

ANOVA

METALS LIMITED

ABN 20 147 678 779

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

**For the General Meeting to be held on Monday, 28 April 2014
at 10.00am (Western Standard Time)
at Level 1, 8 Colin Street, West Perth, Western Australia**

***This is an important document. Please read it carefully and in its entirety.
If you do not understand it please consult your professional advisers.***

***If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it
in accordance with the instructions set out on that form.***

TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

This General Meeting of the Shareholders of Anova Metals Limited will be held at:

**Level 1
8 Colin Street
West Perth 6005
Western Australia**

**Commencing
at 10.00am (Western Standard Time)
on Monday, 28 April 2014**

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person you need to attend the meeting on the date and at the place set out above. The meeting will commence at 10.00am (Western Standard Time).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- return the proxy form (by delivery) to the Company's office at Level 1, 8 Colin Street, West Perth, Western Australia, 6005; or
- return the proxy form (by post) to the Company's office at PO Box 886, West Perth, Western Australia, 6872; or
- send the proxy by facsimile to facsimile number +61 8 6465 5599.

so that it is received not later than 10.00am (Western Standard Time) on Saturday, 26 April 2014.

Your proxy form is enclosed.

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the Chairing of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. The Chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is Saturday, 26 April 2014 at 4.00pm (Western Standard Time).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

ANOVA METALS LIMITED
ABN 20 147 678 779

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of Anova Metals Limited ("Anova Metals" or the "Company") will be held at Level 1, 8 Colin Street, West Perth, Western Australia, 6005 on Monday, 28 April 2014 at 10.00am (Western Standard Time) for the purpose of transacting the following business.

The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

ORDINARY BUSINESS

Resolution 1 – Ratification of Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 20,850,000 fully paid ordinary shares in the capital of the Company on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Short Explanation: ASX Listing Rule 7.1 allows the Company to issue equity securities in any 12 month period representing up to 15% of its ordinary share capital on issue at the commencement of that period without shareholder approval. By obtaining ratification of shareholders under ASX Listing Rule 7.4 to the issue of the securities to the allottees, the Company will obtain relevant approval for the purposes of ASX Listing Rule 7.1 and thereby refresh the Company's capacity to make future issues of securities up to the 15% threshold. Please refer to the Explanatory Statement for details.

The Company will disregard any votes cast on this Resolution by a person who participated in the issue that is the subject of this Resolution and any associates of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 2 – Approval for Placement of Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue 29,150,000 fully paid ordinary Shares in the capital of the Company on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Short Explanation: Under ASX Listing Rule 7.1, the Company may not issue or agree to issue equity securities in any 12 month period representing more than 15% of its ordinary share capital on issue at the commencement of that period without shareholder approval. Please refer to the Explanatory Statement for details.

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if this Resolution is passed, and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD



Steven Jackson
Company Secretary
Dated: 28 March 2014

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PLACEMENT

Background

On 28 March 2014, the Company issued 20,850,000 Shares at 4 cents each to raise \$834,000 using the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1. Resolution 1 seeks to ratify this private placement of securities.

ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides, subject to certain exceptions, without shareholder approval, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

Listing Rule 7.4 provides that an issue of securities made without the approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, the issue was within the Company's 15% capacity) and Shareholders subsequently approve it.

The Company issued 20,850,000 Shares under the placement within its 15% capacity under Listing Rule 7.1. The Company now seeks Shareholder approval to ratify this issue and refresh the 15% capacity.

Listing Rule 7.5 provides that for Shareholders to approve an issue subsequently, the notice of meeting must include particular information. This information is as follows:

- a) The number of securities allotted is 20,850,000 Shares.
- b) The Shares were issued at an issue price of 4 cents each.
- c) The Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued Shares.
- d) The allottees of the Shares were investors entitled to accept offers of securities under section 708 of the Corporations Act being institutional and sophisticated investors. The allottees were clients of Blackswan Equities, Cornerstone Advisors and Phillips Capital. None of the allottees are related parties of the Company.
- e) The Company will utilise the funds to advance the Big Springs Project and for general working capital.

