

30 April 2014

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 MARCH 2014

HIGHLIGHTS

- Mine permit application for 601 pit and 701 underground lodged in early February
- Mine study work commenced for North Sammy underground
- Initial metallurgical results received. Further testwork planned
- Toll treatment negotiations continuing
- Exploration permit lodged and drill programme planned
- Placement to raise up to \$2m announced

OPERATIONS

Big Springs Gold Project, Nevada, USA

Activities at Big Springs during the March quarter were focussed on mine permitting for the first phase of operations (601 open Pit and 701 underground). In addition mine planning for the next phase of mining (North Sammy underground) commenced. The conceptual mine layout for the first phase of mining operations is shown below along with the activities undertaken at each deposit during the quarter.



Figure 1: Conceptual mine layout for phase 1 of operations

601 Open Pit – Stage 1

The Plan of Operations for the commencement of open pit mining operations has been lodged with the regulator US Forestry Services (USFS). Initial comments from the USFS have already been received and responses have been provided to requests for further information. A site visit with the regulator is proposed for mid-May to provide an on ground perspective of the proposed operations.

Waste rock characterisation analysis continued throughout the quarter with results within expectations.

A programme of infill drilling has been planned and will be undertaken in the third quarter of this year prior to mining commencement.

Initial comminution testwork results have been received and are within expectations.

Toll treatment negotiations are progressing with a meeting in Nevada planned for late May.

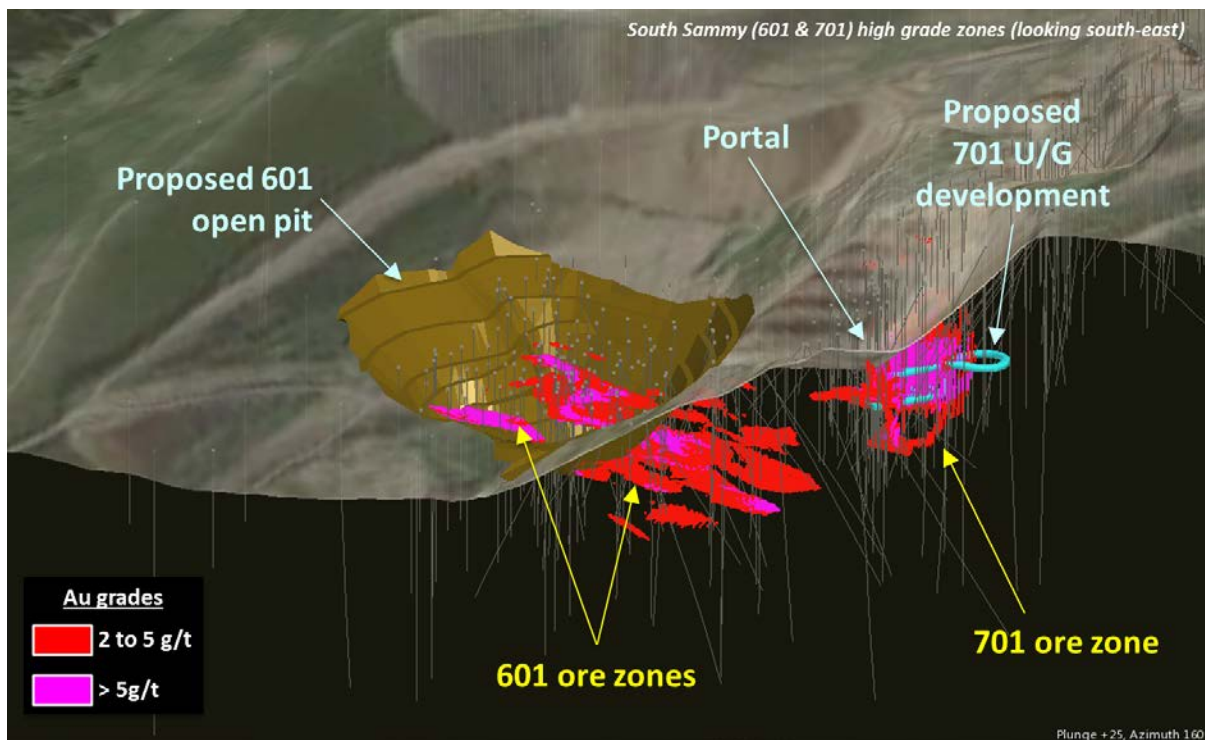


Figure 2: Oblique view of proposed 601 open pit & 701 underground design

701 Underground Mine – Stage 2

The Plan of Operations for the commencement of the 701 underground mine has been lodged. The underground mine operations are planned to commence immediately after completion of the 601 open pit.

Geotechnical information was received at the end of Q4 last year and has been incorporated into further mining studies. Geotechnical drilling has been planned and will be undertaken in Q3.

Mine Contractor rates have been received and are being incorporated into the mining studies.

North Sammy – Stage 3

A hydrogeology drilling programme has been planned and will be undertaken in Q3.

Geotechnical information was received at the end of Q4 last year and has been incorporated into further mining studies.

