

30 July 2020

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 30 JUNE 2020

- Historical data review and target selection progressing for exploration at the 1.03 Moz Big Springs Gold Project
- Recapitalisation nearing completion with shareholder and FIRB approvals pending for the Revised Follow-On Placement to raise \$3.09 million
- Follow-On Placement funding to expand Anova's Big Springs exploration activities and re-pay the existing shareholder loan facility, making Anova debt-free
- Edward Rigg appointed as Non-executive Chairman
- Anova selects preferred party for negotiations on the Linden Gold Project (Second Fortune Gold Mine)
- Binding sale agreement for the Malcolm Gold Project signed

Big Springs Gold Project, Nevada, USA

The Big Springs Gold Project is a Carlin style gold deposit located 80km north of Elko in NE Nevada, USA that produced 386,000 ounces of gold between 1987 and 1993, ceasing production due to low gold prices. The Project is located in proximity to multiple +10 Moz resource Carlin style gold projects within the region, including the producing Jerritt Canyon Gold Mine which is 20km south of Big Springs.

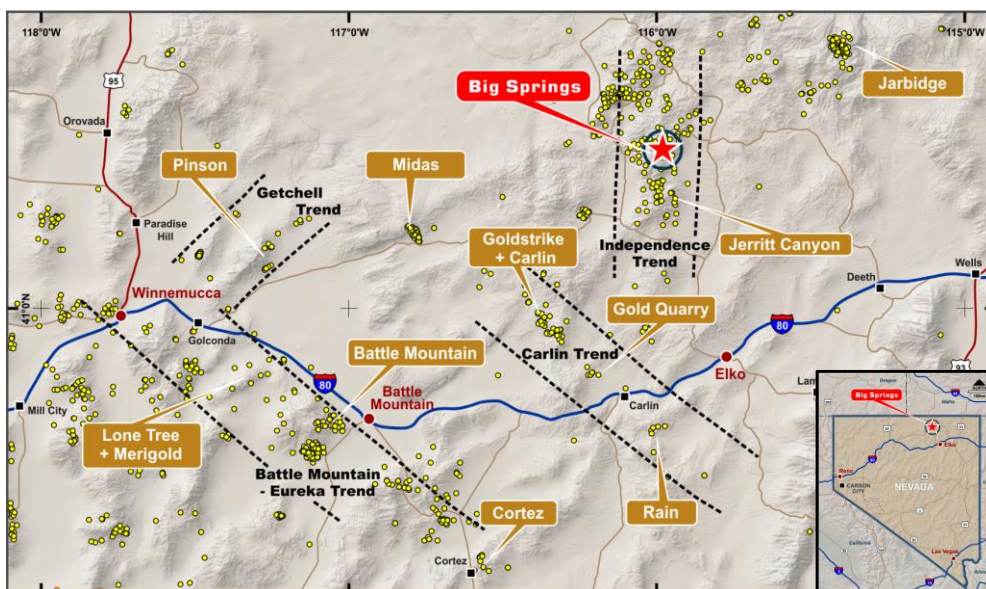


Figure 1: Location of Big Springs Project, Nevada USA.

The Project has Measured, Indicated and Inferred Resources of **16 Mt at 2.0 g/t Au for 1.03 Moz** (refer table 1 and ASX release 26 June 2014), over 50sq km of highly prospective ground. The high-grade portion of the Mineral Resource, reported at a cut-off grade of 2.5 g/t gold, contains **3.1 Mt @ 4.2 g/t for 415 Koz**. Big Springs is fully permitted for Stage 1 mining operations.

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Anova's review of historical data to determine targets for the next phase of exploration at Big Springs is ongoing. The main areas of focus under this review are: North Sammy shoots extension and parallel shoot discovery, Beadles Creek mineralisation extensions, South Sammy high grade lode extension, Mac Ridge, Beadles Creek to South Sammy, and Golden Dome. Previously reported drill hole intersections at Big Springs demonstrate multiple high grade results including: **18.3m @ 6.2 g/t Au**, **12.2m @ 8.5 g/t Au** (Beadles Creek), **10.7m @ 30.9 g/t Au** (South Sammy), **19.8m @ 9.9g/t Au**, **13.7m @ 10.4g/t Au** (North Sammy).

