

19 November 2020

HAVILAH SHARE PURCHASE PLAN & PRESENTATION

KEY POINTS

- Havilah will launch a Share Purchase Plan (**SPP**) to raise \$2 million from 'eligible shareholders'.
- This follows on from its oversubscribed Placement that raised \$2.55 million.
- The SPP provides 'eligible shareholders' the opportunity to acquire up to \$30,000 worth of new shares at \$0.17 each, the same price as the Placement.
- Funds raised will be applied to advance Havilah's key projects, to carry out exploration and in meeting tenement and other administration costs through to the end of 2021.

Havilah Resources Limited (Havilah or Company) announces that it will launch a SPP following on from the oversubscribed \$2.55 million Placement (refer to ASX announcement 16 November 2020). The SPP is not underwritten and aims to raise \$2 million from 'eligible shareholders' who were registered as holders of shares in the Company on 13 November 2020 (**Record Date**) and whose registered address is in Australia or New Zealand. The amount raised through the SPP remains subject to the Havilah Board's absolute discretion to accept oversubscriptions and/or to scale back applications.

The SPP will provide 'eligible shareholders' with the opportunity to purchase new shares at \$0.17 each, the same price as the Placement. This price represents:

- A 19% discount to the closing price of shares traded on ASX on 11 November 2020, which was the last day of trading of shares on ASX prior to Havilah's announcement of the SPP on 16 November 2020.
- An 18.6% discount to the volume-weighted average price of shares traded on ASX over the 5 trading days up to, and including, 11 November 2020.
- A 14.1% discount to the volume-weighted average price of shares traded on ASX over the 15 trading days up to, and including, 11 November 2020.

'Eligible shareholders' will be able to purchase up to \$30,000 worth of new shares in the Company without incurring brokerage or other transaction costs. The Company plans to despatch the SPP document and SPP Application Form on 20 November 2020. Applications for new shares under the SPP opens at 9.00am (AEDT) on 20 November 2020 and closes at 5.00pm (AEDT) on 4 December 2020.

Use of proceeds

Proceeds from the Placement and SPP will ensure that Havilah remains adequately capitalised through calendar year 2021 to carry out its planned value-adding work programs on its 100% owned multi-commodity project portfolio in northeastern South Australia near Broken Hill, as summarised in the following table.

Calendar Year 2021 proposed expenditure	\$ Millions
Advance West Kalkaroo gold starter open pit to mine development decision stage	1.25
Resource delineation drilling at Grants Basin iron ore as part of a mining scoping study	0.6
Drilling additional open pit resources for pre-feasibility studies at Mutooroo	0.6
Drill testing of regional exploration targets	0.6
Tenement maintenance costs, including rentals and renewals	0.5
Working capital and funding the costs of the SPP and Placement	1.0
Total	4.55

The continuing major focus will be on evaluating the feasibility of the West Kalkaroo gold starter open pit, with the objective of commencing mining development activities during 2021. Funds raised will also allow restoration of budgets and work programs for other projects during 2021, to replace funds that were diverted to West Kalkaroo drilling and feasibility studies during 2020 due to COVID-19 related issues and recent flooding in the region that limited access to other project areas.

Indicative timetable

The proposed timetable for the SPP is as follows:

Event	Date
Record Date (being the business day prior to Havilah's announcement of the SPP)	13 November 2020
Opening Date	20 November 2020
Closing Date	4 December 2020
Announcement of results of the SPP	9 December 2020
Issue Date (ie. the date of issue of new shares under the SPP)	15 December 2020
Date on which new shares issued under the SPP are expected to commence trading on ASX	15 December 2020
Despatch of holding statements in respect of new shares issued under the SPP	End of December

Note: The Company reserves the right to vary the dates and times set out above subject to the *Corporations Act 2001* (Cth) and other applicable laws.

Dr Chris Giles, Havilah's Technical Director said: "Directors are pleased to offer 'eligible shareholders' an opportunity to acquire new shares via a SPP at the same price as the recently oversubscribed Placement.

The funds raised from the SPP and Placement will allow the Company to move its key projects forward through to the end of 2021 and also to conduct drilling on some exciting regional exploration targets as outlined in the accompanying shareholder presentation."

This release has been authorised on behalf of the Havilah Resources Limited Board by Mr Simon Gray.

For further information visit www.havilah-resources.com.au

Contact: Dr Chris Giles, Technical Director, on (08) 7111 3627 or email info@havilah-resources.com.au

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Havilah Resources

Share Purchase Plan (SPP) provides opportunity to purchase new shares at \$0.17



**Ctrl-click on this page to view
Havilah's latest overview video**

At an 18.6% discount to the 5 day VWAP preceding offer announcement

Use of funds raised – to achieve short term objectives

West Kalkaroo gold starter open pit – priority objective

- Advance feasibility study and permitting work with the aim of commencing gold mining development activities during 2021.
- Ongoing resource infill drilling and resource expansion drilling along major mineralised fault zones.
- Continuation of collaborative research to determine the best recovery options for REE from West Kalkaroo oxidised gold ore.

Mutooroo copper-cobalt-gold project

- Advance PFS work, which will include a major component of additional resource drilling and process plant design and testing.

Iron ore assets

- Advance mining scoping study for an open pit at Grants Basin with minimal overburden and waste (iron ore outcrops at the surface).
- JORC resource delineation drilling at Grants Basin in support of the scoping study (delayed until 2021 due to recent flooding in the area).
- Detailed testing of cost-efficient dry ore processing methods using representative iron ore samples.

Regional exploration

- Many high conviction regional exploration targets that could lead to new discoveries.
 - **Croziers** copper-tungsten-REE prospect: Right geology, four previous exploration drillholes each with ore-grade intersections.
 - **Mutooroo** copper-cobalt-gold: Follow-up ore-grade copper in 1960's drillholes and very high copper/cobalt surface geochemical anomalies.
 - **Jupiter MT anomaly**: Follow-up MT survey during 2021 to define major fault zone and initial high risk, high reward drilling target.

Corporate

- Corporate overheads have been greatly reduced, but significant fixed costs such as share registry and ASX listing fees remain.
- Substantial costs to maintain Havilah's 16,000 km² tenement area (>\$500,000 per annum).

Funds raised will be prudently invested to generate positive shareholder returns

Matching with longer term objectives

Large scale Kalkaroo copper-gold-cobalt project development

- Havilah retains a high degree of optionality as the large scale Kalkaroo copper-gold sulphide production could potentially be ramped up at any time if the required capital became available (A\$332 million start up capex).
- Investment partner or buyout might be possible in a favourable copper market.
- Potential unquantified by-product REE, cobalt and/or moly sales could generate additional revenue.

Mutooroo copper-cobalt-gold project

- PFS leading ultimately to a mining investment decision.
- Mining hub concept drawing in many potential local ore sources from the surrounding Mutooroo Copper-Cobalt District.

