

Market Release

Thursday 22 August 2013

Shanxi Donghui's Intended Takeover Offer

Announcement in relation to Shanxi Donghui's intended off-market takeover offer.

Inova Resources Limited (ASX/TSX:IVA) (**the Company**) notes that its Independent Board Committee (consisting of directors Peter McMahon, Kyle Wightman and Jim Askew) has met in relation to the intended conditional off-market takeover offer announced by Shanxi Donghui Coal Coking & Chemicals Group Co., Ltd (**Shanxi Donghui**) for all of the Company's issued capital at A\$0.22 per share (**Takeover Offer**).

The Company notes that its majority shareholder, Turquoise Hill Resources Limited (**Turquoise Hill**), has announced that unless a superior proposal emerges, it intends to accept the Takeover Offer in respect of all the other shares it holds in the Company, but not before it has accepted in respect of the 14.9% under the pre-bid acceptance deed between Turquoise Hill and Shanxi Donghui. Under the terms of the pre-bid acceptance deed, Turquoise Hill has agreed to accept the Takeover Offer in respect of 14.9% of the Company if the Takeover Offer becomes unconditional (except for the 51% minimum ownership condition) and unless a superior proposal emerges prior to accepting the Takeover Offer and Shanxi Donghui does not match that proposal.

The Company's Independent Board Committee is undertaking a detailed assessment of the Takeover Offer. UBS AG, Australia Branch and Corrs Chambers Westgarth Lawyers have been engaged to advise the Independent Board Committee.

The Company will provide further information to shareholders in due course.

For further information, please contact

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