



**AVOCA RESOURCES LIMITED**

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6 January 2010

Dear fellow Dioro Shareholder,

## **AVOCA ANNOUNCES NEW UNCONDITIONAL TAKEOVER OFFER FOR DIORO VALUED AT \$1.25 PER SHARE**

On 29 December 2009, Avoca Resources Limited ("**Avoca**") (ASX:AVO) announced an unconditional takeover offer for Dioro Exploration NL ("**Dioro**") (ASX/TSX:DIO).

Accepting Dioro shareholders will receive:

- **\$0.65 in cash and 0.325 Avoca shares** for each Dioro share held.
- **accelerated payment terms** – you will be sent the cash consideration and be issued with Avoca shares within 3 business days of receipt by Avoca of a valid acceptance.

The Avoca Offer provides a significant premium and values Dioro at \$1.25 per Dioro share<sup>1</sup>. The Avoca Offer price is FINAL, and will not be increased by Avoca.

**The Avoca Offer is superior to the current Ramelius scrip only offer<sup>2</sup>** for your shares. The Ramelius offer cannot be increased or extended beyond the announced closing date of Monday 8 February 2010.

**Take no action in relation to the Ramelius offer.** Avoca recommends that you take no action until the Avoca Offer opens which should be before the closing date of the Ramelius offer.

If you have any questions about the Avoca Offer, please call the Avoca Offer information line on 1800 423 047 (+61 2 8986 9356 for overseas callers).

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Robert Reynolds".

Robert Reynolds  
Chairman

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Footnotes:

1. To two decimal places, based on the closing Avoca share price of \$1.845 on 24 December 2009, the last trading day prior to the announcement of Avoca's Offer. However, based on the closing Avoca share price of \$1.925 on 5 January 2010, the Avoca Offer is valued at \$1.28 per Dioro share.
  2. Based on the implied Ramelius offer price of \$1.155 as per Ramelius' ASX release on 18 December 2009, and the implied Ramelius offer price of \$1.145 based on the closing price of Ramelius shares (of \$0.545) on 5 January 2010.
  3. Assuming Dioro becomes a 100% wholly owned subsidiary of Avoca.
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