

**ANOVA METALS LIMITED  
ACN 147 678 779**

**PROSPECTUS**

**For the Offer of 9,447,360 Shares at an issue price of 4 cents each to raise up to \$377,894 and the issue of 21,125,000 free Options with an exercise price of 5 cents and an expiry date of 30 November 2016**

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus contains important information about the Offer. The Shares and Options offered under this Prospectus should be considered highly speculative.

## **IMPORTANT NOTICE**

This Prospectus is dated 28 November 2014 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the Shares the subject of this Prospectus.

The Company is an ASX listed company whose securities are granted official quotation by ASX.

In preparing this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers who investors may consult.

No person is authorised to give any information or to make any representations in connection with this Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company or its Directors.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. If an applicant is resident in a country other than Australia it should consult its professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. An investment in the Securities the subject of this Prospectus should be considered highly speculative.

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

## **CORPORATE DIRECTORY**

### **DIRECTORS**

Mr Malcolm James (Non-Executive Chairman)  
Mr Bill Fry (Executive Director)  
Mr Alasdair Cooke (Non-Executive Director)

### **SOLICITORS TO THE OFFER**

Fairweather Corporate Lawyers  
595 Stirling Highway  
Cottesloe, Western Australia, 6011

### **COMPANY SECRETARY**

Mr Steven Jackson

### **\*SHARE REGISTRY**

Link Market Services Limited  
Level 4  
Central Park  
152 St George's Terrace  
Perth, Western Australia, 6000

### **BUSINESS OFFICE**

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245 Churchill Avenue  
Subiaco, Western Australia, 6008

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- \* Link Market Services Limited has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only

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## 1. INVESTMENT OVERVIEW

Question	Response	Where to find more information
What is the Offer?	The Company is offering to issue 9,447,360 Shares to the Placement Investors for 4 cents each to raise up to \$377,894 and the Company will issue 21,125,000 free Options to the Placement Investors with an exercise price of 5 cents and an expiry date of 30 November 2016.	Sections 2.1 and 4.1
What is the purpose of the Offer?	<p>The purpose of the Offer is to complete the Second Tranche Placement to the Placement Investors and MRG (a company controlled by Alasdair Cooke, a Director of the Company).</p> <p>The Company announced a two tranche capital raising on 21 October 2014. By the First Tranche Placement 32,802,640 Shares were issued to the Placement Investors on 28 October 2014 to raise \$1,312,106. The Placement Investors and MRG have committed to subscribe for a second tranche of Shares under this Prospectus totalling 9,447,360 Shares.</p> <p>The Placement Investors and MRG are to receive one free Option for every two Shares subscribed for under the Placement. The total number of Options to be issued is therefore 21,125,000 and these Options will be issued under this Prospectus as part of the second tranche capital raising.</p>	Section 2.1
Who should apply?	Only Placement Investors and MRG should apply for Securities under this Prospectus.	Sections 2.1 and 4.1
What are the terms of the Options to be issued under this Offer?	The Options have an exercise price of 5 cents and an expiry date of 30 November 2016. The full terms of the Options are set out in Section 5.2.	Section 5.2
How will the funds raised under the Offer be used?	<p>The funds raised by the Second Tranche Placement under this Prospectus together with the funds raised by the First Tranche Placement will be used to:</p> <ul style="list-style-type: none"> <li>• Fund drilling and permitting programs at the Big Springs Project.</li> <li>• Provide general working capital.</li> <li>• Pay the costs of the Offer.</li> </ul>	Section 2.2
What is the effect of the Offer on capital structure and cash reserves?	<p>The effect of the Offer on capital structure and cash reserves is to:</p> <ul style="list-style-type: none"> <li>• Increase the number of Shares and Options on issue.</li> <li>• Increase the cash reserves of the Company by approximately \$377,894 before the costs of the Offer.</li> </ul>	Section 2.3

