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## OFFER FOR DIORO TO OPEN THIS MONTH

ASX 200 gold producer, Avoca Resources Limited (ASX:AVO) advises shareholders of Dioro Exploration (ASX: DIO) that Avoca's offer will open by no later than 28 January 2010, and not to be confused by the comments made earlier today by Ramelius Resources Limited (ASX:RMS).

Avoca has already lodged its Bidder's Statement for a new takeover offer for all remaining shares in Dioro.<sup>1</sup> That offer will comprise **\$0.65 in cash and 0.325 Avoca shares** for each Dioro share. The implied value of Avoca's Offer is currently \$1.25 per Dioro share.<sup>2</sup>

The Independent Directors of Dioro have recommended that Dioro shareholders **DO NOT ACCEPT** the Ramelius offer. Avoca notes the reasons **given by the Independent Dioro directors** for this recommendation, which are that:

- **The New Avoca Offer is superior to the Ramelius Amended Offer on a market price valuation comparison;**
- **The Ramelius Amended Offer does not contain a cash component; whereas the New Avoca Offer contains a significant cash component; and**
- **Avoca is in a stronger position than Ramelius to take effective control of Dioro.**

This recommendation was set out in Dioro's Second Supplementary Target's Statement (dated 15 January 2010). This is an important document, and Dioro shareholders should read it in full.

Avoca intends to post its Offer to Dioro shareholders by no later than 28 January 2010. Avoca's Offer is **unconditional** and can be accepted as soon as it is received. Further, Avoca is offering **accelerated payment terms**.

Avoca Chairman Robert Reynolds stated:

"I encourage Dioro shareholders to review Avoca's Offer and the recommendation put forth by their Independent Dioro Directors, and to draw their own conclusions."

**Avoca Resources:** Robert Reynolds 08 9226 0625 / 0410 620 200

**RBC Capital Markets:** Richard Barker 02 9033 3179 / 0419 251 692

**Purple Communications:** Warrick Hazeldine 08 6314 6300 / 0417 944 616

<sup>1</sup> The Avoca Bidder's Statement is available on the ASX or Avoca website.

<sup>2</sup> Based on today's closing price for Avoca shares of \$1.84 and compares with the implied value of the Ramelius offer of \$1.20 based on today's closing price of Ramelius shares of \$0.57.