

30 April 2015

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 MARCH 2015

HIGHLIGHTS

- Hydrogeological pump testing programme completed
- Key South Sammy mine permit applications submitted
- Resource modelling revision for 601 commenced
- Mining study work on South Sammy continuing
- Commencement of North Sammy permitting

OPERATIONS

Big Springs Gold Project, Nevada, USA

The key activities completed during the March quarter included pump testing of the two hydrogeological holes in January 2015 to measure underground water inflows in the area of the proposed North Sammy underground operations plus analysis of drilling data received for the late 2014 drilling programme.

Mine Study work undertaken during the quarter included:

- geotechnical testwork and data analysis of the new drillcore;
- metallurgical testwork;
- hydrogeology analysis of the pump testing;
- detailed modelling of the 601 resource to include the infill drilling results (in progress).

Key permitting submissions for the Water Pollution Control Permit and the Reclamation Permit were made during the quarter. In addition revisions to the Mining Plan of Operations were completed to incorporate additional requirements from the regulatory authorities.



Picture 1: View of 601 pit site looking towards the 701 pit

Pump testing

Four hydrogeology holes were drilled and pump tested in January 2015 for the proposed North Sammy underground zones. Observation data for these pump tests is being collated, modelled and reported for inclusion in future permitting submission for mining of the North Sammy zones.

Geotechnical

Three key geotechnical holes for the proposed 601 and 701 mining areas at South Sammy were drilled in late 2014. Geotechnical logging and downhole (televiewer) data has been analysed and correlated with historic data.

Core samples were submitted for geomechanical testing, including:

- triaxial compression tests
- unconfined compression tests; and
- direct shear tests

The above data has been modelled and is in the final stages of reporting.

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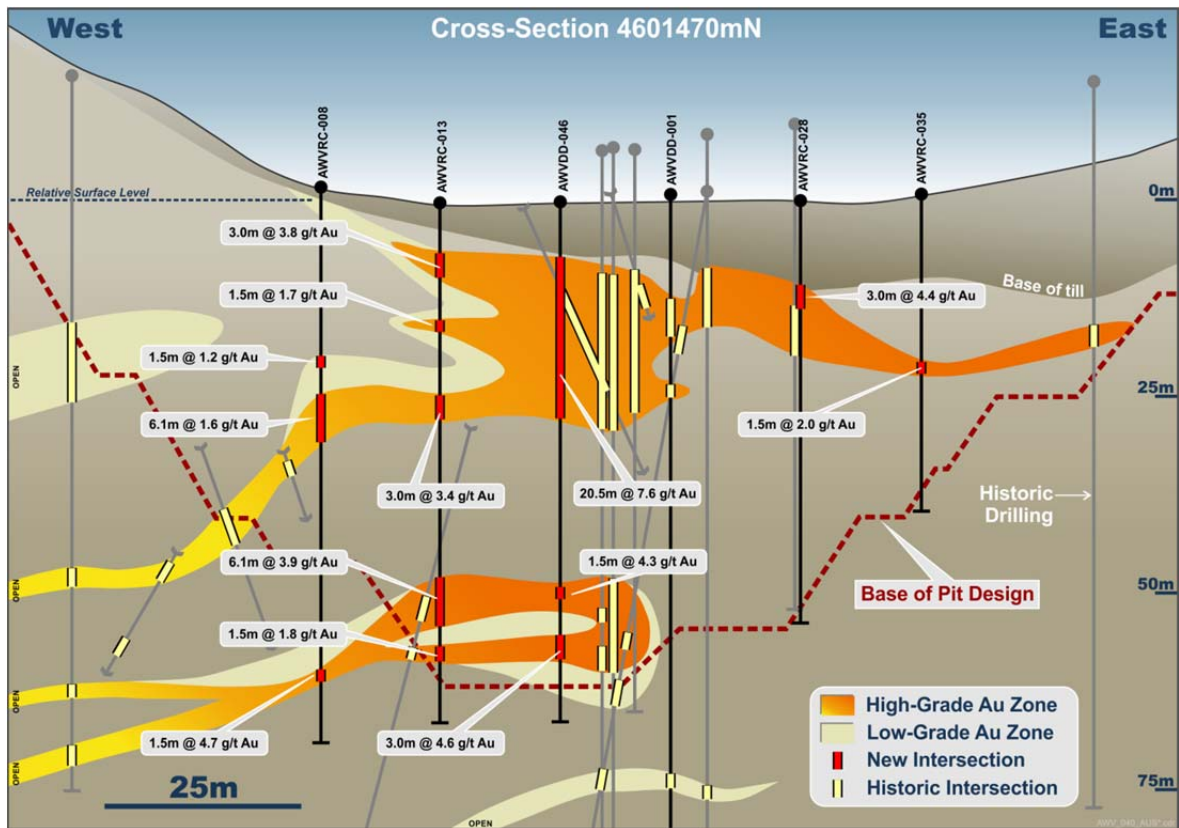


