



ABN 20 147 678 779

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on Friday, 28 November 2014
at 10:00am (Western Standard Time)
at Suite 1, 245 Churchill Ave, Subiaco, 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 ANNUAL GENERAL MEETING AND HOW TO VOTE

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

**Suite 1
245 Churchill Ave
Subiaco 6008
Western Australia**

**Commencing
at 10:00am (Western Standard Time)
on Friday, 28 November 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 Annual General Meeting as soon as possible and either:

- return the proxy form (by delivery) to the Company's office at Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008; or
- return the proxy form (by post) to the Company's office at PO Box 162, Subiaco, Western Australia, 6904; 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 Wednesday, 26 November 2014.

Your proxy form is enclosed.

ANOVA METALS LIMITED
ABN 20 147 678 779

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Anova Metals Limited ("Anova Metals" or the "Company") will be held at Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008 on Friday, 28 November 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

Accounts and Reports

To receive and consider the financial reports of the Company for the financial year ended 30 June 2014 and the reports of the Directors and Auditors thereon.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

"That the Remuneration Report in the 2014 Annual Report of the Company be adopted."

Short explanation: The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company. If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

Voting exclusion: The Company will disregard any votes cast on this Resolution (in any capacity) by or on behalf of either of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report;
- (b) a closely related party of such a member.

However, the voter may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair of the Meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the entity.

Resolution 2 – Re-Election of Director – Gregory Fry

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

"That Mr Gregory Fry, who retires by rotation in accordance with clause 11.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

Short Explanation: Mr Gregory Fry has been a Director of the Company since 7 February 2013. Mr Gregory Fry is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

Resolution 3 – Ratification of Options to Consultant

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 1,500,000 Options to Clariden Capital Ltd on the terms 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 allottee, 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.

Voting exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 4 – Ratification of Tranche 1 Placement Shares to Unrelated Parties

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 32,802,640 Shares on the terms 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.

Voting exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 5 – Approval for Tranche 2 Placement Shares and Placement Options to Unrelated Parties

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 issue up to 4,447,360 Shares and up to 18,625,000 Options on the terms 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.

Voting exclusion: 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.

Resolution 6 – Approval for Tranche 2 Placement Shares and Placement Options to Alasdair Cooke entity

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 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Shares and up to 2,500,000 Options to Alasdair Cooke or entities controlled by him on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation: Under ASX Listing Rule 10.11, the Company may not issue or agree to issue equity securities to a related party (including a Director) without shareholder approval. Please refer to the Explanatory Statement for details.

Voting exclusion: The Company will disregard any votes cast on this Resolution by a person who is to receive securities in relation to the Resolution 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.

Resolution 7 – Approval of Performance Rights Plan

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

"That for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes, the Company approves the issue of securities under the Anova Metals performance rights plan for a period of 3 years commencing on the date of this meeting on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation: The Company has adopted a Performance Rights Plan. By obtaining the approval of Shareholders, the issue of securities under the Plan will not count towards the Company's 15% issue capacity under ASX Listing Rule 7.1.

Voting exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company 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 Chair of 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.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 8 – Approval to issue Performance Rights to Malcolm James

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

"That, for the purposes of Chapter 2E of the Corporations Act and ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 500,000 performance rights under a performance rights plan to Malcolm James or his nominee on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation: The ASX Listing Rules requires the Company to seek shareholder approval before a director may acquire securities under an employee incentive scheme. Under the related party provisions of the Corporations Act (Chapter 2E) the provision of any financial benefit (which includes the issue of performance rights) to a related party requires shareholder approval unless excepted in terms of the Corporations Act.

Voting exclusion: The Company will disregard any votes cast on this resolution by any Director and any of his associates. 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 a person chairing that 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.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this resolution.


