



14 November 2017

SECOND FORTUNE COMMENCEMENT OF MINE DEVELOPMENT

- **Mining contractor mobilised on 12 November and is commencing portal development**
- **Infill drilling into first of planned mining levels confirms Main Vein grades and thicknesses**
- **Underwater survey of historic levels and stopes confirms assumptions made on previous mining activity**

Anova Metals Limited (ASX: AWW, "Anova" or the "Company") is pleased to announce that GBF mining mobilised to Second Fortune on 12 November ahead of commencing portal development. Mine dewatering, camp expansion and other site preparations are progressing as planned.

In preparation for mine development a reverse circulation (RC) drilling program has been completed to test the grades and vein thickness in the first mining levels. Holes were designed to intercept the planned stopes immediately below previous mine workings. Results were consistent with expected grades and thickness.

To ensure surveys of the underground voids were consistent with present plans an underwater drone survey was conducted to inspect shafts and mine voids. Video imagery and depth logs from the drone confirmed there were no unexpected mining voids and plans were consistent with those in use.

Further details on the drilling and drone survey are provided below.

RC infill drilling programme

A total of 18 RC holes were drilled for 1,546.5m targeting the initial two shallowest mining levels (Figure 2) that are planned for mining in Q1 and Q2, 2018. Drill holes were designed to intersect the north-striking, sub-vertical gold-bearing Main Vein at 25m spaced pierce points (south to north) along the two levels and were sampled on 0.5m downhole intervals.

The results for all the holes that intercepted the Main Vein position are detailed in Table 1, including both downhole and estimated true thickness intercepts. Downhole intercepts include:

- **EXRC129: 0.5m @ 43.4g/t Au** from 64.5m
- **EXRC143: 0.5m @ 26.3g/t Au** from 81m
- **EXRC134: 1.5m @ 14.2g/t Au** from 62.5m
- **EXRC138: 1.0m @ 13.0g/t Au** from 84m

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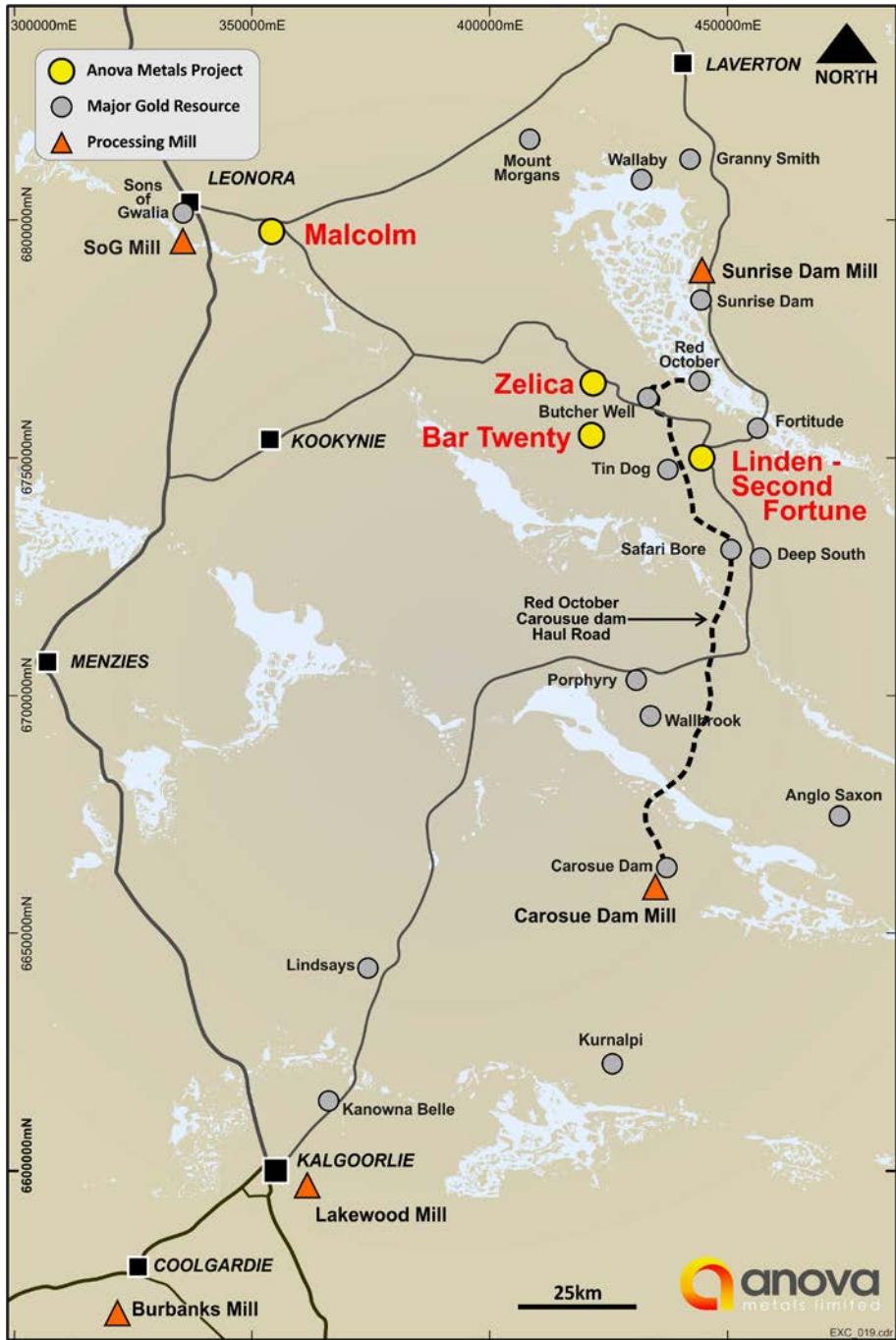


