



*Havilah Resources NL aims to become a significant new producer of iron ore, copper, gold, cobalt, molybdenum and tin from its 100% owned JORC mineral resources in northeastern South Australia.*

*120.3 million ordinary shares*

*11.7 million unlisted options*

## MALDORKY APPROVAL MILESTONE AND EQUITY RAISING

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### HIGHLIGHTS

- **Maldorky mining lease proposal approved for public exposure.**
  - **Portia de-watering injection test results positive for mining.**
  - **Kalkaroo mining lease proposal in final stages of completion.**
  - **1:4 non-renounceable rights issue at \$0.14 and attaching free option exercisable at \$0.30 to fund completion of project permitting and key technical studies**
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#### Maldorky Project Update

Havilah Resources NL (ASX: HAV) ("Havilah" or the "Company") is pleased to advise that the Maldorky mining lease proposal (MLP) document, the culmination of two year's work, has passed the Department of State Development's (DSD – formerly DMITRE) stringent adequacy check process. This is an important milestone and paves the way for the document to be posted on DSD's website for the purposes of public comment. This is expected to occur within the next few days (Havilah will provide the link to the document when it is available). We would encourage our shareholders and other stakeholders to review and study the detailed mine planning work that Havilah has completed for this project.

Havilah's next regulatory step in the Maldorky mine permitting process is to produce a comprehensive Program for Environmental Protection and Rehabilitation (PEPR). Much of the information required for this document is already included in the MLP document and will be supplemented with more detailed hydrological work and detailed mine closure plans. In parallel, the Company is also continuing with its metallurgical pilot test work and negotiation of a native title mining agreement with the Wilyakali people.

#### Portia Project Update

An extended dewatering re-injection trial has been completed on site to confirm and validate previous modelling and operational assumptions. The results are currently being analysed by hydrological consultants, Australian Groundwater Technologies. This data will provide confidence to the regulators and Company alike, that the Portia project water management strategy is robust and viable.

Once the consultant's final report is available it will be incorporated into the previously completed Portia PEPR document and re-submitted to DSD. Considering that all previously communicated requirements have now been met, Havilah is optimistic that final approvals will be forthcoming to allow mining to commence. In the meantime the Company is continuing its negotiations to finalise a mining contract and funding for the proposed open pit operation.

#### Kalkaroo Project Update

The final draft of the MLP document is expected to be submitted to DSD within the next two weeks, whereupon it will be subjected to an adequacy check before being posted for public comment. As for Maldorky, the next permitting step after this will be to secure mining approval via submittal of a PEPR. In parallel, Havilah is revisiting its extensive metallurgical test data as it relates to the process plant engineering design in order to increase accuracy of the plant capital and operating cost estimates. The Company also continues to engage with the Adnyamathanha people to negotiate a native title mining agreement.

## Rights Issue

Havilah is pleased to announce that it will be conducting a 1 for 4 non-renounceable rights issue of shares at an issue price of \$0.14 per New Share to raise approximately \$4.2 million, with one attaching free New Option being issued for each New Share subscribed for (**Rights Issue or Offer**). The New Options will have an exercise price of \$0.30 and an expiry date of 30 June 2017. The Company will apply for the attaching free New Options to be listed on the ASX. Shareholders who have taken up their full Entitlement may also apply for Additional New Shares and attaching free New Options under a Top Up Offer to the extent that there is a shortfall in take up of Entitlements. If the Top Up Offer is oversubscribed, the entitlements of shareholders to Additional New Shares will be scaled back on a pro rata basis, subject to the discretion of the Directors to give preference to shareholders who acquired their shares on or before 16 July 2014.

The Offer, which is not underwritten, will result in approximately 30 million New Shares and 30 million New Options being issued if fully subscribed. The Offer price represents a discount of approximately 20% to the last closing price on ASX prior to the announcement of this Offer.

Directors reserve the right to place any remaining shortfall at their discretion within three months after the close of the Offer. Eligible Shareholders entitlements pursuant to this Rights Issue are non-renounceable and they will have the following choices:

- Take up full Entitlements to New Shares.
- Take up full Entitlements to New Shares and apply for Additional New Shares.
- Take up part of Entitlement and allow the balance to lapse.
- Not take up any Entitlement and allow it to lapse.