Question	Response	Where to find more information
What are the risks associated with an investment in the Company?	<p>Some of the key risks associated with an investment in the Company are set out below. The Applicants for the Securities should consider these risks and the risks set out in Section 3 when considering whether to apply for the Securities being offered. Some of the key specific risks are:</p> <ul style="list-style-type: none"> <li>• Operating and development risks – in the event of the mining upon the Big Springs Project, the Company's ability to achieve scheduled production, development, operating costs and capital expenditure cannot be assured. The business of gold mining involves many risks and may be impacted by factors including ore tonnes, grade and metallurgical recovery, input prices (some of which are unpredictable and outside the control of the Company), labour force disruptions, cost overruns, changes in regulatory environment and unforeseen contingencies.</li> <li>• Estimates of ore reserves and mineral resources – estimating ore reserves and mineral resources is a subjective process where the accuracy of estimates is a function of the quantity and quality of available data, the assumptions used and judgments made in interpreting information. As a result, estimates of ore reserves and mineral resources are inherently imprecise and may have to be recalculated based on matters such as changes in the gold price, production costs or recovery rates and exploration and development activity generally.</li> <li>• Future capital and additional funding – the Company will need to raise further capital (equity or debt) in the future. No assurance can be given that future funding will be available to the Company on favourable terms or at all which would prejudice the development of the Big Springs Project.</li> <li>• Gold price – adverse fluctuations in the gold price may detrimentally affect the Company developing the Big Springs Project.</li> <li>• Reliance on key personnel - The Company's success largely depends on the core competencies of its Directors and any management and their familiarisation with, and ability to operate in, the resource industry.</li> </ul>	Section 3
What are the key dates of the Offer?	Prospectus lodged with ASIC.	28 November 2014
	Opening Date	28 November 2014
	Closing Date	4 December 2014

Question	Response	Where to find more information
	Despatch of holding statements	5 December 2014
	Please note that these dates are subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules to amend the timetable at any time, and in particular, to extend the Closing Date.	

## 2. PURPOSE AND EFFECT OF THE OFFER

### 2.1 Purpose of Offer

The purpose of the Offer is to complete the Second Tranche Placement to the Placement Investors and MRG (a company controlled by Alasdair Cooke, a Director of the Company).

The Company announced a two tranche capital raising on 21 October 2014. By the First Tranche Placement 32,802,640 Shares were issued to the Placement Investors on 28 October 2014 to raise \$1,312,106. The Placement Investors and MRG have committed to subscribe for a second tranche of Shares under this Prospectus totalling 9,447,360 Shares.

The Placement Investors and MRG are to receive one free Option for every two Shares subscribed for under the Placement. The total number of Options to be issued is therefore 21,125,000 and these Options will be issued under this Prospectus as part of the second tranche capital raising.

Shareholders approved the issue of the Second Tranche Placement (being the Shares and the Options) at the annual general meeting of the Company on 28 November 2014.

### 2.2 Use of Funds

By the Offer the Company is raising \$377,894 before costs. The Company intends to use its current funds and the proceeds of the Offer as follows:

<b>Funds Available</b>	<b>Amount \$</b>
Cash on hand at the date of this Prospectus	1,915,386
Funds raised under the Offer	377,894
<b>Total funds available</b>	<b>2,293,280</b>

  

<b>Use of Funds</b>	<b>Amount \$</b>
Drilling and permitting programs at the Big Springs Project	1,540,987
General working capital <sup>1</sup>	743,118
Expenses of the Offer	9,175
<b>Total</b>	<b>2,293,280</b>

1 General working capital includes corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.

2 The table is a statement of our proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect our decisions and we reserve the right to vary the way the funds are applied.

### 2.3 Effect of the Offer on capital structure and cash reserves

The principal effects of the Offer on the capital structure and cash reserves of the Company will be to:

- (a) increase the number of Shares and Options on issue (see Section 2.4); and



- (b) increase the cash reserves of the Company by approximately \$377,894 before the costs of the Offer (see Section 2.5).

A proforma statement of financial position, which contains further information about the effect of the Offer on the Company, is provided in Section 2.5.

