



anova
metals limited

ABN 20 147 678 779

**NOTICE OF GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**For the General Meeting to be held on Thursday, 5 April 2018
at 11.00am (WST)
at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia**

***This is an important document. Please read it carefully and in its entirety.
If you do not understand it please consult your professional advisers.***

***If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in
accordance with the instructions set out on that form.***

For personal use only

TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

This General Meeting of the Shareholders of Anova Metals Limited will be held at:

**Suite 1
245 Churchill Avenue
Subiaco, Western Australia, 6008**

**Commencing
at 11.00am (WST)
on Thursday, 5 April 2018**

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person you need to attend the meeting on the date and at the place set out above. The meeting will commence at 11.00am (WST).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- return the proxy form (by delivery) to the Company's office at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia; or
- return the proxy form (by post) to the Company's office at PO Box 162, Subiaco, Western Australia, 6904; or
- send the proxy by facsimile to facsimile number +61 8 6465 5599

so that it is received not later than 11.00am (WST) on Tuesday, 3 April 2018.

Your proxy form is enclosed.

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Shareholders of Anova Metals Limited ("Anova Metals" or the "Company") will be held at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia on Thursday, 5 April 2018 at 11.00am (WST) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

ORDINARY BUSINESS

Resolution 1 – Ratification of Options to unrelated parties

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 7.4 and for all other purposes, approval is given to the issue of 6,250,000 Options on the terms set out in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 2 – Approval to issue Options to related party

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Options to Hartree Pty Ltd (an Alasdair Cooke controlled entity) or his nominee on the terms set out in the Explanatory Statement."

Voting exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Hartree Pty Ltd, Alasdair Cooke or its nominees and any associates of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the chair of the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the Chairing of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. The Chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed Resolutions.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is Tuesday, 3 April 2018 at 4:00pm (WST).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

BY ORDER OF THE BOARD


Steven Jackson
Company Secretary
Dated: 6 March 2018

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. Resolution 1 – Ratification of Options to unrelated parties

1.1 Background

Resolution 1 seeks Shareholder approval to ratify the issue of 6,250,000 Options on 15 February 2018 to unrelated parties. The issue of Options is in part consideration for the provision of a loan facility by the unrelated parties to the Company. The unrelated parties provided a loan facility of \$2,500,000 to a subsidiary of the Company in accordance with the Company's ASX announcement of 31 January 2018, which drawdown will enable the Company to meet expenditure requirements at the Second Fortune Gold Project.

1.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides, subject to certain exceptions, without shareholder approval, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, the issue was within the Company's 15% capacity or any additional 10% placement capacity under Listing Rule 7.1) and Shareholders subsequently approve it.

The Options were issued using the Listing Rule 7.1 capacity of the Company. The Company seeks approval to ratify the Shares issued and refresh the Company's 15% placement capacity.

1.3 Information required under Listing Rule 7.5

Listing Rule 7.5 provides that for Shareholders to approve an issue subsequently, the notice of meeting must include particular information. This information is as follows:

- (a) The number of securities issued was 6,250,000 Options.
- (b) The Options were issued for nil issue price in part consideration of the provision of a loan facility to the Company.
- (c) The Options have an exercise price of 10 cents and an expiry date of 31 December 2018. The full terms of the Options are set out in Annexure 1.
- (d) The Options were issued to a loan syndicate coordinated by agent and security trustee, MSQ Holdings Pty Ltd. None of the parties are related parties of the Company.
- (e) No funds were raised from the issue of the Options.

2. Resolution 2 – Approval to issue Options to related party

2.1 Background

Resolution 2 seeks Shareholder approval to the issue of 1,250,000 Options to Hartree Pty Ltd, a company controlled by Alasdair Cooke. Mr Cooke is a Director of the Company and thereby Hartree Pty Ltd is a related party of the Company.