Figure 1: Cross section 4601470mN showing new drilling results at the 601 zone, South Sammy

Metallurgical testwork

Four diamond core holes were drilled in late 2014 within the proposed 601 open pit mining area at South Sammy primarily to collect new metallurgical sample. Once geological assays were received, representative ore samples were selected from the new core, composited and sent for comminution and roasting/leaching testwork plus mineralogy.

Comminution testwork (Bond Abrasion Index and Bond Ball Mill Work Index) was completed at Dawson Metallurgical Laboratories (FLSmidth) in Salt Lake City, Utah.

Roasting and leaching testwork on the new core is in progress at McClelland Laboratories, Inc in Reno, Nevada.

Resource modelling

Detailed 3-D geology and mineralisation modelling has commenced for the proposed 601 open pit mining area. This will incorporate the new geological and assay drillhole data received for the 39 RC plus 6 diamond core holes drilled into the 601 zone in late 2014.

Once complete, the updated model will be used to refine the open pit optimisation and design for in preparation for mining.

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PERMITTING

The company continued to advance its permitting programme through the quarter. Key activities included:

Water Pollution Control Permit (WPCP)

- The WPCP application was submitted in late January to the Nevada Division of Environmental Protection (NDEP).
- Anova was notified in March that the application was formally received and has now entered the technical review phase with the NDEP.

Reclamation Permit

- Reclamation Permit application was finalised during the quarter and was submitted to the Nevada Division of Environmental Protection (NDEP).

South Sammy (601 and 701) Plan of Operations and Environmental Assessment

- The Plan of Operations was updated during the quarter and preparation of the Environmental Assessment (EA) was ongoing.
- Submission of the final EA is targeted for June quarter.

CORPORATE

As at 31 March, the Company's cash balance was \$1.55m.

During the quarter the Company announced a two tranche placement to raise \$2m (before costs) by the issue of 50,000,000 shares at 4 cents per share to sophisticated and professional investors. The first tranche settled immediately with the second tranche to be issued subject to shareholder approval at a General Meeting of the Company to be held on 1 May 2015.

On 6 March, 1,250,000 unlisted 5 cent options were converted into ordinary shares, this raised \$62,500 (before costs) for the Company.

Competent Person Statement

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

TENEMENT SCHEDULE

All claims are 100% held.

| Project Name | Prospect | Location | Mining Claim Name |
|--------------|--------------|----------|--|
| Big Springs | Big Springs | USA | NDEEP-31, NDEEP-32 |
| Big Springs | Big Springs | USA | 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 | Dorsey Creek | USA | NDEEP-18, NDEEP-19, NDEEP-35, NDEEP-36, NDEEP-52, NDEEP-53 |
| Big Springs | Dorsey Creek | USA | 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 |
| Big Springs | Golden Dome | USA | DOME-1 to DOME-51 |
| Big Springs | Golden Dome | USA | GD-52 to GD-61, GD-63, GD-67 to GD-76, GD-79 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 |
| Big Springs | Golden Dome | USA | MP-14, MP-16, MP-18, MP-41, MP-43, MP-45, MP-47, MP-49 to MP-54 |
| Big Springs | Golden Dome | USA | NDEEP-1 to NDEEP-16, NDEEP-44 to NDEEP-90 |
| Big Springs | Jack Creek | USA | 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 |
| Big Springs | Mac Ridge | USA | BS-500 to BS-550, BS-557 to BS-579 |
| Big Springs | Mac Ridge | USA | MR-500 to MR-524, MR-526, MR-528, MR-530 to MR-537 |
| Big Springs | Mac Ridge | USA | NDEEP-33, NDEEP-34 |
| Big Springs | Mac Ridge | USA | TT-205 to TT-219 |

Private lands, which include all minerals, subject to a 2% NSR royalty to Ellison Minerals, Inc. Per below:

Township 42 North, Range 54 East (148.552 Hectares):

Section 7 - Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$); SE $\frac{1}{4}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 8 - N $\frac{1}{2}$ SW $\frac{1}{4}$

