

NEWS RELEASE

For Immediate Release

Novra Third Quarter Sales increased by 500% from Last Year's Mark

Winnipeg, Manitoba, Canada (December 13, 2004) – Novra Technologies Inc. (TSX Venture – NVI) Revenues for the Company were more than five times higher than revenues over the same period last year, showing continued progress in market penetration for the S75 DVB-S receiver product, the IP Encapsulators, and NovraLink, Novra's digital signage solution. Novra has seen continued growth in the overseas market as well as further penetration into the U.S. market. Third quarter revenues for 2004 were \$548,617 with a gross margin of 60.9% for a total third quarter gross margin of \$334,094. This compares to 2003 third quarter revenues of \$102,998 with a gross margin of 61.9% for a 2003 comparable gross margin of \$63,758.

Despite the significant increase in sales, operating expenses have remained in line with 2003 levels. After covering operating expenses, Novra posted a loss of \$134,924 for the third quarter, much improved from the loss of \$422,694 for the same period in 2003.

“Over the past year we have had widespread acceptance of the quality and value in our products and in the past nine months, we are beginning to see the close of sales cycles initiated in mid to late 2003”, said Harris Liontas, CEO of Novra. “During the course of 2004, NovraLink has undergone significant development, resulting in a very feature-rich, stable and mature product. Our sales for the first nine months of 2004 are reflective of customer acceptance of our efforts. We are very excited with the third quarter results and will continue working to sustain growth of our sales during the balance of the year and into 2005.”

Results from Operations

Amounts are CDN Dollars

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<i>September 30 (unaudited)</i>		<i>September 30 (unaudited)</i>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Sales	\$ 548,617	\$ 102,998	\$ 1,343,500	\$ 448,297
Cost of Sales	<u>214,523</u>	<u>39,240</u>	<u>588,243</u>	<u>199,939</u>
Gross Margin	<u>334,094</u>	<u>63,758</u>	<u>755,257</u>	<u>248,358</u>

Sales during the third quarter of 2004 increased due to Novra's shipping of a number of NovraLink SSP100 units (Novra's Video Player), along with Novra successfully securing a number of orders for its IP Encapsulator for a number of U.S. and international clients. The third quarter also generated additional orders for Novra's receivers (S75) by various U.S., Canadian and International based integrators for various Government and private telecommunications projects within North America and internationally.

Operating Costs

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<u>September 30 (unaudited)</u>		<u>September 30 (unaudited)</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Amortization	\$ 11,734	\$ 15,016	\$ 35,202	\$ 43,228
Business and Development	90,544	76,108	252,859	202,384
Marketing				
Corporate and Investor Relations	395	839	17,035	32,596
Services				
Director's Fees and Expenses	19,689	20,322	60,547	55,894
General and Administrative	124,432	116,243	405,104	330,287
Industrial and Research Assistance	1,318		3,224	
Program Repayment (note 9)				
Management Fees				30,000
Research and Development	<u>209,083</u>	<u>219,698</u>	<u>569,241</u>	<u>744,084</u>
	<u>457,195</u>	<u>448,226</u>	<u>1,343,212</u>	<u>1,438,473</u>

Operating expenses for the third quarter of 2004 remained relatively unchanged from 2003 levels. During the same three month period, the Company incurred Operating costs of \$457,195 (2003, \$448,226) which costs consist mainly of salaries paid to the employees of Novra for research and development, administration, customer support and marketing of its products.

Loss for the Period

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<u>September 30 (unaudited)</u>		<u>September 30 (unaudited)</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<i>Loss for the Period</i>	<u>(134,924)</u>	<u>(422,694)</u>	<u>(590,602)</u>	<u>(1,183,261)</u>

For the nine-month period ending September 30, 2004 Novra incurred a loss of \$590,602 compared to a loss of \$1,183,261 in the comparable period in 2003. As we have expensed our research and development expenses, the aggregate consolidated loss for the third quarter of 2004 was \$134,924 (\$0.006 per share) versus a loss of \$422,694 (\$0.020 per share) in the comparable period in 2003.

About Novra

www.novra.com

Novra Technologies offers premium broadband products, applications and services centered on the transport of Internet Protocol (IP) traffic using Digital Video Broadcasting (DVB) standards. Current products include the S75, A75 and C75 (high-throughput, cost-effective DVB satellite, ATSC, and cable receivers); the IPE400 family of DVB-IP encapsulators, and Novra's *NovraLink* In-Store Narrowcasting Television Solution.

Forward Looking Statements

Statements in this report relating to matters that are not historical fact are forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Factors that could cause or contribute to such differences include, but are not limited to general economic conditions, changes in technology, reliance on third party manufacturing, managing rapid growth, global sales risks, limited intellectual property protection and other risks and uncertainties described in Novra's public filings with securities regulatory authorities.

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TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. The statements contained in this release that are not historical facts are forward-looking statements, which involve risks and uncertainties that could cause actual results to differ materially from targeted results. The Company relies upon litigation protection for forward- looking statements.