



NOVENTA LIMITED

(“Noventa” or the “Company”)

[AIM: NVT A]

**ISSUE OF CONVERTIBLE LOAN NOTES AND CONDITIONAL PLACING OF
SHARES, PLACING & OPEN OFFER OF SHARES, CIRCULAR TO
SHAREHOLDERS AND EGM**

Issue of Convertible Loan Notes & Conditional Placing of Shares

Noventa is pleased to announce that it has placed £400,000 of unquoted zero coupon convertible loan notes (the “Loan Notes”), raising £400,000 before expenses. The Loan Notes will be converted into 10,000,000 new ordinary shares of £0.0004 each in the Company (“Ordinary Shares”), a conversion price of 4p per share, conditional on the passing of certain resolutions at the extraordinary general meeting of the Company (“EGM”) that will be called shortly and of which further details can be found below. Subscribers for the Loan Notes will be issued as part of the Loan Notes with one warrant to subscribe for new Ordinary Shares for every two Ordinary Shares they will hold post conversion, with an exercise price of 18p per share and a life of 18 months.

The Company has also placed 8,750,000 new Ordinary Shares at a price of 4 pence per share, (the “Conditional Placing Shares”) raising a further £350,000 before expenses, conditional on the passing of certain resolutions at the EGM and the Conditional Placing Shares being admitted to trading on AIM. Subscribers for the Conditional Placing Shares will be issued with one warrant to subscribe for new Ordinary Shares for every two Ordinary Shares they will hold post conversion, with an exercise price of 18p per share and a life of 18 months.

The amount raised net of expenses through the issue of the Loan Notes and the Conditional Placing Shares will be £696,600.

Following the issue of the Loan Notes and the Conditional Placing Shares, and assuming the requisite resolutions are passed at the EGM, the Company, as far as it is aware, will have the following significant shareholders:

	Number of ordinary shares	Percentage of issued ordinary share capital, as enlarged by the Placing Shares
Highland African Ventures Limited	14,488,593	23.68%
Fleming Family & Partners (Suisse) AG	4,250,000	9.94%
Wills & Co Stockbrokers Limited	4,375,000	7.15%
Varroville Finance Limited	2,638,830	4.31%
Panta Holdings BV	2,500,000	4.09%
Kerias Management Trading Limited	2,025,581	3.31%
Barons Financial Services Limited*	2,000,000	3.27%

* Barons Financial Services Limited is a company in which the Chairman of Noventa, Eric Kohn TD, has a beneficial interest.

Following the issue of the Loan Notes and the Conditional Placing Shares, and assuming the requisite resolutions are passed at the EGM, the Company's total issued ordinary share capital will be 61,197,104 Ordinary Shares. An application will be made to the London Stock Exchange for the shares, which will rank pari passu with the Company's existing issued ordinary shares, to be admitted to trading on AIM, subject to the requisite resolutions being passed at the EGM.

Placing and Open Offer

Placing and Open Offer of up to 53,058,880 New Ordinary Shares of £0.0004 each at 4p per share

1. Introduction

The Company has decided to make an Open Offer to Qualifying Shareholders to subscribe for up to 53,058,880 New Ordinary Shares on the basis of 5 Offer Shares for every 4 Existing Ordinary Shares at the Offer Price, payable in full on acceptance. Eric Kohn TD, the Executive Chairman, John Allan, the Chief Executive Officer and Martin Hinxman, the Chief Financial Officer, being Qualifying Shareholders and Directors have agreed to subscribe for a minimum total of 1,366,279 New Ordinary Shares through the Open Offer.

The Company expects to raise up to £2,122,355 (\$3,467,928) (before expenses) from the Placing and Open Offer. The net proceeds of £1,962,756 (assuming full take up of the Open Offer) will be used to provide the Group with additional working capital. Further details of the Placing and Open Offer are set out below.

2. Background to and reasons for the Placing and Open Offer

Following the recent changes to the Company's Board, and having conducted an initial evaluation of the Company's assets, the new team believes in the marketplace for the Company's mineral resources and intends to restart production with a view to making the Company profitable and to maximise shareholder value. Noventa's objective is to become a profitable low cost industrial scale producer of tantalum bearing concentrate.

