

NOVENTA LIMITED
("Noventa" or the "Company") (AIM: NVTA; PLUS: NV)

**Completion of Secured Loan Financing Agreement, Outline of Forthcoming Extraordinary
General Meeting & Notice of Proposed Change of Terms for Preference Shareholders**

22 November 2012

Further to the announcement of 6 August 2012, the Company is pleased to announce that it has completed a medium term secured loan refinancing package (the "Secured Loan" or "Secured Loan Agreement") with its existing lender and largest shareholder, Richmond Partners Master Limited ("Richmond" or the "Lender"), certain aspects of which are conditional on shareholder approval. The Secured Loan consists of extending new funds as well as refinancing the Company's existing short term loan facilities with Richmond (the "Existing Facilities"). This will enable the Company to move forward with its development and expansion plans, as outlined in the Company's half-yearly report published on 28 September 2012.

The key final terms of the Secured Loan are as follows:

- A total committed loan facility of at least \$42,245,000, consisting of the refinancing of \$26,900,000 of the Existing Facilities and at least \$15,345,000 of new monies;
- Security granted over substantially all the assets of Noventa and its group companies (the "Group");
- Grant of a conversion option for a subscription of new ordinary 0.8p shares ("Ordinary Shares") of the Company;
- Interest rate of 25.0% per annum;
- Principal sum due to be repaid in full on 31 December 2016 with interest payments commencing 31 March 2013;
- Company option to defer interest payment for a maximum of 10 quarters with all such interest becoming payable on 31 December 2016; and
- Financial covenant grace period until 30 April 2013 during which period no default will occur as a result of any non-compliance with the financial covenants of the Secured Loan.

Certain aspects of the Secured Loan require the approval of holders of Ordinary Shares (the "Shareholders") as detailed below and will be put before Shareholders at an Extraordinary General Meeting (the "EGM"); a circular (containing the notice of the EGM and the resolutions to be proposed) convening the EGM will be sent to Shareholders shortly.

Certain aspects of the Secured Loan (as detailed below) involve proposed changes to the terms of the convertible preferred £1.00 shares ("Preference Shares") and these changes will be put before holders of the Preference Shares (the "Preference Shareholders") at a Class Meeting (the "PSM"); a circular (containing the notice of the PSM and the resolutions to be proposed) convening the PSM will be sent to Preference Shareholders shortly.

It has not been an easy decision for the Board to pursue the Secured Loan as detailed below, but it is the Board's opinion that in the present circumstances it is the only viable option to ensure the long term survival of the Company in the position in which it finds itself as explained in previous announcements of the Company. There is a material possibility that

the Secured Loan will need to be refinanced prior to the full repayment of principal falling due on 31 December 2016.

1) Amount of the Secured Loan

The Secured Loan is for a minimum committed principal amount of \$42,245,000 together with separate facilities for the payment of legal fees and transactional costs and for the capitalisation of interest, fees and expenses under the Secured Loan (as further described below in section 5). \$26,900,000 of the principal amount is specifically allocated for a refinancing of the Existing Facilities provided by Richmond and will be drawn down with immediate effect once the conditions precedent to drawing funds are met. The Existing Facilities are the Revised Facility and the Amended Loan, as described and defined in the Company's announcement of 6 August 2012, including accrued interest, fees and costs to date.

The balance of \$15,345,000, being new funds, can be drawn down in agreed tranches from the date of the Secured Loan Agreement (subject to conditions being met) and is available for varying periods depending on which tranche is being utilised. \$2,623,000 of these additional funds are ring-fenced for financing the development of the Group's activities in the Katanga province of the Democratic Republic of Congo ("DRC"), through its 50% owned associate, African Speciality Metal S.P.R.L ("ASM") and Tantale et Niobium du Tanganika Sprl ("TaNb"), a 75% subsidiary of ASM in association with La Congolaise d'Exploitation Miniere Sprl ("Cominière"), a DRC state owned company.

2) Security arrangements and covenants

The borrower is HAMC Minerals Limited ("HAMC"), a company incorporated in Jersey and a wholly owned indirect subsidiary of Noventa. HAMC is an intermediate holding company within the Group which owns the Group's operating subsidiaries and associates in Mozambique, South Africa and DRC, which in turn have cross guaranteed the Secured Loan. Richmond has been granted a security interest (e.g. mortgage, charge, lien or pledge, as appropriate depending on the type of asset, location of the asset and jurisdiction of incorporation) over substantially all of the assets of HAMC and its subsidiaries. In addition, Richmond has been granted a security interest over the entire issued share capital of HAMC and the bank accounts of the Group.

