

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Anova Metals Limited

ABN / ARBN:

20 147 678 779

Financial year ended:

30 June 2020

Our corporate governance statement² for the above period above can be found at:³

This URL on our website: anovametals.com.au/corporate/corporate-governance

The Corporate Governance Statement is accurate and up to date as at 30 September 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 30 September 2020

Print Name:

David Palumbo – Company Secretary

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² “Corporate governance statement” is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity’s corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes “OR” at the end of the selection and you delete the other options, you can also, if you wish, delete the “OR” at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at anovametals.com.au/corporate/corporate-governance	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
		<p>... and the information referred to in paragraph (b):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
		<p>... and the information referred to in paragraph (b):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> at anovametals.com.au/corporate/corporate-governance	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> at anovametals.com.au/corporate/corporate-governance	
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at anovametals.com.au/corporate/corporate-governance	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	

The Board are responsible for the overall strategy, governance and performance of Anova Metals Limited (“the Company”). The Board has adopted a framework which it considers to be suitable given the size, history and strategy of the Company.

In March 2014, the Australian Securities Exchange (“ASX”) Corporate Governance Council released the third edition of its Corporate Governance Principles and Recommendations (“Recommendations”). To the extent they are applicable, and given its circumstances, the Company has adopted the recommendations of the third edition. Where the Company’s governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where the Company’s governance practices depart from a recommendation, the Board has offered a disclosure and reason for the departure from the recommendation, in compliance with the “if not, why not” regime.

This statement summarises the Company’s compliance with the new Recommendations.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 Role of Board and Management

The Board considers that the essential responsibility of directors is to oversee the Company’s activities for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value. Responsibility for management of the Company’s business is delegated to the executive directors, who are accountable to the Board.

Further, the Board takes specific responsibility for:

- Contributing to the development of and approving corporate strategy;
- Appointing, assessing the performance of and, if necessary removing the executive directors;
- Reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
- Overseeing and monitoring:
 - Organisational performance and the achievement of strategic goals and objectives
 - Compliance with the Company’s code of conduct
 - Progress of major capital expenditures and other corporate projects including acquisitions, mergers and divestments;
- Monitoring financial performance including approval of the annual, half yearly and quarterly reports and liaison with the auditor;
- Ensuring there are effective management processes in place, including reviewing and ratifying systems of risk identification and management, ensuring appropriate and adequate internal control processes, and that monitoring and reporting procedures for these systems are effective;
- Enhancing and protecting the Company’s reputation;
- Approving major capital expenditure, capital management, acquisitions and divestments;
- Reporting to shareholders;
- Appointment of directors; and
- Any other matter considered desirable and in the interest of the Company.

The Board is responsible for the overall Corporate Governance of the Company including the strategic direction, establishing goals for management and monitoring the achievement of these goals. In broad terms, the Board is accountable to the shareholders and must ensure that the Company is properly managed to protect and enhance shareholders’ wealth and other interests. The

Board Charter sets out the role and responsibilities of the Board within the governance structure of the Company and its related bodies corporate (as defined in the Corporations Act).

Senior executives are responsible for the ongoing management of the Company's operations and reporting to the Board. They are accountable for all functions that are necessary to the operations of the Company and not specifically reserved to the Board. Senior executives' performance is reviewed on a regular basis by the Board.

A copy of the Board Charter is available on the Company's website.

Recommendation 1.2 Director Checks

The Company has in place a policy that it will perform appropriate checks on all potential directors. This will potentially include undertaking background and other checks before appointing a person or putting them forward to shareholders as a candidate for election as a director. The Company also provides information on the length of time in office for those seeking re-election as well information about relevant qualifications, skills and experiences.

Recommendation 1.3 Written Agreement with each Director and Senior Executive

All non-executive directors are engaged by the Company under letters of appointment and senior executives are engaged under executive service agreements. These agreements detail the roles and responsibilities of the individual.

Details of the letters of appointment and service contracts for senior executives are provided in the Remuneration Report within the Annual Report.

Recommendation 1.4 Company Secretary

The appointment and removal of a Company Secretary is a matter reserved for decision by the Board.

