

14 August 2019

## Havilah's Transformation Opportunity Additional Information

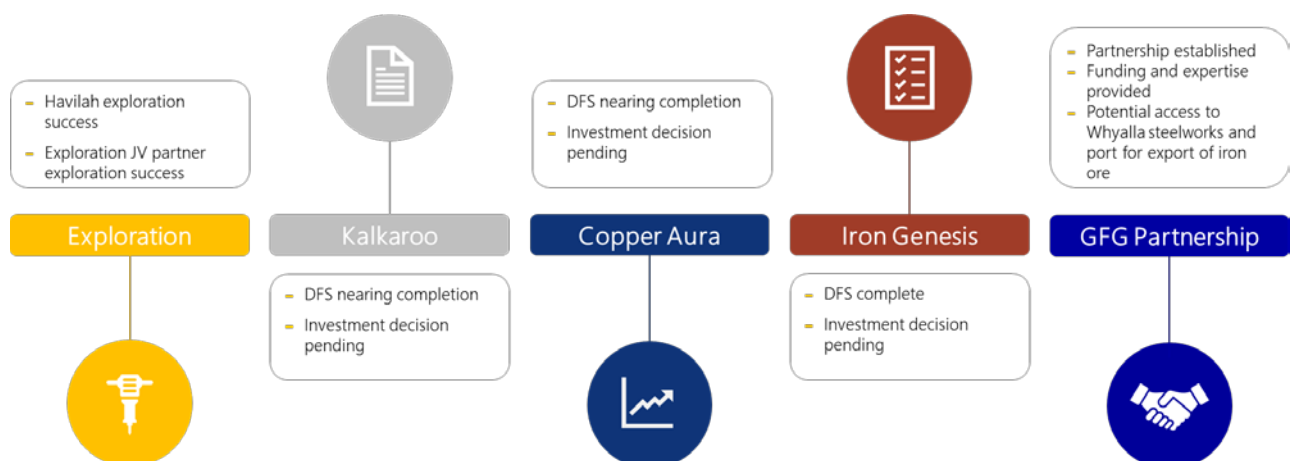
Havilah Resources Limited (**Havilah**) is pleased to distribute a presentation describing the proposed investment in Havilah of up to \$100 million (**Proposed Transaction**) by the GFG Alliance (**GFG**).



The purpose of the presentation is to describe the opportunity available to Havilah and the specifics of the Proposed Transaction.

### The main topics covered are:

- **A Transformational Opportunity**
  - An opportunity to transition from junior explorer to mid-cap miner



- **Independent Expert Opinion**

- "...the position of Shareholders if the Transaction is approved is more advantageous than the position if the Transaction is not approved."<sup>1</sup>

Advantages
<ul style="list-style-type: none"> <li>– Havilah remains an independently directed and managed ASX listed entity</li> <li>– Project value creation remains within Havilah</li> <li>– Dilution only occurring once value creation proven</li> <li>– Creates a strategic partnership with GFG</li> <li>– Up to \$100M funding secured</li> <li>– Funding secured for 35% project contingency</li> <li>– Potential access to steelworks and export facility at Whyalla</li> </ul>
Disadvantage
<ul style="list-style-type: none"> <li>– Dilution to existing shareholders' interest</li> </ul>

- **Havilah's Long Term Strategy**

- Leverage Havilah's mineral deposits with GFG's funding ability, facilities, infrastructure and commercial needs

- **Benefits of the Transaction with GFG**

- Shareholders will share in value created through access to development funds

## Growing the Pie

GFG investment to enable value accretive growth

Cash to shareholders  
vs  
Funding for projects

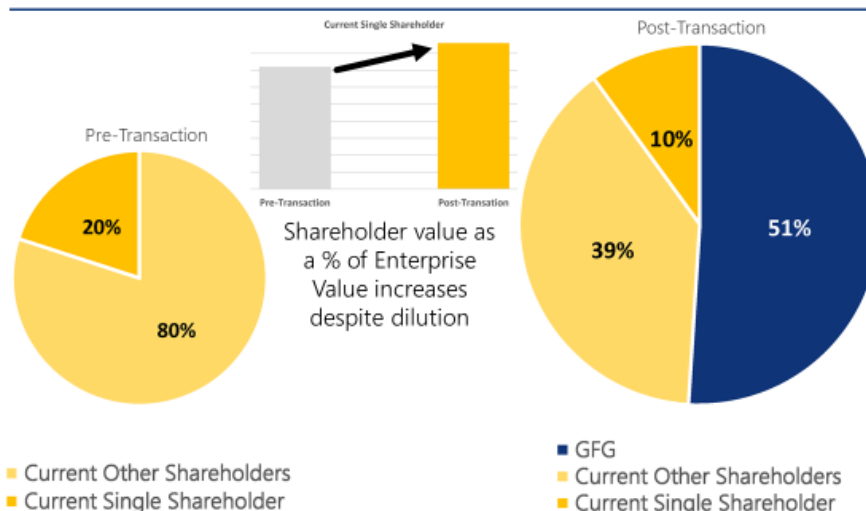
**Assumptions:**  
Shareholder value calculated on a % of Enterprise Value

Enterprise Value = market cap pre-transaction + debt - cash + GFG subscriptions

GFG Subscription = \$50M of committed funding

 Havilah Resources

## Opportunity to create value by voting in favour of the transaction

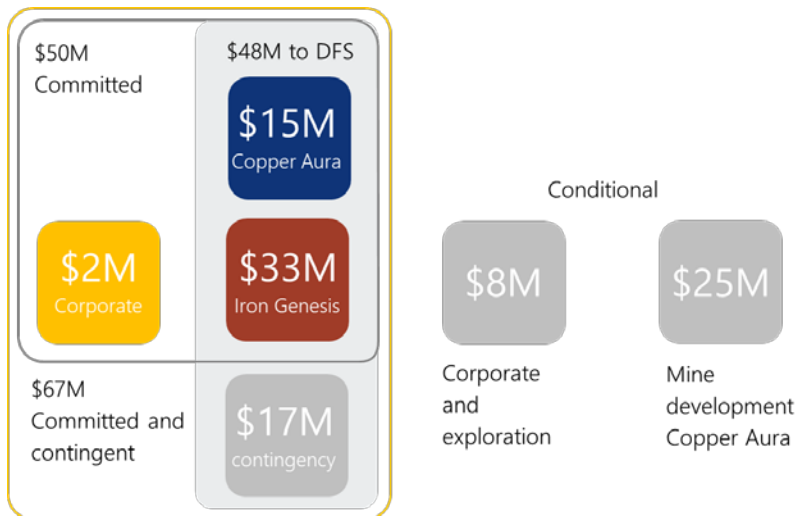


Havilah's Transformation Opportunity | 13

<sup>1</sup> Independent Expert Report page 5, BDO Corporate Finance (WA) Pty Ltd

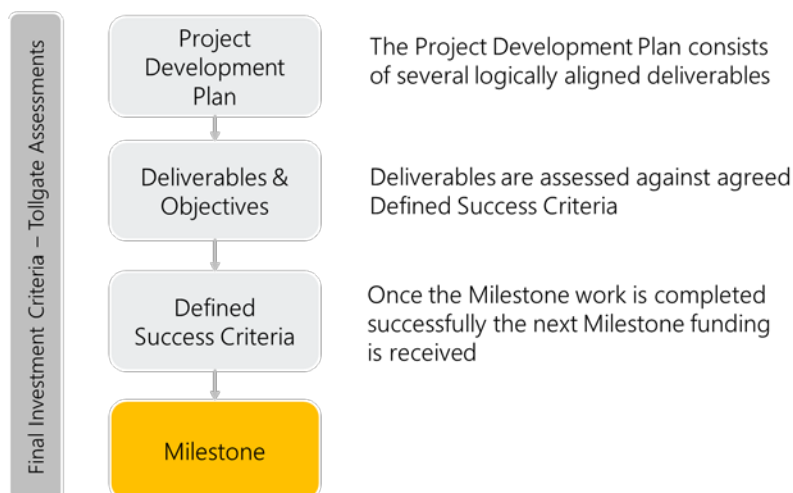
- **Transformational Funding**

- Up to \$100M in funding



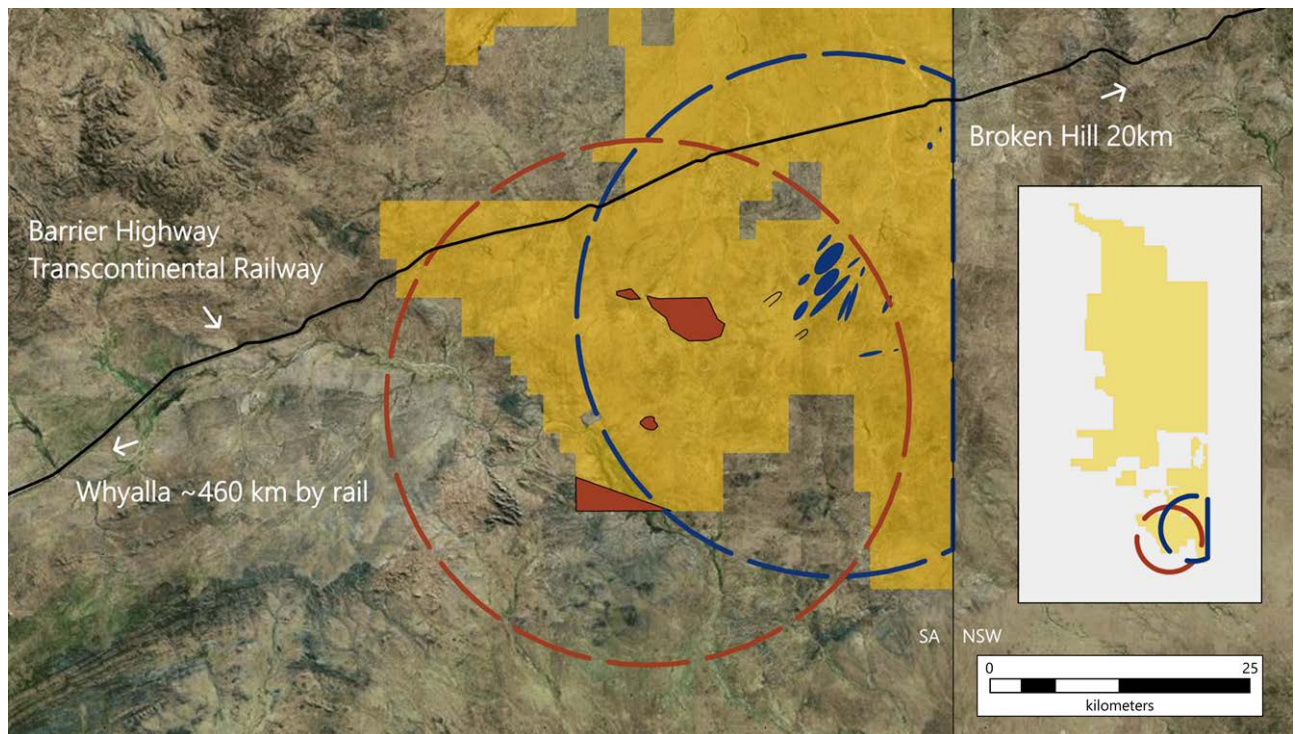
- **Management of Milestones**

- Tollgate assessments apply at critical project stages that determine project viability



- **Project Development Plan**

- Funding relates to tenements south of the Barrier Highway to deliver a copper project and iron ore project to DFS stage

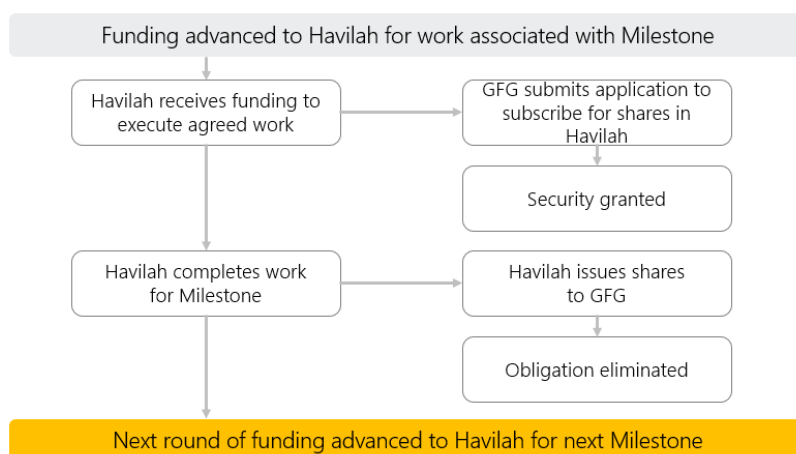


- **Board Structure and Protection of Minority Holders**

- Board to consist of a majority of independent directors at all times
- ASX Listing Rule protections and ASIC / Corporations Act protections

- **Functioning of Security**

- Balancing completion of work by Havilah vs GFG earning an interest





- **About GFG / SIMEC and their Current Intentions**

- GFG success driven by mutually beneficial partnerships

Intention is to:

- ✓ Leave day-to-day operations and strategic direction of Havilah to Management
- ✓ Maintain the strategy for Kalkaroo and other assets
- ✓ Develop Copper Aura and Iron Genesis projects per Project Development Plan
- ✓ Acquire future offtake in relation to Havilah's projects
- ✓ Inject future capital in accordance with Share Subscription Agreement
- ✓ Intention to nominate persons to the Havilah board



No intention to:

- ✗ Change the business of Havilah or transfer/ redeploy any assets out of the Company
- ✗ Change the future employment of Havilah's employees
- ✗ Acquire any interest in any Havilah assets (other than Iron Genesis)
- ✗ Change the financial or dividend distribution policy

- **Rights Issue Rationale**

- Offered at a discount to GFG placement and share subscriptions

The presentation also includes additional information covering topics such as how the Proposed Transaction can create value for South Australia and treatment of the exclusivity extension payment previously received from SIMEC ([ASX announcement of 1 February 2019](#)).

Havilah recommends that shareholders review the presentation in conjunction with the Notice of Meeting, which was released to the ASX ([ASX announcement of 31 July 2019](#)) and dispatched by its share registry on 9 August 2019.

The extraordinary general meeting (**EGM**) contemplating the share subscription agreement (**SSA**) relating to the Proposed Transaction will take place at **11am on 12 September 2019** at the **Adelaide Convention Centre**, North Terrace, Adelaide.

Havilah is also planning a series of information sessions for shareholders on the following dates:

- Adelaide - 27 August 2019
- Sydney - 29 August 2019
- Perth - 3 September 2019
- Melbourne - 5 September 2019

To register for one of these sessions please call (08) 8155 4500.

Management is also available to any shareholders that have questions regarding the proposed transaction.

**Subject to the receipt of a superior proposal, each of the independent directors of Havilah recommends that shareholders should vote in favour of the Proposed Transaction. The non-independent director Dr Chris Giles makes no recommendation on the grounds that the Proposed Transaction is not fair.**

For further information visit [www.havilah-resources.com.au](http://www.havilah-resources.com.au)

**Contact:** Mr Walter Richards, CEO, on (08) 8155-4500 or email: [info@havilah-resources.com.au](mailto:info@havilah-resources.com.au)

# Havilah's Transformation Opportunity

Walter Richards CEO

14 August 2019



# Cautionary Statement

ASX: HAV

ASX: HAVOC  
(Listed Options)

Havilah: Havilah Resources Limited  
GFG: GFG Alliance  
SIMEC: SIMEC Mining

## Cautionary Statement

The information contained in this presentation is not financial product advice. The presentation is for information purposes and is of a general and summary nature only. Havilah Resources Limited (Havilah) nor any member of the Havilah Group of companies, gives no warranties in relation to the statements and information in this presentation. Investors should seek appropriate advice on their own objectives, financial situation and needs.

This presentation 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.

Havilah disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. 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.

The information contained in this presentation has been prepared based on a notice of extraordinary general meeting dated 30 July 2019, a copy of which is available on the ASX announcements platform. You should read the notice of meeting in its entirety.