Noventa is an AIM quoted producer of tantalum feedstock; tantalum is a rare heavy metal that is used in the manufacture of electronic capacitors, turbine blades and industrial cutting tools. Noventa produces tantalum pentoxide (Ta₂O₅), a powdered concentrate which, in its final form, is consumed mainly in the electronics industry.

A predominantly new Board and executive management team has been put in place since 9 July 2009 in order to seek funds to stabilise the current business, which in turn will allow time for them to develop and implement a turnaround strategy for the Company. The management team has considered and compared several options which include:

1. Re-opening the Marropino mine with modifications to existing plant and mine plan;
2. A new fixed plant capable of producing 450,000lbs Ta₂O₅ per annum;
3. Three modular plants producing 150,000lbs Ta₂O₅ per annum each;
4. Outsourcing processing to a third party; and
5. A trade sale.

The Board proposes to raise the necessary new working capital through the Placing and Open Offer in order for the new team to finalise and implement its currently preferred option of re-

opening the Marropino mine with modifications to its existing plant and mine plan. In conjunction with the pursuit of this preferred option, the Board continues to actively evaluate the second and third options listed above, while keeping options four and five under review.

Noventa's assets are located in central Mozambique. Politically stable since 1992, the country is supportive of mining projects and in the past five years has attracted long term multimillion dollar mining investments from companies such as BHP Billiton, Vale and Kenmare Resources.

The Company's initial and only open cast mine, the Marropino mine, has been operating intermittently since 2003, but the Board believes that the approach that was historically taken to bring the mine into production was incorrect and not as effective as it should have been, or as expected at the time of admission to trading on AIM. As a result, much less of the resource has so far been extracted than would originally have been expected by this point. In addition, the Company's other mine rights at locations such as Morrua, Mutala and others remain unexploited.

Marropino's poor performance can be attributed to a wide variety of equipment, operational and management failings, which resulted in output being consistently below expectations; however the Board believes that all these issues can be suitably addressed provided the appropriate financing can be obtained. The Company's Marropino Mine was put into care and maintenance in May 2009, due to a lack of funds to support the continuing losses.

Each element of the process from extraction through processing and distributing to clients is being examined to identify and eliminate losses and inefficiencies. The reserves are being re-examined and assays of the open mine are being taken to verify the ore projections by comparing historical assay data with fresh assays. An extensive list of remedial actions has already been identified and these are being assessed prior to incorporation into a recovery plan. Benchmarking against other tantalite mining operations is currently being considered. The Board will endeavour to keep Shareholders informed of developments.

Connection of the site to the Mozambique national power supply has been agreed with the supplier with a completion currently forecast (by the Board) in the next few weeks. This should provide significant improvement both in terms of cost savings (estimated at >\$1.5million annually) and reliability compared with the existing diesel generators.

A potential saving (estimated at around \$1.0million annually) in distribution costs may be realised by changing the transport route of the concentrate to the customer, avoiding the current costly overland transport to the port of Walvis Bay in Namibia. This is a consequence of legislative changes and is being tested for its long term viability.

Samples of the ore body will be taken and independently assayed to verify the ore body and to reconfirm the viability of resurrecting production. The existing main processing plant design is to be tested under lab conditions to confirm its fitness for purpose before checking, restoring, testing and restarting the plant.

Enhancement options to the existing process plant are being examined and costed to reduce process losses and/or recycle the 40% of the material previously put to waste as "oversize" (>1.7mm) for the current plant. Samples of the output concentrate have been sent for testing to a third party for potentially cheaper and more efficient final processing than the existing process. A survey of the mine will be carried out, provided the appropriate financing can be obtained, assessing the material volumes which can be extracted, providing a firm starting point for updating of the pit optimisation and resulting mine plan, and to enable the pit to be restructured back to the extraction plan for safe and efficient working.

