



11 December 2014

**Nyota Minerals Limited
(‘Nyota’ or ‘the Company’)**

CORPORATE AND LICENCE UPDATE

Nyota Minerals Limited (ASX/AIM: NYO), the exploration company, is pleased to provide a licencing update for its 100% owned Northern Block exploration licences in Western Ethiopia (‘Northern Blocks’) (Figure 1) and its strategy.

Overview

- Brantham and Towchester annual licence renewals received
 - Significant reduction in renewed licence area as a result of a decision by the Ethiopian Ministry of Mines not to renew or issue exploration licences in any areas to be affected by the Grand Ethiopian Renaissance Dam
 - None of the priority exploration targets affected
- The Mining Licence application for the mechanised mining of the Abay River (or Blue Nile) gravel terraces is being considered internally by the Ministry of Mines and, as is necessary, other government departments – progress will be reported to the market in due course when Nyota is informed
 - Preparations for mobilisation have been suspended until such time as definitive guidance is provided by the Ministry of Mines
- New opportunities in Ethiopia and in additional jurisdictions being considered in gold and other commodities

BRANTHAM and TOWCHESER LICENCE RENEWAL

100% owned by Nyota

As described in the September 2014 operational update, Nyota applied for the annual renewal of the licences prior to their expiry in July as follows:

- The application for the renewal of the Towchester licence was for the Gombo block only. The decision having been taken that further exploration expenditure could not

be justified on the Dura Block as the likelihood of discovering a deposit that is economically viable at this time, is low and without a commitment to exploration expenditure the chances of the licence being renewed were also low.

- The application for the renewal of the Brantham licence included only the statutory 25% reduction in the area. The main body of the licence being characterised by a northwest alignment of anomalies and targets extending for approximately 45km from Boka West in the southeast to Tsoli-Mole in the northwest, running through Bendokoro in the middle and interpreted to be located along a NW-SE trending regional scale structure.

Following submission, the Ministry of Mines has taken the decision not to renew any licence areas (or to issue new exploration licences) that will be affected by the Grand Ethiopian Renaissance Dam. This primarily affects the Towchester licence, where the rationale for the renewal of those areas was to conduct exploration and prospecting in support of the proposed mechanised mining of the alluvial deposits that will be inundated by the rising water level.

In the event the following licence areas have been renewed this week by the Ministry of Mines (see also Figure 1) with an effective date of 30 July: Brantham 717 km² (reduced from 1,346 km²); Towchester 48 km² (reduced from 1,002 km²), excluding the mining licence application area of 48km² (see below).

The new licences keep intact the NW-SE lineament of anomalies within the Brantham area and preserve for Nyota the extension of that lineament in the Towchester licence; which is particularly important as this is immediately adjacent to the Boka West target. However the remainder of the Towchester licence has either been relinquished or was not renewed.

MINING LICENCE APPLICATION FOR MECHANISED ALLUVIAL MINING

The application for a Mining Licence, submitted in the name of Towchester for the conversion of a portion of the exploration licence as it was in April 2014, is unaffected by the decision not to renew or to issue exploration licences for any areas that will be affected by the rising water of the dam. Indeed, the intent of this application and its timeliness was precisely because the river gravels will be submerged and their value otherwise lost.

The application is still being considered by the Ministry of Mines and, as is necessary, by other government departments. Those deliberations are internal and Nyota cannot, therefore, report progress with the application. The need to preserve cash and to focus human resources means that the preparations reported in September have been suspended until such time as it has a clear and unequivocal view of the likely outcome and timing.