The Company Secretary has a direct line of communication with all directors, and is responsible for supporting the proper functioning of the Board which includes providing advice on governance and procedural issues, the preparation of Board papers and minutes, attendance at Board meetings and maintaining policies and procedures.

Recommendation 1.5 Diversity Policy

The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available on the Company's website.

The board believes that given the size and nature of the Company's activities, and the existing diversity profile of the organisation, that an informal approach is appropriate at this time. Senior management roles and positions are filled by the best candidates available without discrimination. The Company aims to increase diversity in senior appointments as positions and appropriate candidates become available.

The Company is committed to a workplace environment that promotes diversity and recognises the key competitive benefits of recruiting, developing and retaining a talented, diverse and motivated workforce. The board recognises the benefits of diversity at board level, senior management level and within the organisation generally and recognises the organisational strengths, deeper problem solving ability and opportunity for innovation that diversity may bring.

The Company will review this position annually and, as activities expand, plans to set measurable objectives for achieving diversity in relation to gender.

Recommendation 1.6 Board Performance Assessment

Membership of the Board, its activities and composition, is subject to on-going review. Given the size of the Company and the management team, this process is managed informally by the directors. Improvement in Board processes and effectiveness is a continuing objective and the primary purpose of Board evaluation is to identify ways to improve performance.

With the recapitalisation of the Company and management changes in June 2020 quarter, the Board has not conducted a formal performance assessment of the Board, including its Committees and individual directors, during the year. The Company will look to conduct a formal evaluation in the future.

Recommendation 1.7 Performance Evaluation of Senior Executives

The performance of all directors is reviewed by the Chairman on an ongoing basis and any director whose performance is considered unsatisfactory is asked to retire. The Chairman's performance is reviewed by the other board members.

The Company has established guidelines to identify the measurable and qualitative indicators of the director's performance during the course of the year. Those guidelines include:

- Attendance at all board meetings. Missing more than three consecutive meetings without reasonable excuse will result in that director's position being reviewed; and
- Attendance at the Company's Shareholder Meetings. Non-attendance without reasonable excuse will result in that director's position being reviewed.

With the recapitalisation of the Company and management changes in June 2020 quarter, there has been no formal performance evaluation of senior executives during the year. The Company will look to conduct a formal evaluation in the future.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1 Nominations Committee

The Board has established a Remuneration and Nomination Committee with a charter that sets out its roles, responsibilities, composition, structure and membership requirements.

The Committee's responsibilities under the charter include the following:

- assess the skills and competencies required on the Board
- from time to time assessing the extent to which the required skills are represented on the Board
- establishing processes for the review of the performance of individual directors and the Board as a whole
- establishing processes for the identification of suitable candidates for appointment to the Board
- recommending the appointment and removal of directors

The committee did not meet during the year ended 30 June 2020.

Following the management changes in June 2020 quarter and due to the size and structure of the Company, all functions, roles and responsibilities with regard to remuneration and nomination are now undertaken by the Board as a whole.

A copy of the Remuneration and Nomination Committee Charter is available on the Company's website.

Recommendation 2.2 Board Skills Matrix

The Company supports the appointment of directors who bring a wide range of business and professional skills and experience. While the Company does not currently have a formal skills matrix it does consider director's attributes prior to any appointment. The qualifications, skills and experience for each director are included in the Directors' Report in the Annual Report. The Company will review the requirement for a skills matrix as it grows to ensure that it is in the best position to add expertise and experience that is relevant to the Company.

Recommendation 2.3 Directors' Independence

An independent director is defined as a director that is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its shareholders.

The date of appointment and independence of each director is as follows. A profile of each director and their professional skills and expertise is included in the Directors' Report of the Annual Report.

Name	Position	Date of Appointment	Independent
Edward Rigg	Non-Executive Chairman	14 May 2020	Yes
Mingyan Wang	Managing Director	4 March 2020	No
John Davis	Non-Executive Director	5 October 2017	Yes

Recommendation 2.4 Majority of Directors Independent

The Company has 2 independent directors on its Board of 3. The Board believes this current structure is best suited to enable the Company to deliver shareholder value and manage the operations for a company of its size. The Company will continue to review its Board structure as it grows to ensure that it had the best structure in place to deliver value to its shareholders, key stakeholders and the communities in which it operates.