The Board believes the Company is well placed compared to its competitors in terms of developing its tantalum assets, despite its historic poor performance. Although the Marropino mine

is currently on a care and maintenance basis, so is the Talison mine (historically the world's largest tantalum producer) in Australia, while the Commerce Resources and MDN Inc projects in Canada and the Adu Dabbab and Nuweibi projects in Egypt are all at a less advanced stage of development than Marropino. Noventa has estimated ore resources of 19 million lbs of Ta₂O₅ (*Source: SRK Consulting (South Africa) (Pty) Ltd Independent Competent Persons Report dated 15 March 2007, included in the Company's AIM Admission Document dated 15 March 2007*) distributed across three deposits. Since January 2007, a total of 218,000lbs of Ta₂O₅ concentrate has been sold from its main operation at Marropino. Although the mine is on care and maintenance at present, with appropriate financing, the Board believes a restart could be achieved within five months.

The new Board has recently been further strengthened by the appointment of a southern African mining specialist, Peter Cox who has experience of Tantalum mining and processing. The intention is to keep the company public and proceed if possible with the re-opening of existing operations with the defects rectified, necessary enhancements implemented and strict management controls.

Mozambique

- Noventa's principal mining and processing assets are located in the central Zambezia province of Mozambique.
- Mozambique became an independent country in 1975 after 500 years as a Portuguese colony. In 1977, civil war erupted lasting for 15 years destroying much of the country's infrastructure. In 1992, political stability returned to Mozambique with major investments becoming increasingly prevalent.
- Other major mining investments in Mozambique include:
 - BHP Billiton invested US\$2,200million in the Mozal aluminium smelter between 1998 – 2003;
 - VALE is in the process of investing US\$1,300million in the Moatzie coking coal & infrastructure project; and
 - Kenmare invested US\$450million in the Moma titanium slag project in 2004 – 2009.
- Mozambique is one of the poorest countries in the world with 70% of the population below the poverty line. Approximately 80% of the country's work force is employed in subsistence farming; the government is reliant upon foreign aid to balance its budget each year; main industries providing export revenue are aluminium, electricity, cotton, sugar, timber and prawns.

Principal Assets of the Company

- Total in-situ ore resources of 19 million lbs of Ta₂O₅ are distributed across three properties. The operation at Marropino is currently on a care and maintenance basis.
- The Marropino plant and associated equipment which was designed to produce up to 340,000lbs per annum, a level of production which the Board believes can be achieved with certain improvements and modifications.

The Board of Directors

- **Eric Kohn TD, BSc, FCIM, FCMI, FInstD**, (Executive Chairman) Age 64 - Mr Kohn has had thirty years of experience in international industrial automation, marketing, manufacturing and management as well restructuring and turnarounds of private and public companies in Europe and the US. He has been the Managing Partner at BFS, an advisory investment banking firm, since its foundation in 1987 and is registered with the FSA. He is a director of Avcorp Industries Inc, a Canadian aerospace company listed on the Toronto Stock Exchange. Mr. Kohn joined the board in June 2009.
- **John Allan**, (Chief Executive Officer) Age 59 - Mr. Allan has extensive experience in project management. Following a distinguished career as an officer in the British Army, Mr. Allan joined SG Warburg in 1987, becoming Global Head of Premises and Administration. He was a member of the planning team for the mergers of SG Warburg with Swiss Bank Corporation to form SBC Warburg and subsequently SBC Warburg with Union Bank of Switzerland to form UBS Warburg. He has handled many complex projects and difficult situations at top management levels and as a consultant for UBS, prior to leaving in 2008. Mr. Allan joined the Board in July 2009.
- **Peter Cox**, (Executive Director) Age 55 - Mr. Cox is currently Managing Director of Goldline Global Consulting (Pty) Ltd (“Goldline”), a multi-skilled consulting engineering company serving the mining industry globally. Goldline’s activities include, inter alia, management contracts such as operating mines on behalf of the mine owners; ore reserve valuations; feasibility studies; and consulting engineering solutions including mine design. Prior to founding Goldline in 1991, Mr. Cox was a Consulting Engineer, General Manager and a director of subsidiary companies for Severin Southern Sphere Mining Ltd – a privately owned mining and exploration company from 1987 until June 1991. Mr. Cox is a qualified Civil and Mining Engineer and has consulted to and managed tantalite mining operations in Southern Africa. Mr. Cox joined the board in August 2009.
- **Timothy Griffiths**, (Non Executive Director) Age 62 - Mr. Griffiths has 35 years experience in international finance. He is the Founder and Executive Director of the Chescor Capital Group. Mr.Griffiths is a Fellow of the Institute of Chartered Accountants in England & Wales, a Member of the Securities Institute, and registered in senior management, compliance and client facing capacities with the FSA. Mr. Griffiths joined the Board in July 2009.
- **Martin Hinxman**, (Chief Financial Officer) Age 50 - Mr. Hinxman is a graduate of Rhodes University and is a member of the South African Institute of Chartered Accountants. He has in excess of 20 years experience in the manufacturing, heavy industrial and mining industries. He has worked in senior executive roles at Consolidated Metallurgical Industries Limited, JCI Limited, JCI Projects (Pty) Limited and MRI Criticare (Pty) Limited. Mr. Hixman joined the Group on a full time basis in 2006, but was involved with the Marropino Mine project from 2002.

