



For immediate release

30 December 2016

Nyota Minerals Limited
Proposed disposal of KEC Exploration Pty Limited
Company update

KEC Exploration Pty Limited

The Board of Nyota Minerals Limited (ASX/AIM: NYO) (“**Nyota**” or the “**Company**”) announces that the Company has signed a conditional agreement to sell its 70% interest in KEC Exploration Pty Limited (“**KEC**”) to Christopher Reindler, its minority shareholder and a director of KEC, or his nominee (“**Purchaser**”), subject to the approval of Nyota’s shareholders (the “**KEC Agreement**”). KEC controls the various tenements in Italy that comprise the Ivrea Nickel Project. Following completion of the Disposal, the Company will have no further operating businesses or investments and will be a cash shell under the AIM Rules.

As previously announced, the Ivrea Nickel Project is still at a very early stage and will require substantial capital investment to continue the exploration programme and to develop the tenements, which is not currently available to the Company. The Board had resolved not to contribute further cash to the expansion of the original tenements and to seek a buyer of the Company's interest, failing which it would consider relinquishing its interest in the licenses.

The KEC Agreement (dated 29 December 2016) provides for an initial cash consideration of Euro 12,500 payable by the Purchaser immediately following approval of the Disposal by Shareholders on or before 1 March 2017, or Euro 20,000 in the event that Shareholders do not approve the Disposal before 1 March 2017 (the “**Consideration**”). The Purchaser has agreed that the Company has no further obligation to pay for or incur any costs in relation to the tenements other than the following payments: (i) a contribution of Euro 12,500 towards the BEC tenement licence renewal fee on execution of the KEC Agreement; and (ii) a further contribution of Euro 7,500 towards the Galerno licence renewal fee in the event that Shareholders do not approve the Disposal before 1 March 2017.

Nyota will retain a 3% Net Smelter Return (“**NSR**”) payable to Nyota on future sales from the Ivrea Nickel Project. The NSR is calculated as 3% of the net revenue from the Ivrea Nickel Project calculated as the gross value of metal and non-metal products less transportation and refining costs. Additionally, the Agreement provides for a buy-back of the NSR by the Purchaser for AUD\$200,000 in the first two years and AUD\$400,000 in the third and fourth years following execution of the Agreement.

Other than its interests in the Ivrea Nickel Project licences, KEC has not traded and all exploration and administrative expenditure has been incurred by Nyota. As at 30 June 2016, the carrying value of KEC and expenditure on the Ivrea Nickel Project in Nyota’s accounts amounted to AUS\$Nil and AUS\$287,500 respectively. Any net proceeds (including the NSR) from the Disposal will be used to provide additional working capital for the Company

The Company shareholder’s need to approve the sale agreement pursuant to ASX Listing Rule 11.2 and AIM Rule 15.

The effect of the Disposal should the resolution be approved by shareholders at the general meeting to be subsequently convened, would be that on completion the Company will cease to own, control or conduct all, or substantially all, of its existing trading business, activities or assets and would therefore become an AIM Rule 15 cash shell (“**Rule 15 Cash Shell**”). Pursuant to the AIM Rules, a Rule 15 Cash Shell must make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 (including seeking re-admission as an Investing Company (as defined under the AIM Rules)) within six months, failing which the Exchange will suspend trading in the ordinary shares pursuant to AIM Rule 40. If the Rule 15 Cash Shell fails to make an acquisition or acquisitions that constitute a reverse takeover under AIM Rule 14 (including seeking re-admission as an Investing Company (as defined under the AIM Rules)) within a further six months, then the Rule 15 Cash Shell’s ordinary shares will be cancelled from trading on AIM.

As the Purchaser, Christopher Reindler, is a director of KEC, he is a related party and the proposed Disposal is a related party transaction for the purposes of Rule 13 of the AIM Rules. The Directors, having consulted with the Company's nominated adviser, consider that the Disposal is fair and reasonable insofar as Shareholders are concerned. The Directors have taken into account that: (i) on completion of the Disposal the Company will have no further obligation to pay for or incur any costs in relation to the tenements (other than as described above); (ii) in the absence of any funding for KEC there are no available funds to support KEC under Nyota’s continuing ownership to continue trading any further. If the Disposal were not to proceed, the Board would consider relinquishing the tenements and wind-up KEC as soon as possible; (iii) the Board has been unable to secure any alternative offers for KEC; (iv) the NSR provides the Company with the potential to receive further consideration should the Ivrea Nickel Project develop to production; (v) the Board does not believe that there is any immediate prospect of a material improvement in market conditions in the junior early stage nickel exploration sector or investor sentiment; and (vi) the Disposal enables the Company to make a clean break from the Ivrea Nickel Project and enables the Board to focus on new projects.

The circular to Shareholders to convene the General Meeting of the Company to approve the Disposal will be published in due course.

BigDish Limited (“Bigdish”)

On 15 November 2016, the Company announced the potential acquisition of Bigdish Limited which would, should it proceed, amount to a Reverse Takeover under the AIM Rules and a back-door listing for the purposes of the ASX Listing Rules, as a consequence of which the Company's shares on ASX and AIM were suspended on 15 November 2016 in accordance with the policies and rules of the two exchanges pending the Company's satisfaction with all of the re-admission requirements of ASX and as applicable AIM (including re-compliance with Chapters 1 and 2 of the ASX Listing Rules and the publication of an AIM Admission Document) or confirmation that the Acquisition is not proceeding. The Company continues its process of preparing the documentation necessary for the Company’s shareholders to consider the Company’s previously announced proposed acquisition of Bigdish.

Bigdish has continued to strengthen its management team, add new restaurant partners and further develop its mobile and web technology platforms. Bigdish expects to announce during January its expansion into more South East Asian countries.

A further announcement will be made in due course.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 956/2014.

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