

Havilah Resources Limited Quarterly Report

For the 3 Months Ended 31 October 2019

Significant Events for the 3 Months Ended 31 October 2019 (the 'quarter')

- Havilah Resources Limited (**Havilah** or **Company**) announced on 17 October 2019 a capital raising by way of a 1 for 4 pro-rata non-renounceable Rights Issue to eligible shareholders.
- At the Extraordinary General Meeting of the Company held on 12 September 2019, the resolution for the approval of the proposed investment in Havilah of up to \$100 million by OneSteel Manufacturing Pty Ltd (trading as SIMEC Mining), a member of the GFG Alliance, was not passed by shareholders.
- An updated Kalkaroo pre-feasibility study is now planned to be completed during the second quarter of calendar year 2020.
- An exploration agreement to explore the Bassanio Iron Oxide Copper Gold (**IOCG**) target was entered into with Benagerie Gold & Copper Pty Ltd, a wholly owned subsidiary of Consolidated Mining and Civil Pty Ltd.
- Subsequent to 9 October 2019, a disciplined and focused approach to cost control; optimisation of operating structures; and reprioritisation of exploration spend has been implemented.

Corporate

The Company restructured during the quarter with the appointment of two new Directors, a reduction in staff numbers, repayment of \$1.5 million of the Investec Australia Finance Pty Limited \$2.5 million loan, and a refocus on creation of shareholder value ([refer to ASX announcement of 9 October 2019](#)).

Like all shareholders, the Board of Directors is motivated to see Havilah transformed into a great independent Australian resource success story. In the short-term this includes getting the Company into a debt-free position. In the longer-term this involves working closely with the technical team to ensure Havilah delivers the anticipated value on its advanced mineral projects and exploration strategy.

As such, the Company [announced on 17 October 2019](#) a capital raising, by way of a 1 for 4 pro-rata non-renounceable Rights Issue to eligible shareholders at an issue price of \$0.10 per new ordinary share. The entitlement offer opened on 25 October 2019 and closed on 11 November 2019 with new ordinary shares allotted on 18 November 2019. Funds are to be used primarily for value enhancing work on advanced mineral projects and to explore key high conviction untested copper-gold targets. Subsequent to the end of the quarter the Company reported that the Rights Issue was well supported by eligible shareholders ([refer to ASX announcement of 14 November 2019](#)).