## 2.4 Capital Structure

The capital structure of the Company after the issue of the Second Tranche Placement Securities under this Prospectus will be as set out below.

	<b>Number</b>
<b>SHARES</b>	
Existing Shares	252,986,910
Shares issued under this Prospectus	9,447,360
<b>Total</b>	<b>262,434,270</b>
<b>OPTIONS</b>	
Existing Options <sup>1</sup>	8,500,000
Options issued under this Prospectus <sup>2</sup>	21,125,000
<b>Total</b>	<b>29,625,000</b>
<b>PERFORMANCE SHARES</b>	
Performance Shares <sup>3</sup>	15,000,000
<b>Total</b>	<b>15,000,000</b>

Notes:

- The existing Options are unquoted and are in classes as follows:
  - 1,000,000 Options with an exercise price of 30 cents and an expiry date of 31 December 2014;
  - 1,500,000 Options with an exercise price of 5 cents and an expiry date of 31 January 2015;
  - 2,000,000 Options with an exercise price of 10.4 cents and an expiry date of 31 December 2016; and
  - 4,000,000 Options with an exercise price of 12.1 cents and an expiry date of 31 December 2016.
- The Options to be issued under this Prospectus have an exercise price of 5 cents and an expiry date of 30 November 2016. The full terms of the Options are set out in Section 5.2.
- The performance shares are tranche 4 performance shares issued on 8 February 2013 and each performance share will convert into one Share if the Company delineates a JORC Code probable ore reserve of at least 75,000 ounces of gold within the area of the Big Springs Project by 7 February 2015.
- This table assumes that no Options are exercised before the Closing Date.

## 2.5 Effect on Financial Position

To illustrate the effect of the Offer on the Company, a pro forma statement of financial position has been prepared based on the unaudited statement of financial position as at 31 October 2014. The pro forma statement of financial position shows the effect of the Offer as if it had been made on 31 October 2014 based on the following assumptions:

- The issue of the Second Tranche Placement Securities being 9,447,360 Shares and 21,125,000 Options to raise gross funds of \$377,894 less estimated costs of \$9,175 raising a net sum of \$368,719.

	<b>Unaudited 31 October 2014 A\$</b>	<b>Proforma Unaudited 31 October 2014 A\$</b>
<b>Assets</b>		
<i>Current Assets</i>		
Cash and cash equivalents	1,915,386	2,284,105
Trade and other receivables	26,105	26,105
Other assets	16,003	16,003
<b>Total current assets</b>	<b>1,957,495</b>	<b>2,326,214</b>
<i>Non-current Assets</i>		
Plant and equipment	8,813	8,813
Exploration and evaluation expenditure	11,014,202	11,014,202
Security deposits	370,377	370,377
<b>Total non-current assets</b>	<b>11,393,391</b>	<b>11,393,391</b>
<b>Total assets</b>	<b>13,350,887</b>	<b>13,719,605</b>
<b>Liabilities</b>		
<i>Current Liabilities</i>		
Trade and other payables	420,022	420,022
<b>Total current liabilities</b>	<b>420,022</b>	<b>420,022</b>
<b>Total liabilities</b>	<b>420,022</b>	<b>420,022</b>
<b>Net assets</b>	<b>12,930,865</b>	<b>13,299,584</b>
<b>Equity</b>		
Issued capital	30,768,674	31,137,393
Reserves	2,327,862	2,327,862
Accumulated losses	(20,165,670)	(20,165,670)
<b>Total equity</b>	<b>12,930,865</b>	<b>13,299,584</b>

## 2.6 No Effect on Control

The issue of the Placement Securities will have no effect on control of the Company. The Placement Securities represent 16.1% of the issued share capital of the Company. The relevant interest of Alasdair Cooke (who controls MRG which is participating in the Second Tranche Placement) will increase from 7.90% pre-Placement to 8.53% post-Placement.

