



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.

183 million Ordinary Shares -- 7 million Unlisted Options

ASX and Media Release: 5 October 2017

ASX Code: HAV



RENOUNCEABLE RIGHTS ISSUE TO FUND *COPPER GROWTH STRATEGY*

Highlights

- **1 for 7 renounceable pro rata Rights Issue at an issue price of \$0.20 per New Share.**
- **Attractively priced at a discount of 31% to the 5-day VWAP and 23% to the TERP.**
- **One free New Option for every two New Shares issued with an exercise price of \$0.40 expiring on 30 November 2019.**
- **Shareholders can apply for Additional New Shares in excess of their entitlement.**
- **Issue to raise up to \$5.4 million before costs, fully subscribed.**
- **All directors of Havilah intend to participate in the Rights Issue.**
- **Funds will be used to advance the Company's copper-gold assets towards production.**
- **Rights Issue partially underwritten for \$1.0 million.**

Background

Havilah Resources Limited (**Havilah**) today announced a capital raising by way of a pro rata one for seven renounceable rights issue (**Rights Issue** or **Offer**). The Rights Issue seeks to raise \$5.4 million (before costs) through the issue of approximately 27.1 million new fully paid ordinary shares (**New Shares**). The Rights Issue price reflects a discount of approximately 31% to the last closing price on the ASX and the 5-day VWAP (**Volume Weighted Average Price**), prior to the announcement of the Offer. It is also at a 23% discount to the TERP (Theoretical ex-rights price).



Each two New Shares subscribed for will have an attaching free option to purchase an additional share for \$0.40 on or before 30 November 2019 (**New Options**).

Proposed Use of Funds – Position for Growth – Copper Growth Strategy

The net proceeds from the Rights Issue will be primarily used to position Havilah for growth through the execution of its *Copper Growth Strategy* as outlined in an accompanying announcement of this date.

Details of the Rights Issue

Havilah shareholders registered as at 7:00 pm (CDT) on 10 October 2017 (**Record Date**) will be eligible to participate in the Rights Issue (**Eligible Shareholders**). Each Eligible Shareholder will be entitled to subscribe for one New Share in Havilah at \$0.20 for every seven shares registered in their name on the Record Date (**Entitlement**). For each two New Shares issued under the Offer, an attaching free New Option to acquire one ordinary share at \$0.40 on or before 30 November 2019 will also be issued.

Eligible Shareholders who accept their Entitlement in full will have the opportunity to apply for additional New Shares at a price of \$0.20 each (**Additional New Shares**) under a top up offer (**Top Up Offer**). Each two Additional New Shares will have an attaching free New Option to acquire one ordinary share at \$0.40 on or before 30 November 2019. This Top Up Offer is an opportunity for those shareholders with less than a marketable parcel of shares to increase their holding to a marketable parcel. Applications for Additional New Shares will be satisfied to the extent that there is any shortfall in the take up of Entitlements (**Shortfall**). If the Offer and Top Up Offer are oversubscribed, the Directors, in consultation with the Underwriter, reserve the right to scale back any oversubscription, subject to their absolute discretion.

The Directors reserve the right to place any Shortfall within three months after the close of the Offer, at their absolute discretion.

The Rights Issue is partially underwritten for \$1.0 million by CPS Capital Group Pty Ltd who will also act as Lead Manager.

As an Eligible Shareholder you will have the following choices:

- Take up some or all of your Entitlement.
- Take up all of your Entitlement and apply for Additional New Shares (more than your Entitlement).
- Sell part or all of your Entitlement on the ASX.
- Deal with part or all of your Entitlement other than on the ASX.
- Allow all or part of your Entitlement to lapse.

Havilah shares will be quoted on an 'ex' basis from 9 October 2017, and therefore any of the Company's shares bought on market on and after this date will not be entitled to participate in the Rights Issue. The maximum expected number of New Shares and New Options to be issued under the Offer (excluding the exercise of any unlisted options) is approximately 27.1 million New Shares and 13.6 million New Options. New Shares will rank equally with existing issued shares. New Shares and New Options issued as a result of Entitlements taken up will be quoted on ASX.

Eligible Shareholders wishing to participate in the Offer should complete the personalised Entitlement and Acceptance Form that will accompany the Prospectus. Shareholders may wish to apply for Additional New Shares under the Top Up Offer by completing the appropriate box on the Entitlement and Acceptance Form. Full details on

accepting the Offer are included in section 3 of the Prospectus.

Please study the Prospectus carefully and seek independent professional advice, before making a decision whether to take up the Offer. The Offer opens on 13 October 2017 and closes at 5:00 pm CDT on 27 October 2017.

From today, the Prospectus, with full details of the Rights Issue, will be available to download from both the ASX website (at www.asx.com.au) and the Company's website (at www.havilah-resources.com.au), and will subsequently be mailed to Eligible Shareholders on 13 October 2017, with an Entitlement and Acceptance Form.

The indicative timetable for the Rights Issue is as follows

Activity	Date
Announcement of renounceable Rights Issue & lodging of Appendix 3B with ASX	5 October 2017
Rights Issue Prospectus lodged with ASIC and ASX	5 October 2017
Notice sent to Shareholders containing information required by Appendix 3B	6 October 2017
Shares commence trading ex-Rights	9 October 2017
Rights start trading	9 October 2017
Record Date for Offer participation	10 October 2017
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders and Opening Date of the Offer	13 October 2017
Rights trading ends	20 October 2017
Closing Date of Rights Issue and Top Up Offer (5.00 pm CDT)	27 October 2017
New Shares quoted on a 'deferred settlement' basis	30 October 2017
ASX advised of any Shortfall	1 November 2017
Proposed date for the issue of New Shares and New Options	3 November 2017
Deferred settlement trading ends	3 November 2017
Normal trading of New Shares expected to commence	6 November 2017
Holding statements dispatched	7 November 2017

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).

Your Directors are optimistic about the future prospects of Havilah, which could involve the development of up to three new copper mines over the next decade, at a time when the consensus outlook for the key commodities of copper, gold and cobalt is positive. All the directors have confirmed their intention to participate in the Rights Issue. Directors are therefore pleased to be able to provide Eligible Shareholders with the opportunity to participate in the Rights Issue and support the future development of Havilah as it embarks on this exciting new growth phase through the execution of its *Copper Growth Strategy*.

Yours sincerely,

Ken Williams (Chairman)

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

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