

16 June 2008

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Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge St
SYDNEY NSW 2000

VIA: www.asx.online.com

Dear Sir/Madam,

HIGGINSVILLE TREATMENT PLANT COMPLETED ON TIME AND WITHIN BUDGET

Avoca Resources Limited (**Avoca** or **the Company**) is pleased to announce that construction of its new 1 million tonne per annum CIL treatment plant at Higginsville in Western Australia has been completed on time and within the AUD\$49.2 million budget. The plant is presently undergoing full commissioning and is on target for treatment of high grade Trident feed at the beginning of July. As part of the full commissioning process, the plant will treat up to 40,000 tonnes of lower grade material mined from Trident. At the commencement of treatment of the high grade Trident ore in early July, it is envisaged the high grade stockpile would have increased to approximately 150,000 tonnes.

Additionally, Avoca's 10MW power station at Higginsville has been completed and is currently providing all mine and treatment plant power on site. The power station is capable of operating as either a diesel fed power station or a gas-fired power station. The current configuration of the power station is that it is operating on diesel.

Avoca's Managing Director, Mr Rohan Williams, said today "that to complete a project construction on time and within budget given current cost escalations and time delays affecting the Australian construction industry is a fantastic achievement by everyone concerned." He paid particular attention to Avoca's construction contractor, GRES Engineering Pty Ltd, and the Company's management team noting that "it was an achievement that everybody involved in the project can feel very proud of."



Figure 1: Avoca's Higginsville Treatment Plant has been completed on time and within budget.

Yours faithfully,
AVOCA RESOURCES LIMITED

Rohan Williams
Managing Director

