NOVENTa

NOVENTA LIMITED

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 6 MONTHS ENDED 30 JUNE 2012

CHAIRMAN'S STATEMENT

28 September 2012

Dear Shareholder,

I joined the Board of Noventa on 10 September 2012 at an exciting, but difficult time for the Group. The Group has significant assets in its resources, an experienced and committed management team and a lender and shareholder who believes in the Group and its prospects. It also has significant challenges, particularly regarding the production ramp-up of the new Marropino plant, the success of which will determine the future viability of the Company and Group as a going concern.

I believe that there are four priorities for the Group today:

1. to complete the Marropino process plant upgrade and successfully ramp-up production;
2. to progress activities at the Morrua and Mutala concessions in Mozambique to both ensure the retention of these licenses and to build the platform for future growth;
3. to work with our partners in the Katanga province of the Democratic Republic of Congo ('DRC') to commence production of tantalum and tin concentrate from our associated company; and
4. to finalise the medium term funding solution for the Group via the proposed secured term loan facility.

We commenced commissioning of our new processing plant at Marropino in May 2012. By now we should be significantly further forward in the production ramp-up. Certain design errors, equipment failures and the lack of reliable electricity supply, coupled with delays in receiving the necessary funding for the completion of the project, have delayed this ramp-up. We have identified the necessary corrective action to be undertaken and we expect that the ramp-up will begin to accelerate from October 2012 towards full production of 50,000 lbs contained Ta_2O_5 per month during Half 1-2013. Until the Marropino plant is stabilised and producing at its target output capacity the Group remains at significant risk of requiring additional funding, either to support working capital or for additional capital expenditure. The careful management of the final stages of the upgrade and ramp-up, including rectification of the faults affecting reliable electrical supply is therefore critical.

Development of the Group's remaining concessions in Mozambique, being Morrua and Mutala, is also a high priority to leverage off the infrastructure at Marropino and the Group's significant understanding of this country. Further, the Group has made a commitment to the Mozambique Government that it would immediately commence activities on these concessions once the development of Marropino was complete. This commitment, and the on-going indications of support from the authorities in Mozambique, has been critical for the retention of our titles to these concessions following the later than plan commencement of activities arising from the delay to the completion of the new process plant at Marropino. The Mozambique Government still has the ability to revoke these concessions at any time, but we believe that the activities underway will be sufficient to mitigate this risk. At Morrua we will initiate further geological testing in October 2012, including confirmatory drilling, bulk sampling and basic engineering, hopefully to complete a bankable pre-feasibility study while also processing some of the Morrua ore through the Marropino process plant. Funding for these initial activities has already been secured (refer below). The Group previously estimated that the full development of Morrua (including all capital expenditure, overburden removal and working capital) could require total funding of up to $60.0 million. The Group has developed various ideas for the engineering and production at Morrua which are expected to significantly reduce the initial investment required. This initial work will inform the development of the pre-feasibility study and we remain optimistic that the investment at Morrua can be reduced. If the Group is successful in completing a bankable pre-feasibility study, we anticipate that a competitive tender to finance Morrua through an off-take agreement will commence during Quarter 1-2013, with a view to Morrua being in production during 2014. At Mutala we have initiated actions to commence mining activities including the recruitment of local workers. We will also complete further geological studies at Mutala to inform the mining plan and upgrade the exploration potential of the site to a CIM Code measured resource.

In Half 1-2012 the Group initiated its geographical expansion through the establishment of an associated company with local partners in the Katanga province of the DRC. The Katanga province is a conflict free zone with rich tantalum and tin mineralisation resources and we are of the opinion that a significant portion of the world's tantalum feedstock will soon be produced in this region. Initial supplies of conflict free tantalum have already been exported from the DRC for processing in the United States of America under the American led 'Solutions for Hope' programme. The Group plans to use a similar validation process for its tantalum concentrate exports from the DRC which we anticipate will commence in Quarter 1-2013. In addition, the Katanga operations allow the Group to diversify into tin production with initial exports anticipated in late Quarter 4-2012 / early Quarter 1-2013.

2012 to date has been a difficult period for the Group during which the funding requirements to bring the Marropino process plant upgrade to completion have increased materially, and the timing for the commencement of activities at the remaining sites in Mozambique has accelerated. The immediate funding requirements have been satisfied via two loan facilities from Richmond (collectively Richmond Partners Master Limited, Richmond Capital LLP, Richmond Master Fund Limited and affiliated entities), against which the Group has drawn down $22.3 million to date (excluding accruals for interest payable). As at the date of this report, these existing loans fall due for repayment on the earlier of the completion of the secured loan (refer below) or 31 October 2012 and can be extended at Richmond's option. The Group is finalising the terms of a secured loan facility with Richmond for the provision of further committed funds, after re-financing of the existing loans including accrued interest, of $9,650,000 million and uncommitted funds of $17,850,000. We anticipate that the agreement will be executed in October 2012 and will provide the necessary funds for the completion of the Marropino process plant upgrade, the initial activities at Morrua and Mutala, and the Group's operations in the DRC.

The Board acknowledges that these have been difficult times for shareholders, many of whom have suffered significant dilution and losses in value through the poor performance of Noventa's share price. I believe that we are now settling the existing operations and starting activities which, if successful, can turn the Group into a profitable, value creating venture capable of producing a positive return for existing shareholders. This is currently dependent on the on-going strong support from Richmond, without which I do not believe that the Company or Group would still be trading.

I would like to thank all current and past Directors, management and employees of the Group for the significant efforts that have been made during this difficult period. I believe the remainder of 2012 will continue to require your unwavering commitment for which I thank you in advance.

S D Hunt
Non-Executive Chairman

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of Noventa Limited ('Noventa' or 'the Company'), its subsidiaries (together 'the Group'), affiliated companies, joint ventures, its projects, the future price of Ta_2O_5 and morganite, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, revenues, margins, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, foreign exchange risks, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and a variety of material factors, many of which are beyond the Company's control which may cause the actual results, performance or achievements of Noventa, its subsidiaries, affiliated companies and/or joint ventures to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Readers are cautioned that forward-looking statements may not be appropriate for other purposes than outlined in this document. Such factors include, among others, future prices of Ta_2O_5 concentrate and morganite; general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic evaluations and studies; fluctuations in the value of the U.S. dollar or the pound sterling relative to the local currencies in the jurisdictions of the Company's key projects; changes in project parameters as plans continue to be refined; possible variations of ore grade or projected recovery rates; accidents, labour disputes or slow-downs and other risks of the mining industry; climatic conditions; political instability, insurrection or war, civil unrest or armed assault; labour force availability and turnover; delays in obtaining financing or governmental approvals or in the completion of exploration and development activities; as well as those factors discussed in the section entitled 'Risk assessment' of the Directors' report to the Annual Report and Financial Statements 2011 available from www.noventagroup.com. The reader is also cautioned that the foregoing list of factors is not exhausted of the factors that may affect the Company's forward-looking statements.

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

CAUTIONARY NOTE REGARDING TECHNICAL INFORMATION

Technical information in this report is summarised or extracted from the report entitled 'Technical report on the Marropino project and associated properties, Zambezia Province, Mozambique', prepared by Scott Wilson Roscoe Postle Associates Inc on 27 September 2010 (the 'Scott Wilson 2010 report'). Information of a scientific or technical nature contained in this publication arising since the date of the Scott Wilson 2010 report is provided by Noventa management and has been prepared under the supervision of Donald Hains, of Scott Wilson Roscoe Postle Associates Inc., who is a "qualified person" in accordance with National Instrument 43-101 – Standards of disclosure for Mineral Projects ('NI 43-101').

Readers are cautioned not to rely solely on the summary of such information contained in this report, but should read the Scott Wilson 2010 report (which is available at www.noventagroup.com) and any future amendments to such report. Readers are also directed to the cautionary notices and disclaimers contained therein.

MANAGEMENT DISCUSSION & ANALYSIS

This management discussion and analysis ('MD&A') has been prepared as of 28 September 2012 and should be read in conjunction with the Group's unaudited condensed consolidated financial statements and notes thereto for the six month period ended 30 June 2012 ('Half 1-2012') and the audited financial statements and notes thereto for the year ended 31 December 2011 (available from www.noventagroup.com).

Except where otherwise noted, amounts are presented in this MD&A in United States Dollars. Terms used in this report are defined on page 31.

1. LISTING DETAILS

Noventa is a Jersey company with Ordinary Shares quoted on the AIM Market ('AIM') of the London Stock Exchange under symbol NVTA and on the PLUS Quoted Market ('PLUS') operated by PLUS Markets plc under symbol NV. Between 23 December 2010 and 8 March 2012 when the Company completed a voluntary de-listing, the Company's Ordinary Shares were also listed on the Toronto Stock Exchange ('TSX') under symbol NTA. On the TSX, Noventa had 'Designated Foreign Issuer' status. The Company's Convertible Redeemable Preference Shares ('CPS') are traded on PLUS.

2. PRINCIPAL ACTIVITIES

The Group's principal activity is the production of tantalum pentoxide concentrate ('Ta_2O_5 concentrate'), which is priced by reference to the amount of contained Ta_2O_5. Tantalum is a rare heavy metal that is widely used in electronic capacitors, turbine blades, medical applications, optical applications, industrial cutting tools and in other industries.

The current mining operations are at Marropino (the 'Marropino Mine') operated by the wholly owned Mozambican subsidiary of Noventa, Highland African Mining Company Limitada ('HAMCL'). HAMCL has further mining concessions at Morrua and Mutala in the Zambezia province of Mozambique and exploration licences over various adjacent areas. In addition to tantalum, the Marropino ore body also contains a pink beryl gemstone commonly known as morganite. The morganite is associated with the quartz waste in the ore body and is extracted only as and when encountered. Due to the mining techniques employed by the Group, commercial production of morganite is not anticipated in the future.

During Half 1-2012 the Group commenced the geographical expansion of its activities in Africa through the establishment of operations in the Katanga province of the DRC in partnership with certain local interests. The Group anticipates that production of Ta_2O_5 concentrate will commence from these operations during Quarter 1-2013 and production of tin concentrate will commence in late Quarter 4-2012 / early Quarter 1-2013.

3. OPERATIONS REVIEW

On 4 May 2012 we achieved a significant milestone in the development of the Group's operations at Marropino when we commenced the full commissioning of our new processing plant. The new plant was initially expected to be fully commissioned during Quarter 4-2011. Delays in the construction originating from, inter alia, delays in the Company obtaining necessary funding during 2011, industry procurement delays in South Africa during the summer of 2011 and the effects of Cyclone Funso in January and February 2012 delayed the final commissioning into May 2012. In order to reduce the starting up risks, the new plant has been commissioned in phases by testing its different sections as soon as these were completed. Phase 1 was completed in December 2011 and included the start-up of the new crushing plant including the primary crusher, secondary crushers, belt conveyors, screens and ore transport by pipe. Phase 2, being the wet and dry processing elements of the new plant, commenced commissioning in May 2012.

The initial ore processing through the wet and dry processing elements identified certain issues, mainly involving flow control in the water and slurry circuits. These initial problems were rectified during the first half of June and ore was re-introduced into the plant from 19 June 2012, initially at approximately 60 tons per hour, building up to 100 tons per hour by the end of June. Further issues, principally related to design failings, remedial work on existing equipment and installation of new equipment were subsequently identified which have again limited the supply of ore to the plant. Approximately $2,250,000 of additional capital expenditure will be required to remedy these matters which have not yet been rectified in full due to delays in the Company receiving the necessary funding for the completion of the upgrade. We are now completing the necessary work in partnership with our engineering, procurement, construction and management ('EPCM') contractor and the principal contractors responsible for the mechanical and electrical installation at the plant. To improve the subsequent ramp-up, we have further agreed draft terms with a major miner and processor of tantalum for the provision of technical services to assist the Group in the ramp-up phase. We now anticipate that ore throughput will gradually build up to the plant's full capacity by the end of Half 1-2013.

