

9 October 2019

Statement by Resigning Non-Executive Directors

Havilah Resources Limited (**Havilah**) announces the resignation of Mr Mark Stewart and Mr Martin Janes as independent non-executive directors with immediate effect.

Mr Stewart and Mr Janes decided to resign following the resolution for the approval of the proposed investment in Havilah of up to \$100 million by OneSteel Manufacturing Pty Ltd (**SIMEC**), a member of the GFG Alliance (together **GFG**), not being passed by shareholders at the Extraordinary General Meeting (**EGM**) held on 12 September 2019

In the wake of the EGM, Mr Stewart and Mr Janes have spent the last few weeks ensuring that staff retrenchments were managed appropriately and that certain arrangements were put in place to ensure that Havilah is adequately funded for the short term and now believe that they are in a position to resign.

Mr Stewart and Mr Janes wish to make the following public statement:

"The rejection of the potentially transformational investment by GFG was largely due to the decision of our fellow director and major shareholder, Dr Chris Giles not to support this investment. This was despite his earlier publicly stated support of the transaction.

The investment was rejected despite the Independent Expert Report concluding that 'the position of Shareholders if the transaction is approved is more advantageous than the position if the Transaction is not approved'.

We are deeply disappointed by this outcome and are of the opinion that the intended reversion to Havilah's prior business model is not in the best interests of all shareholders and as such we are not prepared to support that approach or to continue to remain on the board of Havilah. Given this situation and our lack of confidence in the future management of the Company, we can see no alternative but to step down and to let Dr Giles and Dr Johnson, as the dominant shareholder block, determine the future of Havilah.

We would like to thank the Havilah staff, our colleagues and the many shareholders that have offered their support during this period."