It is intended to appoint at least one further independent Non Executive Director as soon as a suitable candidate can be identified.

Past Difficulties

- Previous management were unable to run the operation at a profit, and the business has experienced operational failings, notably:
 - No pilot plant built prior to constructing full scale plant resulting in a plant recovery circa 50% below design level;

- Failure to maintain a consistent power supply from the mine's three generators, which lacked automatic switching systems between the three on failure;
 - Poorly maintained mobile fleet and equipment – run of mine (“ROM”) tonnes circa 40% below plan due to average fleet availability of circa 60%;
 - High levels of management and staff turnover leading to poor productivity through lack of consistency in operational planning;
 - No storage facility for drill core on site – site geologists unable to reconcile actual pit geology with mine plan; and
 - No in-pit grade control or survey procedures followed - daily ROM grade and tonnage largely unknown.
- Revenues that were circa 60% below and operating costs that were circa 50% above plan resulted in a net cash consumption rate on site of approximately \$1million per month during 2008. This in turn resulted in several capital calls at very short notice to certain substantial shareholders until ultimately steps were taken by a majority of shareholders to change the Board, in accordance with the Articles, in July 2009.

Historic Performance

- The business commenced in 2001, with Noventa being admitted to trading on AIM on 27 March 2007. A total of £8.1m was raised on AIM at a share price of 175p giving it a market capitalisation of £60m (\$117m) on Admission.
- The Company made losses of \$14.34m and \$22.57m in 2007 and 2008 respectively.
- On 31 May 2009 the operation at Marropino was placed on care and maintenance due to poor operational performance, with a subsequent cash consumption of circa \$350,000 per month.
- On 9 July 2009 the majority of Noventa's shareholders acted to largely replace the then incumbent Board, appointing new directors with a mandate to take the operation to profitability.

The Placing and Open Offer is required to meet the Group's immediate working capital requirements and should give the Company sufficient funds for the Group to continue to trade until the first quarter of 2010, at which time the Board believes that the Company will require a further injection of funds in order to implement the preferred option for the future and to significantly expand capacity (including the possible development of one or more of its other properties) and sustainability of the business. If this future capital raising proceeds, it is likely to be significantly larger than this current offer and will probably consist of a mixture of new equity and debt. The Placing and Open Offer is subject to a number of conditions, including the passing of the Resolutions. **If the Resolutions are not passed, the Placing and Open Offer will fail and it is likely that the Group will be unable to continue to trade.**

3. Principal terms of the Placing and Open Offer

The Company is proposing to raise up to £2,122,355 (\$3,467,928) (before expenses) by the issue of 53,058,880 New Ordinary Shares pursuant to the Placing and Open Offer, representing approximately 27.74 per cent. of the Enlarged Share Capital. 53,058,880 New Ordinary Shares are being made available to Qualifying Shareholders pursuant to the Open Offer at the Offer Price, payable in full on acceptance. No commissions are payable to Placees.

Qualifying Shareholders may apply for Offer Shares under the Open Offer at the Offer Price on the following basis:

5 Offer Shares for every 4 Existing Ordinary Shares

and so in proportion for any number of Existing Ordinary Shares held on the Record Date. Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Offer Shares. Fractions of Offer Shares will not be allotted to Qualifying Shareholders but will be aggregated and made available under the Excess Application Facility.