Iron ore assets

- An initial low-cost mining development seeking to utilise the Port Playford transshipment facility and existing rail capacity.
- Progressively increase production capability from vast iron ore resources in the region.
- Pelletisation is a future value adding possibility.
- Requires low water usage and likely locally generated renewable energy from abundant sunlight and wind.

Regional exploration

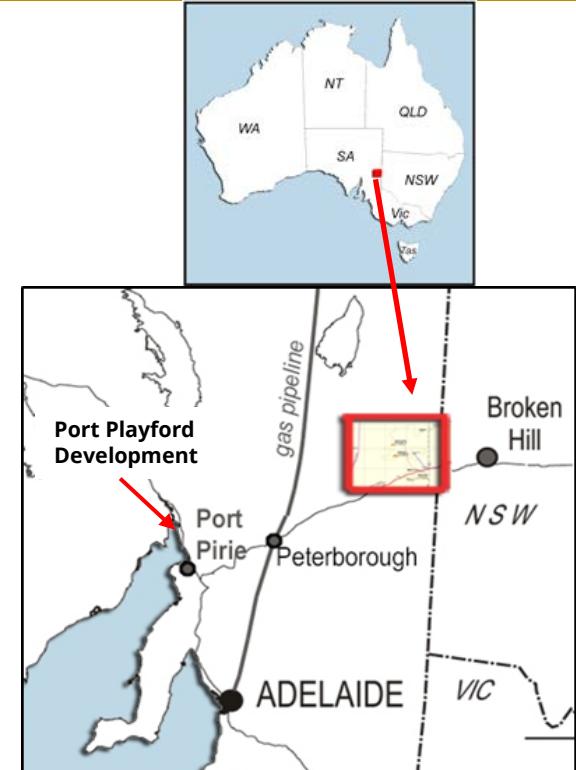
- Apply extensive local geological knowledge to make new value adding discoveries in a variety of geological settings.
- Taking advantage of a large highly prospective tenement holding (>16,000 km²) and an excellent track record of exploration success.

Maximising the value from Havilah's multi-commodity minerals portfolio

Havilah is a high quality resource stock

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- ✓ **Low sovereign risk jurisdiction** – with a mining friendly government in South Australia that actively encourages mineral development.
- ✓ **Favourable logistics and infrastructure** – close to the regional mining centre of Broken Hill with its skilled workforce and the main east-west railway line and highway; Havilah owns the 550 km² Kalkaroo Station pastoral lease.
- ✓ **Experienced technical team** – Havilah's current technical team has an exceptional track record of exploration success (including 8 JORC Mineral Resources at Havilah) and has developed and operated the Portia gold mine.
- ✓ **Clear strategic direction and leadership** – experienced Board focused on making sensible strategic and financially responsible decisions.
- ✓ **High quality mineral projects** – Havilah has three advanced mineral projects with substantial JORC Mineral Resources (refer to JORC table at end).
- ✓ **Conflict-free, strategic and critical minerals** – including copper, cobalt, moly and potentially REE.
- ✓ **Exploration upside** – >16,000 km² of some of the most prospective and under-explored exploration terrain in Australia for copper, gold, cobalt and iron ore. Havilah operates its own drilling crew, a key to its successful exploration history.



JORC Resources:

Copper 1.3 Mt

Gold 3.2 Moz

Cobalt 43.4 Kt

Iron Ore 451 Mt



Havilah Resources

Advanced mineral projects summary

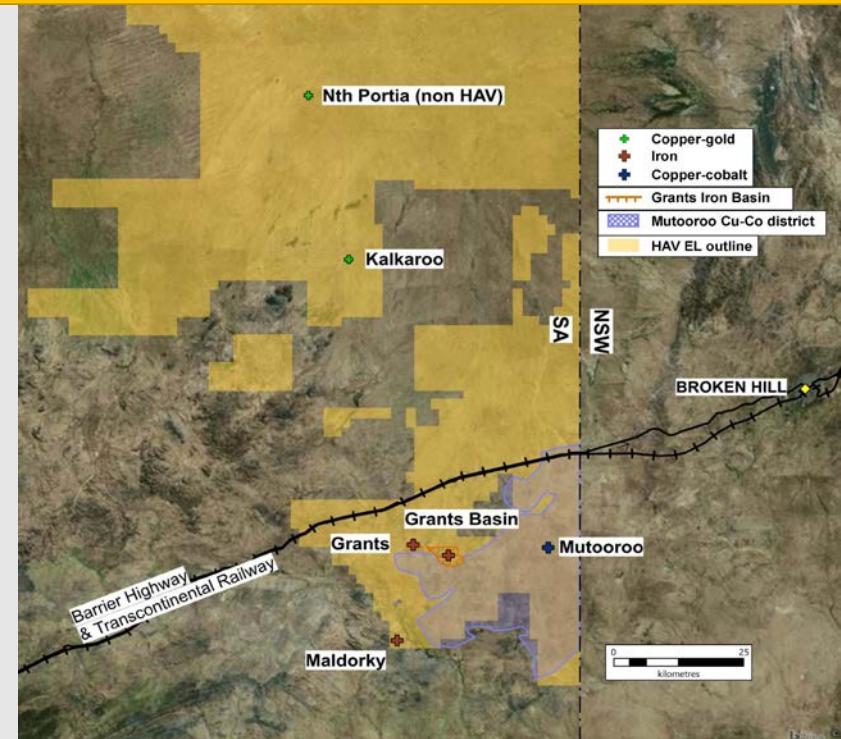
Copper - Gold - Cobalt - (REE)

- **Kalkaroo:** [Positive independent prefeasibility study](#) (PFS)* confirms Kalkaroo as one of the largest undeveloped open pit copper deposits in Australia based on 100 Mt Ore Reserve (contains 474,000 tonnes copper & 1.4 million ounces gold, 90% Proved) at a CuEq grade of 0.89%. Potential for by-product cobalt, moly and REE concentrate production (refer to havilah-resources-projects.com/kalkaroo).

- **Mutooroo:** Comparatively high grade open pit and underground copper deposit (1.53% Cu) with appreciable cobalt. One of the highest grade sulphide cobalt deposits (0.16%) with associated copper in Australia (refer to havilah-resources-projects.com/mutooroo).
- High exploration upside for expansion of both resources.

Iron ore

- **Grants & Maldorky:** combined JORC resources of 451 Mt in proximity to railway line; amenable to efficient upgrading to 65% Fe product.
- **Grants Basin:** [Exploration Target*](#) 3.5-3.8 billion tonnes 24-28% Fe in only 25% of the iron ore basin, also potentially upgradable.