Section 31 - Lot 2 (SW $\frac{1}{4}$ NW $\frac{1}{4}$); Lot 4 (SW $\frac{1}{4}$ SW $\frac{1}{4}$); NE $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Appendix 5B
Mining exploration entity quarterly report

Name of entity

| |
|-----------------------------|
| Anova Metals Limited |
|-----------------------------|

ABN

| |
|-----------------------|
| 20 147 678 779 |
|-----------------------|

Quarter ended ("current quarter")

| |
|----------------------|
| 31 MARCH 2015 |
|----------------------|

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$'000 | Year to date (9 months) \$'000 |
|--|---------------------------|--------------------------------------|
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 | | |
| (a) exploration and evaluation | (963) | (1,929) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (335) | (1,163) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 5 | 16 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (1,293) | (3,076) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | (4) |
| 1.9 Proceeds from sale of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | - | - |
| Net investing cash flows | - | (4) |
| 1.13 Total operating and investing cash flows (carried forward) | (1,293) | (3,080) |

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| | | | |
|---|---|----------------|----------------|
| 1.13 | Total operating and investing cash flows (carried forward) | (1,293) | (3,080) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 1,563 | 3,253 |
| 1.15 | Cost of the Issue | (89) | (136) |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (provide details if material) | - | - |
| | Net financing cash flows | 1,473 | 3,117 |
| | Net increase (decrease) in cash held | 180 | 37 |
| 1.20 | Cash at beginning of quarter/year to date | 1,393 | 1,481 |
| 1.21 | Exchange rate adjustments to item 1.20 | (25) | 30 |
| 1.22 | Cash at end of quarter | 1,548 | 1,548 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | Current quarter \$'000 | |
|------|--|-----|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 193 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

\$70k – director remuneration payments.

\$123k – payments for administrative staff, technical staff and provision of a fully serviced office

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

| | Amount available \$'000 | Amount used \$'000 |
|-----|-----------------------------|-----------------------|
| 3.1 | Loan facilities | - |
| 3.2 | Credit standby arrangements | - |

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Estimated cash outflows for next quarter

| | | \$'000 |
|--------------|----------------------------|------------|
| 4.1 | Exploration and evaluation | 500 |
| 4.2 | Development | - |
| 4.3 | Production | - |
| 4.4 | Administration | 230 |
| Total | | 730 |

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter \$'000 | Previous quarter \$'000 |
|---|--------------------------|---------------------------|-------------------------------|
| 5.1 | Cash on hand and at bank | 1,548 | 1,393 |
| 5.2 | Deposits at call | - | - |
| 5.3 | Bank overdraft | - | - |
| Total: Cash at end of quarter (item 1.22) | | 1,548 | 1,393 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|-------------------------------------|--|----------------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | - | - | - |
| 6.2 | Interests in mining tenements acquired or increased | - | - | - |

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|--------------|---------------|---|--|
| 7.1 Preference + securities | - | - | - | - |
| 7.2 Changes during quarter | - | - | - | - |
| 7.3 + Ordinary securities | 301,184,271 | 301,184,271 | Fully Paid | Fully Paid |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issue of new shares | 37,500,001 | 37,500,001 | 4 cents | 4 cents |
| (b) Increases through exercise of options | 1,250,000 | 1,250,000 | 5 cents | 5 cents |
| 7.5 + Convertible debt securities | - | - | - | - |
| 7.6 Changes during quarter | | | | |
| (a) Increases | - | - | - | - |
| (b) Decreases | - | - | - | - |
| 7.7 Options/Rights | | | Exercise Price | Expiry Date |
| Unquoted options | 2,000,000 | - | 10.4 cents | 31/12/2016 |
| | 4,000,000 | - | 12.1 cents | 31/12/2016 |
| | 19,875,000 | - | 5 cents | 30/11/2016 |
| Unquoted rights | 4,250,000 | - | - | 5/12/2017 |
| 7.8 Issued during quarter | - | - | - | - |
| 7.9 Exercised during quarter | 1,250,000 | - | 5 cents | 30/11/2016 |
| 7.10 Expired during quarter | 1,500,000 | - | 5 cents | 31/01/2015 |
| 7.11 Performance Shares | - | - | - | - |
| 7.12 Changes during quarter | | | | |
| (a) Expired during quarter | 15,000,000 | - | - | - |
| 7.13 Debentures (totals only) | - | - | | |
| 7.14 Unsecured notes (totals only) | - | - | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Mr Steven Jackson
Company Secretary
Date: 30 April 2015

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.