ASX MEDIA RELEASE

Havilah Resources
A New Mining Force in South Australia

26 April 2018

Mutooroo Cobalt District: High Cobalt at Scorpion Prospect

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HIGHLIGHTS

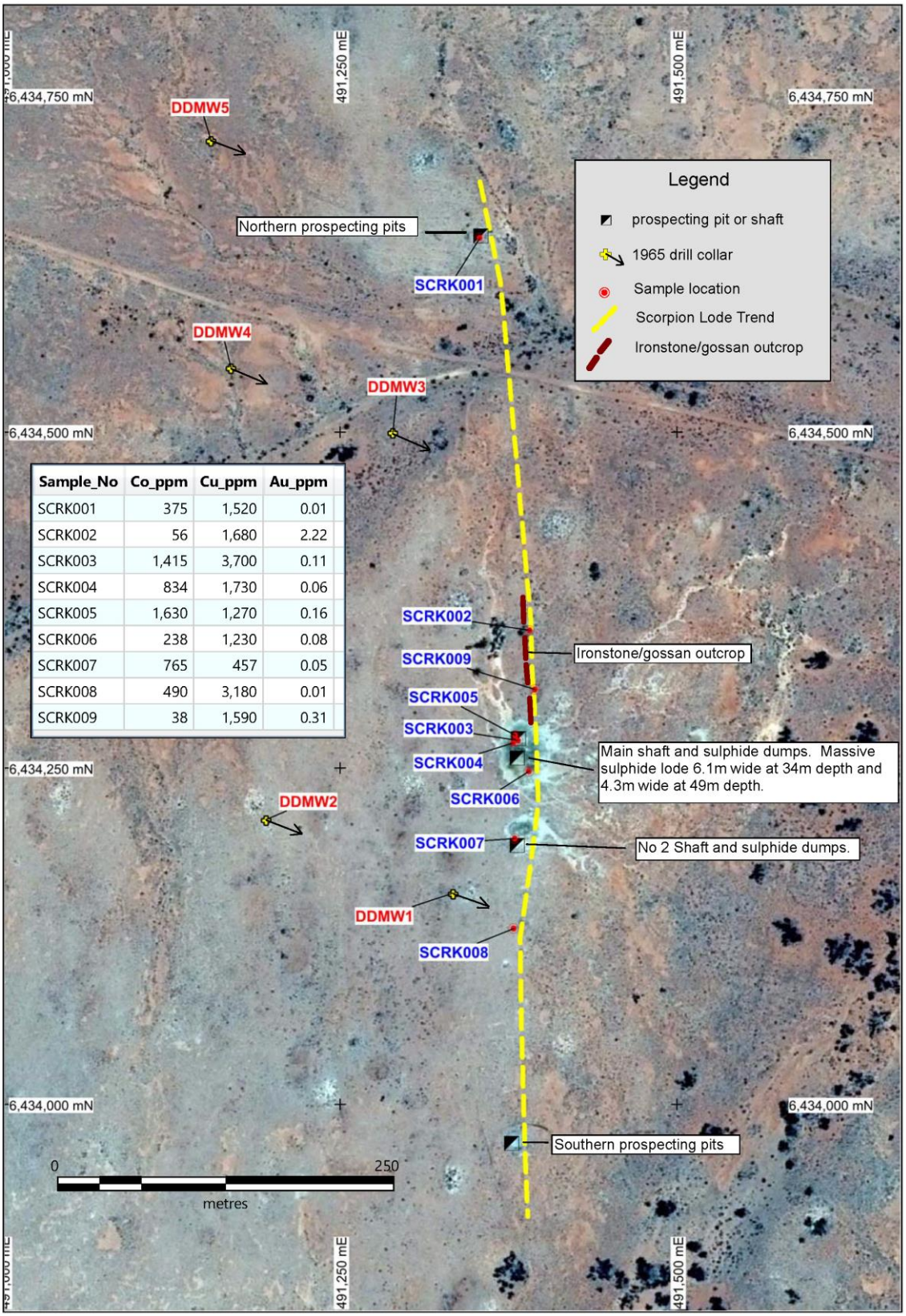
- **Up to 1,630 ppm (0.16%) cobalt in rock chip samples from Scorpion Prospect 4 km northwest of the Mutooroo copper-cobalt project.**
- **Massive sulphide intersections in two 1960's drill holes 300 m apart that were not assayed for cobalt or gold.**
- **No previous exploration for cobalt and no drilling conducted at Scorpion for over 50 years.**
- **One of many prospects, highlighting the potential for significant massive and disseminated sulphide hosted cobalt mineralisation in the Mutooroo Cobalt District.**

