



Havilah Resources Limited plans to sequentially develop its portfolio of gold, copper, iron, cobalt, tin and other mineral resources in South Australia. Our vision is to become a new mining force, delivering value to our shareholders, partners and the community.

168 million Ordinary Shares -- 36 million Listed Options -- 9 million Unlisted Options

ASX and Media Release: 27 January 2016

ASX Code: HAV



Apron feeder enroute to Portia mine site

HAVILAH TARGETS EARLIER FIRST GOLD FROM PORTIA MINE

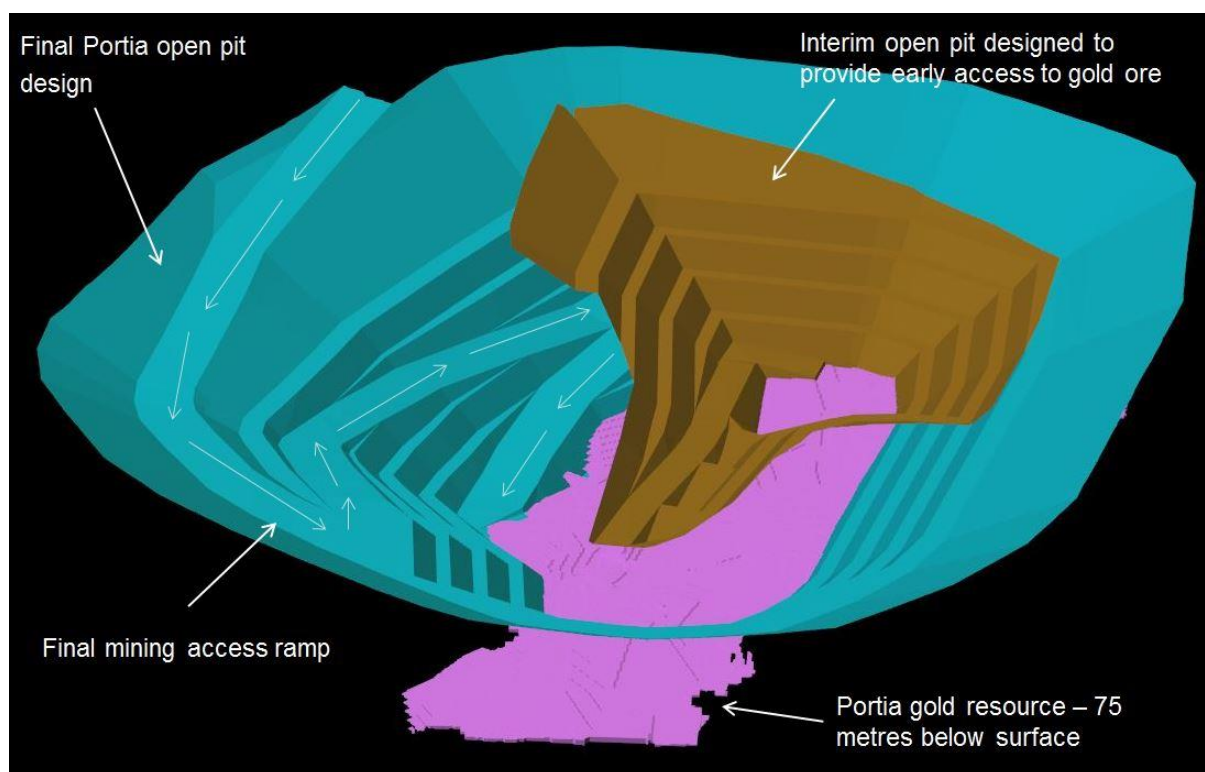
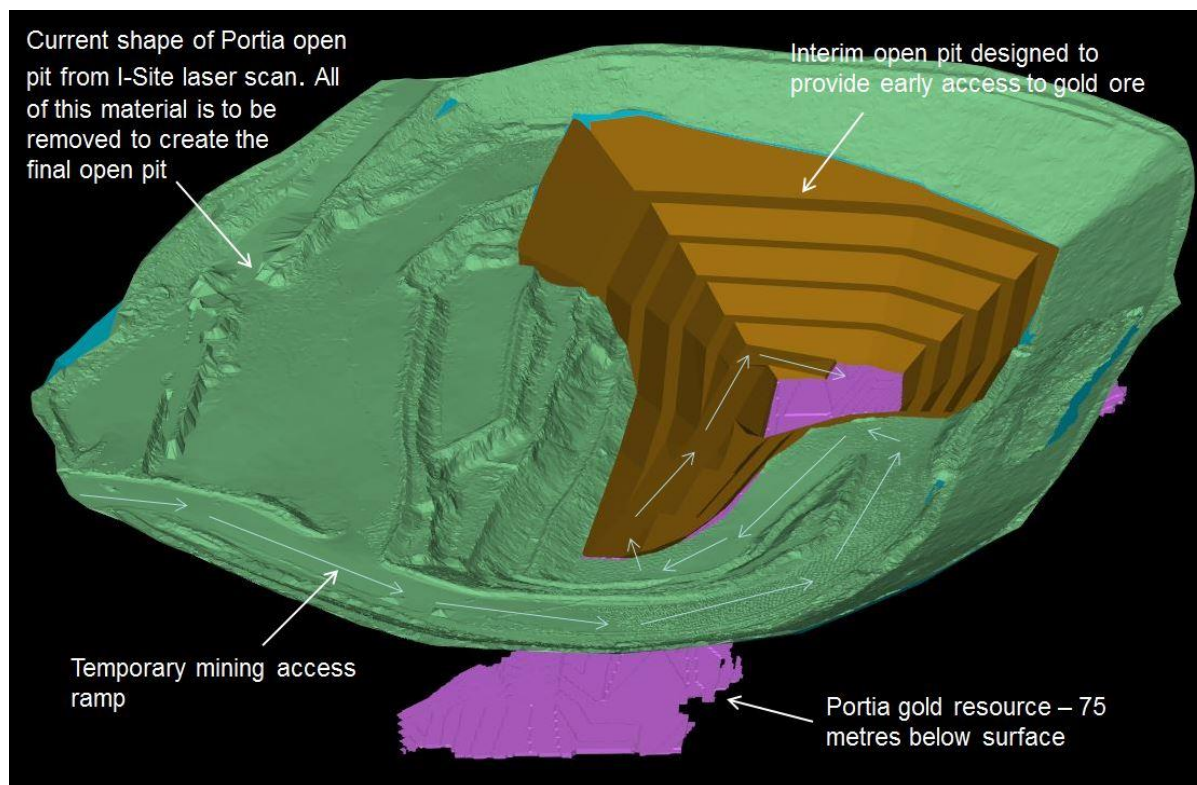
HIGHLIGHTS