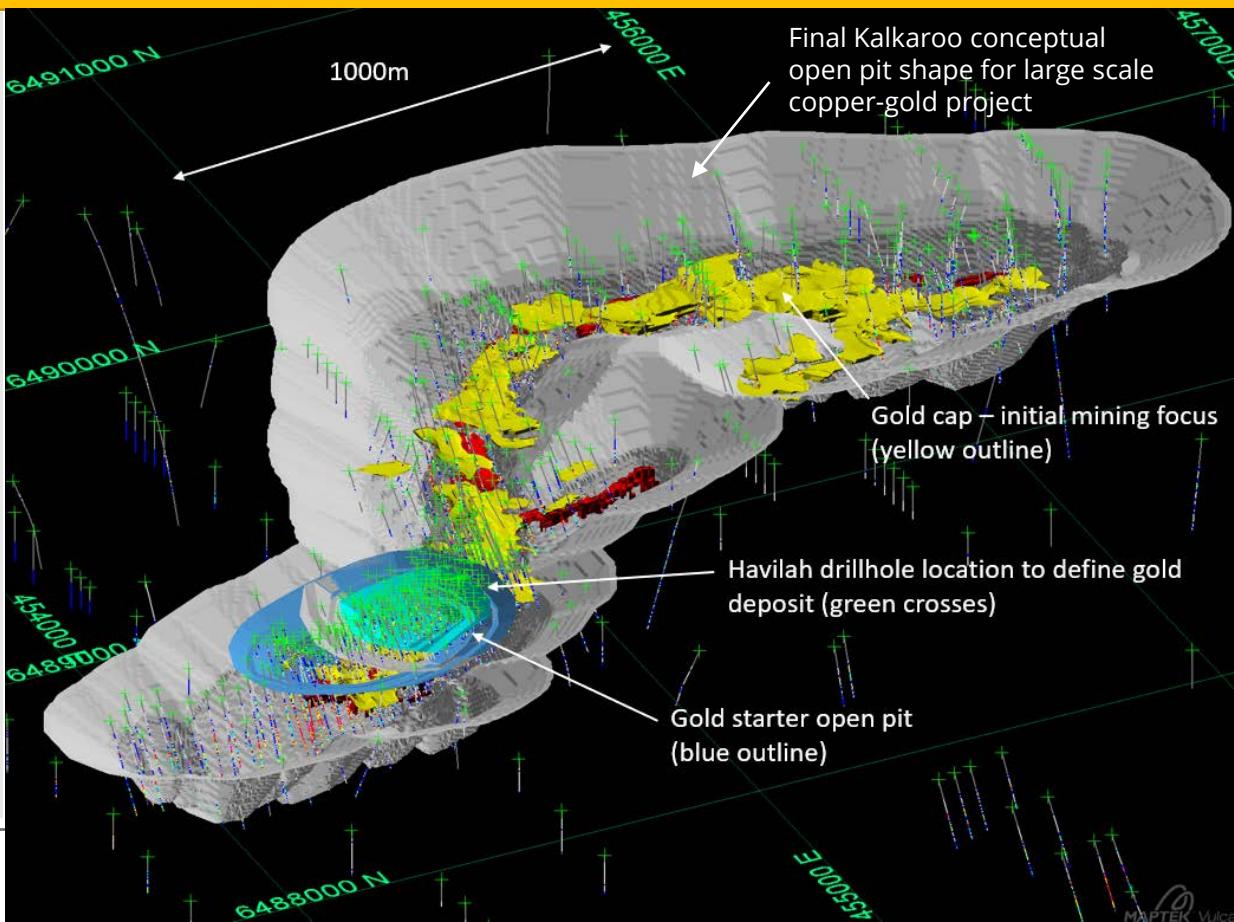


A multi-commodity minerals portfolio accumulated over 17 years

Initial gold starter open pit at West Kalkaroo

Kalkaroo is a large gold deposit in its own right, containing over 3.1 Moz gold

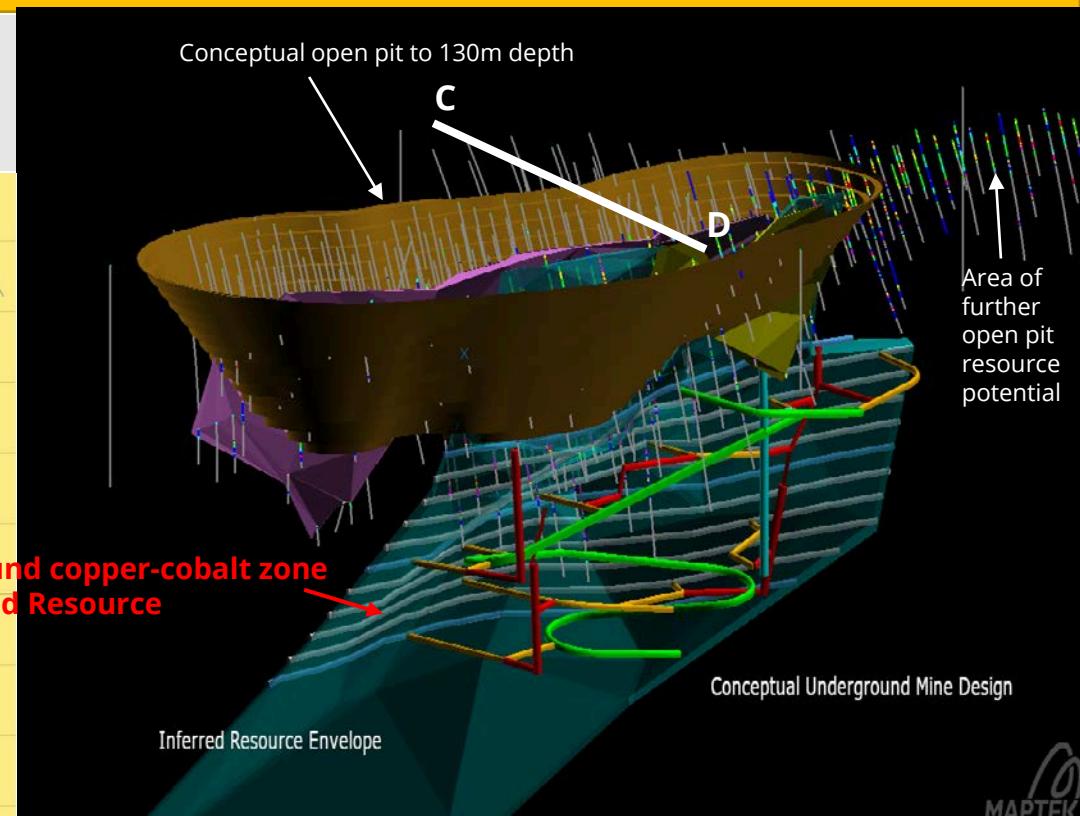
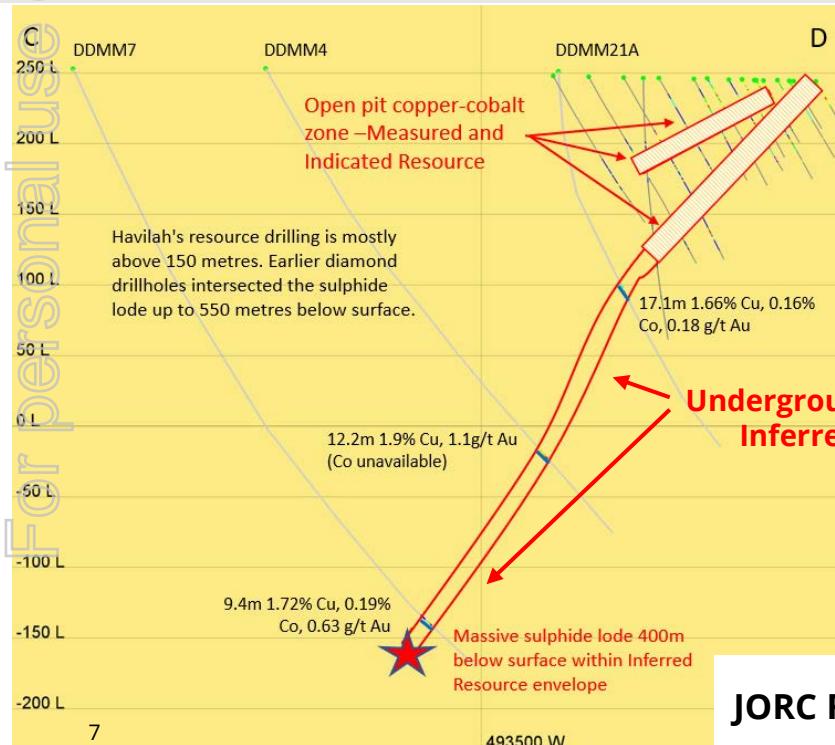
- ✓ Initial development plan is to commence a lower capital gold starter open pit (blue), with approximately 80,000-90,000 ounces of gold production over 3 years ([refer to ASX announcement 29 July 2020](#)).
- ✓ This would mine the shallowest and lowest cost gold ore via an open pit mine and a cyanide leaching gold recovery processing plant.
- ✓ It is a lower capital and lower risk start up alternative that takes advantage of the current high gold price.
- ✓ This is only a small part of the deposit and could be followed by the much larger long term copper-gold development as shown by the grey open pit outline.