Exploration Strategy

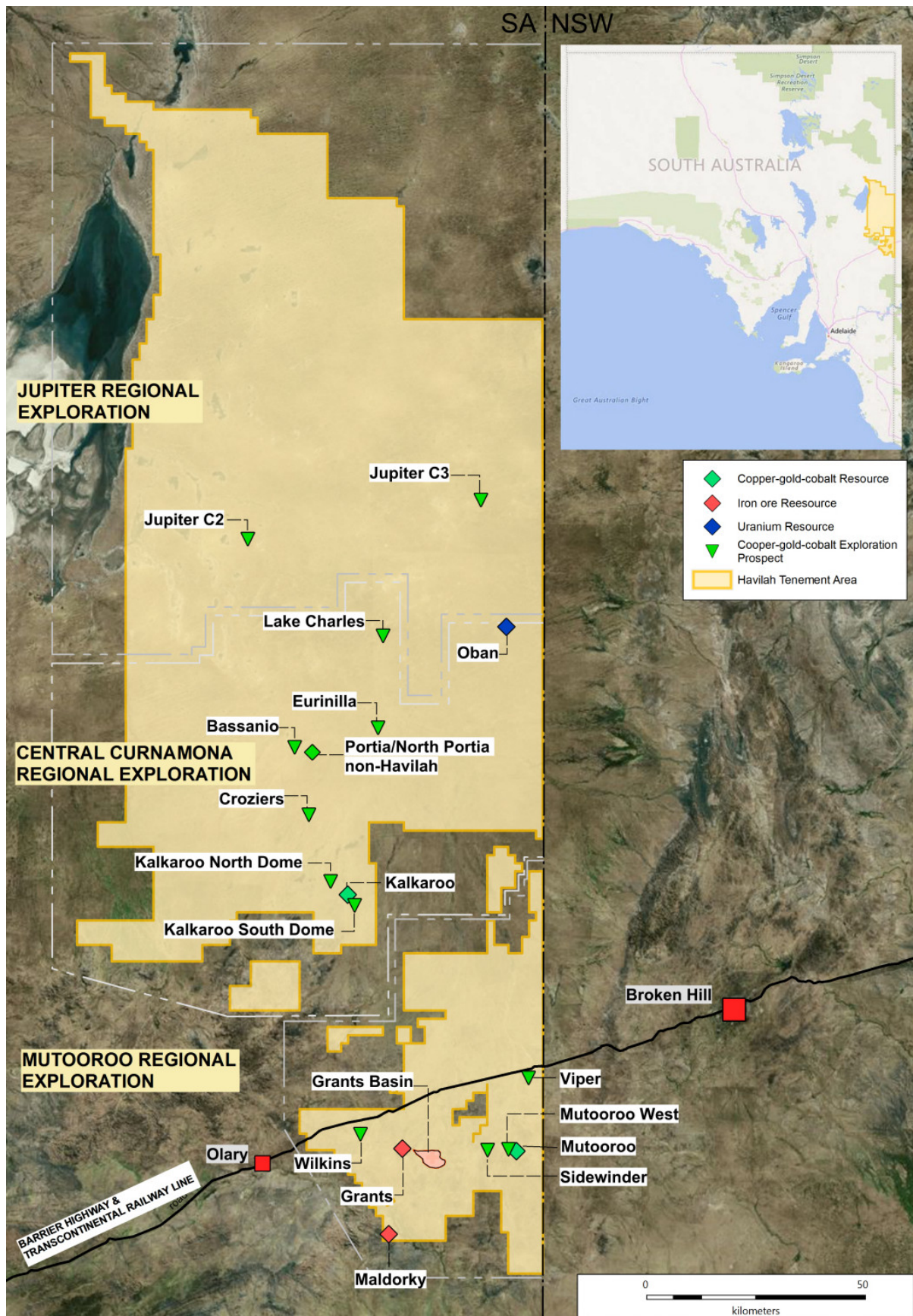
The Company will drive exploration value through the detailed evaluation of its tenements to identify quality exploration prospects and targets. The Board of Directors believes that it is strategically important for the Company's longer-term sustainability to maintain a focus on ensuring a future pipeline of prospective opportunities.

This strategy will entail maintaining a balanced portfolio in terms of risk and reward, containing both higher-value, near-term exploration prospects while ensuring a holding of prospective acreage capable of sustaining longer-term production and mineral resource growth.

Accordingly, a focused and methodical exploration strategy will be implemented, concentrating on high prospectivity geological targets. Methodologies will continue to assess exploration and mineral resource replacement potential in value terms. The objective is that the allocation of exploration expenditure is commensurate with the potential value of exploration targets.

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Shown above are Havilah's deposit, prospect and tenement portfolio in northeastern South Australia, near Broken Hill.

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Operational Activities

JORC Mineral Resources and Ore Reserves remain unchanged during the quarter.

Regulatory reporting and compliance continued during the quarter.

During the quarter, no new exploration drilling was undertaken.

The Company continues to review its business plans and schedules in readiness for recommencing exploration drilling, with operational cost efficiencies and prudent capital management an ongoing focus.

Kalkaroo Copper-Gold-Cobalt Project (100% ownership)

During the quarter Havilah continued with the updated Kalkaroo pre-feasibility study (PFS) program of work designed to investigate potential upside scenarios identified by the original PFS, with the aim of adding further value to the project.

The final metal recoveries from the metallurgical test work and outcomes of the marketing studies undertaken have been applied in a range of trade-off studies. These determine the optimum processing ore mining schedule which will form the basis for detailed process engineering, mine planning and economic modelling that will feed into the updated PFS.

