt of Avoca scrip) to be superior to the proposed Ramelius offer.

"Avoca would like to thank and welcome its new shareholders, who will now have the opportunity to be part of an ASX200 company with the credentials to become Australia's pre-eminent mid-tier gold producer."

Baker Steel is a specialist investment manager in gold and natural resources and La Mancha is a Canadian listed gold company which operates the Frog's Leg gold mine in which it owns 51% and Dioro has a 49% stake.

"Importantly, Baker Steel and La Mancha Resources Australia did not accept Ramelius' inferior offer and neither will Avoca," Mr Reynolds said.

Launched on 14 April 2009, the Avoca takeover offer was open for approximately four months.

Pursuant to Listing Rule 3.3, Avoca advises that as at the end of the offer period, Avoca and its associates have a relevant interest in 44.85% of the fully paid ordinary shares in Dioro, and therefore that compulsory acquisition will not proceed.

As Dioro's major shareholder, Avoca intends to take an active interest in the affairs of Dioro.

A form 604 (notice of change in interests of substantial holder) is attached.

For further enquiries, please contact:

Avoca Resources: Rohan Williams 08 9226 0625

Purple Communications: Warrick Hazeldine 08 6314 6300 / 0417 944 616

Form 604**Corporations Act 2001
Section 671B****Notice of change of interests of substantial holder**To Company Name/Scheme **Dioro Exploration NL ("Dioro")**ACN/ARSN **ACN 009 271 532****1. Details of substantial holder (1)**Name **Avoca Resources Limited and its wholly owned subsidiary, Avoca Mining Pty Ltd (together "Avoca")**ACN/ARSN (if applicable) **ACN 097 083 282**There was a change in the interests of the substantial holder on 19/08/2009The previous notice was given to the company on 14/08/2009The previous notice was dated 14/08/2009**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	22,366,957	24.42%	41,076,237	44.85%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a related 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
14/08/2009 to 19/08/2009	Avoca	Arising upon acceptance of takeover offers dated 19 May 2009 (Offers) contained in Avoca's bidder's statement dated 5 May 2009	Determined in accordance with the terms of the Offers	18,709,280 ordinary shares	18,709,280

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 as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Avoca	Avoca Resources Limited	Avoca Resources Limited	Relevant interest arising under section 608(1) of the Corporations Act	22,128,346 ordinary shares	22,128,346
Avoca	Ordinary shareholders of Dioro who have accepted the Offers but whose shares have not yet been transferred to Avoca Resources Limited	Avoca Resources Limited	Relevant interests arising under sections 608(1) and 608(8) of the Corporations Act pursuant to acceptances of the Offers	18,947,891 ordinary shares	18,947,891

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
Avoca Resources Limited	Level 1, 31 Ventnor Avenue West Perth WA 6005
Avoca Mining Pty Ltd	C/- Avoca Resources Limited Level 1, 31 Ventnor Avenue West Perth WA 6005

Signature

print name **Rohan Williams** Capacity **Managing Director**

sign here



Date: **20 August 2009**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.