### **3. RISK FACTORS**

#### **3.1 Introduction**

Applicants for the Securities should be aware that an investment in the Company is highly speculative. The Company is a mineral exploration company focused on developing the Big Springs Project in Nevada, USA.

The Company is seeking to process the first gold ore from the Big Springs Project in 2015. The exploration and development activities of the Company are subject to various risks that may impact on the future performance of the Company. The following is a non-exhaustive list of the risks that may have a material effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration, development and any mining activities and an ability to fund those activities.

The specific risks below are some of the risks to the Company of a specific nature by reason of its involvement in the resources industry. The general investment risks below are some of the risks to the Company of a general economic nature.

#### **3.2 Specific risks**

##### **Operating and Development Risks**

In the event of the mining upon the Big Springs Project, the Company's ability to achieve scheduled production, development, operating costs and capital expenditure cannot be assured. The business of gold mining involves many risks and may be impacted by factors including ore tonnes, grade and metallurgical recovery, input prices (some of which are unpredictable and outside the control of the Company), labour force disruptions, cost overruns, changes in regulatory environment and unforeseen contingencies. The Company plans for both open pit and underground mining operations at the Big Springs Project.

##### **Estimates of Ore Reserves and Mineral Resources**

Estimating ore reserves and mineral resources is a subjective process where the accuracy of estimates is a function of the quantity and quality of available data, the assumptions used and judgments made in interpreting information. As a result, estimates of ore reserves and mineral resources are inherently imprecise and may have to be recalculated based on matters such as changes in the gold price, production costs or recovery rates and exploration and development activity generally. Any recalculation could adversely affect the Company's operations.

##### **Exploration**

The Company intends to conduct further exploration upon the Big Springs Project. Exploration is by its nature a high risk undertaking and there can be no assurance of the success of further exploration such as the discovery of a mineral resource or that existing mineral resources are expanded.

##### **Future capital needs and additional funding**

The Company's ability to raise capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the success of the exploration and development programs (including any mining), stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

### **Gold and Commodity Price Volatility**

It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold. Consequently, any future earnings are likely to be closely related to the price of gold.

Gold and metal prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for gold and metals, forward selling by producers and production cost levels in major mineral-producing regions.

Moreover, gold and metal prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, gold or the relevant metal as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

### **Reliance on key personnel**

The Company's success largely depends on the core competencies of its Directors and any management and their familiarisation with, and ability to operate in, the resource and development industries.

### **Contractor Risk**

The Company intends to engage mining contractors to undertake a number of the mining operation activities. The successful development of the Big Springs Project is reliant in part on an effective relationship with the contractors.

The Company has entered into a toll treatment agreement with Veris Gold Corp to process ore from the Big Springs Project. Gold bearing ore will be processed at the Jerritt Canyon mill and process facility approximately 42 kilometres from the Big Springs Project. The success of operations of the Company (in the event of commencement of mining) will be reliant in part upon an effective relationship with Veris Gold Corp.

### **Title**

The Big Springs Project consists of a number of mining claims in Nevada, USA. The mining claims are subject to Nevada legislative conditions that must be satisfied to maintain their good standing.

If good title to a mining claim is lost, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that mining claim.

### **Foreign exchange risk**

The Company will be exposed to the volatility and fluctuations of the exchange rate between the American dollar and the Australian dollar. Global currencies are affected by a number of factors that are beyond the control of the Company. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Company's operations.

## **Environmental**

The Company's operations on its projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. The Company will need to satisfy environmental guidelines and, where required, seek approvals from government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

### **3.3 General investment risks**

#### **Securities investments and share market conditions**

There are risks associated with any securities investment. The trading prices of securities trade fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

#### **Economic risk**

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

#### **Legislative**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies in Australia and the United States of America may adversely affect the financial performance of the Company.

## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

By this Prospectus the Company offers 9,447,360 Shares to the Placement Investors and MRG for subscription at 4 cents each to raise up to \$377,894. The Company further offers 21,125,000 free Options with an exercise price of 5 cents and an expiry date of 30 November 2016. The Options will be issued to the Placement Investors and MRG on the basis of one free Option for every two Shares subscribed for under the Placement.

The Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. The full terms of the Options are set out in Section 5.2.

The Offer is not underwritten. There is no sponsoring broker.

The details of how to apply for Securities are set out below.

### **4.2 Application for Securities**

An application for the Securities may only be made by a Placement Investor or MRG and must be made using an Application Form.

A completed Application Form with payment must be mailed or delivered to the Company as follows:

**Post:**

Anova Metals Limited  
PO Box 162  
Subiaco, Western Australia, 6904

**Delivery:**

Anova Metals Limited  
Suite 1  
245 Churchill Avenue  
Subiaco, Western Australia, 6008

Any cheque should be made payable to "Anova Metals Limited Share Offer Account" and crossed "Not Negotiable". A completed Application Form must reach the Company by no later than the Closing Date.

### **4.3 Minimum Subscription**

The minimum subscription under the Offer is \$377,894. The Company will not issue the Securities pursuant to this Prospectus until the minimum subscription is satisfied.

### **4.4 Allotment**

The Second Tranche Placement Securities will be allotted and issued by the Company to the Placement Investors and MRG as soon as practicable after the Closing Date.

### **4.5 Opening Date and Closing Date of the Offer**

The Opening Date is 28 November 2014 and the Closing Date is estimated to be 5.00pm WST on 4 December 2014. The Directors reserve the right to extend the Closing Date and the Offer or close the Offer early without notice.

#### **4.6 Official Quotation by ASX**

Application for official quotation by ASX of the Shares and Options to be issued by this Prospectus will be made within 7 days after the date of this Prospectus. If the Securities to be issued by this Prospectus are not admitted to official quotation by ASX before the expiration of 3 months after the date of the Prospectus, or such period as is varied by ASIC, the Company will not issue the Securities and will repay all application money within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Securities to be issued pursuant to this Prospectus is not to be taken in any way as an indication of the merits of the Company or the Securities offered for subscription.

#### **4.7 ASX Listed Company**

The Company is included in the official list of ASX and the Listing Rules apply to securities issued by the Company.

#### **4.8 Applicants outside Australia**

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. No action has been taken to register or qualify the Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of any Applicant outside Australia to obtain all necessary approvals for the allotment and issue of the Securities under this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

#### **4.9 CHES**

The Company participates in the Clearing House Electronic Subregister System (CHES). CHES is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHES, the Company does not issue certificates to investors. Instead, Shareholders receive a statement of their holdings in the Company. If an investor is broker sponsored, ASPL will send a CHES statement.

#### **4.10 Rights Attaching to Shares and Options issued under this offer**

A summary of the rights attaching to the Shares and Options under this Offer is set out in Section 5.

## **5. RIGHTS ATTACHING TO SHARES AND OPTIONS UNDER THIS OFFER**

### **5.1 Rights attaching to Shares**

Full details of the rights and liabilities attaching to the Shares are:

- (a) detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

#### **Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid (not credited) on the relevant share is of the total amounts paid and payable in respect of those shares (excluding amounts credited). Voting may be in person or by proxy, attorney or representative.

#### **Dividends**

Subject to the rights of holders of shares issued with any special rights to dividends (at present there are none) and the Corporations Act, the profits of the Company which the Board may from time to time determine to distribute by way of dividend are to be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

#### **Future issues of securities**

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over or other securities with rights of conversion to shares or otherwise dispose of, unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

#### **Transfer of Shares**

Subject to the Constitution of the Company, the Corporations Act, the Listing Rules and any other applicable law of Australia, shares are freely transferable.

#### **Meetings and Notices**

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.



## **Election of Directors**

There must be a minimum of 3 Directors. One third of Directors (or the number nearest one third) must retire at each annual general meeting and any Director must retire from office at the third annual general meeting after the Director was elected or most recently re-elected. These retirement rules do not apply to certain appointments including the managing director. Directors appointed by the Board as additional Directors hold office until the following annual general meeting and are then eligible for re-election.