Havilah Resources Limited (**Havilah**) has initiated a program of systematically targeting cobalt (Co) prospects within its 100% owned tenements in the Mutooroo Cobalt District in north-eastern South Australia. At the Scorpion Prospect (previously known as the Mutooroo West prospect), located 4 km northwest of Havilah's 100% owned Mutooroo copper-cobalt project, several old mine dumps remain from the early 1900's era copper prospecting. Sampling of pyritic sulphide material on mine dumps and ironstone/gossan outcrops has returned cobalt grades up to 1,630 ppm (0.16%) and up to 2.2 g/t gold, with appreciable copper (refer Table 1 and Figure 1).

Sample	Co ppm	Co %	Cu ppm	Au ppm	Sample type
SCRK001	375	0.04	1,520	0.01	ironstone/gossan from prospecting pit
SCRK002	56	0.01	1,680	**2.22**	massive ironstone/gossan
SCRK003	**1,415**	**0.14**	3,700	0.11	pyritic dump material
SCRK004	**834**	**0.08**	1,730	0.06	pyritic dump material
SCRK005	**1,630**	**0.16**	1,270	0.16	pyritic dump material
SCRK006	238	0.02	1,230	0.08	pyritic dump material
SCRK007	**765**	**0.08**	457	0.05	pyritic dump material
SCRK008	490	0.05	3,180	0.01	gossanous material from dump
SCRK009	38	0.00	1,590	0.31	gossan outcrop

Table 1 - Rock chip sampling results from Scorpion Prospect.

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Sample_No	Co_ppm	Cu_ppm	Au_ppm
SCRK001	375	1,520	0.01
SCRK002	56	1,680	2.22
SCRK003	1,415	3,700	0.11
SCRK004	834	1,730	0.06
SCRK005	1,630	1,270	0.16
SCRK006	238	1,230	0.08
SCRK007	765	457	0.05
SCRK008	490	3,180	0.01
SCRK009	38	1,590	0.31

Figure 1 – Scorpion Prospect Plan showing sample locations, previous drilling and old mine workings.

The Record of the Mines of South Australia, Fourth Edition, 1908 includes the following references to the mine developments at Mutooroo West. "The main shaft is 170 ft deep – 60 ft vertical, and the remainder on the underlie of the lode, which is a very large body of sulphide ore, striking N.W. and dipping steeply S.W. At 110 ft a crosscut 25 ft W **shows the lode to be 20 ft wide**, and from this level 110 tons have been stoped and marketed, stated to contain 3 percent to 4 percent copper and 20 percent to 30 percent sulphur. At 160 ft a crosscut has been made **14 ft W through solid sulphide ore**. No. 2 shaft is situated about 200 ft S from the main shaft,and has so far been sunk 70 ft on the underlie of the lode, which shows the same characteristics as in the main shaft."

After over 100 years of exposure, fresh sulphides, in the form of fine pyrite, are still evident on the mine dumps and this powdery, partially decomposed material was sampled for analysis. Other material sampled included the outcropping ironstone (gossan) that represents the near surface (oxidised) expression of the massive sulphide orebody at depth. Cobalt values are typically depleted in the near surface zone and this is seen in the lower but still significant cobalt values in the ironstone/gossan samples as detailed in Table 1.