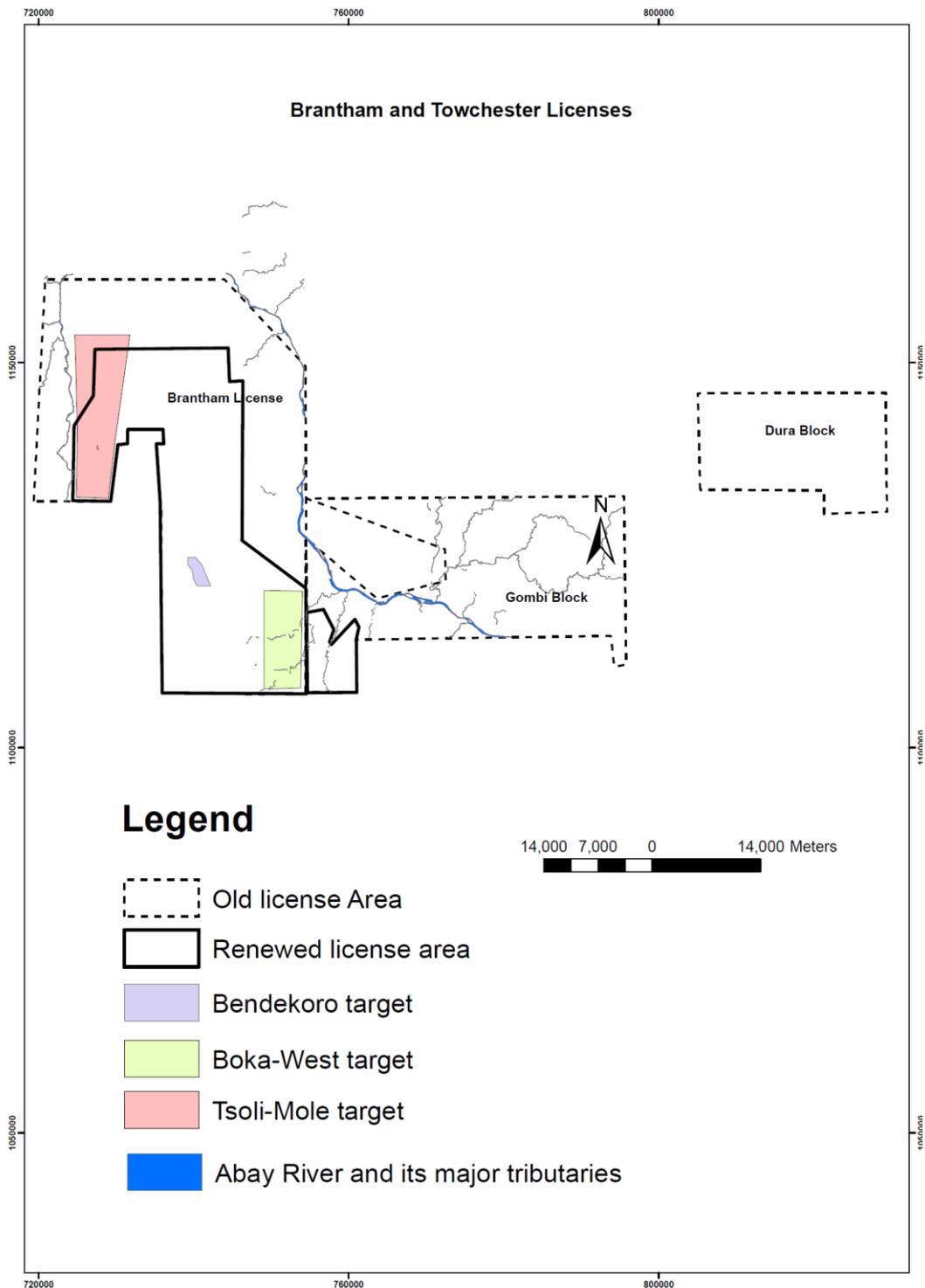
NEW PROJECTS AND OPPORTUNITIES

The Directors continue to review new opportunities as they arise. These include new projects inside Ethiopia and elsewhere and in a variety of commodities.

The primary objective of the Board is to regenerate the Company following the disposal of the Tulu Kapi project and the distribution of its shareholding in KEFI Minerals shares to eligible Nyota shareholders; as set out in the Shareholder Circular for the approval of that transaction.

The Board will provide further updates in due course.

Figure 1: Map of Brantham and Towchester Licences



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