Mine Contractor rates have been received and are being incorporated into the mining studies.

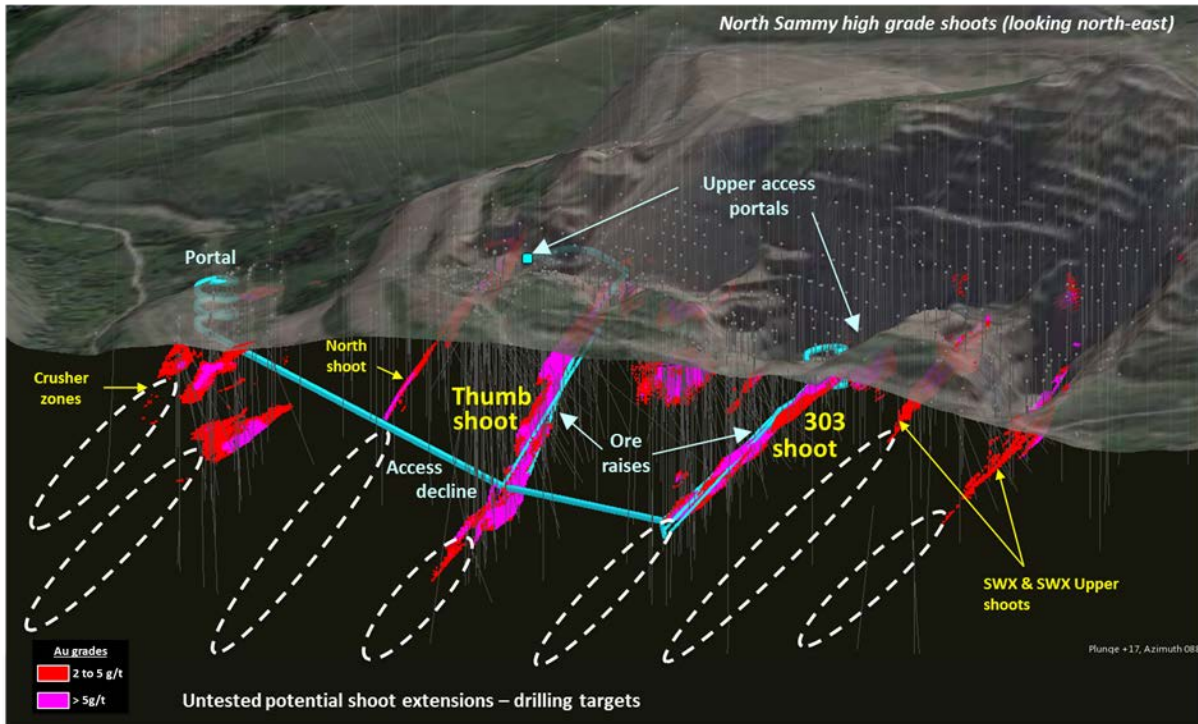


Figure 3: Oblique view of proposed North Sammy underground design

Exploration

A Plan of Operations for an exploration programme has been lodged with the regulator.

An exploration drilling programme has been planned and will be undertaken in Q3/Q4 this year. The programme has been designed to test extensions of Beadles Creek deposit and other brownfields targets associated with the North and South Sammy zones.

Quotes have been requested from drilling contractors.

Resource

More than 1,200 bulk density measurements have been completed on samples within all the different ore zones at Big Springs. Analysis of this data is in progress with the aim to revise the Resource in Q2.

CORPORATE

On 24 March the Company announced a placement to raise up to \$2 million by the issue of up to 50 million shares at 4 cents per share. The first tranche of shares in the placement were issued on 28 March, the balance were subject to shareholder approval. Approval was received at a General Meeting held on 28 April.

Proceeds of the placement will be used to further the development of the Big Springs Project towards development.

On 28 March the Company conducted a buyback of 2,954,000 employee share scheme shares for nil cash consideration.

As at 31 March, the Company's cash balance was \$1.35 million.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Lauritz Barnes, Principal Consultant Geologist – Trepanier Pty Ltd. Mr Barnes is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Lauritz Barnes, Principal Consultant Geologist – Trepanier Pty Ltd. Mr Barnes is a shareholder of Anova Metals. Mr Barnes is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

TENEMENT SCHEDULE

All claims are 100% held.