## **Alteration to the Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## **Listing Rules**

Despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

### **5.2 Terms of Options to be issued under this Offer**

The terms of the Options to be issued under this Offer are:

- (a) The Options will be issued for no cash consideration.
- (b) Each Option entitles the holder to one Share in the Company.
- (c) The exercise price of the Options is 5 cents per Option.
- (d) The expiry date of the Options is 30 November 2016.
- (e) 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.
- (f) The Options will not be quoted and are freely transferable.
- (g) 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.

- (h) 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 Listing Rules after the date of issue for all Shares issued pursuant to the exercise of Options to be admitted to quotation.
- (i) 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.
- (j) 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 Listing Rules.

## 6. ADDITIONAL INFORMATION

### 6.1 Board and Management

The Board consists of:

- Mr Malcolm James (Non-Executive Chairman)
- Mr Bill Fry (Executive Director)
- Mr Alasdair Cooke (Non-Executive Director)

### 6.2 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last two years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

### Holdings of Directors

Director relevant interests in securities of the Company after the issue of Securities the subject of this Offer and the issue of securities approved by Shareholders at the annual general meeting held on 28 November 2014 are:

Director	Shares	Performance Shares	Performance Rights	Options
Malcolm James <sup>1</sup>	-	-	500,000	-
Bill Fry <sup>2</sup>	7,500,000	2,850,000	-	-
Alasdair Cooke <sup>2and3</sup>	22,389,299	2,062,500	-	2,500,000

<sup>1</sup> At the annual general meeting of the Company held on 28 November 2014, Shareholders approved the issue of 500,000 performance rights to Malcolm James or his nominee with each performance right, upon vesting, converting to one Share.

<sup>2</sup> The performance shares are tranche 4 performance shares issued on 8 February 2013 and each performance share will convert into one Share if the Company

delineates a JORC Code probable ore reserve of at least 75,000 ounces of gold within the area of the Big Springs Project by 7 February 2015.

- <sup>3</sup> MRG, a company controlled by Alasdair Cooke, will subscribe for part of the Second Tranche Placement under this Prospectus being 5,000,000 Shares and 2,500,000 Options.

### **Remuneration of Directors**

Malcolm James is paid a director's fee as Chairman of \$60,000 per annum inclusive of statutory superannuation. In the two years prior to the date of this Prospectus Mr James has received a total cash remuneration of \$99,239.

Bill Fry is paid \$120,000 per annum inclusive of statutory superannuation. In the two years prior to the date of this Prospectus Mr Fry has received a total cash remuneration of \$206,664.

Alasdair Cooke is paid a director's fee of \$100,000 per annum inclusive of statutory superannuation. In the two years prior to the date of this Prospectus Mr Cooke has received a total cash remuneration of \$129,194.

Directors are entitled to be paid reasonable expenses incurred by them on business of the Company.

The Directors are not required to hold any Shares in the Company under the Constitution.

### **6.3 Interests of Experts and Advisors**

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Fairweather Corporate Lawyers has acted as solicitors to the Company in relation to the Offer. In respect of this work, the Company will pay approximately \$4,000 exclusive of GST and disbursements. Subsequently fees will be paid in accordance with normal hourly rates. Fairweather Corporate Lawyers has been paid fees of approximately \$15,400 exclusive of GST in the 2 years prior to the date of this Prospectus.

#### 6.4 Expenses of the Offer

The total expenses connected with the Offer including legal fees, ASX and ASIC fees and other miscellaneous expenses will be approximately \$9,175.

#### 6.5 Consents

The following party has given its written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

FW Legal Pty Ltd trading as Fairweather Corporate Lawyers has consented to being named as the Solicitors to the Offer.

The party referred to above in this Section:

- does not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus or any omissions from this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this Section; and
- has not caused or authorised the issue of this Prospectus.