While these types of issue are to be expected during the start-up process of such a plant and are relatively simple matters to resolve, they have limited the throughput of ore such that production from the new plant to date has been negligible. The old process plant at Marropino has continued in normal production during Half 1-2012 and will continue until the new plant is stabilised. Production volumes from the old process plant have been lower than expected based on historical performance and have been insufficient to mitigate the relative shortfall in production arising from the delays to the commissioning and ramp-up of the new process plant. The poor performance of the old process plant resulted in an in depth study during Half 1-2012 into the reasons for production deficits. This study identified critical path actions to be implemented during 2012 to prevent similar production shortfalls while operating the new process plant. The most critical actions relate to improving the stability and reliability of the electrical supply to Marropino and strengthening the human resources at site. The Group is currently in negotiations with Electricidade de Moçambique, the national Mozambique electricity company, to rectify the major faults which result in power outages and voltage surges at Marropino. With respect to human resources at Marropino, there is a requirement for a higher than previously planned number of expatriate workers during the next one to two years to

provide production and training capability, in particular in the areas of mobile fleet maintenance, operation and plant supervision. Recruitment actions are underway and certain key positions have been replaced or recruited. Further actions are needed during 2012 and we now expect that appropriate candidates will be identified and recruited by the end of Quarter 4-2012 for the remaining critical positions. Another key factor that resulted in poor performance of the old processing plant will be naturally remedied once the new processing plant is operating properly, namely the higher than planned production downtime experienced in Half 1-2012 arising from mechanical breakdown. It should be noted that the old process plant was expected to be taken offline during Quarter 4-2011 and upgraded to be re-integrated into the new process plant at Marropino as a re-circulation circuit. Accordingly, the on-going operation of the plant was not expected for as long as it has been in operation. The continued use of the old process plant accelerated its deterioration with a consequential negative impact on production volumes due to increasing downtime for repairs and remedial work.

Due to the above factors, production during Half 1-2012 was 26,991 lbs contained Ta_2O_5 (Half 1-2011: 44,604 lbs contained Ta_2O_5), and subsequently 5,625 lbs, 3,887 lbs, and 3,519 lbs contained Ta_2O_5, in respectively July, August and September (to 26 September). The Board now believes that the increase of production to optimum capacity from the new process plant is expected to be achieved during Half 1-2013. The new plant has a design production capability of 50,000 lbs of contained Ta_2O_5 per month (equivalent to 600,000 lbs of contained Ta_2O_5 per annum).

Production shortfalls have negatively impacted sales volumes during Half 1-2012 with recorded sales of 28,165 lbs contained Ta_2O_5 (Half 1-2011: 16,486 lbs contained Ta_2O_5).

The Group has continued to develop its health and safety procedures at its mining sites, with two minor accidents in Half 1-2012, both of which arose in the construction of the new process plant. The affected people have fully recovered. During 2011 and to address difficulties faced by the Group in exporting Ta_2O_5 concentrate directly from Mozambique, the Group developed a new product for shipment to one of its customers. This product has a lower percentage contained Ta_2O_5 achieved by blending our c 25% Ta_2O_5 concentrate product with an inert filler to reduce the radioactivity levels to those of general cargo. Production and exports of this product commenced in September 2011 with all sales subsequent to that date being of this product. The blending process is manual in very dusty conditions. Recent inspections by the Mozambique health authorities have raised questions regarding the impact on the health of our workers arising from this blending activity, a matter of significant concern to the Group which remains committed to ensuring appropriate working conditions for all employees. The final findings have yet to be received by the Group, but we anticipate that production of this blended product may have to cease. We are working with our customer to develop either an alternative product, or to recommence shipment of our Class 7, radioactive product, from Mozambique or alternate ports in eastern Africa. In addition to the potential impact on the health of our employees, production of the blended product reduces the output capability of the Marropino plant by both reducing the overall recovery rate of Ta_2O_5 and also utilising production equipment for drying purposes in the rainy season restricting the throughput of wet concentrate from the plant.

The Group has two off-take contracts which cover deliveries of significantly all of the forecast production from the Marropino Mine over the remaining life of mine. In June 2012 the Group finalised a contract amendment with one of its customers, resulting in a rescheduling of deliverable volumes under this contract and an increase in the sales price of Ta_2O_5 concentrate. The off-take agreements in effect at the date of this report cover deliveries of 345,000 lbs contained Ta_2O_5 in 2012, 550,000 lbs contained Ta_2O_5 in 2013, and 250,000 lbs contained Ta_2O_5 per annum in 2014, 2015 and 2016. One contract contains options exercisable at the buyers request covering annual deliveries of a further 220,000 lbs contained Ta_2O_5 in 2014 and 2015. A further minimum 200,000 lbs of contained Ta_2O_5 must be delivered any time before the end of 2014 under one of the contracts and a further minimum of 255,000 must be delivered before the end of 2016 on the remaining contract. Under one contract, any shortfalls on deliveries in any contract year are automatically carried forward, with a fixed price decrease per lb delivered on any shortfall deliveries. Further, one contract also includes option rights over any additional production from any of the Group's concessions during the agreement life (i.e. until 31 December 2015). The current spot price of Ta_2O_5 concentrate is c$130 per lb of Ta_2O_5. Only a small proportion of Ta_2O_5 concentrate is traded on the spot market and the prices are volatile. There are no exchange traded contracts for Ta_2O_5. Most Ta_2O_5 worldwide is supplied under off-take agreements with refiners. The Group's off-take agreements have multiple pricing points and are at a 42.0% to 51.0% discount to the current spot price. Both of these contracts are now expected to be net cash generative on a per Lbs Ta_2O_5 basis for the Group after the allocation of all expenditure, including administrative expenses.

During Half 1-2012 we completed a successful official environmental audit at the Marropino Mine which confirms the Group's careful management of environmental matters at its mining sites, which is a key priority for the Group.

As previously announced, the future profitability and cash generation of the Group relies on bringing the Group's remaining mining concessions into production and in particular the Morrua concession. The Group is in breach of mining legislation in Mozambique with respect to minimum production requirements from both the Mutala and Morrua concessions and accordingly these concessions could be revoked by the Mozambique Government. The Group has initiated preliminary work at Morrua during Half 2-2012 and the Directors believe that this work will satisfy the requirements of the Mozambique mining legislation with respect to the development of Morrua. Subject to satisfactory results from this work, the Group intends to commence construction of a processing plant at Morrua with production commencing in 2014. In anticipation of operations commencing at both Morrua and Mutala, the Group finalised the necessary Environmental Impact Assessments for these mining concessions during 2011. Further shareholder value may also be gained from extending the life of the Marropino Mine by identifying geological resources on the Marropino concession. Many exploration targets are present on the Marropino mining concession and the Group remains optimistic about the potential of some of these targets.

On 8 March 2012 the Company completed its voluntary delisting from the TSX on which it was listed from 23 December 2010. The Company listed on the TSX to provide access to a broader investor base. The relatively small shareholder base and trading volumes on the TSX coupled with the

compliance costs and administrative responsibilities in maintaining the TSX listing compared to the Company's AIM listing no longer being justifiable were the principal factors leading to the voluntary delisting.

4. Risk assessment

The principal risks and uncertainties faced by the Group remain the same as those reported in the Directors' Report included within the Annual Report and Financial Statements for the year ended 31 December 2011.

5. Financial review

5.1. Financial overview

The following table provides selected financial information, prepared under International Financial Reporting Standards ('IFRS') and presented in thousands of United States Dollars, except per share amounts:

	H1-2012 US$000	H1-2011 US$000	2011 US$000
Operations			
Revenue – Ta_2O_5 concentrate	**1,871**	877	5,614
Gross loss	**(7,533)**	(4,548)	(9,299)
Impairment of property, plant and equipment	**-**	-	(31,359)
Operating loss	**(9,810)**	(9,325)	(51,649)
Loss for the period	**(5,200)**	(6,893)	(54,728)
Basic and diluted loss per share (US cents) [(1)]	**(4.44)**	(26.8)	(95.9)
Financial position			
Non-current assets	**19,881**	15,431	9,021
Cash and cash equivalents	**3,396**	13,084	7,873
CPS borrowings [(2)]	**3,590**	9,481	3,501
Other borrowings	**14,415**	-	-
Net current (liabilities)/assets excluding derivative instruments [(3)]	**(13,079)**	15,203	7,842
Equity	**9,289**	20,689	13,069
Equity excluding derivative instruments [(3)]	**2,925**	20,878	13,081
Share price at period end – UK pence [(1)]	**1.7**	39.0	16.0

(1) Per share amounts are stated after the Company's 20:1 Ordinary Share consolidation completed on 11 March 2011.

(2) CPS borrowings are stated at their IFRS carrying value which differs to the nominal amount due on repayment in April 2016 which is $4,336,000.

(3) Excludes the carrying value of derivative assets of $6,367,000 (30 June 2011 and 31 December 2011: $nil) and derivative liabilities of $3,000 (30 June 2011: $132,000; 31 December 2011: $12,000) which are not cash settled items and were cancelled subsequent to 30 June 2012 (30 June 2012 and 31 December 2012: expired unexercised after the period end).

5.2. Result for the period

The Group realised revenue of $1,871,000 on sales of 28,165 lbs contained Ta_2O_5 compared to revenue of $877,000 on sales of 16,486 lbs contained Ta_2O_5 in Half 1-2011. Average revenue per lbs contained Ta_2O_5, adjusted for revenue arising from volume adjustments on sales made in prior periods, rose from $52.7 in Half 1-2011 to $64.0 in Half 1-2012. The increase reflects customer mix and the improved off-take sales prices negotiated by the Group on one of its off-take agreements in August 2011.

Cost of sales, which includes all of the direct and indirect mine operating, processing, distribution and production tax costs was $334 per lbs contained Ta_2O_5 sold in Half 1-2012 compared to $329 in Half 1-2011. A direct comparison of the cost per lbs contained Ta_2O_5 between these periods is not meaningful because the cost profile of the Marropino Mine was materially different in Half 1-2012 compared to Half 1-2011. In particular, the Group was (1) processing tailings between January and April 2011, with a much lower grade contained Ta_2O_5 at approximately 118 ppm, compared to run of mine ore during Half 1-2012 with an average grade of 223 ppm, but a much higher mining cost, (2) during Half 1-2012 the fixed cost of the Marropino Mine was materially higher due to the increase in scale of operations in preparation for the commissioning of the new processing plant at Marropino, and (3) during Half 1-2012 the Group incurred operating expenditure in creating stockpiles of ore to feed the new process plant which have not been capitalised due to the current operating costs of the Marropino plant exceeding the net realisable value from sales. Compared to the full year ended 31 December 2011, cost of sales per lbs contained Ta_2O_5 rose by $153. The increase reflects the poor production performance of the old process plant during Half 1-2012 for the reasons described more fully in section 3 of the MD&A entitled 'Operations review', and the above mentioned creation of the ore stockpiles. The average cost per lbs in Half 1-2012 is significantly higher than the expected cost per lbs for the new processing plant which has

higher production capability that will (1) benefit the cost per lbs of fixed and semi fixed costs, and (2) operate at lower variable operating costs due to the design and age of the equipment.

Administrative expenditure decreased by $2,149,000 from $4,425,000 in Half 1-2011 to $2,276,000 in Half 1-2012, representing a reduction of 48.6%. The decrease reflects various cost reduction plans implemented by the Group, including (1) savings in administrative expenditure due to the voluntary de-listing of the Company's Ordinary Shares from the TSX on 8 March 2012 which have impacted favourably on listing and legal expenditure, (2) the termination of certain recurring financial consulting services, (3) reduction in travel expenditure, (4) reduction in premises costs by downsizing facilities, and (4) reduction in employee recruitment costs. Half 2-2012 has further benefited from a favourable exchange gain of $538,000 (Half 1-2011: $10,000 gain).

Net finance income was $4,621,000 (Half 1-2011: $2,442,000) principally reflecting fair value gains on derivative financial instruments of $5,016,000 (Half 1-2011: $2,914,000). The accounting gains arise on the Amended Subscription Agreement and associated Subscription Warrants between the Company and Richmond (Half 1-2011: arise on warrants issued as part of the September 2009 and September 2010 fundraises) as discussed more fully in note 11. Interest expense net of interest income on bank deposits was $389,000 (Half 1-2011: $350,000) principally arising on loans provided by Richmond (Half 1-2011: principally arising on CPS borrowings). Interest capitalised to property plant and equipment on qualifying assets was a further $590,000 (Half 1-2011: $nil).

The taxation charge remains insignificant due to the current losses incurred in HAMCL and the 0% Corporation tax rate applicable to the Company and the Group's Jersey subsidiaries.

5.3. FINANCIAL POSITION

Additions to property, plant and equipment were $11,002,000 in Half 1-2012 due principally to the on-going construction of the new process plant at Marropino, the new tailings dam, additional mobile equipment and support infrastructure including buildings. The majority of the net book value was not depreciating during Half 1-2012 pending the completion of the commissioning phase and commencement of commercial production from the new processing plant. During Half 2-2011 the Group recorded impairment against property, plant and equipment of $31,359,000 as discussed more fully in note 4.1.1 to the Annual Report and Financial Statements 2011. As at 30 June 2012 the Group has not identified further triggers which would indicate that a additional impairment is required against the carrying value of property, plant and equipment and accordingly the detailed impairment calculations have not been updated. The Group will complete a full update to its impairment calculations as at 31 December 2012.