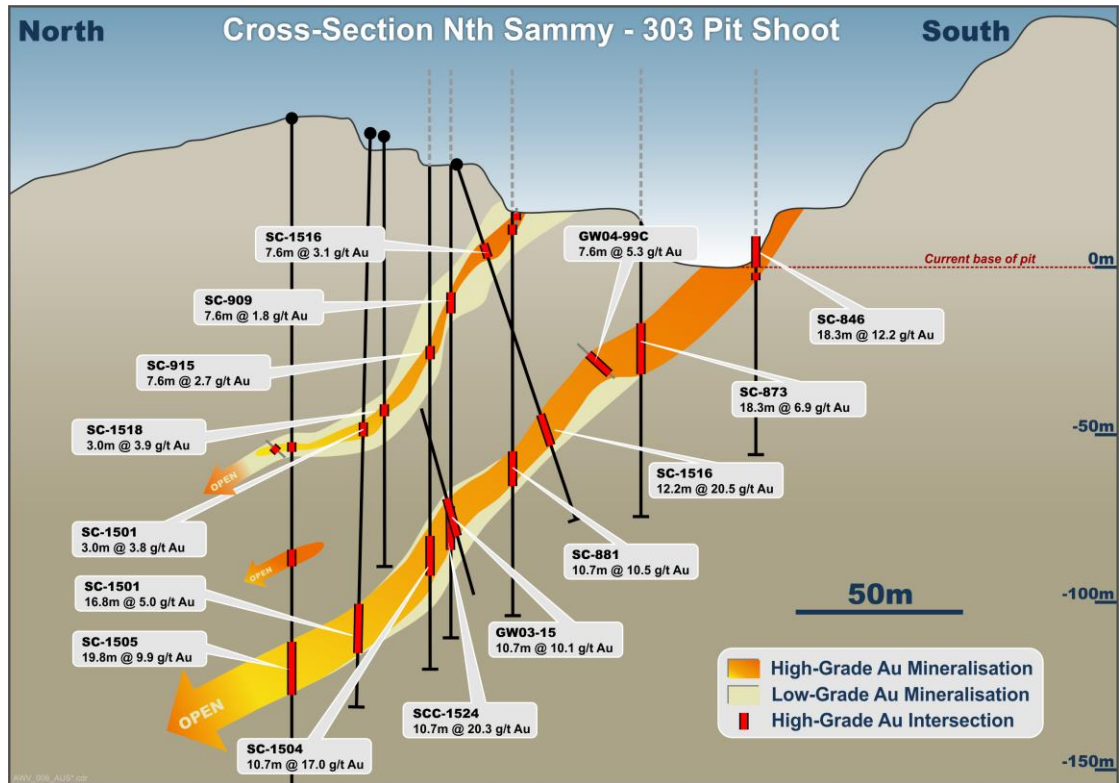


Figure 2: Big Springs - Nth Sammy Cross Section- 303 Pit Shoot

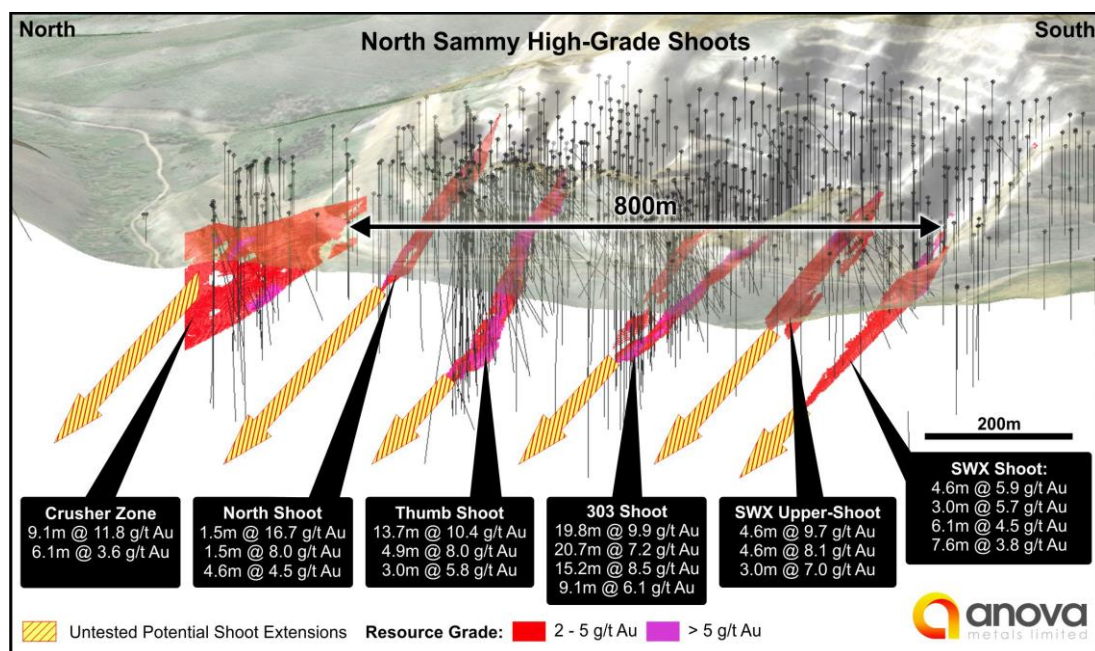


Figure 3: Big Springs – North Sammy Parallel Shoots

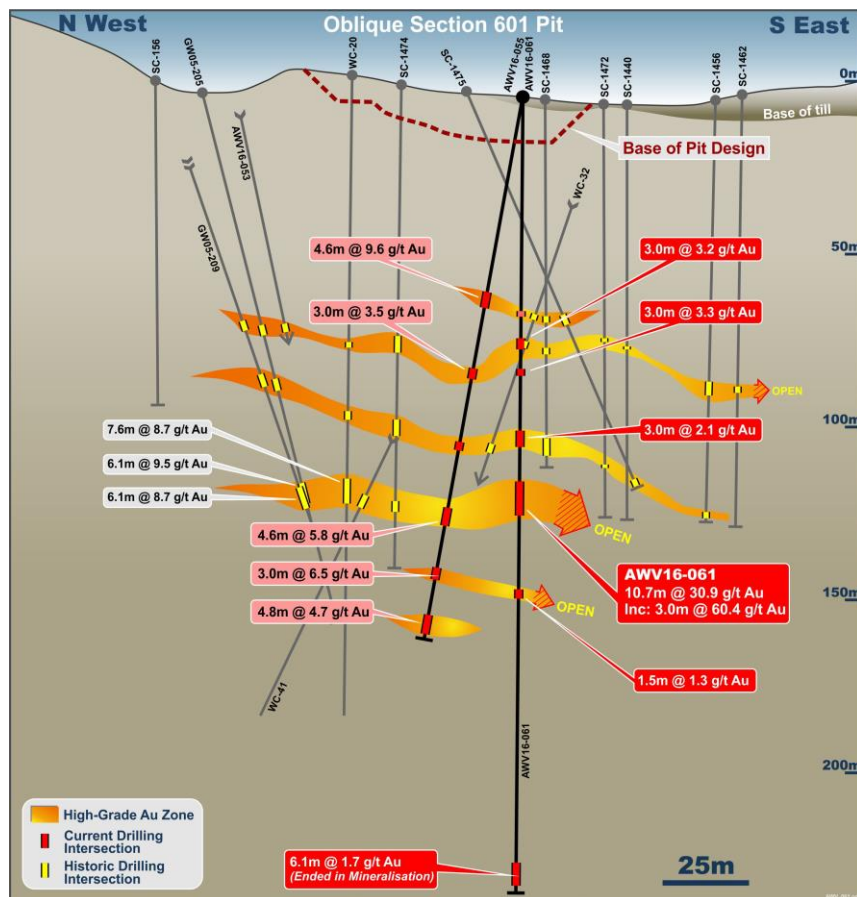


Figure 4: Big Springs – South Sammy cross section under the 601 zone

In addition to drill hole information, other historical data being reviewed to evaluate regional targets includes geological mapping, geochemical soil and rock chip sampling and geophysical survey data (IP, Ground Magnetic, Airborne Magnetic, and Airborne Electro-Magnetics). Anova is focussed on the identification of regional target areas with similar geophysical signatures to known historical resources and co-incident geochemical anomalies for future drill testing.

Anova expects to release further information regarding its Big Springs exploration program throughout the September Quarter.