#### 6.6 Share Trading History

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market price of the Company's quoted Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last sale on the day prior to lodgement of this Prospectus with ASIC were :

	Price	Date
Highest	4.4 cents	17 September 2014
Lowest	3.0 cents	5 September 2014
Latest	3.2 cents	25 November 2014

#### 6.7 Transaction Specific Prospectus and Continuous Disclosure Obligations

The Company is a disclosing entity under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

In general terms "transaction specific prospectuses" are required to contain information in relation to the effect of the offer on the Company and the rights and liabilities attaching to the securities offered. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors

and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;
  - (ii) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC; and
  - (iii) any continuous disclosure notices given by the Company after the lodgement of the annual financial report and before the lodgement of the copy of the Prospectus with ASIC.

The Company lodged its latest annual financial report with ASX on 22 October 2014. The following documents have been lodged with ASX since the date of lodgement of the Company's latest annual financial report:

<b>Date</b>	<b>Description of Announcement</b>
23/10/2014	Cleansing Prospectus
23/10/2014	Appendix 3B
24/10/2014	Appendix 3B
31/10/2014	Quarterly Activities and Cashflow Report
19/11/2014	Drilling Commenced at Big Springs Project
28/11/2014	Results of Meeting

**7. DIRECTORS' AUTHORISATION AND CONSENT**

This Prospectus is authorised by the Company and lodged with the ASIC pursuant to section 718 of the Corporations Act.

Each Director has consented to lodgement of this Prospectus with ASIC in accordance with the terms of section 720 of the Corporations Act and has not withdrawn that consent.

Dated: 28 November 2014

A handwritten signature in black ink, appearing to read 'Bill Fry', is written over a horizontal dotted line. The signature is stylized with a large loop at the end.

Signed for and on behalf of Anova Metals Limited  
By Mr Bill Fry  
Director

## 8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

<b>Applicant</b>	a person(s) who submits a valid Application Form pursuant to this Prospectus.
<b>Application</b>	a valid application made on an Application Form to subscribe for Securities pursuant to this Prospectus.
<b>Application Form</b>	the application form attached to this Prospectus.
<b>ASIC</b>	the Australian Securities & Investments Commission.
<b>ASX</b>	the ASX Limited (ACN 008 624 691).
<b>Big Springs Project</b>	the Big Springs Project comprising a number of mining claims and associated assets located in Nevada, USA.
<b>Board</b>	the Board of Directors.
<b>Closing Date</b>	the closing date for receipt of Application Forms under this Prospectus, estimated to be 5.00pm WST on 4 December 2014 or an amended time as set by the Board.
<b>Company or Anova Metals</b>	Anova Metals Limited (ACN 147 678 779).
<b>Constitution</b>	the constitution of the Company.
<b>Corporations Act</b>	the Corporations Act 2001 (Cth).
<b>Director</b>	a director of the Company.
<b>First Tranche Placement</b>	the first tranche placement to the Placement Investors of 32,802,640 Shares at 4 cents per Share.
<b>Listing Rules</b>	the official listing rules of the ASX.
<b>MRG</b>	Mitchell River Group Pty Ltd (ACN 098 458 809)
<b>Offer</b>	the offer of Securities under this Prospectus.
<b>Official List</b>	the official list of ASX.
<b>Opening Date</b>	28 November 2014.
<b>Option</b>	an option to subscribe for a Share.
<b>Placement</b>	the First Tranche Placement and the Second Tranche Placement.
<b>Placement Investors</b>	investors who are either institutional, sophisticated or professional investors under section 708 of the Corporations Act and who participated in the First Tranche Placement.



<b>Placement Securities</b>	the Securities issued the subject of the Placement.
<b>Prospectus</b>	this Prospectus.
<b>Second Tranche Placement</b>	the second tranche placement to the Placement Investors and MRG under this Prospectus of 9,447,360 Share at 4 cents per Share and 21,125,000 free Options.
<b>Securities</b>	Shares and Options.
<b>Share</b>	a fully paid ordinary share in the Company.
<b>Shareholder</b>	a person who holds one or more Shares.
<b>WST</b>	Western Standard Time, Perth, Western Australia.
<b>\$ or Dollars</b>	Australian dollars unless otherwise stated.