Recommendation 2.5 Chairman and Chief Executive Officer / Managing Director

The Chairman of the Company, Edward Rigg, is an independent director. The Company maintains a separation between the Chairman and Chief Executive Officer roles. Day to day management of the Company is the responsibility of the Managing Director, Mingyan Wang.

Recommendation 2.6 Company Induction and Professional Development of Directors

The Board's induction program provides incoming directors with information that will enable them to carry out their duties in the best interests of the Company, as well as educating them in the Company's policies and procedures.

The Company encourages directors to develop and maintain the skills and knowledge needed to perform their role as Directors.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1 Code of Conduct

The Company has a formal Code of Conduct which establishes the standards of behaviour expected of Directors and employees of the Company.

The Code of Conduct is based on the following principles:

- Act with honesty and integrity
- Respect the law and act accordingly
- Respect confidentiality and not misuse information
- Value and maintain professionalism
- Avoid conflicts of interest
- Strive to be good corporate citizens
- Have respect for each other

All directors and employees have a responsibility to report any suspected non-compliance with the Code of Conduct, during the period there were no instances reported to the Board or management.

A copy of the Code of Conduct is available on the Company's website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1 Audit Committee

The Board has established an Audit Committee with a charter that sets out its roles, responsibilities, composition, structure and membership requirements.

The Committee's responsibilities under the charter include the following:

- Oversee the Company's financial reporting
- Reviewing internal control and recommending enhancements;

- Monitoring compliance with Corporations Act 2001, Securities Exchange Listing Rules, matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investment Commission and financial institutions;
- Improving the quality of the accounting function;
- Reviewing external audit reports to ensure that where major deficiencies or breakdowns in controls or procedures have been identified, appropriate and prompt remedial action is taken by management;
- Liaising with the external auditors and ensuring that the annual audit and half-year review are conducted in an effective manner; and
- Reviewing the performance of the external auditors on an annual basis and nomination of auditors is at the discretion of the Board.

The audit committee met once during the year ended 30 June 2020.

Following the management changes in June 2020 quarter and due to the size and structure of the Company, all functions, roles and responsibilities with regard to the audit committee are now undertaken by the Board as a whole.

A copy of the Audit Committee Charter is available on the Company's website.

Recommendation 4.2 Declarations from the CEO and CFO

The Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) provide a declaration in accordance with section 295A of the Corporations Act to the Board that, in their opinion, the financial records of the Company have been properly maintained and that the Company's financial reports comply with the appropriate accounting standards and present a true and fair view of the Company's financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 4.3 External Auditors

The Board requires that a representative of the external auditor attend the Company's AGM. The auditor is available to answer shareholder questions about the conduct of the audit, the preparation and content of the auditor's report and the accounting policies adopted by the Company.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1 Continuous Disclosure Policy

The Company has a formal Continuous Disclosure Policy as required by Recommendation 5.1. This policy was introduced to ensure the Company achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules and ensuring the Company and individual officers do not contravene the Corporations Act or ASX Listing Rules. A full copy of this policy can be found on the Company's website.

The Company is required to immediately tell the ASX once it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

Therefore, to meet this obligation the Company undertakes to:

- Notify the ASX immediately it becomes aware of any information that a reasonable person would expect to have a material effect on the price and value of the company's securities, unless that information is not required to be disclosed under the listing rules;
- Disclose notifications to the ASX on the Company website following confirmation of the publishing of the information by the ASX; and
- Not respond to market speculation or rumour unless the ASX considers it necessary due to there being, or likely to be, a false market in the Company's securities.

The Managing Director and Company Secretary are responsible for co-ordinating the disclosure requirements. To ensure appropriate procedure all Directors, officers and employees of the Company coordinate disclosures through the Company Secretary, including:

- Media releases;
- Analyst briefings and presentations; and
- The release of reports and operational results.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1 Information on Website

The Company provides information about itself and its governance to investors via its website and has a “Corporate Governance” section where all relevant corporate governance information can be accessed.

The Company’s Constitution, committee charters and relevant Corporate Governance Policies are all listed on the Corporate Governance section of the website.