Not all Shareholders will be Qualifying Shareholders. Shareholders who are located in, or are citizens of, or have a registered office in certain overseas jurisdictions will not qualify to participate in the Open Offer.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements as shown on the Application Form. Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied, as this will depend in part on the extent to which other Qualifying Shareholders apply for less than or more than their own Open Offer Entitlements. The Company may satisfy valid applications for Excess Shares in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. The Board may scale back applications made in excess of Open Offer Entitlements on such basis as it reasonably considers to be appropriate.

The Placing and Open Offer are conditional, *inter alia*, upon the Placing and Open Offer Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms and on all of the Resolutions being passed at the EGM.

If the conditions are not satisfied, the New Ordinary Shares will not be issued and all monies received by the Receiving Agent will be returned to applicants (at applicants' risk and without interest) as soon as possible thereafter.

The New Ordinary Shares will, subject to the Articles, be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

An application will be made for the New Ordinary Shares to be admitted to trading on AIM.

Intentions of the Directors and others in relation to the Open Offer

Eric Kohn TD, the Executive Chairman, John Allan, the Chief Executive Officer and Martin Hinxman, the Chief Financial Officer, being Qualifying Shareholders and Directors have given irrevocable commitments to subscribe for a minimum total of 1,366,279 New Ordinary Shares through the Open Offer. The current shareholdings of the Directors, their Open Offer Entitlements and their minimum commitments to subscribe under the Excess Application Facility are given in the table below:

<i>Director</i>	<i>Holding of Ordinary Shares on the Record Date</i>	<i>Open Offer Entitlement</i>	<i>Minimum holding of Ordinary Shares on completion of the Open Offer</i>
Eric Kohn TD *	2,000,000	2,500,000	2,625,000
John Allan **	1,000,000	1,250,000	1,625,000
Martin Hinxman	93,023	116,279	209,302

* These shares are held by Barons Financial Services Limited, a Company in which Mr. Kohn has a beneficial interest.

** These shares are held by Ekasure Limited, a Company in which Mr. Allan has a beneficial interest.

4. Issue of Investors Union Shares, Warrants, related party transactions and proposed changes to existing Blackrock and Highland Loan Notes

The Board has agreed to issue, subject to the passing of certain resolutions at the EGM, 500,000 Ordinary Shares to Wills & Co Registrars Limited for the provision of its financial public relations service, Investors Union (<http://www.investorsunion.co.uk>).

Holders of the Conditional Placing Shares will, subject to the passing of certain resolutions at the EGM, be issued with Warrants allowing them to subscribe for 1 Ordinary Share for every 2 New Ordinary Shares held, at a price of 18p per share for a period of 18 months from the date of the EGM.

Loan Note Holders will, subject to the passing of certain resolutions at the EGM, be issued with Warrants allowing them to subscribe for 1 Ordinary Share for every 2 New Ordinary Shares held post conversion of the Loan Notes, at a price of 18p per share for a period of 18 months from the date of the EGM.

Blomfield will under the terms of its engagement letter, subject to the passing of certain resolutions at the EGM, be issued with the Blomfield Warrants giving Blomfield the right to subscribe for 1 million Ordinary Shares at the Offer Price for a period of up to seven years from the date of the EGM.

BFS, which is a related party under the AIM Rules, and which provides the services of Eric Kohn TD, as Executive Chairman, will, subject to the passing of certain resolutions at the EGM, be issued with the BFS Warrants giving BFS the right to subscribe for a number of shares equivalent to 5% of the Enlarged Share Capital at the Offer Price for a period of up to seven years from the date of the EGM. BFS will not be able to exercise these warrants unless the price of the Company's Ordinary Shares maintains a quoted mid-market price on AIM of 25p or higher on a 30 day moving average. The BFS Warrants have been issued to BFS as a turnaround incentive, with their value to BFS being dependent on a substantial rise in the Company's Ordinary Share price. BFS have also been appointed as placing agents to assist in finding subscribers for the Loan Notes and the Placing, for which they will receive a commission of 9% of the funds that they raise. Mr. Kohn did not vote on any on the board resolutions approving these matters.

The Warrants, the Blomfield Warrants and the BFS Warrants will not be admitted to trading on AIM or on any other trading platform.