The objective of the updated PFS is to translate exploration success into shareholder value by developing the JORC Ore Reserves and Mineral Resources into a profitable operating mine and/or via sale or farm-out with a suitable well-funded partner.

The Board of Directors is committed to maximising the returns for shareholders from Kalkaroo. The Company has continued to de-risk this project by acquiring the surrounding land (Kalkaroo Station pastoral lease), obtaining Mining Leases, finalising the Native Title Mining Agreement and progressing the updated PFS.

Kalkaroo provides Havilah shareholders with significant leverage to current high gold prices and anticipated future improved copper prices. The Board of Directors considers the outlook for copper as positive based on the likely increased demand associated with the shift to copper-intensive renewable energy sources, and the fundamental need for copper in the economy.

Mutooroo Copper-Cobalt-Gold Project (100% ownership)

A detailed, high resolution, airborne electromagnetic (AEM) survey was previously flown over Havilah's priority targets in the vicinity of the Mutooroo deposit. The survey was flown by UTS Geophysics utilising the VTEM™ Max Time Domain EM system. A total of 1,477 line kms were flown on 200 metres spaced lines, with infill lines spaced at 100 metres.

Final data and the report from the AEM survey were received by Havilah during the quarter ([refer to ASX announcement of 12 August 2019](#)). The data, assessed by an independent consultant geophysicist, has highlighted several interpreted bedrock conductors potentially representing massive sulphide bodies. A number of priority anomalies were identified in the report for follow up, including the priority one target at Mutooroo West (formerly Scorpion prospect).

Havilah continues to review several possible options for the recovery of cobalt from iron sulphide concentrates, in order to capture additional project revenue.

Supported by funds raised from the Rights Issue, the Company aims to advance the Mutooroo PFS as a standalone open pit copper mine and progress an underground mining scoping study to determine the economics of exploiting the significant underground resources.

Grants Basin, Maldorky and Grants Iron Ore Projects (100% ownership)

Planning began during the quarter to drill out the western end of the Grants Basin.

Supported by funds raised from the Rights Issue, the Company aims to delineate an iron ore resource that can form the basis for a scoping study.

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Jupiter MT Anomaly Target (100% ownership)

The Jupiter MT anomaly is a major unexplained conductive zone analogous to that seen extending to depth below Olympic Dam. As part of Havilah's plan to rejuvenate exploration, the Company began preparation for a gravity survey to target the Jupiter C2 conductive zone at the Jupiter MT anomaly, in order to obtain better geophysical definition of the target area ([refer to ASX announcement of 6 November 2019](#)). A gravity survey is one of the most cost-effective targeting tools available to Havilah and is an effective and quick way to begin exploration of the Jupiter MT anomaly.

Supported by funds raised from the Rights Issue, the Company also plans to undertake a shallow MT survey and conduct surface geochemical 'sniffing' sampling to define future potential drilling targets.

Bassanio Iron Oxide Copper Gold Target (100% ownership)

During October 2019, Havilah entered into an exploration agreement to explore the Bassanio IOCG target with Benagerie Gold & Copper Pty Ltd (**BGC**), a wholly owned subsidiary of Consolidated Mining and Civil Pty Ltd ([refer to ASX announcement of 9 October 2019](#)).

The exploration agreement provides for BGC to complete two diamond drillholes at pre-agreed target positions on the IOCG target during the first year. During the second year, BGC must complete at least 5,000 metres of drilling at Bassanio with the objective of establishing a 500,000 tonne copper equivalent Measured and Indicated JORC Resource using a cut-off grade of 0.4% copper (**Mineral Discovery**).

Thereafter, within a period of a further four years BGC may secure 100% ownership of any Mineral Discovery, that it brings to the mining investment stage, which includes completion of the following milestones:

- Grant of a Mining Lease over the Mineral Discovery;
- Drilling to JORC Measured and Indicated status; and
- Completion of final bankable feasibility study.