Mutooroo: Potential high grade open pit copper mine

One of the highest grade sulphide cobalt deposits with associated copper in Australia

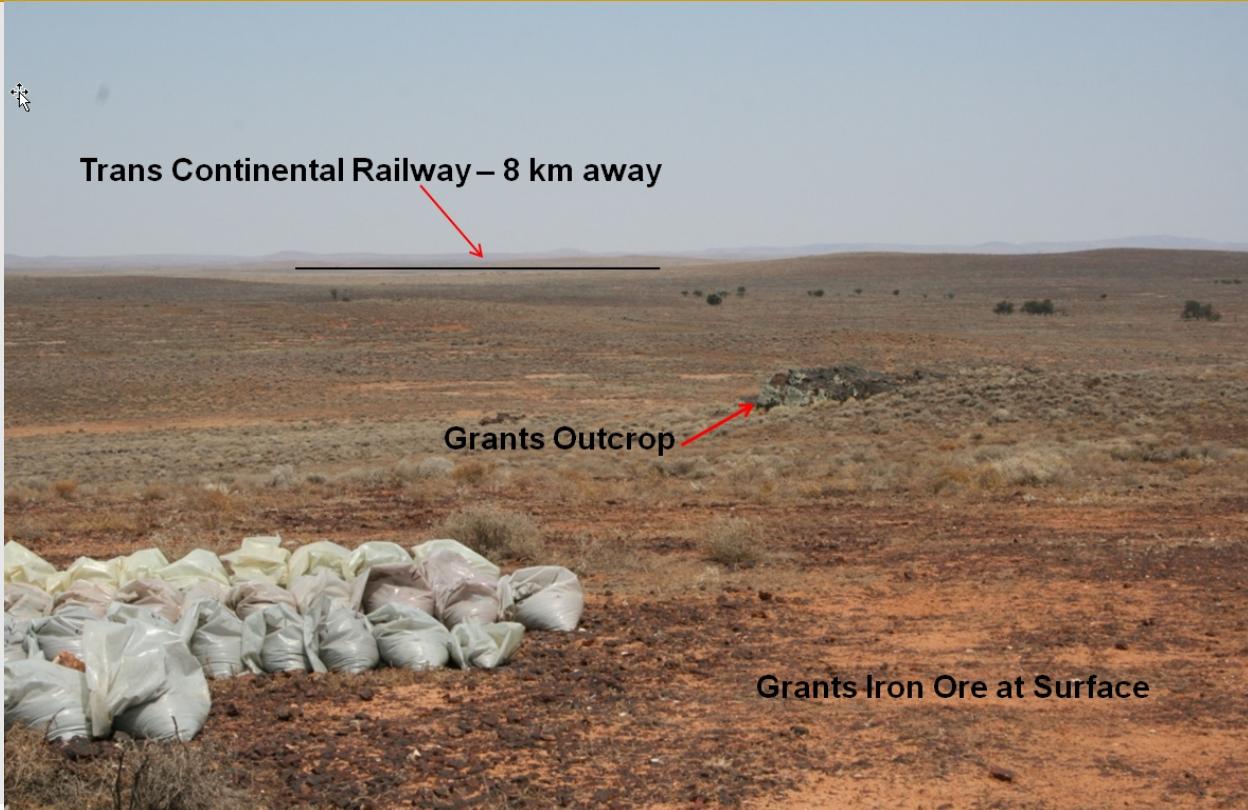
Concept is for an initial shallow open pit exploiting >1.3% Cu and 0.14% Co Measured and Indicated resources followed by underground mining of higher grade Inferred resources >1.7% Cu and 0.17% Co (refer to JORC resource table at end).



