

28 March 2019

SIMEC Exclusivity Extended on Iron Ore Projects

HIGHLIGHTS

- **30 Day extension of exclusivity for SIMEC Mining (an affiliate of the GFG Alliance) on Maldorky and Grants iron ore projects.**
- **Commercialisation discussions regarding the iron ore projects are progressing.**

Havilah Resources Limited (Havilah) advises that Havilah and SIMEC Mining, an affiliate of the GFG Alliance, have agreed to extend the exclusivity period from 31 March 2019 to 30 April 2019 to enable SIMEC Mining to complete its due diligence on Havilah's Maldorky and Grants iron ore projects.

This extension of the exclusivity period allows SIMEC Mining the additional time it requires to reach preliminary conclusions with respect to its current due diligence work and for the parties to continue negotiations on the terms of a deal structure and commercial arrangement.

No payment will be made by SIMEC Mining with respect to the current extension given the active negotiations taking place and with the objective that an agreement will be reached by no later than 30 April 2019. The \$1.0 million payment for the previous extension of exclusivity to 31 March 2019 will be deducted from any amount payable by SIMEC Mining to Havilah under any transaction that may be concluded between the parties, within calendar year 2019.

Commenting on the further extension of the exclusivity period with SIMEC Mining, CEO, Mr Walter

Richards said: "SIMEC Mining's due diligence work is reaching a decision point and the results of its work, in conjunction with the recent drilling results, appear to be positive for the possible commercialisation of Havilah's iron ore projects.

"Given the current stage of negotiations, a short extension of time will provide both parties the additional time considered necessary to reach a mutually beneficial agreement.

"While negotiations are well advanced, there is no certainty that a deal will be concluded within this timeframe," he said.

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

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