**Front cover:** View looking west along Transcontinental Railway and Barrier Highway at Mingary rail siding and road turn off to Kalkaroo Station



# Table of Contents

Grants Basin Drilling



- A Transformational Opportunity
- Independent Expert Opinion
- Notice of Meeting
- Havilah's Long Term Strategy
- Benefits of the Transaction with GFG
- Transformational Funding
- Management of Milestones
- Project Development Plan
- Board Structure and Protection of Minority Holders
- Functioning of Security
- About GFG / SIMEC and their Current Intentions
- Rights Issue Rationale
- Additional Information

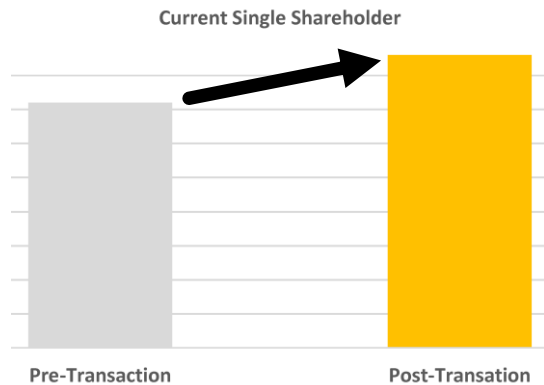


# A Transformational Opportunity



## Transaction Highlights

Shareholder value as a % of Enterprise Value increases despite dilution



## Transformational opportunity to transition from junior explorer to mid-cap miner

- Up to \$100M in investment capital available
- Unlock value in Havilah's multi-commodity portfolio
- Project value creation remains within Havilah
- Grow with a strategic long term partner
- Havilah remains an independently directed and managed ASX listed entity

# GFG Funding

Up to \$100M in funding

Minimum funding secured

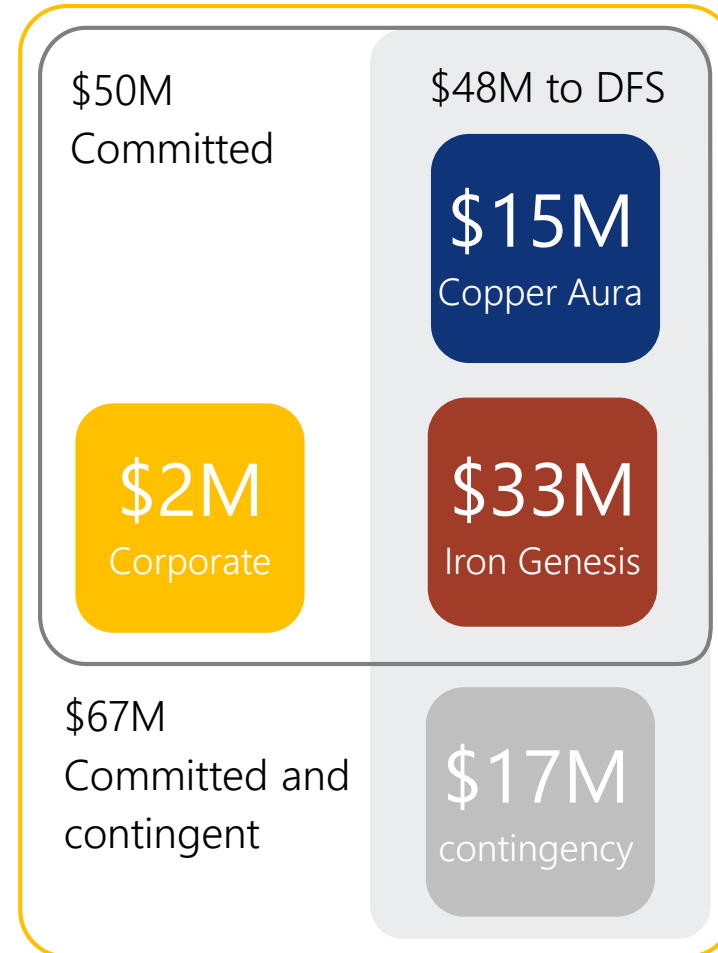
Funding is staged

First \$50M:

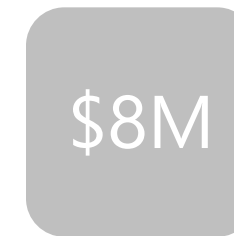
- \$6M firm
- \$44M dependent on success criteria of Milestones

Access to contingency funding at Havilah's election and GFG's discretion

Access to conditional funding at Havilah's election and GFG's discretion



Conditional



Corporate and exploration



Mine development  
Copper Aura



## Strategic Partnership with GFG

Opportunity to learn from  
extensive technical knowledge  
and experience in iron ore  
mining and processing

Potential access to steelworks  
and export facility at Whyalla  
facilitating project  
development

Opens doors to international  
capital markets and  
commercial support

Builds on GFG's significant  
investment commitment in  
South Australia

## Leverage Havilah's mineral deposits with GFG's funding ability, facilities, infrastructure and commercial needs





# Transaction Rationale

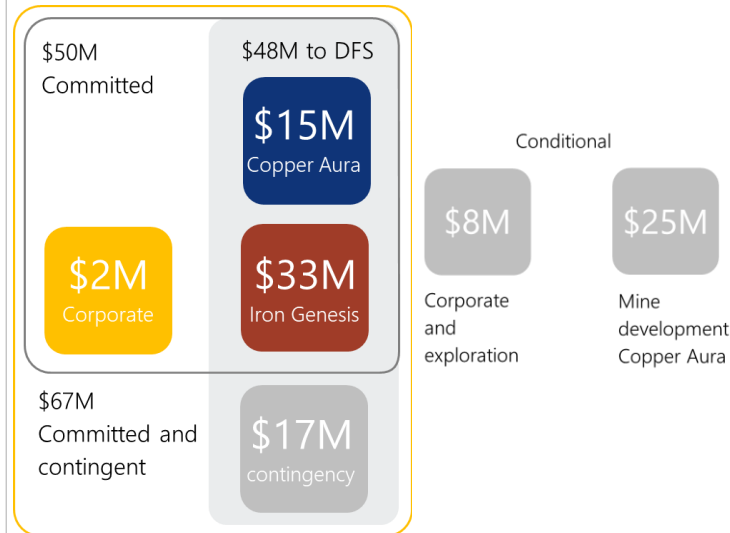
Independent directors recommend a vote in favour of the proposed transaction

## Havilah Today

- Undeveloped Copper Aura, Iron Genesis and Kalkaroo Projects
- Significant exploration acreage
- Quality in-ground assets
- Limited focus on whole portfolio to date
- Capital constrained
- Commercially challenged

## Proposed Transaction

- Up to \$100 million invested



- GFG equity of up to 51%\* expected over a 5 year period

\*Refer to slide 22 'Notice of Meeting'

## Future Havilah

- Copper Aura and Iron Genesis Projects to DFS
- Management in control of day-to-day decisions and projects
- Strategic partner for funding and raw material offtake
- Access to expertise
- Globally connected
- Kalkaroo Project advanced

Transaction structure demonstrates GFG's commitment and confidence

## Scope of GFG Funding

Copper Aura (copper project with cobalt potential) funded through to DFS stage

Iron Genesis (large iron ore project) funded through to DFS stage

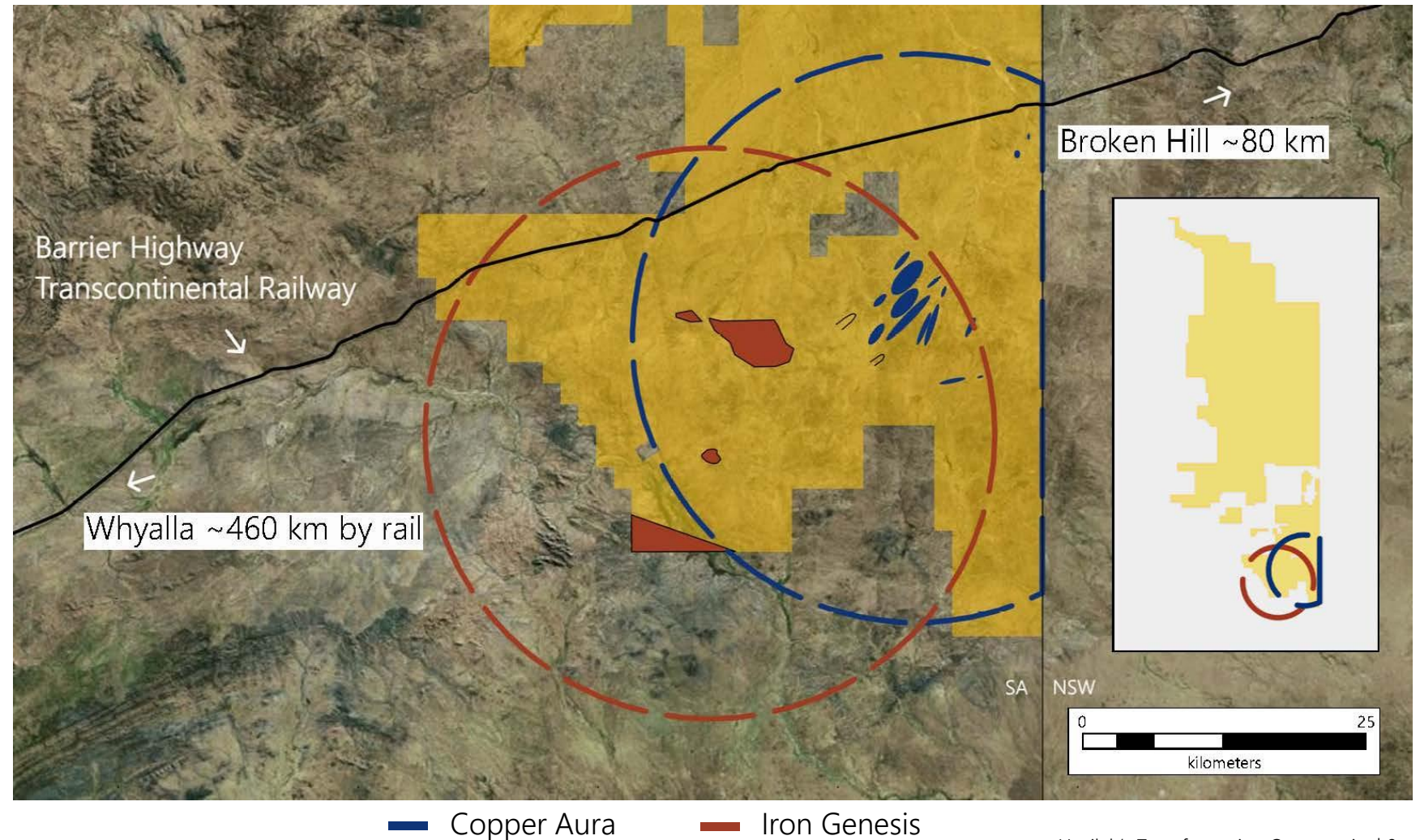
Exploration discretionary drilling

Corporate costs

GFG's ability to reach 51%\* of Havilah is contingent on a series of technical and financial milestones

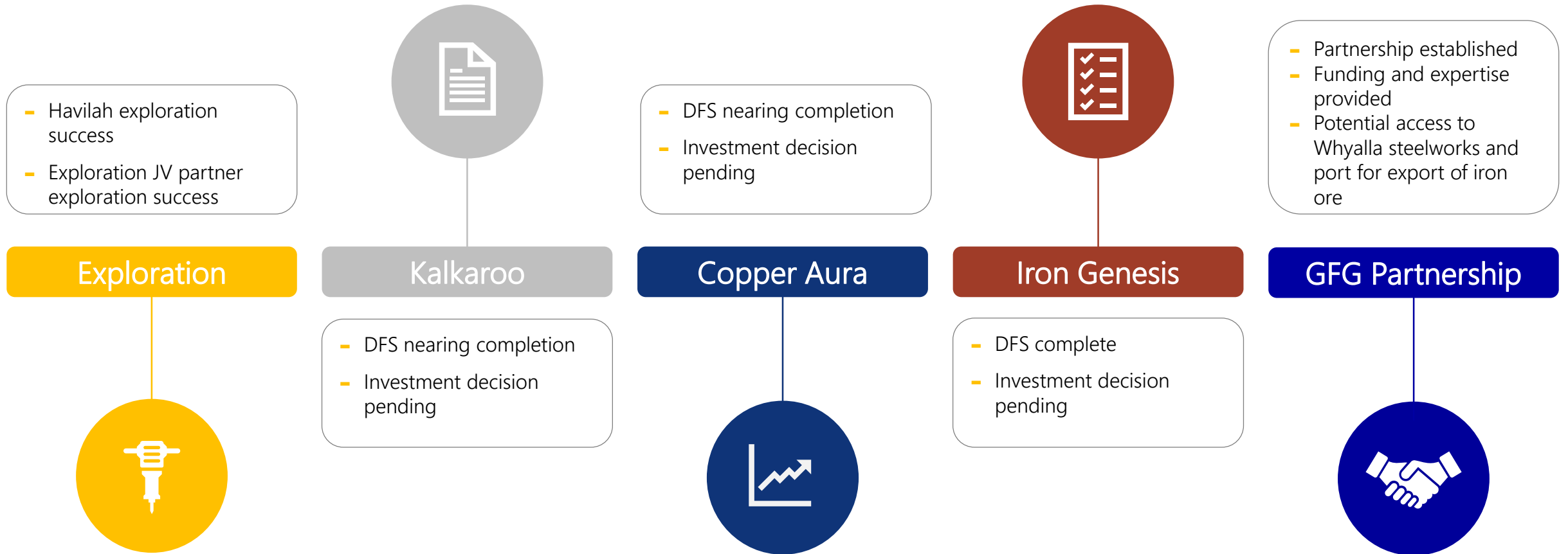
\*Refer to slide 22 'Notice of Meeting'

Funding relates to tenements south of the Barrier Highway to deliver a copper project and iron ore project to DFS stage



# Future Havilah

Looking forward 3 years, assuming the GFG transaction is approved at the EGM



# Advantages and Protections

## Key benefits and protections for shareholders and the current intentions of GFG

### Advantages

- Havilah remains an independently directed and managed ASX listed entity
- Project value creation remains within Havilah
- Dilution only occurring once value creation proven
- Creates a strategic partnership with GFG
- Up to \$100M funding secured
- Funding secured for 35% project contingency
- Potential access to steelworks and export facility at Whyalla

### Disadvantage

- Dilution to existing shareholders' interest

### Protections

- Board of directors consist of majority independent directors
- Creeping and takeover restrictions apply, preventing GFG from increasing interest outside of this transaction by more than 3% every 6 months
- Delisting requires the consent of ASX, which in turn requires a 75% shareholder vote in favour of delisting
- GFG and associates restricted as a related party with respect to voting on dealings with major assets or transactions

### GFG Current Intentions\*

- No intention to change the business of Havilah
- No intention to transfer Havilah's assets at the current stage of their development
- No intention to redeploy the fixed assets of Havilah
- No intention to change strategy for Kalkaroo Project or other assets

\*Based on information provided to Havilah by GFG



# Valuation Perspective

Valuation performed on a control basis then adjusted with minority discount

GFG's expected 51%\* shareholding is subject to a number of conditions

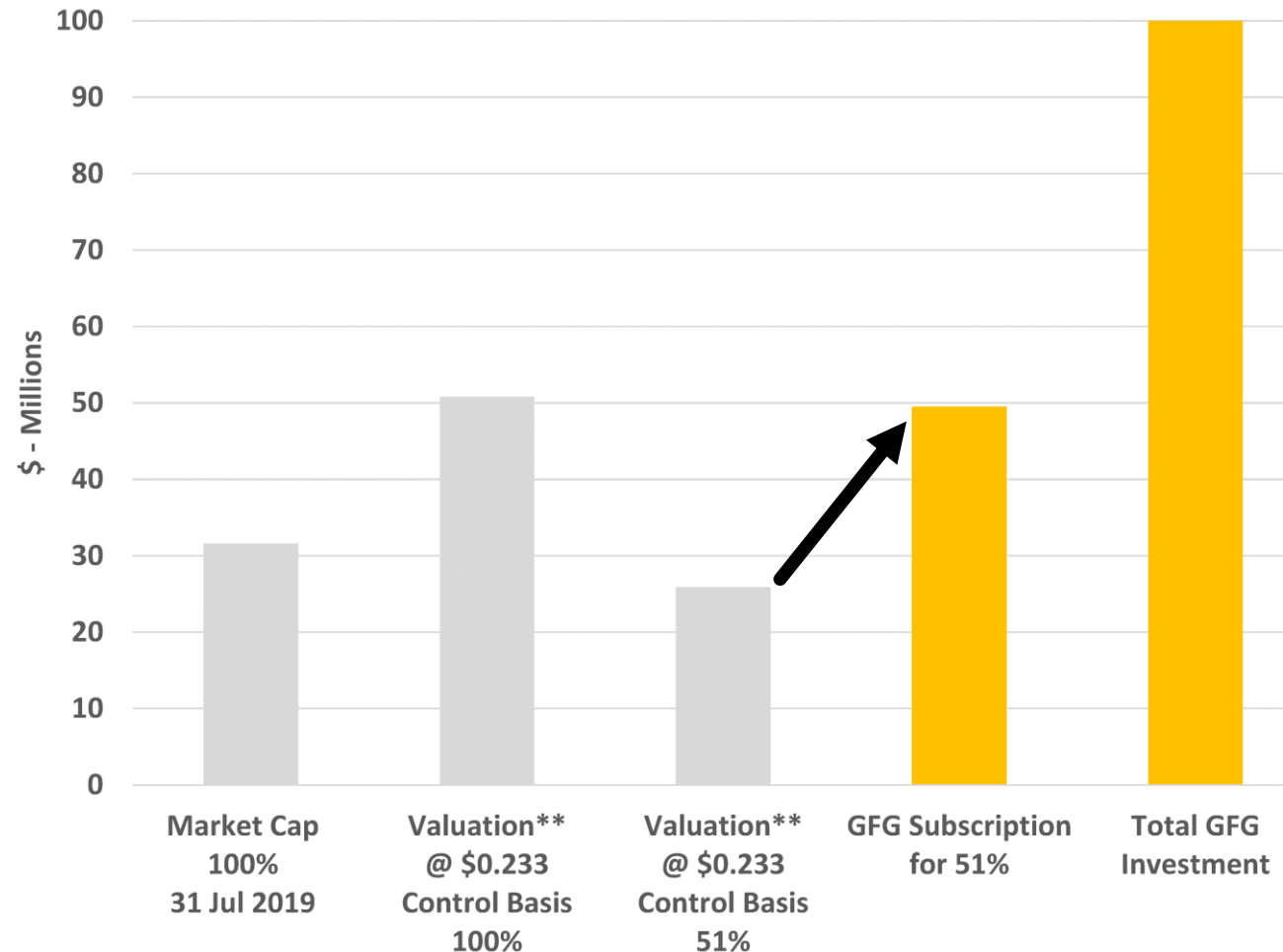
GFG does not secure many of the advantages of control