HAVL, which is a substantial shareholder and related party under the AIM Rules, and BlackRock World Mining Trust plc have historically provided financial support to the Company at very short notice without which the Company could not have continued to trade to date. The Board has therefore recommended that HAVL and BlackRock World Mining Trust plc, subject to the passing of certain resolutions at the EGM, exchange their holdings of Existing Loan Notes (being zero coupon convertible unsecured loan notes) with current outstanding balances of \$4,200,000 and \$800,000 respectively, for new Ordinary Shares in the Company on the same terms as is being offered to Qualifying Shareholders in order to convert the outstanding loan balances into equity as resolutions to approve such conversion at the rate of 15 pence per share, as stipulated in the HAVL and BlackRock

World Mining Trust plc loan notes, were not approved at the Company's annual general meeting in August 2009 and therefore these debts remain on the Company's balance sheet. HAVL and BlackRock World Mining Trust plc have agreed to the terms of this proposal. The US Dollar to GBP exchange rate for this exchange has been set at the prevailing rate of £1:\$1.634, as published in the Financial Times on 4 September 2009. As a result of this exchange, HAVL and BlackRock World Mining Trust plc will be issued with 64,259,486 and 12,239,902 new Ordinary Shares in the Company respectively.

The issue of the BFS Warrants and the payment of placing commission to BFS is a Related Party Transaction as defined under the AIM Rules for Companies. The independent Directors (all Directors other than Eric Kohn), who have consulted with the Company's nominated adviser, believe the terms of the issue of the BFS Warrants and the payment of placing commission to BFS, to be fair and reasonable in so far as shareholders are concerned. In addition, the exchange by HAVL of its zero coupon convertible loan notes for Ordinary Shares is a Related Party Transaction as defined under the AIM Rules for Companies. The Directors, who have consulted with the Company's nominated adviser, believe the terms of the issue to be fair and reasonable in so far as shareholders are concerned.

5. Current trading and prospects

The Group made a loss of US\$5.226m during the six months to 30 June 2009 on sales of US\$2.204m. Full details of financial results for this period and the last set of full year audited accounts, for the year ended 31 December 2008, can be viewed at the Company's website, www.noventa.net.

The Company's financial results reflect its inability in the past to reach a production level that exceeded breakeven. This was substantially due to the level of oversize material that was rejected in the recovery process. In addition, the lack of maintenance and attention to detail contributed to these poor results, along with the historic lack of connection to the national grid power supply, a situation exacerbated by the mine operating on three different types of generator with no automatic switchover, resulting in substantial downtime.

The Board believes that with the installation of the national grid power supply at the mine due this month and rectification and enhancements contemplated to the Plant as well as planned maintenance and good management practices, together with reduced transport costs, the production levels required for profitability should be attainable, provided appropriate finance can be obtained to support these plans.

The Company's mine has been on a care and maintenance basis since May 2009, so no sales are currently being generated. The Company remains loss making and cash flow negative at the current time.

Apart from gold, most metals have experienced losses of up to half their value during the current economic downturn; conversely, tantalum has hardly moved in value. The Board believes that the medium term outlook for the metal is encouraging, as demand is expected to outstrip supply in 2010 and 2011, and following one third of global primary production having been withdrawn from the market in the last nine months; government inventories are now fully exhausted and customer stocks are at historic low levels. New projects in the Middle East and Canada are at least two years away from commercial production.

The Board believes that demand will be pushed higher next year by an increase in the production of micro-electronic goods after a period of recession. Tantalum's primary use is in the manufacture of capacitors for microelectronic circuits. Tantalum capacitors are key components in mobile phones, computer motherboards and audio/visual equipment. Substitutes including niobium and ceramic capacitors offer lower costs but also lower performance and larger size.

The Tantalum Market

Supply Issues

- In 2008, global primary production of Ta₂O₅ was estimated to be 3.55 million lbs representing 57% of the total market of 6.0 million lbs.
- Globally there are seven major producers of tantalum feedstock of which Noventa was number seven in 2007; producers are a mix of private, public and government owned entities. The remaining supplies come from small scale artisanal miners, existing stocks and recycling.
- In 2007 the largest producer was Talison (private company) accounting for 33% of primary production. An attempt to negotiate significantly higher tantalum prices failed last year and on 23 December 2008 Talison put its tantalum operations on a care and maintenance basis.
- Important sources of secondary supply included US Government inventory. However in December 2006 the US Government announced it had sold its remaining material.
- To date buyers have survived on their own supply of inventory. However since Q4 2006, these stocks have been run down and are now at historic low levels in relation to sales. It is estimated that global inventories would last no more than 12 months at current levels of consumption.
- Coltan – estimated at 0.4 million lbs per annum (10% of world production) - is a tantalum/niobium concentrate sourced mainly from central Africa. This material is recognised as a source of funding for local militias and is deemed by the tantalum industry as an unethical source of supply. However, as it is sold at a steep discount, it displaces ethically sourced tantalum feedstock, principally amongst Chinese users.