Full details of the Rights Issue will be set out in the Prospectus which is planned to be lodged by the Company with ASIC and ASX on Wednesday, 23 July 2014.

## Use of Proceeds

In order to manage corporate risk and facilitate project execution, while at the same time minimising shareholder dilution, it is Havilah's strategy to sell down project equity interest in exchange for mine development funding, rather than seek project loan financing. It is the Company's experience that there is no shortage of investment interest in its projects. In order to optimise the investment terms it is necessary to present investors with fully permitted projects with secure land access, together with high quality technical data. Accordingly, Havilah has maintained its focus on project permitting, native title negotiations and metallurgical test work over the past two years. This strategy also provides the benefit of de-risking projects by completing long lead work over which there is little control over the timing. Funds from the rights issue will allow Havilah to continue with this work with the objective of bringing all of its advanced mineral projects to a mining ready status.

The following table summarises the current project permitting status and the next steps in advancing the projects.

Project*	JORC Res	FS	ML	PEPR	Comments on Current Activities and Status
Portia Au	✓	✓	✓	▲	<ul style="list-style-type: none"> <li>• Mining Lease granted, progressing operating approvals for open pit mine.</li> <li>• Employed an experienced mining engineer as project manager.</li> <li>• Negotiations in progress for mining contract and funding of project</li> </ul>
Kalkaroo Cu Au Mo	✓	✓	▲		<ul style="list-style-type: none"> <li>• Final draft Mining Lease Proposal being completed.</li> <li>• Updated mining and financial models based on improved metal recoveries.</li> <li>• Management actively seeking a suitable development partner.</li> </ul>
Maldorky Fe	✓	▲	▲		<ul style="list-style-type: none"> <li>• Mining Lease Proposal approved for public exposure stage.</li> <li>• Metallurgical testwork and processing flow sheet design in progress.</li> <li>• Management actively seeking a suitable development partner.</li> </ul>
Mutooroo Cu Co S	✓	▲	▲		<ul style="list-style-type: none"> <li>• Mining lease proposal in preparation.</li> <li>• High value ore supports direct shipping for offshore processing</li> <li>• Progressing discussions with possible end user purchasers of ore.</li> </ul>

▲ work in progress

## Timetable

An indicative timetable for the Rights Issue is as follows

Activity	Date
Announcement of non-renounceable Rights Issue & lodging of Appendix 3B with ASX	17 July 2014
Rights Issue Prospectus lodged with ASIC and ASX	23 July 2014
Notice sent to Shareholders containing information required by Appendix 3B	24 July 2014
Shares commence trading ex-Rights	25 July 2014
Record Date for Offer participation	29 July 2014
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders and Opening Date of the Offer	1 August 2014
Closing Date of Rights Issue and Top Up Offer (5.00 pm CST)	22 August 2014
New Shares quoted on a 'deferred settlement' basis	25 August 2014
ASX advised of any Shortfall	27 August 2014
Proposed date for the issue of New Shares and New Options	29 August 2014
Deferred settlement trading ends	29 August 2014
Proposed date for quotation of New Shares and free New Options	1 September 2014
Holding statements dispatched	3 September 2014

The timetable is indicative only and the Company reserves the right to vary it at any time without prior notice subject to the Listing Rules and the Corporations Act 2001 (Cth).

Commenting on the Rights Issue, Havilah Chairman, Ken Williams said: "Funds from the Rights Issue would allow the Company to continue with its current strategy of project de-risking.

"Our progress on this work has been sure and steady and it is essential that Havilah continues with the permitting and related work in order to attract project development investors. This is the key to realising the latent value in Havilah's advanced projects.

"The Rights Issue is an opportunity for all shareholders to support their Company in this important work and to join with the Directors in investing in its future mining production."

For further information visit the Company website [www.havilah-resources.com.au](http://www.havilah-resources.com.au) or contact:  
Dr Chris Giles, Managing Director, on: [info@havilah-resources.com.au](mailto:info@havilah-resources.com.au)

### Competent Persons Statement

The information in this announcement that relates to Exploration Targets and Exploration Results 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 a 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.