



28 March 2017

AVB (Avanco Resources Ltd, -4.3% to 11.0cps, m.cap A\$283m, Copper: Producer / Developer)

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- AVB has released its 2016 Full Year Results in what was a breakout year for the Brazilian focussed copper and gold producer.
- The Antas Mine was built, commissioned, and ramped up ahead of schedule and under budget.
- The Company exceeded guidance, producing **11.2kt of contained Cu** at Antas, which saw first concentrate production in March 2016, and full ramp up by July 2016.
- **7.8koz Au** was also produced for the year at Antas.
- A **revenue of US\$59.2M** and **EBITDA of US\$16.8M** was declared for the year.
- The Company had a **net loss of US\$2.7M** for the year.
- Following a positive Scoping Study released in September 2016, development at the 289Kt Cu & 221Koz Au Pedra Branca East deposit is ongoing. Given the improving market prices and outlook for copper and gold, further studies will continue in CY17.
- In October 2016, AVB acquired the CentroGold Project, with an existing non-JORC resource of 3.1Moz, from TSX: JAG. In December 2016, it subsequently released a maiden JORC inferred resource of **12.2Mt @ 1.8g/t containing 694koz Au** for the Blanket Zone. The Company then announced an inferred resource estimation of **8Mt @ 2.3g/t Au for 592Koz** for the Contact Zone in January 2017.
- 2017 production guidance of 13.5-14kt Cu, and 9.75-10.5koz Au has been given.
- As at 31 December 2016, AVB was debt free and had a **cash balance of US\$22.9M**.
- Buy recommendation.
- [Avanco Resources \(AVB\) - 5 May 2016](#)

Antas Summary Production Statistics

|                          | Units | FY 2016   | Q4 2016   |
|--------------------------|-------|-----------|-----------|
| Total Material Mined     | t     | 6,497,037 | 1,680,311 |
| Ore Mined                | t     | 629,026   | 210,137   |
| Copper Grade             | Cu %  | 2.24      | 2.52      |
| Gold Grade               | g/t   | 0.67      | 0.73      |
| Tonnes Processed         | t     | 510,830   | 172,320   |
| Copper Grade             | Cu %  | 2.29      | 2.40      |
| Gold Grade               | g/t   | 0.55      | 0.60      |
| Copper Recovery          | %     | 95.76     | 97.20     |
| Gold Recovery            | %     | 85.81     | 85.82     |
| Concentrate              | DMT   | 39,794    | 14,243    |
| Contained Copper         | t     | 11,188    | 4,010     |
| Contained Gold           | Oz    | 7,779     | 2,839     |
| Concentrate Copper Grade | Cu %  | 28.11     | 28.16     |
| Concentrate Gold Grade   | g/t   | 6.08      | 6.20      |