However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

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, including Resolutions 1, 7 and 8. In relation to Resolutions 1, 7 and 8 the proxy form expressly authorises the Chair of the Meeting to exercise the proxy even though the resolutions are connected directly or indirectly with the remuneration of a member of the key management personnel. Any undirected proxies held by any Director, any other of the Company's key management personnel or any of their closely related parties (who are not the Chair of the Meeting) will not be voted on Resolutions 1, 7 and 8. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of Anova Metals, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2014. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependants and companies they control.
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 Wednesday, 26 November 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.

BY ORDER OF THE BOARD



Steven Jackson
Company Secretary
Dated: 22 October 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. Financial Statements and Reports

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at <http://www.anovametals.com.au>.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 30 June 2014;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and preparation and content of the auditor's report.

2. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2014.

The Resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of these AGMs on a resolution (a "spill resolution") that another meeting will be held within 90 days at which all of the Company's Directors must go up for re-election. At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the spill resolution is not relevant for this Meeting.

The Chair will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this item of business.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chair) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

The Chair intends to vote all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the proxy form you are giving express authorisation for the Chair to vote the proxy in accordance with the Chair's intention. Key management personnel of Anova Metals are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies Anova Metals' key management personnel for the financial year to 30 June 2014. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependants and companies they control.

3. Resolution 2 – Re-election of Director – Gregory Fry

Mr Gregory Fry was appointed a Director of the Company on 7 February 2013.

Pursuant to clause 11.3 of the Company's Constitution, Mr Fry, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as Director of the Company.

A summary of Mr Fry's qualifications and experience is provided in the Company's Annual Report.

4. Resolution 3 – Ratification of Options to Consultant

Background

On 4 February 2014, the Company issued 1,500,000 Options to Clariden Capital Ltd, a consultant, using the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1. Resolution 3 seeks to ratify this placement of Options.

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 1,500,000 Options 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 issued was 1,500,000 Options.
- (b) The Options were issued for nil cash consideration as payment for professional corporate advisory services.
- (c) The Options have an exercise price of 5 cents and an expiry date of 31 January 2015 and were issued on the terms set out in Annexure A.
- (d) The Options were issued to Clariden Capital Ltd, which is not a related party of the Company.
- (e) No funds were raised from the issue.

5. Background to placement in 2 tranches (Resolutions 4, 5 and 6)

In accordance with the Company's ASX announcement of 21 October 2014, the Company intends to place 42,250,000 Shares at 4 cents per Share in 2 tranches to raise \$1,690,000 before costs. The Company intends to issue 1 free Option to subscribers for every 2 Shares subscribed for. The Options will have an exercise price of 5 cents and an expiry date of 30 November 2016. The terms of the Options are set out in Annexure B.

32,802,640 Shares by a tranche 1 placement have already been issued to unrelated party investors utilising all the Company's current 15% placing capacity (and for which ratification is sought under Resolution 4). 9,447,360 Shares and 21,125,000 Options (representing all the Options the subject of the placement) are the subject of the tranche 2 placement represented by 4,447,360 Shares and 18,625,000 Options to be issued to unrelated parties (and for which approval is sought under Resolution 5) and 5,000,000 Shares and 2,500,000 Options to be issued to a related party being an entity controlled by Alasdair Cooke, a Director (and for which approval is sought under Resolution 6).

6. Resolution 4 – Ratification of Tranche 1 Placement Shares to unrelated parties

Information about Listing Rules 7.1 and 7.4 are set out in Section 4 above.

The Company issued 32,802,640 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 issued was 32,802,640 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 Shares were issued to investors entitled to accept offers of securities under section 708 of the Corporations Act being institutional and sophisticated investors. None of the subscribers are related parties of the Company.
- (e) The Company will utilise the funds to advance the Big Springs Project and for general working capital.