Linden Gold Project, Western Australia

The Linden Gold Project is located approximately 220km north of Kalgoorlie. The Project has Indicated and Inferred Resources of **488Kt at 8.3 g/t Au for 130.6 Koz** including a Probable Ore Reserve of **339Kt at 6.0 g/t Au for 65 Koz** (Mineral Resource and Ore Reserve is pre-2018 mining and undepleted - refer table 1 and table 2 for further information).

During the Quarter, Anova progressed its strategy to evaluate and identify low risk development options for the Second Fortune Gold Mine by engaging with various parties that have subsequently conducted due diligence on the Project, including several site visits.

Anova has now selected a preferred party to continue negotiations in relation to the Linden Gold Project. Anova will provide shareholders with updates in due course.



Figure 5: Second Fortune Underground Development Drive Level 2 Nth Main Quartz Lode

Malcolm Gold Project, Western Australia

On 22 July 2020, Anova reached a binding agreement for the sale of the Malcolm Gold Project to GoldLake Two Pty Ltd (**GoldLake**), an unrelated party (**Malcolm Sale agreement**). GoldLake will provide upfront cash consideration of A\$100,000, plus a 5% Net Smelter Return royalty on the first 5,000 ounces of gold recovered from the Project, with the royalty rate reducing to 1.5% thereafter. The Malcolm Sale Agreement is subject to GoldLake's completion of a 10-day confirmatory due diligence period.

Corporate

Follow-On Placement

On 10 June 2020, Anova announced the terms of the revised Follow-On Placement to raise up to \$3.09 million through the issue of up to 181,767,004 New Shares at \$0.017 per share to Au Xingao Investment Pty Ltd, a subsidiary of Hong Kong Xinhua Investment Co. Ltd (**Xingao** or the **Cornerstone Investor**).

The Follow-On Placement funds will be used expand Anova's Big Springs exploration activities and repay the existing shareholder loan facility that is due for repayment on 3 September 2020. Repayment of the loan facility will result in Anova becoming debt-free.

The Follow-On Placement is subject to the approval of Anova's shareholders at the General Meeting scheduled on 4 August 2020, and Xingao obtaining Australian Foreign Investment Review Board (**FIRB**) approval. In June, Xingao confirmed that it lodged an application with FIRB in relation to the Follow-On Placement.

Further information regarding the Follow-On Placement is contained in the Notice of Meeting dispatched 3 July 2020.

Entitlement Offer and Top-Up Placement

During the quarter, Anova completed a non-renounceable Entitlement Offer and Top-Up Placement at a price of \$0.007 per share, raising a total of approximately \$3.8 million. Top-Up Placement Shares were issued pursuant to Anova's placement capacity under ASX Listing Rule 7.1.

Capitalised terms in this section that are not defined have the meanings given to them in the Offer Document dated 22 April 2020.

Less Than Marketable Parcel Share Sale Facility

On 1 June 2020, Anova announced the details of a share sale facility for holders of less than a marketable parcel of the Company's shares (defined in the ASX Listing Rules as a parcel of securities of not less than \$500 in value) (**Less Than Marketable Parcel**).

The facility closed on 16 July 2020 with a total of 842 shareholders collectively holding 5,557,836 fully paid ordinary shares in Anova electing not to retain their Less than Marketable Parcel. The Less Than Marketable Parcels that were not retained by shareholders, were sold at a price of \$0.0305 per share on 28 July 2020.

Board and management changes

Following the successful completion of the Entitlement Offer and Top-Up Placement, the following board and management changes took place:

- On 8 May 2020, directors Alasdair Cooke and Bill Fry resigned
- On 14 May 2020, director Malcolm James resigned
- On 14 May 2020, Edward Rigg was appointed as a director and Non-executive Chairman

- On 25 May 2020 David Palumbo was appointed as sole Company Secretary with the resignation of Steven Jackson

ASX Additional Information

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$126,000, associated with technical data review and tenement compliance costs. Details of the exploration activity during the Quarter are set out in this report.

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter totalled \$362,000. The Company advises that this relates to non-executive director's fees and executive directors' salaries (\$292k), a significant portion being settlement of fees and salaries accrued over the 2019/20 financial year, corporate advisory fees (\$5k) and provision of services including a fully provisioned office and administration & technical staff (\$65k).