The Options are to be issued in part consideration of Mr Cooke having provided a loan facility of \$500,000. The loan facility provided by Mr Cooke is on the same terms as the loan facility provided by the unrelated parties (the subject of Resolution 1) and is in terms of the ASX announcement of the Company of 31 January 2018. Drawdown of the facility will enable the Company to meet expenditure requirements at the Second Fortune Gold Project.

2.2 Listing Rule 10.11

Listing Rule 10.11 requires a company to obtain shareholder approval prior to the issue of securities to a related party. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Information about Listing Rule 7.1 is set out in Section 1 above.

2.3 Information required under Listing Rule 10.13

Listing Rule 10.13 provides that a notice of meeting must include particular information for the purposes of seeking shareholder approval under Listing Rule 10.11. This information is as follows:

- (a) The securities will be issued to Hartree Pty Ltd or its nominees.
- (b) The maximum number of securities the Company will issue is up to 1,250,000 Options.
- (c) The securities will be issued no later than 1 month after the date of this Meeting (or a later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) Hartree Pty Ltd is a company controlled by Alasdair Cooke, who is a Director of Anova Metals Limited. Thereby, Hartree Pty Ltd is a related party of Anova Metals Limited.
- (e) The Options will have an exercise price of 10 cents and an expiry date of 31 December 2018. The full terms of the Options are set out in Annexure 1.
- (f) There will be no funds raised from the issue of the securities.

The Directors of the Company independent of Alasdair Cooke (being all the other Directors) have resolved that the issue of the Options the subject of this Resolution is on reasonable arms length terms for the Company. Hartree Pty Ltd will be issued with Options on reasonable terms being in part consideration of a loan facility of \$500,000 provided to the Company. The issue of Options the subject to this Resolution and the relevant loan facility is on the same terms as the issue of Options to and the loan facility with unrelated parties (the subject of Resolution 1) and is otherwise on commercial terms. By reason of this, no separate related party approval under the Corporations Act is sought.

GLOSSARY

In this Explanatory Statement, the following expressions have the following meanings:

"**ASX**" means the ASX Limited.

"**ASX Listing Rules**" or "**Listing Rules**" means the listing rules of ASX.

"**Board**" means the Board of Directors of the Company.

"**Chair**" means the Chair of the Meeting.

"**Company**" or "**Anova**" means Anova Metals Limited (ABN 20 147 678 779).

"**Corporations Act**" means the Corporations Act 2001 (Cth).

"**Directors**" means the Directors of the Company from time to time.

"**Explanatory Statement**" means this explanatory statement.

"**General Meeting**" or "**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the Notice of Meeting that accompanies this Explanatory Statement.

"**Option**" means an option to subscribe for a Share.

"**Resolution**" means a resolution contained in the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a registered holder of Shares in the Company.

"**WST**" means WST, Perth, Western Australia.

"**\$**" means Australian dollars unless otherwise stated.

ANNEXURE 1

Terms and Conditions of Options

The Options will be issued on the following terms and conditions:

- (a) Each Option entitles the holder (**Option Holder**) to subscribe for one (1) fully paid ordinary share (**Share**) in Anova Metals Limited ACN 147 678 779 (**Company**).
- (b) The exercise price of each Option is \$0.10 (10 cents).
- (c) Each Option may be exercised at any time before 5.00pm (WST) on 31 December 2018 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- (d) The Company must give the Option Holder a certificate or holding statement stating:
- (i) the number of Options issued to the Option Holder;
 - (ii) the exercise price of the Options;
 - (iii) the date of issue of the Options; and
 - (iv) the applicable Expiry Date.
- (e) The Options are transferable. Subject to the listing rules of ASX and the Corporations Act 2001 (Cth) (**Corporations Act**), the Option Holder may transfer some or all of the Options at any time before the Expiry Date by:
- (i) any method permitted by the Corporations Act; or
 - (ii) a prescribed instrument of transfer.
- (f) An instrument of transfer of an Option must be:
- (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Option, the right of the transferor to transfer that Option and the proper execution of the instrument of transfer.
- (g) The Options will not be listed for quotation on the securities market operated by ASX Limited known as the Australian Securities Exchange (**ASX**).
- (h) The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options in accordance with the listing rules of ASX.
- (i) The Option Holder is not entitled to participate in any new issue to holders of securities in the Company unless they have exercised their Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the listing rules of ASX.
- (j) If the Company makes a pro rata issue of Shares to shareholders (except a bonus issue, or an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, the Exercise Price of each Option will be reduced in accordance with the formula set out in ASX listing rule 6.22.2.
- (k) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the