7. Resolution 5 – Approval for Tranche 2 Placement Shares and Placement Options to Unrelated Parties

ASX Listing Rule 7.1

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 securities (being the tranche 2 placement Shares and the placement Options) to unrelated parties who are 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 5:

- (a) The maximum number of securities to be issued by the Company is 4,447,360 Shares (representing the tranche 2 placement Shares to unrelated parties) and 18,625,000 Options (representing the placement Options to unrelated parties on the basis of 1 free Option for every 2 Shares subscribed for in the placement being both tranche 1 and tranche 2 Shares).
- (b) The Shares will be issued at an issue price of 4 cents each and the Options will be issued for nil cash consideration.
- (c) The Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued Shares. The Options have an exercise price of 5 cents and an expiry date of 30 November 2016 and will be issued on the terms set out in Annexure B.
- (d) It is intended that the Shares and Options 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 Shares and Options will be issued to investors entitled to accept offers of securities under section 708 of the Corporations Act being institutional and sophisticated investors. None of the subscribers will be a related party of the Company.
- (f) The Company will utilise the funds raised from the issue of the Shares to advance the Big Springs Project and for general working capital. No funds will be raised from the issue of the Options.

8. Resolution 6 – Approval for Tranche 2 Placement Shares and Placement Options to Alasdair Cooke entity

Background

Resolution 6 seeks Shareholder approval so that the Company may issue up to 5,000,000 Shares and up to 2,500,000 Options to a related party as part of a second tranche of a placement. The subscriber for the securities will be Alasdair Cooke or entities controlled by him. Alasdair Cooke is a Director of the Company.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a company to obtain shareholder approval prior to the issue of securities to a related party. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Listing Rule 10.13 sets out the matters which must be included in the notice of meeting convened to seek shareholder approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided to Shareholders in relation to Resolution 6:

- (a) The Shares and Options will be issued to Alasdair Cooke, a Director or entities controlled by Alasdair Cooke.
- (b) The maximum number of securities the Company will issue is 5,000,000 Shares and 2,500,000 Options.
- (c) The Shares and Options will be issued no later than 1 month after the date of this Meeting (or a later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) Alasdair Cooke and any entities controlled by him are related parties as Alasdair Cooke is a Director.
- (e) The Shares will be issued at an issue price of 4 cents each and the Shares will be fully paid ordinary Shares in the Company and rank equally with the Company's current issued Shares. The Options will have an exercise price of 5 cents and an expiry date of 30 November 2016 and will be issued on the terms set out in Annexure B.
- (f) The Company intends to use the funds raised from the issue of the Shares to advance the Big Springs Project and for general working capital. No funds will be raised from the issue of the Options.

The Directors of the Company other than Alasdair Cooke have resolved that the issue of securities the subject of this Resolution to Alasdair Cooke or entities controlled by Alasdair Cooke is on reasonable arms length terms for the Company as Alasdair Cooke or entities controlled by Alasdair Cooke will be issued with securities on the same terms as unrelated parties and otherwise on commercial terms. By reason of this, no separate related party approval under the Corporations Act is sought.

9. Resolution 7 – Approval of Performance Rights Plan

Background

In August 2014 the Board adopted the Performance Rights Plan ("Plan") to enable the Company to issue Performance Rights to employees and Directors (as well as contractors and consultants) ("eligible parties").

The Plan was developed by the Board to provide an opportunity to eligible parties to participate in the Company's future growth and provide an incentive to contribute to that growth. The Plan is further designed to assist in retaining the services of eligible parties.

Performance Rights were chosen as they allow the Company to incentivise eligible parties without creating onerous up-front taxation obligations on them for a security (Share) they may not receive.

A summary of the Plan is set out in Annexure C.

Regulatory Requirements

Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the 15% limit imposed by ASX Listing Rule 7.1 on the number of securities that may be issued without shareholder approval. ASX Listing Rule 7.2 exception 9(b) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by shareholders and the issue of securities is within 3 years from the date of shareholder approval of the issue of securities under the employee incentive scheme.

The Plan is an employee incentive scheme under the ASX Listing Rules.

