

Dear Shareholder,

### **INVITATION TO PARTICIPATE IN SHARE PURCHASE PLAN**

On 11 August 2016 Anova Metals Limited (**Anova** or **Company**) announced an offer to eligible shareholders to participate in a Share Purchase Plan (**Plan**). The offer of shares (**Offer**) under the Plan is on the same terms as a placement to sophisticated and professional investors announced in conjunction with the Plan (**Placement**).

The Plan gives eligible shareholders the opportunity to purchase up to \$15,000 of Anova ordinary shares (**new Shares**) at 13 cents each without incurring brokerage or transaction costs on the terms and conditions (**Terms and Conditions**) enclosed with this letter.

#### **Shareholders eligible to participate in the Plan**

Participation in the Plan is voluntary and is available exclusively to shareholders who are registered as holders of Shares at 5pm (AEST) on the Record Date of 10 August 2016 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

#### **Plan and Issue Price**

The Plan entitles Eligible Shareholders to purchase parcels of Shares in an amount from \$500 up to a maximum of \$15,000, irrespective of the size of their shareholding.

The new Shares will be priced at 13 cents (**Issue Price**). This Issue Price represents a 12.6% discount to the volume weighted average price of the Company's Shares over the last 5 days on which sales in the Shares are recorded before the day on which the Plan was announced on 11 August 2016. The Issue Price is the same price as the Shares to be issued under the Placement.

The maximum number of Shares to be issued under the Plan is approximately 15,384,615 new Shares, which represents a raising of \$2,000,000 under the Plan before expenses.

#### **Participation in the Plan**

The offer for new Shares under the Plan is made in accordance with the enclosed Terms and Conditions. An application form for the Plan (**Application Form**) is included in this package.

Eligible Shareholders may participate in an amount from \$500 up to a maximum of \$15,000. Any fractions of a new Share will be rounded down to the nearest whole number of new Shares.

The Issue Price is 13 cents each.

### **Current Activities**

Details of the Company's current activities are set out in the announcements made to the ASX and are available from the ASX, or the Company's website at [www.anovametals.com.au](http://www.anovametals.com.au).

The funds raised under the Plan will be used to advance exploration programs at the Company's Big Springs Gold Project in Nevada, USA, for working capital and the costs of the offer.

### **Custodians and Nominees**

Eligible Shareholders who hold Shares as a custodian for one or more persons on the Record Date may apply for up to a maximum amount of \$15,000 worth of Shares in respect of each beneficiary who is resident in Australia or New Zealand, subject to providing a Custodian Certificate to the Company. Please refer to the Terms and Conditions for more details.

### **Price risk**

If you apply to participate in the Plan, you should be aware, and accept the risk, that the market price of the Shares in the Company may rise and fall between the date of the Offer under the Plan and the date when any new Shares are issued to you under the Plan. As such, it is possible that, up to or after the date you receive new Shares under the Plan, you may be able to buy Shares on the ASX at a lower price than under this Plan.

The Board recommends that you obtain your own financial advice in respect of the Offer under the Plan.

### **Additional information**

The Offer under the Plan is non-renounceable and cannot be transferred by Eligible Shareholders. The Directors of the Company reserve the right in their absolute discretion to reject, or scale back, any application. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application moneys, without interest.

### **Foreign offer restrictions**

This document may not be released or distributed in any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States.

### Shortfall

There will be a shortfall if less than the maximum number of new Shares are subscribed for by Eligible Shareholders (i.e. less than 15,384,615 new Shares). In this event the shortfall may be placed to sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. The Offer is not underwritten.

### Indicative timetable

Date	Event
10 August 2016	Record Date for Share Purchase Plan
18 August 2016	Posting of Share Purchase Plan booklet and Share Purchase Plan Offer Opens
5 September 2016	Closing Date for Share Purchase Plan
8 September 2016	Share Purchase Plan shortfall notified
8 September 2016	Issue of new Shares under the Share Purchase Plan
8 September 2016	Quotation of Shares on ASX
12 September 2016	Dispatch of Holding Statements

These dates are indicative only. The Company may vary the dates (including extending the closing date) of the Offer without notice. Accordingly, shareholders are encouraged to submit their Application Form as early as possible.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary, Mr Steven Jackson on +61 8 6465 5500.

Yours faithfully

Mr Bill Fry  
Executive Director  
Anova Metals Limited

**SHAREHOLDER SHARE PURCHASE PLAN - TERMS AND CONDITIONS**

**1. PURPOSE**

The purpose of the Shareholder Share Purchase Plan (the **Plan**) is to offer eligible shareholders of Anova Metals Limited (**Anova** or **Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**new Shares**) in accordance with these Terms and Conditions. Under this Plan, Eligible Shareholders may purchase Shares at 13 cents each (**Issue Price**). The purchase is without the need to pay brokerage costs and without the need for the Company to issue a Prospectus.