Figure 1: Location of Anova Metals' Second Fortune Deposit, part of its 100% Linden Gold Project

A number of holes lifted in dip during drilling, possibly due to low drill angles, and intercepted or clipped known voids (historic level drives and stopes). Also, hole EXRC133 was drilled to 24m targeting a shallow western vein but returned no intersection of significance and hole EXRC139 was stopped due to collar instability prior to the planned intersection depth of the Main Vein.

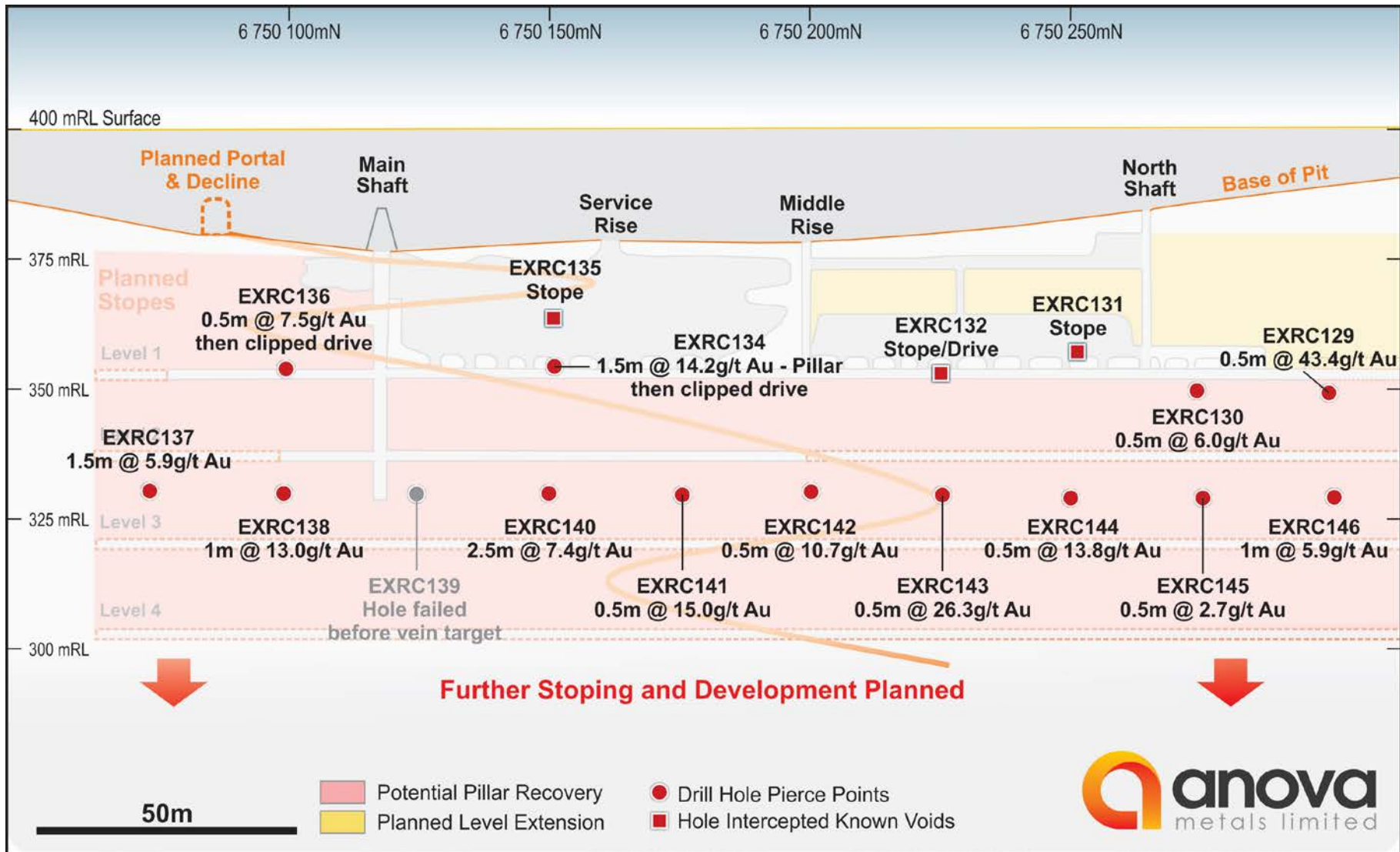


Figure 2: North-south Long-Section showing new 2017 drilling results (downhole intercepts) at the Second Fortune Deposit

Table 1: Second Fortune –October drilling Main Vein intersections

Hole ID	From (m)	To (m)	Downhole Intercept (m)	Estimate True Vein Thickness (m)	Au Grade (g/t)
EXRC129	64.5	65	0.5	0.39	43.4
EXRC130	72.5	73	0.5	0.42	6.0
EXRC131	63	64	1	STOPE VOID	
EXRC132	66	69	3	LEVEL DRIVE VOID	
EXRC133	Hole drilled to planned depth of 24m with no significant intersection				
EXRC134 <i>then</i>	58	58.5	0.5	0.39	4.2
	62.5	64	1.5	1.21	14.2
	64	65	1	STOPE VOID	
EXRC135	53	54.5	1.5	LEVEL DRIVE VOID	
EXRC136 <i>then</i>	65	65.5	0.5	0.39	7.5
	65.5	67.5	2	LEVEL DRIVE VOID	
EXRC137	83.5	85	1.5	1.11	5.9
	87.5	88.5	1.0	0.74	4.6
EXRC138 <i>including</i>	84	91	7.0	5.17	3.3
	84	85	1.0	0.74	13.0
EXRC139	Hole failed at 72m, short of Main Vein target depth				
EXRC140	74.5	77	2.5	1.80	7.4
EXRC141	77	77.5	0.5	0.38	15.0
	86	87	1.0	0.85	6.2
EXRC142	80	80.5	0.5	0.37	10.7