If an offer is made to a Director to participate in the Plan then separate Shareholder approval will need to be obtained.

Recommendation

The Board recommends that Shareholders approve the Plan. It will allow the Company to issue securities for the benefit of participants of the Plan whilst preserving the Company's 15% limit of issuing securities and provide flexibility in the manner in which the Plan is managed.

10. Resolutions 8 – Issue of Performance Rights to Malcolm James

Background

Resolution 8 seeks Shareholder approval for the issue of a total of up to 500,000 Performance Rights to Mr Malcolm James.

The Performance Rights will be issued pursuant to the Performance Rights Plan, which is the subject of Resolution 7. The background to the Plan and the Performance Rights is set out in section 9 above.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a company must not permit a Director to acquire securities under an employee incentive scheme without the approval of shareholders. The Company therefore seeks approval to issue the Performance Rights to the Directors under the Plan.

For the purposes of ASX Listing Rules 10.15, the following information is provided to Shareholders:

- (a) The Performance Rights will be granted to Mr James, or his nominee.
- (b) The maximum number of Performance Rights that may be issued to Mr James is 500,000. The terms of the Performance Rights are set out in Annexure D.
- (c) No monetary consideration is payable for the issue of the Performance Rights and any resultant Shares.
- (d) No Performance Rights or other securities have been issued under the Plan.
- (e) All Directors are entitled to participate in the Plan.
- (f) No loans will be provided to the Directors in relation to the Plan.
- (g) The Performance Rights will be issued no later than 12 months after the date of the Meeting.

Chapter 2E of the Corporations Act - Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, the Directors are related parties of the Company.

The issue of Performance Rights to a related party is a financial benefit requiring shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

- (a) **The Party to Whom the Proposed Resolution Would Permit the Financial Benefit to be Given**
The party is Mr Malcolm James or his nominee.
- (b) **The Nature of the Financial Benefit**
The proposed financial benefit to be given is the issue of up to 500,000 Performance Rights to Mr James (or his nominee).

The terms of the Performance Rights proposed to be given are set out in Annexure D.

The Performance Rights will be issued within 12 months of the Meeting.
- (c) **Directors' Recommendation and Basis for the Financial Benefit**
The Board currently consists of Mr Malcolm James (Non-Executive Chairman), Mr Alasdair Cooke (Non-Executive Director) and, Mr Gregory Fry (Executive Director).

By Resolution 8, Performance Rights are proposed to be issued to Mr James. The number of Performance Rights to be issued to Mr James and the terms of the Performance Rights were negotiated by the Directors independent of Mr James.

The purpose of the Performance Rights is to give Mr James incentive to provide dedicated ongoing commitment and effort to the Company and further align his interests with that of the Company and its Shareholders.

The independent Directors consider the particular number and terms of the Performance Rights to be issued to Mr James constitute an appropriate number to adequately incentivise Mr James in light of this skill, experience and reputation and when considered together with his other remuneration as a Director (as detailed below). The independent Directors thereby recommend that Shareholders vote in favour of the Resolutions.

Mr James abstains from making a recommendation to Shareholders as to Resolution 8 as he has a material personal interest in the outcome of Resolution 8 being the recipient of the Performance Rights.

(d) **Dilution**

The passing of Resolutions 8 will have the effect of issuing Mr James (or his nominee) up to 500,000 Performance Rights on the terms set out in Annexure D.

If any Performance Rights issued as proposed above are vested, the effect would be to dilute the shareholding of existing Shareholders.

If all of the 500,000 Performance Rights that may be issued under Resolution 8 are vested, the effect would be to dilute the shareholding of existing Shareholders by approximately 0.23% based on the current number of Shares of 220,184,269 (undiluted).

(e) **Total Remuneration Package of Mr James**

The total remuneration received package paid to Mr James is \$60,000 per annum inclusive of superannuation.

