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4 January 2005

Dear Shareholder,

LISTING OF NOVERA ENERGY LIMITED SOLELY ON AIM

On 16 December 2005, the Company applied to the ASX to be delisted so that it would only be listed on AIM. The ASX has granted the Company approval to delist from the ASX with effect from 4 April 2006. After the delisting, any shares that were previously traded on the ASX will instead be traded on AIM.

The board is positive that this step will enhance shareholder value by aligning the company's future capital raising activities with its long term European strategy and business.

Accordingly, the board of directors strongly encourages all shareholders to transfer their holdings to AIM and to facilitate this the company has appointed Patersons Securities Limited, Australian brokers, to oversee and manage this process in a smooth manner (see below). Patersons will work with each shareholder individually to effect the transfer.

Novera's shares will continue to trade on AIM uninterrupted. The reasons for delisting and the impact on shareholders are set out in this letter.

Background

In December 2002 Novera Energy Limited listed on the Australian Stock Exchange ('ASX').

In June 2005, the Company was admitted to the Alternative Investment Market of the London Stock Exchange ('AIM'). AIM was established in 1995 as the London Stock Exchange's global market for growing companies. As at 31 August 2005 it had 1,292 entities listed with a market capitalisation of £48.2 billion and a turnover for the period from January to August 2005 of £26.2 billion.

At present the Company's shares can be traded on both ASX and AIM.

Summary-Company achievements 2005

Having established a profitable and cash generative business and developed its joint venture with Macquarie Bank, the Company has worked hard in 2005 to position itself for the next stage of its development. The key to the future success of the business lies within the recruitment of the qualified UK management team.

In October 2005 the Company appointed John Brown (previous Chief Executive of Speedy Hire plc) as Chairman and David Fitzsimmons (previously Group Vice President and Head of BP plc oil trading) as Chief Executive Officer. Appointed today, Rory Quinlan is the Company's Chief Financial Officer and he will be migrating to the UK.

The de-listing is regarded by the board to be a positive step to allow the management team to focus on its strategy of developing, acquiring and operating a range of assets in Europe, to grow the Company's portfolio of renewable energy assets and enhance shareholder value.

- Listing on AIM in June 2005, after raising approximately £5.3 million (A\$13 million) through the placement of 9.189 million shares at 58 pence (A\$1.40) per share.
- A net profit for the six months to 30 June 2005 of £0.255 million (A\$0.617 million).
- Receipt in July of a £1.2 million (A\$ 2.9 million) cash distribution from Novera Macquarie Renewable Energy Limited ('NMRE').

- The sale by Novera to NMRE of the Mynydd Clogau 14.5 MW wind farm in Wales.
- NMRE's acquisition in May of Umwelt Windrad GmbH & Co KG, the owner of two wind farms in Germany, and progress by Novera on wind farm developments in Scotland and northern England.
- Negotiation of UK government support totalling £5 million (A\$11.9 million) for Novera's 10MW East London Sustainable Energy Project.
- NMRE remains on track to pay a full year distribution of £3.1 million (A\$7.6 million).

Why is the Company delisting?

The board of directors considers that as the Company moves onto its next phase of development it is in the best interests of shareholders for it to cease to be listed on ASX and for its shares to be removed from the Official List of ASX and to trade solely on AIM. The board strongly believes that, as a consequence of being listed solely on AIM, investor interest in the Company will significantly increase in the United Kingdom and Europe, which is where all recent significant capital funding has been sourced.

The proposal reflects the Company's focus in the northern hemisphere as the growth area of the future, particularly given the more favourable government incentives for renewable energy in that region. The United Kingdom has a renewable energy target of 15% of total electricity demand by 2015 whereas Australia has less than 2% by 2010. Reflective of this is also the fact that the Company's Chairman, Chief Executive Officer and the majority of the operational senior executives are based in the United Kingdom.

In terms of stock market interest and support, in 2005 the Company raised a significant amount of capital, totalling AUD 16.8 million, the majority of which was raised from UK investors.

Further, given the current UK and European operational base of the Group, the cost of maintaining the Australian listing is no longer justifiable. A direct benefit of the proposed delisting will be achieving a reduction in the administrative time and costs incurred in the maintenance of the dual listing.

How will this impact on the Company and its shareholders?

Removal from the ASX Official List will have limited impact on the Company and its Shareholders as:

- the Company will remain incorporated in Australia and be subject to Australian law, in particular the Corporations Act.
- financial statements will be prepared under AIFRS in line with all other Australian public companies.
- there will be limited changes to how information is disclosed to shareholders. There will no longer be disclosures to the ASX. The avenues for disclosure will be:
 - (i) London stock exchange (www.londonstockexchange.com).
 - (ii) Australian Securities and Investments Commission.
 - (iii) Company's website (www.noveraenergy.com).
 - (iv) Direct communication with the Company for paper copies of all announcements and financial reports.
- Market price information will be available through:
 - (i) www.londonstockexchange.com;
 - (ii) London Financial Times;
 - (iii) financial websites including,
 - <http://uk.finance.yahoo.com>;
 - www.bloomberg.com;
 - <http://investing.reuters.co.uk/stocks><http://investing.reuters.co.uk/stocks>; and
 - <http://www.ft.com>

but not from Australian newspapers.

Even though the Company will no longer be subject to ASX listing rules it will be bound by the continuous disclosure rules of the *Corporations Act* and the AIM rules. Of significance are the disclosure requirements of section 675 of the *Corporations Act* which require that if a Company becomes aware of information that is not generally available and that a reasonable person would expect to have a material effect on the value of the securities of the Company, that information must be provided to ASIC. Also Rule 11 of the AIM Rules provides that a Company must issue notification, without delay, of any developments which are not public knowledge and that if made public, would be likely to lead to a substantial movement in the price of the securities of that Company. The Company currently posts all ASX/AIM announcements on the Company website. Following its removal from the ASX the Company will continue to post all relevant AIM/ASIC notices on the website.

