NYOTA MINERALS LIMITED

A.C.N. 060 938 552

HALF-YEAR REPORT
31 DECEMBER 2013

DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Nyota Minerals Limited and the entities it controlled at the end of, or during the half-year ended 31 December 2013.

DIRECTORS

The names of the Directors of the Company in office during the whole of the half-year and until the date of this report are:

Neil Maclachlan, Richard Chase, Michael Langoulant, Evan Kirby and Norman Ling.

Neil Maclachlan and Norman Ling are due to step down at the Company's Annual General Meeting on 17 March 2014.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Following a period of extensive corporate activity, Nyota has entered 2014 as a diversified Ethiopian gold exploration company with development upside.

During the period, the Company completed the sale of 75% of the Tulu Kapi gold project ('Tulu Kapi') and the proximal exploration licences to KEFI Minerals plc ('KEFI'). Nyota's portfolio now consists of the 100% owned Northern Blocks, where work has kick-started to advance numerous targets previously identified over 2,300 sq km of land; a 25% interest in KEFI Minerals (Ethiopia) Limited (formerly Nyota Minerals (Ethiopia) Limited), the 100% owner of the Tulu Kapi project; and a 12.5% shareholding in KEFI (107,081,158 ordinary shares), which not only increases its exposure to Tulu Kapi to 34%, but also provides Nyota with access to upside across the rest of KEFI's portfolio, which includes gold assets in the Kingdom of Saudi Arabia ('KSA'). Following the release of an updated JORC resource for Tulu Kapi, Nyota is required to contribute its pro-rata equity share of the corporate budget for KEFI Minerals (Ethiopia), or otherwise see its holding diluted.

The Company's exploration assets in Ethiopia comprise the "Northern Blocks" consisting of the Brantham and the Towchester licences. Known occurrences of both alluvial and primary gold exist within these tenements and although the license areas are sparsely populated, several thousand artisanal miners are actively engaged in hand digging and panning to recover gold, most especially from the extensive river sediments deposited by the Abay River ("alluvial" deposits). The license areas are highly prospective for economically significant deposits of both primary gold and alluvial gold which would not be amenable to exploitation by artisanal methods.

In line with its strategy to systematically identify and prioritise exploration targets for drilling in the Northern Blocks, Nyota has appointed SRK Exploration Services Limited ('SRK') to conduct a competent person's review. This marks an exciting acceleration in activity at the licences, and accordingly this area is anticipated to be a significant source for future Nyota news flow in the near term. Subject to financing, the Company hopes to be in a position to drill its prioritised targets in 2014. Joint venture opportunities for the Northern Blocks will also be considered.

On a corporate level, with the sale of a majority interest in Tulu Kapi now complete, the Board is now in a position to also focus on the evaluation of new assets which have the potential to enhance the value of Nyota's portfolio. Joint venture opportunities for the Northern Blocks will also be considered. The Board also continues to implement cost cutting initiatives and is targeting a corporate run rate of less than $100,000 per month from Q2 2014.

Finally, I would like to thank Norman Ling and Neil Maclachlan, who have agreed to step down as part of the corporate strategy, for their contribution to the Company.

Richard Chase
14 March 2014

REVIEW AND RESULTS OF OPERATIONS

NORTHERN BLOCKS

Nyota owns 100% of each of the two Northern Block exploration licences, which combined, span 2,300 sq km of prospective land in western Ethiopia. The areas, located on the Adola Greenstone Belt, have a strong structural control and known alluvial and primary gold occurrences. Importantly, the licences are three years old with a maximum tenure, subject to renewals, of 10 years.

Work undertaken to date includes an airborne geophysical survey; satellite image interpretation; heavy mineral concentrate, stream sediment, rock and channel sampling; ground geophysics, trenching and mapping; and drilling at the Bendokoro prospect which was undertaken in H1 2012 and showed the presence of gold in the system. This has already identified a range of targets for follow up exploration.