(f) **Existing Relevant Interest**

As at the date of this Notice, Mr James has no relevant interest in securities of the Company.

(g) **Trading History**

The following table gives details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months.

	Date	Price
Highest Price	13 March 2014	\$0.050
Lowest Price	7 January 2014	\$0.019
Latest Price	21 October 2014	\$0.041

(h) **Valuation of Performance Rights**

The performance hurdles the subject of the Performance Rights are simply the continued service of the Director until 30 June 2015 and 30 June 2016 respectively (see Annexure B). By reason of this, no discount has been allowed to account for the possibility that the Performance Rights will not vest.

The value of the Performance Rights is therefore seen to equate to the value of Shares.

The Company is an ASX-listed resource company. Although there are various methodologies for valuing shares, the Company considers the most appropriate indicator of the market value of the Shares is the trading price of the Shares on the ASX (quoted market price basis).

Using the quoted market price basis, the most recent closing price of the Shares on the ASX before the date of issue of this Notice was 4.1 cents per Share. The highest and lowest price of Shares on the ASX over the last 12 months is set out in the table above.

The value of the Performance Rights (being the financial benefit to be received) is therefore assumed to be 4.1 cents per Performance Right, being the current value of a Share.

The total value of the Performance Rights to be issued to Mr James is therefore \$20,500 based on the above assumptions.

GLOSSARY

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

"**Annual General Meeting**" means this Meeting.

"**ASX**" means the ASX Limited.

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

"**Big Springs Project**" means the Big Springs Project comprising a number of mining claims and associated assets located in Nevada, USA.

"**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**" means 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.

"**Option**" means an option to subscribe for a Share.

"**Performance Right**" means a right to acquire a Share.

"**Performance Rights Plan**" or "**Plan**" means the Anova Metals Performance Rights Plan summarised in Annexure C.

"**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.

"**\$**" means Australian dollars unless otherwise stated.

ANNEXURE A
TERMS OF OPTIONS ISSUED TO CONSULTANT (Resolution 3)

1. The Options were issued for no cash consideration.
2. Each Option entitles the holder to one Share in the Company.
3. The exercise price of the Options is AUD 5 cents per Option.
4. The expiry date of the Options is 31 January 2015.
5. The Options will vest once the Share price of the Company has traded at a volume weighted average price of 6 cents for five consecutive trading days.
6. Subject to vesting, the Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
7. The Options will not be quoted and, once vested, are freely transferable.
8. All Shares issued upon the exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company must apply within 7 business days or the time period specified by the ASX Listing Rules after the date of issue for all Shares issued pursuant to the exercise of Options to be admitted to quotation.
9. There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital to Shareholders during the currency of the Options. However, the Company will ensure, for the purposes of determining entitlements to any issue, that Option holders will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
10. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

ANNEXURE B
TERMS OF PLACEMENT OPTIONS (Resolutions 5 and 6)

1. The Options will be issued for no cash consideration.
2. Each Option entitles the holder to one Share in the Company.
3. The exercise price of the Options is AUD 5 cents per Option.
4. The expiry date of the Options is 30 November 2016.
5. The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
6. The Options will not be quoted and are freely transferable.
7. The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
8. All Shares issued upon the exercise of the Options will rank *pari passu* in all respects with the Company's then issued Shares. The Company must apply within 7 business days or the time period specified by the ASX Listing Rules after the date of issue for all Shares issued pursuant to the exercise of Options to be admitted to quotation.
9. There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital to Shareholders during the currency of the Options. However, the Company will ensure, for the purposes of determining entitlements to any issue, that Option holders will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
10. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

ANNEXURE C
SUMMARY OF THE TERMS OF THE PERFORMANCE RIGHTS PLAN (Resolution 7)