## Advantages of Control:

- Control over decision making and strategic direction
- Access to underlying cash flows
- Control over dividend policies
- Access to potential tax losses

\*Refer to slide 22 'Notice of Meeting'

GFG's committed funding of \$50M for an expected 51%\* interest in Havilah is equivalent to 100% of Havilah's value\*\*



\*\* Valuation calculated using the preferred share price from the Independent Expert Report and ~218M currently outstanding shares

# Growing the Pie

GFG investment to enable value accretive growth

Cash to shareholders  
vs  
Funding for projects

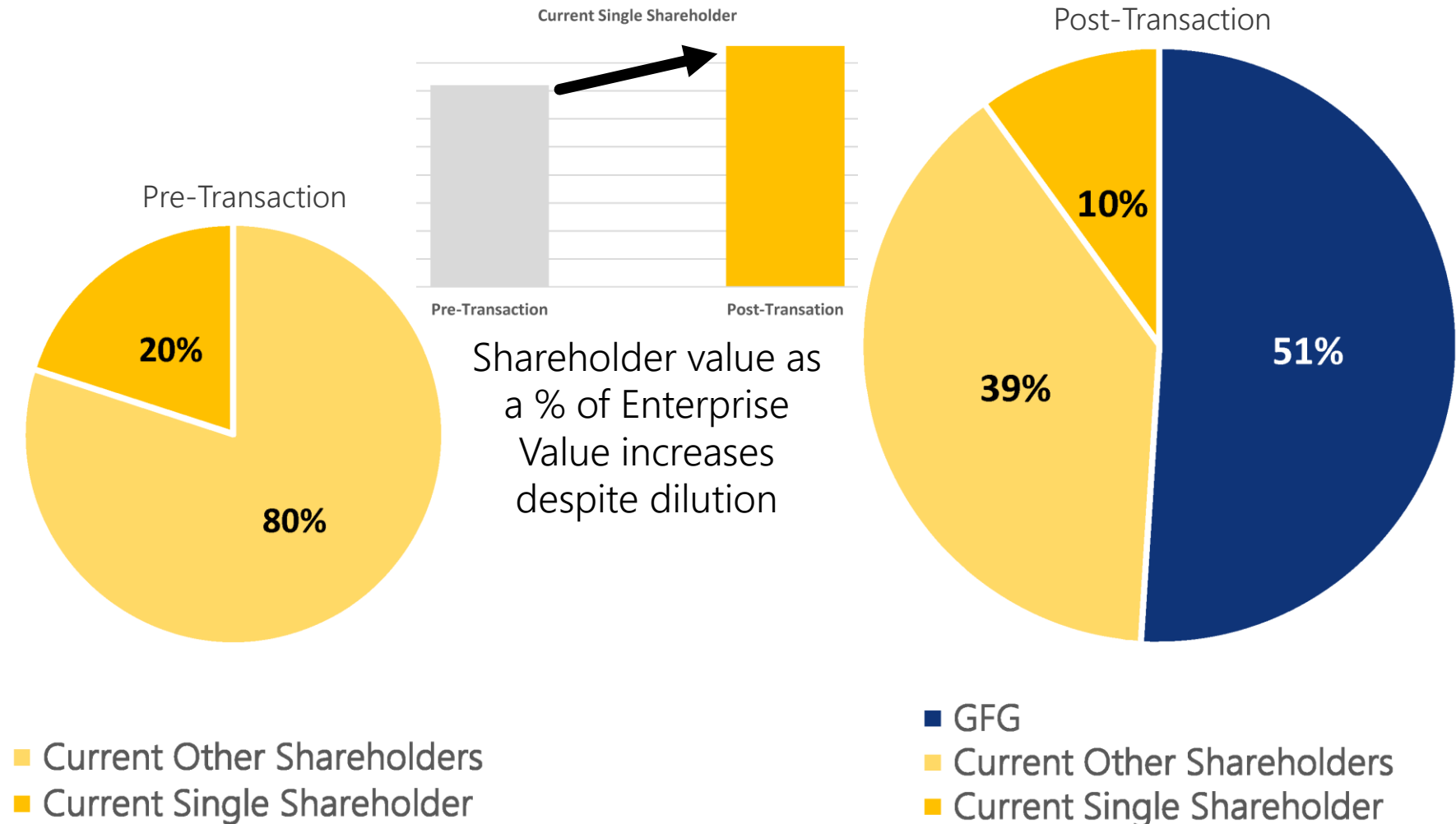
## Assumptions:

Shareholder value calculated on a % of Enterprise Value

Enterprise Value = market cap pre-transaction + debt - cash + GFG subscriptions

GFG Subscription = \$50M of committed funding

# Opportunity to create value by voting in favour of the transaction



# Valuation Conclusions

An opinion of “not fair” does not mean it is unfair

GFG’s expected 51%\* shareholding is subject to a number of conditions

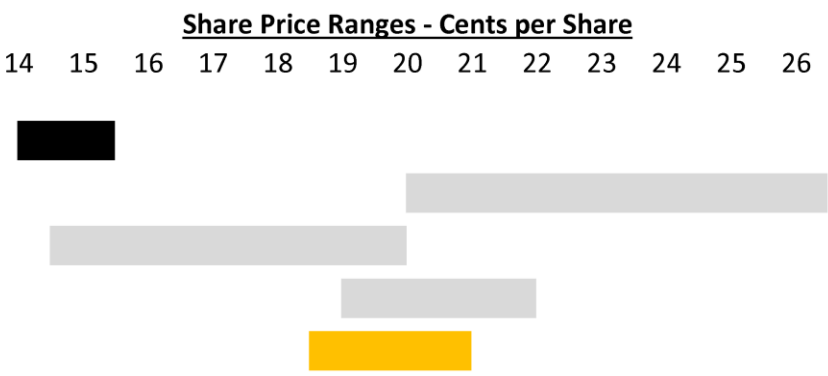
Valuation performed on a control basis then adjusted with minority discount

GFG does not secure many of the advantages of control

GFG’s ability to reach the expected 51%\* shareholding is contingent on a series of technical and financial milestones

- An opinion of not fair does not mean that shareholders should not support the transaction
- Not fair assessment is the result of the transaction being structured so that current shareholders retain a minority interest
- Transaction is considered not fair by Independent Expert due to the requirement by ASIC guidance to apply a minority discount to the post transaction value per share

Current Share Price Range and 45-day VWAP at 30 April 2019  
BDO Value Range - Maximum Shares Control Basis: Pre-SIMEC  
BDO Value Range - Maximum Shares Minority Basis: Post-SIMEC  
BDO Value Range - Quoted Market Price with Premium for Control  
SIMEC Share Subscription Price Range



\*Refer to slide 22 'Notice of Meeting'

## Recommendation

Independent directors recommend a vote in favour of the transaction

The non-independent director Dr Chris Giles makes no recommendation on the grounds that the transaction is not fair

This is an opportunity for Havilah to transition from a junior explorer to a mid-cap miner

- Havilah owns a superb set of assets aggregated over 20+ years
- These early stage assets require significant work to unlock the potential value
- Significant funding is required to unlock this potential value
- GFG recognises the inherent potential value of the assets
- Investment in Havilah by GFG (rather than farm-in at asset level) shows commitment and demonstrates confidence
- Havilah maintains control of its destiny and its projects
- Existing shareholders get to participate in any upside without having to commit more capital of their own
- Havilah will potentially receive funding of up to \$100M



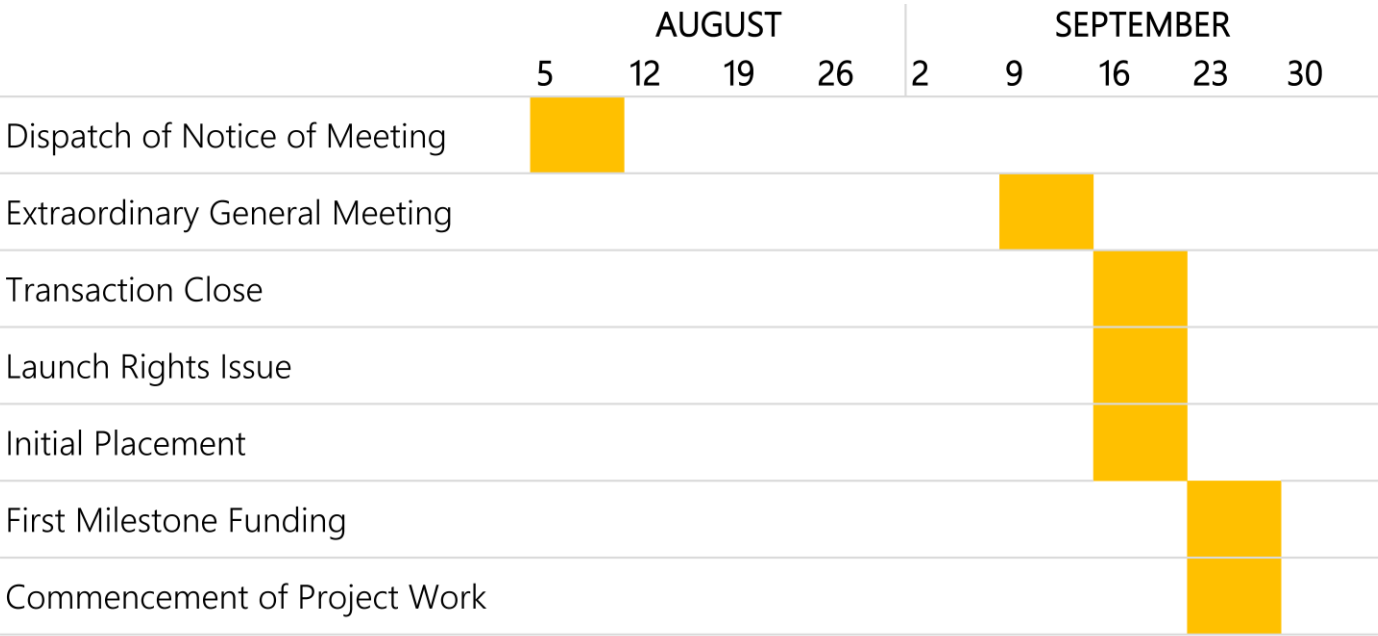
# Transaction Timeline

EGM on 12 September 2019

Voting commences:  
10 August 2019

Proxy cut-off date:  
10 September 2019

- Three year working program fully funded (including project contingency)
- Secure strategic partner – GFG Alliance
- Continue execution of Copper Strategy – Enhanced by Cobalt
- Expanded scope of work with the addition of iron ore



# Independent Expert Opinion



# Independent Expert Opinion

Report prepared pursuant to section 611 of the Corporations Act and ASX Listing Rule 10.1

Report prepared having regard to ASIC's RG 111 and RG 112

## Valuation approach

Value of a share pre-transaction on a control basis

vs

Value of a share post-transaction on a minority basis

"...the position of Shareholders if the Transaction is approved is more advantageous than the position if the Transaction is not approved."

- It is the opinion of the Independent Expert that:
  - "...in the absence of any other relevant information, and an alternate offer, the Funding Component is not fair for Shareholders."
  - "...in the absence of any other relevant information, this indicates that the Security Component is fair to Shareholders."
  - "...in the absence of any other relevant information or a superior offer, we consider that the Transaction is reasonable for Shareholders."
  - "...in the absence of a superior offer and any other relevant information, the Transaction is not fair but reasonable..."
  - "Given that a significant portion of the committed funding package is at specific Havilah share prices that are above current share price levels, we consider this to be an advantage and to be value accretive to current Shareholders."



## Independent Expert Report

## Advantages of the GFG transaction

- Opportunity to develop a strategic partnership with GFG
- Structure of the transaction funding package is value accretive to shareholders
- Shareholders have the opportunity to participate in the rights issue at a discount to GFG's investment
- Provides necessary funding to explore value of the Copper Aura and Iron Genesis Projects
- Provides potential access to future funding
- Increased market capitalisation may increase the market presence of Havilah
- Broader expertise and increased experience of the board of directors
- Security component is fair
- Security component allows the transaction to proceed



## Independent Expert Report

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## Disadvantages of the GFG transaction

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- Funding component is not fair
- Dilution to existing shareholders' interest
- Presence of significant shareholder may reduce the attractiveness of Havilah's shares to potential investors
- Potential restrictions placed on Havilah's ability to deal with the secured assets without GFG's consent

# Notice of Meeting



## Notice of Meeting

GFG's expected 51% shareholding is subject to a number of conditions

GFG's maximum approved shareholding is 61% under the transaction

## GFG expected shareholding vs maximum shareholding

- GFG is expected to hold 51% of Havilah's ordinary shares
- Assumptions:
  - Planned rights issue is fully subscribed
  - Copper Aura and Iron Genesis work programs are executed as planned
  - Project economics support work programs continuing
  - FIRB approval is not required or is obtained, allowing GFG direct project equity interest in the Iron Genesis Project
  - Havilah elects to access contingency funding in return for direct project equity interest in the Iron Genesis Project
  - Havilah elects to access corporate and/or discretionary exploration funding in return for direct project equity interest in the Iron Genesis Project

FIRB = Foreign Investment Review Board

## Notice of Meeting

GFG has previously obtained approvals from FIRB

Havilah and GFG expect that FIRB approval will be obtained

FIRB approval may be required to enable GFG obtaining direct project equity interest in the Iron Genesis Project

- GFG purchasing a direct equity interest in the Iron Genesis Project may require FIRB approval
- Granting of security to GFG over the Copper Aura and Iron Genesis Projects may also require FIRB approval

FIRB = Foreign Investment Review Board



# Havilah's Long Term Strategy



# Long Term Strategy

## Fundamentals of the long term strategy to create shareholder value

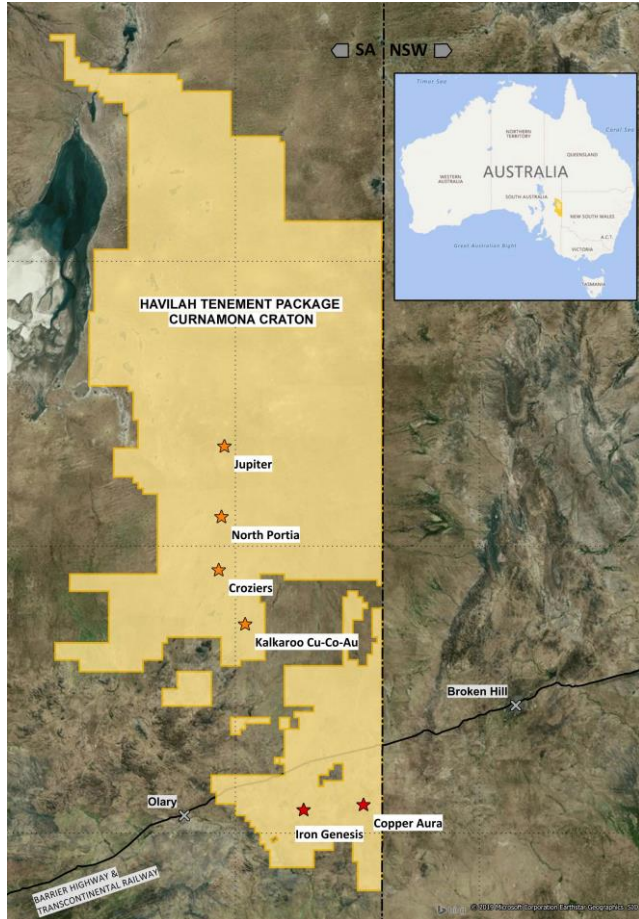
- Focus on South Australia's Curnamona Craton
- Foster skilled exploration, planning, permitting and deal making teams
- Initially develop fundable and manageable projects
- Maintain flexible project ownership and funding models
- Leverage prospective tenement holding and knowledge base
- Replenish the project pipeline with new discoveries
- Divest lower priority projects for fair value





# South Australian Focus

## Focused on the Curnamona Craton



- Extensive and prospective tenements
  - >16,000 km<sup>2</sup> of strategic highly prospective tenements
- Excellent logistics
  - Barrier Highway and Transcontinental Railway run through the tenement holdings
  - Access to ports in Adelaide and Whyalla
  - Proximity to Broken Hill regional mining centre
- Ownership of 550 km<sup>2</sup> Kalkaroo Station
  - Field operating base
- Low sovereign risk with supportive state government



# Benefits of the Transaction with GFG





## Transaction Benefits

Shareholders will share in value created through access to development funds

Grants Basin Drilling



- Havilah to remain an independently directed and managed ASX listed entity
- Control of day-to-day decision making and strategic direction remains with Havilah
- Project value creation remains within Havilah
- GFG share subscriptions at a premium
- Dilution of existing shareholders expected to be limited to 51%\*
  - Only occurring when value creation has been proven
  - Flexible investment terms governed by a series of technical and financial milestones
- Up to \$100M in funding available
- Additional corporate, discretionary exploration and Project funding available at Havilah's election and GFG's discretion
- Strategic partnership with GFG