View looking south along the Scorpion lode
with oxidised ironstone/gossan in the foreground
and sulphide bearing mine dumps in the background.

Five diamond cored holes were drilled by Mines Exploration (MEPL) at this prospect in the 1960's during exploration for copper. Two of the holes, DDMW2 and DDMW3 (Figure 1), spaced 300 m apart, intersected significant widths of massive

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sulphide lode material with elevated copper as detailed in Table 2. The MEPL drill samples were not assayed for cobalt or gold.

Hole ID	From (m)	To (m)	Width (m)	Description	Assay Interval
DDMW1	**40.54**	**41.91**	**1.37**	**Massive sulphide Lode**	**1.37 m @ 1.76% Cu**
DDMW1	46.63	47.24	0.61	Massive sulphide Lode	0.61 m @ 0.04% Cu
DDMW2	**167.94**	**175.56**	**7.62**	**Quartz Sulphide Lode**	**7.62 m @ 0.17% Cu**
DDMW3	**107.29**	**108.81**	**1.52**	**Massive sulphide Lode**	**1.52 m @ 0.03% Cu**
DDMW3	108.81	113.39	4.58	Patchy sulphides	4.58 m @ 0.06% Cu
DDMW3	113.39	115.82	2.43	Weak-moderate sulphides	2.43 m @ 0.25% Cu
DDMW3	**115.82**	**122.99**	**7.17**	**Massive sulphide Lode**	**7.17 m @ 0.32% Cu**
DDMW4	209.25	209.55	0.30	Strong sulphide veins	Not assayed
DDMW5	220.07	220.37	0.30	Sulphide-quartz Lode	Not assayed

Table 2 - Scorpion Previous Drill Results – Key intersections.

Note - All diamond holes were completed by Mines Exploration (MEPL) in 1965, geological, assay and downhole survey data was collated from available drill logs. Sulphide mineralised intervals were only analysed for copper (the analytical method used is unknown). No remaining drill sample could be located for re analysis.

The combination of surface sampling, returning high cobalt grades, historical mine records, which describe significant widths of massive sulphide lode at shallow depths, and previous, wide spaced drilling intersecting significant widths of sulphide mineralisation, but without cobalt and gold assays, augurs well for the discovery of a significant cobalt sulphide resource at the Scorpion Prospect.

Scorpion is one of a number of prospects in the Mutooroo Cobalt District located on old workings that contain prior copper drill intersections (e.g. King Brown and Trinity – Figure 2 and Figure 3), but were not assayed for cobalt and gold. It is notable that all of these prospects crop out at the surface which is why they were found by the early prospectors. There are extensive areas of equally prospective geology, based on the aeromagnetics, which are covered by thin soil cover and have not been drill tested.

Havilah has submitted an application to the Department for Energy and Minerals of South Australia to obtain drilling approvals to test these areas with shallow RC drilling later in 2018. The objective is to define additional copper-cobalt resources in the vicinity of the Mutooroo copper-cobalt deposit.

Commenting on the Mutooroo Cobalt District, CEO, Mr Walter Richards said: "We are very excited about the developing Scorpion Prospect and the broader regional exploration potential of the Mutooroo Cobalt District.
The early indications are looking positive for this cobalt district to present additional discoveries to add to the existing Mutooroo copper-cobalt project resource", he said.