EXRC143	81	81.5	0.5	0.37	26.3
EXRC144	80.5	81	0.5	0.37	13.8
EXRC145	86.5	87	0.5	0.37	2.7
EXRC146	74.5	75.5	1.0	0.72	5.9

These new results have been compared to historic intercepts of the Main Vein of the surface drilling and the underground level back sampling used for the Second Fortune Mineral Resource (Main Vein or Lode), as reported in the Exterra Resources Limited (ASX:EXC) announcement dated 25 May 2017. All new intercepts are in line with expectations and assist in refining the Main Vein grades and thicknesses planned for mining early in 2018. Drill hole collar and survey details are included in Table 2 below.

Underwater ROV exploration of historic levels and stopes

An underwater ROV survey was conducted to confirm the accuracy of mine survey data reported prior to the mine closure in the late 1980's. The ROV was lowered into the Main Shaft (Figure 4) and two of the rises (refer Figure 2) that break through to the surface, and was able to access and explore the full extent of Level 1 and the majority of Level 2. It was also able to enter and travel through one of

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the partially completed stopes on Level 1, allowing Anova to start planning the extraction of this remaining ore (not currently in the mine plan).

The survey successfully confirmed the status of the historic underground working and allowing a first-hand look at the in situ Main Vein ore (Figure 5) exposed in crown pillar of the Level 1 stopes.