Table 1: Mineral Resources (undepleted)

Project	Measured			Indicated			Inferred			Combined		
	kT	Grade	Koz	kT	Grade	Koz	kT	Grade	Koz	kT	Grade	Koz
Big Springs (JORC 2012)												
North Sammy	346	7.0	77.9	615	3.1	62.2	498	2.8	44.1	1,458	3.9	184.1
North Sammy Contact				443	2.3	32.4	864	1.4	39.3	1,307	1.7	71.8
South Sammy	295	4.0	38.2	3,586	2.1	239.9	3,721	1.3	159	7,602	1.8	437.2
Beadles Creek				119	2.2	8.2	2,583	2.3	193.5	2,702	2.3	201.7
Mac Ridge							1,887	1.3	81.1	1,887	1.3	81.1
Dorsey Creek							278	1.4	12.9	278	1.4	12.9
Briens Fault							799	1.6	40.5	799	1.6	40.5
Big Springs Sub-Total	641	5.6	116.1	4,762	2.2	343.3	10,630	1.7	570.4	16,032	2.0	1,029.9
Second Fortune (Linden)												
Main Lode (JORC 2012)	-	-	-	211.8	9.8	66.7	35.4	8.0	9.1	247.2	9.5	75.8
Hangingwall Lode (JORC 2004) ^{1,2}	-	-	-				58.2	8.2	15.3	58.2	8.2	15.3
Footwall Lode (JORC 2004) ^{1,2}	-	-	-	18.5	8.9	5.4	52.9	7.4	12.5	71.4	7.8	17.9
West Lode (JORC 2004) ^{1,2}	-	-	-	4.2	4.2	0.6	107.2	6.1	21.0	111.4	6.0	21.6
Second Fortune Sub-Total	-	-	-	234.5	9.6	72.7	253.7	7.1	57.9	488.2	8.3	130.6
Combined Total of Mineral Resources	641	5.6	116.1	4,971	2.5	406.2	10,884	1.8	628.3	16,494	2.2	1,150.7

Note: Appropriate rounding applied

1. Mineral Resource has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.
2. Second Fortune other veins - 4.0 g/t Au lower cut-off (minor rounding variations may occur)

Table 2: Ore Reserves (undepleted)

Project	Proven			Probable			Combined		
	kT	Grade	Koz	kT	Grade	Koz	kT	Grade	Koz
Second Fortune	-	-	-	339.0	6.0	65.0	339.0	6.0	65.0
Combined Total of Ore Reserves	-	-	-	339.0	6.0	65.0	339.0	6.0	65.0

Explanatory Note on Mineral Resources and Ore Reserves

Since the Mineral Resources and Ore Reserves were reported in the 2017 Annual Report of the Company, there have been no updates to the estimations of the Mineral Resources or Ore Reserves reported by the Company.

A mining campaign at the Second Fortune project was completed in the intervening period. Please see the Review of Operations for details of the mining campaign and the ASX Release 15 August 2018 for further details. A depleted Resource and Ore Reserve has not yet been completed by a Competent Person. The Company will release an updated Resource and Reserve Statement as soon as reasonably practicable and upon completion of the review by the Competent Person.

(refer AWW Annual Report dated 18 October 2019 and AWW ASX release 26 June 2014)

Competent Person Statement

The information in this report that relates to Exploration Result for the Big Springs Project is based on information compiled by Dr. Geoffrey Xue. Dr. Xue is a full time employee of Anova and a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr. Xue consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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

Competent Person Statement – Second Fortune (Linden) Project

The information in this report that relates to Exploration Results and overall supervision and direction of Mineral Resources (including database compilation, sampling processes, geological and mineralisation interpretation, project parameters and costs) is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of John Davis (Member of the Australian Institute of Geoscientists). Mr Davis has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Davis consents to the inclusion in the release of the statements based on their information in the form and context in which they appear.