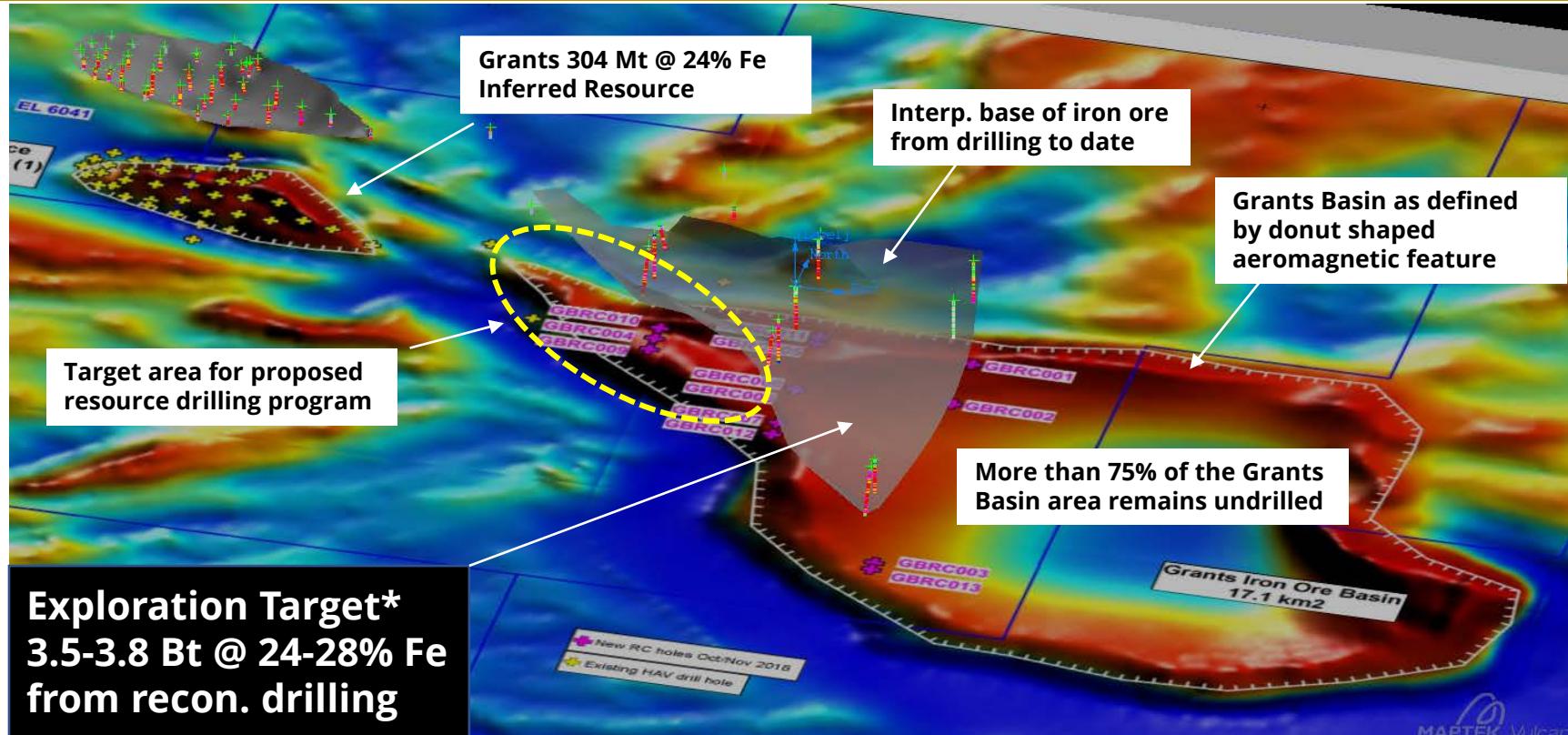
JORC Resources: Copper 195.0 Kt Cobalt 20.2 Kt Gold 82.1 Koz

Grants iron ore: Favourable logistics, yield and recovery

- Lies 8 km south of the Trans-Continental railway line.
- One hour drive from the major regional mining centre of Broken Hill along the main Highway.
- Power grid 30km away with excess renewable power (wind turbine and solar) available at Broken Hill.
- Testwork shows that the similar Maldorky iron ore can be [upgraded to a high quality](#) 65% iron product for a 40% product yield and 85% iron recovery.



Grants Basin iron ore: a Pilbara scale Exploration Target*



Iron ore transportation and port logistics solutions

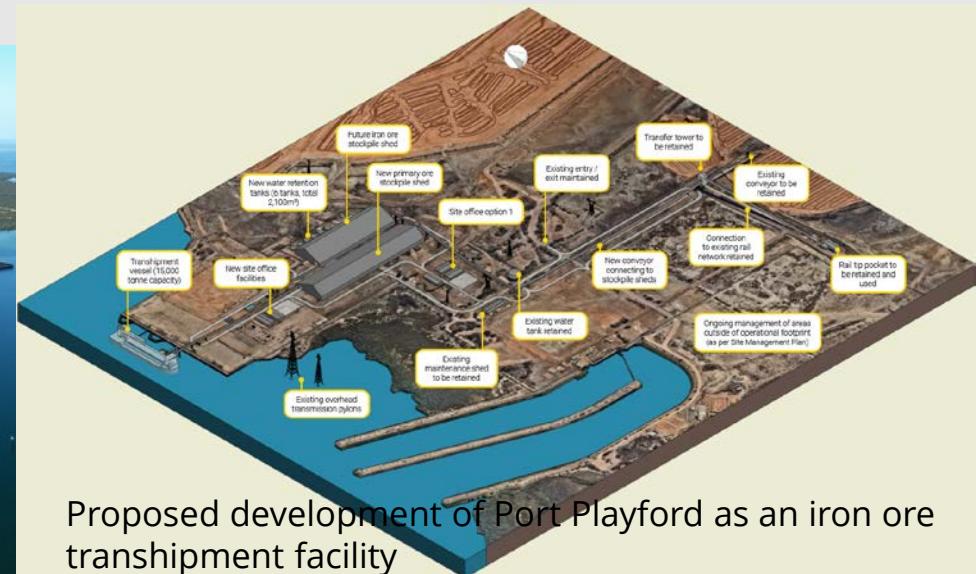
- MOU signed with Port Augusta Operations who is constructing the new Port Playford iron ore transhipment facility.
- "Port Playford will offer a strategically located, low capital and near-term export facility....and will offer storage, port and transhipment services for iron ore" from Port Playford website <https://www.portplayford.com>
- Direct rail link from within a few km of Grants and Grants Basin iron ore deposits to Port Playford (see slide 4).

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Port Playford – site of former Port Augusta power station