Figure 4: Photograph looking down historic North Shaft at the Second Fortune Deposit



Figure 5: Main Vein exposed in crown pillar of the Level 1 stopes (width approximately 0.75m wide)

Dewatering of the historic workings is steadily progressing and will be completed in line with planned underground development.

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About Anova Metals

Anova Metals is an Australian Securities Exchange listed gold exploration and development company with projects in Western Australia and Nevada, USA.

In WA, the Company's focus is on the Linden Gold Project in the North Eastern Goldfields region, within the Laverton Tectonic Zone, which hosts multi-million ounce deposits including Sunrise Dam (AngloGold Ashanti) and Granny Smith/Wallaby (Gold Fields). A feasibility study has recently been completed on the Second Fortune Gold Mine demonstrating the technical and economic viability of the project and all regulatory approvals are in place for the underground mine and associated infrastructure. Commencement of the portal development is planned for Q4 2017.

In the US, the Company is progressing towards production on the Big Springs Project, a Carlin-style gold deposit located in an established gold mining region, 80km north of Elko in north eastern Nevada. The Project was mined by Independence Mining Company between 1987 and 1993 producing 386,000 ounces of gold and currently has a JORC 2012 Mineral Resource 16 million tonnes at 2.0 g/t gold. Applying a cut-off grade to 2.5 g/t gold results in a high grade core to the deposit of 2.9 million tonnes of 4.2 g/t gold for 388,000 ounces. Big Springs recently received permitting approval to commence its first phase of mining operations.

For more information, please visit www.anovametals.com

Competent Person Statement

The information in this report that relates to Exploration Results 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 both the Australian Institute of Geoscientists and 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. 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.

Refer to Exterra Resources Limited's (ASX:EXC) announcement titled Feasibility Study Confirms Robust High Grade Gold Mine and dated 25 May 2017 for further information in relation to the Second Fortune Mineral Resources and Ore Reserve estimate for the Second Fortune project. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the competent persons findings have not been materially modified from the original announcement.

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Table 2: Second Fortune –October 2017 drill hole collar details (map grid is MGA Zone 51)

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Maximum Depth (m)	Dip	Azimuth
EXRC129	445208.6	6750298.5	399.5	90	-50	90
EXRC130	445201.8	6750274.6	399.5	90	-50	90
EXRC131	445206.4	6750243.7	399.5	84	-50	90
EXRC132	445201.2	6750225.3	399.5	84	-50	90
EXRC133	445200.7	6750200.2	399.5	24	-50	90
EXRC134	445201.5	6750150.1	399.5	76.5	-50	90
EXRC135	445210.2	6750150.2	399.5	60	-50	90
EXRC136	445273.1	6750084.3	399.6	84	-50	290
EXRC137	445164.1	6750075.0	399.1	102	-55	90
EXRC138	445173.6	6750100.0	399.9	108	-55	90
EXRC139	445181.3	6750125.0	399.5	72	-55	90
EXRC140	445189.3	6750150.0	398.9	96	-55	90
EXRC141	445193.8	6750175.0	399.5	102	-55	90
EXRC142	445193.8	6750200.0	399.5	96	-55	90
EXRC143	445193.8	6750225.0	399.6	96	-55	90
EXRC144	445193.9	6750250.0	399.4	90	-55	90
EXRC145	445193.4	6750275.0	400.1	96	-55	90
EXRC146	445202.0	6750300.0	399.7	96	-59.5	90

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Appendix 1: JORC Code, 2012 Edition – Supporting tables.