During Half 1-2012 the Group initiated operations in the Katanga Province of the DRC in association with local partners. These operations are accounted for as associated companies, with the initial amounts invested, net of the Group's share of operating results, included within investments in associates with a carrying value of $237,000 as at 30 June 2012 (31 December 2011: $nil). Funding for operations in the DRC from the Group has been provided via loans which are recorded within receivables from associates with a carrying value, as at 30 June 2012 of $165,000 (31 December 2011: $nil).

Inventory balances decreased from $2,282,000 at 31 December 2011 to $1,949,000 as at 30 June 2012, principally reflecting the utilisation of spare parts and consumables. Ta_2O_5 inventory remained relatively constant at $484,000 (31 December 2011: $570,000). The Group anticipates that the holding of Ta_2O_5 inventory will increase during Quarter 4-2012 with the increased output volumes from the new processing plant.

Trade and other receivables (including current and non-current amounts) decreased from $7,116,000 to $5,495,000 reflecting in the main a decrease in trade receivables from the sale of Ta_2O_5 concentrate from $2,527,000 to $728,000, the recovery of VAT in South Africa which decreased by $1,044,000 to $323,000, offset by an increase in IVA recoverable assets in Mozambique of $415,000 to $3,003,000. The decrease in trade receivables reflects the relatively lower sales in 2012 compared to the final months of 2011 during which sales were skewed towards Q4-2011. The decrease in VAT recoverable assets reflects the timing of disbursements in South Africa, principally related to the acquisition of property, plant and equipment. The increase in IVA recoverable assets reflects recoverable IVA during Half 1-2012 on both capital and operating expenditure incurred within Mozambique. The Group has all supporting documents for its IVA claims and as at the date of this report has filed all required returns related to 2011 and 2012. While the recovery of IVA in Mozambique can be slow and hence $1,562,000 (31 December 2011: $1,809,000) has been recorded within non-current assets, the Group has no indication that the IVA will not be recovered.

Derivative financial assets as at 30 June 2012 represent the fair value of the Amended Subscription Agreement between Richmond and the Company with a fair value of $6,367,000 (30 June 2011: $nil). This instrument is not a cash settled item and is accounted for as a derivative financial instrument because the subscription price is denominated in GB£ which is not the functional currency of the Company. The Amended Subscription Agreement was cancelled subsequent to the period end and the carrying value of the related derivative asset as at that date of approximately $6,559,000 was released to equity as a deemed distribution to Richmond.

Trade and other payables have increased by $393,000 from $6,920,000 to $7,313,000. The increase is principally due to trade payables for property, plant and equipment related to the Marropino process plant upgrade which have risen by $698,000.

Funding for operations and the Marropino process plant upgrade in Half 1-2012 has been raised through loans provided by Richmond, with $14,500,000 drawn down in Half 1-2012 and a further $8,000,000 in Half 2-2012 to the date of this report. As at the date of this report, the Group believes that it requires a further $9,650,000 of additional cash funding (after re-financing of the existing loans including accrued interest) to (1) complete the plant upgrade at Marropino, (2) provide working capital requirements in the ramp-up stage of commissioning of the process plant, and

(3) fund the on-going development of Group's Morrua and Mutala concessions and the activities in the Katanga province of the DRC. The Group is finalising the terms of a secured loan with Richmond which will consolidate the existing loans, including associated interest, fees and expenses, and provide the additional funding required. Further details of the proposed re-financing are included in section 5.4.3 of the MD&A.

5.4. FUNDING AND MATTERS PERTAINING TO THE OPEN OFFER AND THE SUBSCRIPTION AGREEMENT WITH RICHMOND

Funding for operations during Half 1-2012 and to the date of this report has been obtained through loans provided by Richmond under two agreements, as amended subsequent to 30 June 2012. Funds drawn down in Half 1-2012 were:

	US$000
$6,800,000 Loan	6,800,000
$10,000,000 Facility	7,700,000
	14,500,000

5.4.1. THE $6,800,000 LOAN, OPEN OFFER AND THE SUBSCRIPTION AGREEMENT WITH RICHMOND

As detailed in the announcement dated 19 August 2011, the Company intended to conduct an Open Offer during Quarter 4-2011 to provide shareholders with the opportunity to subscribe for a total of up to 17,500,000 new Ordinary Shares at a price of 25.0 pence each. The Open Offer as initially contemplated was underwritten by Richmond by way of a Subscription Agreement. Pursuant to the Subscription Agreement, Richmond conditionally agreed with the Company (subject to admission of the Subscription Shares to the Company's listing markets) to subscribe for 17,500,000 Subscription Shares at 25.0 pence each in two equal tranches on 30 November 2011 and 31 December 2011. The amount of these subscriptions could be scaled back at the Company's election and would be so scaled back by the Company to the extent that there were valid applications from participants under the Open Offer. The purpose of this arrangement was to ensure that the Company received the maximum proceeds which could be raised if the Open Offer was to be subscribed for in full.

The Company was unable to complete the Open Offer within the anticipated timeframe due, inter alia, to the necessary regulatory approvals taking longer than the Board had originally anticipated. Due to the delay in completing the Open Offer and in order for the Open Offer to remain available to existing shareholders, the Company and Richmond agreed a variation to the Subscription Agreement on 9 January 2012 such that, inter alia, the Open Offer timetable and the Subscription Agreement were harmonised. In addition, the Company entered into a bridging loan agreement with Richmond whereby the Company received $6,800,000 on 10 January 2012 (the 'Loan'). The Loan was non-interest bearing and the Loan period was to the earlier of the closing date of the anticipated Open Offer or 31 December 2012. Following the close of the Open Offer, the Company could elect to repay the Loan from the proceeds of the Open Offer or by set off against amounts due from Richmond under the Subscription Agreement to the extent that the Open Offer was not fully subscribed.

The Loan ensured that the Company received the monies that it expected to receive via the Open Offer, and / or Subscription Agreement, in accordance with the timetable outlined in August 2011.

In return for the provision of the Loan, the Company granted Richmond 1,750,000 warrants to subscribe for new Ordinary Shares at a price of 38.853 US$ cents each, calculated by reference to a price of 25.0 pence per Ordinary Share and a GBP to US$ exchange rate of 1.5541, the exchange rate as at 31 December 2011.

As consideration for varying the terms of the Subscription Agreement, the Company separately varied the terms of the 17,500,000 warrants due to Richmond as compensation for underwriting the Open Offer such that the warrants were capable of exercise until 31 December 2014, rather than until 31 December 2013. All other terms remained the same.

Subsequent to 30 June 2012 and as detailed more fully below in section 5.4.3 entitled 'Re-financing subsequent to 30 June 2012', the terms of the Loan and the Subscription Agreement have been varied further as part of a refinancing package.

5.4.2. THE $10,000,000 FACILITY

On 11 May 2012 the Company entered into a $10,000,000 bridging loan agreement with Richmond (the 'Facility'). The key terms of the Facility were as follows:

- it was unsecured;
- it carried an annual interest rate of 24.0%, calculated daily on a Actual/360 basis (the 'Interest');
- it carried an arrangement fee of 7.0% of the full amount of the Facility (the 'Fee');
- it could be drawn in instalments, with the minimum value of each instalment being $1,000,000; and
- it matured on 31 July 2012.

In order to repay the Facility, the Fee, the Interest and to provide additional working capital, the Board initially proposed an underwritten equity issue to raise $13,000,000 before expenses of up to approximately 262,000,000 new Ordinary Shares with approximately up to 118,240,000 warrants issued as underwriting fees. Full details on this proposal were announced on 11 May 2012. Due to increases in the Company's additional funding requirement

to between $21,200,000 (after issue expenses and $22,750,000 before issue expenses) and $33,000,000 (after issue expenses and $35,000,000 before issue expenses) (as announced on 29 June 2012) arising, inter alia, from the requirement to commence immediate actions at the Morrua and Mutala concessions, to provide further working capital to accelerate the development of operations in the Katanga Province of the DRC, and delays to the commencement of production ramp-up from the new process plant at Marropino, the Board decided that it was in the best interests of the Company and existing shareholders to seek alternative financing. The Board explored two possible funding options.

One option involved an equity offering. In July 2012 the Group completed marketing activities with existing and new institutional and other investors to assess their willingness to participate in such an equity offering. To cater for possible prices at which the Company could have been required to issue new Ordinary Shares under this equity proposal, the Company proposed certain resolutions for shareholder approval at the Company's Annual General Meeting ('AGM') held on 23 July 2012 to (1) increase the Company's authorised share capital to 3,000,000,000 Ordinary Shares and (2) authorise the Directors to allot up to 2,500,000,000 in connection with this proposed equity offering. These resolutions were approved at the AGM but the marketing activities determined that the Group was unable to obtain the necessary funding from equity investment. Accordingly the equity offering was abandoned by the Board as announced on 23 July 2012.

A second option involved the provision of loan financing from Richmond as detailed more fully below in section 5.4.3 of the MD&A.

5.4.3. RE-FINANCING SUBSEQUENT TO 30 JUNE 2012

On 6 August 2012 the Company agreed in principle a refinancing package with Richmond, its existing lender and largest shareholder. The refinancing consists of an agreed initial extension and revision to the existing Facility (the 'Revised Facility'), together with an outline agreement for a longer term secured loan facility (the 'Secured Loan').

The Revised Facility has the following key terms:

- it is for a total amount of $16,000,000;
- it is unsecured;
- it carries an annual interest rate of 25.0% per annum;
- it carries a 30.0% repayment penalty on the outstanding balance in the event that the Company chooses not proceed with the Secured Loan;
- it may be drawn in instalments, with the minimum value of each instalment being US$1,000,000; and
- it matures on the earlier of 31 August 2012 and the completion of the Secured Loan, or such later date as Richmond may agree. As at the date of this report, Richmond has agreed to extend the repayment date to the earlier of the completion of the Secured Loan or 31 October 2012.

The final terms of the Secured Loan remain subject to contract, but key terms agreed in principle to date are as follows:

- a total facility of between $32,000,000 and $35,000,000, including a consolidation of the amounts owed to Richmond under the Revised Facility and the $6,800,000 Amended Loan (refer below), that may be syndicated with other lenders;
- secured on substantially all the assets of Noventa and its group companies;
- it carries an annual interest rate of 25.0% per annum; and
- it will mature on 1 January 2016, with capital repayments commencing from Quarter 1-2014.

The Company will provide further information once the final terms are contractually agreed for the Secured Loan, which is expected to be completed during October 2012.

As part of the refinancing package outlined above the Company agreed revisions to two existing agreements between itself and Richmond. The Loan (as detailed in section 5.4.1 of this MD&A) was amended (the 'Amended Loan') as follows:

- it carries an annual interest rate of 25.0% per annum, with effect from 1 August 2012;
- it carries a 30.0% repayment penalty on the outstanding balance in the event that the Company chooses not proceed with the Secured Loan; and
- it matures on the earlier of 31 August 2012 and the completion of the Secured Loan, or such later date as Richmond may agree. As at the date of this report, Richmond has agreed to extend the repayment date to the earlier of the completion of the Secured Loan or 31 October 2012.

In addition, the Subscription Agreement between the Company and Richmond (as detailed in section 5.4.1 of this MD&A) was terminated and the Open Offer will not proceed (collectively the 'Terminated Agreement'). As part of the Terminated Agreement, 1,750,000 warrants over new Ordinary Shares granted to Richmond for the provision of the Loan, 17,500,000 warrants over new Ordinary Shares which were to be issued to Richmond as fees for the Subscription Agreement and 90,907 warrants over new Ordinary Shares granted to Richmond as compensation for fees incurred in connection with the Subscription Agreement were cancelled.

After considerable deliberation and efforts the Directors concluded that the refinancing package described above (collectively the 'Refinancing') is the only realistic option available to the Company at the present time and that if the Company were not to proceed with the Refinancing, the Company

would in all likelihood find itself insolvent. The Refinancing will allow the Group to proceed with the development of the Group's projects in both Mozambique and the Katanga Province of the DRC and provide the working capital needed for the Group's existing Marropino Mine while the new processing plant proceeds through the ramp up phase of production.

6. GOING CONCERN

As at 27 September 2012, the Group has cash balances of $4,080,000 and committed undrawn loan facilities of $300,000. By 31 October 2012, the Group is contracted to repay the Amended Loan and the Amended Facility (as such terms are defined in section 5.4.3 of this MD&A entitled 'Re-financing subsequent to 30 June 2012') (collectively the Existing Richmond Loans), the outstanding balances on which are approximately $23,685,000 as at the date of this report including accrued interest. The Group's available funds are insufficient to meet the repayment of the Existing Richmond Loans. The Group believes that it requires minimum further funding of $34,000,000 (after expenses) to (1) repay these loans, (2) provide working capital until the Marropino Mine commences generating positive cash flows, anticipated in Quarter 1-2013, (3) commence the Group's initial activities at the Group's Morrua and Mutala concessions in order to meet the minimum production requirements specified in the concession agreements, and (4) continue the development of operations in the Katanga province of the DRC.

