anova metals limited

ABN 20 147 678 779

ANNUAL REPORT

30 JUNE 2021

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Corporate Directory

Directors	Mr Edward Rigg Non-Executive Chairman Mr Mingyan Wang Managing Director Mr John Davis Non-Executive Director
Company Secretary	Mr David Palumbo
Principal Place of Business	Level 3 3-5 Bennett Street East Perth WA 6004 Ph: +61 8 6465 5500
Registered Office	Level 11 216 St Georges Terrace Perth WA 6000 Ph: +61 8 9481 0389
Share Registry	Link Market Services Level 12, QV1 Building 250 St Georges Terrace Perth WA 6000 Ph: +61 1300 554 474
Securities Exchange Listing	Anova Metals Limited shares are listed on the Australian Securities Exchange (ASX: AWV)
Auditor	HLB Mann Judd Level 4, 130 Stirling Street Perth WA 6000 Ph: +61 8 9227 7500
Website	www.anovametals.com.au

The Directors present their report together with the financial report of Anova Metals Limited ("the Company" or "AWV") and its controlled entities ("Group" or "Consolidated Entity"), for the financial year ended 30 June 2021.

1. Directors

The Directors in office at any time during or since the end of the financial year are:

Mr Edward Rigg, Non-Executive Chairman (appointed 14 May 2020)
Mr Mingyan Wang, Managing Director (appointed 4 March 2020)
Mr John Davis, Non-Executive Director (appointed 20 September 2017)

Directors and Company Secretary

Mr Edward Rigg | Non-Executive Chairman

Mr Rigg has extensive experience in the execution of M&A and capital raisings for both public and private companies and is an active originator of domestic and cross border transactions for small cap through to large multinational entities and SOE's predominantly in the metals and mining and energy sectors. He is a co-founder and Executive Chairman of Argonaut, an integrated investment house focused on natural resources. Prior to establishing Argonaut, Eddie was an Executive Director, Investment Banking of CIBC World Markets, a global investment bank. Eddie is a 40under40 and City of Perth Business Award winner.

Other current listed directorships
n/a

Special responsibilities
Chairman

Former listed directorships in the last three years
n/a

Interests in shares and options
4,000,000 ordinary shares
55,000,000 options exercisable at 1.1c on or before 31 March 2022

Dr Mingyan Wang | Managing Director

Dr. Wang has over 20 years' experience in the mining and resources industry specialising in identifying projects, exploration, management and business development. Dr. Wang was a founding director of Global Lithium Resources Ltd and former Managing Director of ASX listed Abra Mining Ltd. He also held senior management positions in other large mining companies such as China Minmetals Corporation where he was the Project Lead – Geology & Mining in Las Bambas Copper-Gold mine in Peru. Dr. Wang has been in Australia for more than 10 years and has extensive experience in the mining and resources section in Australia, China and Peru.

Other current listed directorships
n/a

Special responsibilities
n/a

Former listed directorships in the last three years
n/a

Interests in shares and options
15,285,714 ordinary shares
12,500,000 class A performance rights
12,500,000 class B performance rights

Mr John Davis |Non-Executive Director

Mr Davis is a Geologist with more than 30 years of experience in mineral exploration and development in Australia and Southern Africa, including gold, base metals and rare metals. He has extensive experience in the gold sector, from regional exploration, resource development to production, including as Exploration Manager/Chief Geologist for Metana Minerals NL. He was founding managing director of Jabiru Metals Ltd, where he played a key role in the discovery of the Jaguar base metal deposit, and a Technical Director of Monarch Gold Mining Co Ltd.

Other current listed directorships
n/a

Special responsibilities
n/a

Former listed directorships in the last three years
n/a

Interests in shares and options
1,916,667 ordinary shares
750,000 unlisted options exercisable at $0.20 by 28 November 2021

Mr David Palumbo | Company Secretary

Mr David Palumbo from Mining Corporate Pty Ltd is a Chartered Accountant and Graduate of the Australian Institute of Company Directors with over fifteen years' experience across company secretarial, corporate advisory and the financial management and reporting of ASX listed companies. Mr Palumbo currently acts as Company Secretary for a number of ASX listed companies and serves on the Board of Krakatoa Resources Limited (ASX: KTA) and Albion Resources Limited (ASX: ALB).

2. Principal Activities

The principal activity of the Group is mining and mineral exploration and evaluation in the United States of America.

3. Operating Results

The operating loss of the Group attributable to equity holders of the Company for the financial year ended 30 June 2021 amounted to $4,176,968 (2020: profit of $2,770,866).

4. Significant changes in the state of affairs

In the opinion of the Directors, other than as stated under Review of Operations, and Significant Events After the Balance Date, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review and subsequent to the financial year end.

5. Review of Operations

Big Springs Project, USA

The Big Springs Gold Project is a Carlin-style gold deposit located 80km north of Elko in north-east Nevada, United States. It produced approximately 386 koz of gold between 1987 and 1993, but ceasing production due to the relatively low prevailing gold prices at that time. It is located in close proximity to multiple +10 Moz Carlin-style gold deposits in the region, including the producing Jerritt Canyon gold mine approximately 20 km to the south of Big Springs.

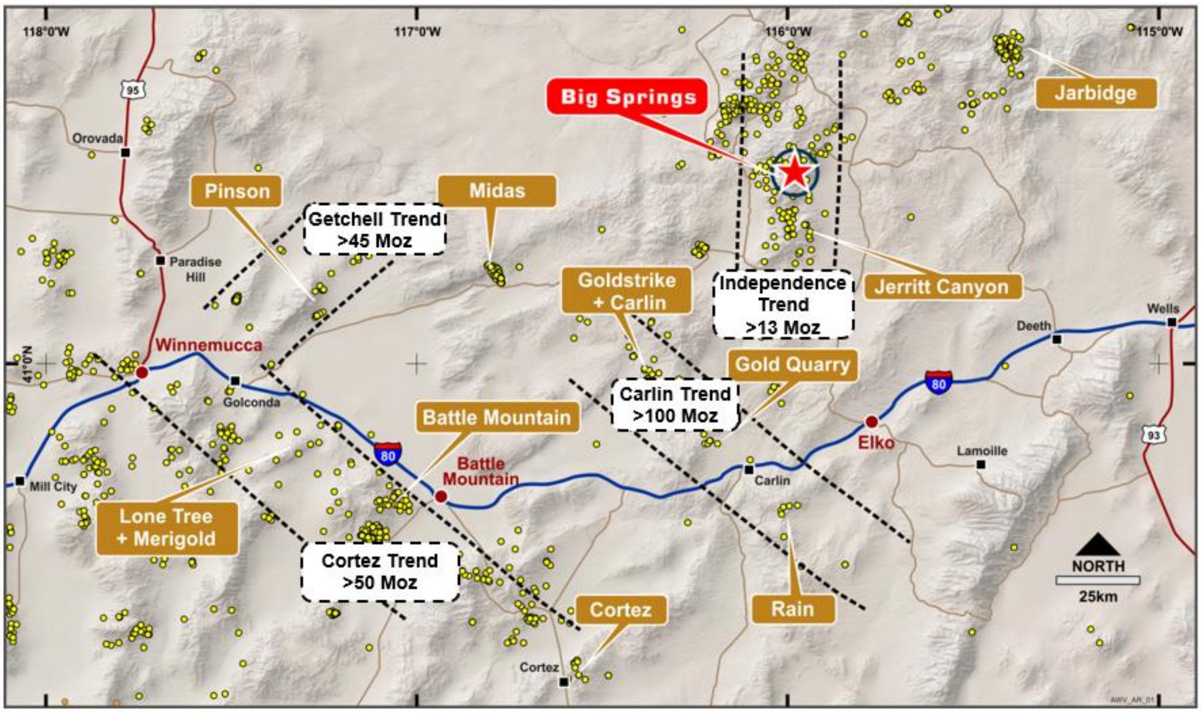

Figure 1: Location of Big Springs Project, Nevada, US.

The Big Springs Project currently has Measured, Indicated and Inferred Mineral Resources totalling **16 Mt at 2.0 g/t Au for 1.03 Moz gold** (refer to Anova ASX release dated 26 June 2014). At an increased cut-off grade of 2.5 g/t gold, the high grade component of the Big Springs resource is 3.1 Mt at 4.2 g/t Au for 415 koz gold.

Anova has conducted extensive exploration programs and a comprehensive review of historical information for a targeting study at Big Springs. The exploration programs include gravity and magnetic surveys over the entire Big Springs tenement package, hyperspectral imaging, field mapping and a 10-hole diamond drilling program. Highly prospective land surrounding Dorsey Creek and Jacks Creek was pegged, which brings the total land package at Big Springs to 81 Km^2.

2020 Diamond Drilling Program

The 2020 diamond drilling program comprised 10 drill holes for 1,702 total drilling metres. It was the first drilling program conducted at Big Springs since early 2017 and the first one to test the 401 deposit at South Sammy since 2007.

The program was a combination of extensional drilling of the existing Mineral Resource and testing of new exploration targets. Resource extension targets tested in this campaign included the Crusher Zone, North Shoot and SWX Shoot at North Sammy, and the 401 deposit at South Sammy (refer Figure 2 and Figure 3). Depth extension of mineralisation associated with the Schoonover and Argillic structures at North Shoot and footwall lodes at North Sammy was also tested.

Drilling commenced on 19 October 2020. Seven holes were drilled at North Sammy and three at the 401 deposit, South Sammy. A total of 1,154 core samples were collected and sent to the ALS lab in Reno for assay.

Outstanding intervals were received with some of the best results including:

- BS-006: 5.49m @ 15.23 g/t from 106.07m, including 1.52m @ 31.5 g/t;
- ZBF-02a: 4.54m @ 3.98 g/t from 91.75m, including 1.39m @ 7.24 g/t;
- ZBF-001: 10.85m @ 3.96 g/t from 87.33m, including 3.05m @ 6.16 g/t;
- BS-010A: 15.24m @ 2.53 g/t from 28.35m, including 3.05m @ 7.90 g/t;
- BS-003: 9.14m @ 2.48 g/t from 55.78m, including 2.74m @ 6.82 g/t; and
- BS-009: 6.10m @ 2.80 g/t from 77.11m, including 1.89m @ 5.92 g/t.

Details of all drill results can be found in the Anova ASX releases of 18 January, 25 January and 25 February 2021.

