

# NOVENTa

**NOVENTA LIMITED**  
**(“Noventa” or the “Company”) (AIM: NVTA; ISDX: NV)**

## **Update on Operations and Discussions with Lender and Equity Finance Facility**

1 March 2013

### **Update on Operations and Discussions with Lender**

Further to the announcement of 11 February 2013, the Board of Noventa provides the following update on the Company’s operations:

- Production of tantalum pentoxide concentrate remains at low levels. The Board expects total production of tantalum concentrate to be between 1,700 and 1,900lbs for February.
- The new production plant at Marropino continues to experience a number of technical issues that result in minimal levels of production from this plant.
- The follow on analysis of ore grades in the pit at Marropino are materially in line with those outlined in the announcement of 11 February 2013.
- There have been no material developments at the Company’s other interests in Mozambique or the Democratic Republic of Congo.

The Board of Noventa remains in discussion with Richmond Partners Master Limited regarding the secure loan and future financing of the Company and a further announcement will be made once those discussion reach a conclusion. The Company has sufficient working capital for its needs at this time.

### **Equity Finance Facility**

The Company has today entered into an equity finance facility (“EFF”) with Darwin Strategic Limited (“Darwin”). Darwin is majority owned by funds managed by the Henderson Volantis Capital team, who manage c.\$1.5bn of assets, (“Henderson Volantis”) and who in turn are part of the fund management group Henderson Global Investors. Darwin is an institutional provider of equity based finance for a variety of sectors in the AIM market. Working in partnership with Henderson Volantis, Darwin specialises in providing AIM companies with flexible, low cost access to capital. Darwin individually tailors and structures bespoke investments and financings according to each company's need via a broad range of structures.

The EFF agreement with Darwin and Henderson Volantis provides Noventa with a facility of up to £5 million which (subject to certain limited restrictions) can be drawn down at any time over the next three years.

Noventa is under no obligation to make a draw down and may make draw downs at its discretion, up to the total value of the EFF, by way of issuing subscription notices to Darwin. Following delivery of a subscription notice, Darwin will subscribe and the Company will allot to Darwin new ordinary 0.8p shares in Noventa (“Ordinary Shares”) to the value of the amount drawn down.

The subscription price for any Ordinary Shares to be subscribed by Darwin under a subscription notice will be the average of the three lowest Volume Weighted Average Prices (“VWAP”) of the Ordinary Shares over the 15 trading days following the subscription notice (“Pricing Period”).

Noventa is also obliged to specify in each subscription notice, at its discretion, a minimum price below which Ordinary Shares will not be issued to Darwin. The Company will have the right (with the consent of Darwin) to modify that minimum price at any time during the relevant Pricing Period.

The number of Ordinary Shares which may be issued under any individual subscription notice may be up to the lower of 25 per cent of the Company's issued share capital following completion of the relevant subscription, or four times the average daily trading volume of Noventa's Ordinary Shares over the 15 trading days preceding the issue of the relevant subscription notice. This may be reduced in certain circumstances, including where the minimum price is not maintained.

The maximum amount of a subscription notice may not exceed £500,000 without Darwin's permission. Darwin is entitled to a commission (to be paid in cash) of up to 5 per cent of amounts subscribed, but may agree with Noventa in lieu thereof for the subscription price for the Ordinary Shares to be issued to be discounted by 5 per cent.

There is also an over-allotment facility available to Noventa, under which the Company may authorise Darwin to increase, at Darwin's discretion, the amount of the draw down by up to the aggregate undrawn amount under the EFF. Darwin may direct allotments [of Ordinary Shares?] under the EFF to its parent fund, Henderson Volantis.

Darwin and Noventa may mutually agree at the end of the Pricing Period to a variation of subscription price. This may allow for a larger subscription via any over-allotment facility authorised by the Company.

The issuance of a subscription notice by Noventa is conditional upon the satisfaction of certain conditions which have been agreed between Darwin and Noventa. Any subscription notice which Noventa may issue will only be valid to the extent that it has the requisite shareholder authority to issue the maximum number of Ordinary Shares that Darwin may be required to subscribe under the relevant subscription notice.

Darwin and Noventa may terminate the EFF agreement if certain conditions are not met.

In conjunction with the EFF, Noventa has entered into a warrant agreement with Darwin dated today to subscribe for up to 1 per cent of Ordinary Shares issued pursuant to the EFF [or 1% of current/ then prevailing issued Ordinary Share capital?], such warrants to be exercisable at a 30% premium to the average VWAP of Ordinary Shares over the next 5 trading days, subject to certain conditions, any time prior to the expiry of 36 months from the date of the warrant agreement.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained or incorporated by reference in this release, including any information as to the Noventa's strategy, projects, plans, prospects, future outlook, anticipated events or results or future financial or operating performance, constitutes "forward-looking statements" within the meaning of Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements can often, but not always, be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "predicts", "potential", "continue" or "believes", or variations (including negative variations) of such words; or statements that certain actions, events or results "may", "could", "would", "should", "might", "potential to", or "will" be taken, occur or be achieved or other similar expressions concerning matters that are not historical facts. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made or incorporated in this press release are qualified by these cautionary statements.

Forward-looking statements are necessarily based on a number of factors, estimates and assumptions that, while considered reasonable by Noventa as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Readers are also cautioned that forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Noventa to differ materially from those expressed or implied in the forward-looking statements. Certain of these risks and uncertainties are described in more detail in Noventa's Annual Information Form dated 19 July 2011, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Although Noventa has attempted to identify statements containing important factors that could cause actual actions, event or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein are made as of the date of this document based on the opinions and estimates of management on the date statements containing such forward looking information are made, and Noventa disclaims any obligation to update any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information.