Demand Issues

- Buying power is highly concentrated with the top two buyers - US based Cabot Corporation and European based HC Starck - controlling 75% of the market.
- Demand for electronic equipment drives the demand for capacitors.

Price Issues

- The Ta₂O₅ spot price, as reported by Metals Bulletin, is currently US\$35/lb. However, industry prices are mainly determined at privately held negotiations between producers (miners) and buyers (wire & powder manufacturers); long term contracts (>7 years) for fixed volumes are common and contract prices are currently thought to be within the US\$50 - \$60/lb range valuing the current primary Ta₂O₅ market at US\$200million per annum.
- Historically, spot prices have been stable. However, during the tech bubble in 2001 prices spiked above US\$200/lb as a combination of speculators and a perceived supply shortage caused spot prices to increase 600%. *Tantalum: Global Outlook 2009-2013*, published by Paumanok Publications Inc. forecasts prices to rise to US\$100/lb by 2011. Typically however over the long term, tantalum prices have consistently shown growth year on year.
- Despite significant increases in mine operating costs, especially energy and steel related costs, tantalum prices have not responded in the same way to the demand for global minerals. Copper, a major raw material used in the electrical industries, has seen its price increase 317% since 2002 whilst tantalum prices have increased by only 17%.

6. Circular to Shareholders and Extraordinary General Meeting

A circular containing full details of the Placing and Open Offer will, subject to the approval of the Jersey Financial Services Commission, be sent to shareholders shortly, which will convene an EGM as required by the Articles.

7. Definitions

In this announcement, except where the context permits, the expressions set out below shall bear the following meanings:

“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	collectively the AIM Rules for Companies and the AIM Rules for Nominated Advisers;
“AIM Rules for Companies”	the AIM Rules for Companies issued by the London Stock Exchange governing the admission of securities to trading on, the continuing obligations of those companies with shares admitted to trading on AIM and the operations of, AIM;
“AIM Rules for Nominated Advisers”	the AIM Rules for Nominated Advisers issued by the London Stock Exchange;
“Application Form”	the application form to be sent to Qualifying non-CREST Shareholders in connection with the Placing and Open Offer;
“Articles”	the Articles of Association of the Company;
“BFS”	collectively Barons Financial Services S.A., Barons Financial Services (U.K.) Limited and Barons Financial Services Limited;
“BFS Warrants”	the warrants over Ordinary Shares equivalent to 5% of the Enlarged Share Capital to be issued to BFS;
“Blomfield”	Blomfield Corporate Finance Limited, the Company’s Nominated Adviser for the purposes of the AIM Rules;
“Blomfield Warrants”	the warrants over 1,000,000 Ordinary Shares to be issued to Blomfield;
“Capita Registrars”	a trading name of Capita Registrars Limited;
“Companies Law”	the Companies (Jersey) Law 1991 (as amended);
“Company” or “Noventa”	Noventa Limited (company number 95036);
“Conditional Placing Shares”	8,750,000 New Ordinary Shares that have been subscribed for, conditional only on the passing of the required resolution at the EGM;
“CREST”	the relevant electronic settlement system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“Directors” or “Board”	the board of directors of the Company as at the date of this