\*Refer to slide 22 'Notice of Meeting'

## Transaction Benefits

Maldorky Iron Outcrop



## Transaction structured around Havilah's long term strategy

GFG funding to provide the opportunity for:

- Progressing Copper Aura and Iron Genesis projects to DFS
- Methodical exploration of Mutooroo Copper-Cobalt District
- Significant exploration funding for iron ore assets
- Project contingency of \$17M (35% of Project Development Plan)
- Access to an end user steelworks and export facility at Whyalla
- Realising value from assets with zero carrying value on balance sheet (iron ore assets currently fully impaired)
- Best investment options for Kalkaroo Project to be considered
- All other projects remain intact and poised for value enhancement
- Expanded expertise and experience with the appointment of additional new board members



# Transformational Funding





# Transaction Rationale

Transaction structured around Havilah's long term strategy to achieve balanced commercial outcomes for both parties

Grants Basin Drilling



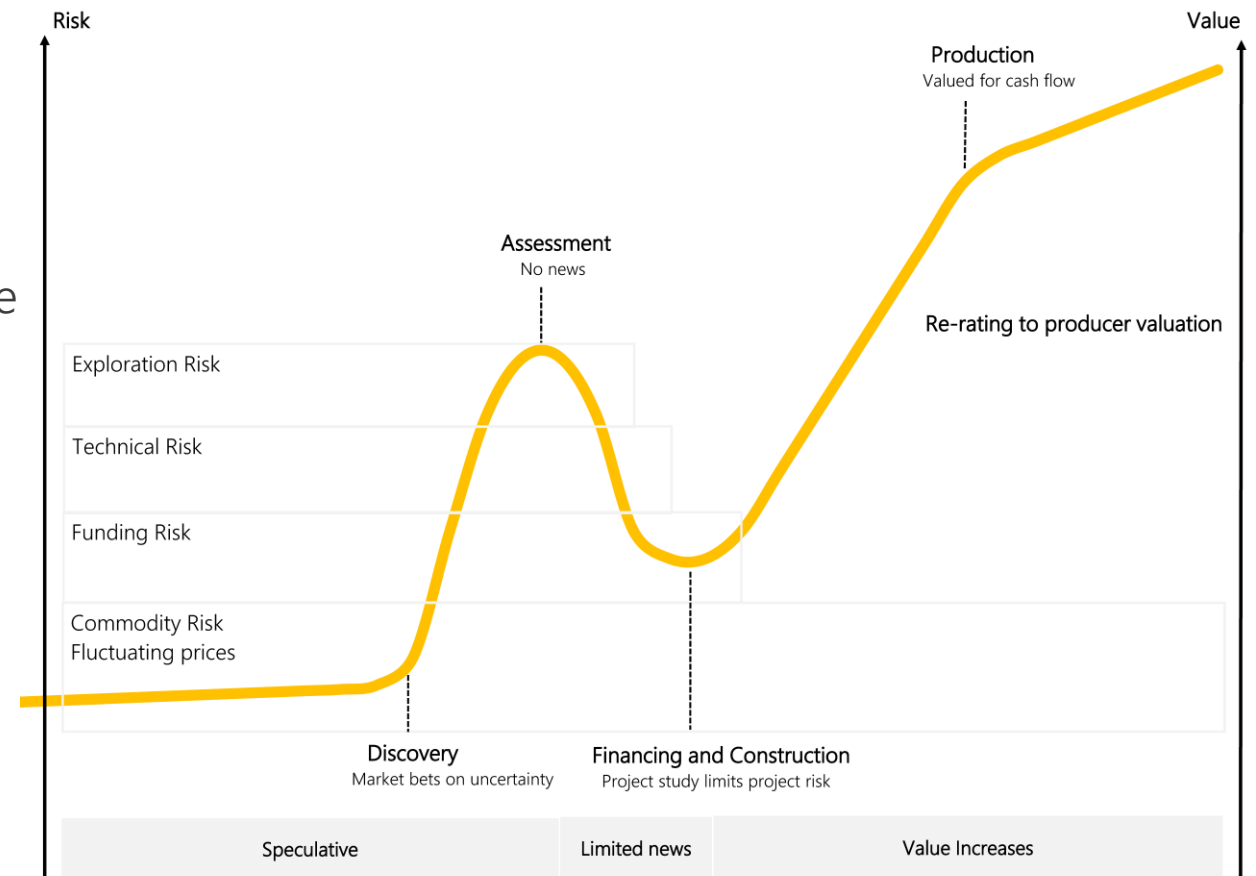
\*Refer to slide 22 'Notice of Meeting'



# Value Curve

Work programs designed to move projects up the value curve to support investment decisions

- Defined scope of work
- Two definitive feasibility studies (DFS)
- Planned 5 year period
- Advance projects to investment decision to produce copper and iron ore concentrates
- Agreed work program with defined success criteria
- Overcome exploration, technical and construction financing risk while being fully funded



## Transformational Funding

Fully funded work programs to advance two major projects to investment decision

Fully funded project work programs with up to \$100M in funding available

Copper Aura Project

Iron Genesis Project



Projects scoped through to DFS pending favourable outcomes at scoping and PFS



Pathway through to commercialisation



Strategic partnership with GFG



Assessed as stand-alone projects with synergies to be investigated

## Project Funding

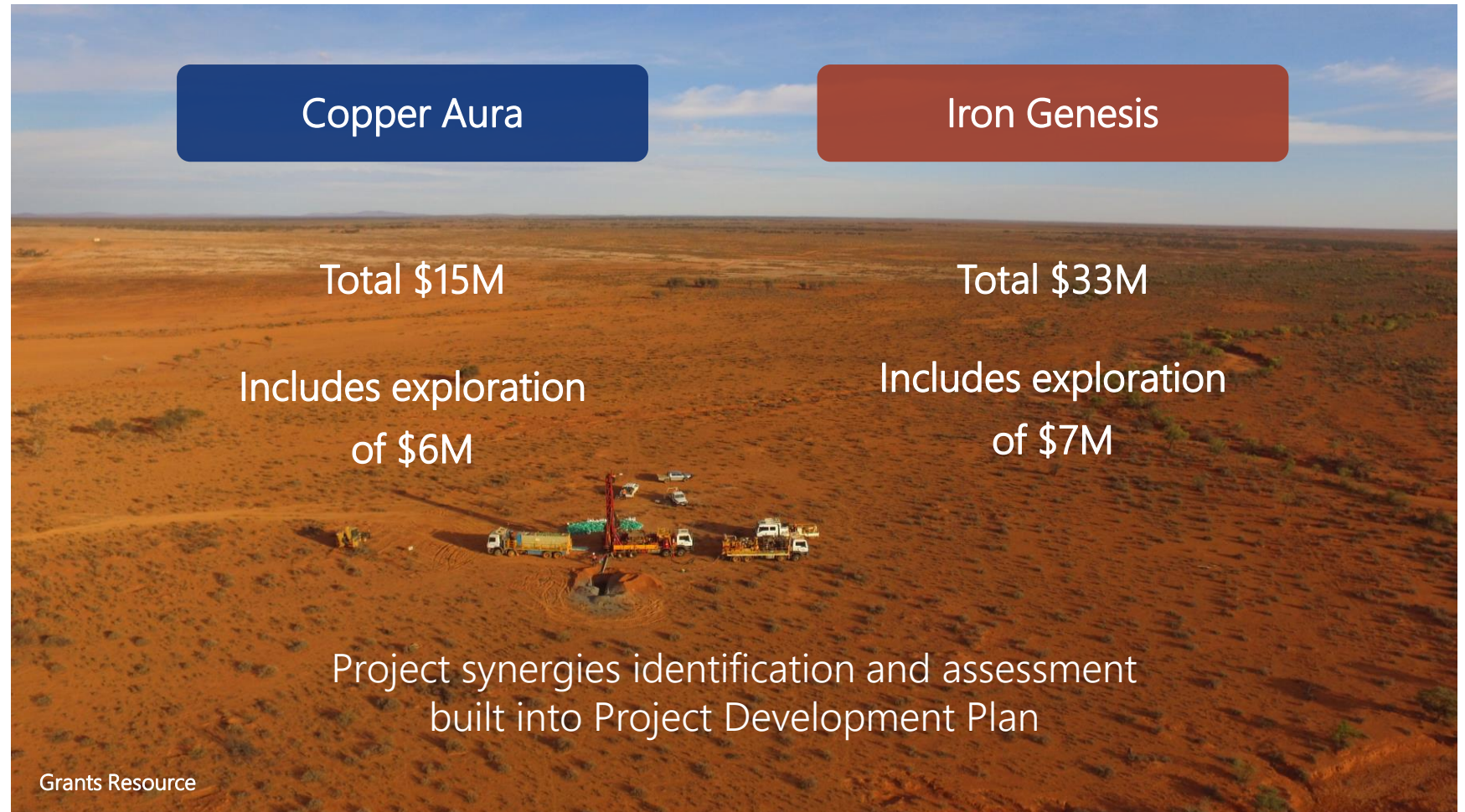
Fully funded to DFS

Extensive exploration focus

Infrastructure synergy potential

Each project is studied and assessed independently

Havilah will be an explorer and project developer with \$48M of committed funding for two large projects



## Summary of Project Cost

Projects funded to investment decision

Exploration ~ 1/3 of total budget

Permitting includes preparation cost of PEPR

Funding for projects include 35% contingency allowance

	Copper Aura \$M	Iron Genesis \$M	Total \$M
Scoping Study	3	-	3
Prefeasibility Study	5	9	14
Definitive Feasibility Study	7	24	31
	<b>15</b>	<b>33</b>	<b>48</b>
		35% contingency	17
	<b>Total</b>		<b>65</b>

Includes:	\$M	\$M	\$M
Exploration	6	7	13
Permitting	2	2	4

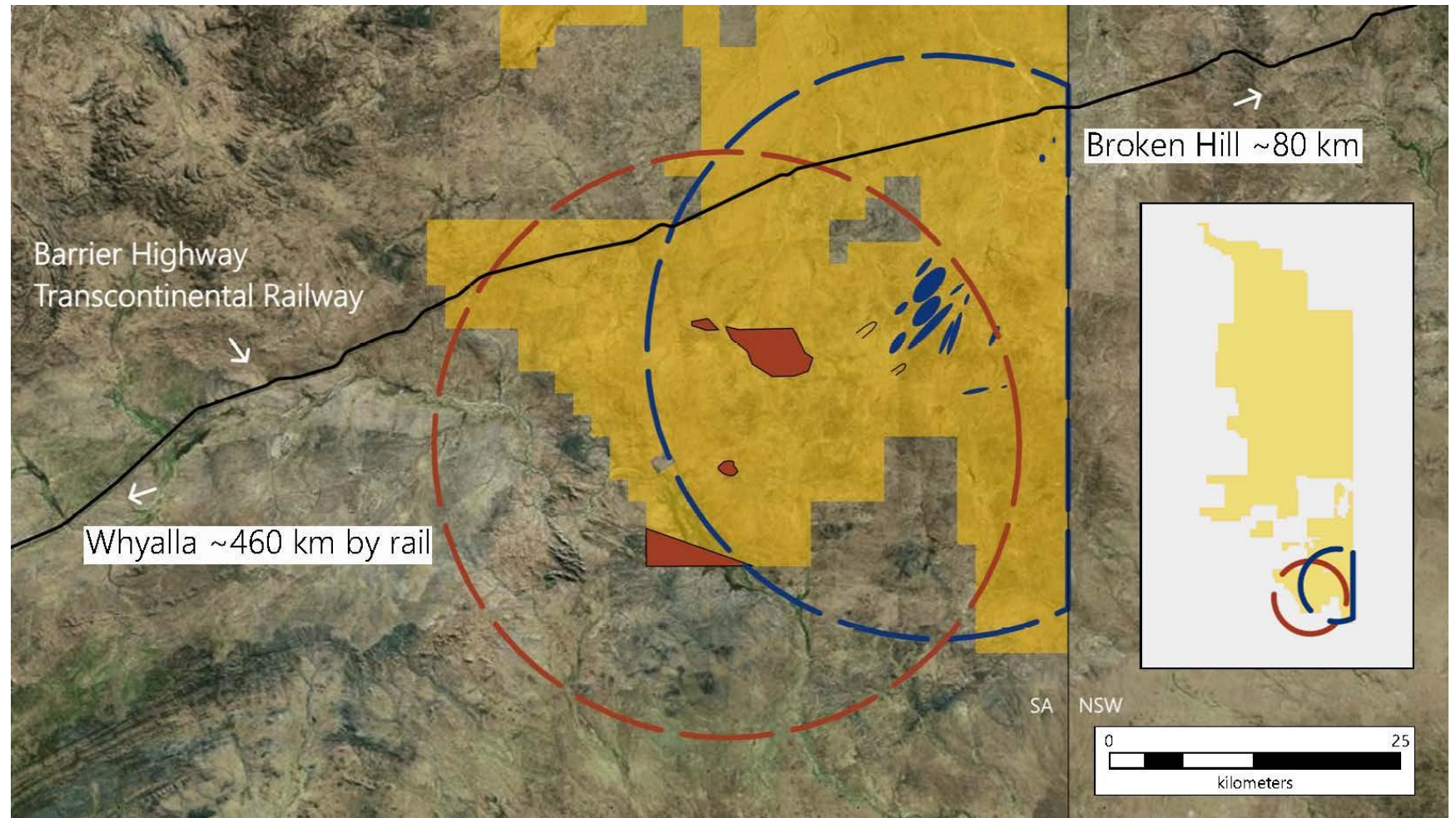


## Scope of Project Funding

Copper Aura –  
copper project with cobalt  
potential

Iron Genesis –  
large iron ore project

Funding relates to tenements south of the Barrier Highway to deliver a copper and an iron ore project to DFS stage

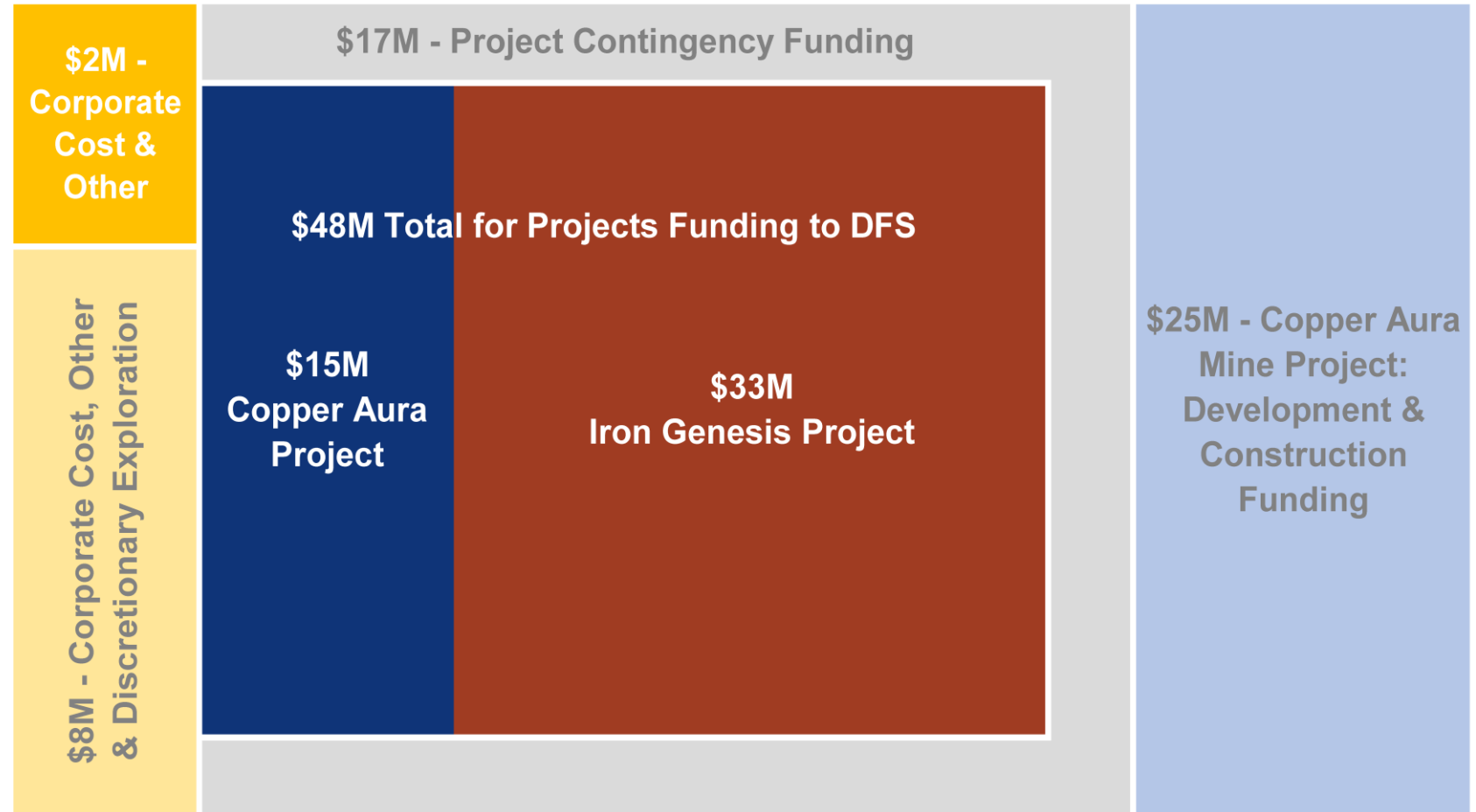


# Funding Components

Secures minimum required funding of \$48M for Copper Aura and Iron Genesis Projects

