

NOVARISE RENEWABLE RESOURCES INTERNATIONAL LTD

Australian Securities Exchange Announcement

Thursday 17 April 2014

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

ASX Announcement

PROPOSED SELECTIVE CAPITAL REDUCTION – UPDATE

Novarise Renewable Resources International Ltd (Novarise) announces that it has reached agreement with its majority shareholders, Great Rises International Investment Ltd, Great Rises International Group Investment Ltd and Great Rises New Resources Technology Co., Ltd (collectively, GRIL) to extend the 'end date' for the implementation of Novarise's proposed selective reduction of capital (Capital Reduction) to 31 July 2014.

As part of this extension of the 'end date', GRIL has confirmed to Novarise their undertaking and commitment to fund the Capital Reduction.

Having regard to, among other things:

- (a) the risks and uncertainties attaching to the trading activities of Novarise in an uncertain economic environment;
- (b) Novarise's limited free float and relative lack of liquidity; and
- (c) the unlikelihood of a third party control proposal or other alternative proposal emerging in the foreseeable future,

The independent directors of Novarise remain of the view that the implementation of the Capital Reduction for the proposed consideration of A\$0.23 per share for minority shareholders remains in the best interests of Novarise's minority shareholders. The independent directors of Novarise have agreed to an extension of the 'end date' for the implementation of the Capital Reduction to 31 July 2014 on this basis.

NOVARISE RENEWABLE RESOURCES INTERNATIONAL LTD ACN 138 537 596

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The directors of Novarise are in the process of preparing the relevant information to be sent to shareholders in connection with the proposed shareholder meetings relating to the Capital Reduction. In this regard, it is the independent directors' current expectation that the notice of meetings and explanatory statement (including the report of an independent expert) will be dispatched to shareholders by late May 2014 with the meetings of shareholders held in around by late June 2014.

The independent directors of Novarise will continue to keep shareholders updated on material developments.

Dated: 17 April 2014

Signed: 

Name: Winnie Chen

Company Secretary