The Company website also includes copies of its annual reports and financial statements, ASX announcements, Notice of Meetings as well as an overview of the Company’s business activities.

Recommendation 6.2 Investor Relations Program

It is the policy of the Company to communicate effectively with its shareholders by giving them ready access to balanced and understandable information about the Company. The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company. The Company actively engages with shareholders, meeting them on request and responding to any enquires that they make from time to time.

The Company’s full policy on shareholder communication can be found on the Company’s website.

Recommendation 6.3 Participation at Meetings of Shareholders

The Company has policies and procedures in place which enable shareholders to receive the reports and participate in shareholder meetings by attendance or by written communication. The Board seeks to notify all shareholders so they can be fully informed for voting at the AGM. Shareholders can make an election to receive a copy of the Company’s Annual Report by mail; otherwise the Annual Report is available on the Company’s website. Shareholders are encouraged at AGMs to ask questions of directors, senior management as well as the Company’s external auditors who are required to be in attendance.

Recommendation 6.4 Electronic Communication

The Company and its registry have the capability to communicate with shareholders electronically through our website and email. Details are provided on the Company’s website.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1 Risk Committee

Risk oversight, management and internal control are dealt with on a continuous basis by management and the Board. The Company has an integrated framework of control based on formal procedures and appropriate delegation of financial and other authorities. The executive directors and senior management have responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management. The Board has established a formal policy to effectively recognise and manage risk.

Due to the size and structure of the Company, currently all functions, roles and responsibilities with regard to risk oversight and management and internal control are undertaken by the Board as a whole.

A copy of the Risk Management policy is available on the Company’s website.

Recommendation 7.2 Annual Risk Review

The Company continually reviews its risk management framework as required. The Board is regularly briefed and involved in discussions in relation to risks facing the Company. During the period a formal annual review was conducted as part of the Company's Entitlement Offer..

Recommendation 7.3 Internal Audit

Due to the size and structure of the Company there is currently no formal internal audit function.

The Company's management periodically undertakes an internal review of financial systems and processes and where systems are developed. The Audit Committee also considers reviews of specific areas and monitors the implementation of system improvements.

Recommendation 7.4 Economic, Environmental, Social Sustainability Risks

The Company continually reviews economic, environmental and social sustainability risks in the areas in which it operates. Risk areas include the impact on the environment through exploration activities, sovereign risk, currency risk and commodity price risk. During the period there were no such risks which the Company considered material, however this is subject to change as circumstances dictate.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1 Remuneration Committee

The Board has established a Nomination and Remuneration Committee with a charter that sets out its roles, responsibilities, composition, structure and membership requirements. The Remuneration Committee is to make recommendations to the Board about the remuneration of executive and non-executive directors as well as senior management of the Company.

The committee did not meet during the year ended 30 June 2020.

Following the management changes in June 2020 quarter and due to the size and structure of the Company, all functions, roles and responsibilities with regard to remuneration and nomination are now undertaken by the Board as a whole.

A copy of the Nomination and Remuneration Committee Charter is available on the Company's website.

Recommendation 8.2 Disclosure of Remuneration Policies and Practices

The Remuneration Committee's role is to review and recommend remuneration for directors and senior management, review remuneration policies and practices and incentive schemes in accordance with the Remuneration Committee Charter.

The Company's remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Further details on the Company's remuneration practices with regard to directors are contained within the Remuneration Report which forms part of the Director's Report in the Annual Report.

Recommendation 8.3 Policy on Equity Based Remuneration Scheme

The Company has a Trading Policy which applies to all directors, employees and consultants. This policy provides a brief summary of the law on insider trading and other relevant laws and establishes a best practice procedure relating to dealing in the Company's securities.

In accordance with the Trading Policy, participants in equity-based remuneration plans are not permitted to enter into any transactions that would limit the economic risk of options or other unvested entitlements.

A copy of the Trading Policy is available on the Company's website and is appended to the Corporate Governance Statement.

SECURITIES TRADING POLICY

1. Introduction

This document applies to Anova Metals Limited (Anova) and its subsidiaries (collectively referred to as Anova or the Company).