Project Name	Prospect	Location	Mining Claim Name
Big Springs	Big Springs	USA	NDEEP-31, NDEEP-32
Big Springs	Big Springs	USA	TT-108 to TT-157, TT-163, TT-164, TT-185, TT-187, TT-189 to TT-204, TT-220 to TT-267, TT-327 to TT-344
Big Springs	Dorsey Creek	USA	NDEEP-18, NDEEP-19, NDEEP-35, NDEEP-36, NDEEP-52, NDEEP-53
Big Springs	Dorsey Creek	USA	TT-158 to TT-162, TT-169 to TT-184, TT-186, TT-188, TT-275 to TT-277, TT-290, TT-291, TT-297 to TT-301, TT-305 to TT-311
Big Springs	Golden Dome	USA	DOMES-1 to DOMES-51
Big Springs	Golden Dome	USA	GD-52 to GD-61, GD-63, GD-67 to GD-76, GD-79 to GD-90, GD-92 to GD-136, GD-139 to GD-154, GD-157, GD-164 to GD-173, GD-176, GD-181, GD-182, GD-185, GD-186, GD-189, GD-190, GD-193, GD-194, GD-197 to GD-199, GD-201, GD-203, GD-205, GD-207, GD-209, GD-211, GD-213, GD-215, GD-217, GD-219, GD-221, GD-223, GD-225, GD-265 to GD-286, GD-297 to GD-318, GD-381 to GD-428
Big Springs	Golden Dome	USA	MP-14, MP-16, MP-18, MP-41, MP-43, MP-45, MP-47, MP-49 to MP-54
Big Springs	Golden Dome	USA	NDEEP-1 to NDEEP-16, NDEEP-44 to NDEEP-90
Big Springs	Jack Creek	USA	JAK-14, JAK-16, JAK-18, JAK-20 to JAK-38, JAK-99 to JAK-116, JAK-170, JAK-172, JAK-174, JAK-176, JAK-178 to JAK-186
Big Springs	Mac Ridge	USA	BS-500 to BS-550, BS-557 to BS-579
Big Springs	Mac Ridge	USA	MR-500 to MR-524, MR-526, MR-528, MR-530 to MR-537
Big Springs	Mac Ridge	USA	NDEEP-33, NDEEP-34
Big Springs	Mac Ridge	USA	TT-205 to TT-219

Private lands, which include all minerals, subject to a 2% NSR royalty to Ellison Minerals, Inc. Per below:

Township 42 North, Range 54 East (148.552 Hectares):

Section 7 - Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$); SE $\frac{1}{4}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 8 - N $\frac{1}{2}$ SW $\frac{1}{4}$

Section 31 - Lot 2 (SW $\frac{1}{4}$ NW $\frac{1}{4}$); Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$); NE $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Appendix 5B
Mining exploration entity quarterly report

Name of entity

Anova Metals Limited

ABN

20 147 678 779

Quarter ended ("current quarter")

31 MAR 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$'000	Year to date (9 months) \$'000
1.1 Receipts from product sales and related debtors	-	-
1.2		
and evaluation	(507)	(1,271)
(b) development	-	-
(c) production	-	-
(d) administration	(273)	(1,179)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	37
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(773)	(2,413)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	(1)
1.13 Total operating and investing cash flows (carried forward)	(773)	(2,415)

1.13	Total operating and investing cash flows (carried forward)	(765)	(1,641)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	834	834
1.15	Cost of the Issue	(46)	(46)
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	788	788
	Net increase (decrease) in cash held	15	(1,626)
1.20	Cash at beginning of quarter/year to date	1,340	2,984
1.21	Exchange rate adjustments to item 1.20	(2)	(5)
1.22	Cash at end of quarter	1,353	1,353

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$'000
1.23	Aggregate amount of payments to the parties included in item 1.2	120
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$72k – director remuneration payments.

\$48k – payments for administrative staff, technical staff and provision of a fully serviced office

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

		Amount available \$'000	Amount used \$'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$'000
4.1 Exploration and evaluation	525
4.2 Development	-
4.3 Production	-
4.4 Administration	267
Total	792

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$'000	Previous quarter \$'000
5.1 Cash on hand and at bank	1,353	340
5.2 Deposits at call	-	1,000
5.3 Bank overdraft	-	-
Total: Cash at end of quarter (item 1.22)	1,353	1,340

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺securities	-	-	-	-
7.2 Changes during quarter	-	-	-	-
7.3 ⁺Ordinary securities	186,309,269	186,309,269	Fully Paid	Fully Paid
7.4 Changes during quarter				
(a) Increases through issue of new shares	20,850,000	20,850,000	4.0 cents	Fully Paid
(b) Decreases through buy-backs	(2,954,000)	(2,954,000)	7.4 cents	Fully Paid
7.5 ⁺Convertible debt securities	-	-	-	-
7.6 Changes during quarter				
(a) Increases	-	-	-	-
(b) Decreases	-	-	-	-
7.7 Options/Rights			Exercise Price	Expiry Date
Unquoted options	3,000,000	-	25 cents	11/05/2014
	3,000,000	-	25 cents	30/06/2014
	2,500,000	-	30 cents	30/06/2014
	750,000	-	30 cents	08/06/2016
	1,000,000	-	30 cents	31/12/2014
	2,000,000	-	10.4 cents	31/12/2016
	4,000,000	-	12.1 cents	31/12/2016
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Performance Shares	28,000,000	-	-	-
7.12 Changes during quarter				
(a) Increases	-	-	-	-
(b) Decreases	-	-	-	-
7.13 Debentures (totals only)	-	-		
7.14 Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Mr Steven Jackson
Company Secretary
Date: 30 April 2014

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.