Remote sensing (satellite imagery and the digital elevation model) has also identified at least 90 square kilometres of alluvial river terraces. These terraces are highly prospective for gold and whilst they are alluvial in origin their size is such that fully mechanised mining can be contemplated. Nyota identified this gold potential in 2011 and had a preliminary scoping study completed in 2012. However the bulk sampling required for grade estimation was not undertaken at the time due to the Tulu Kapi feasibility study and mining license application. Preliminary discussions have been held more recently with the Ethiopian Ministry of Mines regarding permitting of a mechanised project in this area and a new work programme is being designed to evaluate the economic viability in the short term.

No field work was conducted on the Northern Blocks during the six month period covered by these interim results, but a field work programme is now underway by Nyota's in-country geological team focused on Boka West (that is near drill-ready) and at the Bar and Cloen targets. Boka West is located between Bendokoro and Boka Sirba, along a 20km north-west trending structural break in the central part of the Brantham license area. Bar and Cloen are at the northeastern end of the Towchester license area.

SRK has been engaged to prepare a Competent Person's Report ('CP all the work undertaken by Nyota since the acquisition of the Northern Block licences and to review the fieldwork for the current field season between February and July 2014. The delivery of the report is expected in Q1 2014.

Boka West

The Boka West target was identified primarily through a combination of artisanal workings, analysis of heavy mineral concentrate samples and rock chip sampling. It lies along the northwest-trending lineament that runs from Boka Sirba, through Bendokoro to Tsole-Mole (See Figure 1).

The gold-in-soil anomaly (defined by samples containing in excess of 0.02 g/t gold, with a peak of 0.39 g/t gold) extends for 2km in length and is up to 500m wide. It is coincidental with anomalies for copper, zinc and bismuth. Gold mineralisation is associated with meta-sedimentary rocks (including marble, quartzite and mixed quartz-sericite and quartz-chlorite schist) marginal to syn-to-post tectonic intrusives.

Seven trenches were previously excavated over the central part of the anomaly and four returned significant gold intersections with peaks of 7.40m at 1.49g/t Au; 7.10m at 2.56g/t; 5.00m at 1.03 g/t Au; and 1.00m at 10.85g/t.

Over the next ten weeks the plan is to conduct a gradient array IP geophysical survey and detailed geological mapping along with additional trenching in order to properly define the drill targets.

Bar and Cloen

Bar and Cloen targets are located in the Towchester licence area. They were selected initially based on the previous reconnaissance work of the Geological Survey of Ethiopia that showed gold grains in heavy mineral concentrates samples coincidental with sulphide mineralisation. Supporting evidence came from the airborne geophysical survey completed by Nyota in 2010 and observation of the Midroc Gold deposit at Jilaye, approximately 9km east of the Bar target, in that company's Metekel Exploration Licence.

Work on the Bar target area returned a high gold count in heavy mineral concentrate (6-12 grains), stream sediment samples (6-62 ppb Au) and rock chip samples (41-102 ppb Au). These anomalous samples are from the vicinity of a contact zone between carbonate and other meta-sedimentary rocks, and igneous intrusive rocks. An overlapping copper – lead – arsenic stream sediment anomaly supports the potential for anomalous primary mineralisation. Based on the favourable geological setting and geochemical analysis an area of approximately 8.6 km^2 has been delineated for detailed follow-up.

The Cloen Target was found to be dominantly underlain by north-west striking package of meta-sedimentary rocks and acidic to intermediate schistose volcanic units.

A cluster of high gold grain counts in heavy mineral concentrate and stream sediment samples is seen in the western part of the target. Rock-chip samples picked from a schistose, acid volcanic unit returned values of 103ppb to 1060 ppb (1.06g/t) gold, with corresponding anomalism in copper (up to 0.45%), silver and zinc. The occurrence of an acid volcanic schist with disseminated sulphide, grading locally to massive sulphide, within multi-element anomalism and the presence of barite suggests a possible volcanogenic massive sulphide (VMS) setting. Based on these encouraging results, a 23km^2 area has been delineated for detailed follow-up.

