

**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme AVANCO RESOURCES LIMITED

ACN/ARSN 126 379 646

**1. Details of substantial holder (1)**

Name Morgan Stanley and its subsidiaries listed in Annexure A

ACN/ARSN (if applicable) Not Applicable

The holder became a substantial holder on June 12, 2018

The holder became aware on June 14, 2018

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	140,975,288	140,975,288	5.39%
			Based on 2,615,656,443 Ordinary Shares Outstanding

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Morgan Stanley Australia Securities Limited	Shares held or in respect of which the holder may exercise control over disposal in the ordinary course of sales and trading businesses.	140,975,288 Ordinary Shares
Each of the entities (as listed in Annexure A) in the Morgan Stanley group upstream of the above entity	The above entity is a body corporate that each upstream entity controls and therefore has the relevant interests that the above entity has.	140,975,288 Ordinary Shares (N.B.: Total of the above direct interest)

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Morgan Stanley Australia Securities Limited	Morgan Stanley Australia Securities (Nominee) Pty Limited	Not Applicable	140,975,288 Ordinary Shares

## 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number interest of securities
		Cash	Non-cash	
Morgan Stanley Australia Securities Limited	2/13/2018	4,192.40	Buy	52,405 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/13/2018	10.82	Buy	137 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/13/2018	248.43	Buy	3,185 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/14/2018	1,289.94	Buy	15,731 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/15/2018	3,293.47	Buy	37,856 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/15/2018	1,266.25	Buy	14,897 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/16/2018	3,910.43	Buy	46,005 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/19/2018	4,636.28	Buy	56,540 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/19/2018	1,173.21	Buy	14,135 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/22/2018	92.32	Buy	1,199 Ordinary Shares
Morgan Stanley Australia Securities Limited	2/28/2018	3,773.48	Buy	48,378 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/6/2018	3,692.05	Buy	47,334 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/12/2018	1,133.12	Buy	14,164 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/12/2018	2,994.48	Buy	36,518 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/20/2018	1,024.72	Buy	13,308 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/21/2018	4,162.24	Buy	53,362 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/22/2018	3,007.69	Buy	38,072 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/22/2018	1,251.74	Buy	16,048 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	6,083.07	Buy	39,889 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	44,250.00	Buy	300,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	1,027.20	Buy	6,848 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	813,376.80	Buy	5,422,512 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	1,605,903.08	Buy	10,360,665 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	830,919.76	Buy	5,367,248 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/27/2018	258,559.12	Buy	1,640,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/28/2018	992,000.00	Buy	6,400,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/28/2018	734.39	Buy	4,738 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/28/2018	182,700.00	Buy	1,160,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	1,649.36	Buy	10,641 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	15,500.00	Buy	100,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	393,750.00	Buy	2,500,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	397,187.50	Buy	2,562,500 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	3,173.28	Buy	19,833 Ordinary Shares
Morgan Stanley Australia Securities Limited	3/29/2018	253,155.08	Buy	1,631,628 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/3/2018	310,000.00	Buy	2,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/3/2018	4,353.30	Buy	27,640 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/3/2018	1,743.04	Buy	10,894 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/3/2018	259,331.19	Buy	1,671,433 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/4/2018	20,036.52	Buy	127,216 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/4/2018	54,748.46	Buy	352,863 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/5/2018	874,125.00	Buy	5,550,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/5/2018	520.80	Buy	3,360 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/5/2018	3,219.20	Buy	20,120 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/5/2018	9,314.02	Buy	60,013 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/6/2018	8,516.96	Buy	53,231 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/6/2018	290.88	Buy	1,818 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/6/2018	90,361.63	Buy	572,997 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/10/2018	7,880.32	Buy	49,252 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/10/2018	92,703.72	Buy	597,491 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/11/2018	5,394.84	Buy	32,696 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/11/2018	25.42	Buy	164 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/11/2018	24.96	Buy	161 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/12/2018	67,320.22	Buy	427,003 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/12/2018	6,876.16	Buy	42,976 Ordinary Shares