On 31 July 2012, the Directors agreed a draft term sheet with Richmond for the provision of the Secured Loan of between $32,000,000 and $35,000,000, the material terms of which are outlined in section 5.4.3 of this MD&A. The Secured Loan remains subject to contract and certain conditions precedent being met. While all efforts are being made to finalise the Secured Loan, the necessary conditions precedent may not be met by 31 October 2012 and there can be no guarantee that Richmond will allow an extension to the term of the Existing Richmond Loans should the Secured Loan not be finalised by that date. Further, until the Secured Loan is signed, there can be no certainty that funding will be available under this option, or if available, whether the final terms will be acceptable to the Company or Richmond. The Directors acknowledge that there is therefore a material uncertainty over the Company's ability to raise the necessary funding in the timeframe required. If the Group is unable to finalise the Secured Loan by 31 October 2012 and Richmond does not consent to an extension to the term of the Existing Loans at that date there is (1) a material risk that the Group will have insufficient funds to complete the production ramp-up at Marropino, (2) a material risk that the Company will breach the terms of its existing loans, (3) a material risk that the Company will have insufficient time to seek alternative sources of funding on terms and conditions acceptable to the Company and if such capital was unable to be secured, the Company and Group may become insolvent, and (4) a material risk that the Group will lose title to its Morrua, Mutala and Katanga province concessions.

The reliability of the Group's cash forecasts which form the basis of the identified funding requirement is further materially dependant on the ability of the new process plant at Marropino to produce the forecast volumes of Ta_2O_5 contained in concentrate at the budgeted cost and to complete the ramp-up process in the anticipated timeframe. The new process plant was commissioned on 4 May 2012 when run-of-mine ore processing commenced. This start-up phase identified certain issues which, coupled with the delays in the receipt of additional funding during 2012, have limited the throughput of ore such that production until the date of this report from the new plant was negligible. Further, the Group has limited historical information to support the forecast production volumes or forecast expenditure. Finally, the Marropino mine has never produced a profit or positive cash flows in the period it has been operated by the Group. Accordingly, while all reasonable diligence has been undertaken in the preparation of the forecast, there can be no guarantee that cash flows will be in accordance with the forecast or that the Group's funding requirement will not be materially higher than the minimum requirement. While the Company has historically been successful in raising funds from the issue of new equity and/or loan financing to support its operations, there can be no guarantee that this support will be available in the future on terms that are acceptable to the Company if the Company identifies further funding requirements arising from operations at Marropino.

As a result of the above factors, the Directors acknowledge that material uncertainties exist which may cast significant doubt on the Company and the Group's ability to continue as a going concern and, therefore, to realise its assets and discharge its liabilities in the normal course of the business. Nevertheless after making enquiries, and considering both the uncertainties described above and the status of the ramp-up process at Marropino and discussions regarding additional funding, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing this 2012 interim report.

7. Change in Directors

The Directors who held office during the period and until the date of this report, including changes between 1 January 2012 and the date of this report were:

Director	Position	Date of appointment / cessation of office in the period 1 January 2012 to the date of this report
J L N de Barros	Chief Financial Officer	Appointed 6 August 2012
F F Fernandez-Torres	Chief Executive Officer	-
D A Sheeran	Executive Officer	Appointed 6 August 2012
J N Allan	Non-Executive Director	Resigned 9 April 2012
L Bechis	Non-Executive Director(1)	-
I D Benning	Non-Executive Director	Resigned 31 January 2012
L G Berglund	Non-Executive Director	Resigned 19 March 2012
G Coltman	Non-Executive Director	Resigned 9 April 2012
T Eggers	Non-Executive Director	Resigned 31 July 2012
S D Hunt	Non-Executive Chairman	Appointed 10 September 2012
E J Martin	Non-Executive Director	Resigned 31 July 2012

(1) Mr L Bechis was the Interim Non-Executive Chairman of the Company until 10 September 2012 when Mr S D Hunt assumed the position of Non-Executive Chairman. Mr L Bechis has remained on the Board of the Company as a Non-Executive Director.

8. Events subsequent to the balance sheet date

Details of material events subsequent to the balance sheet date are provided in note 14.

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

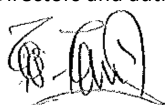
	Note	**6 months ended 30 June 2012 Unaudited US$000**	6 months ended 30 June 2011 Unaudited US$000	12 months ended 31 December 2011 Audited US$000
Revenue - Ta_2O_5 concentrate	**2**	**1,871**	877	5,614
Cost of sales		**(9,404)**	(5,425)	(14,913)
Gross loss		**(7,533)**	(4,548)	(9,299)
Administrative expenses		**(2,276)**	(4,425)	(10,545)
Impairment of property, plant and equipment		**-**	-	(31,359)
Impairment of intangible fixed assets		**(13)**	(352)	(439)
Profit / (loss) on disposal of property, plant and equipment		**28**	-	(7)
Share of loss of associates		**(16)**	-	-
Operating loss		**(9,810)**	(9,325)	(51,649)
Net finance income / (expense)	**3**	**4,621**	2,442	(3,059)
Loss before taxation		**(5,189)**	(6,883)	(54,708)
Taxation		**(11)**	(10)	(20)
Loss for the period		**(5,200)**	(6,893)	(54,728)
Other comprehensive loss				
Foreign currency translation (loss) / gain on foreign operations		**(109)**	(23)	4
Total comprehensive loss for the period		**(5,309)**	(6,916)	(54,724)
		US cents	US cents	US cents
Basic and diluted loss per share		**(4.44)**	(26.8)	(95.9)
		No.	No.	No.
Weighted average number of shares outstanding		**119,658,819**	25,828,774	57,041,073

All results derive from continuing operations. The loss for the financial year and total comprehensive loss are wholly attributable to equity holders of the parent company.

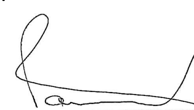
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2012 Unaudited US$000	30 June 2011 Unaudited US$000	31 December 2011 Audited US$000
Non-current assets				
Intangible assets		**-**	-	-
Property, plant and equipment	**4**	**18,082**	15,431	7,212
Interests in associates	**5**	**237**	-	-
Deferred tax asset		**-**	-	-
Other receivables	**6**	**1,562**	-	1,809
		19,881	15,431	9,021
Current assets				
Inventories	**7**	**1,949**	2,963	2,282
Trade and other receivables	**6**	**3,933**	3,025	5,307
Receivables from associates	**5**	**165**	-	-
Cash and cash equivalents		**3,396**	13,084	7,873
Derivative financial assets	**11**	**6,367**	-	-
		15,810	19,072	15,462
Total assets		**35,691**	34,503	24,483
Current liabilities				
Trade and other payables		**7,313**	3,099	6,920
Convertible redeemable preference share dividend	**8**	**108**	264	109
Current tax liabilities		**26**	30	16
Borrowings	**9**	**14,415**	-	-
Short-term provisions	**10**	**660**	476	575
Derivative financial liabilities	**11**	**3**	189	12
		22,525	4,058	7,632
Net current (liabilities) / assets		**(6,715)**	15,014	7,830
Non-current liabilities				
Convertible redeemable preference share liability	**8**	**3,590**	9,481	3,501
Long-term provisions	**10**	**287**	275	281
		3,877	9,756	3,782
Total liabilities		**26,402**	13,814	11,414
Net assets		**9,289**	20,689	13,069
Share capital	**12**	**1,556**	337	1,556
Share premium	**12**	**121,483**	86,876	121,483
Shares to be issued reserve	**12**	**46**	167	46
Convertible redeemable preference share reserve	**8,12**	**617**	1,714	617
Warrants reserve	**12**	**115**	-	-
Merger reserve	**12**	**8,858**	8,858	8,858
Translation reserve	**12**	**(96)**	(14)	13
Accumulated losses		**(123,290)**	(77,249)	(119,504)
Equity attributable to equity holders of the parent		**9,289**	20,689	13,069

The Half 1-2012 unaudited condensed consolidated financial statements of Noventa Limited, registered number 95036, were approved by the Board of Directors and authorised for issue on 28 September 2012. Signed on behalf of the Board of Directors:



F Fernandez-Torres
Chief Executive Officer



J L de Barros
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

	6 months ended 30 June 2012 Unaudited	6 months ended 30 June 2011 Unaudited	12 months ended 31 December 2011 Audited
	US$000	US$000	US$000
Loss for the period	**(5,200)**	(6,893)	(54,728)
Adjustments for:			
Share of loss of associate	**16**	-	-
Depreciation	**161**	301	701
Impairment of intangible fixed assets	**13**	352	439
Impairment of property, plant and equipment	**-**	-	31,359
(Profit) / loss on disposal of property, plant and equipment	**(28)**	(3)	7
Increase in provision against IVA recoverable	**182**	-	257
Share based payment expense	**21**	198	734
Foreign exchange (gain) / loss	**(538)**	(10)	1,373
Finance costs	**481**	486	6,276
Investment revenues	**(5,102)**	(2,928)	(3,217)
Taxation	**11**	10	20
Cash flows from operating activities	**(9,983)**	(8,487)	(16,779)
Decrease / (increase) in trade and other receivables	**1,381**	(1,338)	(6,483)
Decrease / (increase) in inventories	**343**	(1,621)	(1,044)
(Decrease) / increase in trade and other payables	**(230)**	63	323
Increase in short term provisions	**88**	132	199
Cash used by operations	**(8,401)**	(11,251)	(23,784)
Income taxes paid	**-**	-	(4)
Net cash used in operating activities	**(8,401)**	(11,251)	(23,788)
Cash flows from investing activities			
Interest received	**86**	14	125
Proceeds from disposal of property, plant and equipment	**28**	-	15
Acquisition of intangible fixed assets	**(13)**	(352)	(439)
Acquisition of property, plant and equipment	**(9,743)**	(11,925)	(31,543)
Acquisition of investment in an associate	**(253)**	-	-
Loans provided to an associate	**(165)**	-	-
Net cash used in investing activities	**(10,060)**	(12,263)	(31,842)
Cash flow from financing activities			
Proceeds from issue of new shares	**-**	2,162	32,220
Share issue expenses	**-**	(104)	(2,446)
Proceeds from issue of convertible loan notes	**-**	11,904	11,904
Convertible loan note issue expenses	**-**	(595)	(728)
Proceeds from new loans	**14,500**	-	-
New loan issue expenses	**(700)**	-	-
Interest paid	**(216)**	(116)	(490)
Net cash inflow from financing activities	**13,584**	13,251	40,460
Net decrease in cash and cash equivalents	**(4,877)**	(10,263)	(15,170)
Effect of exchange rates on cash and cash equivalents	**400**	(49)	(353)
Cash and cash equivalents at beginning of period	**7,873**	23,396	23,396
Cash and cash equivalents at end of period	**3,396**	13,084	7,873

1. Basis of preparation

The condensed consolidated financial statements of the Group for the six months ended 30 June 2012, which are unaudited and have not been reviewed by the Company's auditor, have been prepared in accordance with the International Financial Reporting Standards ('IFRS') accounting policies adopted by the Group and set out in the annual report for the year ended 31 December 2011. The Group does not anticipate any change in these accounting policies for the year ended 31 December 2012.

This Interim report has been prepared to comply with the requirements of the AIM rules of the London Stock Exchange (the 'AIM Rules') and the PLUS Rules of PLUS Stock Exchanges plc. In preparing this report, the Group has adopted the guidance in the AIM rules for interim accounts which do not require that the interim condensed consolidated financial statements are prepared in accordance with IAS 34, *'Interim financial reporting'*. While the financial figures included in this report have been computed in accordance with IFRSs applicable to interim periods, this report does not contain sufficient information to constitute an interim financial report as that term is defined in IFRSs.

The financial information contained in this report also does not constitute statutory accounts under the Companies (Jersey) Law 1991, as amended. The financial information for the year ended 31 December 2011 is based on the statutory accounts for the year ended 31 December 2011. The auditors reported on those accounts: while their report was unqualified it included statements of emphasis of matter regarding the Company and Group's going concern status and the impairment charge recorded against property, plant and equipment. Readers are referred to the auditors' report to the Group financial statements as at 31 December 2011 (available at www.noventa.net).

These condensed consolidated financial statements for the six months ended 30 June 2012 have been prepared in accordance with the IFRS principles applicable to a going concern, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations. Having carried out a going concern review in preparing these condensed consolidated financial statements for the six months ended 30 June 2012, the Directors have concluded that there is a reasonable basis to adopt the going concern principle. Further details are provided in section 6 of the MD&A entitled 'Going concern'.