JOINT VENTURE PARTNER FOR TULU KAPI

On 30 December 2013, Nyota completed the sale of 75% of the issued share capital of Nyota Minerals (Ethiopia) Limited ("NMEL") (the 'Sale'), the Company's then subsidiary that owns 100% of Tulu Kapi. (Note: Post period end, NMEL was re-named KEFI Minerals (Ethiopia) Limited)

The Group received £1.285 million in cash (including a working capital loan pre-completion) and 107,081,158 ordinary shares in the capital of KEFI as consideration for the Sale, and Nyota and KEFI are now joint venture partners in respect of Tulu Kapi and the proximal licence areas; with KEFI appointed as manager. The Sale has enabled Nyota to realise some immediate value while retaining a 25% direct interest in the asset and an indirect 9% interest via its 12.5% shareholding in KEFI. Accordingly, the Company has the flexibility to fund its equity interest or to be diluted depending on the future of the asset.

Tulu Kapi was placed on a care and maintenance programme during the period as the KEFI transaction was negotiated. However, with the renewal of the exploration licence in November 2013, and based on the agreed initial work programme, the project is poised to be quickly ramped-up again.

Post-period end, fieldwork re-commenced at Tulu Kapi. Work is focused on updating and upgrading the |October 2012 JORC Resource of 1.9Moz @2.34 g/t Au, comprising 1.1Moz @2.36g/t Indicated and 0.8Moz @2.30g/t Inferred. KEFI released an announcement on 12 March 2014 regarding an updated Resource at Tulu Kapi, however Nyota has not had the opportunity to review KEFI's findings but will do so as soon as practical. As the findings are considered to be a material change, further announcements to the market can be expected to follow in order to satisfy Nyota's ASX/JORC 2012 reporting requirements. KEFI has stated that a new mining license application will be made before the end of 2014.

Nyota's Directors believe that KEFI represents a solid partner and that the Tulu Kapi project will benefit from its experienced technical team who have recognised the potential of the project and the optimisation work completed in 2013. Strong geological similarities exist between KEFI's Jibal Qutman project in KSA and Tulu Kapi, which will benefit the on-going development of the project.

Shareholders will be advised of developments as they are announced by the joint venture.

CORPORATE AND FINANCE

Following completion of the KEFI transaction, Nyota had cash of $2.0 million as at 31 December 2013. Corporate administration expenditure during the half year was inflated by $170,000 of deal costs and other one-off corporate costs related to the General Meeting called by one the Company's largest shareholders, legal advice and alternative transactions. Similarly, some one-off costs will be paid out in Q1 2014, including Nyota's share of the initial payment of the NMEL VAT liability (explained further below) and some professional fees relating to the Sale that were contingent upon success.

The Company will need to raise funds in the first half of 2014 in order to fund the Company's share of the on-going costs at Tulu Kapi and to continue the focused exploration programme to advance the Company's Northern Block exploration properties. The Directors believe that significant value exists in both of these assets.

Nyota may elect not to fund its pro-rata share of Tulu Kapi but will suffer dilution of its shareholding as a result.

Action was also taken to further significantly reduce corporate costs during the quarter and immediately after the period end. This includes:

I. The London operations of Nyota moved out of the legacy office in Holborn to a much smaller serviced office, thereby more than halving monthly office costs while limiting the Company's exposure to the rest of the lease term and introducing flexibility for the future;

II. The management will be reduced as befits an exploration company, with only two people in the London office from May;

III. Richard Chase, the Company's CEO, has accepted a variation to his contract of employment with effect from 1 January 2014, reducing his salary by 40%. He receives no other fees or benefits from the Company; and

IV. Two directors, Norman Ling and Neil Maclachlan, will be standing down following the Annual General Meeting on 17 March 2014.

On 28 October 2013 NMEL received an assessment from the Ethiopian Revenue and Customs Authority ('ERCA') for the accrued reverse VAT liability relating to the provision of foreign services in Ethiopia; primarily for the drilling undertaken at Tulu Kapi between 2009 and 2013. An accrual was made in each of the last two years' audited accounts of the subsidiary and the consolidated accounts of Nyota, but payment was deferred whilst the mining licence application was being considered. Negotiations with ERCA for payment have been positive and, in accordance with the relevant law, an initial payment of 25% of the assessed amount was made on 31 January 2014, of which Nyota's share was 25%; equivalent to $371,618.