For personal use only

Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.

- (l) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the exercise price) will be changed to the extent necessary to comply with the listing rules of ASX applying to a reorganisation of capital at the time of the reorganisation.
- (m) Any calculations or adjustments which are required to be made will be made by the Company's board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (n) The Company must, within a reasonable period, give to the Option Holder notice of any change to the exercise price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Option.
- (o) To exercise Options, the Option Holder must give the Company or its share registry, at the same time:
 - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;
 - (ii) payment of the exercise price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
 - (iii) any certificate for the Options or such other evidence of ownership that the board of the Company may determine from time to time.
- (p) The Option Holder may only exercise Options in multiples of 5,000 Options unless the Option Holder exercises all Options held by the Option Holder.
- (q) Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors of the Company.
- (r) If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:
 - (i) the Option Holder must surrender their Option certificate (if any); and
 - (ii) the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or holding statement stating the remaining number of Options held by the Option Holder.
- (s) Within ten (10) days after receiving an application for exercise of Options and payment by the Option Holder of the exercise price, the Company must issue the Option Holder the number of Shares specified in the application.
- (t) Subject to the Company's constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.
- (u) Subject to and in accordance with the listing rules of the ASX (including any waiver granted under such ASX listing rules), the board of the Company (without the necessity of obtaining the prior consent of shareholders of the Company in a general meeting) may from time to time amend (including the power to revoke, add or vary) all or any provisions of the these option terms in any respect whatsoever, by an instrument in writing, provided that rights or entitlement in respect of any Option granted before the date of amendment shall not be reduced or adversely affected unless prior written approval from the affected holder(s) is obtained.
- (v) These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

ANOVA METALS LIMITED

ABN 20 147 678 779

PROXY FORM

APPOINTMENT OF PROXY

Anova Metals Limited

I/We

being a Shareholder of Anova Metals Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of Proxy (Insert the name of the person or body corporate you are appointing if this person is someone other than the Chairman of the Meeting. Do not insert your own name.)

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia on Thursday, 5 April 2018 at 11.00am (WST) and at any adjournment thereof.

IMPORTANT NOTES

The Chair of the Meeting intends to vote undirected proxies in favour of all Resolutions. If the Chair of the Meeting is your proxy (or becomes your proxy by default) and you do not mark a voting box for any of the items of business then by signing and returning this Proxy Form you will be expressly authorising the Chair to exercise your proxy in respect of the relevant items. If you appoint the Chair of the Meeting as your proxy you can direct him/her to vote for or against or to abstain from voting on the items by marking the appropriate box below.

Voting on Business of the General Meeting

		For	Against	Abstain
Resolution 1	Ratification of Options to unrelated parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue Options to related party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Please return this Proxy Form to the Company in accordance with the accompanying instructions.

Signed this _____ day of _____ 2018.

By:

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Director

Director/Secretary

Sole Director and Sole Secretary

ANOVA METALS LIMITED
ABN 20 147 678 779

Instructions for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. Lodgement of Proxy Form
 - by hand/delivery to the Company's office at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia, 6008;
 - by post to PO Box 162, Subiaco, Western Australia, 6904;
 - by facsimile to facsimile number +61 8 6465 5599

by no later than 48 hours prior to the time of commencement of the Meeting.

For personal use only