2. Segment information and revenue from the sale of products

The Directors consider that the primary reporting format is by business segment. The Directors consider there to only be one business segment, being the mining, extraction and production of Ta_2O_5 concentrate, undertaken solely from the Marropino Mine in Mozambique in all periods presented. Morganite production is incidental to this principal activity and arises as a by-product of the Ta_2O_5 concentrate production. All administrative expenditure is allocated to this sole segment. No geographical analysis of the results by region, other than revenue by destination which is reported below, is provided due to the dominance of the Group's operations in The Republic of Mozambique relative to those in Jersey (Channel Islands) other than for 'Cash and cash equivalents' which are predominantly maintained in Jersey.

Revenue by destination of the Group's customers was:

	6 months ended 30 June 2012 Unaudited US$000	6 months ended 30 June 2011 Unaudited US$000	12 months ended 31 December 2011 Audited US$000
United States of America	**-**	597	578
Thailand	**1,871**	280	5,036
	1,871	877	5,614

In all periods presented, sales to the United States of America were made to one of the Group's customers and sales to Thailand were made to the Group's other customer.

In both periods presented all revenue from the sale of product derives from the sale of Ta_2O_5 concentrate. During Half 1-2012 the Group sold 28,165 lbs (Half 1-2011 – 16,486 lbs) of Ta_2O_5 realising revenue of $1,803,000 (Half 1-2011 - $868,000). Revenue of $68,000 (Half 1-2011 - $9,000) was recorded on Ta_2O_5 volume adjustments from final customer assays on sales completed in 2011 (Half 1-2011 – 2010).

3. NET FINANCE EXPENSE / INCOME

	6 months ended 30 June 2012 Unaudited US$000	6 months ended 30 June 2011 Unaudited US$000	12 months ended 31 December 2011 Audited US$000
Interest income on bank deposits	**86**	14	125
Change in fair value of derivative assets (note 11)	**3,844**	-	-
Change in fair value of derivative liabilities (note 11)	**1,172**	2,914	3,092
Investment revenues	**5,102**	2,928	3,217
Interest expense on Convertible redeemable preference shares	**-**	(364)	(417)
Interest expense on unsecured loans provided by Richmond	**(475)**		
Debt arrangement expenses	**-**	(116)	(116)
Discount unwind on provisions	**(6)**	(6)	(12)
Charge arising on redemption of CPS (note 8.3)	**-**	-	(5,731)
Finance costs	**(481)**	(486)	(6,276)
Net finance income / (expense)	**4,621**	2,442	(3,059)

In addition to the amounts reported above, $590,000 (Year ended 31 December 2012: $524,000; Half 1-2011: $nil) of interest was capitalised within property plant and equipment on qualifying assets.

4. PROPERTY, PLANT AND EQUIPMENT

Unaudited at 30 June 2012

	Cost US$000	Accumulated depreciation and impairment US$000	Net book value US$000
Assets under construction	**42,239**	**(26,715)**	**15,524**
Mining assets	**20,995**	**(19,224)**	**1,771**
Office furniture, equipment and computers	**940**	**(835)**	**105**
Buildings	**2,855**	**(2,173)**	**682**
	67,029	**(48,947)**	**18,082**

Unaudited at 30 June 2011

	Cost US$000	Accumulated depreciation and impairment US$000	Net book value US$000
Assets under construction	11,262	(484)	10,778
Mining assets	18,349	(14,510)	3,839
Office furniture, equipment and computers	761	(460)	301
Buildings	2,157	(1,644)	513
	32,529	(17,098)	15,431

Audited at 31 December 2011

	Cost US$000	Accumulated depreciation and impairment US$000	Net book value US$000
Assets under construction	32,742	(26,732)	6,010
Mining assets	20,151	(19,104)	1,047
Office furniture, equipment and computers	853	(819)	34
Buildings	2,281	(2,160)	121
	56,027	(48,815)	7,212

At 30 June 2012 the Group had entered into contractual commitments for the acquisition of Property, plant and equipment amounting to $1,839,000 (31 December 2011: $2,665,000), principally related to the new processing plant at the Marropino Mine and associated mining equipment and infrastructure in all periods.

Included within the cost of 'Assets under construction' is $1,114,000 (31 December 2011: $524,000) of interest capitalised from borrowings. $590,000 of interest was capitalised in Half 1-2012 at the effective interest rate applicable to relevant borrowings of 24.93%.

As required by IAS 36, *Impairment of assets*, the Group completed an impairment review of its property, plant and equipment as at 31 December 2011 resulting in an impairment charge of $31,359,000 for the year then ended. Further details of the impairment review undertaken are included in note 4.1.1 to the 31 December 2011 Group financial statements. As at 30 June 2012, and to the date of the report, the Group has not identified additional indicators that the Group's property, plant and equipment balances are further impaired. Accordingly the impairment review has not been updated during Half 1-2012. The Group will complete a full update to its impairment review calculations as at 31 December 2012, the annual impairment test date.

5. ASSOCIATE COMPANIES

The Company, along with local partners, has established two companies registered in the Katanga province in the DRC, being (1) African Speciality Metal SP.R.L ('ASM') in which the Company has an interest, as at 30 June 2012, in 46.66% of the ordinary shares and (2) Tantale et Niobium du Tanganika Sprl ('TaNbGANIKA'), a 75% subsidiary of ASM in association with La Congolaise d'Exploitation Miniere Sprl ('Cominière'), a DRC state owned company. The Katanga province is recognised as a non-conflict province of the DRC and accordingly a potential source of ethically produced tantalum concentrate. Through these companies the Group has secured interests in two exploration licenses in areas of known tantalum and tin mineralisation while also obtaining tantalum trading rights. ASM's initial activities will include sourcing ethically produced tantalum concentrate and tin concentrate from local mining co-operatives. This operation will utilise the ITRI Tin Supply Chain Initiative's (iTSCi) "bag and tag" scheme, which subjects all tantalum and tin ore set for export to a final-stage independent on-the-ground assessment. The Group anticipates that initial production of tantalum concentrate will commence during Quarter 1-2013 with initial production of tin concentrate in late Quarter 4-2012 / early Quarter 1-2013.

As at 30 June 2012 these investments are accounted for as associated companies. The carrying value of 'Interests in associates' is recorded at the initial investment of the Group to acquire participation rights in ASM, less the Group's 46.66% share of the loss incurred by these companies in the period to 30 June 2012. Further funding by the Group for ASM and TaNbGANIKA is provided through loans which are reported within 'Receivables from associates'. As at the date of this report, the Group is finalising the terms of a shareholder agreement with the local partners.

6. IVA RECOVERABLE ASSETS

Included within 'Other receivables' are Mozambique Value Added Tax ('IVA') recoverable assets as follows:

	30 June 2012 Unaudited US$000	30 June 2011 Unaudited US$000	31 December 2011 Audited US$000
IVA recoverable	**3,452**	1,825	3,452
Provision	**(449)**	(621)	(864)
	3,003	1,204	2,588
Included within:			
Non-current assets	**1,562**	-	1,809
Current assets	**1,441**	1,204	779
	3,003	1,204	2,588

Mozambique Value Added Tax ('IVA') operates in a similar manner to UK Value Added Tax ('VAT'). The Group is exempt from IVA on its exports from Mozambique under the terms of its Mining License Agreement and Mozambique tax law. The Group is able to recover input sales tax on significantly all of its purchases within Mozambique. The Group is always therefore in a net recovery position of IVA. While the Group remains confident that the net IVA asset will be recovered, the timing of recovery remains uncertain due to factors outside of the control of the Group, including (1) the procedures in process / to be undertaken by the Mozambique Tax Authority to validate the Group's IVA claims and the timing of those procedures; and (2) the Mozambique Government's budgeted amounts for annual repayment of IVA and the inclusion of the Group's repayments in those budgeted amounts. The Group is actively seeking recovery of all IVA balances due and anticipates that the amounts will be recovered during 2012 and 2013. The portion which is expected to be recovered after more than one year is shown as a non-current asset.

7. INVENTORIES

	30 June 2012 Unaudited US$000	30 June 2011 Unaudited US$000	31 December 2011 Audited US$000
Spare parts and consumables	**1,465**	1,489	1,712
Ta_2O_5 inventory	**484**	1,474	570
	1,949	2,963	2,282

8. CONVERTIBLE REDEEMABLE PREFERENCE SHARES

8.1. CARRYING VALUE

The following summarises the carrying value of the Convertible Redeemable Preference Shares ('CPS') liability and equity components at each reporting date:

	Liability US$000	**Equity US$000**	**Total US$000**
At 30 June 2012			
Included within			
Current liabilities	**108**	**-**	**108**
Non-current liabilities	**3,590**	**-**	**3,590**
Convertible redeemable preference share reserve	**-**	**617**	**617**
	3,698	**617**	**4,315**
At 30 June 2011			
Included within			
Current liabilities	**264**	**-**	**264**
Non-current liabilities	**9,481**	**-**	**9,481**
Convertible redeemable preference share reserve	**-**	**1,714**	**1,714**
	9,745	**1,714**	**11,459**
At 31 December 2011			
Included within			
Current liabilities	**109**	**-**	**109**
Non-current liabilities	**3,501**	**-**	**3,501**
Convertible redeemable preference share reserve	**-**	**617**	**617**
	3,610	**617**	**4,227**

8.2. INITIAL MEASUREMENT IN H1-2011

In March 2011 the Group secured the placing of 2,822,290 CPS at a price of $4.218 per CPS (the 'Issue Price') raising gross proceeds of $11,904,000 before expenses. The CPS have a nominal value of £1.00 each and carry an annual coupon ('dividend') of 10% of the Issue Price, payable quarterly in arrears. Under the terms of the initial issue:

- each CPS is convertible at any time at the holders' request into one Ordinary Share in the Company;
- the Company could give notice of redemption at any date after 11 October 2012 at the Issue Price. If an early redemption notice is issued, the holder of the CPS can issue a conversion notice at any date prior to the stipulated redemption date;
- the CPS will be mandatorily redeemed on 11 April 2016;
- the CPS dividend accrues quarterly and is payable, subject to Jersey Law in arrears within 10 calendar days of each of 31 March, 30 June, 30 September and 31 December; and

to the extent that the Company cannot lawfully pay the dividend, which is the case when the Directors are unable under Jersey Law to conclude that the Company is solvent at the date of payment, then the dividend is deferred until the date at which it can lawfully be paid

The Issue Price was calculated at a 25% conversion premium to the mid-market closing price of 210.5 pence for the Ordinary Shares of the Company on AIM on 16 March 2011, applying the GBP/US$ exchange rate of 1:1.6031. Expenses of $980,000 were incurred, of which $728,000 was settled in cash and $252,000 through the issue of warrants to the placing agents over 168,985 Ordinary Shares at a subscription price of 210.5 pence per Ordinary Share.

While in legal form the CPS are part of the Capital Stock of the Company (note 12), the CPS include components with liability and equity features as defined under IFRS. IAS 32, *'Financial Instruments: Presentation'*, requires the Group to identify the equity and liability component parts of the instrument and assign a value to each. The material components were identified as the host debt contract, a Company call option to prepay the liability and a holder call option to convert to Ordinary Shares. The fair value of the host debt component was determined at the present value of the contractual stream of future cash flows (including both preference dividend payments and redemption amount) discounted at the market rate of interest that would have applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion feature. The relevant market interest rate applicable to the Company was estimated at 14%. The Company's prepayment call option was valued using the Montis Convertibles Model. The Company's prepayment call option was determined to be closely related to the host debt contract and was not required to be fair valued separately from the host contract in future periods. The combined fair value of the liability component and embedded prepayment call option was determined at $10,100,000. The balance of the gross proceeds received of $1,804,000 was established as the equity component of the CPS. After allocation of the issue expenses pro-rata to the carrying value of each component, the liability component was initially recorded at $9,268,000 and the equity component at $1,694,000. The liability component is subsequently measured at amortised cost using the effective interest rate method and an effective interest rate of 15.028%. The equity component is not re-measured.

8.3. Redemption of CPS

On 19 August 2011 (updated 2 September 2011) the Group announced proposals to alter the terms of the CPS. The proposals were approved at a class meeting of the CPS holders on 28 September 2011 to allow the Company to redeem the CPS early in exchange for Ordinary Shares in the Company. As permitted by the changes to the terms and conditions of the CPS, the Company extended a redemption offer (the 'Redemption Offer') to the CPS holders. Under the terms of the Redemption Offer, the CPS holders were offered the opportunity to convert their CPS to fully paid Ordinary Shares in the Company based on the initial subscription value paid by the CPS holders and a conversion rate to Ordinary Shares at 25.0p per Ordinary Share. A GBP/US$ exchange rate for the conversion was established at 1:1.620. CPS holders electing to accept the Redemption Offer were required to convert their Quarter 3-2011 cash dividend into Ordinary Shares on the same terms established for the redemption of the capital amount outstanding. Holders of 1,794,215 CPS elected to accept the Redemption Offer. On 1 October 2011, 18,686,422 new Ordinary Shares were issued to redeem the CPS with a nominal value of $7,568,000 and a further 470,987 new Ordinary Shares were issued in payment of the related Quarter 3-2011 dividend, the value of which was $190,000.