SUBSEQUENT EVENTS

The 2013 Annual Report for the Group was published on 5 February 2014, following completion of the transaction with KEFI. Trading in the Company's shares and depositary interests had been suspended on ASX and AIM, respectively, due to the late filing of the Annual Report, but was restored following publication.

On 12 March 2014, Nyota agreed to assign the existing lease over its London office to a third party. The lease, which runs to 6 August 2016, is subject to annual rent payments of £68,400 per annum, the full cost of which have transferred to the assignee.

There are no other matters or circumstances that have arisen since 31 December 2013 that may significantly affect operations, results or the state of affairs of the group in future financial years.

OUTLOOK

Nyota has commenced the year with exposure to a range of activities across multiple gold assets in Ethiopia and beyond. The work currently being undertaken across each of its assets has the potential to increase the current value of each project. In particular, the imminent SRK CPR is anticipated to reaffirm the strong prospectivity of the Northern Blocks, positioning the Company to secure funds and henceforth implement a defined drill programme to fully understand the potential of its assets in 2014.

The Company is focussed on strengthening its position as a prominent African focussed gold explorer with development upside in the near term. With this in mind, the Board is also proactively assessing a range of additional, value accretive resource and corporate opportunities and will make announcements on these, and its strong array of operational activities, at the appropriate time.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report and in the financial report. Amounts in the directors' report and the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollars.

GOING CONCERN

The group incurred a loss for the half year of $3,065,000 (2012- $3,431,000) and operating cash outflows of $1,886,000 (2012- $3,496,000). At 31 December 2013, the Group had net current assets of $1,241,000.

The Directors have prepared cash projections showing the need to raise additional funds to finance the Group's proposed minimum exploration work programme and working capital requirements for the next twelve months.

Nyota has the right to maintain its 25% interest in KEFI Minerals (Ethiopia) by funding its pro-rata share of that company's expenditure, or to be diluted accordingly. The principal commitment of KEFI Minerals (Ethiopia) is the Tulu Kapi project. To maintain the 25% interest, the Company's commitment according to the current budget is $1,417,000 from 01 March to 31 December 2014. In addition, there are work programme commitments of $1,274,000 in the current exploration license periods to maintain tenements, The Directors' cash projections show that its pro-rata share of funding for KEFI Minerals (Ethiopia) would be the majority of the working capital requirement of the Group for the next 12 months provided that the company is able to and elected to do so. Notwithstanding this the Directors believe that it is in the Company's best interests to maintain its 25% shareholding in KEFI Minerals (Ethiopia) by funding its pro-rata share whenever possible. However, it is not required to do so and can be diluted accordingly.

The Group's ability to continue as a going concern while meeting its preferred minimum exploration work programme is dependent upon the Group being successful in completing a capital raising and/or asset sale and/or joint venture agreement in the next 12 months.

The Directors have taken further steps to reduce the Group's corporate overheads and other expenditure in order to reduce the risk, however there can be no guarantee that sufficient funds can be raised through one or all of the above mechanisms or that the funds raised will meet the Group's requirements. Failure to raise the required funds will result in the Group failing to meet its proposed exploration work programme and working capital requirements and/or in its interest in KEFI Minerals (Ethiopia) being reduced.

As a result of these matters, there is a material uncertainty that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. However, the directors believe that the Group will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

The attached half year financial report contains an independent auditor's report which includes an emphasis of matter paragraph relating to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial statements. For further information, refer to Note 1 to the financial statements, together with the auditor's report.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. A copy of this Independence Declaration is set out on page 8.

Dated at Perth this 14th day of March 2014.

Signed in accordance with a resolution of the Directors.

R Chase
Chief Executive Officer

Competent Person

The technical exploration information contained in this announcement has been reviewed and approved by Mr R. Chase, Chief Executive Officer of Nyota Minerals Limited. Mr Chase has sufficient experience which is relevant to the activities and results that he is reviewing to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results and as a qualified person under the AIM Note for Mining, Oil and Gas Companies. Mr. Chase is an employee of Nyota Minerals Limited and is a Member of the Institute of Materials, Minerals and Mining and a Fellow of the Geological Society of London. Mr Chase consents to the inclusion in this announcement of such information in the form and context in which it appears.