**2. SHAREHOLDERS ELIGIBLE TO PARTICIPATE**

**Eligible Shareholders**

Holders of Shares that are registered with an Australian or New Zealand address at the Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

The Record Date is 10 August 2016.

Participation in the Plan is optional and is subject to these Terms and Conditions. Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any new Shares offered under the Plan). Eligible Shareholders who wish to take up the new Shares issued under the Plan agree to be bound by the Company's constitution in respect of the new Shares issued under the Plan.

An offer may, at the discretion of the Directors of the Company, be made under the Plan once a year. The maximum amount which any shareholder may subscribe for in any consecutive 12 month period is \$15,000.

**Joint holders**

Where two or more persons are recorded in the register as jointly holding Shares, they are taken to be a single registered holder and the Offer is made to them jointly.

**Custodians, trustees and nominees**

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Class Order CO 09/425) (refer below) (**Custodian**), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annex to your Application Form a certificate to the Company (**Custodian Certificate**) with the following information:

- a) that you or another interposed custodian held Shares on behalf of one or more other persons who are resident in Australia or New Zealand (each a Participating Beneficiary) at 5:00pm (AEST) on the Record Date who have subsequently instructed you to apply for new Shares under the Plan on their behalf;
- b) the number of Participating Beneficiaries and their names and addresses;
- c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- d) the dollar amount of new Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;

- e) that the amount for new Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application amount for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- f) that a copy of the written offer document was given to each beneficiary; and
- g) where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order CO 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that covers the provision of a custodial or depositary service or operate IDPS accounts;
- is exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service by virtue of relevant ASIC class orders or regulations of the Corporations Regulations 2001, provisions of the Corporations Act or an individual instrument of relief granted by ASIC;
- is a trustee of a self-managed superannuation fund or a superannuation master trusts;
- is a responsible entity of IDPS-like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request Custodian Certificate and if you would like further information on how to apply, you should contact the Company's share registry during normal business hours.

The Company reserves the right to reject any application for new Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

### **3. PRICE OF NEW SHARES**

The price of new Shares to be issued under the Plan is 13 cents each representing a 12.6% discount to the volume weighted average price of the Company's Shares over the last 5 days on which sales in the Shares are recorded before the day on which the Plan was announced on 11 August 2016.

### **4. ISSUE OF NEW SHARES**

The new Shares will be issued as soon as reasonably practicable after the Closing Date. The new Shares will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESS notifications will be issued in respect of all new Shares issued under the Plan. The Company will, promptly after the issue of new Shares under the Plan, make application for those new Shares to be quoted on ASX.

## 5. LODGING THE APPLICATION FORM AND PAYMENT

You can participate in the Offer by applying for new Shares in accordance with the Application Form. Please follow the instructions on the Application Form. Minimum subscription under the Offer is \$500 and maximum subscription is \$15,000.

You can apply by one of the following methods.

### **Option 1 – payment by cheque or money order**

Complete the Application Form and send it to the share registry of the Company at the address shown in the Application Form, together with your payment. Your payment must be by cheque or money order in Australian dollars made payable to "Anova Metals Limited". The Application Form should be sent so that it is received by the share registry by no later than **5.00pm (AEST) on 5 September 2016**. No late applications will be accepted.

### **Option 2 – payment by BPAY facility**

Make a BPAY payment from your cheque or savings account by using the Biller Code and Reference Number shown on your Application Form which is required to identify your holding.

If you have multiple holdings you will have multiple BPAY Reference Numbers. To ensure you receive your new Shares under the Offer in respect of that holding you must use the specific Biller Code and Reference Number shown on each personalised Application Form when paying for any new Shares that you may wish to apply for in respect of that holding. If you inadvertently use the same Reference Number for more than one of your applications, you will be deemed to have applied only for that application to which that Reference Number applies and any excess amount will be refunded.

**If you make your payment using BPAY you do not need to return your Application Form.** New Zealand holders will not be able to make a payment using BPAY. Payments made by BPAY received after **5:00pm (AEST) on 5 September 2016** will not be accepted.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

By using the BPAY facility to apply for new Shares you represent that the total of the application price for the following does not exceed \$15,000:

- the new Shares the subject of your application;
- any other Shares issued under any similar arrangement in the 12 months before the date of your application;
- any other new Shares which you have instructed a Custodian to acquire on your behalf under the Plan;
- any other Shares issued to a Custodian under an arrangement similar to the Plan in the 12 months before the date of your application as a result of any instruction given by you to the Custodian or to another custodian which resulted in you holding beneficial interests in such Shares.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of **5:00pm (AEST) on 5 September 2016**.

