

Pedra Branca Encourages Avanco

COPPER miner Avanco Resources is swinging straight into a full feasibility study for its Pedra Branca East project in Brazil after pre-feasibility work outlined a development initially costing more than A\$210 million and generating nearly \$500 million net cashflow over a circa 10-year mine life.

Michael Quinn | 26 May 2017 | 14:41



The anticipated underground mine and 1.2 million tonne per annum processing plant in Brazil is seeing as producing an average of 24,000tpa of copper and 16,000ozpa of gold.

A net present value of \$200 million and an internal rate of return of 34% was estimated.

Avanco said it used a conservative copper price of \$2.65-2.95 per pound in its modelling, with the expected cash costs of copper production being \$1.30/lb.

The full feasibility is expected to be completed within 12 months.

Avanco already has an operating copper mine in Brazil, with its Antas operation forecast to produce 14,000tpa at steady-state.

The ASX-listed Avanco started the current quarter with A\$23.1 million cash.

Shares in Avanco were off 4% to 9.6c in afternoon trade, capitalising the company at \$236 million.