The Secured Loan Agreement contains a number of covenants regarding the operational, financial, corporate and legal status of the Group, as well as terms relating to the payment of interest and capital sums due under the Secured Loan. In the event that there is an event of default, under the Secured Loan Agreement which is not remedied (in accordance with the terms of the Secured Loan Agreement (a "Default")) then Richmond will have the right to exercise its various security interests, which if exercised would likely result in the Company becoming insolvent and unable to continue to trade.

Until 30 April 2013, the Company has a financial covenant testing grace period (the "Covenant Grace Period") during which the Group's agreed budget against which the financial covenants is to be tested will be updated for the actual results and performance of the Group. During the Covenant Grace Period no Default will be deemed to have occurred as a result of non-compliance with the financial covenants, although the Group is required to assess on a forecast basis whether it will require additional funds over and above the amounts remaining to be drawn on the Secured Loan. If the Group's funding requirements

increase and the Group is unable to find additional sources of finance then Default is still possible during this Covenant Grace Period.

In addition to the security interests described above, Richmond has been granted an option which, in the event of the Default, permits Richmond to convert the entire outstanding balance of the Secured Loan (including accrued interest, costs and fees) into such number of shares as will be equal to, post exercise of this option, 95% of the enlarged share capital of HAMC (the "Exchange Rights"). If the Exchange Rights are exercised, Richmond shall also have the option to purchase the remaining 5% of the enlarged share capital of HAMC for \$1,500,000 and Noventa shall have the option to sell the remaining 5% of the enlarged share capital of HAMC to Richmond for \$1,000,000. This option has been granted subject to the approval by Shareholders, which shall be sought by way of various resolutions to be proposed at the EGM.

The Secured Loan imposes a significant financial burden on the Company, both in terms of interest and capital repayments, and if the Group fails to achieve its business plan, there is a very real risk that the Company will find itself in Default and that the Lender may enforce its security or exercise the Exchange Rights and take ownership and control of materially all of the assets of the Group. The Group remains lossmaking at this point.

3) Conversion Rights on the Secured Loan and proposed changes to the terms of the Preference Shares

Richmond has been granted an option, subject to Shareholder approval at the EGM, to convert monies owed under the Secured Loan into new Ordinary Shares (the "Conversion Rights"). The Conversion Rights, if approved at the EGM, will give Richmond the right at any time during the period in which monies remain owing by HAMC to Richmond under the Secured Loan to subscribe for new Ordinary Shares at the average closing price for the last 20 trading days of the Ordinary Shares on the AIM Market. In the event that the Ordinary Shares have ceased to be traded on AIM at the time of the exercise of the Conversion Rights, the subscription price for the new Ordinary Shares will be determined by an independent expert. The amounts subscribed by Richmond for new Ordinary Shares issued pursuant to exercise of the Conversion Rights will be applied in reduction of the outstanding balance on the Secured Loan and the Conversion Rights will lapse once the Secured Loan is repaid in full.

At the EGM, Shareholders will be asked to approve certain resolutions concerning the following aspects of the Conversion Rights:

- An increase in the authorised share capital to enable new Ordinary Shares to be issued pursuant to the Conversion Rights;
- A disapplication of pre-emption rights for shares issued under the Conversion Rights;
- A vote of independent shareholders to allow Richmond to increase its shareholding to 30% or more of the Company's Ordinary Shares on exercise of the Conversion Rights (the "VOIS") without having to make a general offer to all Shareholders (see Section 4 below).

If the Lender were to exercise its Conversion Rights, the Group will in all likelihood become controlled by the Lender. Richmond is currently the largest Shareholder of the Company with approximately 11.76% of the Ordinary Shares in issue at this date.

Preference Shareholders will be asked to vote at the PSM on the following change of terms to the Preference Shares:

- A deferral of all dividend payments until after the Secured Loan is repaid in full; and
- Enhanced conversion terms for a limited period that will provide for conversion of the Preference Shares into Ordinary Shares at a price equivalent to the average closing price for Ordinary Shares on the AIM Market for the 20 trading days prior to the PSM (the “Enhanced Conversion Terms”).

Ordinary Shareholders will be asked to approve certain resolutions at the EGM to increase the authorised share capital and to disapply pre-emption rights to enable new Ordinary Shares to be issued pursuant to the Enhanced Conversion Terms.