Havilah will then be entitled to a 10.5% Net Smelter Return (**NSR**) royalty from any mining production.

Subsequent to the end of the quarter drilling commenced on the first Bassanio diamond drillhole ([refer to ASX announcement of 14 November 2019](#)).

Other Exploration Areas

No further significant technical work was conducted on the other tenements during the quarter.

Havilah has fulfilled exploration expenditure commitments under its Amalgamated Expenditure Agreement (**AEA**) with the Department for Energy and Mining (**DEM**), and the Company began preparing the required report for submission to the DEM during the quarter. The AEA covers a period of two years from 1 January 2018 with an agreed overall expenditure commitment across Havilah's relevant mineral exploration tenements and includes a statutory relinquishment of 15% of the combined tenement area at the end of the two years if the expenditure commitment is met. It is the intent of the Company to enter into a new AEA in 2020, subject to agreement of the terms with the DEM.

Supported by funds raised from the Rights Issue, the Company plans to undertake exploration drilling of several key high conviction copper-gold exploration targets within Havilah's large prospective mineral tenement holding in the Curnamona Craton during 2020.

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Summary of Governance Arrangements and Internal Controls in Place for the Reporting of Ore Reserves and Mineral Resources

Ore Reserves and Mineral Resources are estimated by suitably qualified employees and consultants in accordance with the JORC Code, using industry standard techniques and internal guidelines for the estimation and reporting of Ore Reserves and Mineral Resources. These estimates and the supporting documentation were reviewed by a suitably qualified Competent Person prior to inclusion in this Quarterly Report.

Competent Person's Statement

The information in this Quarterly Report 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 a Director of the Company, is employed by Havilah on a consultancy agreement 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 this Quarterly Report of the matters based on his information in the form and context in which it appears. Information for the Kalkaroo Ore Reserve and Mineral Resource 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.

Forward-looking Statements

This Quarterly Report prepared by Havilah includes forward-looking statements. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'continue', and 'guidance', or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause Havilah's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward-looking statements are based on Havilah and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Havilah's business and operations in the future. Havilah does not give any assurance that the assumptions on which forward-looking statements are based will prove to be correct, or that the Havilah's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Havilah or management or beyond Havilah's control.

Although Havilah attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward-looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of Havilah. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements in this Quarterly Report speak only at the date of issue. Subject to any continuing obligations under applicable law or the ASX Listing Rules, in providing this information Havilah does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

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Tenement Schedule as at 31 October 2019