1. Purpose	The purpose of the Plan is to provide an incentive for eligible employees, consultants and contractors to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development.
2. Eligible Employee	An Eligible employee is a full or part-time employee or Director of the Company or a related body corporate (" Eligible Employees ").
3. Offers	Subject to the rules of the Plan, the Board may invite Eligible Employees, consultants and contractors to apply for Performance Rights. The number of Performance Rights to be offered will be determined by the Board in its discretion. The Performance Rights must be granted free of charge.
4. Nature of Performance Rights	<p>(a) The Performance Rights are non-transferable, except with the prior written approval of the Board.</p> <p>(b) The rights under the Performance Rights are personal and contractual. A Performance Right does not confer any legal or interest in a Share nor any entitlement to attend or vote at meetings of the Company, to dividends, participation in new issues of securities or entitlement to participate in any return of capital.</p> <p>(c) Unless otherwise determined by the Board, Performance Rights vest at the end of the specified performance period provided that:</p> <p style="margin-left: 20px;">(i) the specified performance hurdles have been satisfied; and</p> <p style="margin-left: 20px;">(ii) the issue of Shares on vesting of Performance Rights does not contravene the Corporations Act, the Listing Rules or any Company policy applicable to dealing in Shares by the holder.</p> <p>(d) Despite paragraph (c), Performance Rights will vest if there is a "<i>Change of Control Event</i>" or, in the Board's discretion, in the event of the death or permanent disablement of the holder. "<i>Change of Control Event</i>" means a person or a group of associated persons becoming entitled to sufficient Shares to give that person or persons the ability to, in general meeting, to replace all or a majority of the Board.</p> <p>(e) Upon vesting, one (1) Share will be issued for every one (1) Performance Right. The Shares will rank equally in all respects with the existing Shares. The Company must apply for official quotation by ASX of all Shares allotted pursuant to the vesting of Performance Rights.</p> <p>(f) If, in the reasonable opinion of the Board, a holder of a Performance Right acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to the Company or related body corporate, then the Board may deem unvested Performance Rights to lapse.</p> <p>(g) The Performance Rights lapse upon the Eligible Employee ceasing to be employed or on the failure to satisfy any performance hurdles within the required time following the issue of the Performance Rights.</p> <p>(h) If the Company makes a bonus issue of Shares, then the holder of the Performance Right upon vesting will be entitled to have issued to it the increased number of Shares that it would have received if the Performance Right had vested and the holder acquired Shares in respect of the Performance Right before the record date for the bonus issue.</p> <p>(i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the vesting date, the number of Performance Rights will be reconstructed in a manner consistent with the Listing Rules.</p> <p>(j) A Performance Right must not be granted and will not vest, and the Shares must not be issued on vesting of the Performance Right if to do so would breach any law, the Corporations Act or the Listing Rules.</p>
5. Performance Hurdles	<p>The Board will determine performance hurdles that will apply to each Performance Right. A Performance Right will only vest when the performance hurdles specified at the time of issue have been satisfied, unless otherwise determined by the Board. Subject to not breaching regulatory requirements, the Company must issue one Share for every one Performance Right vesting.</p> <p>Any unvested Performance Rights will lapse upon the Eligible Employee ceasing to be employed where Performance Rights are issued to an Eligible Employee or on the failure to satisfy any performance hurdles within a required time.</p>

6. Amendments	The Board may make such amendments to the Plan as it sees fit subject to the Listing Rules and subject to any amendment not reducing the rights of an Eligible Participant for issued Performance Rights other than in limited circumstances relating to legislative compliance, manifest error and adverse tax implications.
7. Limitation on number of Performance Rights	Performance Rights when aggregated with the number of Shares issued during the 5 years under any employee share plan of the Company must not exceed 5% of the total number of Shares on issue at the time of the relevant invitation. Various excluded offers may be disregarded so as to not count for the 5% limit.
8. Operation	The operation of the Plan is subject to the laws of Australia, the Listing Rules and the Corporations Act.