4) City Code on Takeovers and Mergers (the “City Code”)

The Company is not currently subject to the City Code that is administered by the Panel on Takeovers and Mergers (the “Takeover Panel”) as its shares are not traded on a Regulated Market (as defined in the City Code) and its place of central management and control is outside the United Kingdom, Channel Islands or Isle of Man. The Takeover Panel is currently considering whether to extend its remit to all companies incorporated in the United Kingdom, Channel Islands or Isle of Man and whose shares are quoted on the AIM Market, irrespective of where their place of central management and control may be.

The Company may therefore become subject to the City Code in the future. Information regarding the Takeover Panel and a copy of the City Code can be found at <http://www.thetakeoverpanel.org.uk/>. Under Rule 9 of the City Code (“Rule 9”), except with the consent of the Takeover Panel, when:

(a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company; or

(b) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested,

such person shall make an offer to other holders of the shares, the requirements for which are set out in the City Code. When the issue of new securities as consideration for an acquisition or a cash subscription would otherwise result in an obligation to make a general offer under Rule 9, the Panel will normally waive the obligation if there is an independent vote at a shareholders' meeting (a “Whitewash”). The appropriate provisions of the City Code apply to Whitewash proposals.

The Takeover Panel has confirmed to the Company that subject to:

- the notice of EGM containing materially the same information as would be required for a Whitewash;
- the Company following procedures materially the same as required for a Whitewash; and

- the VOIS resolution being passed at the EGM,

then the Takeover Panel would grant a waiver of the requirement for Richmond to make an offer under Rule 9 on exercising the Conversion Rights, should the Company subsequently become subject to the City Code.

5) Interest, Fees and Costs

Interest on the Secured Loan will accrue on a daily basis at a rate of 25% per annum. All interest due during 2012 will be added to the principal balance of the loan. Interest is payable on a quarterly basis commencing 31 March 2013. Interest may be deferred and capitalised (subject to the Company not being in Default) for up to 10 quarters during the term of the Secured Loan at the Company's request, but is subject to an additional interest charge of 3% of the outstanding balance of the Secured Loan at the end of each quarter in which a deferral is requested.

Arrangement and loan fees totalling \$1,895,500 will be added to the principal balance of the Secured Loan on the first drawdown. A further facility of up to \$1,200,000 will be made available by the Lender under the Secured Loan for the payment of both the Company's and Richmond's legal fees and other transaction costs. An estimate of the total amount these fees and costs will be set out in the notice of EGM.

If Shareholders do not vote to approve all the resolutions outlined above to be put before them at the EGM, a fee equal to 20% of the outstanding amount of the Secured Loan at the date of the EGM will be added to the balance of the Secured Loan.

If Preference Shareholders do not vote to approve all the resolutions outlined above to be put before them at the PSM, a fee equal to 20% of the outstanding amount of the Secured Loan at the date of the PSM will be added to the balance of the Secured Loan.

Any amounts repaid by the Company earlier than final maturity date (a "Prepayment") will be subject to an additional 30% interest charge on the amount of the Prepayment.

In each of the following events, all monies due under the Secured Loan will fall due and will be subject to an additional interest charge of 30% of this amount:

- A change of control (as defined by the City Code) of Noventa without the agreement of Richmond;
- Default; or
- Failure to dispatch (i) the circular (containing the notice of the EGM and the resolutions to be proposed) convening the EGM and (ii) the circular (containing the notice of the PSM and the resolutions to be proposed) convening the PSM, in accordance with the terms of the Secured Loan.

6) Related Party under the AIM Rules for Companies

Richmond currently holds 14,072,724 Ordinary Shares, being 11.76% of the current issued Ordinary Shares of the Company, and Luca Bechis is both a non-executive director of Noventa and an associate of Richmond (as defined in the AIM Rules for Companies). As such, Richmond is deemed to be a Related Party of the Company for the purposes of the AIM Rules for Companies. Accordingly, the Directors (other than Luca Bechis, who for these purposes is

not independent) consider, having consulted with Allenby Capital Limited, the Company's nominated adviser, that the terms of the Secured Loan with Richmond are fair and reasonable insofar as shareholders are concerned.

For further information please contact:

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Notes:

“\$” refers to US Dollars throughout this announcement.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

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

Although Noventa has attempted to identify statements containing important factors that could cause actual actions, event or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information

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