The redemption was accounted for under IAS 32:AG35 as an amendment to the terms of the CPS to make conversion more attractive by offering a favourable conversion ratio in the event of conversion under the redemption offer as extended by the Company. CPS holders not accepting the redemption offer retain a conversion ratio of CPS to Ordinary Shares of 1 to 1. The difference between the fair value of the consideration that the CPS holder would have received under the initial terms (i.e. 1 new Ordinary Share per CPS with a fair value of 25.0p at the date the redemption offer was extended) and the fair value of the consideration that the CPS holder received under the revised terms (i.e. 10.4 new Ordinary Shares per CPS with a fair value of £2.604 or $4.218 at the date the redemption offer was extended), measured at the date when the terms were amended was recognised as a fair value loss. A loss of $5,731,000 was recorded in the Consolidated statement of comprehensive loss in H2-2011.

8.4. CPS dividend for Quarter 2-2012

As announced on 11 July 2012, the Company was unable to pay the CPS dividend for the 3 month period ended 30 June 2012 under the terms of Jersey Law. As at the date of this report, the Company is still unable to pay the CPS dividend for that period. The dividend continues to accrue in accordance with the terms of the CPS and payment will be made when the Company can lawfully do so.

9. Borrowings

	30 June 2012 Unaudited US$000	30 June 2011 Unaudited US$000	31 December 2011 Audited US$000
Unsecured borrowings at amortised cost			
$6,800,000 Loan	**6,800**	-	-
$10,000,000 Facility	**7,615**	-	-
	14,415	-	-

As at 30 June 2012, all borrowings are provided by Richmond Partners Master Limited in US$ and are unsecured.

The $6,800,000 Loan (the 'Loan') was provided on 10 January 2012 and was repayable on the earlier of the completion of a proposed Open Offer by the Company (refer to section 5.4.1 of the MD&A) or 31 December 2012. The Loan was non-interest bearing if it was repaid by 31 December 2012. In consideration for the provision of the Loan, the Company granted Richmond warrants over 1,750,000 new Ordinary Shares in the Company (the 'Loan Warrants'), exercisable at 38.853 US$ cents before 31 December 2014. Subsequent to 30 June 2012, the terms of the Loan were varied by mutual agreement between Richmond and the Company (the 'Amended Loan') such that the Amended Loan carries an annual interest rate of 25.0% with effect from 1 August 2012 calculated daily on an actual/360 basis and matures on the earlier of 31 August 2012 and the completion of the Secured Loan (refer to section 5.4.3 of the MD&A), or such later date as Richmond may agree. As at the date of this report, Richmond has agreed to extend the maturity date for the Loan to the earlier of the completion of the Secured Loan and 31 October 2012. The Amended Loan carries a 30% repayment penalty on the outstanding balance in the event that the Company chooses not to proceed with the Secured Loan. The Loan Warrants were cancelled under the Amended Loan. The Loan was initially recorded at fair value of $6,653,000 utilising an effective interest rate of 15% per annum (being the rate of interest applicable on the Loan in the event that it was not repaid by the repayment date) and a term to 28 February 2012 (being the date by which the Loan was expected to be repaid from the proceeds of either the proposed Open Offer or the Amended Subscription Agreement (note 11)). The difference between the Loan proceeds received of $6,800,000 and the Loan's fair value was satisfied in part by the issue of the Loan Warrants with a fair value of $115,000 and in part by a deemed capital contribution from Richmond. The interest charged on the Loan in Half 1-2012 was $147,000.

The $10,000,000 Facility (the 'Facility') was provided on 11 May 2012 and was repayable on 31 July 2012. The Facility carried an interest rate of 24% per annum calculated daily on an actual/360 basis and an arrangement fee of $700,000 (the 'Fee'). On 31 July 2012 the terms of the Facility were varied by mutual agreement between Richmond and the Company (the 'Amended Facility') such that the available balance on the Amended Facility increased to $16,000,000, the interest rate increased to 25% per annum and the maturity date was extended to the earlier of 31 August 2012 and the completion of the Secured Loan (refer to 5.4.3 of the MD&A), or such later date as Richmond may agree. As at the date of this report, Richmond has agreed to extend the maturity date to the earlier of the completion of the Secured Loan and 31 October 2012. The Amended Facility carries a 30% repayment penalty on the outstanding balance in the event that the Company chooses not to proceed with the Secured Loan. As at 30 June 2012 the Company had drawn down $7,700,000 against the Facility including $700,000 for the payment of the Fee. Interest charged during Half 1-2012 was $615,000 of which $204,000 relates to interest accruing under the Facility and $411,000 relates to the amortisation of the Fee and certain legal expenses incurred in connection with the Facility. As at the date of this report the Company has drawn down $15,700,000 against the Amended Facility.

10. Provisions

10.1. Short-term provisions

Half 1-2012

	Taxation provisions Unaudited US$000	Other provisions Unaudited US$000	Total Provisions Unaudited US$000
At 1 January 2012	**451**	**124**	**575**
Charged to the Consolidated statement of comprehensive loss in the period	**88**	**-**	**88**
Foreign exchange gain	**(3)**	**-**	**(3)**
At 30 June 2012	**536**	**124**	**660**

Year ended 31 December 2011

	Taxation provisions Audited US$000	Other provisions Audited US$000	Total Provisions Audited US$000
At 1 January 2011	221	124	345
Charged to the Consolidated statement of comprehensive loss in the period	222	-	222
Reclassified from Current tax liabilities	19		19
Payments made in the period	(42)	-	(42)
Foreign exchange loss	31	-	31
At 31 December 2011	451	124	575

Taxation provisions represent probable taxation liabilities and penalties arising in Mozambique. Included in this provision is $125,000 (31 December 2011: $128,000) of assessed IVA (including penalties) relating to 2008 identified in the tax inspection into the tax affairs of the Group's subsidiary HAMCL undertaken by the Mozambique Tax Authority in December 2009. During 2010, the Group formally contested this assessed IVA with the Mozambique Tax Authority and may be successful in defending the assessment. Of the remaining provision, $374,000 (31 December 2011: $285,000) relates to taxes which the Group has not paid in accordance with the Group's interpretation of the terms of its Mining Licence Agreement. The Mozambique Tax Authority has not formally confirmed this interpretation and there is a significant risk that the amounts may become payable. The remaining $37,000 (31 December 2011: $38,000) relates to possible exposures on income tax for 2009 and 2010. Payments made during 2011 relate to production tax previously paid by the Group in 2008 and 2009 which the Mozambique Tax Authority contested as having not been paid. While the Group believes it has appropriate supporting documentation to evidence payment, the Group was unable to definitively prove that payment had been made.

Other provisions represent liabilities arising from contractual arrangements of the Group under which the Group has obligations to indemnify the third party against costs or losses incurred. These provisions relate to the parent Company, Noventa Limited.

The Group anticipates that any cash outflow arising from short term provisions will be realised in 2012 and 2013.

10.2. LONG-TERM PROVISIONS

The provision relates to the anticipated costs to be incurred in rehabilitating the open pit and surrounding area at Marropino once the mineral ore body has been fully exploited. The movement in the provision in all periods reflects the unwinding of the discount on the amount provided. The estimated remaining life of the mine is 54 months, which may be extended if the Group identifies tantalum bearing deposits on the Marropino concession that prove to be economically viable resources.

11. DERIVATIVE INSTRUMENTS

11.1. DERIVATIVE FINANCIAL ASSETS

On 19 August 2011 the Company entered into an Ordinary Share subscription agreement (the 'Subscription Agreement') with Richmond pursuant to which Richmond conditionally agreed with the Company (subject to admission of the Subscription Shares to Company's listing markets) to subscribe for 17,500,000 new Ordinary Shares (the 'Subscription Shares') at 25.0 pence each (the 'Subscription Price') in two equal tranches on 30 November 2011 and 31 December 2011 (respectively the 'First Subscription Date' and the 'Second Subscription Date'). The amount of these subscriptions could be scaled back at the Company's election and would be so scaled back by the Company to the extent that there were valid applications from participants under a proposed open offer of 17,500,000 new Ordinary Shares at 25.0 pence each (the 'Open Offer'). As compensation for entering the Subscription Agreement, and subject to Richmond fulfilling its obligations contained therein, the Company agreed to grant Richmond 17,500,000 warrants over new Ordinary Shares in the Company exercisable at 25.0 pence per Ordinary Share until 31 December 2013 (the 'Subscription Warrants'). The purpose of this arrangement was to ensure that the Company received the maximum proceeds which could be raised if the Open Offer was to be subscribed for in full with the Subscription Agreement operating as an underwriting of the Open Offer.

The Company was unable to complete the Open Offer within the anticipated timeframe due, inter alia, to the necessary regulatory approvals taking longer than the Board had originally anticipated. Further, the Company had not issued the Subscription Shares due to Richmond on the First Subscription Date within the necessary timeframe following the subscription date, nor had Richmond enforced its subscription rights over those shares. Accordingly, from 6 November 2011 the Subscription Agreement was not enforceable by either the Company, or Richmond. In order for the Open Offer to remain available to existing shareholders, and to re-instate the Subscription Agreement on the mutually understood terms between the Company and Richmond, a variation was agreed to the Subscription Agreement on 9 January 2012 (the 'Subscription Agreement Variation' collectively with the Subscription Agreement the 'Amended Subscription Agreement') such that, inter alia, the Open Offer and the Amended Subscription Agreement timetable were harmonised. As consideration for varying the terms of the Subscription Agreement, the Company separately varied the terms of the Subscription Warrants such that the warrants were capable of exercise until 31 December 2014. All other terms remained the same. In

addition, the Company issued Richmond with 90,907 warrants over new Ordinary Shares as re-imbursement for legal fees incurred in connection with the Subscription Agreement at the contractually agreed rate of four warrants per £1 of expenses incurred (the 'Fees warrants') (collectively with the Subscription Warrants the 'Total Subscription Warrants'). In order for the Company to obtain the funds from the Open Offer / Subscription Agreement in the timeframe initially contemplated, the Company and Richmond separately entered into the Loan as more fully described in note 9. At the date of the Subscription Agreement Variation, the Company and Richmond anticipated that the Open Offer would be completed during February 2012.

The Amended Subscription Agreement is classified as a derivative financial instrument under IAS 39, *Financial Instruments*, because it is a Company put option over Ordinary Shares which may result in the issue of a fixed number of new Ordinary Shares in the Company for a variable amount of US$ functional currency cash. Due to the short time period anticipated between the Amended Subscription Agreement being entered into on 9 January 2012 and the anticipated Open Offer completion date of no later than 28 February 2012, the fair value of the instrument at inception has been determined at its intrinsic value measured at the difference between the Subscription Price and the market price of the Company's Ordinary Shares on 9 January 2012 of 15.7 pence multiplied by the number of Subscription Shares and converted to US$ at the US$:GB£ exchange rate on the date of 1.5419. The fair value determined was $2,523,000 which was recorded as a derivative financial asset and a capital contribution from Richmond in its capacity as a shareholder in the Company. As at 30 June 2012, due to the expected remaining life of the Amended Subscription Agreement being short, the instrument was valued at its intrinsic value measured as the difference between the Subscription Price and the market price of the Company's Ordinary Shares on 30 June 2012 of 1.7 pence multiplied by the number of Subscription Shares and converted to US$ and the US$:GB£ exchange rate on the date of 1.5615. The fair value was determined at $6,367,000. The change in fair value between 9 January 2012 and 30 June 2012 of $3,844,000 was recorded as investment revenues.

The Total Subscription Warrants are classified as derivative financial liabilities under IAS 39 because the warrants are issued in GB£ which is not the functional currency of the Company. Refer to note 11.2.

Subsequent to 30 June 2012 and as detailed more fully in section 5.4.3 of the MD&A entitled 'Re-financing subsequent to 30 June 2012', the Amended Subscription Agreement and the Total Subscription Warrants were terminated. The fair value at that date of the related derivative assets and liabilities was approximately $6,559,000 which was released to 'Accumulated losses' as a deemed distribution to Richmond.

11.2. DERIVATIVE FINANCIAL LIABILITIES

Derivative financial liabilities represents warrants issued by the Company, or to be issued subject to certain conditions being met, which are classified as derivative financial liabilities because the warrants are issued, or are expected be issued, in GB£ which is not the functional currency of the Company. At 30 June 2012 the fair value of derivative financial liabilities for warrants is $3,000 (31 December 2011: $12,000; 30 June 2011: $189,000).