Location	Project Name	Tenement No	Tenement Name	Registered Owner ¹	% Interest	Status
South Australia	Curnamona	EL5505	Lake Frome	Havilah	100	Current
South Australia	Curnamona	EL5578	Kalabity	Havilah	100	Current
South Australia	Gawler Craton	EL5579	Sandstone	Havilah	100	Current
South Australia	Curnamona	EL5593	Billeroo West	Havilah	100	Current
South Australia	Curnamona	EL5703	Bundera	Copper Aura	100	Current
South Australia	Curnamona	EL5753	Mutooroo Mine	Copper Aura	100	Current
South Australia	Curnamona	EL5754	Mundi Mundi	Havilah	100	Current
South Australia	Curnamona	EL5755	Bonython Hill	Copper Aura	100	Current
South Australia	Curnamona	EL5760	Bumbarlow	Havilah	100	Current
South Australia	Curnamona	EL5764	Maljanapa	Havilah	100	Current
South Australia	Curnamona	EL5785	Moko	Havilah	100	Current
South Australia	Curnamona	EL5800	Kalkaroo	Havilah	100	Current
South Australia	Curnamona	EL5801	Mutooroo West	Copper Aura	100	Current
South Australia	Curnamona	EL5802	Mulyungarie	Havilah	100	Current
South Australia	Curnamona	EL5803	Telechie North	Havilah	100	Current
South Australia	Curnamona	EL5824	Coolibah Dam	Havilah	100	Current
South Australia	Curnamona	EL5831	Bonython Hill (2)	Copper Aura	100	Current
South Australia	Curnamona	EL5848	Mingary (2)	Iron Genesis	100	Current
South Australia	Curnamona	EL5853	Oratan	Havilah	100	Current
South Australia	Curnamona	EL5873 ²	Benagerie	Havilah	100	Current
South Australia	Curnamona	EL5882	Mutooroo (2)	Copper Aura	100	Current
South Australia	Curnamona	EL5891 ³	Prospect Hill	Teale & Brewer	65	Current
South Australia	Curnamona	EL5903	Border Block	Havilah	100	Current
South Australia	Curnamona	EL5904	Mundaerno Hill	Havilah	100	Current
South Australia	Curnamona	EL5915 ²	Emu Dam	Havilah	100	Current
South Australia	Curnamona	EL5940	Coonarbine	Havilah	100	Current
South Australia	Curnamona	EL5951	Jacks Find	Curnamona	100	Current
South Australia	Curnamona	EL5952	Thurlooka	Curnamona	100	Current
South Australia	Curnamona	EL5956	Wompinie	Havilah	100	Current
South Australia	Curnamona	EL5964	Yalkalpo East	Curnamona	100	Current
South Australia	Curnamona	EL5966	Moolawatana	Curnamona	100	Current
South Australia	Gawler Craton	EL6014 ⁴	Pernatty	Red Metal, Havilah	12.6	Current
South Australia	Curnamona	EL6041	Cutana	Iron Genesis	100	Current
South Australia	Curnamona	EL6054	Bindarra	Iron Genesis	100	Current
South Australia	Curnamona	EL6056	Frome	Curnamona	100	Current
South Australia	Curnamona	EL6099	Lake Carnanto	Havilah	100	Current
South Australia	Curnamona	EL6161	Chocolate Dam	Havilah	100	Current
South Australia	Curnamona	EL6163	Mutooroo South	Copper Aura	100	Current
South Australia	Curnamona	EL6164	Cootabarlow	Havilah	100	Current
South Australia	Curnamona	EL6165	Poverty Lake	Havilah	100	Current
South Australia	Curnamona	EL6194	Bundera Dam	Havilah	100	Current
South Australia	Curnamona	EL6203	Watsons Bore	Havilah	100	Current
South Australia	Curnamona	EL6211	Cochra	Havilah	100	Current
South Australia	Curnamona	EL6258	Kidman Bore	Havilah	100	Current
South Australia	Curnamona	EL6271	Prospect Hill Southwest	Havilah	100	Current
South Australia	Curnamona	EL6280 ⁵	Mingary	Iron Genesis	100	Current
South Australia	Curnamona	EL6298	Yalkalpo	Curnamona	100	Current
South Australia	Curnamona	EL6323	Lake Charles	Havilah	100	Current
South Australia	Curnamona	EL6355	Olary	Havilah	100	Current
South Australia	Curnamona	EL6356	Lake Namba	Havilah	100	Current
South Australia	Curnamona	EL6357	Swamp Dam	Havilah	100	Current
South Australia	Curnamona	EL6358	Telechie	Havilah	100	Current
South Australia	Curnamona	EL6359	Yalu	Havilah	100	Current
South Australia	Curnamona	EL6360	Woodville Dam	Havilah	100	Current
South Australia	Curnamona	EL6361	Tepco	Iron Genesis	100	Current
South Australia	Curnamona	EL6370	Carnanto	Havilah	100	Current
South Australia	Curnamona	EL6408*	Lake Yandra	Havilah	100	Current
South Australia	Curnamona	EL6409*	Tarkarooloo	Havilah	100	Current
South Australia	Curnamona	EL6410*	Lucky Hit Bore	Havilah	100	Current
South Australia	Curnamona	EL6411*	Coombs Bore	Havilah	100	Current
South Australia	Curnamona	EL6415*	Eurinilla	Havilah	100	Current
South Australia	Curnamona	EL6428*	Collins Tank	Havilah	100	Current
South Australia	Frome	GEL181	Frome	Geothermal	100	Current