2. Purpose

2.1 Scope

This policy summarises the law relating to Insider Trading and the need to avoid the perception of insider trading and the reputational damage that may be caused. It sets out the Company's Trading Policy on:

- acquisition of, disposal of or application for Anova securities, or providing an instruction to a third party to do so (including a disposal resulting from a secured lender exercising their rights under a margin lending arrangement);
- entering into a contract to acquire, dispose of or apply for Anova securities, or procuring a third party to do so;
- the entry into a Derivative (has the meaning given in section 761D of the Corporations Act and includes options, forward contracts, futures, warrants, swaps, caps and collars) in relation to the Anova securities;
- the exercise of Anova Employee options or performance rights.

2.2 Who does this policy apply to?

This policy applies as follows:

- clause 3 (insider trading laws) and clause 8 (confidentiality) applies to everyone (including all directors, officers, employees, contractors, family and associates);
- clauses 4 to 7 (trading policy) applies to all directors, officers and other key management personnel of the Company, and any other person prescribed by the Board from time to time (each a "Prescribed Employee") and in relation to which the Company Secretary will maintain a list; and
- this securities trading policy applies to the family and associates of Prescribed Employees as specified in this clause or in clause 4.5.

2.3 Prescribed Employee

A Prescribed Employee of the Company, includes, but is not limited to, its Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Senior Management, Consultants and certain other employees.

2.4 Further advice

If you do not understand any aspect of this trading policy, or are uncertain whether it applies to you or your family or associates, please contact the Company Secretary. You may wish to obtain your own legal or financial advice before dealing in Anova securities.

3. Insider Trading Prohibitions In The Corporations Act

3.1 What are the insider trading prohibitions?

Under the Corporations Act, if you have Inside Information relating to the Company it is an offence for you to trade in the Company's securities. Accordingly:

- (a) All Prescribed Employees are prohibited from:
 - (i) trading in any Company securities in breach of the insider trading laws; or
 - (ii) procuring another person to trade in the Company's securities in breach of the insider trading laws; or
 - (iii) communicating, directly or indirectly, or causing to be communicated, Inside Information to another person, if you know, or ought to have known, that such communication would result in another person trading in the Company's securities in breach of the insider trading laws
- (b) This prohibition on trading in the Company's securities applies even where:
 - (i) the trading occurs at a time that would otherwise be within a permitted trading window, or outside a black-out period, specified in this Policy;
 - (ii) the trading falls within an exclusion in this Policy; or
 - (iii) the Prescribed Employee, has been given clearance under this Policy to trade (whether in exception circumstances or otherwise).

Accordingly, before a Prescribed Employee, trades in the Company's securities, the Prescribed Employee, should consider carefully whether they are in possession of any Inside Information that might preclude them from trading at that time and, if the Prescribed Employee, has any doubt, they should not trade.

For the avoidance of doubt, each Prescribed Employee, understands that:

- (a) they are individually responsible for their own investment decisions and their compliance with insider trading laws; and
- (b) if any clearance to trade is obtained pursuant to clause 4.2 of this Policy, the clearance is not an endorsement of the proposed trade by the Company nor does the Company accept any responsibility whatsoever for any trade; and
- (c) notwithstanding any clearance or otherwise, should the Prescribed Employee, come into possession of Inside Information during the clearance period or a trading period, they must not trade despite being within the clearance period or the trading period.

3.2 Penalties

Breach of the insider trading laws may subject you to:

- (a) criminal liability – penalties include heavy fines and imprisonment;
- (b) civil liability – you can be sued by another party or the Company for any loss suffered as a result of illegal trading activities; and
- (c) civil penalty provisions – the Australian Securities and Investments Commission may seek civil penalties against you and may even seek a court order that you be disqualified from managing

a corporation.

Breach of the law, this policy, or both, will also be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal.

4. Black-Out Periods

4.1 Trading windows and Black-out Periods

Subject to not being in possession of Inside Information, or during an imposed ad hoc trading restriction or where securities trading may cause a perception of insider information, and the requirements of this policy, Prescribed Employees may not deal in Anova securities during the following Black-out Periods:

- (a) two weeks prior to the issue of a half year financial report and until the commencement of the next trading day after the release;
- (b) two weeks prior to the issue of an annual financial report and until the commencement of the next trading day after the release;
- (c) two weeks prior to the issue of a prospectus and until the commencement of the next trading day; and
- (d) any other period the Board determines, in its absolute discretions, to be a Black-out Period, including due to there being undisclosed price sensitive information.

