



9 July 2018

JUNE GOLD PRODUCTION FROM SECOND FORTUNE

Anova Metals Limited (ASX: AWV, "Anova" or the "Company") announces the results of production from the Second Fortune Gold Project in Western Australia for the month of June 2018.

Subject to final reconciliation, the Company has produced 1,600 oz's in the month of June 2018 (see Table 1), bringing the campaign to date total to 3,244 oz's (see Table 2). The production in the month was predominately from ore sourced from the level 2 stopes with some ore sorter product and fines from level 2 development material. Similar to the previous month's production the preliminary reconciliation indicates mill production consistent with estimates of grades delivered to the mill.

The mining of levels 1 & 2 has now been completed with stock piles of Second Fortune ore continuing to be transported to the Burbanks Mill for processing. The first milling campaign is expected to continue until mid-July. Sorting of development ore was successfully trialled although elevated fines quantities resulted in less material being sorted than planned. Stope ore was direct shipped to the process plant.

There has been additional dilution in the level 2 stopes, most of which has been caused by the larger drive opening aligning with 2 other structures resulting in wedges falling out. This has resulted in an increase in tonnes, and a corresponding reduction in grade. However, the gold produced has been consistent with the face sample grades taken during the development of the drive. A full reconciliation will be undertaken at the completion of processing.

A design review is being completed for level 3 onwards which involves the use of more traditional narrow vein mining techniques. This includes the use of narrower drives and split firing the ore. This should reduce the impact of the mine dilution issues and result in the stopes coming out closer to design, as the wedges exposed will be much smaller. This will result in significantly less tonnes being produced from both the development and production ore. This review will be completed once the gold produced from level 2 is finalised and reconciled with the block model predictions.

Anova has previously advised that as part of its strategy to de-risk the project a staged development approach has been adopted (see ASX release 20 October 2017). The mining operations for the first stage (level 1 and level 2) were completed in June. Anova has now entered into negotiations with GBF, the mine contractor for the first campaign, to re-commence mining activities on the lower levels of the deposit. Negotiations between the parties are progressing well and Anova expects to be able to provide further information on the appointment of GBF for the next stage of production prior to the end of July.

+61 8 6465 5500

www.anovametals.com.au

info@anovametals.com.au

Suite 1, 245 Churchill Avenue Subiaco WA 6008

ABN 20 147 678 779



Image 1: Gold bar from Second Fortune processing on 19 June.

Table 1: Gold production schedule, June 2018

	Wet	Dry
Tonnes Milled	14521.5	13902
	g	oz's
Opening GIC	19751	635
Closing GIC	20916	672
Difference	1165	37
Gold to tails	3066	98.58
Gold in Bullion	48628.1	1563.43
Gold In Feed	52858.7	1699.45
Gold Recovered	49792.6	1600.87
Reconciled Recovery	94.20	
Reconciled Head Grade	3.64	

Table 2: Gold production schedule, campaign to 30 June 2018

	Wet	Dry
Tonnes Milled	32399.0	31116
	g	oz's
Opening GIC	11003	354
Closing GIC	20916	672
Difference	9912	319
Gold to tails	5799	186.45
Gold in Bullion	90991.1	2925.43
Gold In Feed	106702.6	3430.57
Gold Recovered	100903.4	3244.12
Reconciled Recovery	94.57	
Reconciled Head Grade	3.29	

For more information:

Bill Fry

Executive Director

+61 8 6465 5500

billf@anovametals.com

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 production from the Second Fortune 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). Production at Second Fortune commenced in March 2018.

In the US, the Company holds 100% of 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 3.1 million tonnes of 4.2 g/t gold for 415,000 ounces. Big Springs is permitted 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.