The key outcomes from the 2020 drilling were significant. Gold mineralisation at the 401 deposit (South Sammy) and the North and SWX Shoots (North Sammy) has been extended by over 30 metres (and in the case of the SWX Shoot by over 50 metres). Continuity of delineated mineralisation has been enhanced in the process – with expected implications for resource confidence categorisation. New lodes were also discovered including the high-grade discovery at North Shoot (5.49m @ 15.23g/t) and the footwall lode at SWX Shoot (9.14m @ 2.18g/t).

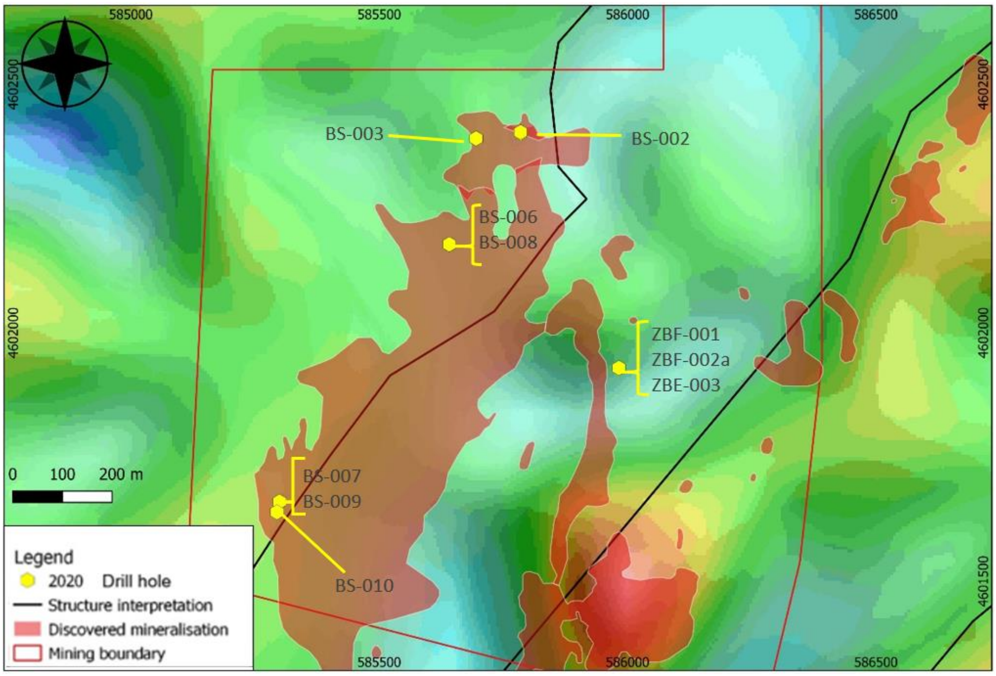

Figure 2: Residual Horizontal Gradient Gravity map with structural interpretation

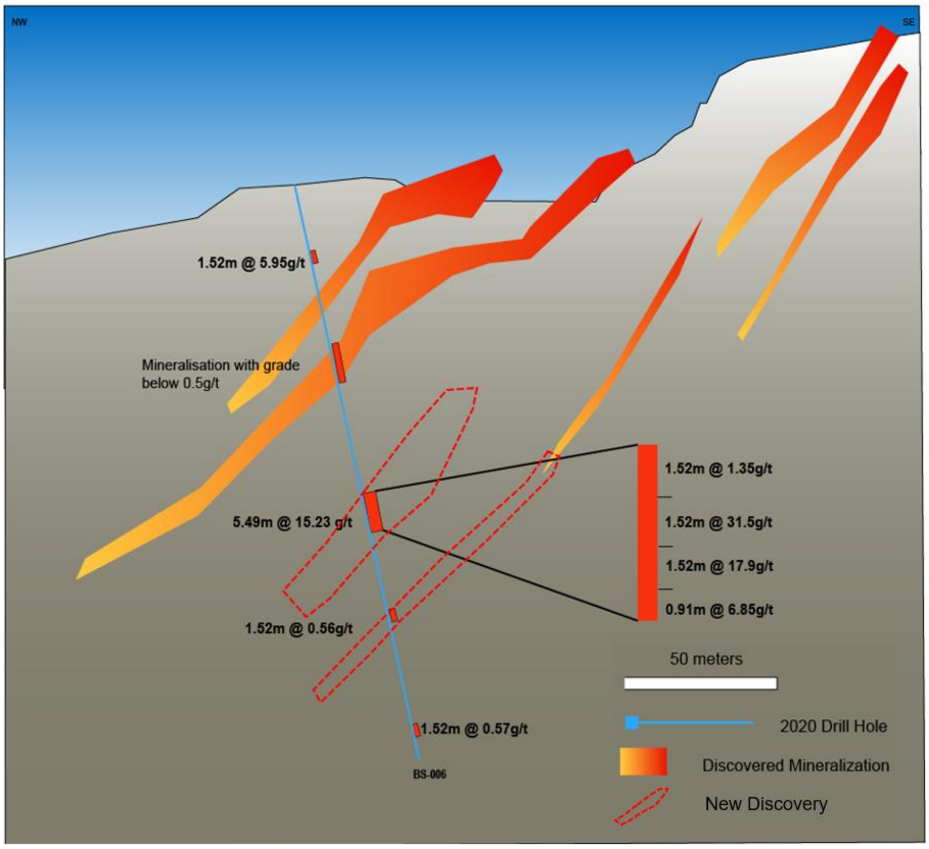

Figure 3: Cross section map showing new drill hole BS-006 at North Shoot, North Sammy. Discovery of a new lode below the main ore shoot with returned interval of 5.49m @ 15.23 g/t.

Geophysics surveys

A ground gravity survey covering the entire tenement base of Big Springs was completed in October 2020 (see Anova ASX release dated 12 October 2020). This program comprised 1,540 unique stations, including 94 remote stations designed to provide valuable larger scale data.

The NNE directed mineralisation control structures at North Sammy, South Sammy, and Beadles Creek were well recognised. Interactions between NNE and WNW structures controlling gold mineralisation are more typical at Mac Ridge and the southern end at South Sammy. Three major groups of targets were identified from initial interpretation (Figure 4). These target groups comprise:

- Extension to both directions of the Schoonover and Beadles Faults, such as Dorsey Creek;
- Parallel structures of Beadles Fault towards the east, such as Mac Ridge North; and
- Intersections between NNE and WNW structures, such as Jacks Creek.

Anova conducted a high resolution airborne magnetic survey at Big Springs in November 2020 (see Anova ASX released dated 16 November 2020). Magnetic anomaly trends and patterns indicate the presence of fault structures that could host gold mineralisation, as well as magnetic high trends interpreted to be intrusive dikes. Both N-S oriented structures and ENE-WSW trending structures were identified in the magnetic survey study, which are consistent with the ground gravity survey interpretation. The structures identified from both gravity and magnetic surveys are key to understanding the gold mineralisation development at Big Springs.

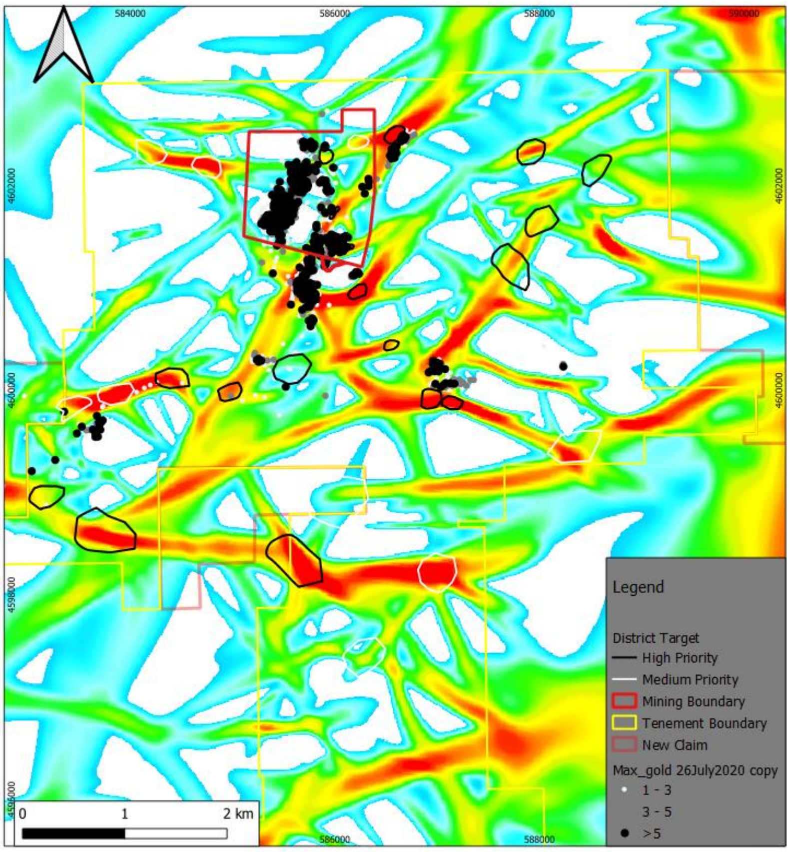

Figure 4: Total structure extracted using Fathom structure detection algorithm with wavelength of 50 metres with maximum gold content from historical drill holes. Close relationship between gold mineralisation and structures is affirmed, particularly for intersections between various sets of faults

Comprehensive Targeting Study

A comprehensive targeting study to identify areas with great potential and guidance exploration programs in future was completed in May 2021. Large historical data set was applied for the comprehensive targeting study, which include 2,513 drill holes, 955 rock chip samples, 12,018 soil samples, and geophysics surveys completed by Anova in 2020.

In accordance with criteria identified, the Big Springs targeting study has led to the identification of 18 high-priority near mine targets and 41 high-potential district targets (Figure 5). Details of the targeting study can be referred to ASX release dated 27 May 2021.

Eighteen near-mine targets show potential to expand existing gold resources and delineate ore shoots with >5g/t Au and zones of structural intersection. Twelve of them are to test the deep extension of the high grade shoots at North Sammy, four are to expand mineralisation at South Sammy, and two at Beadles Creek follow up historical drill holes.

Forty one district targets are identified from areas of anomalous gravity results and favourable geology for carlin style mineralisation (Figure 5). The criteria for selecting district targets included a favourable broad scale gravity signature, structural pathway-fault complexity and host rock reactivity. Other information such as surface geochemical results and magnetic- and hyperspectral-imagery support the targets identified.