Warrants falling within this category were issued by the Group in September 2009 (the '2009 warrants'), twice in September 2010 (the 'September 2010 warrants - 1' and the 'September 2010 warrants – 2', together the 'September 2010 warrants'), once in October 2010, once in December 2010 (collectively the '2010 warrants') and once in April 2011 (the '2011 warrants') as part of fundraisings secured in September 2009 and September 2010. In January 2012 a further 17,500,000 warrants were committed to be issued (subject to certain conditions being met) and a further 90,907 warrants were issued in connection with the Amended Subscription Agreement (being the Total Subscription Warrants - refer to note 11.1). Upon initial recognition of the 2009 warrants, 2010 warrants and 2011 warrants, the fair value of the warrants was 'carved out' of the funds received from shareholder investment and recorded within derivative financial liabilities. Upon initial recognition of the Total Subscription Warrants, the warrants' initial fair value of $1,163,000 was treated as a reduction in the deemed capital contribution from Richmond arising from the recognition of derivative financial assets related to the Amended Subscription Agreement. At each reporting date the fair value of the warrants is measured, with changes in the fair value of the warrants recorded in the Consolidated statement of comprehensive loss within finance income/expense. At each exercise date, the derivative liability fair value of the warrants exercised is recorded to the Share premium account. The warrants do not create any obligation on the Company other than to deliver Ordinary Shares in the Company for a fixed price (360p per Ordinary Share for the September 2009 warrants subsequent to the March 2011 share consolidation, 200p per Ordinary Share for the 2010 and 2011 warrants subsequent to the March 2011 share consolidation and 25p per Ordinary Share for the Total Subscription Warrants), at the option of the holder, for 18 months from the date of issuance of the September 2009 warrants, 2 years from the date of issuance of the September 2010 warrants and until 31 December 2014 for the Total Subscription Warrants. The warrants do not therefore expose the Company or Group to any risks, other than fair value risks, as at the balance sheet date. The September 2009 warrants expired unexercised in April 2011; the 2010 warrants and the 2011 warrants, which could have resulted in the issue of respectively 1,670,630 and 248,829 new Ordinary Shares in the Company as at 31 December 2011 and 30 June 2012 expired unexercised in September 2012. The Total Subscription Warrants were terminated by mutual agreement with Richmond effective 31 July 2012 as part of the re-financing of the Company as described more fully in section 5.4.3 of the MD&A entitled 'Re-financing subsequent to 30 June 2012'.

The Total Subscription Warrants were fair valued using a Black-Scholes valuation model using the following inputs:

	30 June 2012 Unaudited	**9 January 2012 Unaudited**
Weighted average share price – GBP pence	25.00	25.00
Weighted average exercise price – GBP pence	1.70	15.65
Expected volatility[(1)]	65.8%	60.80%
Risk-free rate	0.32%	0.52%
Expected dividend yield	0%	0%
US$/GBP exchange rate	1.5615	1.5419
Fair value per warrant – US Cents	0.01	6.61
Fair value of warrants - US$000	3	1,163

[(1)] The volatility assumption has been determined based on the historic volatility of the Company's Ordinary Share price adjusted for periods of abnormal volatility.

12. SHARE CAPITAL AND CALL OPTIONS OVER EQUITY

12.1. SHARE CAPITAL

	30 June 2012 Unaudited £	30 June 2011 Unaudited £	31 December 2011 Audited £
Share capital			
Authorised			
212,500,000 Ordinary Shares of £0.008 each (30 June 2011: 62,500,000; 31 December 2011: 212,500,000)	1,700,000	500,000	1,700,000
7,000,000 Preference Shares of £1.00 each (30 June 2011 and 31 December 2011: 7,000,000)	7,000,000	7,000,000	7,000,000
	8,700,000	7,500,000	8,700,000
	US$000	US$000	US$000
Allotted, called up and fully paid			
119,658,819 Ordinary Shares of £0.008 each (31 December 2011; 119,658,819; 30 June 2011: 26,213,280)	1,556	337	1,556
1,028,075 Preference Shares of £1.00 each (31 December 2011: 1,028,075; 30 June 2011: 2,822,290)	1,028	2,822	1,028
	2,584	3,159	2,584

12.1.1. INCREASE IN AUTHORISED SHARE CAPITAL AND AUTHORITIES GRANTED TO THE BOARD SUBSEQUENT TO 30 JUNE 2012

At the AGM held on 23 July 2012, the Company's authorised share capital was increased to £31,000,000 divided into 3,000,000,000 Ordinary Shares of £0.008 each and 7,000,000 10% Convertible Redeemable Preference Shares of £1.00 each share. The shareholders further:

(1) granted the authority to the Board to allot or otherwise dispose of up to 2,500,000,000 new Ordinary Shares in connection with any conditional placings and placings and open offers;
(2) granted a general authority to the Board to allot or otherwise dispose of up to 250,000,000 new Ordinary Shares on such terms as the Board may determine (including, without limitation, in respect of the issue of any share related compensation, options, bonuses of warrants); and
(3) granted the authority to the Board to allot any Ordinary Shares that may be required to be allotted in connection with the conversion of the Company's CPS and any existing and outstanding options, warrants, compensation arrangements and bonuses that have been issued by the Company.

The authority conceded under (1) above expires 90 days from the date of the AGM. The authorities conceded under (2) and (3) above expire on the earlier of 15 months from the date of the AGM or the conclusion of the Annual General Meeting of the Company to be held in 2013.

12.1.2. ORDINARY SHARES

The Company has one class of Ordinary Shares which carry no right to fixed income. Each Ordinary Share carries the right to one vote at the general meetings of the Company. On 11 March 2011, the Company completed a 20:1 share consolidation of the Company's £0.0004 Ordinary Shares into £0.008 Ordinary Shares. There were 119,658,819 Ordinary Shares issued and outstanding as at 31 December 2011, 30 June 2012 and the date of this report.

12.1.3. PREFERENCE SHARES

At the Annual General Meeting on 4 March 2011 the shareholders granted the authority to the Board to issue 7,000,000 Preference Shares of which 2,822,290 were issued on 11 April 2011. On 1 October 2011 the Company redeemed 1,794,215 Preference Shares with 1,028,075 Preference Shares outstanding at 31 December 2011, 30 June 2012 and the date of this report. Details of the redemption of Preference Shares during Half 2-2011 are provided in note 8.3.

The Company has one class of Preference Shares which carry the right to a fixed preferential dividend at a percentage rate per annum, determined by the Board at the date of issue and payable in preference to any dividend in respect of any other class of shares. The Board may provide that different preferential dividends apply to different Preference Shares; in such an event all Preference Shares will be treated as one and the same class. Other than for the preference dividend the Preference Shares do not confer any further rights of participation in the profits of the Company.

The Preference Shares do not carry voting rights at the general meetings of the Company, except in circumstances where the business of the meeting includes consideration of a resolution which directly or adversely varies any of the rights attached to the Preference Shares, in which case the Preference Shareholders may vote in respect of such a resolution.

On winding up of the Company or other return of capital, the assets of the Company will be applied to repaying holders of the Preference Shares in priority to holders of the Ordinary Shares.

Preference Shares may be redeemed by the Company under the terms of redemption of the Preference Shares determined by the Board at the date of issue, or as amended by resolution approved at a meeting of the relevant Preference Shareholders.

Preference Shares may be converted into Ordinary Shares of the Company under the terms of conversion of the Preference Shares determined by the Directors at the date of issue, or as amended by resolution approved at a meeting of the relevant Preference Shareholders.

12.1.4. OTHER MATTERS

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

There are no specific restrictions on the size of a holding of shares nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association, which include language similar to the language included in Rule 9 of the UK Takeover Code, and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

12.2. ORDINARY SHARES IN ISSUE

The Company has not issued any new Ordinary Shares in the six month period ended 30 June 2012. A reconciliation of the Company's Ordinary Shares in issue during the financial year ended 31 December 2011 and to 30 June 2012 is presented below. For transactions and balances prior to 11 March 2011 the number of Ordinary Shares has been adjusted for the share consolidation and is presented at the post consolidation amounts:

	No.	**Issue price GBp**
New Ordinary Shares issued for cash:		
September 2010 Additional Subscription – Final tranche	497,658	132
August 2011 Placing	73,600,000	25
Share options exercised	172,250	80
Warrants exercised	275,253	200
New Ordinary Shares issued for services including bonus shares	735,597	23 to 238
Redemption of Preference Shares including Quarter 3-2011 interest	19,157,409	25
Ordinary shares issued in the year ended 31 December 2011	94,438,167	
At 1 January 2011	25,220,652	
At 31 December 2011 and 30 June 2012	**119,658,819**	

12.3. PREFERENCE SHARES

The Company has not issued, redeemed or converted any Preference Shares in the six months ended 30 June 2012. The table below presents a reconciliation of the Company's Preference Shares in issue during the financial year ended 31 December 2011 and to 30 June 2012:

	No.	Issue price GBp
March 2011 Placing of CPS	2,822,290	263.1
Redemption of CPS	(1,794,215)	263.1
Movement in Preference Shares in the year ended 31 December 2011	1,028,075	
At 1 January 2011	-	
At 31 December 2011 and 30 June 2012	**1,028,075**	

12.4. RESERVES

12.4.1. SHARES TO BE ISSUED RESERVE

As at 30 June 2012, the Group had obligations to deliver 133,689 Ordinary Shares (31 December 2011: 133,689; 30 June 2011: 152,682) to Directors and employees in consideration for services rendered with a fair value of $46,000 (31 December 2011: $46,000; 30 June 2011: $167,000). The Ordinary Shares outstanding to be issued as at 30 June 2012 have not been issued as at the date of this report. As at 30 June 2011, the Group had further obligations to deliver 14,614 Ordinary Shares to PPM (30 June 2012: and 31 December 2011: none). The compensation expense for the services received, including sign on bonuses, is included in the Consolidated statement of comprehensive loss when the services are provided. The compensation expense for the completion bonus for PPM during 2011 was included within property, plant and equipment. The related obligations are recognised in the 'Shares to be issued' reserve.

12.4.2. CONVERTIBLE REDEEMABLE PREFERENCE SHARES RESERVE

The Convertible redeemable preference shares issued by the Group during the year ended 31 December 2011 include an equity component (note 8). The fair value of the debt component and associated embedded derivatives was determined at the date of issue and recorded within liabilities, with the fair value of the equity component recorded directly to equity in the 'Convertible redeemable preference shares' reserve. Upon redemption of CPS through conversion into Ordinary Shares, amounts relating to the converted CPS contained in the Convertible redeemable preference share reserve are reclassified to the Share premium account. Upon redemption of CPS through cash, amounts relating to the cash redeemed CPS contained in the Convertible preference share reserve will be extinguished through the cash repayment with any residual balance transferred to accumulated losses.

12.4.3. WARRANTS RESERVE

As discussed further in note 9, in January 2012 the Company issued warrants over 1,750,000 new Ordinary Shares to Richmond as consideration for the provision of the Loan. The warrants are denominated in US$, which is the functional currency of the Company and accordingly are accounted for as equity instruments. The fair value of these warrants at initial measurement is included within the warrants reserve and is not subsequently remeasured. Subsequent to 30 June 2012 these warrants were cancelled by mutual agreement between Richmond and the Company and the warrants reserve has been eliminated to accumulated losses.

12.4.4. MERGER RESERVE

The merger reserve was created when Noventa acquired 100% of the issued Ordinary Share capital of Highland African Mining Company Limited under the terms of the share-for-share agreement signed on 11 January 2007. The transaction was accounted for as a reverse takeover.

12.4.5. TRANSLATION RESERVE

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the Statement of financial position date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising are taken to the 'Translation reserve'.

12.5. CALL OPTIONS OVER ORDINARY SHARES

Call options over Ordinary Shares represent instruments issued by the Company which may result in the Company issuing Ordinary Shares, such as warrants, share options and CPS. Where these instruments were issued prior to the share consolidation on 11 March 2011, the conversion terms of the instruments have been altered to require the conversion of 20 instruments to acquire one new Ordinary Share in the Company.

The following table summarises the principal terms under which Ordinary Shares of the Company could be issued in respect of options, warrants, bonus shares and CPS outstanding at 30 June 2012. Where applicable, the number of Ordinary Shares has been adjusted to take account of the share consolidation.