ANNEXURE D
TERMS OF PERFORMANCE RIGHTS (Resolutions 8)

The material terms of the Performance Rights to be issued the subject of Resolution 8:

1. The Performance Rights are non-transferable, except with the prior written approval of the Board.
2. The rights under Performance Rights are personal and contractual. A Performance Right does not confer any legal or interest in a Share nor any entitlement to attend or vote at meetings of the Company, to dividends, participation in new issues of securities or entitlement to participate in any return of capital.
3. The performance hurdles and the performance periods that apply to relevant Performance Rights are as follows:

<u>Directors Name</u>	<u>A</u>	<u>B</u>	<u>Total</u>
Malcolm James	250,000	250,000	500,000

Performance Hurdles

- A Continual service until 30 June 2015
 - B Continual service until 30 June 2016
4. Unless otherwise determined by the Board, Performance Rights vest at the end of the specified performance period provided that:
 - (a) the specified performance hurdles have been satisfied; and
 - (b) the issue of Shares on vesting of Performance Rights does not contravene the Corporations Act, the Listing Rules or any Company policy applicable to dealing in Shares by the holder.
 5. Despite paragraph 4, Performance Rights will vest if there is a "Change of Control Event" or, in the Board's discretion, in the event of the death or permanent disablement of the holder. "Change of Control Event" means a person or a group of associated persons becoming entitled to sufficient Shares to give that person or persons the ability to, in general meeting, to replace all or a majority of the Board.
 6. Upon vesting, one (1) Share will be issued for every one (1) Performance Right. The Shares will rank equally in all respects with the existing Shares. The Company must apply for official quotation by ASX of all Shares allotted pursuant to the vesting of Performance Rights.
 7. If, in the reasonable opinion of the Board, a holder of a Performance Right acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to the Company or related body corporate, then, the Board may deem unvested Performance Rights to lapse.
 8. The Performance Rights lapse upon the participant's failure to satisfy any performance hurdles within the required time following the issue of the Performance Rights.
 9. If the Company makes a bonus issue of Shares, then the holder of the Performance Right upon vesting will be entitled to have issued to it the increased number of Shares that it would have received if the Performance Right had vested and the holder acquired Shares in respect of the Performance Right before the record date for the bonus issue.
 10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the vesting date, the number of Performance Rights will be reconstructed in a manner consistent with the Listing Rules.
 11. A Performance Right must not be granted and will not vest, and the Shares must not be issued on vesting of the Performance Right if to do so would breach any law, the Corporations Act or the Listing Rules.

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 Annual 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 Annual General Meeting to be held at Level 1, 8 Colin Street, Subiaco Western Australia on Friday, 28 November 2014 at 10:00am (WST) and at any adjournment thereof.

Important for Resolutions 1, 7 and 8

If you appoint a member of the Company's key management personnel (other than the Chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolutions 1, 7 and 8, your proxy will **NOT** cast your vote on the resolution and your votes will not be counted.

If you appoint the Chair of the Meeting as your proxy (or the Chair of the Meeting becomes your proxy by default), and you do not direct your proxy how to vote in respect of Resolutions 1, 7 and 8 your vote will be cast in favour of these Resolutions, and you hereby expressly authorise the Chair of the Meeting to exercise your proxy even though these Resolutions are connected directly or indirectly with the remuneration of the members of the Company's key management personnel. **The Chair intends to vote any undirected proxies in favour of all Resolutions.**

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Gregory Fry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Options to Consultant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Tranche 1 Placement Shares to Unrelated Parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for Tranche 2 Placement Shares and Placement Options to Unrelated Parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Tranche 2 Placement Shares and Placement Options to Alasdair Cooke entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to issue Performance Rights to Malcolm James	<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 162, Subiaco, Western Australia 6904 or by fax to +61 8 6465 5599 by 10:00am (Western Standard Time) on Wednesday, 26 November 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: Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008

PO Box: PO Box 162, Subiaco, Western Australia, 6904

Fax Number: +61 8 6465 5599