	announcement;
“EGM”	the extraordinary general meeting of the Company to be convened shortly;
“Enlarged Share Capital”	the issued ordinary share capital of the Company immediately following: approval at the EGM to issue Ordinary Shares on conversion of the Loan Notes; the Placing and Open Offer; approval at the EGM to issue the Conditional Placing Shares; approval at the EGM to issue the Investors Union Shares; and approval at the EGM to issue Ordinary Shares in exchange for the outstanding balances of the Existing Loan Notes;
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer;
“Excess Shares”	Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility;
“Existing Loan Notes”	US\$5,000,000 in total of zero coupon convertible unsecured loan notes held by HAVL and BlackRock World Mining Trust plc;
“Existing Ordinary Shares”	Ordinary Shares in issue at the Record Date;
“FSA”	Financial Services Authority of the UK;
“FSMA”	Financial Services and Markets Act 2000, as amended;
“GBP” or “£”	Pound Sterling, the lawful currency of the UK;
“Group”	the Company and its subsidiaries;
“HAVL”	Highland African Ventures Limited, a Jersey incorporated investment holding company whose ultimate controlling shareholder is Fleming Family & Partners (Liechtenstein) AG, a Liechtenstein registered trust company which is acting in its capacity as trustee of a settlement, the beneficiaries of which are members of the Fleming family;
“Investors Union Shares”	500,000 Ordinary Shares to be issued to Wills & Co Registrars Limited for financial public relations services on the passing of the Resolutions;
“Loan Note Holders”	the registered holders of the Loan Notes;
“Loan Notes”	the £400,000 zero coupon convertible unsecured loan notes of GBP1.00 each issued to the Loan Note Holders on 10 September 2009 which will convert into 10,000,000 New Ordinary Shares conditional on the passing of the Resolutions;
“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	together, the Offer Shares, the Conditional Placing Shares, the Placing Shares and the Ordinary Shares issued to the Loan Note Holders on conversion of the Loan Notes;

“Offer Price”	4p per Placing Share;
“Offer Share(s)”	the up to 53,058,880 new Ordinary Shares being made available to Qualifying Shareholders under the Open Offer;
“Open Offer”	the conditional invitation made to Qualifying Shareholders to apply to subscribe for the Offer Shares at the Offer Price on the terms and subject to the conditions to be set out in Placing and Open Offer documentation and in the Application Form to be sent to Shareholders;
“Open Offer Entitlement”	the pro rata entitlement of Qualifying Shareholders to subscribe for Offer Shares allocated to Qualifying Shareholders on the Record Date pursuant to the Open Offer;
“Ordinary Shares”	ordinary shares of £0.0004 each in the capital of the Company;
“Overseas Shareholders”	a Shareholder with a registered address outside the United Kingdom;
“Placees”	persons subscribing for Placing Shares at the Offer Price;
“Placing”	the placing of the Placing Shares by RHH pursuant to the Placing and Open Offer Agreement;
“Placing and Open Offer Agreement”	the conditional agreement between (1) the Company, (2) the Directors (3) Blomfield and (4) RHH relating to both the Open Offer and the Placing;
“Placing Share(s)”	the New Ordinary Shares which may be subscribed for, subject to clawback to satisfy valid applications under the Open Offer;
“Prospectus Rules”	the rules made by the FSA pursuant to sections 73A(3) and (4) of FSMA;
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholder who has a registered address in a Restricted Jurisdiction);
“Receiving Agent”	Capita Registrars Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU;
“Registrar”	Capita Registrars (Jersey) Limited, PO Box 532, St Helier, Jersey JE4 5UW;
“Related Party”	BFS and HAVL;
“Resolutions”	the resolutions to be proposed at the EGM;
“Restricted Jurisdiction”	each and any of the United States, Australia, Canada, and Japan;
“RHH”	Religare Hichens, Harrison plc, the Company’s corporate broker;
“Shareholders”	holders of Ordinary Shares;
“UK”	the United Kingdom of Great Britain and Northern Ireland;
“USD” or “\$”	United States Dollar, the lawful currency of the United States of America;

“Warrants”

together the warrants over 4,375,000 Ordinary Shares to be issued to subscribers to the Conditional Placing Shares and the warrants over 5,000,000 Ordinary Shares to be issued to the Loan Note Holders.

10 September 2009

For further information please contact:

Eric F. Kohn TD
Chairman
Noventa Limited
+41 22 8500560
+41 79 5030150
www.noventa.net

Nick Harriss/Emily Morgan
Blomfield Corporate Finance Limited
+44 20 7489 4500

Daniel Briggs
Religãre Hichens, Harrison plc
+44 20 7382 7776