- Revised mine plan targets first Portia gold ore early in April - three months ahead of schedule.
- Concrete footings poured on site - ready for processing plant delivery.
- Transport of key elements of processing plant to site underway.
- Metallurgist with extensive gold plant experience joins the Portia operations team.

Havilah Resources Limited ("Havilah" or "Company") is pleased to report that it has agreed on an accelerated mining plan with its partner Consolidated Mining and Civil Pty Ltd (CMC) for the Portia gold mine near Broken Hill in South Australia. CMC is now implementing this revised mine plan and estimates that it will take approximately two months to remove the now considerably reduced volume of overburden to access first ore, amounting to about 600,000 cubic metres. On this basis first gold ore could now be delivered on the surface by early April, some three months ahead of schedule.

The mining experience gained by Havilah and CMC at Portia over the past six months, plus the results of extensive geotechnical studies, have provided the confidence to modify the original whole of pit mining plan to a staged plan that sees development of an interim sub-pit on the high grade (>9 g/t gold) northern ore zone (see attached images).

An advantage of this mine plan is that the remaining overburden in the western part of the open pit can continue to be removed, while the approximately 2,000 tonnes / day of ore required for the processing plant can be mined from the floor of the interim sub-pit.





The accelerated mining plan requires a compressed time frame for construction of the processing plant if it is to be ready in time for treatment of first gold ore delivery. Havilah's operational team is presently focused on achieving this challenging objective. Currently, most of the critical plant components are either fully complete or substantially complete. Concrete footings have been poured on site and over the next few weeks there will be a continual stream of equipment being transported to site and placed on the footings. A contract for all electrical installation has been finalised with an experienced Broken Hill based contractor.

A senior metallurgist, who is experienced in the operation of gold plants, has been employed to oversee the commissioning, staffing and operation of the processing plant. His skills, which are complementary to other members of the Portia operational team, provide Havilah with a further measure of comfort that it can deliver on the processing plant and operate it efficiently.

To date, as the result of the negotiation of favourable payment terms for processing plant components, elimination of discretionary spending, and diligent cash management, the \$6 million Investec loan facility has not been drawn. As equipment deliveries take place over the next few weeks, draw down of this facility will commence.

Commenting on these developments, Havilah's Managing Director, Dr Chris Giles, said the prospect of earlier delivery of gold bearing ore to surface is a welcome development.

"The innovative revised mining plan provides the opportunity for us to access the gold ore three months earlier for no additional cost, which potentially brings forward cash flow from gold sales.

"Our development team is working hard to meet the challenge of bringing forward assembly and commissioning of the processing plant in time for first gold ore delivery.

"Transport of major components of the processing plant to site has commenced, and with concrete pads now in place, all items can be off-loaded directly onto their final positions.

"Once again we are fortunate in being able to call on CMC for assistance with the concrete work and use of their cranes, which has helped to speed up our onsite construction activities" he said.

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

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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.



Portia open pit and waste dump as of last week (looking southwest).
The ramp for the interim open pit (to be steepened) lies in the foreground.