	Number of Ordinary Shares adjusted for share consolidation	Number exercisable at period end adjusted for share consolidation	Weighted average exercise price adjusted for share consolidation	Expiry date	Comments
Options issued by employee share option plans in 2007	51,184	51,184	50,000 at £23.00 1,184 at £0.008	2017	None
Options issued by employee share option plans in 2008	6,180	6,180	£23.00	2018	None
Options issued by employee share option plans in 2009 – 1	91,084	81,953	£3.20	2019	None
Options issued by employee share option plans in 2009 – 2	172,250	172,250	£0.80	2013	None
Options issued outside of the share option plans – 2009	100,000	100,000	£0.80	2016	None
Warrants 2009 – 1	579,298	-	£0.80	2016	Share price to reach £5.00 on a 30 day moving average for the warrants to be exercisable.
Warrants 2009 – 2	56,500	56,500	£0.80	2016	None
Bonus shares 2009	150,000	-	-	No expiry	Share price to reach £3.00 on a 30 day moving average for the bonus shares to vest.
Options issued by employee share option plans – 2010	100,000	100,000	£0.80	2019	None
Options issued outside of share option plans – 2010	97,120	97,120	£1.08	2017	None
Warrants 2010 – 1	957,492	957,492	£2.00	2012	None
Warrants 2010 – 2	215,480	215,480	£2.00	2012	None
Warrants 2010 – 3	248,829	248,829	£2.00	2012	None
Warrants 2010 – 4	248,829	248,829	£2.00	2012	None
Warrants 2010 – 5	399,998	399,998	£1.90	2012	None
Warrants 2011 – 1	248,829	248,829	£2.00	2012	None
Warrants 2011 – 2	168,985	168,985	£2.105	2012	None
Warrants 2011 – 3	3,966,137	3,966,137	£0.25	2013	None
Warrants 2011 – 4	16,683	16,683	£1.30	2012	None
Options issued by employee share option plans – 2011	305,000	80,000	£0.28	2018	None
Options issued outside of share option plans – 2011	97,120	97,120	£0.27	2018	None
Convertible redeemable preference shares	1,028,075	1,028,075	$4.218	2016	CPS are redeemable by the Company in cash in April 2016 if the instruments are not converted into Ordinary Shares prior to this date.
Options issued by employee share option plans – 2012	100,000	25,000	$0.25	2021	None
Warrants 2012 – 1	1,750,000	1,750,000	$0.39	2014	These warrants were issued to Richmond as consideration for the Loan advanced in January 2012. The warrants were cancelled subsequent to the period end on 31 July 2012.
Warrants 2012 – 2	90,907	90,907	£0.25	2014	These warrants were issued to Richmond as consideration for fees incurred with respect to the Subscription Agreement. The warrants were cancelled subsequent to the period end on 31 July 2012.
	11,245,980[(1)]	10,207,551			

(1) Excludes the 17,500,000 Subscription Warrants (refer to note 11) which were not issued as at 30 June 2012. These warrants were due to be issued upon the fulfillment of Richmond's obligations under the Amended Subscription Agreement. The commitment to issue these warrants was subsequently cancelled upon the termination of the Amended Subscription Agreement.

13. Share based payments

The total charge recorded in the Consolidated statement of comprehensive loss for share based payments in Half 1-2012 was $21,000 (Year ended 31 December 2011: $734,000; Half 1-2011: $198,000). A further $nil (Year ended 31 December 2011 and Half 1-2011: $50,000) has been recorded to Property, plant and equipment, $nil (Year ended 31 December 2011: $717,000; Half 1-2011: $nil) has been charged to the Share premium account and $nil (Year ended 31 December 2011 and Half 1-2011: $252,000) has been recorded as issue expenses for the Convertible redeemable preference shares and allocated pro-rata between the carrying value of the equity and liability components of these instruments (refer to note 8).

Of the amount charged to the Consolidated statement of comprehensive loss, $nil arises on Ordinary Shares issued to Directors (Year ended 31 December 2011: $468,000; Half 1-2011: $241,000 arises on Ordinary shares issued to Directors as contractual Directors' fees and consultancy fees, employee and Directors sign on bonuses, salary payments made in Ordinary shares under employment contracts or payments made in Ordinary Shares under service agreements from third party suppliers). The amount charged to Property, plant and equipment during 2011 relates to payments made in Ordinary Shares under service agreements from third party suppliers. The number of Ordinary Shares issued in these cases is determined based on the contractual amounts due, and relevant market prices for the Company's Ordinary Shares. The expense recorded is therefore the contractual amount due.

$21,000 of the amount charged to the Consolidated Statement of comprehensive loss arises from the issuance of share options to certain employees and Directors of the Group, under the Share Plan, (Year ended 31 December 2011: $266,000; Half 1-2011: credit $62,000 arises from the issuance of share options to certain employees and Directors of the Group, under the Share Plan, or through options outside of the Share Plan or through the issuance of warrants over Ordinary Shares to third party suppliers under service agreements). The amounts charged to the Share Premium account during 2011 of $717,000 and the amount recorded as issue expenses for the Convertible redeemable preference shares of $252,000 relate to the issuance of warrants over Ordinary Shares to third party suppliers under service agreements.

14. Related party transactions

Transactions between the Company and its subsidiaries have been eliminated upon consolidation and are therefore not disclosed in this note.

Details of transactions and balances between the Group and other related parties are detailed below. The amounts reported are the fair value of the transaction in US$. Directors' fees and expenses are excluded unless they are invoiced to the Group by means of a separate company.

	6 month period ended 30 June 2012 Unaudited US$000	6 month period ended 30 June 2011 Unaudited US$000	12 month period ended 31 December 2011 Audited US$000
African Speciality Metal SP.R.L			
Loans provided to African Speciality Metal SP.R.L during the period	**165**	-	-
Balance due from African Speciality Metal SP.R.L at period end	**165**	-	-
Bridgewater Pension Trustees Ltd			
Subscription of CPS	**-**	160	160
Barons Financial Services SA			
Consulting fees	**-**	172	406
Fees due for the services of Mr E Kohn TD as Chairman paid in cash	**-**	72	226
Bonus paid in cash	**-**	100	100
Funds advanced to the Company (representing expenditure incurred on the Company's behalf and recharged to the Company)	**-**	219	395
Balance due to Barons Financial Services SA at period end	**-**	24	-
Funds due to the Company from Barons Financial Services SA for advances against expenses	**-**	18	-
Barons Financial Services Limited			
Fees due for the services of Mr E Kohn TD as Chairman paid in Ordinary Shares	**-**	42	63
Balance due to Barons Financial Services Limited in Ordinary Shares at period end	**-**	22	-
Barons Financial Services (UK) Limited			
Commission arising on fundraising on the same terms as those provided to the Company's brokers	**-**	122	175
Fair value of warrants over 27,583 Ordinary Shares of £0.008 issued to Barons Financial Service Limited in H1-2011 on the same terms as those provided to the Company's brokers	**-**	41	41
Carey Olsen			
Legal fees and expenses	**92**	245	751
Balance due to Carey Olsen at period end	**92**	84	184
Declan Sheeran			
Consulting fees	**16**	9	25

Balance due to Declan Sheeran at period end	**6**	3	3
Ekasure Limited			
Fees due for the services of Mr J Allan as Director	**6**	9	18
Consulting fees	**112**	300	600
Re-imbursement of expenses incurred on behalf of Noventa	**11**	25	26
Balance due to Ekasure Limited at period end	**172**	101	154
Fleming Family & Partners (Liechtenstein) AG			
Subscription of CPS	**-**	240	240
Geoser Limitada			
Consulting fees	**32**	18	50
Balance due to Geoser Limitada at period end	**6**	6	6
Hains Engineering Company Limited			
Consulting Fees	**-**	11	7
Balance due to Hains Engineering Company Limited at period end	**-**	-	-
KLM Consulting Services (Pty) Limited			
Hydro-geological consulting fees	**-**	26	58
Richmond Master Fund Limited			
Subscription of new Ordinary Shares	**-**	-	5,082
Richmond Partners Master Limited			
Loans provided to the Company	**14,500**	-	-
Arrangement fees charged on loans provided to the Company	**700**		
Interest charged on loans provided to the Company	**204**	-	-
Balance due to Richmond Partners Master Limited at period end	**14,704**		

In addition to the amounts reported above, in Half 2-2011, Mr F Fernandez-Torres subscribed for 32,000 new Ordinary Shares, Mr G Berglund subscribed for 400,000 new Ordinary Shares, Mr J Allan (through Ekasure Limited) subscribed for 40,000 new Ordinary Shares and Mr R Fleming subscribed for 1,400,000 new Ordinary Shares in the August 2011 Placing on the same terms as those offered to all subscribers in the August 2011 Placing. Mr F Fernandez-Torres, Mr J Allan and Mr G Berglund were Directors of the Company at that time. Mr R Fleming is a significant shareholder in the Company.

Fleming Family & Partners (Liechtenstein) AG was a related party of the Company by virtue of its trusteeship of a Trust with a significant shareholding in the Company and of which Mr R J Fleming is a potential beneficiary. Fleming Family & Partners (Liechtenstein) AG has now been retired as trustee of this trust and Sanne Trust Company Limited has been appointed. Bridgewater Pension Trustees Ltd is a related party of the Company by virtue of its relationship with Mr R J Fleming, who has a significant shareholding in the Company.

Barons Financial Services SA, Barons Financial Services Limited, Barons Financial Services (UK) Limited, Carey Olsen, Ekasure Limited, Geoser Limitada Hains Engineering Company Limited and Richmond Master Fund Limited and Richmond Partners Master Limited are related parties to the Group by virtue of common current or former directorship / employment as follows:

Related party	**Common Director/Employee**
Richmond Master Fund Limited and Richmond Partners Master Limited	Mr L Bechis
Barons Financial Services SA, Barons Financial Services Limited and Barons Financial Services (UK) Limited	Mr E F Kohn TD (resigned 2011)
Carey Olsen	Mr G Coltman (resigned 2012)
Geoser Limitada	Mr D Sheeran (appointed 2012)
Ekasure Limited	Mr J N Allan (resigned 2012)
Hains Engineering Company Limited	Mr L Heymann (deceased 2011)

KLM Consulting Services (Pty) Limited is a related party of the Company by virtue of the close family relationship between Mr J Allan and the owner director of KLM Consulting Services (Pty) Limited.

African Speciality Metal SP.R.L is a related party of the Company due to the 46.66% shareholding that the Company has in that company as at 30 June 2012. African Speciality Metal SP.R.L is reported as an associate of the Company.

All related party transactions are transacted on an arm's length basis, in accordance with standard commercial terms applicable to the type of transaction.

14. Events subsequent to the balance sheet date

Details of events subsequent to the balance sheet date which are considered by the Directors to be material and require disclosure in these condensed consolidated financial statements are disclosed in section 5.4.3 of the MD&A and notes 8.4, and 12.1.1 to the financial statements being respectively (1) the re-financing of the Company subsequent to 30 June 2012, including the cancellation of the Amended Subscription Agreement and the release of the related derivative financial asset with a carrying value as at 30 June 2012 of $6,367,000 (refer further to note 11), the proposed Secured Loan

and the amendment to the terms of the Company's existing loans from Richmond (refer further to note 9), (2) the non-payment of the Quarter 2-2012 CPS dividend, and (3) increases to the authorised share capital of the Company, including authorisations granted to the Board for the issue of new Ordinary Shares under certain circumstances.

TERMS USED IN THIS REPORT

AIM	AIM market of the London Stock Exchange
TSX	Toronto Stock Exchange
PLUS	PLUS Stock Exchange
Ta_2O_5	Tantalum pentoxide
CIM	Canadian Institute of Mining, Metallurgy and Petroleum's
IFRS	International Financial Reporting Standards
Km	kilometre
lb	pound
lbs	pounds
p or GBp	Pence, 100th of one Pound Sterling, legal currency of the United Kingdom
pa	per annum
ppm	parts per million of Ta_2O_5
$ or US$	US Dollar, legal currency of the United States of America
£ or GBP	Pound Sterling, legal currency of the United Kingdom
Mining concession	land where the Group has a granted right to extract economic minerals including, but not limited to Ta_2O_5
Mining licence	land where the Group has a granted right to explore for economic minerals including, but not limited to Ta_2O_5
Quarter 1	The three month period ended 31 March of the Company's financial year ended 31 December
Quarter 2	The three month period ended 30 June of the Company's financial year ended 31 December
Quarter 3	The three month period ended 30 September of the Company's financial year ended 31 December
Quarter 4	The three month period ended 31 December of the Company's financial year ended 31 December
Half 1	The six month period ended 30 June of the Company's financial year ended 31 December
Half 2	The six month period ended 31 December of the Company's financial year ended 31 December
Contained Ta_2O_5	The amount of Ta_2O_5 which is contained in a concentrate

Mineral Resource - A 'Mineral Resource' is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth´s crust in such a form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

Inferred Mineral Resource - An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Indicated Mineral Resource - An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

Measured Mineral Resource – A `Measured Mineral Resource` is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

Note – Definitions of mineral resource, inferred mineral resource, indicated mineral resource and measured mineral resource are based on the CIM code for the reporting of Mineral Resources and Mineral Reserves.