If the exact amount of money is not tendered with your application, the Company reserves the right to either:

- return your Application Form and/or payment and not issue any new Shares to you; or
- issue to you the number of new Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

The maximum investment any shareholder may apply for is \$15,000. This limitation applies even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account). It is the responsibility of the applicant to ensure that the aggregate of the application price paid for the new Shares the subject of the application and any other shares and interests in the class applied for by you under the Plan or any similar arrangement in the 12 months prior to the date of the application does not exceed \$15,000.

## **6. SCALE BACK**

The Company will issue a maximum of approximately 15,384,165 new Shares under the Plan representing a \$2,000,000 raising before expenses.

In the event of an oversubscription by the closing date the Directors will in their absolute discretion scale-back applications.

If the Company undertakes a scale back, you will receive the number of new Shares decided by the Company in its absolute discretion, which may be less than the parcel of new Shares for which you applied. In this case, the difference between the application money received, and the number of new Shares allocated to you multiplied by the purchase price, will be refunded to you by direct credit (to your nominated account as recorded on Company's Share Register) or by cheque, as soon as practicable, without interest.

Scale back decisions are made by the Board and are final.

## **7. PLACEMENT OF SHORTFALL**

In the event that less than 15,384,615 new Shares are subscribed for, then the Company reserves the right to place such shortfall to sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act.

The Offer is not underwritten.

## **8. ISSUE OF NEW SHARES**

The new Shares will be issued under the Plan on or about 8 September 2016 or as soon as possible after that date. The Company may issue fewer new Shares than applied for by you (or none at all) if any of the following apply:

- the Company considers (in its reasonable opinion) that issuing new Shares to you under the Plan will breach the Plan, the Corporations Act or the ASX Listing Rules;
- the Company considers (in its reasonable opinion) that by issuing new Shares to you under the Plan you may exceed the maximum of \$15,000 or receive an aggregate of more than \$15,000 of new Shares under the Plan or any other arrangement similar to the Plan in the past 12 months up to the Closing Date (except to the extent that the person is issued with new Shares as a Custodian under a custodian offer);

- you are a Custodian and you have not complied with the requirements of paragraph 2;
- the Company undertakes a scale back;
- the Company considers (in its reasonable opinion) that you have not complied with these terms.

It is your responsibility to confirm your holding before trading any new Shares you believe have been issued under the Plan. Any shareholder that sells new Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. The Company and the share registry disclaim all liability whether in the negligence or otherwise (to the maximum extent permitted by law) to person who trade their Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the share registry.

## **9. OTHER INFORMATION**

### **Not a Prospectus**

This document is not a prospectus and has not been lodged with ASIC. The issue of a prospectus is not required for the purposes of this Offer. This document does not contain the type of information required to be contained in a prospectus. You must rely on your own knowledge of the Company, previous information disclosed by the Company to ASX and if necessary, consult with your professional adviser when deciding whether or not to participate in the Plan.

### **Modification and Termination of the Plan**

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

### **Dispute Resolution**

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

### **Company's rights**

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors of the Company or any delegate of them.



**SRN/HIN:**  
**Entitlement Number:**  
**Record Date:** 10 August 2016  
**Offer Opens:** 18 August 2016

<b>Offer Closes</b> <b>5:00pm (AEST):</b>	<b>5 September 2016</b>
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## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
  - Option 1: Paying by BPAY®.
  - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

### PAYMENT OPTIONS

#### Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5:00pm (AEST) on 5 September 2016. By paying by BPAY®, you will be deemed to have completed an Application Form for the value of Shares the subject of your Application Payment.

If you make a payment by BPAY® and Anova Metals Limited receives an amount which is not between A\$500 and A\$15,000. Anova Metals Limited will round down the value of Shares applied for to the maximum value of Shares you can apply for. Your payment must be for a minimum of A\$500.

	<b>Billers Code:</b> 131532
	<b>Ref:</b>

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

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#### Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Complete the value of Shares you wish to apply for at a minimum of \$500 and maximum of \$15,000.
- Enter your cheque, bank draft or money order details. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Anova Metals Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to your application amount Anova Metals Limited will round down the value of Shares that you are applying for equal to your payment. Your payment must be for a minimum of A\$500 and maximum of A\$15,000.
- Enter your contact telephone number at which we may contact you regarding your application, if necessary.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**



**A** I/We wish to purchase a parcel of Shares to the value of

**A\$**

**B** Make your cheque, bank draft or money order payable to "Anova Metals Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>A\$</b> <input type="text"/> <b>.00</b>

**C** Telephone Number – Business Hours      Telephone Number – After Hours      Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Company Secretary, Mr Steven Jackson on +61 8 6465 5500. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
  - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
  - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. Anova Metals Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Anova Metals Limited may scaleback applications in its discretion.

SAMPLE

### How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

#### Mailing Address

Anova Metals Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

or

#### Hand Delivery

Anova Metals Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (AEST) on 5 September 2016. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Anova Metals Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

**If you require information on how to complete this Acceptance Slip please contact the Company Secretary, Mr Steven Jackson on +61 8 6465 5500.**