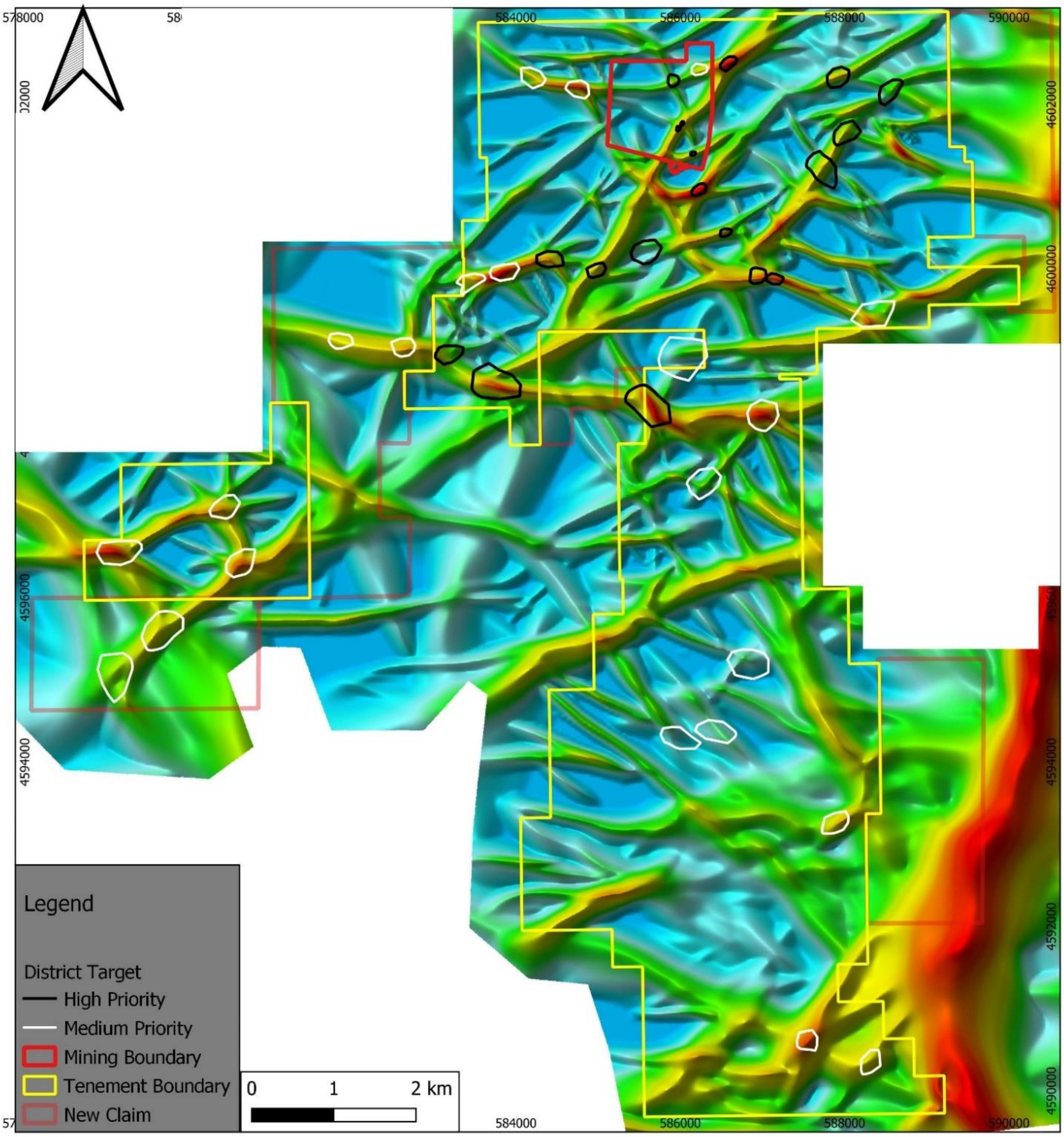

Figure 5: Gravity imaging identifies forty-one district targets with nineteen ranked as high priority.
Four targets within the mining permitted area will be tested by the 2021 drilling program

Soil Sampling, Surface Mapping, and New Claims

Geological surface mapping and soil-grid sampling programs are ongoing at Big Springs Gold Project. The key objective of both programs is shaper delineation of the surface expressions of gold mineralisation at Big Springs (Figure 6).

The soil sampling program plans to cover an area of approximately 15km^2, including targets identified at Mac Ridge North, Jacks Creek and Golden Dome. Planned sample spacing is 100 feet, with line spacing of 200 feet. Samples are to be collected at a depth of 1-2 feet below surface.

Geological surface mapping is initially focussed on the Crusher Zone North area, to be followed by the South Sammy South and Mac Ridge zones. The outcrop geology mapping is set to focus on Carlin-type mineralisation related alteration, mineralogy, and, particularly, the structures that control gold mineralisation according to the recently completed Big Springs targeting study.

The Company has pegged and secured another 240 mining claims surrounding the existing land package at Jacks Creek, Dorsey Creek and Mac Ridge North. This brings the total prospecting land package held by Anova at Big Springs to 81 km^2. Historical soil samples and rock chip samples have picked up strong Au anomalies within new claims (see Company Announcement at 16 August 2021).

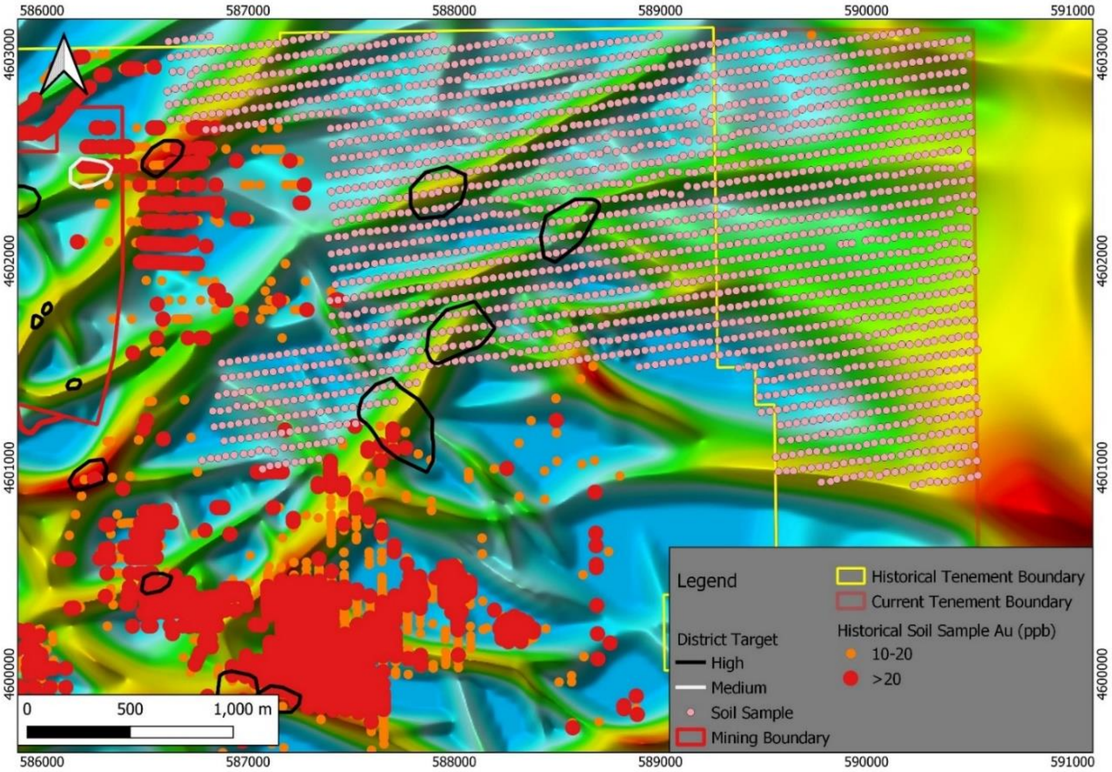

Figure 6: Soil samples at Mac Ridge North

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.

6. Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

7. Significant events after the balance date

There are no matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. Likely developments and expected results

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

9. Directors' Meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

	Board of Directors	
	Present	**Held**
Edward Rigg	6	6
Mingyan Wang	6	6
John Davis	6	6

10. Interests in the shares, options, and performance rights of the Company

At the date of this report, shares, options and performance rights held by Directors of the Company are as follows:

	Shares	Performance Rights	Options
Edward Rigg	4,000,000	-	55,000,000
Mingyan Wang	15,285,714	25,000,000	-
John Davis	1,916,667	-	750,000
	21,202,381	25,000,000	55,750,000

11. Unissued shares under option or rights

At the date of this report unissued ordinary shares or interests of the Company under option or rights are:

Class	Number	Grant date	Expiry date	Exercise price (cents)
Unlisted options	1,375,000	4-Oct-17	28-Nov-21	20.0
Unlisted options	65,000,000	14-Apr-20	31-Mar-22	1.1
Unlisted options	30,000,000	18-Sep-20	30-Jun-22	2.0
Unlisted options	30,000,000	18-Sep-20	30-Jun-23	2.5
Unlisted options	30,000,000	18-Sep-20	30-Jun-24	3.0
Performance rights – class a	18,750,000	27-Nov-20	31-Jul-23	n/a
Performance rights – class b	18,750,000	27-Nov-20	31-Jul-23	n/a
	193,875,000			

12. Remuneration report

The Remuneration Report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the Key Management Personnel of the Company for the financial year ended 30 June 2021 and is included on page 10.

13. Indemnification and insurance of Directors and Officers of the Company

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they be may be held personally liable, except when there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

14. Non-Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year are outlined in note 26 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

15. Auditor Independence

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 14 and forms part of this Directors' report for the year ended 30 June 2021.

16. Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2021 can be accessed from the Company's website at: http://anovametals.com.au/corporate/corporate-governance.

17. Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

18. Remuneration Report – Audited

This Remuneration Report outlines the remuneration arrangements which were in place during the year and remain in place as at the date of this report, for the Directors and key management personnel of Anova Metals Limited. The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

Key management personnel details
Mr Edward Rigg, Non-Executive Chairman
Mr Mingyan Wang, Managing Director
Mr John Davis, Non-Executive Director

Principles of compensation
The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms with market practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high calibre executives.

Alignment to programme participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority with the group, the balance of this mix shifts to a higher proportion of ''at risk'' rewards. Currently no remuneration consultants are used by the Company in formulating remuneration policies.

Role of the Remuneration Committee
Due to the size of the Board, the role of the Remuneration Committee is performed by the Board. It is primarily responsible for making recommendations on:

- Non-Executive Director Fees;
- remuneration levels of Executive Directors and other key management personnel;
- the over-arching executive remuneration framework and operation of the incentive plan; and
- key performance indicators and performance hurdles for the executive team.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. The Corporate Governance Statement provides further information on the role of the Board.