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Tenement Schedule as at 31 October 2019

Location	Project Name	Tenement No	Tenement Name	Registered Owner ¹	% Interest	Status
South Australia	Kalkaroo	ML6498	Kalkaroo	Kalkaroo	100	Current
South Australia	Kalkaroo	ML6499	Kalkaroo	Kalkaroo	100	Current
South Australia	Kalkaroo	ML6500	Kalkaroo	Kalkaroo	100	Current
South Australia	Kalkaroo	MPL158	Kalkaroo	Kalkaroo	100	Current
South Australia	Kalkaroo	MPL159	Kalkaroo	Kalkaroo	100	Current
South Australia	Kalkaroo	MC3828	Kalkaroo	Kalkaroo	100	Current
South Australia	Maldorky	MC4271	Maldorky	Maldorky	100	Current
South Australia	Maldorky	MC4272	Maldorky	Maldorky	100	Current
South Australia	Maldorky	MC4273	Maldorky	Maldorky	100	Current
South Australia	Maldorky	MC4274	Maldorky	Maldorky	100	Current
South Australia	Maldorky	MC4364	Maldorky	Maldorky	100	Current
South Australia	Mutooroo	ML5678	Mutooroo	Havilah	100	Current
South Australia	Mutooroo	MC3565	Mutooroo	Mutooroo	100	Current
South Australia	Mutooroo	MC3566	Mutooroo	Mutooroo	100	Current

* Denotes a change during the quarter

Notes to Tenement Table as at 31 October 2019

Note 1

Havilah: Havilah Resources Limited

Copper Aura: Copper Aura Pty Ltd, a wholly owned subsidiary of Havilah Resources Limited

Curnamona: Curnamona Energy Pty Limited, a wholly owned subsidiary of Havilah Resources Limited

Geothermal: Geothermal Resources Pty Limited, a wholly owned subsidiary of Havilah Resources Limited

Iron Genesis: Iron Genesis Pty Ltd, a wholly owned subsidiary of Havilah Resources Limited

Kalkaroo: Kalkaroo Copper Pty Ltd, a wholly owned subsidiary of Havilah Resources Limited

Maldorky: Maldorky Iron Pty Ltd, a wholly owned subsidiary of Havilah Resources Limited

Mutooroo: Mutooroo Metals Pty Ltd, a wholly owned subsidiary of Havilah Resources Limited

Red Metal: Red Metal Limited

Teale & Brewer: Teale and Associates Pty Ltd, Adrian Mark Brewer

Note 2

1% NSR royalty payable to MMG Limited

Note 3

Agreement – farm-in to earn 85% interest in tenement

Note 4

Agreement – farm-in to dilute to 10%

Note 5

1.25% NSR royalty payable to Exco Operations (SA) Pty Ltd, Polymetals (White Dam) Pty Ltd

Havilah Resources Limited

Appendix 5B (Unaudited)

Havilah Resources Limited Appendix 5B (Unaudited) ASX Quarterly Financial Report For the Quarter Ended 31 October 2019

Introduced 01/07/96 Origin Appendix 8 Amended: 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Havilah Resources Limited

ABN

39 077 435 520

Quarter ended ('current quarter')

31 October 2019

Consolidated statement of cash flows	Current quarter A\$	Year to date (3 months) A\$
1. Cash flows from operating activities		
1.1 Receipts from customers	6,486	6,486
1.2 Payments for:		
(a) exploration and evaluation	(100,227)	(100,227)
(b) development	-	-
(c) production	-	-
(d) staff costs	(1,043,388) ⁽¹⁾	(1,043,388) ⁽¹⁾
(e) administration and corporate costs	(647,352)	(647,352)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	311	311
1.5 Interest and other costs of finance paid	(57,747)	(57,747)
1.6 Income taxes (paid)/ refund	-	-
1.7 Research and development refunds	-	-
1.8 Other (repayment of R&D to ATO)	(250,000)	(250,000)
1.9 Net cash from/ (used in) operating activities	(2,091,917)	(2,091,917)
⁽¹⁾ Includes staff redundancy payments of \$342,752		

