



14 April 2010

Nyota Minerals Limited ('Nyota' or the 'Company')

IFC INVESTMENT IN NYOTA

Highlights

- International Finance Corporation ("IFC"), a member of the World Bank Group, is seeking Board approval to take a placement of shares in Nyota that will give it a 10% shareholding in the Company
 - Placement price of approximately £0.116 per share values IFC investment at approximately £3,429,140
 - Nyota's Tulu Kapi project to benefit from increased funding and from IFC's world-class expertise supporting mining projects in developing countries
 - Letter agreement signed with IFC, conditional only on internal and regulatory approvals and conclusion of formal share subscription documents
 - IFC investment will pave the way for potential debt financing of Tulu Kapi once the project reaches production
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The directors of Nyota are pleased to announce that the Company has signed a letter agreement with IFC ("**Letter Agreement**") pursuant to which IFC intends to make an initial subscription for new ordinary shares in the Company to give it a shareholding of 10% in the Company's enlarged issued share capital ("**Initial IFC Investment**"). The Letter Agreement is subject to IFC Board and Nyota shareholder approval, approval from the Australian Foreign Investment Review Board and conclusion of formal subscription documentation, each of which is expected to occur within the next 45 days. In recognition of IFC's requirements to publicly disclose its proposed investment in Nyota and also to secure Board approval, the investment price ("**Initial IFC Entry Price**") has been set by reference to the volume weighted average trading price for Nyota shares on AIM in the five trading days immediately prior to 12 April 2010, the date on which the Letter Agreement was signed, and will be locked-in for a period of 45 days. The Initial IFC Entry Price equates to approximately £0.116 per share and, accordingly, values the Initial IFC Investment at approximately £3,429,140. Should the Initial IFC Investment not conclude within 45 days as expected, a mechanism exists to adjust the Initial IFC Entry Price accordingly.

Melissa Sturgess, Nyota CEO, said:

"We are delighted to welcome the IFC as a potential shareholder of Nyota. As a Board and senior management team, we have carefully considered the merits of making a placement of this nature at this stage in the Company's growth and decided that the short term support the IFC can provide to us in Ethiopia is significant. Importantly, we also believe that engaging with the IFC at this point in time places the Company in a very strong position to secure debt financing from them for the construction of a mine at Tulu Kapi, if required."

Further details in relation to the proposed IFC investment

In addition to the Initial IFC Investment described above, to the extent that Nyota makes a placement of new shares to sophisticated or professional investors during the two-year period commencing on the date of the Initial IFC Investment, the Company will give IFC the option (“**Optional IFC Investment**”) to participate in each such placement to the extent necessary for IFC to maintain its shareholding in the Company at the same level. The price and other terms and conditions of IFC’s participation in this regard will be the same as for all other such participants.

The Letter Agreement also provides that IFC will receive options to subscribe for three additional Nyota shares for every four Nyota shares the subject of the Initial IFC Investment (but not the Optional IFC Investment) (“**IFC Options**”), which will be exercisable at any time within a 4-year period at a price being 150% of the Initial IFC Entry Price. Accordingly, the total value of these options based on the calculations above is approximately £3,857,785. In addition, the IFC Options are subject to acceleration provisions such that, if at any time during the four-year option period Nyota shares have a closing price on AIM for 20 or more consecutive days that is 50% greater than the exercise price for the IFC Options, Nyota may elect to accelerate the exercise of the IFC Options to a date not less than 20 business days after the Company notifies IFC about that accelerated exercise.

As part of IFC’s proposed investment, Nyota will be required to meet IFC’s environmental and social performance standards in the future development of its projects. Nyota and IFC personnel have already begun work to ensure that Nyota has appropriate environmental and social management systems in place to ensure that the Tulu Kapi project will be developed in a manner that benefits local communities.

About IFC

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. IFC fosters sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. IFC’s new investments totaled \$14.5 billion in fiscal 2009, helping channel capital into developing countries during the financial crisis. For more information about IFC, visit www.ifc.org.

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