The information relating to the Company’s past exploration results and reported resources was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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Auditor's Independence Declaration

As lead auditor for the review of Nyota Minerals Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Nyota Minerals Limited and the entities it controlled during the period.

Craig Heatley
Partner
PricewaterhouseCoopers

Perth
14 March 2014

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	Notes	**Half-year Ended 31 Dec 2013 $'000**	Half-year Ended 31 Dec 2012 $'000
Revenue from continuing operations			
Other revenue		**5**	20
Other expenses from continuing operations			
Administration		**(2,089)**	(3,289)
Loss on disposal of subsidiary	2	**(959)**	-
Impairment of assets		**-**	(104)
Foreign exchange gains		**31**	28
Share based compensation expense		**(53)**	(86)
Loss before income tax		**(3,065)**	(3,431)
Income tax expense		**-**	-
Loss for half year		**(3,065)**	(3,431)
Other comprehensive expense / income			
Items that may be reclassified to profit and loss:			
Changes in fair value of available for sale financial assets, net of tax		**(165)**	(138)
Exchange differences on translation of foreign operations		**(32)**	763
Other comprehensive (expense) / income for the half year		**(197)**	625
Total comprehensive loss for the half year		**(3,262)**	(2,806)
Total comprehensive loss for the half year attributable to members of Nyota Minerals Limited		**(3,262)**	(2,806)
Loss per share from continuing operations attributable to the ordinary equity holders of Nyota Minerals Limited			
Basic loss per share		**(0.4)**	(0.5)
Diluted loss per share		**(0.4)**	(0.5)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	31 Dec 2013 $'000	30 June 2013 $'000
ASSETS			
Current assets			
Cash and cash equivalents		**2,006**	2,434
Trade and other receivables		**159**	298
Total current assets		**2,165**	2,732
Non-current assets			
Investment in associates	2	**2,007**	-
Available-for-sale assets	3	**3,762**	228
Property, plant and equipment		**188**	861
Exploration and evaluation expenditure	4	**2,033**	15,211
Total non-current assets		**7,990**	16,300
Total assets		**10,155**	19,032
LIABILITIES			
Current liabilities			
Trade and other payables	6	**869**	6,496
Provisions		**55**	96
Total current liabilities		**924**	6,592
Total liabilities		**924**	6,592
Net assets		**9,231**	12,440
EQUITY			
Contributed equity	7	**185,699**	185,699
Reserves		**2,617**	2,761
Accumulated losses		**(179,085)**	(176,020)
Total equity		**9,231**	12,440

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR HALF-YEAR ENDED 31 DECEMBER 2013

	Attributable to the owners of Nyota Minerals Limited			
	Contributed equity $'000	**Accumulated losses $'000**	**Reserves $'000**	**Total equity $'000**
Balance 1 July 2013	185,699	(176,020)	2,761	12,440
Loss for the half year	-	(3,065)	-	(3,065)
Other comprehensive income for the half year	-	-	(197)	(197)
Total comprehensive loss for the half year	-	(3,065)	(197)	(3,262)
Transactions with equity holders in their capacity as equity holders:				
Share based compensation	-	-	53	53
	-	-	53	53
Balance at 31 December 2013	185,699	(179,085)	2,617	9,231
Balance at 1 July 2012	177,607	(120,708)	1,286	58,185
Loss for the half year	-	(3,431)	-	(3,431)
Other comprehensive income for the half year	-	-	625	625
Total comprehensive loss for the half year	-	(3,431)	625	(2,806)
Transactions with equity holders in their capacity as equity holders:	1,959	-	-	1,959
Share options exercised	-	-	-	-
Share based compensation	-	-	86	86
	1,959	-	86	2,045
Balance at 31 December 2012	179,566	(124,139)	1,997	57,424

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF-YEAR ENDED 31 DECEMBER 2013