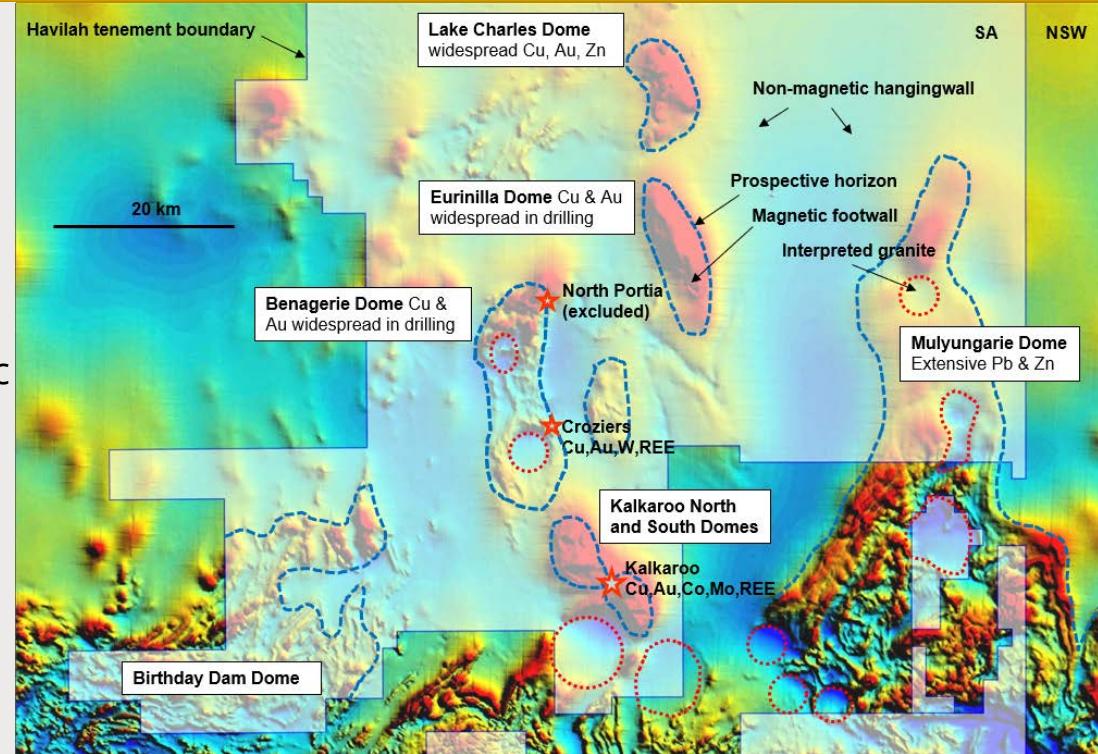


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Regional exploration: Curnamona copper belt

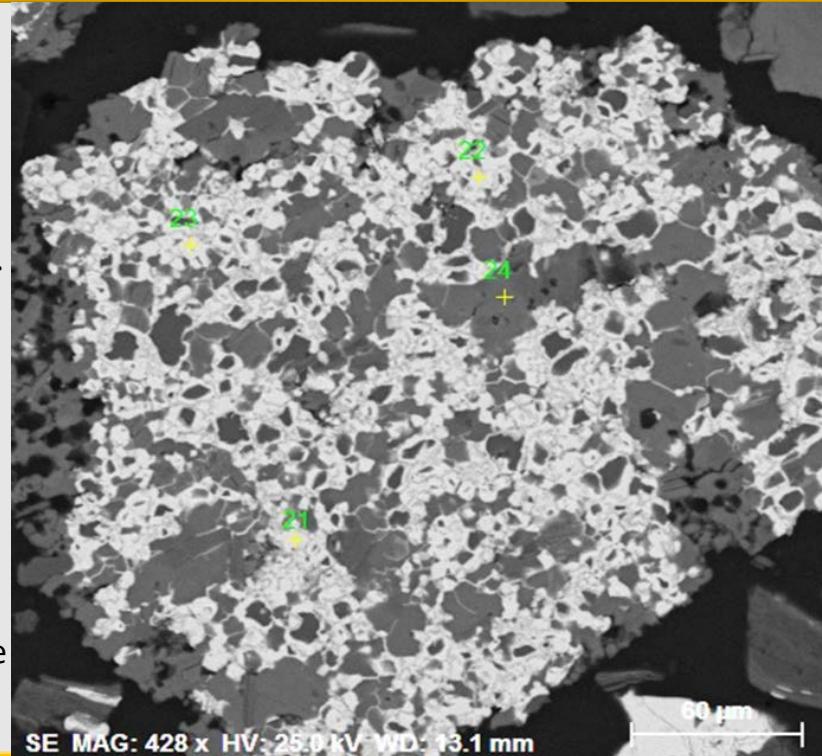
- Kalkaroo style mineralisation in a > 200 km long, prospective horizon (blue dashed line).
- Several well mineralised major structural domes (e.g. Kalkaroo, Benagerie, Eurinilla, Lake Charles).
- Strong geological analogies to the prolific Zambian Copper Belt.
- Shallow drilling has identified widespread copper-gold mineralisation and some outstanding drilling targets.
- >16,000 km² highly prospective 100% owned tenement holding.



Exploring for Zambian Copper Belt style stratabound replacement copper mineralisation

Curnamona copper belt as a potential future source of REE

- REE are critical minerals that are used as a vital components of a wide range of green energy and other applications (e.g. wind turbines, electric vehicles, rechargeable batteries, hand phones), whose supply is dominated by China (refer to [Critical Minerals Prospectus 2020](#)).
- [Widespread elevated levels of the higher value REE](#) are associated with copper-gold-cobalt mineralisation in the Curnamona copper belt.
- Research collaboration with the University of South Australia has identified a [high value REE mineral](#) (bastnasite - a carbonate-fluoride mineral) in the West Kalkaroo oxidised gold ore.
- The main research objective is to determine if this REE mineral can be economically recovered in a mineral concentrate as a by-product of the copper and gold recovery process and so provide an additional valuable revenue stream for the Kalkaroo gold starter open pit and assist in meeting the western world's REE self-sufficiency.
- The scanning electron microscope image on the right shows bastnasite (white) intergrown with clay minerals (grey) in a gold ore sample from West Kalkaroo, which shows good promise for economic recovery.



The mineralising processes in the Curnamona Craton concentrated high value REE

JORC Ore Reserve & Mineral Resources

JORC Ore Reserves

Project	Classification	Tonnes (Mt)	Copper %	Gold g/t	Copper tonnes (Kt)	Gold ounces (Koz)
Kalkaroo ¹	Proved	90.2	0.48	0.44	430	1,282
	Probable	9.9	0.45	0.39	44	125
Total		100.1	0.47	0.44	474	1,407

Footnotes to the JORC Ore Reserve and Mineral Resource Tables

Numbers in tables are rounded

¹ Details released to ASX: [18 June 2018](#) (Kalkaroo)

² Details released to ASX: [18 October 2010](#) and [5 June 2020](#) (Mutooroo)

³ Details released to ASX [30 January 2018](#) & [7 March 2018](#) (Kalkaroo)

⁴ Note that the Kalkaroo cobalt Inferred resource is not added to the total tonnage

⁵ Details released to ASX: [10 June 2011](#) applying an 18% Fe cut-off (Maldorky)

⁶ Details released to ASX: [5 December 2012](#) applying an 18% Fe cut-off (Grants)

⁷ Details released to the ASX: [4 June 2009](#) using a grade-thickness cut-off of 0.015 metre % eU3O8 (Oban)