Havilah Resources Limited

Appendix 5B (Unaudited)

Consolidated statement of cash flows		Current quarter	Year to date (3 months)
		A\$	A\$
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from/ (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	5,715	5,715
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1,500,000)	(1,500,000)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (principal elements of lease payments)	(41,748)	(41,748)
3.10	Net cash from/ (used in) financing activities	(1,536,033)	(1,536,033)

Havilah Resources Limited

Appendix 5B (Unaudited)

Consolidated statement of cash flows		Current quarter	Year to date (3 months)
		A\$	A\$
4.	Net increase/ (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,819,646	3,819,646
4.2	Net cash from/ (used in) operating activities (item 1.9 above)	(2,091,917)	(2,091,917)
4.3	Net cash from/ (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from/ (used in) financing activities (item 3.10 above)	(1,536,033)	(1,536,033)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	191,696	191,696

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter A\$	Previous quarter A\$
5.1	Bank balances (cash at bank and on hand)	191,696	63,231
5.2	Call deposits (bank term deposits)	-	3,756,415
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	191,696	3,819,646

6. Payments to Directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

**Current quarter
A\$**

82,326

-

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Item 6.1 consists of \$36,320 of Directors' fees and superannuation paid to Directors.

In addition, item 6.1 also includes:

\$20,077 paid for legal services provided by a company (Arion Legal) related to Mr Mark Stewart while he was a Director of Havilah (ceased to be a Director on 9 October 2019);

\$16,040 paid pursuant to an ongoing consulting service agreement with Dr Chris Giles to a nominated company in which Dr Giles has a controlling interest;

\$5,723 for marketing and public relations support to a related party (William Giles) of Dr Chris Giles and to a company (Filtrd) controlled by a related party of Dr Giles; and

\$4,166 paid for consulting services to Mr Simon Gray pursuant to an agreement dated January 2019.

Havilah Resources Limited

Appendix 5B (Unaudited)

7. Payments to related entities of the entity and their associates	Current quarter A\$
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end A\$	Amount drawn at quarter end A\$
8.1 Loan facilities	1,000,000	-
8.2 Credit standby arrangements	1,000,000	1,000,000
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Included in 8.1 are:

(a) Secured overdraft facility of \$0.500 million with the National Australia Bank at a business lending rate of 3.00% plus a customer margin of 2.20%. The facility expires during January 2020, unless renewed; and
(b) Secured \$0.500 million conditional loan agreement with HNC Holdings Pty Ltd (the 'lender'), a major shareholder of Havilah. Interest rate of 8% per annum. Repayment date is at the discretion of the lender but not more than six months after the date the loan is provided.

8.2 Secured standby debt facility of \$6.000 million with Investec Australia Finance Pty Limited ('Investec'). The interest rate on the facility is BBSY plus a margin of 8% and the facility expires and is due for repayment on 4 December 2019.

9. Estimated cash outflows for next quarter	A\$
9.1 Exploration and evaluation	320,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	356,000
9.5 Administration and corporate costs	141,525
9.6 Other	1,258,475
9.7 Total estimated cash outflows	2,076,000
Other above includes Rights Issue costs (\$60,000), Investec final loan repayment (\$1,000,000), ATO R&D repayments (\$150,000) and principal and interest elements (\$48,475)	

Havilah Resources Limited

Appendix 5B (Unaudited)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mineral and geothermal tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mineral and geothermal tenements acquired or increased	EL6410, Lucky Hit Bore, South Australia EL6411, Coombs Bore, South Australia	Exploration tenements granted	Nil	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: _____
(Director and Company Secretary)

Date: 25 November 2019

Print name: Simon Gray

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6 '*Exploration for and Evaluation of Mineral Resources*' and AASB 107 '*Statement of Cash Flows*' apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.