2. RESOLUTION 2 – APPROVAL FOR PLACEMENT OF SHARES

Background

In accordance with the Company's ASX announcement of 24 March 2014, the Company is seeking to raise up to \$2,000,000 (total of Resolution 1 and Resolution 2) by a placement of Shares at 4 cents per Share. 29,150,000 of the Shares are subject to receiving shareholder approval. The Shares will be issued to institutional and sophisticated investors entitled to accept offers of securities under section 708 of the Corporations Act.

Firm commitments have been received for 60% of the placement, with the balance expected to be committed prior to passing of Resolution 2, but the placement is subject to Shareholder approval by this Notice. These Shares will be issued as soon as practicable after the passing of Resolution 2.

ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides, subject to certain exceptions, without shareholder approval, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

One circumstance where an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of Shareholders in a general meeting. The Company is seeking approval under Listing Rule 7.1 to issue Shares to investors eligible under section 708 of the Corporations Act.

ASX Listing Rule 7.3 sets out the matters which must be included in the notice of meeting convened to seek shareholder approval under ASX Listing Rule 7.1. For the purposes of ASX Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 2.

- a) The maximum number of securities to be issued by the Company is 29,150,000 Shares.
- b) The Shares will be issued at an issue price of 4 cents each
- c) The Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued Shares.
- d) It is intended that the Shares will be allotted on one date shortly following Shareholder approval and in any event no later than 3 months after the date of the Meeting.
- e) The allottees of the Shares are investors entitled to accept offers of securities under section 708 of the Corporations Act being institutional and sophisticated investors. The allottees are clients of Blackswan Equities, Cornerstone Advisors and Phillips Capital. None of the allottees are related parties of the Company.
- f) The Company will utilise the funds to advance the Big Springs Project and for general working capital.

GLOSSARY

In this Explanatory Statement, the following expressions have the following meanings:

"**ASX**" means the ASX Limited (ABN 98 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the listing rules of ASX.

"**Board**" means the board of directors of the Company.

"**Chair**" means the Chair of the Meeting.

"**Company**" or "**Anova Metals**" means Anova Metals Limited (ABN 20 147 678 779).

"**Constitution**" means the Constitution of the Company.

"**Corporations Act**" means the Corporations Act 2001 (Cth).

"**Directors**" mean the directors of the Company from time to time.

"**Explanatory Statement**" means this explanatory statement.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Resolution**" means a resolution contained in the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a registered holder of Shares in the Company.

"**WST**" means Western Standard Time, Perth, Western Australia.

ANOVA

METALS LIMITED

ABN 20 147 678 779

Proxy Form

I/We
being a member of Anova Metals Limited entitled to attend and vote at the General Meeting, hereby
appoint
Name of Proxy

or failing the person so named or, if no person is named, the Chair of the Meeting or the Chair's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at Level 1, 8 Colin Street, West Perth Western Australia on Monday, 28 April 2014 at 10.00am (WST) and at any adjournment thereof.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval for Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return this Proxy Form to the Company Secretary, Anova Metals Limited, PO Box 886, West Perth, Western Australia 6872 or by fax to +61 8 6465 5599 by 10.00am (Western Standard Time) on Saturday, 26 April 2014.

Signed this _____ day of _____ 2014

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Joint Securityholder 2

Director/Company Secretary
(delete one)

Joint Securityholder 3

Director

Please cut here

Anova Metals Limited

ABN 20 147 678 779

Instructions for Completing Proxy Form

1. In accordance with section 249L of the Corporations Act, a Shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of Shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - two Directors of the Company;
 - a Director and a Company Secretary of the Company; or
 - for a proprietary company that has a sole Director who is also the sole Company Secretary – that Director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole Company Secretary of the Company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. In accordance with section 250BA of the Corporations Act, the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Level 1, 8 Colin Street, West Perth, Western Australia, 6005

PO Box: PO Box 886, West Perth, Western Australia, 6872

Fax Number: +61 8 6465 5599