Strategic objectives with funding approach and deal structure:

- Secure minimum funding
- Maintain optionality
- Limit dilution
- Access to contingency funding
- Access to discretionary funding
- Access to financing for Copper Aura Project



# Up to \$100M of Funding

Secure minimum required funding

GFG's expected 51%\* shareholding is subject to a number of conditions

Adequate project contingency

Access to discretionary funding

Includes potential construction funding for Copper Aura Project

In built flexibility whilst maintaining access to balance of funding, if required

Amount \$ Million	Purpose	Method
2	Corporate costs year 1, tenement administration and Kalkaroo Station support	→ Initial placement of \$6M at \$0.154 → Series of subscription in shares at a premium to \$0.154 → Shareholding up to 30% - \$0.188 per share for a premium of 22% → Shareholding from 30% - \$0.208 per share for a premium of 35%
48	Agreed project development plan for Copper Aura and Iron Genesis Projects (from scoping to DFS)	
50	Committed funding	
17	Project contingency funding	→ Optional at election of Havilah and GFG’s discretion → Project equity in iron ore assets*
67	Committed and contingent funding	
8	Corporate costs for year 2 and 3, support tenement administration and Kalkaroo Station Discretionary exploration funding	→ Optional at election of Havilah and GFG’s discretion → Project equity in iron ore assets or shares if diluted (expected to be 51%*)
75	Committed, contingent and conditional funding	
25	Funding for mine development and construction of Copper Aura Project	→ To be determined
100	Total funding	

\*Refer to slide 22 ‘Notice of Meeting’

\*Refer to slide 22 'Notice of Meeting'

## Up to \$100M of Funding

Havilah controls work and assets

GFG provides funding but also has need for product from projects

GFG to receive raw material offtake on commercial terms

Only GFG can subscribe at \$0.154 to \$0.208 per share, so Havilah share price remains uncapped

Creates a partnership where both risk and value are shared while Havilah retains control of its projects and its destiny

Amount \$ Million	Objective	Method
2	→ Placement secures immediate funding of corporate costs → Staged milestone funding ensures funds are applied to agreed Project Development Plans → If Projects do not meet financial and technical hurdles then funding ceases, which limits dilution	→ Initial placement of \$6M at \$0.154 → Series of subscription in shares at a premium to \$0.154 → Shareholding up to 30% - \$0.188 per share for a premium of 22% → Shareholding from 30% - \$0.208 per share for a premium of 35%
48		
50	Committed funding	
17	→ Secure funding for project contingency → No further dilution → Earn interest in iron projects at an attractive valuation (1% for \$1.2M)	→ Optional at election of Havilah and GFG’s discretion → Project equity in iron ore assets*
67	Committed and contingent funding	
8	→ Access to funding for future overheads (if needed) → Access to funding for exploration for new discoveries → Limited further dilution* → Optional to leave alternatives open	→ Optional at election of Havilah and GFG’s discretion → Project equity in iron ore assets or shares if diluted (expected to be 51%*)
75	Committed, contingent and conditional funding	
25	→ Access to potential funding for copper mine development and construction → Terms to be negotiated → Leave alternative funding options open	→ To be determined
100	Total funding	

\*Refer to slide 22 ‘Notice of Meeting’

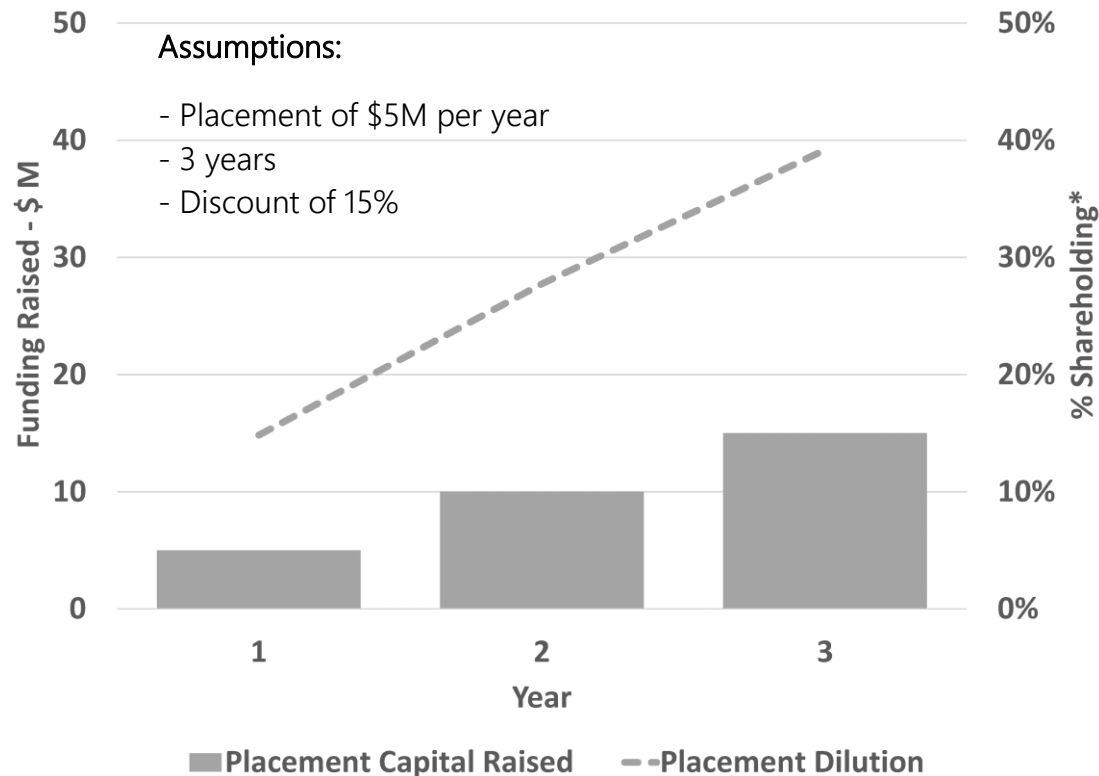
\*Refer to slide 22 'Notice of Meeting'



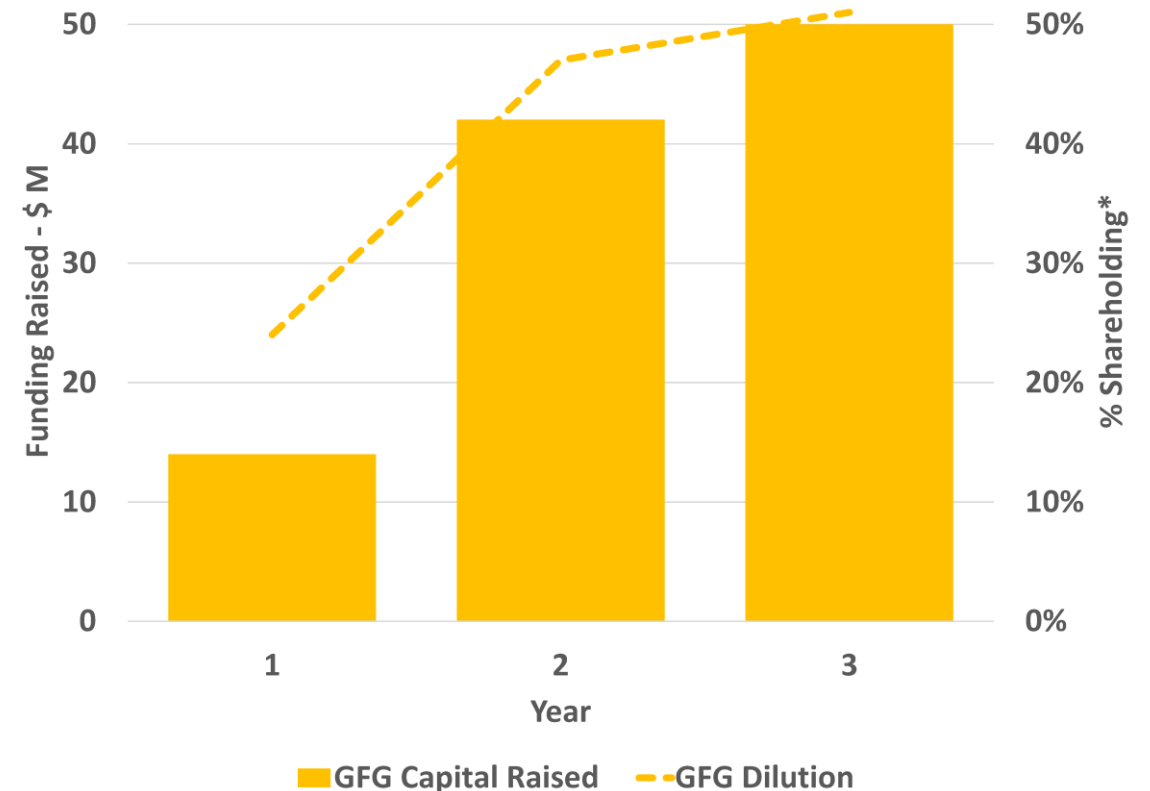
# Fundraising Alternative

GFG transaction is superior to most likely alternative funding arrangement

- Placement fundraising impact = 40% dilution for \$15M of funding



- GFG fundraising impact = 51%\* dilution for \$50M of funding



# Alternative Funding Options

GFG proposed transaction and structure is superior to potential alternative funding options, if available

Convertible notes	Debt funding	JV on iron ore assets	Not to develop iron ore assets	Placement at a discount	Pro-rata rights issue at a discount	Selling iron ore assets	Selling Kalkaroo Project
Repayment exposure	Repayment exposure	No upfront cash	Lost opportunity	Increased dilution due to discounted placement	Limited capacity of existing shareholders	Bottom of value curve	Risk of not realising fair value
Market overhang with potential share issue	Funding uncertainty	Out funded and diluted to tonnage royalty	Not realising significant potential value	Funding uncertainty	Funding uncertainty	Not realising significant potential value	Premature option execution
Increased business risk	Increased business risk	Does not fund corporate cost		Limited opportunity to raise significant funds	Limited opportunity to raise significant funds		Market perception of a forced sale

# Funding Forecast and GFG Shareholding

GFG’s expected 51%\* shareholding is subject to a number of conditions

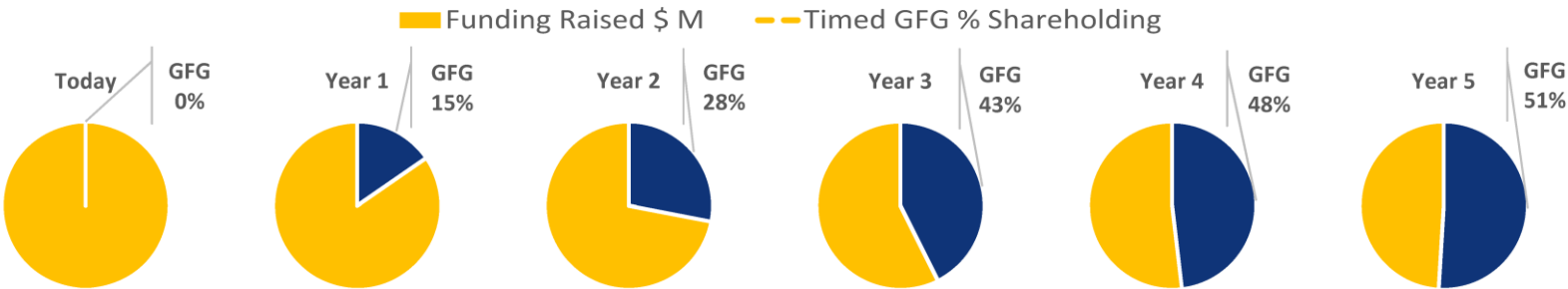
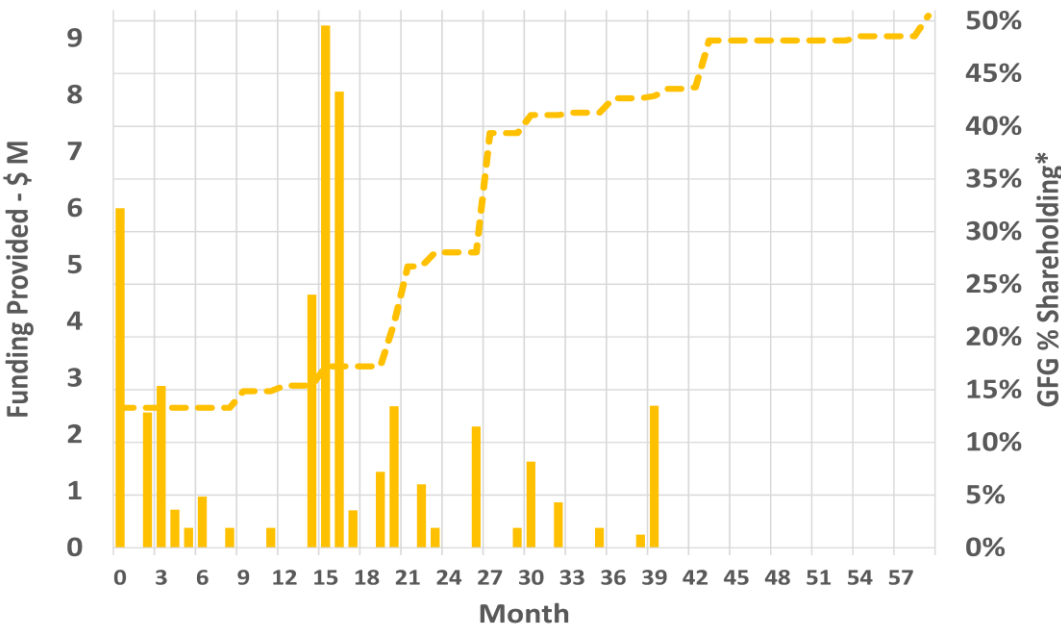
Funding received in advance of work commencing

Shares issued once work or spending of all funds is complete

Next milestone funding dependent on success of previous milestone

\*Refer to slide 22 ‘Notice of Meeting’

Funding received over a 3 year period with GFG’s shareholding expected to reach 51%\* over 5 years





## Future Fundraising Ability

Opportunity to raise additional funds and funding from option exercises being matched by GFG

- Transaction restriction on Havilah to raising additional capital:
  - Raising additional capital during the execution of project work is capped
  - Limited to 10% of fully diluted capital
  - Equates to ~97% of current cap under the 15% available per ASX Listing Rule 7.1
- GFG has the right to match the exercise of listed and unlisted options:
  - Creates the opportunity for Havilah to double the funds raised from the exercise of options
  - GFG to match the exercise price of all options excluding those issued to directors
- To maintain its interest in Havilah, GFG will need to participate in future capital raisings

# Management of Milestones

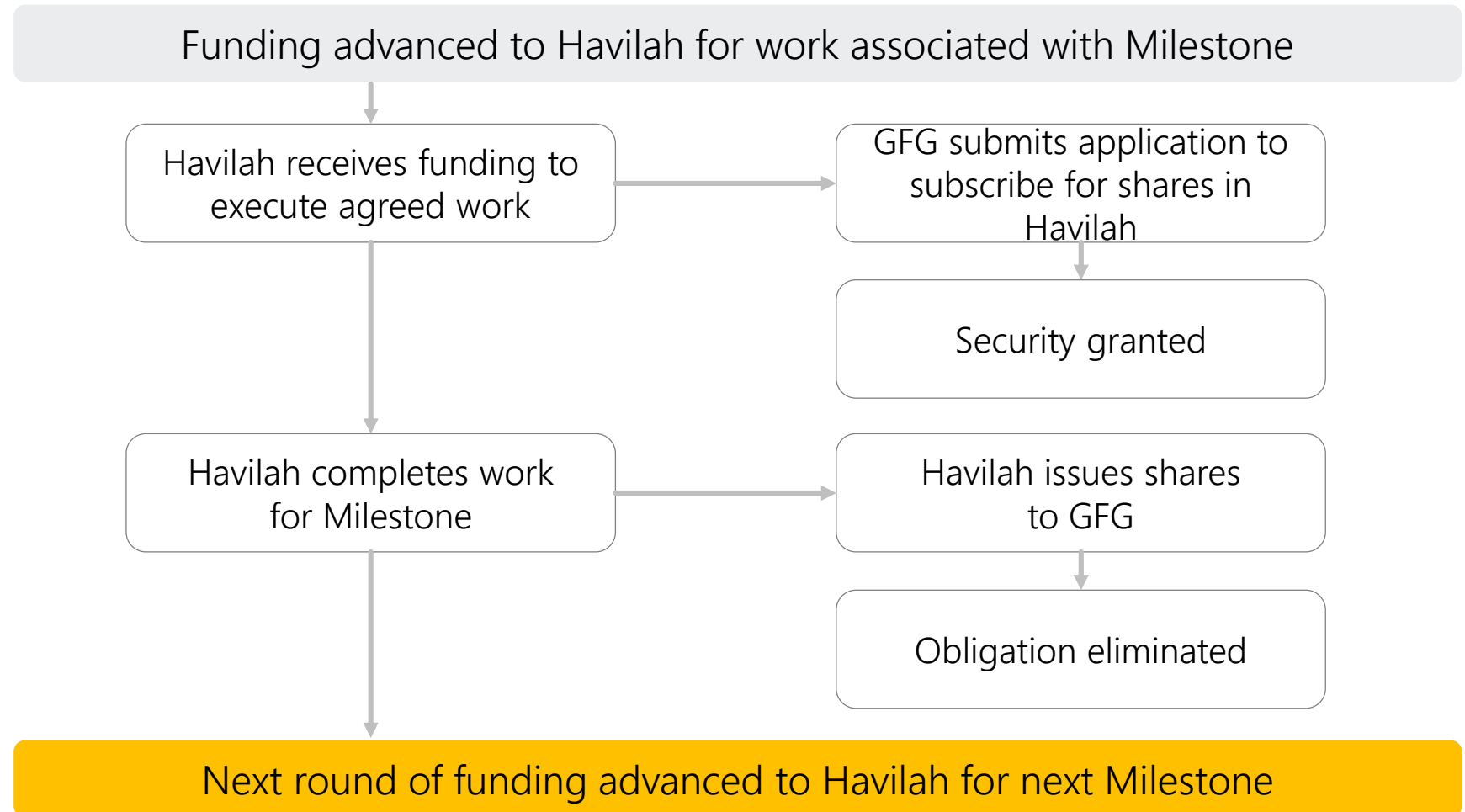


## Share Subscription Mechanism

Milestones achieved by completion of work or spending of funds

Milestone success only impacts funding of future Milestones

Work packages funded in advance with shares issued once work is completed, resulting in elimination of obligation





