

# NOVARISE RENEWABLE RESOURCES INTERNATIONAL LTD

## Australian Securities Exchange Announcement

Wednesday 8 October 2014

The Manager  
Companies Announcements Officer  
Australian Securities Exchange Limited  
PO Box H224  
Australia Square  
Sydney NSW 1215

### **ASX Announcement – Update on proposed selective capital reduction: Signing of a deed of variation to the Implementation and Funding Agreement**

Novarise Renewable Resources International Ltd (**Novarise**) provides the following by way of update on the proposed selective capital reduction of those shares in Novarise not held by its controlling shareholders, Great Rises International Investment Ltd, Great Rises New Resources Technology Co., Ltd and Great Rises International Group Investment Ltd (together, **GRII**), and their associates (**Capital Reduction**).

Novarise and GRII have signed a deed of variation to the Implementation and Funding Agreement (**IFA**) in relation to the Capital Reduction. A summary of some of the key terms of this deed of variation and how these relate to the Capital Reduction are set out below:

- The proposed consideration for the cancellation of all the Novarise shares held by shareholders other than GRII and its associates (**Capital Reduction Consideration**) remains at A\$0.23 per Novarise share.
- In order to assist Novarise in covering its costs in proceeding with the Capital Reduction (including its third party advisory costs), GRII has paid, and Novarise has received, A\$200,000.
- GRII must also provide an amount equal to 30% of the total Capital Reduction Consideration (ie. approximately A\$7.32 million) to Novarise on or before 6 November 2014. If this funding obligation is not satisfied within the specified timeframe, Novarise may terminate the IFA or suspend the performance of its obligations under the IFA until such funding is received.
- GRII must also provide an amount equal to the remaining 70% of the total Capital Reduction Consideration (ie. approximately A\$17.09 million) to Novarise on or before the date that is 10 business days before the date on which the meetings of Novarise shareholders to consider the Capital Reduction are scheduled to be held, as will be specified in the Explanatory Statement proposed to be dispatched to Novarise shareholders. If this funding obligation is not satisfied within the specified timeframe, Novarise may terminate the IFA or suspend the performance of its obligations under the IFA until such funding is received.

NOVARISE RENEWABLE RESOURCES INTERNATIONAL LTD ACN 138 537 596

Australian Office: Suite 5, Level 1, 325 Pitt Street, Sydney, NSW 2000

Chinese Office: No 2-16A Qingmeng Park, Quanzhou Economy & Technology Development Zone, Quanzhou, Fujian Province, The People's Republic of China

[www.novarise.com.au](http://www.novarise.com.au)

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- The Explanatory Statement is expected to be lodged with ASIC and dispatched to Novarise shareholders in around early November 2014. However, the Explanatory Statement will not be lodged with ASIC nor dispatched to Novarise shareholders unless and until Novarise has received 30% of the total Capital Reduction Consideration, as referred to above.
- The meetings of Novarise shareholders to consider the Capital Reduction are expected to be held in around early December 2014. However, these meetings will not be held unless and until Novarise has received 100% of the total Capital Reduction Consideration.
- The end date for the implementation of the Capital Reduction has been extended to 31 December 2014 (or such later date as notified by Novarise to GRIL in writing).

Dated: 8 October 2014

Signed: \_\_\_\_\_



Name: FaiPeng Chen

On behalf of the Independent Directors of Novarise