Non-Executive Directors' remuneration
The Company's Non-Executive Directors receive fees (including statutory superannuation) for their services and the reimbursement of reasonable expenses. The fees paid to the Company's non-executive Directors reflect the demands on, and responsibilities of these Directors. They do not receive any retirement benefits (other than compulsory superannuation). The Board decides annually the level of fees to be paid to non-Executive Directors with reference to market standards.

Non-Executive Directors may also receive share options where this is considered appropriate by the Board as a whole and with regard to the stage of the Company's development. Such options vest across the life of the option and are primarily designed to provide an incentive to non-Executive Directors to remain with the Company. The Non-Executive Directors' fee pool limit is $300,000 per annum.

Executive pay
An executive's total remuneration comprises the following two components:

- base pay and benefits, including superannuation; and
- equity (being share options granted at the discretion of the Board and ordinary shares issued under the Company's Long-Term Incentive Scheme).

Base pay
Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion. Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion. There is no guaranteed base pay increases included in any executives' contracts.

Long-term incentives
Long-term incentives are provided to certain Non-Executive Directors and executives under the Company's Share Option Plan and the Company's Long Term Incentive Scheme.

Share trading policy
The trading of shares issued to participants under the Company's employee option plan is subject to, and conditional upon, compliance with the Company's employee share trading policy. Executives are prohibited from entering into and hedging arrangements over unvested options under the Company's employee option plan. The Company would consider a breach of this policy as gross misconduct which may lead to disciplinary action and potential dismissal.

Service contracts
The Company had Service Agreements in place with the following executives during the year. Details of the agreements are listed below:

Name	Term of Agreement	Base Salary inc Super	Termination Benefit	Short-Term Incentives	Long-Term Incentives
Mingyan Wang	Commenced 4 March 2020	$250,000	3 months base salary	Up to 30% of base salary	25m Performance Rights *

*Comprised of i) 12.5m class A performance rights which vest on Dr Wang being continuously employed until 31 July 2021 and the Company's share price closing above $0.03 for 10 consecutive trading days between 30 November 2020 and 31 July 2023 and ii) 12.5m class B performance rights which vest on the Company's share price closing above $0.03 for 10 consecutive trading days between 30 November 2020 and 31 July 2023 and the Company announcing a 1.5Moz JORC compliant resource at the Big Springs Project on or prior to 31 July 2023 whilst Dr Wang is an employee of the Company.

Letters of Appointment
The Company had Letters of Appointment in place with the following non-executive directors during the year. Details of the agreements are listed below:

Name	Term of Appointment	Annual Director Fee
Edward Rigg	Commenced 14 May 2020	$60,000
John Davis (i)	Commenced 1 October 2017	$40,000

(i) Mr Davis also has an additional consulting agreement with the Company for $10,000 per annum based on 1 day per week of service. A consulting rate of $1,200 per day is applicable above this time commitment.

Director and Key Management Personnel remuneration
Details of the remuneration of the Directors and other key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following tables.

Details of remuneration
The following tables set out remuneration paid to Directors and other key management personnel of the Consolidated Entity during the year.

	Short-term employee benefits	Post-employment	Share based		Performance
	Salary & fees	Superannuation	payments	Total	Related
2021	**$**	**$**	**$**	**$**	**%**
Edward Rigg	60,000	-	-	60,000	-
Mingyan Wang	250,702[1]	23,817	356,063	630,582	60%
John Davis	111,761	1,085	-	112,846[2]	10%
Total	**422,463**	**24,902**	**356,063**	**803,428**	**49%**

[1] Base director fees of $228,310 plus bonus of $22,392. Bonus calculated as 30% of base salary for the period March to June 2020.
[2] Base director fees of $40,000 plus bonus of $11,841 plus consulting fees of $61,005 pursuant to the consulting agreement. Bonus calculated as 30% of director and consulting fees for the period March to June 2020.

	Short-term employee benefits	Post-employment	Share based		Performance
	Salary & fees	Superannuation	payments	Total	Related
2020	**$**	**$**	**$**	**$**	**%**
Edward Rigg	10,000	-	-	10,000	-
Mingyan Wang	74,639	7,091		81,730	-
Gregory (Bill) Fry	22,581[1]	-	-	22,581	-
Malcolm James	11,240	1,068	-	12,308	-
Alasdair Cooke	18,817[1]	-	-	18,817	-
Geoffrey Lang	-[2]	-	-	-	-
John Davis	64,067[3]	-	-	64,067	-
Total	**201,344**	**8,159**	**-**	**209,503**	**-**

[1] Director fees for the period 1 March 2020 to resignation on 8 May 2020. Termination was agreed with no notice period penalty.
[2] Resigned on 30 September 2019. Termination was agreed with no notice period penalty.
[3] Director fees for the period 1 March to 30 June 2020 plus consulting fees of $50,734 pursuant to the consulting agreement

At the end of the year the following liabilities had arisen from the above transactions:

	2021	2020
Directors	**$**	**$**
Edward Rigg	5,000	5,000
John Davis	-	37,511
Total	**5,000**	**42,511**

Voting and comments made at the Company's 2020 Annual General Meeting
The Company received 99.87% of "yes" votes on its remuneration report for the 2020 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Options/Performance Rights
Granted as compensation
25,000,000 performance rights were granted to Mingyan Wang during the year, following shareholder approval on 26 November 2020. These rights were valued at $0.026 each. See note 19 to the consolidated financial statements for the details of the valuation methodology used.

Exercised
No options were exercised by key management personnel during the year.

Lapsed during the year
No options or performance rights held by key management personnel lapsed during the year.

Key management personnel equity holdings

Shares	Balance at 1 July 2020	Purchased / (sold)	Balance on resignation	Balance at 30 June 2021
Edward Rigg	1,000,000	3,000,000	-	4,000,000
Mingyan Wang	10,000,000	5,285,714	-	15,285,714
John Davis	416,667	1,500,000	-	1,916,667
	11,416,667	9,785,714	-	21,202,381

Performance Rights	Balance at 1 July 2020	Issued during the year	Expired during the year	Balance at 30 June 2021
Edward Rigg	-	-	-	-
Mingyan Wang	-	25,000,000	-	25,000,000
John Davis	-	-	-	-
	-	25,000,000	-	25,000,000

Unlisted Options	Balance at 1 July 2020	Issued during the year	Expired during the year	Vested and exercisable at 30 June 2021
Edward Rigg	16,295,390	38,704,610[1]	-	55,000,000
Mingyan Wang	-	-	-	-
John Davis	750,000	-	-	750,000
	17,045,390	38,704,610	-	55,750,000

[1] Options were issued during the current year. The options were part of the 65,000,000 options package granted under the Lead Management Agreement dated 14 April 2020, the value of which was reflected in the 30 June 2020 financial report.

Loans to key management personnel
There were no loans made to key management personnel during the year ended 30 June 2021 (2020: nil).

Other transactions with key management personnel
The terms and conditions of the transactions with Directors and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis. The following transactions occurred with parties related to Directors:

	Charges from: 2021 $	2020 $
Mitchell River Group Pty Ltd		
Provision of a fully serviced office, admin and technical staff	-	197,117
EVE Investments Limited		
Recharge of costs	-	34
Hartree Pty Ltd		
Recharge of costs	-	6,351
Argonaut Capital Ltd		
Corporate Advisory Fees	60,000	10,000

Assets and liabilities arising from the above transactions

	2021 $	2020 $
Trade payables	5,000	242,776

This is the end of the audited remuneration report.

On behalf of the Board of
Anova Metals Limited

Dated at Perth this 28 September 2021.
Signed in accordance with a resolution of the Directors.

Mingyan Wang
Managing Director

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Anova Metals Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**L Di Giallonardo**
28 September 2021	**Partner**

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2021 $	2020 $
Interest income	2	1,118	554
Other income	2	76,540	283,460
Director and employee benefits expense		(695,532)	(252,494)
Exploration expensed as incurred		(1,704,975)	(378,010)
Depreciation expense	11	(7,307)	(5,247)
Administration and corporate expenses		(586,737)	(292,589)
Share-based payments expense	19	(534,095)	-
Loss on revaluation of equity instruments at FVTPL	10	(35,762)	-
Scheme of arrangement transaction costs		-	(50,808)
Loss on sale of assets		-	(3,525)
Loss before income tax		(3,486,750)	(698,659)
Income tax benefit	5	-	-
Loss for the year		(3,486,750)	(698,659)
Discontinued operations after income tax			
Profit/(loss) from discontinued operations after income tax	3	(690,218)	3,469,525
Profit/(loss) for the period		(4,176,968)	2,770,866
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences of foreign operations		(714,758)	148,155
Total comprehensive income /(loss) for the year		(4,891,726)	2,919,021
Earnings/(loss) per share:			
Basic and diluted (cents per share) – continuing	4	(0.25)	(0.09)
Basic and diluted (cents per share) – discontinued	4	(0.05)	0.47
Basic and diluted (cents per share) – total	4	(0.30)	0.38

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Note	2021 $	2020 $
Assets			
Current Assets			
Cash and cash equivalents	*7*	7,397,537	3,402,564
Trade and other receivables	*8*	16,856	51,981
Other assets	*9*	60,789	67,964
Other financial assets	*10*	250,336	-
Total current assets		7,725,518	3,522,509
Non-current Assets			
Other financial assets	*10*	470,845	432,688
Plant and equipment	*11*	13,151	545,120
Exploration and evaluation expenditure	*12*	10,788,233	11,423,963
Mine properties	*13*	-	10,244,686
Total non-current assets		11,272,229	22,646,457
Total assets		18,997,747	26,168,966
Liabilities			
Current Liabilities			
Trade and other payables	*14*	203,622	1,464,527
Borrowings	*15*	-	2,825,000
Rehabilitation provision	*16*	47,549	40,761
Total current liabilities		251,171	4,330,288
Non-current Liabilities			
Rehabilitation provision	*16*	287,406	2,008,739
Total non-current liabilities		287,406	2,008,739
Total liabilities		538,577	6,339,027
Net assets		18,459,170	19,829,939
Equity			
Issued capital	*17*	67,471,353	64,484,490
Reserves	*18*	3,205,887	3,386,551
Accumulated losses		(52,218,070)	(48,041,102)
Total equity attributable to shareholders of the Company		18,459,170	19,829,939

