

8th July 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,

FIRST GOLD PRODUCTION FROM TRIDENT

Avoca Resources Limited (**Avoca**) is very pleased to announce that it has commenced gold production at its 100% owned Higginsville Gold Project in Western Australia. The gold production, which comes less than four years after acquiring the Higginsville exploration project, marks the beginning of Avoca's cash flow and the start of a new stage in its development. Managing Director Mr Rohan Williams said today "It is a very significant day for Avoca and for Australia's gold mining industry as it heralds the first new gold operation in Western Australia since 2001." He added, "Being able to transform what was an exploration project into a 170,000 ounce per annum gold production centre in just four years is a credit to the talented and highly motivated personnel of Avoca and its contractors."



Figure 1: Avoca's first gold production from its Higginsville Gold Project (gold bar photographed is 192 ounces).

Project Update

The Higginsville treatment plant commissioning is progressing well, with the crushing circuit currently undergoing performance testwork. The wet plant and elution circuits are planned to undergo performance testwork later this week. Throughput to the mill is at 120 tonnes per hour, in line with the nameplate capacity of 1 million tonnes per annum. The first gold pour from all three electrowinning cells is scheduled for later in the week and should total approximately 1,600 ounces.

Underground mining is also progressing well, with 18 headings currently on high grade ore. Development rates have exceeded forecast with 1,116m of development in May and 1,086m again in June. Underground production for the month of June was 60,202 tonnes at an estimated grade of 3.8 g/t gold, which is in line with stoping and development expectations. Underground trucking reached a daily record in late June with 3,800 tonnes of ore trucked to the surface in a single day, well in excess of the required daily rate to deliver 1 million tonnes per annum to the plant. At the end of June, 145,306 tonnes at 4.0 g/t gold of high grade material was stockpiled on the ROM pad as previously forecast.

Cash Rebate on Plant Build Being Under Budget

As part of the EPC plant construction contract with GR Engineering Services Pty Ltd (GRES), any savings on the AUD\$49.2 million fixed price sum is shared 50% each between Avoca and GRES. Avoca is pleased to advise it has received an initial \$500,000 cash rebate from GRES following confirmation that actual expenditure will be at least \$1 million less than budgeted expenditure. The calculation of the final amount to be rebated to Avoca will be made after the completion of the plant performance testwork.

Yours faithfully,
AVOCA RESOURCES LIMITED



Rohan Williams
Managing Director