**APPLICATION FORM**

**Only complete this Application Form if you are a Placement Investor or Mitchell River Group Pty Ltd.**

This Application Form relates to the issue of Shares in Anova Metals Limited at an issue price of 4 cents pursuant to a Prospectus dated 28 November 2014. Successful Applicants will also be issued with Options under the Prospectus. The Options will be on the terms set out in the Prospectus.

The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Securities of the Company and it is advisable to read this document before applying for Securities. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable).

We the undersigned (the "Applicant") hereby apply to the Company for:

Number of Shares applied for: .....	Broker Stamp
Application moneys at 4 cents per Share: \$ .....	

Title	Given Names/Company Name	Surname/ACN
.....	.....	.....
Joint applicants or account designation		
.....	.....	.....
.....	.....	.....

Postal Address .....
City/Town ..... State ..... Postcode .....

Contact Name .....	Daytime Contact No. ....
Email contact .....	

CHESS Details: PID .....	HIN .....
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Tax File No/Exemption Category		
Applicant 1	Applicant 2	Applicant 3
.....	.....	.....

Payment Details			
Drawer	Bank	Branch	Amount
.....	.....	.....	\$ .....
.....	.....	.....	\$ .....

### **DECLARATION**

By lodging this Application Form and a cheque for the Application money the Applicant hereby:

- a) applies for the number of Shares specified in the Application Form or such lesser number as may be allocated by the Directors;
- b) agrees to be bound by the Constitution of the Company; and
- c) authorises the Directors to complete or amend this Application Form where necessary to correct any errors or omissions.

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## INSTRUCTIONS

1. Enter the number of Shares you wish to apply for.
2. Enter the total amount of application moneys payable. To calculate this amount, multiply the number of Shares you are applying for by the issue price for each Share.
3. Enter the full name(s) of all legal entities that are to be recorded as the registered holders.
4. Enter the postal address for all communications from the Company.
5. Enter the name and telephone number of the person who should be contacted if there are any questions with respect to this application.
6. If you are CHESS sponsored, enter your Participant Identification Number (PID) and Holder Identification Number (HIN), otherwise leave this box blank and a Shareholder Reference Number (SRN) will be allocated to you on issue.
7. Enter the tax file number(s) of the Applicant(s) - this is not mandatory.
8. Unless otherwise agreed by the Company, payment must be made to "**Anova Metals Limited Share Offer Account**" by cheque drawn or payable on a bank within Australia, crossed "**Not Negotiable**" and be in Australian dollars. Receipt of payment will not be acknowledged.
9. This Application Form does not need to be signed. Return of this Application Form with the required application moneys will constitute acceptance of that number of Shares stated on this form.

If you have received an Application Form without a complete and unaltered copy of this prospectus, please contact the Company who will send you, free of charge, either a printed or electronic version of this Prospectus (or both).

## CORRECT FORMS OF REGISTRABLE TITLE

Note that only legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full name and the surname are required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below:

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Trusts	Mr John David Brown <John David Brown A/C>	John Brown Family Trust
Deceased Estates	Mr John David Brown <Est John David Brown A/C>	John Brown <Deceased>
Partnerships	Mr John David Brown and Mr Michael James Brown	John Brown & Son
Clubs/ Unincorporated Bodies	Mr John David Brown <ABC Tennis Association A/C>	Brown Investment Club or ABC Tennis Association
Super Funds	John Brown Pty Ltd <Super Fund A/C>	John Brown Superannuation Fund

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## **PAYMENT DETAILS**

Please note that if an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it shall be final. An Application Form will not be treated as having offered to subscribe for more Shares than is indicated by the amount of payment. Please return the completed Application Form (accompanied by payment) at any time prior to the Closing Date to Anova Metals Limited to the address set out in the Prospectus.

Applications must be received by the Closing Date.

Please telephone the Company on (08) 6465 5500 if you have any questions with respect to this Application Form.