For dealings, outside of the Black-out Periods, prior clearance must be obtained in accordance with section 4.2 of this Policy.

Where clearance for trading has been obtained during a trading window or otherwise, that clearance will be immediately revoked effective upon the receipt of the notification of an ad hoc trading restriction.

4.2 Prior notification and clearance

If a Prescribed Employee proposes to deal in Anova securities (including entering into an agreement to deal) they must first obtain clearance to deal in the securities. To obtain clearance, the Prescribed Employee, must at any time before trading, regardless of whether a trading window is operating at the time, provide:

- (a) written notice of their intention to the Notification Officer; and
- (b) confirmation that you are not in possession of Inside Information.

The Notification Officer is the Chairman for Directors. For the Chairman and all other Prescribed Employees the Notification Officer is an Executive Director. The relevant Notification Officer may provide the Prescribed Employee the clearance at their absolute discretion.

4.3 Terms and conditions of the clearance

A clearance expires 10 business days after the relevant Notification Officer provides clearance, unless an earlier expiry date is specified.

A clearance to trade can be withdrawn if new information becomes available or there is a change in circumstances. At any time, including in Exceptional Circumstances or within a trading window, the

Notification Officer may, at their discretion, refuse to provide a clearance or revoke a trading clearance to a Prescribed Employee in circumstances where the dealing in Anova securities may create or potentially create an inaccurate perception of insider trading by the Prescribed Employee and/or potentially cause or contribute to reputational damage to the Company.

A decision to refuse a clearance is final and binding on the Prescribed Employee seeking the clearance. In most cases, a refusal to trade will of itself will be considered as inside information and the Prescribed Employee will be bound by their confidentiality obligations and may be subject to insider trading laws.

A clearance to trade confirms that the proposed dealing by the Prescribed Employee is within the terms of the trading policy but does not otherwise constitute approval or endorsement by the Company or the Notification Officer for the proposed dealing. Even if a clearance is granted, a Prescribed Employee remains personally responsible for assessing whether the insider trading prohibitions apply to them.

4.4 Notification of dealing

In addition to providing prior notification and seeking clearance, Prescribed Employees must confirm in writing to the relevant Notification Officer and Company Secretary, immediately when the dealing in Anova securities has occurred, the number of Anova securities affected, the relevant parties to the dealing and a copy of the Buy/Sell Confirmation.

Further, where a Director has received consent to Trade during a Black-out Period, the Company and the Director must indicate on the Director's Change of Director's Interest Notice:

- whether prior written consent was provided to allow the Trade to proceed;
- the date the consent was received; and
- that the Trading took place during a Black-out Period.

4.5 Associates

This policy also applies to Associates of Prescribed Employees. A Prescribed Employee must communicate on behalf of their Associate with the Notification Officer for the purposes of this policy. An Associate of a Prescribed Person includes their family members, trusts, companies, nominees and other persons over whom a Prescribed Employee has, or may be expected to have, investment control or influence.

5. Exceptional Circumstances

A Prescribed Employee may request, and the Notification Officer may give, subject to this policy, prior confirmation for the Prescribed Employee to:

- (a) deal in Anova securities during a Prohibited Period; or
- (b) dispose of Anova securities even if otherwise prohibited under clause 7,

if there are exceptional circumstances (except if this would breach the insider trading prohibitions – see clause 3 above).

Exceptional circumstances may include:

- (a) severe financial hardship, for example, a pressing financial commitment that cannot be satisfied

otherwise than by selling the relevant Anova securities;

- (b) requirements under a court order or court enforceable undertakings or other legal or regulatory requirements; or
- (c) other exceptional circumstances as determined by the Chairman.

If the Notification Officer has any doubt in making a determination of exceptional circumstances, they should exercise the discretion with caution and consult with the Board.