JORC Mineral Resources as at 31 July 2020

Project	Classification	Resource Category	Tonnes	Copper %	Cobalt %	Gold g/t	Copper tonnes	Cobalt tonnes	Gold ounces
Mutooroo ²	Measured	Oxide	598,000	0.56	0.04	0.08			
	Total	Oxide	598,000	0.56	0.04	0.08	3,300	200	1,500
	Measured	Sulphide Copper-Cobalt-Gold	4,149,000	1.23	0.14	0.18			
	Indicated	Sulphide Copper-Cobalt-Gold	1,697,000	1.52	0.14	0.35			
	Inferred	Sulphide Copper-Cobalt-Gold	6,683,000	1.71	0.17	0.17			
	Total	Sulphide Copper-Cobalt-Gold	12,529,000	1.53	0.16	0.20	191,700	20,000	80,600
		Total Mutooroo	13,127,000				195,000	20,200	82,100
	Measured	Oxide Gold Cap	12,000,000				0.82		
	Indicated	Oxide Gold Cap	6,970,000				0.62		
	Inferred	Oxide Gold Cap	2,710,000				0.68		
Kalkaroo ³	Total	Oxide Gold Cap	21,680,000				0.74		514,500
	Measured	Sulphide Copper-Gold	85,600,000	0.57			0.42		
	Indicated	Sulphide Copper-Gold	27,900,000	0.49			0.36		
	Inferred	Sulphide Copper-Gold	110,300,000	0.43			0.32		
	Total	Sulphide Copper-Gold	223,800,000	0.49			0.36	1,096,600	2,590,300
		Total Kalkaroo	245,480,000					1,096,600	3,104,800
	Inferred	Cobalt Sulphide ⁴	193,000,000		0.012				23,200
	Total All Projects	All Categories (rounded)	258,607,000					1,291,600	43,400
									3,186,900
Project	Classification		Tonnes (Mt)	Iron (%)		Fe concentrate (Mt)		Estimated yield	
Maldorky ⁵	Indicated		147	30.1		59		40%	
Grants ⁶	Inferred		304	24		100		33%	
Total all projects	All categories		451			159			
Project	Classification		Tonnes (Mt)	eU3O8 (ppm)		Contained eU3O8 (Tonnes)			
Oban ⁷	Inferred		8	260					2,100

Additional information

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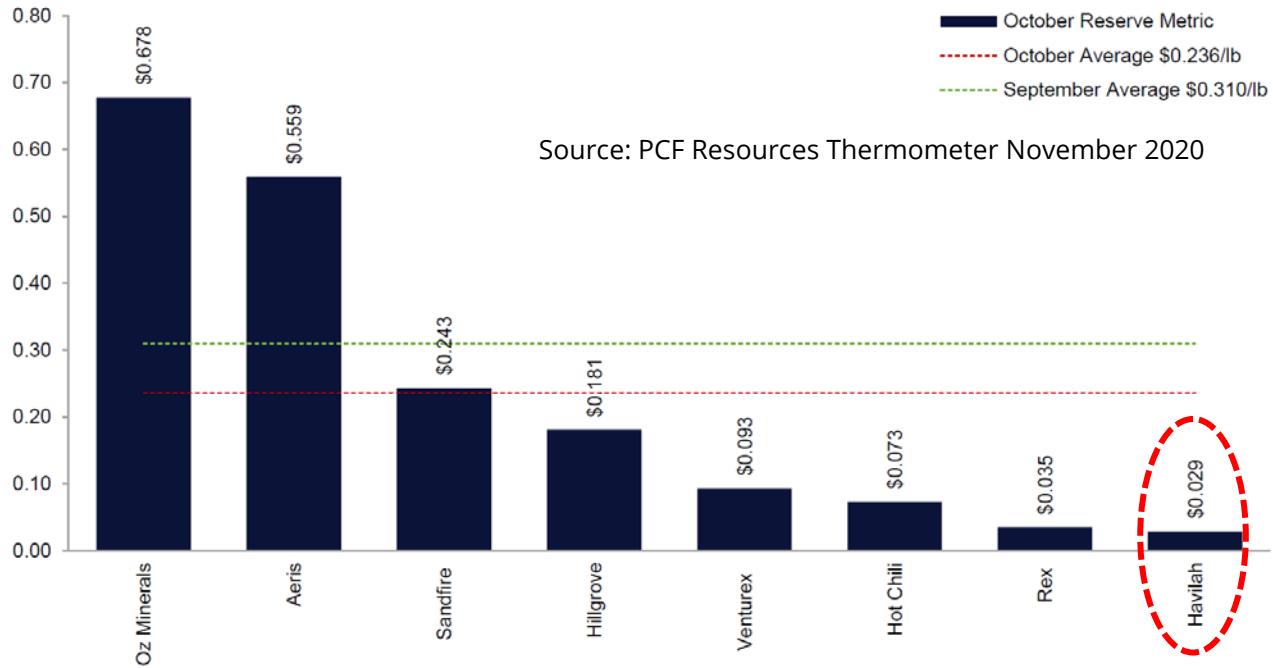
1. ASX copper peer comparisons
2. ASX gold peer comparisons
3. Kalkaroo project updated valuation (29 July 2020)

High leverage to copper based on CuEq Ore Reserves

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Amongst its ASX peers shown here, Havilah has the highest leverage to copper, based on its Enterprise Value / CuEq Ore Reserves

ASX EV / Reserve (A\$/lb CuEq)



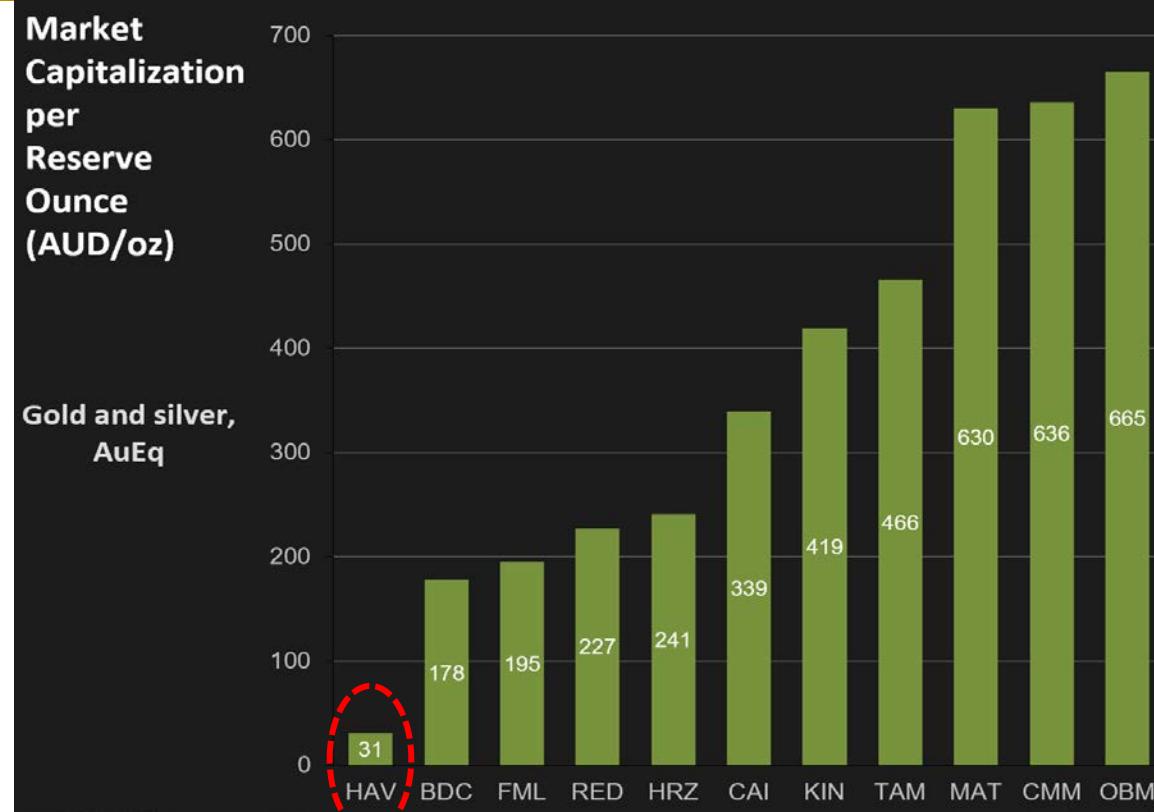
High leverage to gold based on gold ore reserves