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Notes	Issued capital	Foreign currency translation reserve	Share-based payments reserve	Accumulated losses	Total equity
		$	$	$	$	$
Balance as at 1 July 2020		64,484,490	2,833,533	553,018	(48,041,102)	19,829,939
Loss for the year		-	-	-	(4,176,968)	(4,176,968)
Other comprehensive income	*18*	-	(714,758)	-	-	(714,758)
Total comprehensive loss for the year		-	(714,758)	-	(4,176,968)	(4,891,726)
Share issue net of issue costs	*17*	2,986,863	-	-	-	2,986,863
Recognition of share-based payments	*18*	-	-	534,095	-	534,095
Balance at 30 June 2021		67,471,353	2,118,774	1,087,113	(52,218,070)	18,459,170
Balance as at 1 July 2019 (restated)		60,716,986	2,685,378	970,731	(51,366,181)	13,006,914
Profit for the year		-	-	-	2,770,866	2,770,866
Other comprehensive income	*18*	-	148,155	-	-	148,155
Total comprehensive income for the year		-	148,155	-	2,770,866	2,919,021
Share issue net of issue costs	*17*	3,767,504	-	-	-	3,767,504
Recognition of share-based payments	*18*	-	-	136,500	-	136,500
Reversal of share-based payments expense on expiry	*18*	-	-	(554,213)	554,213	-
Balance at 30 June 2020		64,484,490	2,833,533	553,018	(48,041,102)	19,829,939

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers			-
Payments to suppliers and employees		(666,969)	(766,013)
Payment for exploration and evaluation expenditure		(2,607,775)	(815,348)
Payment for stamp duty		(1,038,673)	-
Interest received		1,118	554
Finance costs		(27,089)	(292,076)
Net cash used in operating activities	*7*	(4,339,388)	(1,872,883)
Cash flows from investing activities			
Payment for property plant and equipment			(20,462)
Payment for financial assets		(286,098)	
Proceeds from the sale of property, plant and equipment		-	52,500
Proceeds from the sale of tenements		100,000	425,000
Proceeds from the sale of subsidiary, net of cash held	3	8,358,595	-
Net cash provided by investing activities		8,172,497	457,038
Cash flows from financing activities			
Proceeds from the issue of share capital		3,090,040	4,285,365
Payment for share issue costs		(103,176)	(381,361)
Repayment of borrowings	7	(2,825,000)	(175,000)
Net cash provided by financing activities		161,864	3,729,004
Net increase in cash and cash equivalents		3,994,973	2,313,159
Cash and cash equivalents at beginning of year		3,402,564	1,092,260
Effect of exchange rates on cash holdings in foreign currencies		-	(2,855)
Cash and cash equivalents at end of year	*7*	7,397,537	3,402,564

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Statement of significant accounting policies

a) Basis of preparation

Anova Metals Limited (the "Company") is a listed public company incorporated in Australia and operating in Australia and the United States of America. The entity's principal activities are mining and mineral exploration and evaluation in the United States of America.

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of Anova Metals Limited and its subsidiaries (together referred to as the "Group") for the financial year ended 30 June 2021. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for equity investments which have been measured at fair value. Historical cost is based on the fair values of the consideration given in exchange for goods and services. The financial statements are presented in Australian dollars.

b) Adoption of new and revised standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2020. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New FRS Standards Not Yet Issued in Australia.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Group has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Group's accounting policies, however further analysis will be performed when the relevant standards are effective.

c) Statement of compliance

The consolidated financial report was authorised for issue by the Directors on 28 September 2021. The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

d) Significant accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees and consultants, where the fair value of services could not be estimated, by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model, utilising the assumptions detailed in Note 19.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

Mine rehabilitation provision

The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Exploration and evaluation expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

e) Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. When the Company has less than a majority of the voting rights if an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Changes in the Group's ownership interest in existing subsidiaries
Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in subsidiaries. Any difference between the amount paid by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by the applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

f) Foreign currency translation
(i) Functional and presentation currency
Items included in the financial statements of each of the Group's controlled entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Anova Metals Limited's functional and presentation currency, as well as the functional currency of Big Springs Project Pty Ltd. The functional currency of Anova Metals (USA) LLC is US dollars.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the statement of profit or loss and other comprehensive income on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;
- income and expenses for each statement of comprehensive income are translated at the average exchange rates (unless it is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.
Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

g) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

h) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

i) Segment reporting

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Management currently identifies the Group's industry as being gold exploration, development and mining and its geographic segments as being Western Australian and the United States. The unallocated column refers to corporate costs and cash management.

j) Earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

k) Cash and cash equivalents
Cash and cash equivalents comprise cash on hand; cash in banks and investments in money market instruments, net of outstanding bank overdrafts.

l) Trade and other receivables
Trade and other receivables are initially recorded at fair value and then are subsequently measured at amortised cost.

m) Financial assets

Classification and measurement

Except for certain trade receivables the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under AASB 9 financial assets are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

Debt instruments: Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The measurement categories into which the Group classifies its debt instruments are as follows:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

The Group assesses on a forward looking basis the expected credit losses (ECLs) associated with its financial assets carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience.

n) Exploration and evaluation expenditure
Exploration and evaluation expenditure incurred may be accumulated in respect of each identifiable area of interest. Exploration and evaluation costs, excluding the cost of acquiring areas of interest, are expensed as incurred. Acquisition costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

i. such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
ii. exploration and evaluation activities in the area have not, at balance date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated acquisition costs in respect of areas of interest which are abandoned are written off in full against profit or loss in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward acquisition costs in relation to that area of interest.

Notwithstanding the fact that a decision not to abandon an area of interest has been made, based on the above, the exploration and evaluation expenditure in relation to an area may still be written off if considered appropriate to do so.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within plant and equipment.

o) Mine and development properties
Mine and development properties
Mine and development properties represents the acquisition cost and/or accumulated exploration, evaluation and development expenditure in respect of areas of interest in which production has commenced. Mine development costs are deferred until commercial production commences. When commercial production is achieved mine development is transferred to mine properties, at which time it is amortised on a unit of production basis over the total estimated resources related to this area of interest.

Development expenditure is capitalised as either a tangible or intangible asset depending on the nature of the costs incurred.

Development expenditure includes the following:
- Reclassified exploration and evaluation assets;
- Direct costs of construction including plant and equipment and related infrastructure costs;
- Pre-production waste removal costs; and
- An appropriate allocation of overheads and borrowing costs incurred during the construction phase.

Pre-production waste removal costs incurred in the development of a mine before production commences are capitalised as part of the mine development costs, which are subsequently amortised over the life of the open pit resource, once transferred to mine properties.

The Group applies the units of production method for amortisation of its mine properties, which results in an amortisation charge proportional to the depletion of the anticipated remaining life and profile of mine production. These calculations require the use of estimates and assumptions in relation to reserves and resources, metallurgy and the complexity of future capital development requirements. These estimates and assumptions are reviewed annually, changes to these estimates and assumptions may impact the amortisation charge in the income statement and asset carrying values, which would be adjusted if appropriate on a prospective basis.

Production waste removal
Production waste removal costs are accumulated and deferred on the statement of financial position as part of the total of mine properties and mine development. These costs include the costs of drilling, blasting, loading and haulage of waste rock from the open pit or underground to the waste pile. The costs are predominantly in the nature of payments to mining, blasting and other contracting companies or costs of internal labour and materials used in the process. These costs are amortised on a units-of production basis in accordance with the amortisation policy set out for mine development above.

Amortisation of production waste removal costs is included in cost of goods sold in profit or loss. Cash spent on waste removal is included in cash flows from investing activities in the statement of cash flows. As waste removal activities are an integral part of the mining operation, the deferred pre-production waste asset is grouped with the other assets at the mine site or other level which represents the lowest level of separately identifiable cash flows in order to assess recoverable amount.

Reserves and resources
Resources are estimates of the amount of gold that can be economically extracted from the Group's mine properties. In order to calculate resources, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, future capital requirements short and long-term commodity prices and exchange rates.

Estimating the quantity and/or grade of resources requires the size, shape and depth of ore bodies to be determined by analysing geological data. This process may require complex and difficult geological judgments and calculations to interpret the data.

The Group determines and reports ore resources under the Australian Code of Reporting of Exploration Results, Mineral Resource and Ore Reserves December 2012, (the JORC Code). The JORC Code requires the use of reasonable assumptions to calculate resources. Due to the fact that economic assumptions used to estimate resources change from period to period, and geological data is generated during the course of operations, estimates of resources may change from period to period. Changes in reported resources may affect the Group's financial results and financial position in a number of ways, including:

- Asset carrying values may be impacted due to changes in estimates of future cash flows;
- Amortisation charged in the income statement may change where such charges are calculated using the units of production basis;
- Decommissioning, site restoration and environmental provisions may change due to changes in estimated resources after expectations about the timing or costs of these activities change; and,
- Recognition of deferred tax assets, including tax losses.

p) Plant and equipment
Plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each annual reporting year.

The following estimated useful lives are used in the calculation of depreciation:

Class of fixed asset	**Depreciation rate**
Mining plant & equipment	Lesser of expected life of item, or life of operation
Land and buildings	10%
Motor vehicles	25%

q) Trade and other payables
Trade payables and other accounts payable are carried at amortised cost. Amounts are presented as current liabilities unless payment is not due within 12 months.

Employee leave benefits
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefits obligations are presented as payables.

r) Financial instruments issued by the Company
Debt and equity instruments
Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Transaction costs on the issue of equity instruments
Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

s) Provisions

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received, and the amount of the receivable can be measured reliably.

Long service leave
The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

Provisions for restoration and rehabilitation
A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the year, in which case the amount is included in the cost of production for the year. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

t) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

u) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

v) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

w) Share-based payments

Share-based compensation benefits are provided to employees and consultants. Information relating to these benefits is provided in note 19.

The fair value of options granted is recognised as an employee benefits expense or within the appropriate expense category for consultants, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are satisfied.

At the end of each period, the entity revised its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The cost of these equity-settled transactions with employees and consultants, where the fair value of services in not readily determinable, is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the use of a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Anova Metals Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

x) Parent entity financial information

The financial information for the parent entity, Anova Metals Limited, disclosed in note 25 has been prepared on the same basis as the consolidated financial statements.

2. Revenue

Interest
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets' net carrying amount on initial recognition.

	2021 $	2020 $
Interest received	1,118	554

Other income

	2021 $	2020 $
Disposal of tenements	-	250,000
Other income	76,540	93,263
	76,540	343,263

3. Discontinued Operations

On 26 August 2020, Anova Metals Limited announced that it had reached agreement to sell Anova Metals Australia Pty Ltd to Linden Gold Alliance Pty Ltd for $9 million in cash and a net smelter royalty as follows:

- $0.5 million received upon execution of the Share Sale Agreement (SSA);
- $4.5 million payable upon completion of the proposed transaction;
- $2.0 million payable 18-months after completion of the proposed transaction;
- $2.0 million payable 24-months after completion of the proposed transaction; and
- NSR of 1.5% on each ounce of gold produced from the Linden Gold Project after a total of 75,000 cumulative ounces of gold have been produced from the Project, capped at a total royalty payable of $1 million. Following total royalty payments of $1 million, the NSR will reduce to a 1.00% NSR on every ounce of gold produced.