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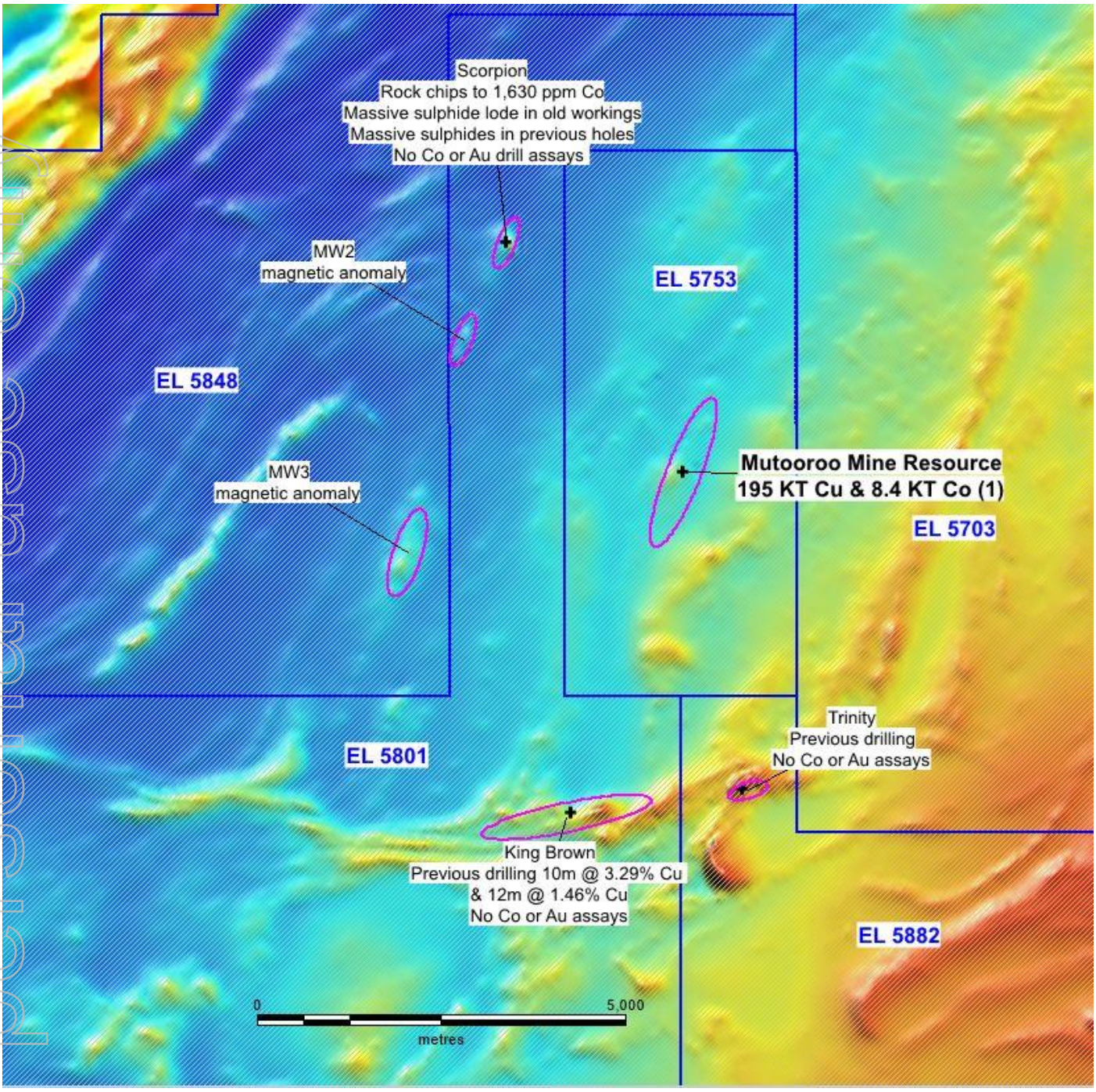


Figure 2 - Mutooroo Cobalt District regional prospects near the Mutooroo copper-cobalt deposit.

(1) – Refer to ASX announcement 18 October 2010.