# Project Milestones

Tollgate assessments apply at critical project stages that determine project viability

Tollgate assessments are independent of Milestones



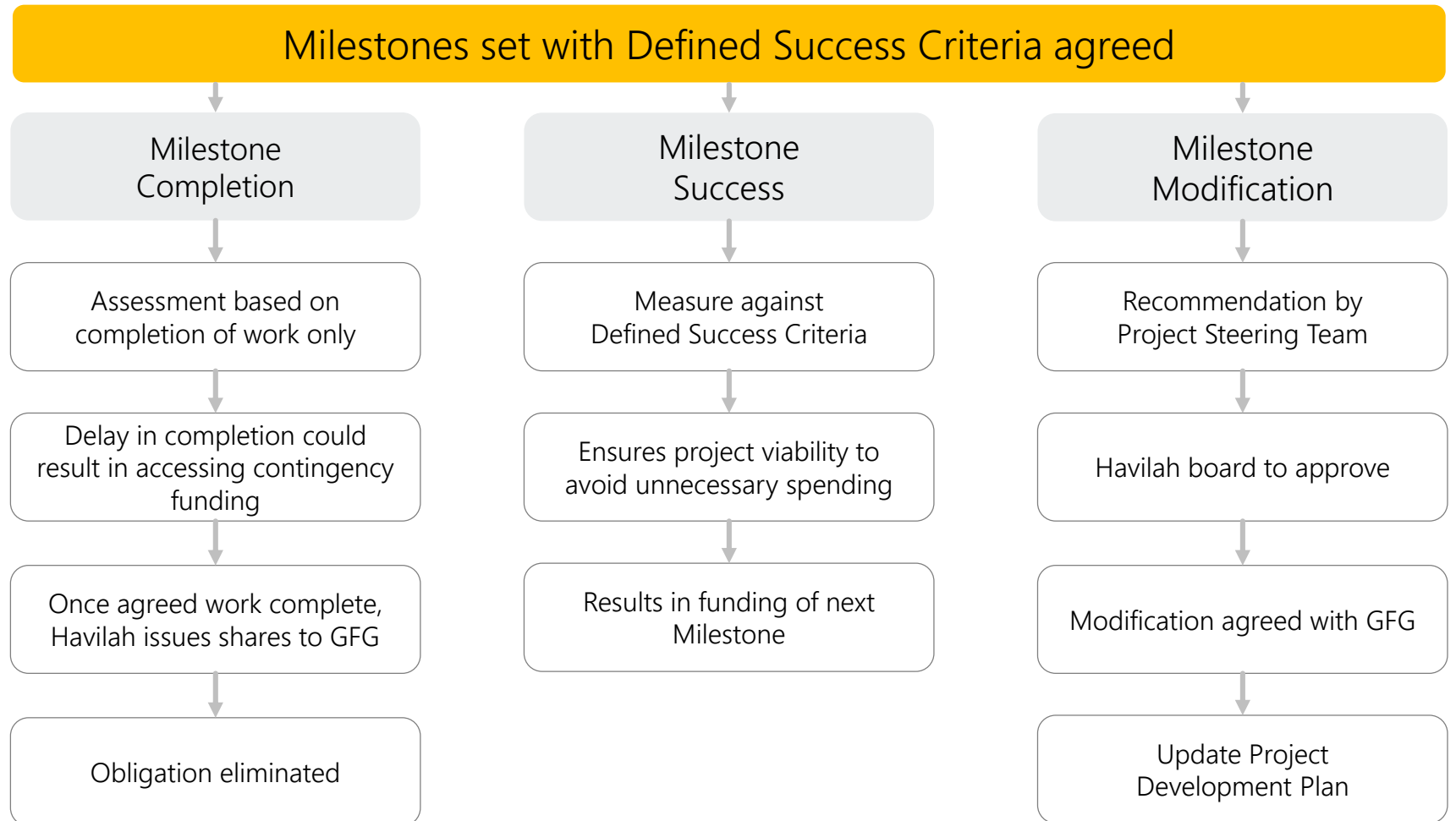
# Milestone Management

Milestones achieved by completion of agreed scope of work or spending of funds

Work is funded in advance

Successful completion triggers next round of funding

Modification of Milestones only through mutual agreement



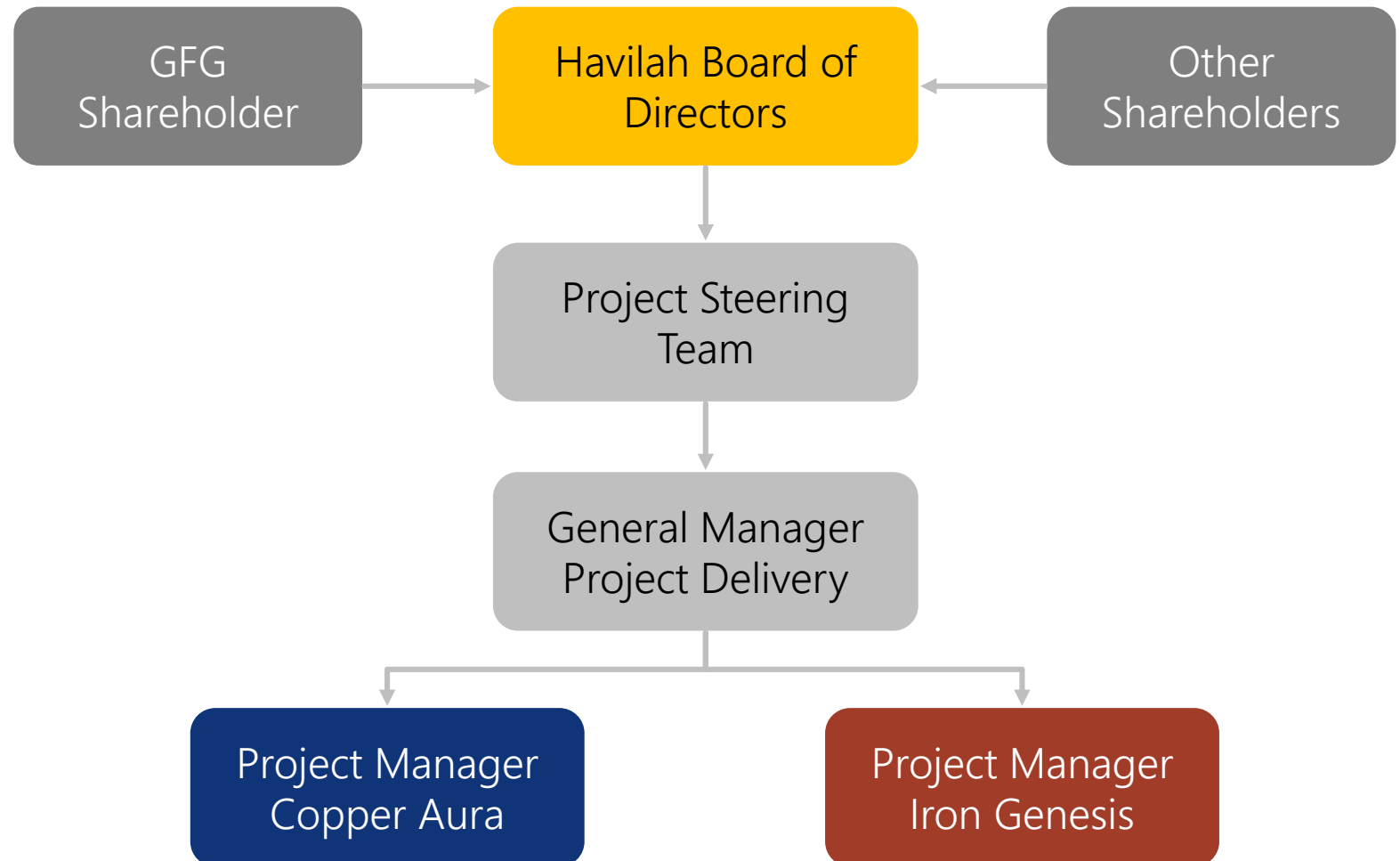
## Project Steering Team Function

Havilah has right of veto over decisions of Project Steering Team

Two independent technical experts embedded in Project Steering Team

Robust resolution process

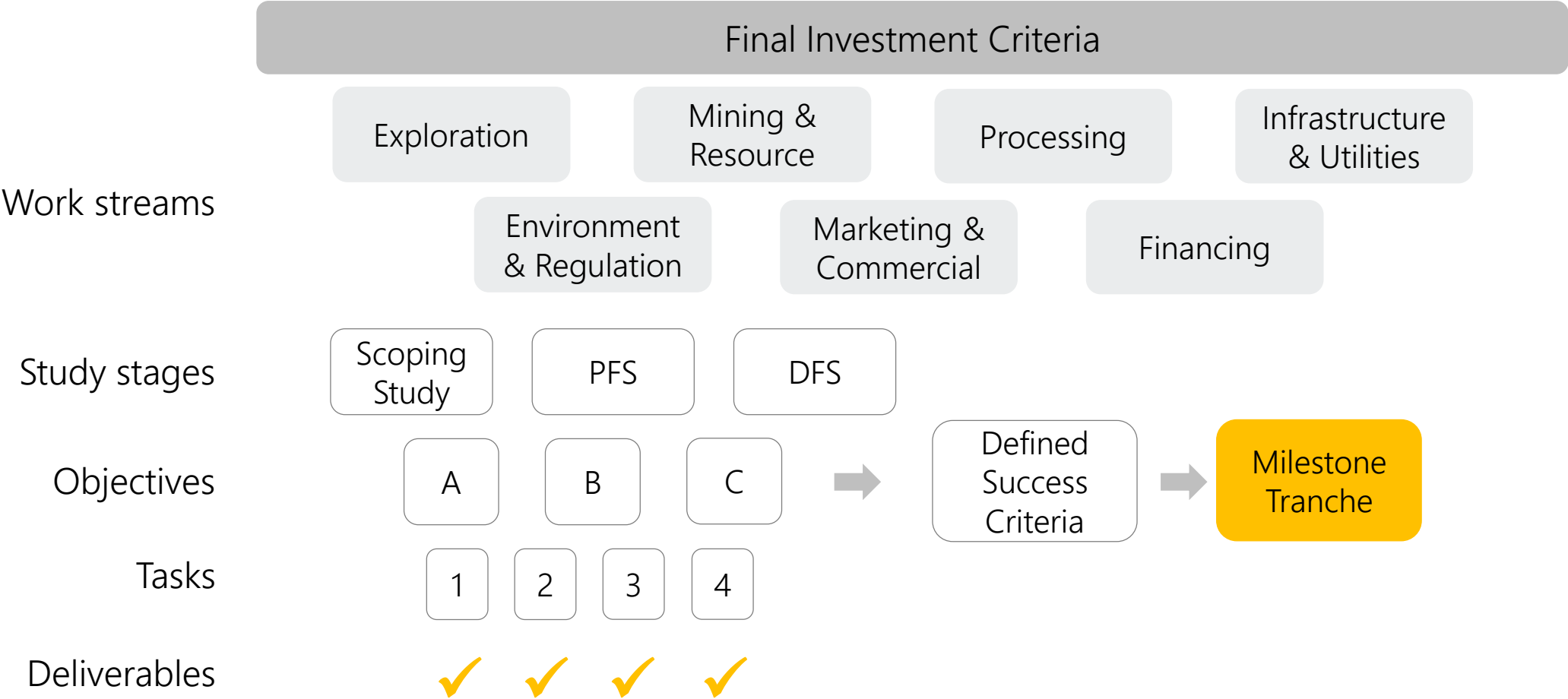
Havilah board oversees the functioning of the Project Steering Team





# Project Development Plan

Agreed Final Investment Criteria ensures funding only continues if project economics are positive



# Example Milestone

## Iron Genesis, PFS, Milestone Tranche 1

### Objective

Establish data for mineral resource estimate to indicated/ inferred category to support 25 year mine life for the design production rate (> 1.25 BT). Supply sufficient DD met/ Geotechnical sample (Fe1)

### Defined Success Criteria

18,000 metres RC and diamond drilling program completed (or less).  
Enough drill core for metallurgical and geotechnical testwork program

### Deliverables

#### Grants Basin

- Infill drill West End area
- Upgrade Exploration Target to Inferred Resource
- Extend and infill drill South Flank area
- Expanded South Flank Exploration Target
- Reconnaissance drill East and North Flank area to define Exploration target
- Core drilling for metallurgical and Geotechnical sample

#### Grants Resource

- Infill drilling to explore depth and strike extensions, and upgrade resource to Indicated category
- Increase resource size and confidence
- Core drilling for metallurgical and Geotechnical sample

#### Maldorky Resource

- Infill drilling to upgrade resource to Indicated category
- Core drilling for metallurgical and Geotechnical sample

# Example Milestone

Copper Aura, PFS, Milestone Tranche 10

## Objective

Define process design basis. Develop preferred flowsheet and mass balance. Process plant cost estimation. Establish process risk assessment. Evaluate downstream product treatment options (Cu10)

## Defined Success Criteria

Defined copper product(s) grade, recovery and production rate. A proven flowsheet at lab pilot scale that delivers the target. CAPEX / OPEX estimated to AACE Class 3 (-20% + 30%). Risk assessment in place and action plan to address risks. Identified saleable product

## Deliverables

Confirm ore types and lithology for processing

Identification of commercially viable processing technologies

Identify performance of untested processing options

Establish crushing and milling data for equipment selection and sizing

Primary processing strategy to pursue established

Flowsheet and mass balance inputs developed

Mineralogy of the ore understood and domains defined. Define metallurgical technique suitable for resource definition.