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Amongst its ASX peers shown here, Havilah has the highest leverage to gold, based on its Market Capitalisation / Gold Ore Reserves

Comparison criteria are: 1. Only ASX listed explorers and developers with predominantly gold ore reserves in excess of 100,000 ounces. None of the companies are significant gold producers although some are in the construction phase.
2. Gold ore reserves are all located in Australia. This is to ensure comparisons are like for like on a sovereign risk basis.

Source: Gold Nerds September 2020



Kalkaroo project updated valuation

Gold price USD\$/oz and AUD\$/oz (at AUD:USD exchange rate of 0.75)															
Copper price USD\$/lb & AUD\$/lb	USD		\$1,000	\$1,100	\$1,200	\$1,300	\$1,400	\$1,500	\$1,600	\$1,700	\$1,800	\$1,900	\$2,000	\$2,100	\$2,200
	AUD	\$1,333	\$1,467	\$1,600	\$1,733	\$1,867	\$2,000	\$2,133	\$2,267	\$2,400	\$2,533	\$2,667	\$2,800	\$2,933	
	2.50	3.33	\$171	\$239	\$308	\$376	\$445	\$514	\$582	\$651	\$719	\$788	\$857	\$925	\$994
	2.70	3.60	\$301	\$369	\$438	\$506	\$575	\$643	\$712	\$781	\$849	\$918	\$986	\$1055	\$1124
	2.89	3.85	\$427	\$496	\$564*	\$633	\$701	\$770*	\$839	\$907	\$976	\$1044*	\$1113	\$1182	\$1250
	3.10	4.13	\$560	\$629	\$698	\$766	\$835	\$903	\$972	\$1040	\$1109	\$1178	\$1246	\$1315	\$1383
	3.30	4.40	\$690	\$759	\$827	\$896	\$965	\$1033	\$1102	\$1170	\$1239	\$1308	\$1376	\$1445	\$1513
	3.50	4.67	\$820	\$889	\$957	\$1026	\$1094	\$1163	\$1232	\$1300	\$1369	\$1437	\$1506	\$1575	\$1643
	3.70	4.93	\$950	\$1019	\$1087	\$1156	\$1224	\$1293	\$1362	\$1430	\$1499	\$1567	\$1636	\$1705	\$1773
	3.90	5.20	\$1080	\$1149	\$1217	\$1286	\$1354	\$1423	\$1491	\$1560	\$1629	\$1697	\$1766	\$1834	\$1903
	4.10	5.47	\$1210	\$1278	\$1347	\$1416	\$1484	\$1553	\$1621	\$1690	\$1759	\$1827	\$1896	\$1964	\$2033

* Pre-tax NPV_{7.5%} from PFS (green) compared with that at recent long-term forecast (orange) and spot gold price (yellow), as calculated by the PFS financial model.

Note that the orange highlighted long term gold price, pre-tax NPV_{7.5%} (\$770 million) in the table is conservative for Kalkaroo as no account has been taken of:

1. Improved gold recoveries in the oxidised ore types from 50% in the PFS to >90% based on recent metallurgical test work ([refer to ASX announcement of 9 May 2019](#)).
2. Potential revenue contribution from other by-product commodities such as cobalt, rare earth elements and molybdenum due to incomplete metallurgical test work.
3. Open pit optimisations have not been re-run for higher long-term forecast gold prices. On the basis that lower grades of ore can be profitably treated if metal prices are higher, it is reasonable to assume (based on constant cost inputs) that re-optimisation would result in a larger open pit and hence improved mining economics and a longer mine life. For the present exercise the published PFS open pit optimisation and RPM financial model have been used.
4. The above pre-tax NPV_{7.5%} value matrix exchange rate was set at an earlier long-term forecast AUD:USD 0.75 rate, whereas over the past 12 months the AUD:USD exchange rate has been consistently below this level.

Cautionary and Competent Person's Statements

Cautionary Statement

The information contained in this presentation is not financial product advice. The presentation is for information purposes and is of a general and summary nature only. Neither Havilah Resources Limited (Havilah) nor any member of the Havilah Group of companies, gives no warranties in relation to the statements and information in this presentation. Investors should seek appropriate advice on their own objectives, financial situation and needs.

It is not recommended that any person makes any investment decision in relation to Havilah based on this presentation. This presentation should be read in conjunction with the latest Annual Report together with any announcements made by Havilah in accordance with its continuous disclosure obligations arising under the *Corporations Act 2001*.

This presentation 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. Havilah disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. 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.

Given the ongoing uncertainty relating to the duration and extent of the global COVID-19 pandemic, and the impact it may have on the demand and price for commodities on our suppliers and workforce, and on global financial markets, the Company continues to face uncertainties that may impact its operating and financing activities.

Competent Person's Statement

The information in this presentation that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on data 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, a full-time employee and is a substantial shareholder. Dr Giles has sufficient experience, which is relevant to the style of mineralisation and type of deposit and activities described herein 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 presentation of the matters based on his information in the form and context in which it appears.

Information for the Kalkaroo Ore Reserve & Mineral Resource and the Mutooroo Inferred cobalt & gold Mineral Resources complies with the JORC Code 2012. All other information was prepared and first disclosed under the JORC Code 2004 and is presented on the basis that the information has not materially changed since it was last reported. Havilah confirms that all material assumptions and technical parameters underpinning the reserves and resources continue to apply and have not materially changed. Except where explicitly stated, this presentation contains references to prior exploration results and JORC Mineral Resources, all of which have been cross-referenced to previous ASX announcements made by Havilah. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX announcements.



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