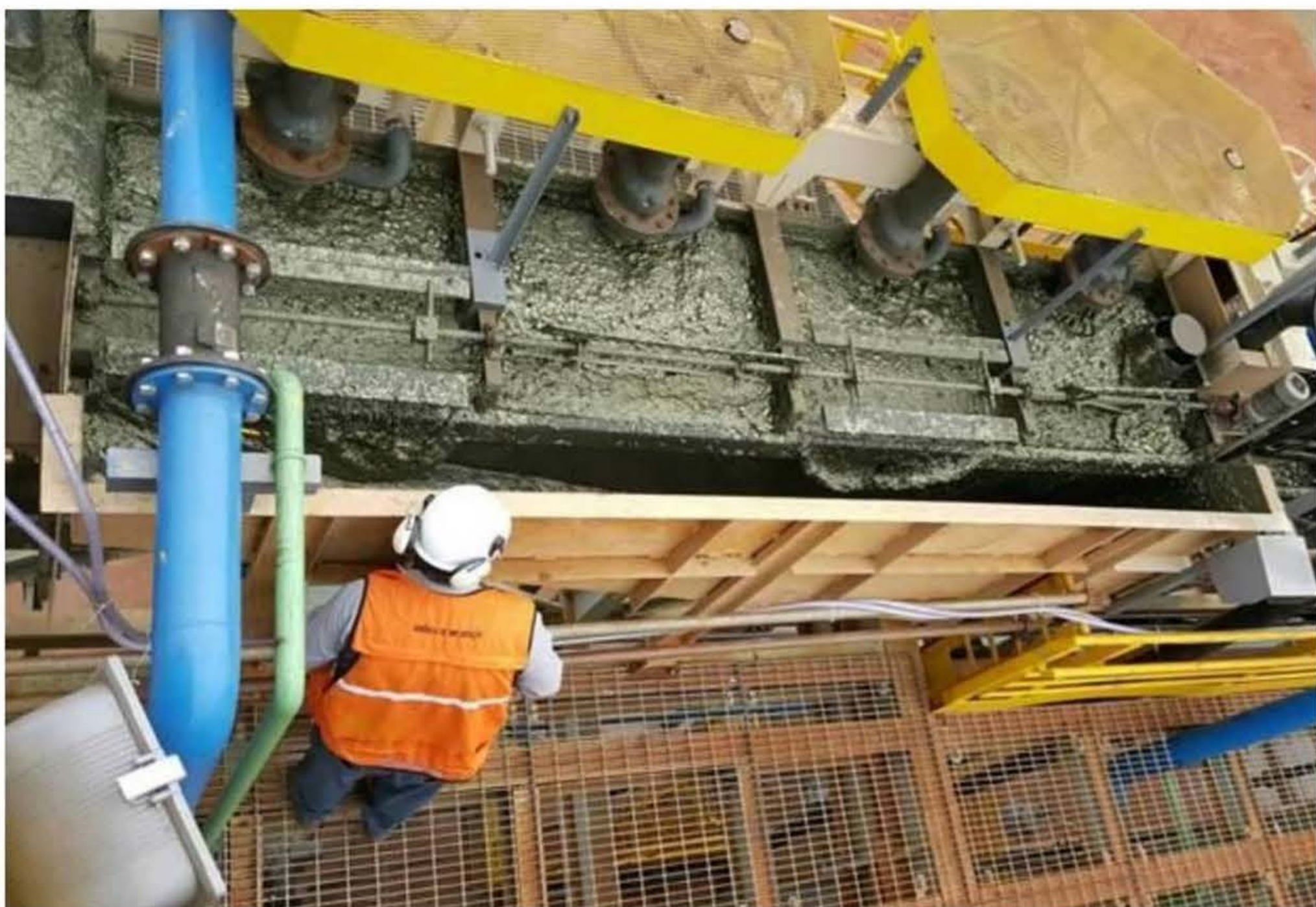


# Market bias against Avanco could reverse

## Copper producer with growth now being actively promoted

NEWISH copper producer Avanco Resources has enjoyed a good few months with the copper price on the increase and the equity market responding accordingly.

Michael Quinn | 31 Jan 2017 | 4:54 |



The stock has nearly doubled since September and with Avanco having cashflow and two advancing potential projects of scale on its books, the building blocks for a growth company appear firmly in place.

Significantly the appointment this week of an apparently well qualified investor relations executive to promote the company in financial markets in Australia "and internationally", also suggests a positive new era for Avanco and its shareholders may well be arriving.

The executive in question Nicholas Bias, worked for Schrodgers and Citibank in London, and having led Glenore's IPO investor relations team, would be expected to know his way around the City rather well.

Whether the company lists on the natural stock exchange for resource sector stories in the Americas, that is the TSX, sometime in the future, remains to be seen.

Either way Avanco looks to finally have the potential to move out of the market holding pattern its' been stuck in for just about its entire nine year ASX-listed life to date.

Via its 12,000-14,000 tonne per annum Antas operation, Avanco is currently generating monthly free cashflow of about \$US1.5 million.

A pre-feasibility study for a potential 35,000t per annum copper development called Pedra Branca is due this quarter, while the new CentroGold gold opportunity could be a 130,000 ounce per annum development.

While the latter is probably some way off becoming a reality – Avanco is currently working on solving licencing issues as it does a scoping assessment – its recent emergence does highlight the opportunities that could come the way of the ASX-company given its presence on the ground in Brazil since last decade and a growing bank account.

Avanco had \$US23 million to its name at the end of 2016, and no debt.

At a share price of A9.4c in late trade (up 14.6% on the day), Avanco was capitalised at \$231 million.

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