	Half-year Ended 31 Dec 2013 $'000	Half-year Ended 31 Dec 2012 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees (inclusive of goods and services tax)	**(1,891)**	(4,041)
Interest received	**5**	18
Research and development tax credit received	**-**	527
Net cash flow used in operating activities	**(1,886)**	(3,496)
CASH FLOW FROM INVESTING ACTIVITES		
Sale of subsidiary, net of cash disposed and selling costs	**2,129**	-
Payments for plant and equipment	**-**	(28)
Payment for exploration and evaluation expenditure	**(702)**	(9,927)
Net cash flow used in investing activities	**1,427**	(9,955)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**-**	1,983
Payments for equity issue costs	**-**	(24)
Net cash flow from financing activities	**-**	1,959
Net decrease in cash and cash equivalents	**(459)**	(11,492)
Cash and cash equivalents at the beginning of the half year	**2,434**	14,475
Effect of exchange rate changes on cash and cash equivalents	**31**	28
Cash and cash equivalents at the end of the half year	**2,006**	3,011

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Nyota Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Going Concern

The group incurred a loss for the half year of $3,065,000 (2012- $3,431,000) and operating cash outflows of $1,886,000 (2012- $3,496,000). At 31 December 2013, the Group had net current assets of $1,241,000.

The Directors have prepared cash projections showing the need to raise additional funds to finance the Group’s proposed minimum exploration work programme and working capital requirements for the next twelve months.

Nyota has the right to maintain its 25% interest in Nyota Minerals (Ethiopia) by funding its pro-rata share of that company’s expenditure, or to be diluted accordingly. The principal commitment of KEFI Minerals (Ethiopia) is the Tulu Kapi project. To maintain the 25% interest, the Company’s commitment according to the current budget is $1,417,000 from 1 March to 31 December 2014. In addition, there are work programme commitments of $1,274,000 in the current exploration license periods to maintain tenements, The Directors’ cash projections show that its pro-rata share of funding for KEFI Minerals (Ethiopia) would be the majority of the working capital requirement of the Group for the next 12 months provided that the company is able to and elected to do so. Notwithstanding this the Directors believe that it is in the Company’s best interests to maintain its 25% shareholding in KEFI Minerals (Ethiopia) by funding its pro-rata share whenever possible. However, it is not required to do so and can be diluted accordingly.

The Group’s ability to continue as a going concern while meeting its preferred minimum exploration work programme is dependent upon the Group being successful in completing a capital raising and/or asset sale and/or joint venture agreement in the next 12 months.

The Directors have taken further steps to reduce the Group’s corporate overheads and other expenditure in order to reduce the risk, however there can be no guarantee that sufficient funds can be raised through one or all of the above mechanisms or that the funds raised will meet the Group’s requirements. Failure to raise the required funds will result in the Group failing to meet its proposed exploration work programme and working capital requirements and/or in its interest in KEFI Minerals (Ethiopia) being reduced.

As a result of these matters, there is a material uncertainty that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. However, the directors believe that the Group will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

2. DISPOSAL OF SUBSIDIARY

On 30 December 2013, Nyota sold 75% of the issued and outstanding shares in the capital of Nyota Minerals (Ethiopia) Limited, the subsidiary that holds the Tulu Kapi and proximal licences, to KEFI. Nyota received total net proceeds of $6,019,000 (£3,241,312), comprising cash consideration of $2,386,374 (£1,285,000), 107,081,158 ordinary shares in KEFI valued at $3,828,063 (£2,061,312) on the day of completion and $195,000 (£104,996) of directly attributable costs.

	Book value At date of disposal $'000
Property, plant and equipment	504
Available for sale assets	129
Evaluation and exploration expenditure	16,378
Trade and other receivables	155
Cash and cash equivalents	62
Trade and other payables	(5,733)
Net assets disposed of	**11,495**
Sale proceeds:	
Cash	2,386
Equity	3,828
Less: directly attributable costs	(195)
Fair value of 25% interest retained	2,006
Total net proceeds	**8,025**
Loss on disposal before recycling of foreign exchange	**(3,470)**
Recycling of foreign exchange	2,511
Loss on disposal	**(959)**

The net cash inflow in the period was $2,129,000, comprising net cash proceeds of $2,191,000 less $62,000 of cash and cash equivalents disposed of.

3. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets include the following classes of financial assets:

	31 Dec 2013 $'000	30 June 2013 $'000
Listed securities (a)		
Equity securities	**3,728**	69
	3,728	69
Unlisted securities (b)		
Debt securities	**34**	159
	34	159
	3,762	228

(a) Listed securities
On 30 December 2013 the Group received shares in KEFI valued at $3,828,063 (note 2).

(b) Unlisted Securities
Unlisted securities are traded in inactive markets. Included in unlisted securities are Ethiopian Government Bonds held by the Group's subsidiary undertakings, Brantham Investments Limited and Towchester Investment Company Limited. Available for sale assets valued at $129,000 were disposed of with Nyota Minerals (Ethiopia) Limited (note 2).

4. EXPLORATION AND EVALUATION EXPENDITURE

	Half year ended 31 Dec 2013 $'000	Year ended 30 June 2013 $'000
Opening balance	**15,211**	48,668
Additions	**702**	14,703
Foreign exchange movements	**2,498**	1,263
Disposals (note 2)	**(16,378)**	-
Impairment charge- Ethiopia	**-**	(49,137)
Impairment charge - Burundi	**-**	(104)
Closing balance	**2,033**	15,211

5 SEGMENT INFORMATION

(a) Description of segments
Management has determined the operating segments based upon the reports viewed by the Chief Executive Officer (CEO). The CEO considers that the group operates in distinct segments being different countries around the world.

The segment results for the half-year ended 31 December 2013 are as follows:

Revenue	**Corporate**	**Ethiopia**	**Africa - other**	**Unallocated**	**Consolidated**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
For the half-year ended 31 December 2013					
Total segment revenue	**5**	**-**	**-**	**-**	**5**
Segment Result					
Loss for half year	**(2,951)**	**(145)**	**-**	**31***	**(3,065)**
Assets					
Segment assets	**5,923**	**4,209**	**23**	**-**	**10,155**

* FOREX gains

Revenue	Corporate	Ethiopia	Africa - other	Unallocated	Consolidated
	$'000	$'000	$'000	$'000	$'000
For the half-year ended 31 December 2012					
Total segment revenue	20	-	-	-	20
Segment Result					
Loss for half year	(2,935)	(406)	(112)	22*	(3,431)
Assets					
Segment assets	3,309	61,505	24	-	64,838

* FOREX gains

5 SEGMENT INFORMATION (continued)

The segment liabilities and capital expenditure for the half-year ended 31 December 2013 are as follows:

Liabilities For the half-year ended 31 December 2013	**Corporate $'000**	**Ethiopia $'000**	**Africa-other $'000**	**Unallocated $'000**	**Consolidated $'000**
Segment liabilities	**496**	**373**	**55**	**-**	**924**
Acquisition of property, plant and equipment and other non-current segment assets	**-**	**-**	**-**	**-**	**-**
Other non-cash expenses	**-**	**-**	**-**	**53**	**53**
Depreciation and amortisation expense	**47**	**146**	**-**	**-**	**193**
Impairment of assets					
- **other financial assets**	**-**	**-**	**-**	**-**	**-**
- **other assets**	**-**	**-**	**-**	**-**	**-**

Liabilities For the half-year ended 31 December 2012	Corporate $'000	Ethiopia $'000	Africa-other $'000	Unallocated $'000	Consolidated $'000
Segment liabilities	971	6,443	-	-	7,414
Acquisition of property, plant and equipment and other non-current segment assets	4	24	-	-	28
Other non-cash expenses	-	-	-	86	86
Depreciation and amortisation expense	109	44	-	-	153
Impairment of assets					
- other financial assets	-	-	-	-	-
- other assets	-	-	104	-	104

6. TRADE AND OTHER PAYABLES

	31 Dec 2013 $'000	30 June 2013 $'000
Trade payables	**277**	128
Other payables	**592**	6,368
	869	6,496

7. EQUITY SECURITIES ISSUED

Movements in equity securities during the half-year period were:

Date	Details	Issue price	Number of shares	$'000
Half Year 2013				
Fully paid ordinary shares				
1/7/2013	Opening balance		866,924,127	185,699
31/12/2013	Balance		866,924,127	185,699
Employee Share plan shares issued with non-recourse employee loans				
1/7/2013	Opening balance		12,725,000	
31/12/2013	Balance		12,725,000	
31/12/2013	**Total ordinary shares on issue**		**879,649,127**	**185,699**