Settlement of the Anova Metals Australia Pty Ltd sale occurred on 29 September 2020, following receipt of $4.5 million, in addition to the previously received $0.5 million.

On 24 December 2020, the Company agreed to accept early repayment of the deferred consideration and received $3.5 million as consideration for discharging LGA's obligation to pay deferred consideration of $4 million which was to be paid in two instalments of $2 million, payable by 29 March 2022 and 29 September 2022 respectively.

The financial performance of the discontinued operation, which is included in the loss from discontinued operations per the statement of profit or loss and comprehensive income, is as follows:

Financial performance information	2021 $	2020 $
Other income	109,500	59,802
Exploration expensed as incurred	(125,605)	(466,967)
Finance costs	(27,089)	(288,644)
Mine development impairment reversal	-	4,169,881
Administration expenses	(2,289)	(4,547)
Loss before income tax	(45,483)	3,469,525
Income tax expense	-	-
Loss after income tax	(45,483)	3,469,525
Loss on disposal of assets and liabilities on loss of control of subsidiary before income tax	(144,735)	-
Loss on early settlement of deferred consideration	(500,000)	-
Income tax expense	-	-
Loss on disposal of assets and liabilities on loss of control of subsidiary after income tax	(644,735)	-
Total profit/(loss) after tax attributable to the discontinued operation	(690,218)	3,469,525

The cash flow of the discontinued operation, which is included in the statement of cash flows, is as follows:

	2021	2020
Cash flow information	$	$
Net cash used in operating activities	(119,219)	(700,356)
Net cash from investing activities:		
Sale of tenements	100,000	-
Sale of subsidiary (i)	8,358,595	-
	8,339,376	(700,356)
(i) Cash flow from sale of subsidiary:		
Total consideration	8,870,480	
Less cash disposed of	(11,885)	
Less discount on early repayment of deferred consideration	(500,000)	
	8,358,595	

Carrying amounts of assets and liabilities disposed:

	2021
	$
Loss on disposal of assets and liabilities on loss of control of Subsidiary reconciled as follows:	
Gross consideration	9,000,000
Transaction costs	(129,520)
Consideration	8,870,480
Assets/(liabilities) disposed:	
Cash	11,885
Trade and other receivables	15,215
Plant and equipment	520,466
Mine properties	10,244,686
Trade and other payables	(11,885)
Rehabilitation provision	(1,765,152)
Net assets	9,015,215
Loss on disposal	(144,735)

4. Loss per share

Basic loss per share is calculated as net loss attributable to members of the parent, adjusted to exclude any costs of servicing, divided by the weighted average number of ordinary shares.

	2021	2020
	$	$
Basic and diluted loss per share (cents per share) – continuing	(0.25)	(0.09)
Basic and diluted loss per share (cents per share) – discontinued	(0.05)	0.47
Basic and diluted loss per share (cents per share) – total	(0.30)	0.38

	2021	2020
	$	$
Profit /(Loss) for the year – continuing	(3,486,750)	(698,659)
Profit /(Loss) for the year – discontinued	(690,218)	3,469,525
Profit /(Loss) for the year – total	(4,176,968)	2,770,866

	No.	No.
Weighted average number of shares for the purposes of basic loss per share	1,392,808,673	736,308,131

5. Income tax

	2021 $	2020 $
Income tax expense/(benefit):		
Current tax expense / (benefit)	-	-
Deferred tax expense / (benefit)	-	-
	-	-
Reconciliation of income tax expense to prima facie tax payable:		
Profit / (Loss) before income tax	(4,176,968)	2,770,866
Income tax expense / benefit calculated at 26% (2020: 27.5%)	(1,086,012)	761,988
Expenses that are not deductible in determining taxable profit	305,800	160,048
Changes in unrecognised temporary differences	224,793	(1,385,862)
Unused tax losses and tax offsets not recognised as deferred tax assets	555,419	463,826
Income tax expense/(benefit):	-	-
The applicable average weighted tax rates are as follows:	0%	0%
The following deferred tax balances have not been recognised at 25% (2020:25%):		
Deferred tax assets		
Carried forward domestic revenue losses	4,014,930	8,804,082
Capital losses (domestic)	3,390,886	89,334
Carried forward foreign revenue losses (at 27.6% foreign rate)	2,749,232	2,285,026
Business related costs	69,756	260,794
Rehabilitation provision	92,448	512,375
Tenement acquisition costs	-	15,496
Other temporary differences	25,250	16,627
	10,342,502	11,983,734
Deferred tax liabilities		
Exploration and mine properties (Australia)	-	2,561,172
Exploration and mine properties (Foreign)	1,915,063	2,090,524
Prepayments	15,197	16,922
	1,930,260	4,668,618

The tax benefits of the above deferred tax assets will only be obtained if: (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised; (b) the Company continues to comply with the conditions for deductibility imposed by law; and (c) no changes in income tax legislation adversely affect the Company in utilising the benefits.

Change in future corporate tax rate: There has been a legislated change in the corporate tax rate that will apply to future income years. The impact of this reduction in the corporate tax rate has been reflected in the unrecognised deferred tax positions and the prima face income tax reconciliation above.

6. Segment information

Year ended 30 June 2021	**Western Australia** $	**United States** $	**Unallocated** $	**Consolidated** $
Total segment revenue (i)	109,500	-	77,658	187,158
Segment net loss after tax	(690,218)	(1,692,880)	(1,793,870)	(4,176,968)
Segment assets	-	11,260,146	7,737,601	18,997,747
Segment liabilities	-	410,865	127,712	538,577

Year ended 30 June 2020	**Western Australia** $	**United States** $	**Unallocated** $	**Consolidated** $
Total segment revenue (i)	59,802	47	283,967	343,816
Segment net gain / (loss) after tax	3,669,524	(404,269)	(494,389)	2,770,866
Segment assets	10,810,612	11,940,699	3,417,655	26,168,966
Segment liabilities	4,645,146	289,867	1,404,014	6,339,027

(i) Segment revenue represent revenue generated from external customers. There were no inter-segment revenues in the current period.

7. Cash and cash equivalents

	2021 $	2020 $
Cash at bank	7,397,537	3,402,564
	7,397,537	3,402,564

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Reconciliation of profit/(loss) after income tax to net cash outflow from operating activities

Cash flows from operating activities	2021 $	2020 $
Profit / (loss) for the year	(4,176,968)	2,770,866
Adjustments for:		
Depreciation and amortisation expense	7,307	5,247
Impairment expense / (reversal)	-	(4,169,881)
Loss on disposal of subsidiary	644,735	-
Unrealised gain on financial assets	35,762	-
Loss / (gain) on sale of fixed assets / tenements	(95,804)	(246,475)
Equity-settled share-based payments	534,095	-
Foreign exchange gain / loss	(79,029)	32,874
Change in operating assets & liabilities		
(Increase)/decrease in trade and other receivables	19,911	(14,429)
(Increase)/decrease in financial assets	(38,157)	
(Increase)/decrease in prepayments	7,173	(4,176)
(Decrease)/increase in trade and other payables	(1,249,020)	(246,909)
(Decrease)/increase in provisions	50,607	-
Net cash used in operating activities	(4,339,388)	(1,872,883)

Changes in liabilities arising from financing activities

	Secured loan facilities $
Net liability as at 1 July 2019	3,000,000
Loan repayment to Twynam Agricultural	(175,000)
Net liability at 30 June 2020	2,825,000
Net liability as at 1 July 2020	2,825,000
Loan repayment to Twynam Agricultural	(2,825,000)
Net liability at 30 June 2021	-

8. Trade and other receivables

	2021 $	2020 $
GST receivable	16,856	50,771
Other debtors	-	1,210
	16,856	51,981

No trade and other receivables are past due and not impaired.

9. Other assets

	2021 $	2020 $
Prepayments	60,789	67,964
	60,789	67,964

10. Other financial assets

	2021 $	2020 $
Current		
Investment – fair value through P&L	250,336	-
Reconciliation of movement:		
Balance at the beginning of the year	-	-
Additions	286,098	-
Change in fair value	(35,762)	-
	250,336	-

Fair value of the financial assets at 30 June 2021 has been determined by reference to quoted bid prices in active markets at the reporting date and are categorised within Level 1 of the fair value hierarchy.

	2021 $	2020 $
Non-Current		
Term deposits – Rehabilitation Bonds for the Big Springs Project	470,845	432,688
	470,845	432,688

Term deposits are made for periods greater or equal to 12-months and earn interest at the respective term deposit rates.

11. Plant and equipment

	Land and buildings $	Plant and equipment $	Motor vehicles $	Total $
Cost	-	24,678	15,443	40,121
Accumulated depreciation	-	(11,527)	(15,443)	(26,970)
Carrying value at 30 June 2021	-	13,151	-	13,151
Cost	104,215	764,973	31,920	901,108
Accumulated depreciation	(86,049)	(249,084)	(20,855)	(355,988)
Carrying value at 30 June 2020	18,166	515,889	11,065	545,120

	Land and buildings $	Plant and equipment $	Motor vehicles $	Total $
30 June 2021				
Carrying value as at 1 July 2020	18,166	515,889	11,065	545,120
Additions	-	-	-	-
Disposals – discontinued operation	(18,166)	(492,101)	(10,199)	(520,466)
Disposals	-	(3,761)	-	(3,761)
Exchange differences	-	-	(435)	(435)
Depreciation expense	-	(6,876)	(431)	(7,307)
Carrying value as at 30 June 2021	-	13,151	-	13,151
30 June 2020				
Carrying value as at 1 July 2019	18,166	552,968	15,179	586,313
Additions	-	20,462	-	20,462
Disposals	-	(56,025)	-	(56,025)
Exchange differences	-	-	(383)	(383)
Depreciation expense	-	(1,516)	(3,731)	(5,247)
Carrying value as at 30 June 2020	18,166	515,889	11,065	545,120

12. Exploration and evaluation expenditure

	2021 $	2020 $
Balance at the beginning of the year	11,423,963	11,475,469
Impairment	-	(25,000)
Sale (i)	-	(175,000)
Exchange differences	(635,730)	148,494
Carrying amount at 30 June	10,788,233	11,423,963

(i) The Devon Tenements were sold for $175,000 upon Matsa exercising its option (see ASX release 14 November 2018).