Information in this report that relates to estimation, depletion and reporting of the Second Fortune Main Lode Mineral Resources is based on and fairly represents, information and supporting documentation compiled by Mr Mike Job who is a Member of the Australasian Institute of Mining and Metallurgy and at the time, a full time employee of QG Consulting Pty Ltd. Mr Job has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Job consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Ore Reserves has been compiled by Mr Andrew Gasmier, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Gasmier is employed full time by Mining Plus. Mr Gasmier has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gasmier consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

TENEMENT SCHEDULE

Western Australia		
Tenement reference	Location	Percentage Held
E39/1539	Linden	100%
E39/1977	Linden	100%
E39/2081	Linden	100%
L39/0012	Linden	100%
L39/0013	Linden	100%
L39/0014	Linden	100%
L39/0230	Linden	100%
M39/0255	Linden	100%
M39/0649	Linden	100%
M39/0650	Linden	100%
M39/0794	Linden	100%
P39/5599	Linden	100%
M37/1164	Malcolm	100%*
Nevada, USA		
Tenement reference	Location	Percentage Held
NDEEP-31, NDEEP-32	Big Springs	100%
TT-108 to TT-157, TT-163, TT-164, TT-185, TT-187, TT-189 to TT-204, TT-220 to TT-267, TT-327 to TT-344	Big Springs	100%
AM1 to AM-8	Big Springs	100%
NDEEP-18, NDEEP-19, NDEEP-35, NDEEP-36, NDEEP-52, NDEEP-53	Dorsey Creek	100%
TT-158 to TT-162, TT-169 to TT-184, TT-186, TT-188, TT-275 to TT-277, TT-290, TT-291, TT-297 to TT-301, TT-305 to TT-311	Dorsey Creek	100%
DOVE-1 to DOVE-51	Golden Dome	100%
GD-52 to GD-61, GD-63, GD-67 to GD-76, GD-79 to GD-87, GD89 to GD-90, GD-92 to GD-136, GD-139 to GD-154, GD-157, GD-164 to GD-173, GD-176, GD-181, GD-182, GD-185, GD-186, GD-189, GD-190, GD-193, GD-194, GD-197 to GD-199, GD-201, GD-203, GD-205, GD-207, GD-209, GD-211, GD-213, GD-215, GD-217, GD-219, GD-221, GD-223, GD-225, GD-265 to GD-286, GD-297 to GD-318, GD-381 to GD-428	Golden Dome	100%
MP-14, MP-16, MP-18, MP-41, MP-43, MP-45, MP-47, MP-49 to MP-54	Golden Dome	100%
NDEEP-1 to NDEEP-16, NDEEP-44 to NDEEP-53, NDEEP-61 to NDEEP-90	Golden Dome	100%
JAK-14, JAK-16, JAK-18, JAK-20 to JAK-38, JAK-99 to JAK-116, JAK-170, JAK-172, JAK-174, JAK-176, JAK-178 to JAK-186	Jack Creek	100%
BS-500 to BS-550, BS-557 to BS-579	Mac Ridge	100%
MR-500 to MR-524, MR-526, MR-528, MR-530 to MR-537	Mac Ridge	100%
NDEEP-33, NDEEP-34	Mac Ridge	100%
TT-205 to TT-219	Mac Ridge	100%

* A binding agreement has been signed for the sale of Malcolm Gold Project subsequent to quarter end. No other interest changes have occurred during the quarter ended 30 June 2020.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Anova Metals Limited

ABN

20 147 678 779

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(126)	(804)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(308)	(461)
	(e) administration and corporate costs	(123)	(298)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(71)	(292)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(628)	(1,855)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(21)	(21)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	425
	(c) property, plant and equipment	-	53
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(21)	457

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,785	4,285
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(348)	(397)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(175)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	3,437	3,713

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	618	1,092
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(628)	(1,855)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(21)	457
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,437	3,713

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(3)	(4)
4.6	Cash and cash equivalents at end of period	3,403	3,403

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,403	618
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,403	618

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

362

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	2,825	2,825
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	2,825	2,825

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lender – Twynam Agricultural Group Pty Ltd

Interest rate of 10% per annum, payable monthly. Minimum interest over term of \$300,000. Maturity Date of 4 September 2020. Secured over all the assets of Anova Metals Australia Pty Ltd, Anova Metals Ltd and Big Springs Project Pty Ltd (owner of the Big Springs Project).

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(628)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(628)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	3,403
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	3,403
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	5.42

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **30 July 2020**

Authorised by: **By the Board**

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.