# Example Milestone

Both Projects:  
Iron Ore Milestone Tranche 12, Copper Aura Milestone Tranche 18

## Objective

Complete all requirements to compile and submit MLA, Water Permits and any other relevant permits to support project execution. Establish basis for an approvable PEPR (B5)

## Defined Success Criteria

MLA and all other relevant approvals documents completed and submitted

## Deliverables

Studies complete and reports finalised

- All approvals documentation completed and lodged with relevant agencies:
- Mining Lease Application
  - Water Permits
  - Development Application (if required)
  - Any other permits required

PEPR lodged

# Project Development Plan

## Copper Aura and Iron Genesis



## Summary of Project Cost

Funding for projects includes 35% contingency allowance

Projects funded to investment decision

Exploration ~1/3 of total budget

Permitting includes preparation cost of PEPR

	Copper Aura \$M	Iron Genesis \$M	Total \$M
Scoping Study	3	-	3
Prefeasibility Study	5	9	14
Definitive Feasibility Study	7	24	31
	<b>15</b>	<b>33</b>	<b>48</b>
		35% contingency	17
	<b>Total</b>		<b>65</b>

Includes:	\$M	\$M	\$M
Exploration	6	7	13
Permitting	2	2	4

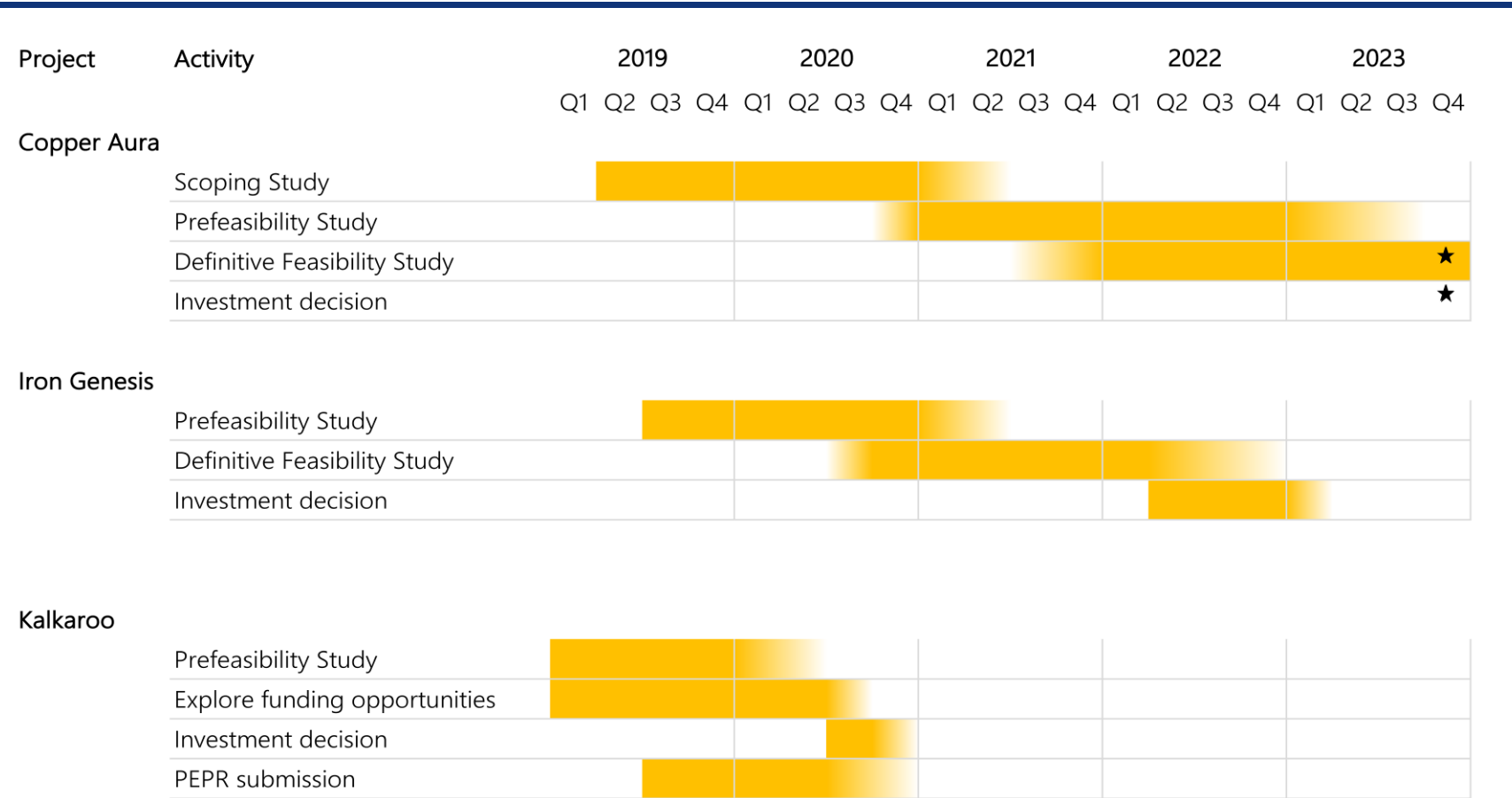


# Project Timeline

Two projects fully funded to DFS

Kalkaroo PEPR advanced while funding options investigated

## GFG funding allows advancing of two major projects

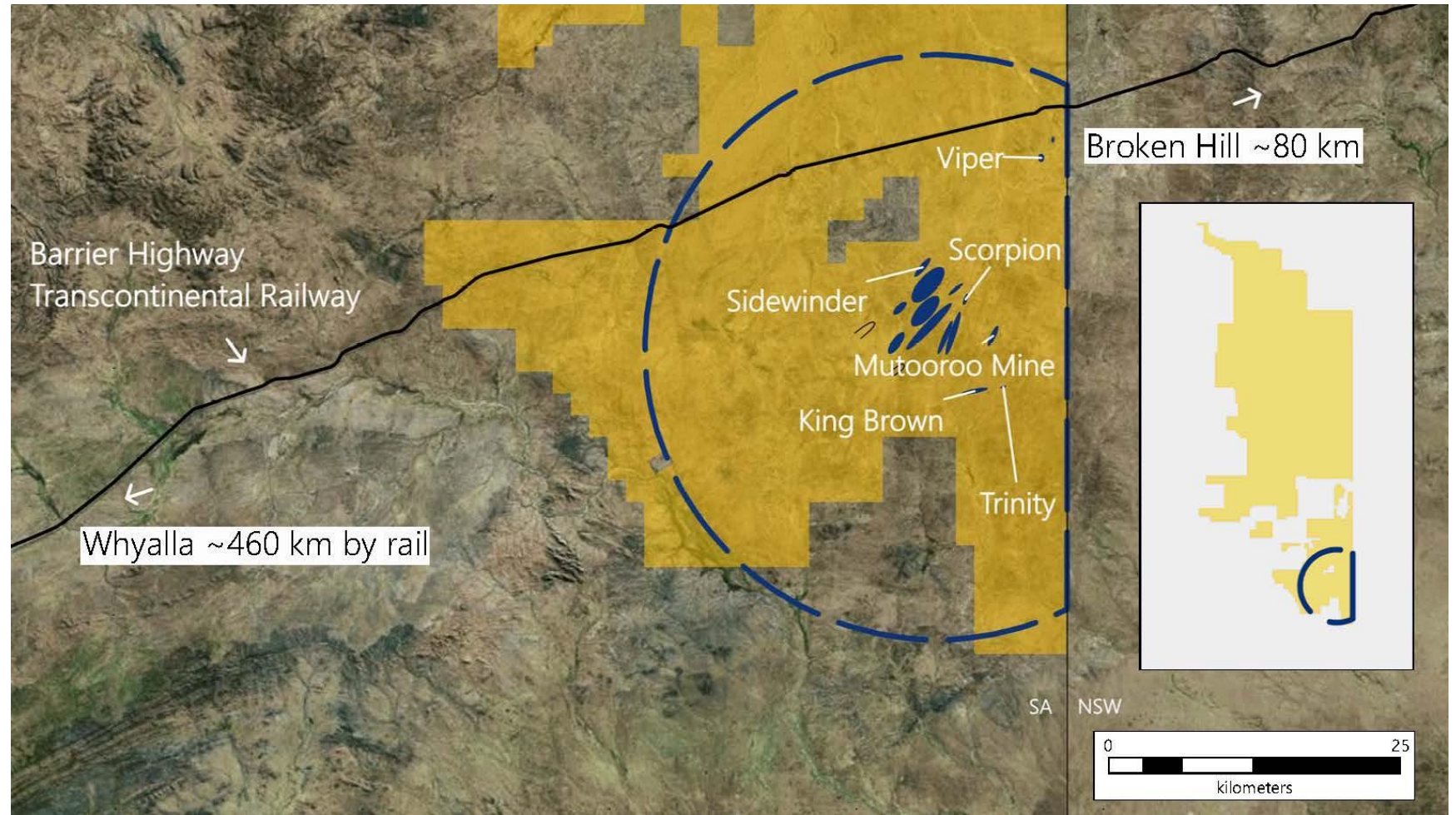


★ Timeline extends to 2024  
 Shows schedule contingency

# Copper Aura Project

- Includes Mutooroo and surrounding prospects within trucking distance
- Initially copper focused
- Lower risk approach
- Higher copper grade
- Targeting a higher throughput and longer life operation

Encompasses Havilah's copper assets in the Mutooroo Copper-Cobalt District



# Copper Aura Project

## Knowledge to date

Extensive data available for existing Mutooroo deposit

- Previously completed scoping study including metallurgical testwork and drill data for Mutooroo deposit
- Excellent copper recoveries from Mutooroo ore are achievable using conventional processing
- Deposit and prospects are favourably located to road and rail infrastructure





# Copper Aura Project

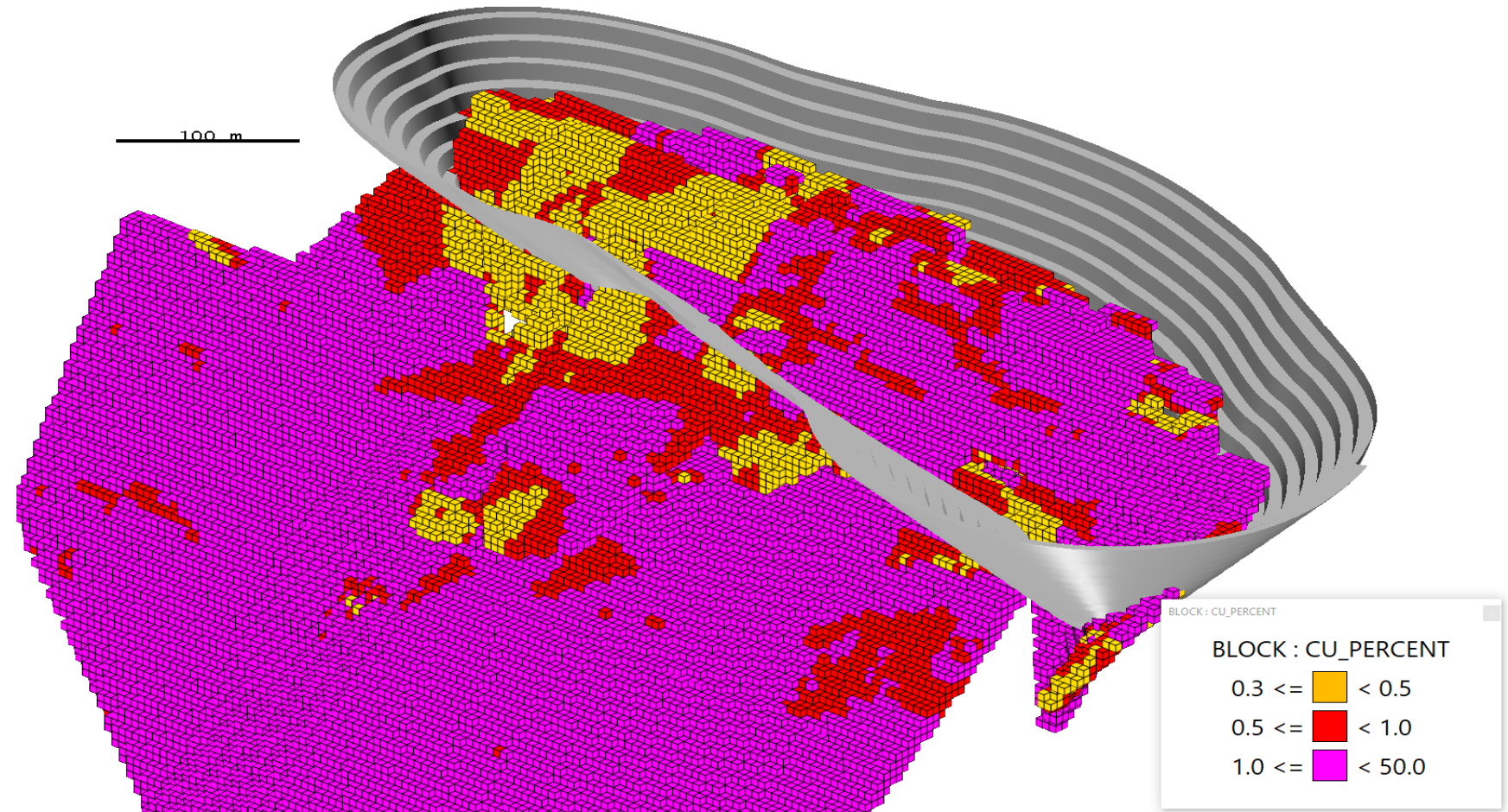
## Investigate Mutooroo underground potential

Study planned to assess the viability of underground mining beyond current planned open pit

Targeting the existing Indicated and Inferred Resource

Refer JORC Mineral Resource Table Slide

Conceptual open pit design and resource blocks highlighting underground potential

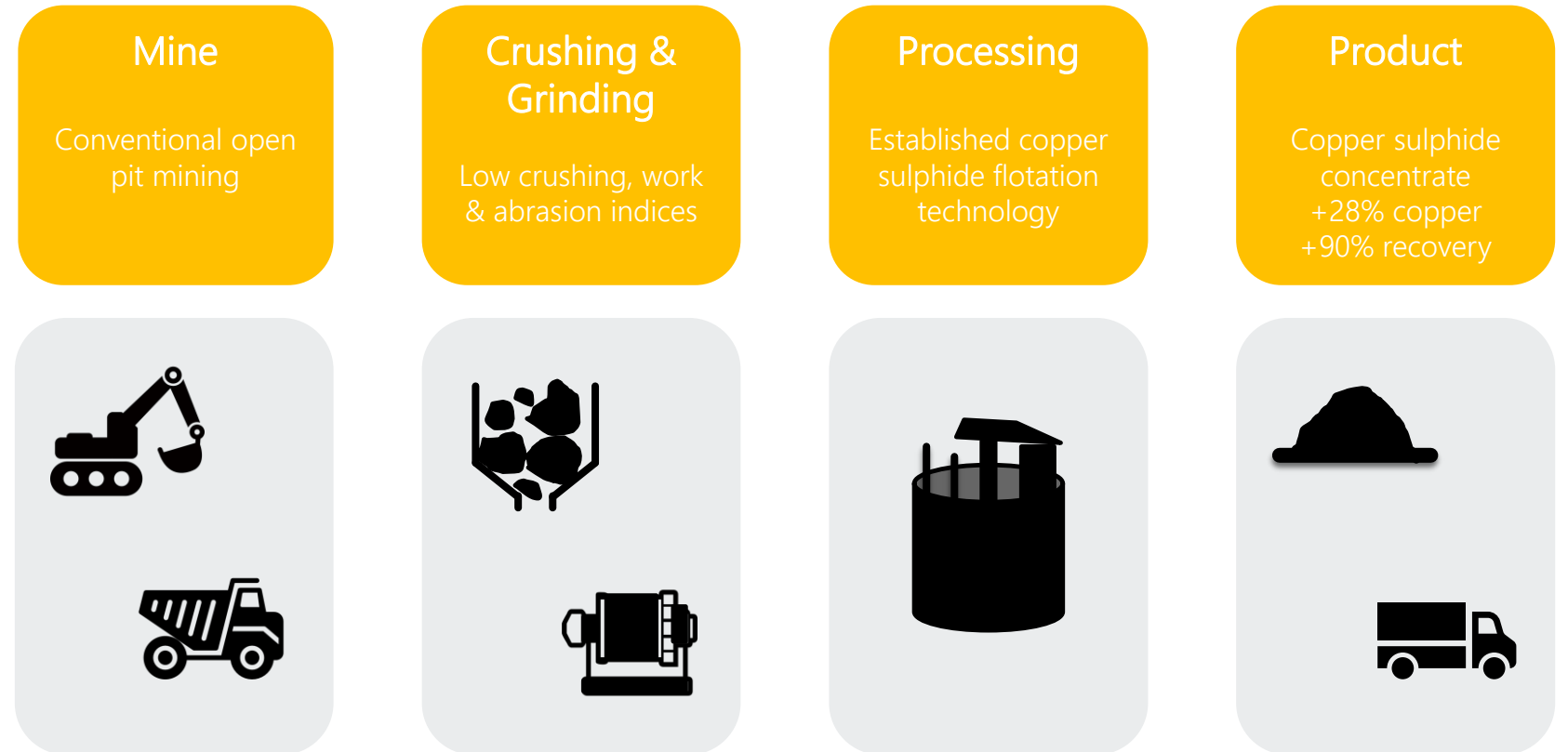




# Copper Aura Project

Any new resource additions to be tested for compatibility

## Conventional processing methods show excellent copper recovery potential



# Copper Aura Project

Highly prospective copper-cobalt region

## Upside opportunities

- Mutooroo Copper-Cobalt District covers 720 km<sup>2</sup> of Havilah's tenements
- Mutooroo deposit has underground potential
- Several high priority copper-cobalt surface geochemical anomalies are defined for follow up
- Potential to exploit cobalt upside with the right process and/or metal prices

Mutooroo Old Workings

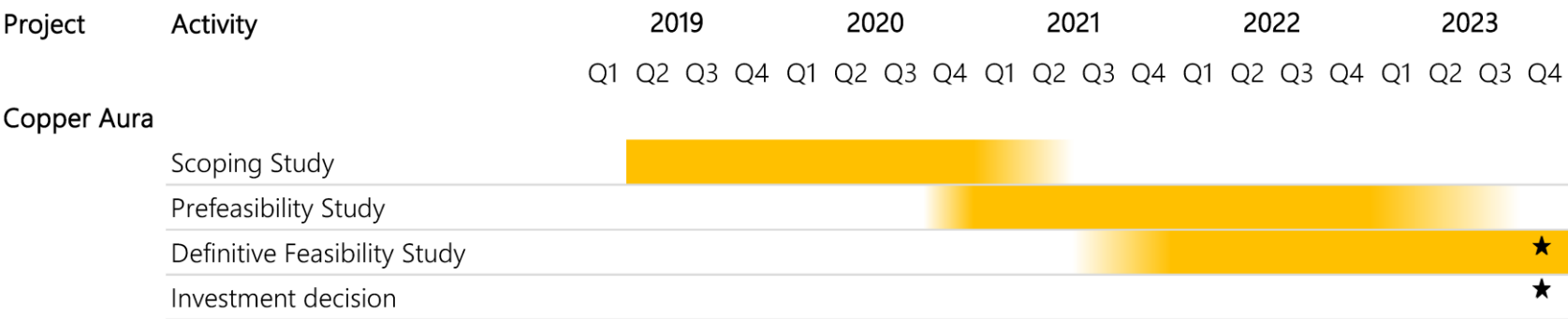


# Copper Aura Project

Systematic exploration of the region for the first time

## Planned activities for 2019

- Complete airborne electromagnetic survey to identify priority targets
- Commence drilling of priority targets
- Review of existing metallurgical work and preliminary mineralogical investigations commence
- Investigate utility and infrastructure requirements
- Desktop assessment of Mutooroo underground potential