The ultimate recoupment of costs carried forward in respect of areas of interest still in the exploration and evaluation phases is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

13. Mine and development properties

	2021 $	2020 $
Mine properties and development at cost	-	11,875,985
Less: Accumulated amortisation	-	(1,631,299)
Carrying amount at 30 June	-	10,244,686

Reconciliation of movement in mine properties and development

	2021 $	2020 $
At cost		
Balance at the beginning of the year	11,875,985	7,540,144
Additions	-	140,960
Impairment reversal (i)	-	4,194,881
Disposals – discontinued operation (ii)	(11,875,985)	-
Carrying amount at 30 June	-	11,875,985
Accumulated amortisation		
Balance at the beginning of the year	(1,631,299)	(1,631,299)
Disposals – discontinued operation (ii)	1,631,299	-
Carrying amount at 30 June	-	(1,631,299)

Mine properties and development will be recouped through the successful production and sale of gold from the respective properties.

(i) In the financial year ended 30 June 2020, the Company changed its basis for the recoverable amount of the Second Fortune Mine from value in use to fair value less costs to sell. The change of basis to fair value less costs to sell was considered the most accurate method for reporting the recoverable amount of the Second Fortune Mine due to being placed on care and maintenance in August 2018 and the subsequent to year end sale of Anova Metals Australia Pty Ltd for $9m cash plus a royalty (see note 28). In accordance with AASB 136, the Company has reversed $4,191,881 of the previous impairment losses recognised to increase the Second Fortune Mine to its deemed recoverable value at 30 June 2020.

(ii) Sale of Anova Metals Australia Pty Ltd, which included the Second Fortune Gold Mine, settled on 29 September 2020 (refer to note 3 for further details).

14. Trade and other payables

	2021 $	2020 $
Trade and other creditors	138,152	1,405,546
Payroll liabilities	65,470	58,981
	203,622	1,464,527

Trade payables are non-interest bearing and are normally settled on 30 day terms.

15. Borrowings

	2021 $	2020 $
Facility - Twynam Agricultural Group Pty Ltd	-	2,825,000
Current	-	2,825,000
Non-current	-	-

The Facility Agreement with Twynam Agricultural Group Pty Ltd of $2,825,000 was paid in full on 3 September 2020 and all encumbrances over the assets were released. See note 7.

16. Rehabilitation and restoration provision

	2021 $	2020 $
Balance at the beginning of the year	2,049,500	1,870,035
Additions	50,607	179,465
Disposals – discontinued operation	(1,765,152)	-
Carrying amount at 30 June	334,955	2,049,500
Current	47,549	40,761
Non-current	287,406	2,008,739

The provision for restoration and rehabilitation relates to the estimated cost of rehabilitation work to be carried out in relation to the removal of facilities, closure of sites and restoring the affected areas. The provision represents the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

17. Issued capital

	2021 $	2020 $
1,433,094,200 (2020: 1,247,041,482) fully paid ordinary shares	67,471,353	64,484,490

Ordinary shares
Ordinary shares entitle the holder to one vote per share and to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held.

Movement in share capital

	2021		2020	
	No.	$	No.	$
Fully paid ordinary shares				
Balance at beginning of year	1,247,041,482	64,484,490	639,132,275	60,716,986
Entitlement issue	-	-	459,421,517	3,215,950
Placements	186,052,718	3,090,039	148,487,680	1,069,414
Option exercise	-	-	10	-
Share issue costs		(103,176)	-	(517,860)
Balance at end of year	1,422,094,200	67,471,353	1,247,041,482	64,484,490

As at 30 June 2021, the Company has 156,375,000 (2020: 18,192,870) options on issue, convertible on a 1:1 basis. Options issued by the Company carry no rights to dividends and no voting rights.

As at 30 June 2021, the Company has 37,500,000 (2020: nil) performance rights on issue, convertible on a 1:1 basis. Performance rights issued by the Company carry no rights to dividends and no voting rights.

18. Reserves

	2021 $	2020 $
Share-based payments reserve	1,087,113	553,018
Foreign currency translation reserve	2,118,774	2,833,533
	3,205,887	3,386,551
Reconciliation of movement in reserves		
Share-based payments reserve		
Balance at the beginning of the year	553,018	970,731
Reversal of share-based payments expense on expiry	-	(63,086)
Options/performance rights issued	534,095	136,500
Transfer of historic share-based payment expenses to accumulated losses	-	(88,129)
Balance at 30 June	1,087,113	553,018
Foreign currency translation reserve		
Balance at the beginning of the year	2,833,533	2,685,378
Effect of translation of foreign currency operations to group presentation currency	(714,759)	388,042
Balance at 30 June	2,118,774	2,833,533

Share-based payments reserve
The share-based payments reserve arose on the grant of incentive options and performance rights to employees and/or consultants, see note 19.

Foreign currency translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the Consolidated Entity.

19. Share-based payments

The following share-based payment arrangements were in existence during the current and prior year:

Class	Number	Grant date	Expiry date	Exercise price (cents)	Fair value at grant date
Unlisted options – Lead Manager Options (i)	65,000,000	14-Apr-20	31-Mar-22	1.1	136,500
Performance rights – Class A (ii)	18,750,000	27-Nov-20	31-Jul-23	N/A	487,500
Performance rights – Class B (ii)	18,750,000	27-Nov-20	31-Jul-23	N/A	487,500

(i) 65,000,000 options were granted under the Lead Management Agreement dated 14 April 2020. The fair value of the equity-settled share options granted was estimated as at the date of grant using the Black-Scholes model with the factoring inputs:.

Grant Date	14-Apr-20
Grant date share price (cents)	0.7
Exercise price (cents)	1.1
Expected volatility	80%
Option life	1.96
Dividend yield	0%
Risk-free interest rate	0.3%

(ii) 18,750,000 Class A Performance Rights and 18,750,000 Class B Performance Rights in total to Mingyan Wang and Geoffrey Xue were granted on 27 November 2020. The Class A Performance Rights will vest upon both the Share Price Condition and Service Condition being satisfied. Class B Performance Rights will vest upon both the Share Price Condition and Operational Condition being satisfied:

- **Share price condition**: During the term commencing on and from the Grant Date and expiring on 31 July 2023, the Company's share price closing above $0.03 per share for 10 consecutive trading days.
- **Service condition**: Remain continuously employed by the Company until 31 July 2021.
- **Operational Condition**: The Company announcing a 1.5Moz JORC compliant resource at the Big Springs Project on or prior to 31 July 2023 and whilst an employee of the Company.

The value for both the Class A and Class B Performance Rights was calculated by an external consultant to be $0.026 per Right, resulting in a total valuation of $975,000. The valuation has been based on a Hoadley pricing model with the factoring inputs:

Share price on grant date	$0.028
Volatility	75%
Expiry date	31 July 2023
Risk-free interest rate	0.103%
Expected dividend yield	Nil

The share based payment expense has been recognised on pro-rata basis over the vesting period, resulting in an expense of $534,095 for 30 June 2021.

The following is a summary of movements in options during the year:

	2021		2020	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Balance at beginning of year	18,192,870	0.03	81,938,728	0.08
Granted during the year	138,704,610	0.02	16,295,390	0.011
Exercised during the year	-	-	(10)	0.043
Lapsed during the year	(522,480)	0.08	(80,041,238)	0.08
Balance at end of year	156,375,000	0.02	18,192,870	0.03
Exercisable at end of year	156,375,000	0.02	18,192,870	0.03

The options outstanding at the end of the year had an average remaining contractual life of 1.4 years (2020: 1.2 years).

The options granted during the current and prior year are as follows:

- 65,000,000 options granted under the Lead Management Agreement dated 14 April 2020 were issued in two tranches - 16,295,390 options on 8 May 2020 and 48,704,610 options on 7 August 2020.
- 90,000,000 options in 3 series to Au Xingao Investment Pty Ltd granted on 4 August 2020 as consideration for increasing the share placement price completed during the year from 1c to 1.7c per share. These options were free attaching options and are not share based payments.

20. Financial Instruments

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Interest rate risk;
- Foreign currency risk management; and
- Capital management.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this note and the financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity risk management is the responsibility of the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities and identifying when further capital raising initiatives may be required.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial assets and liabilities. Financial assets are based on the undiscounted contractual maturities including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different year. Financial liabilities are based on undiscounted cash flows on the earliest date on which the Group can be required to pay, including both interest and principal cash flows.

	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	5+ years $	Total $
2021						
Financial assets						
Non-interest bearing	267,191	-	-	470,845	-	738,036
Variable interest rate	7,397,537	-	-	-	-	7,397,537
	7,664,728	-	-	470,845	-	8,135,573
Financial liabilities						
Non-interest bearing	203,622	-	-	-	-	203,622
	203,622	-	-	-	-	203,622

	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
2020						
Financial assets						
Non-interest bearing	51,981	-	-	432,688	-	484,669
Variable interest rate	3,402,564	-	-	-	-	3,402,564
	3,454,545	-	-	432,688	-	3,887,233
Financial liabilities						
Fixed interest rate	2,825,000	-	-	-	-	2,825,000
Non-interest bearing	425,854	-	1,038,673	-	-	1,464,527
	3,250,854	-	1,038,673	-	-	4,289,527

Interest rate risk management
Although some of the Group's assets are subject to variable interest rate risk, it is not dependent on this income. Interest income is only incidental to the Group's operations and operating cash flows.

Foreign currency risk management
The Group operates internationally and is exposed to foreign exchange risk arising from exposures to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	2021 $	2020 $
Cash	617	71,547
Prepayments	451	11,635
Other financial assets	470,845	432,688
Trade payables	(75,910)	(5,519)

Foreign currency sensitivity analysis
The Group is exposed to US Dollar (USD) currency fluctuations.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the USD. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number indicates a decrease in profit or loss and other equity where the Australian Dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

	FX exchange rate increase by 10%		FX exchange rate decrease by 10%	
	2021 $	2020 $	2021 $	2020 $
Profit or loss		(46,396)		(46,396)
Equity		46,396		46,396

Capital management
The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure of the Group consists of equity only, comprising issued capital and reserves, net of accumulated losses. The Group's policy is to use capital market issues to meet the funding requirements of the Group.

The Group is not subject to externally imposed capital requirements.

Fair value of financial assets and liabilities
AASB 7 - Financial Instruments: Requires disclosure of the fair values of financial assets and liabilities categorised by the following levels:
Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has no financial assets or liabilities at 30 June 2020 which have been measured at fair value using any of the above measurements.

Unless otherwise stated, the carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in note 1. The carrying amount of financial assets and financial liabilities is assumed to approximate their fair value due to their short-term nature.