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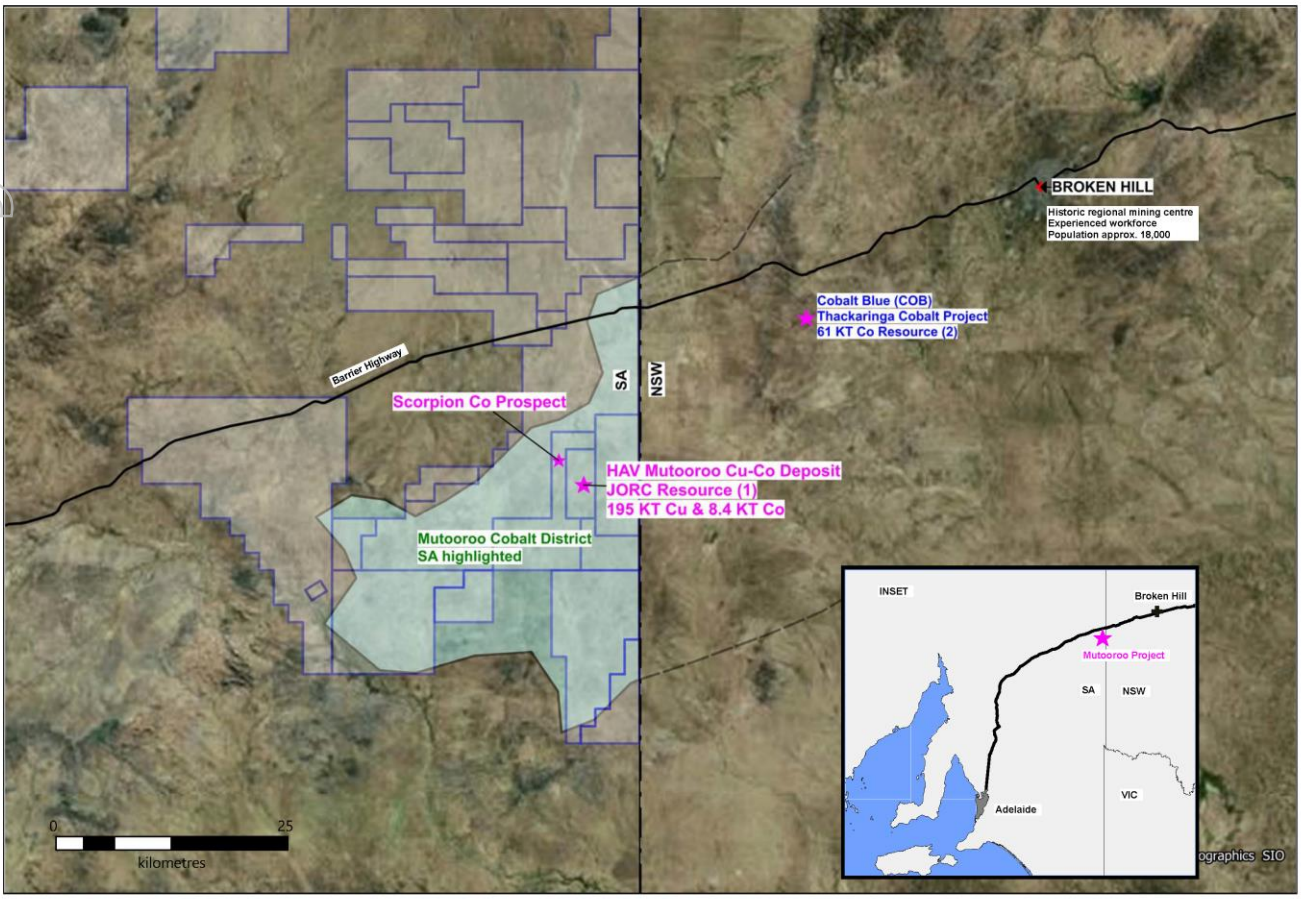


Figure 3 – Regional view of the Mutooroo Cobalt District highlighting Havilah tenements and cobalt resources.

(1) – Refer to HAV ASX announcement 18 October 2010.
(2) – Refer to COB ASX announcement 19 March 2018.

Cautionary Statement

This announcement contains certain statements which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Competent Persons Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on data and information compiled by geologist, Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr. Giles is Technical Director of the Company and is employed by the Company on a consulting contract. Dr. Giles has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. Giles consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.