8. CONTINGENCIES / COMMITMENTS

(a) Contingent liabilities

In October 2010 Nyota appointed Rockbury Services Inc. to provide advice and services in connection with the debt financing of the Tulu Kapi gold project. This engagement was terminated in May 2013 on the basis that both Rockbury and the Nyota Board decided that it was not going to be possible to finance the project in the current market. The Rockbury engagement included a contingent termination fee of 3% of the debt funding package agreed, subject to a minimum of US$ 3 million, in the event that financing for the Tulu Kapi gold project is committed in the 24 months following termination. Having taken advice from legal counsel, and based on the Company's current work programme, the Board do not believe that a fee will become payable under this contract.

Apart from the above the Group does not have any known contingent liabilities as at 31 December 2013 (30 June 2013: Nil).

8. CONTINGENCIES / COMMITMENTS (CONTINUED)

(b) Contingent assets

Although the Group no longer has any legal interest in a Swaziland gold project it has retained a beneficial right to 50% of any sale proceeds should this project be on-sold to a third party. The Group is unable to place a potential value on this contingent asset. Apart from the above the Group does not have any known contingent assets as at 31 December 2013 (30 June 2013: Nil).

(c) Commitments

(i) Exploration program commitments

	31 Dec 2013 $'000	30 June 2013 $000
Exploration program commitments payable		
Within one year	**1,365**	4,739*
Later than one year but not later than 5 years	**-**	-
	1,365	4,739

*$4,192,000 of the exploration program commitments at 30 June 2013 above related to licences held by Nyota Minerals (Ethiopia) Ltd.

Following the sale of 75% of Nyota Minerals (Ethiopia) Ltd on 30 December 2013 (now KEFI Minerals (Ethiopia) Ltd), Nyota's minimum commitment will be no more than 25% of the total budgetfor that company. According to the current budget for the period to 31 December 2014 this commitment is $1,417,000. Nyota has the right not to fund KEFI Minerals (Ethiopia) Ltd pro-rata its shareholding in that company. Non-funding would result in the dilution of its shareholding.

(ii) Lease commitments: group as lessee

Non-cancellable operating leases
The group leases offices under non-cancellable operating leases expiring within two to four years. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated.

	31 Dec 2013 $'000	30 June 2013 $000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**127***	181
Later than one year but not later than 5 years	**203***	272
	330*	453

*On 12 March 2014, Nyota agreed to assign the existing lease over its London office to a third party. The lease, which runs to 6 August 2016, is subject to annual rent payments of £68,400 per annum, the full cost of which have transferred to the assignee.

9. SUBSEQUENT EVENTS

There are no matters or circumstances that have arisen since 31 December 2013 that may significantly affect operations, results or state of affairs of the group in future financial years other than:

- On 12 March 2014, Nyota agreed to assign the existing lease over its London office to a third party. The lease, which runs to 6 August 2016, is subject to annual rent payments of £68,400 per annum, the full cost of which have transferred to the assignee.

NYOTA MINERALS LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

a) the financial statements and notes set out on pages 13 to 20 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date; and

b) there are reasonable grounds to believe that Nyota Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

R Chase
Chief Executive Officer

Dated at Perth, this 14th day of March 2014.

Independent auditor's review report to the members of Nyota Minerals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Nyota Minerals Limited (the Company), which comprises the balance sheet as at 31 December 2013, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Nyota (the consolidated entity). The consolidated entity comprises the company and the entities it controlled from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Nyota Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Independent auditor's review report to the members of Nyota Minerals Limited (cont'd)

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Nyota Minerals Limited is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date;

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the financial report, which indicates that the company will need to raise additional funds to finance the minimum exploration work programme and working capital requirements for the next twelve months. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

PricewaterhouseCoopers

PricewaterhouseCoopers

Craig Heatley
Partner

Perth
14 March 2014

NYOTA MINERALS LIMITED
AND ITS CONTROLLED ENTITIES

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	M Langoulant	E Kirby
	N Ling	
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AIM CODE	Shares: NYO