21. Contingent assets and liabilities

There were no contingent liabilities or contingent assets at 30 June 2021 (2020: nil).

22. Capital and other commitments

	2021 $	2020 $
Renewal fees for Big Springs claims (payable within 12 months)	168,439	170,323
Advance net smelter royalty payments (payable within 12 months)	85,158	84,532
	253,597	731,048

23. Related parties

Key management personnel compensation

Details of key management personnel compensation are disclosed in the Remuneration Report which forms part of the Directors' Report and has been audited. The aggregate compensation of the key management personnel which has been paid or is payable is summarised below:

	2021 $	2020 $
Short-term employee benefits	422,463	201,344
Post-employment benefits	24,902	8,159
Share based payments	356,063	-
	803,428	209,503

As at 30 June 2021, $5,000 (2020: $42,511) was payable to key management personnel for outstanding fees.

Key management personnel transactions

	Charges from:	
	2021 $	2020 $
Mitchell River Group Pty Ltd		
Provision of a fully serviced office, admin and technical staff	-	197,117
EVE Investments Limited		
Recharge of costs	-	34
Hartree Pty Ltd		
Recharge of costs	-	6,351
Argonaut Capital Ltd		
Corporate Advisory Fees	60,000	10,000

Assets and liabilities arising from the above transactions

	2021 $	2020 $
Trade receivables	-	-
Trade payables	5,000	242,776

The terms and conditions of the transactions with related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-related parties on an arm's length basis. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties. See the remuneration report for further details on these transactions.

Exercise of options by key management personnel

No options were exercised by key management personnel in the period.

24. Interests in Subsidiaries

The consolidated financial statements include the financial statements of Anova Metals Limited and the subsidiaries listed in the following table:

	Country of incorporation	Ownership interest 2021	Ownership interest 2020
Direct subsidiaries of the parent			
Big Springs Project Pty Ltd	Australia	100%	100%
Anova Metals Australia Pty Ltd	Australia	-	100%
Anova Royalties and Investments Pty Ltd	Australia	100%	-
Indirect subsidiaries			
(Direct subsidiary of Big Springs Project Pty Ltd)	USA	100%	100%
Anova Metals USA LLC			

Anova Metals Limited, incorporated in Australia, is the ultimate parent entity of the Group.

25. Parent company disclosures

	2021 $	2020 $
Current assets	7,724,450	3,393,867
Non-current assets	7,343,224	17,388,353
Total Assets	15,067,674	20,782,220
Current Liabilities	127,712	1,404,014
Non-current liabilities	-	-
Total Liabilities	127,712	1,404,014
Contributed equity	67,471,353	64,484,490
Reserves	1,087,113	553,019
Accumulated losses	(53,618,504)	(45,659,303)
Total Equity	14,939,962	19,378,206
Loss for the year	(7,959,201)	(1,458,644)
Total comprehensive loss for the year	(7,959,201)	(1,458,644)

No guarantees were entered into by the parent company during the year (2020: nil).

At 30 June 2021, the parent company had no contingent liabilities (2020: nil).

26. Remuneration of auditor

	2021 $	2020 $
Audit or review of the financial report	43,628	37,007
	43,628	37,007

27. Significant events after the balance date

There are no matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

The Directors of the Company declare that:

1 The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the *Corporations Act* 2001; and

(a) comply with *Australian Accounting Standards*, the *Corporations Regulations* 2001, professional reporting requirements and other mandatory requirements; and

(b) give a true and fair view of the financial position as at 30 June 2021 and of its performance for the year ended on that date of the Group.

2 In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3 In the Directors' opinion, the financial statements and notes are prepared in accordance with *International Financial Reporting Standards* and interpretations adopted by the International Accounting Standards Board, as described in note 1.

4 The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act* 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:

Mingyan Wang
Managing Director

Perth
28 September 2021

INDEPENDENT AUDITOR'S REPORT
To the members of Anova Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Anova Metals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Exploration and evaluation expenditure Note 12 in the financial statements	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group capitalises acquisition costs and then expenses further exploration and evaluation expenditure as incurred. The cost model is applied after recognition. We planned our work to address the audit risk that the capitalised expenditure might no longer meet the criteria for continued recognition. Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset. We considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. We considered this to be a key audit matter due to its size and importance to the users' understanding of the financial report.	Our audit procedures included but were not limited to: • We obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation; • We considered the Directors' assessment of potential indicators of impairment in addition to making our own assessment; • We obtained evidence that the Group has current rights to tenure of its areas of interest; • We considered the nature and extent of planned ongoing activities; and • We assessed the appropriateness of the disclosures in the financial report.
Sale of Anova Metals Australia Pty Ltd Notes 3 and 13 in the financial statements	
The sale of Anova Metals Australia Pty Ltd, which included the Second Fortune Gold Mine, settled during the year. Our audit focussed on the determining appropriate presentation of the disposal in the Group's financial report and related impact to the statement of profit or loss and other comprehensive income. We considered this to be a key audit matter due to its size and importance to the users' understanding of the financial report.	Our audit procedures included but were not limited to: • We obtained an understanding of the key processes associated with management's accounting for the sale transaction; • We substantiated sale proceeds to supporting documentation; • We ensured compliance with *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*; and • We assessed the appropriateness of the disclosures in the financial report.
Share-based payments Note 19 in the financial statements	
During the financial year the Group issued performance rights to Key Management Personnel and one employee. We have considered this to be a key audit matter as accounting for these transactions required significant management judgement involving a degree of estimation. Furthermore, performance rights included market and non-market based vesting conditions.	Our audit procedures included but were not limited to: • We obtained an understanding of the key processes associated with management's accounting for the transaction; • We considered the expert valuation;

We also considered this to be a key audit matter due to its size and importance to the users' understanding of the financial report.	• We reviewed management's assessment of achieving non-market conditions; • We ensured compliance with *AASB 2 Share-based payment*; and • We assessed the appropriateness of the disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Anova Metals Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
28 September 2021

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 14 September 2021.

1. Shareholder and Option holder information

a. Number of Shareholders and Option Holders

Shares

As at 14 September 2021, there were 1,198 shareholders holding a total of 1,433,094,200 fully paid ordinary shares.

Options

As at 14 September 2021, there were:

- 1,375,000 Unquoted Options exercisable at $0.20 on or before 28 November 2021 held by 3 holders;
- 65,000,000 Unquoted Options exercisable at $0.011 on or before 31 March 2022 held by 2 holders;
- 30,000,000 Unquoted Options exercisable at $0.02 on or before 30 June 2022 held by 1 holder;
- 30,000,000 Unquoted Options exercisable at $0.025 on or before 30 June 2023 held by 1 holder;
- 30,000,000 Unquoted Options exercisable at $0.03 on or before 30 June 2024 held by 1 holder;

b. Distribution of Equity Securities

Fully paid ordinary shares	**Number (as at 14 September 2021)**	
Category (size of holding)	**Shareholders**	**Ordinary Shares**
1 – 1,000	145	21,750
1,001 – 5,000	41	118,671
5,001 – 10,000	44	317,032
10,001 – 100,000	528	24,499,567
100,001 – and over	440	1,408,137,180
	1,198	1,433,094,200

The number of shareholdings held in less than marketable parcels is 307 shareholders amounting to 1,645,729 shares.

c. The names of substantial shareholders listed in the company's register as at 14 September 2021 are:

Shareholder	**Ordinary Shares**	**%Held of Total Ordinary Shares**
AU XINGAO INVESTMENT PTY LTD	429,928,257	30.00%
MCCUSKER HOLDINGS PTY LTD	76,500,000	5.34%

d. Voting Rights

The voting rights attached to the ordinary shares are as follows:

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. 20 Largest Shareholders as at 14 September 2021 — Ordinary Shares

		Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	AU XINGAO INVESTMENT PTY LTD	429,928,257	30.00
2.	MCCUSKER HOLDINGS PTY LTD	76,500,000	5.34
3.	JETOSEA PTY LTD	67,038,582	4.68
4.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	63,966,534	4.46
5.	LOMACOTT PTY LTD <THE KEOGH SUPER FUND A/C>	45,000,000	3.14
6.	MR JOHN CAMPBELL SMYTH <SMYTH SUPER FUND A/C>	33,000,000	2.30
7.	TWYNAM INVESTMENTS PTY LTD	32,330,990	2.26
8.	STEPHENS GROUP SUPER FUND PTY LTD <STEPHENS GROUP S/F A/C>	32,281,745	2.25
9.	DEFENDER EQUITIES PTY LTD <DEFENDER AUS OPPORTUN FD A/C>	20,200,000	1.41
10.	BC&TT HOLDINGS PTY LTD <BC&TT FAMILY A/C>	18,737,628	1.31
11.	DEFENDER EQUITIES PTY LTD <DEFENDER AUS OPPORTUN FD A/C>	18,500,000	1.29
12.	PANGU INVESTMENTS PTY LTD <LI & ZHOU FAMILY A/C>	18,500,000	1.29
13.	THE STEPHENS GROUP SUPER FUND PTY LTD <THE STEPHENS GROUP SUPER A/C>	17,718,254	1.24
14.	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	16,700,000	1.17
15.	GOLDRICH HOLDINGS PTY LTD <GOLDRICH INVESTMENT A/C>	16,666,667	1.16
16.	MR MINGYAN WANG	15,285,714	1.07
17.	MS YAN WU	14,407,619	1.01
18.	DARLEY PTY LIMITED <DJW INVESTMENT A/C>	12,300,000	0.86
19.	NIREB NOMINEES PTY LTD <NIREB A/C>	12,000,000	0.84
20.	COAST EQUITY PTY LTD <COAST TRADING A/C>	11,666,667	0.81
		972,728,657	**67.88**

2. The name of the company secretary is David Palumbo.

3. The address of the principal registered office in Australia is:
Level 11, 216 St Georges Terrace Perth WA 6000

4. Registers of securities are held at the following address:
Link Market Services, Level 12, QV1 Building 250 St Georges Terrace Perth WA 6000

5. Stock Exchange Listing
Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the ASX Limited.

Tenements held at 14 September 2021:

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%
DOME-1 to DOME-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%
BSX-1 to BSX-46, BSX-48 to BSX-60, BSX-63 to BSX-67, BSX-70 to BSX-98, BSX-109 to BSX-123, BSX-134 to BSX-148	Jacks Creek	100%
BSX-159 to BSX-174, BSX-178 to BSX-179	Golden Dome North	100%
BSX-186 to BSX-230	Mac Ridge North	100%
BSX-231 to BSX-284	Golden Dome South	100%