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. <p>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</p>	<ul style="list-style-type: none"> Sampling was completed using conventional methods for Air Core (AC) and Reverse Circulation (RC) drill programs whereby a +/- 2 kg sample was collected in a calico storage bag for assay. Drill hole collar locations were recorded by DGPS with cm accuracy or handheld GPS, which has an estimated accuracy of +/-5 m. AC and RC drilling obtained 0.5m or 1 metre samples placed on the ground in calico bags. A +/- 2kg kg, 4 metre composite sample was collected in some instances where determined appropriate, in a calico bag by running 1m plastic bag samples through a sample splitter to obtain a 4m composite. Samples were sent to ALS Laboratories in Kalgoorlie where they were dried, pulverized and split to produce a sub-sample for 50g Au fire assay by Au-AA26 method.
Drilling techniques	<p>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</p>	<ul style="list-style-type: none"> RC drilling accounts for 100% of the October 2017 program.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<ul style="list-style-type: none"> Sample recovery was visually checked as well as moisture and contamination. No relationship between recovery and/or contamination and moisture was observed with regards to assays received. Drillers used appropriate measures to maximize sample recovery, including minimizing of moisture in samples on rod changes. To date only a visual analysis to determine the relationship between sample recovery and/or grade has been undertaken and no bias is noted.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Geological logging was carried out to industry standard as holes were drilled, by washing drill chips which were collected in chip trays for further reference.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> No core samples were recovered. RC method only. RC drilling obtained 0.5m or 1 metre, dry samples collected in a plastic bag directly attached to the cyclone. 4m composite samples were collected in calico bags using the spear technique. The balance of the 0.5m or 1 metre samples were retained on the ground for later reference. Sample representativeness is regarded as

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>appropriate in terms of weight and interval. Sample preparation was completed at ALS Laboratories in Kalgoorlie. Samples were dried, pulverized (80% < 75µm size fraction) and split into a sub-sample that is analysed by normal lab techniques.</p> <ul style="list-style-type: none"> The sample sizes were considered appropriate to give an accurate indication of gold anomalism and mineralisation.
	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> The assay techniques are regarded as standard for obtaining an accurate estimate of the contained gold grade of samples. No geophysical measurements or hand held XRF analysis was undertaken. Anova included duplicates, standards and blanks regularly in the sampling sequence. All results have been analysed and did not report any issues of concern. The laboratory conducted routine internal QC procedures including duplicates and standards and did not report any issues of concern.
	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No verification of assays has been completed. No twinned holes were drilled during the program. Primary data was collected for the program by hand on printed field sheets and transferred to computers using Excel templates. Data collected was sent off-site to the Company's database (DataShed software) at head office for download. Assay results are held by the laboratory and the Company and backed up regularly. No sampling or analysis data was adjusted.
Verification of sampling and assaying		
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Drill hole collar locations are determined by DGPS or hand held GPS. The grid system used is MGA_GDA94, Zone 51.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The drill program was drilled dominantly on East-West sections with varying spacing. Compositing of samples to 4m was applied to the drill samples for the initial analysis reported. 0.5m or 1m sampling of selected samples was carried out by submitting original 0.5m or 1m samples in calico bags.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The orientation of key structures and any relationship to mineralisation is preliminary and inferred using competent person experience and interpretation. No sampling bias resulting from a structural orientation is known to occur at this stage.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The chain of custody is managed by the Company. Samples were delivered by Company personnel to the ALS assay laboratory in Kalgoorlie.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Sampling techniques and procedures are regularly reviewed internally, as is data. To date no external audits have been completed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The RC drilling referred to in this announcement occurred on Mining Leases M39/255 and M39/649. Anova has a 100% interest in the tenements with no third parties associated. There is no current Native Title Claim over these tenements and no historical archaeological, ethnographic or environmentally sensitive sites have been identified in the area of work.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Limited exploration and mining (in the 1980's) was been carried out by other parties. Historic workings are evident with extensive exploration of the workings completed by underwater drone in October 2017.
Geology	Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none"> Mineralisation in these areas is Archaean gold with common host rocks and structures related to Mesothermal orogenic as found throughout the Yilgarn Craton of Western Australia.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Refer to tabulations in the body of this announcement.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No weighting or cutting of assay results has been done. A nominal >2 g/t Au cut-off has been reported for broader anomalous intercepts. All values utilised for an intersection have been tabulated in this report. No metal equivalent is being reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The geometry of the Second Fortune mineralisation is striking north-south and dipping sub-vertical. Drill holes were aligned at -50° and -55° to the east or west to pierce this mineralised zone.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Refer to the body of this announcement.

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Only intersections of >2 g/t Au are reported and where no report is given then results should be assumed to be <2 g/t Au.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> All meaningful and material information has been included in the body of the text. No metallurgical assessments have been completed.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> At this stage, results of this work will be used for preparation to mine.
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The RC drilling referred to in this announcement occurred on Mining Leases M39/255 and M39/649. Anova has a 100% interest in the tenements with no third parties associated. There is no current Native Title Claim over these tenements and no historical archaeological, ethnographic or environmentally sensitive sites have been identified in the area of work.

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