The requirements of clauses 4.2 to 4.4 must be complied with regarding prior notification, clearance and notification of dealings.

6. Permitted Dealings

6.1 The following types of dealings are excluded from the operation of clause 4.1(a), 4.1(b), 4.2 and 4.3 of this policy and may be undertaken at any time without requiring prior notification, clearance or approval, subject always to the prohibitions on insider trading:

- (a) superannuation – transfers of Securities which are already held in a superannuation fund or other saving scheme in which the Prescribed Employee is a beneficiary, to or from an associate of the relevant Prescribed Employee;
- (b) third parties – an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in Anova securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) other trustees – where a Prescribed Employee is a trustee, trading in Anova securities by the respective trust provided the Prescribed Employee is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investments managers independently of the Prescribed Employee;
- (d) takeover – undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the Company's security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buyback, where the plan that determines the timing and structure of the offer has been approved by the Company's Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) lender disposal – a disposal of Anova securities that is the result of a secured lender exercising their rights, however, this does not extend to disposal under any margin lending agreement where such agreements are prohibited by this policy;
- (g) incentive scheme – the exercise (but not the sale of Anova securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Company has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the Prescribed Employee could not reasonably have been expected to exercise it at a time when free to do so; and
- (h) trading plan – trading under a non-discretionary trading plan for which prior written clearance

has been provided in accordance with procedures set out in this policy and where:

- (i) the Prescribed Employee did not enter into the plan or amend the plan during a Prohibited Period; and
- (ii) the trading plan does not permit the Prescribed Employee to exercise any influence or discretion over how, when, or whether to trade.

However, this policy does not allow the Prescribed Employee to cancel the trading plan or cancel or otherwise vary the terms of their participation in the trading plan during a prohibited period other than in exceptional circumstances.

- (i) bonus issue – acquiring Anova securities under a bonus issue made to all holders of Anova securities of the same class;
- (j) no change in beneficial interest – trading Anova securities where the trading results in no change in beneficial interest in Anova securities; and
- (k) subscription under a disclosure document – subscribing for Anova securities under a disclosure statement.

6.2 Following the occurrence of such permitted dealings contained in clause 6.1, it is incumbent on Directors and Prescribed Employees to immediately notify the Company of their dealings in accordance with the provisions set out in clause 4.4.

7. Further Restrictions

7.1 No margin lending

Prescribed Employees are not permitted to enter into margin lending arrangements in relation to Anova securities. This is on the grounds that the terms may require Anova securities to be sold during a prohibited Period or when the Prescribed Employee possesses Inside Information.

This restriction does not extend to other funding arrangements where Anova securities may be included as security. Prescribed Employees should consult the Company Secretary if they are uncertain as to whether an arrangement should be classified as a margin lending arrangement.

7.2 No short term or speculative trading

The Company encourages Prescribed Employees to be long term investors in the Company.

Prescribed Employees must not engage in short term or speculative trading in Anova securities. Short term means less than a 12-month period.

Prescribed Employees are not permitted to engage in short selling of Anova securities.

7.3 No hedging

Prescribed Employees must not:

- (a) enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:
 - (i) has not vested; or
 - (ii) has vested but remains subject to a holding lock; or

- (b) deal at any time in financial products associated with Anova securities, except for the type of dealing permitted by law or a permitted dealing under this policy.

7.4 Trading of Shares acquired under an employee incentive scheme

In line with the Company's policy of encouraging employees to be long term investors in the Company, employees who have acquired Options, Performance Rights and Shares directly issued under the Employee Incentive Plan (and, where relevant, Shares issued upon the exercise of Options or the conversion of Performance Rights will be subject to compliance with the Group's Securities Trading Policy.

7.5 Meaning of financial products

Financial products include derivatives, options, warrants, futures, forward contracts, swaps and contracts for difference issued or created over or associated with Anova securities by third parties.

8. Confidential Information

You must treat all sensitive, non-public information ("Confidential Information") about the Company as confidential and belonging to the Company. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information. Even within the Company, Confidential Information should be distributed to or discussed with others only on a need to know basis, and those people must be told that the information is confidential. Take whatever steps are necessary to keep Confidential Information from being disclosed, except as authorised or legally required.