What are the tax implications?

Tax advice received by the Company is that there are no adverse taxation implications for Australian resident shareholders of the Company ceasing to be listed on ASX, and further, there are no adverse tax implications for UK residents holding Novera shares. The Company recommends however that shareholders seek independent tax advice.

How will shareholders deal in their shares?

The Company has been advised that Australian shareholders will be able to trade shares in the Company via a number of Australian brokers with relationships with AIM designated brokers. Alternatively, shareholders can contact one of the members of the London Stock Exchange who are AIM designated brokers who will be able to facilitate trading of their shares on AIM.

To assist shareholders in this process, the Company has entered into an arrangement with Paterson Securities Limited (Patersons) who have agreed to facilitate the transfer/trading of shares on AIM. The contacts at Patersons are Ms Sandra Burton (08) 9263 1201, sburton@psl.com.au, Ms Jane Irwin (08) 9263 1193, jirwin@psl.com.au and Mr Lachlan Clampett, (02) 8238 6256, lclampett@psl.com.au. Please refer to the attachment "How to Transfer/Trade Shares in Novera".

The Company is confident that the transition to AIM will be a smooth process.

Yours sincerely



John Brown
Chairman

HOW TO TRANSFER/TRADE SHARES IN NOVERA

Australian registered shareholders, in the period to delisting on 4 April 2006, may choose between the following alternatives: -

- A. Transfer their shareholding from the ASX to AIM
- B. Do nothing and await delisting and receive their share certificate. *No action is required from shareholders under this approach.*
- C. Liquidate holding on the ASX

Examining each alternative separately:-

A. Transfer their shareholding from the ASX to AIM

1. contact an Australian or UK broker in regard to trading in shares in the Company. (Many Australian brokers are likely to have a relationship with a party in the UK in order to facilitate trading on AIM). Patersons has entered into an arrangement with Novera to assist shareholders to transfer/trade their shares.
2. establish account with a broker and follow steps outlined by them in order to establish relationship with them.
3. provide the holding statement and/or share certificate to broker along with any other documents requested by the broker.
4. broker will advise what further forms if any they require for the transfer to be executed. This will include a signed CREST Transfer Form. (see attached).
5. the broker will arrange for the transfer from the ASX to AIM. Shareholders can elect to have their holding deposited electronically into Patersons CREST account in the UK. Patersons would therefore hold stock electronically in their existing omnibus account in trust for the beneficial owner and the shareholder will not receive a share certificate.
6. the share registry can arrange for the electronic transfer of shares to CREST upon delisting.

B. Do nothing and await delisting and receive share certificate. *No action is required from shareholders under this approach.*

As from 4 April 2006, shareholders will be able to trade shares via AIM only. Broadly, shareholders will be able to trade shares in a similar manner as for ASX listed companies by liaising with their broker. Steps which Australian registered shareholders will take in order to trade shares in the Company are as follows:

1. receive **share certificate** from the Company's share registrar – this will enable shareholders to trade on AIM (and must be kept in a safe place as it is proof of ownership of shares in the Company).
2. contact an Australian or UK broker in regard to trading in shares in the Company. (Many Australian brokers are likely to have a relationship with a party in the UK in order to facilitate trading on AIM). Patersons has entered into an arrangement with Novera to assist shareholders to trade their shares.
3. establish account with a broker and follow steps outlined by them in order to establish relationship with them.
4. provide the share certificate to broker along with any other documents requested by the broker (see points 3. and 5.).
5. broker will advise what further forms if any they require for the trade to be executed. This will include a signed CREST Transfer Form (see attached). The broker cannot execute a sell order until confirmation is received that the stock is electronically cleared into the CREST account.
6. the broker will then be able to place an order on a shareholder's behalf on receipt of instruction by the shareholder. Once the trade is effected settlement of the trade will take place in T + 5 + time needed to provide funds internationally.

C. Liquidate holding on the ASX

Shareholders wishing to dispose of their shareholding prior to the delisting would have the flexibility to deal through their own stockbroker or through Patersons. Paterson's transaction fees for this process will be 1% with a minimum of \$100.

ARRANGEMENT WITH PATERSONS

Contact details:

Patersons Securities Limited
Level 27
264 George Street
Sydney NSW Australia 2000

Ms Sandra Burton	(08) 9263 1201	sburton@psl.com.au
Ms Jane Irwin	(08) 9263 1193	jirwin@psl.com.au
Mr Lachlan Clampett	(02) 8238 6256	lclampett@psl.com.au

Account Establishment procedure:

What is required:

1. Full name details
2. Address details (both residential and postal if applicable)
3. Contact telephone numbers – one of which must be a landline

ID Requirements: Under the recently introduced Financial Services Reform act, for an account to remain open greater than 30 days certain ID is required (if the transaction is likely to be a 'one off' transaction, please advise this at the time). This can be either a copy of your drivers license or passport, and one of the following showing your name; utility bill, phone account, rates notice, Medicare card.

Payment: Settlement is expected to occur within 14 days of transacting in local currency and can be paid by:

1. A cheque can be posted for the settlement amount; or
2. Funds can be deposited into a nominated bank account

Fees and Charges

For clients wishing to trade in the AIM market the following charges will apply.

Brokerage

Trading overseas attracts brokerage charges that are as follows:

Patersons Securities Limited charge: AU\$100 (1% thereafter) plus GST

UK Counterparty charge: £50 (0.3% thereafter)