Morgan Stanley Australia Securities Limited	4/13/2018	2.88	Buy	18 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/16/2018	852.48	Buy	5,328 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/16/2018	20,421.92	Buy	127,637 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	4,923.92	Buy	31,263 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	852.64	Buy	5,329 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	313.41	Buy	2,022 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	22,196.96	Buy	138,731 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	3,250.00	Buy	20,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	6,614.52	Buy	40,088 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	0.62	Buy	4 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	7,420.88	Buy	44,975 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/17/2018	16,440.65	Buy	105,932 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/18/2018	0.80	Buy	5 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/18/2018	1,997.16	Buy	12,104 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/18/2018	10,346.70	Buy	63,672 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/18/2018	1,094,490.92	Buy	6,745,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/19/2018	0.16	Buy	1 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/19/2018	19,275.47	Buy	116,821 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/19/2018	33,870.62	Buy	208,227 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/20/2018	11,116.88	Buy	67,375 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/20/2018	0.48	Buy	3 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/20/2018	4,229.61	Buy	25,634 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/23/2018	934.54	Buy	5,751 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/23/2018	7,626.30	Buy	46,220 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/24/2018	19,721.60	Buy	123,260 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/26/2018	0.16	Buy	1 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/26/2018	454,854.40	Buy	2,840,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/27/2018	28,221.31	Buy	176,163 Ordinary Shares
Morgan Stanley Australia Securities Limited	4/30/2018	51,865.73	Buy	323,837 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/2/2018	274,882.68	Buy	1,689,901 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/3/2018	70,839.58	Buy	428,811 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/4/2018	112,291.89	Buy	679,877 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/4/2018	145,761.08	Buy	869,346 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/7/2018	147,897.31	Buy	882,969 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/7/2018	413,624.57	Buy	2,463,987 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/7/2018	607,102.13	Buy	3,571,189 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/7/2018	25,895.22	Buy	154,367 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/8/2018	136,447.85	Buy	814,614 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/8/2018	60,576.90	Buy	355,916 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/9/2018	27,143.22	Buy	159,666 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/9/2018	279,773.77	Buy	1,644,084 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/10/2018	636,239.11	Buy	3,742,583 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/11/2018	85,352.14	Buy	494,795 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/14/2018	4,869.20	Buy	28,399 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/14/2018	68,582.72	Buy	400,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/15/2018	536,057.38	Buy	3,107,579 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/16/2018	37,400.17	Buy	220,001 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/16/2018	345,400.00	Buy	2,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/16/2018	172,672.50	Buy	1,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/16/2018	122,787.07	Buy	711,098 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/17/2018	86,998.31	Buy	504,338 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/18/2018	218,214.57	Buy	1,265,012 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/24/2018	86,250.00	Buy	500,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/24/2018	85,000.00	Buy	500,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/30/2018	138,290.18	Buy	825,613 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/30/2018	167,588.94	Buy	999,934 Ordinary Shares
Morgan Stanley Australia Securities Limited	5/31/2018	1,021,310.65	Buy	6,001,708 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/1/2018	1,117,800.27	Buy	6,568,727 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/4/2018	858,357.50	Buy	5,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/5/2018	325,605.28	Buy	1,900,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/6/2018	350,350.00	Buy	2,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/6/2018	1,414,052.64	Buy	8,100,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/7/2018	203,056.12	Buy	1,143,334 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/7/2018	69,027.80	Buy	388,889 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/8/2018	2,221.56	Buy	12,342 Ordinary Shares

Morgan Stanley Australia Securities Limited	6/8/2018	15,397.06	Buy	86,744 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/8/2018	1,955,000.99	Buy	11,003,087 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/8/2018	2.31	Buy	13 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/12/2018	2,300,691.30	Buy	12,818,700 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/12/2018	717,917.20	Buy	4,000,000 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/12/2018	41,459.40	Buy	230,330 Ordinary Shares
Morgan Stanley Australia Securities Limited	6/12/2018	2,494.63	Buy	14,255 Ordinary Shares

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Morgan Stanley Australia Securities Limited	is a body corporate controlled by each upstream entity as listed in Annexure A


**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
Morgan Stanley	1585 Broadway, New York 10036, USA
Morgan Stanley Australia Securities Limited	Level 39 Chifley Tower, 2 Chifley Square, Sydney NSW 2000, Australia

**Signature**

print name Annie Gong capacity Executive Director

sign here  date June 14, 2018

## Annexure A

List of Morgan Stanley and its subsidiaries that have a relevant interest or deemed to have a relevant interest in the shares or units stated in Section 3.

Name
└─ Morgan Stanley
└─└─ Morgan Stanley International Incorporated
└─└─└─ Morgan Stanley (Australia) Securities Holdings Pty Limited
└─└─└─└─ Morgan Stanley Australia Securities Limited

### Signature

print name Annie Gong capacity Executive Director

sign here  date June 14, 2018

### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

# GUIDE

This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 603.

<b>Signature</b>	This form must be signed by either a director or a secretary of the substantial holder.
<b>Lodging period</b>	Nil
<b>Lodging Fee</b>	Nil
<b>Other forms to be completed</b>	Nil
<b>Additional information</b>	<p>(a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.</p> <p>(b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.</p> <p>(c) The person must give a copy of this notice:</p> <ul style="list-style-type: none"><li>(i) within 2 business days after they become aware of the information; or</li><li>(ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if:<ul style="list-style-type: none"><li>(A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and</li><li>(B) the person becomes aware of the information during the bid period.</li></ul></li></ul>
<b>Annexures</b>	<p>To make any annexure conform to the regulations, you must</p> <ol style="list-style-type: none"><li>1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides</li><li>2 show the corporation name and ACN or ARBN</li><li>3 number the pages consecutively</li><li>4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied</li><li>5 identify the annexure with a mark such as A, B, C, etc</li><li>6 endorse the annexure with the words: <i>This is annexure (mark) of (number) pages referred to in form (form number and title)</i></li><li>7 sign and date the annexure.</li></ol> <p>The annexure must be signed by the same person(s) who signed the form.</p>

Information in this guide is intended as a guide only. Please consult your accountant or solicitor for further advice.