★ Timeline extends to 2024  
Shows schedule contingency

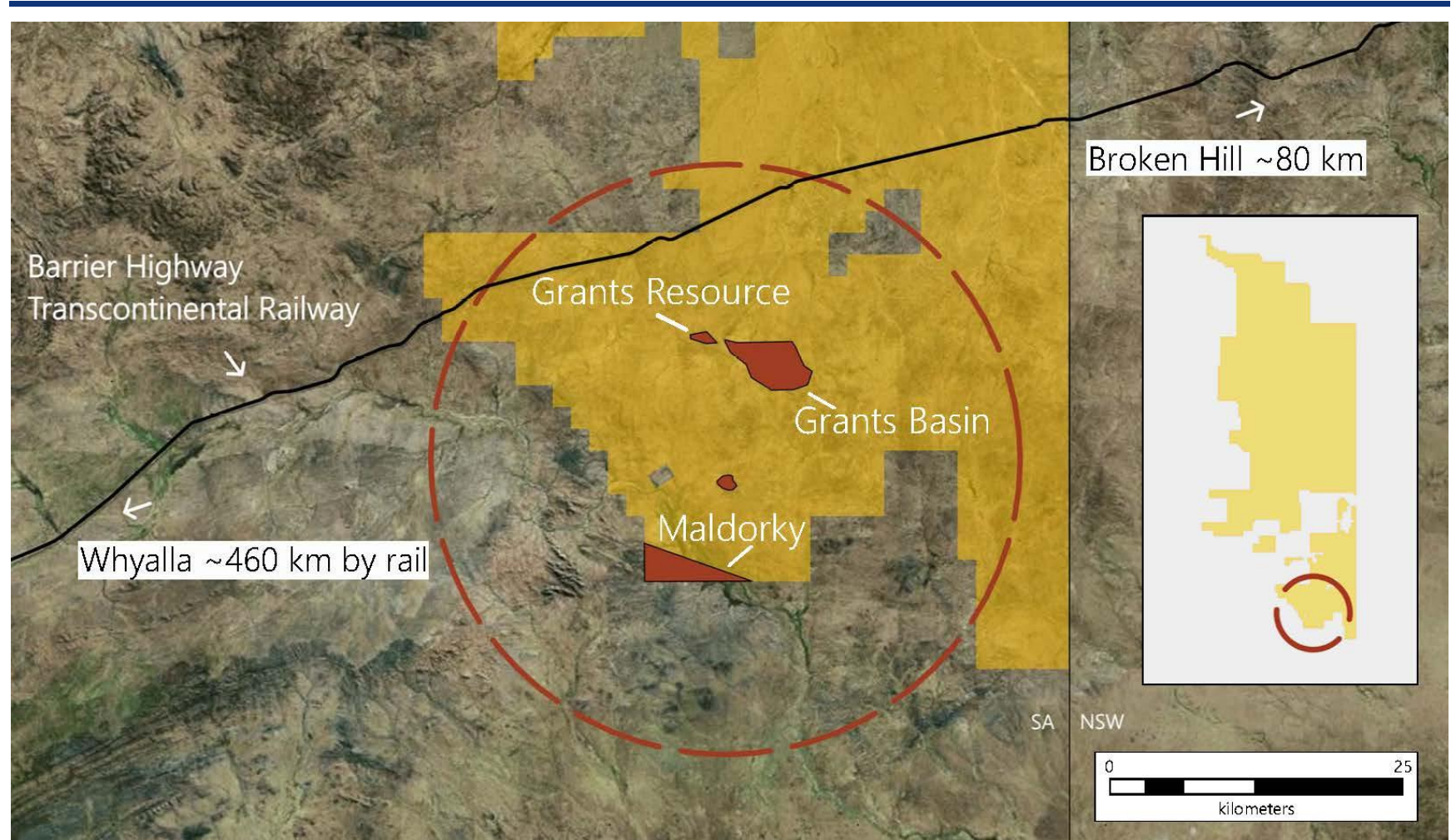
# Iron Genesis Project

Staged program to confirm technical and commercial viability

Includes Maldorky, Grants and Grants Basin iron ore deposits

Potential for large long life iron ore operation

Well located for access to rail infrastructure





# Iron Genesis Project

SIMEC's due diligence work indicates positive results

## Knowledge to date

- Initial Grants Basin exploration drilling has greatly expanded the potential area of iron ore mineralisation
- Testing using conventional processing methods of Maldorky samples show:
  - Product grade 65% iron
  - 40% product yield
  - Overall 85% iron recovery
- Mineral Lease approval well advanced for Maldorky

Refer ASX Announcement of 24 April 2019



# Iron Genesis Project

Deposits favourably located to rail and port infrastructure

Shallow mineralisation

## Upside opportunities

- Grants Basin Exploration Target\* of 3.47 - 3.79 Bt at 23.9% - 27.6% Fe supports drilling program on existing infill and extensional lines
- Potential to reduce comminution capital costs confirmed by testwork
- Testwork shows potential to reduce processing water requirements using alternative grinding technology

\* The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource



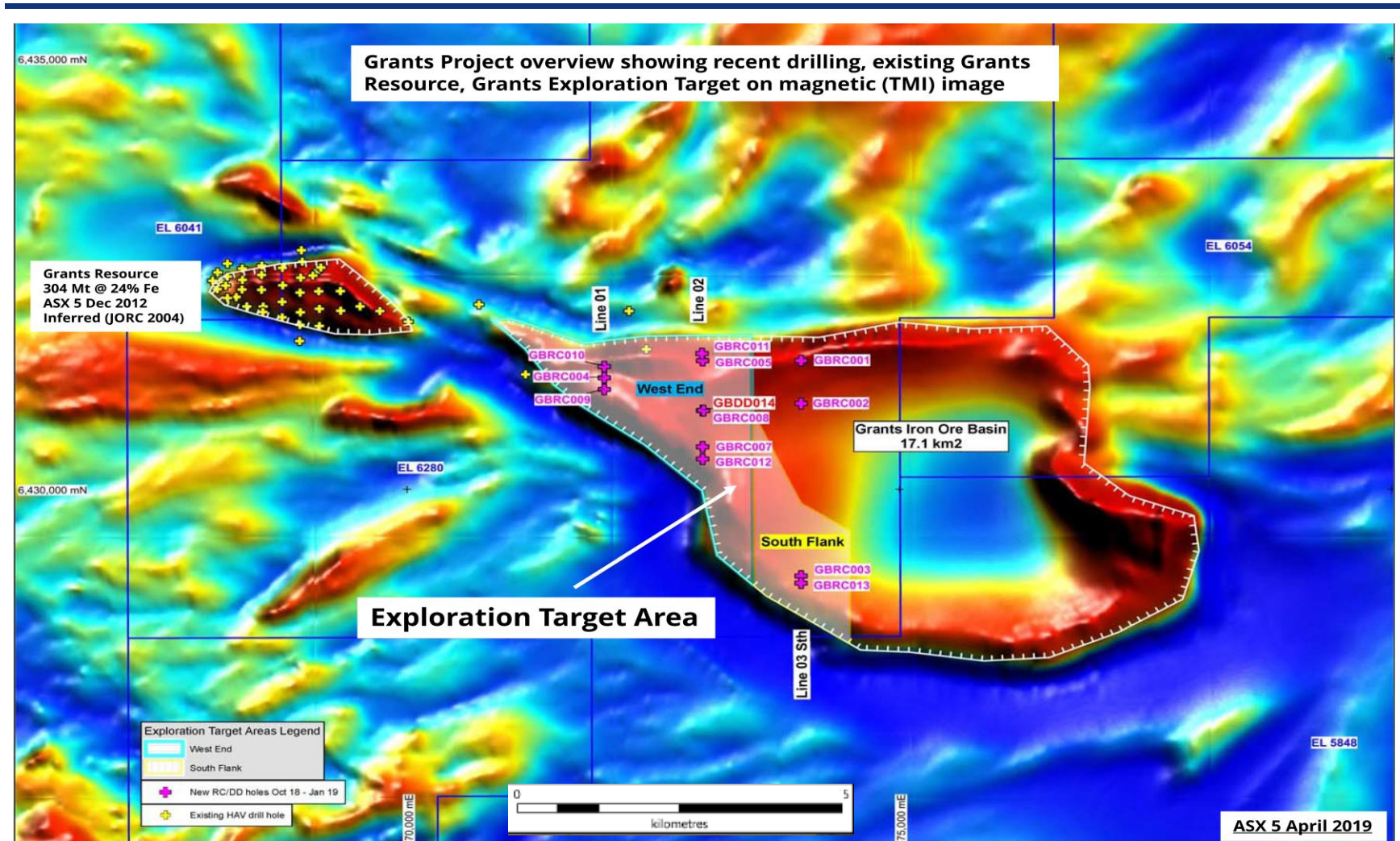
Grants Basin



# Grants Basin

Potentially very large iron ore deposit to support a long life operation

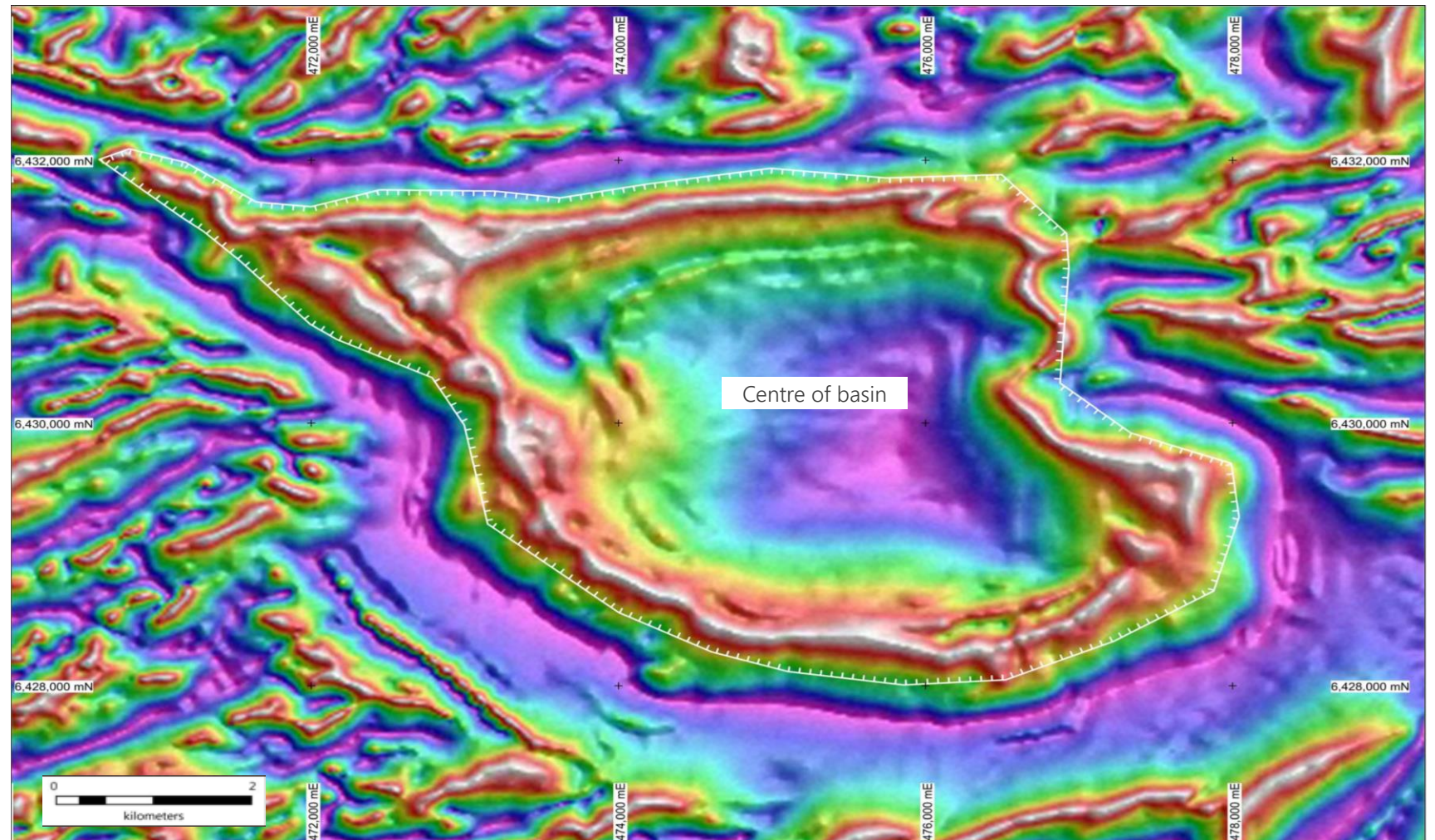
Grants Basin covers 17 km<sup>2</sup>





# Grants Basin

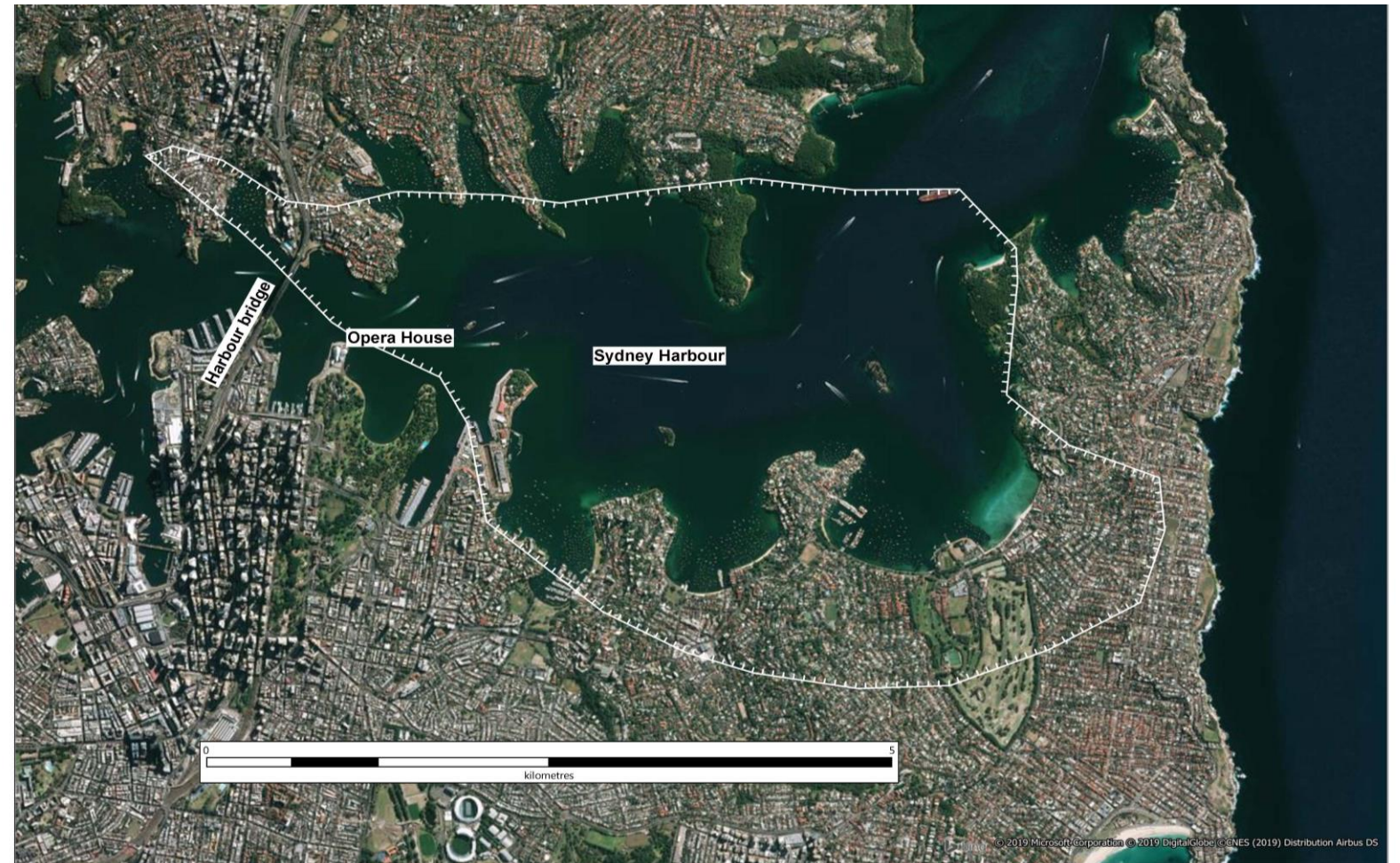
Filtered magnetic image showing interpreted basinal geometry





# Grants Basin

## Size comparison compared to Sydney Harbour

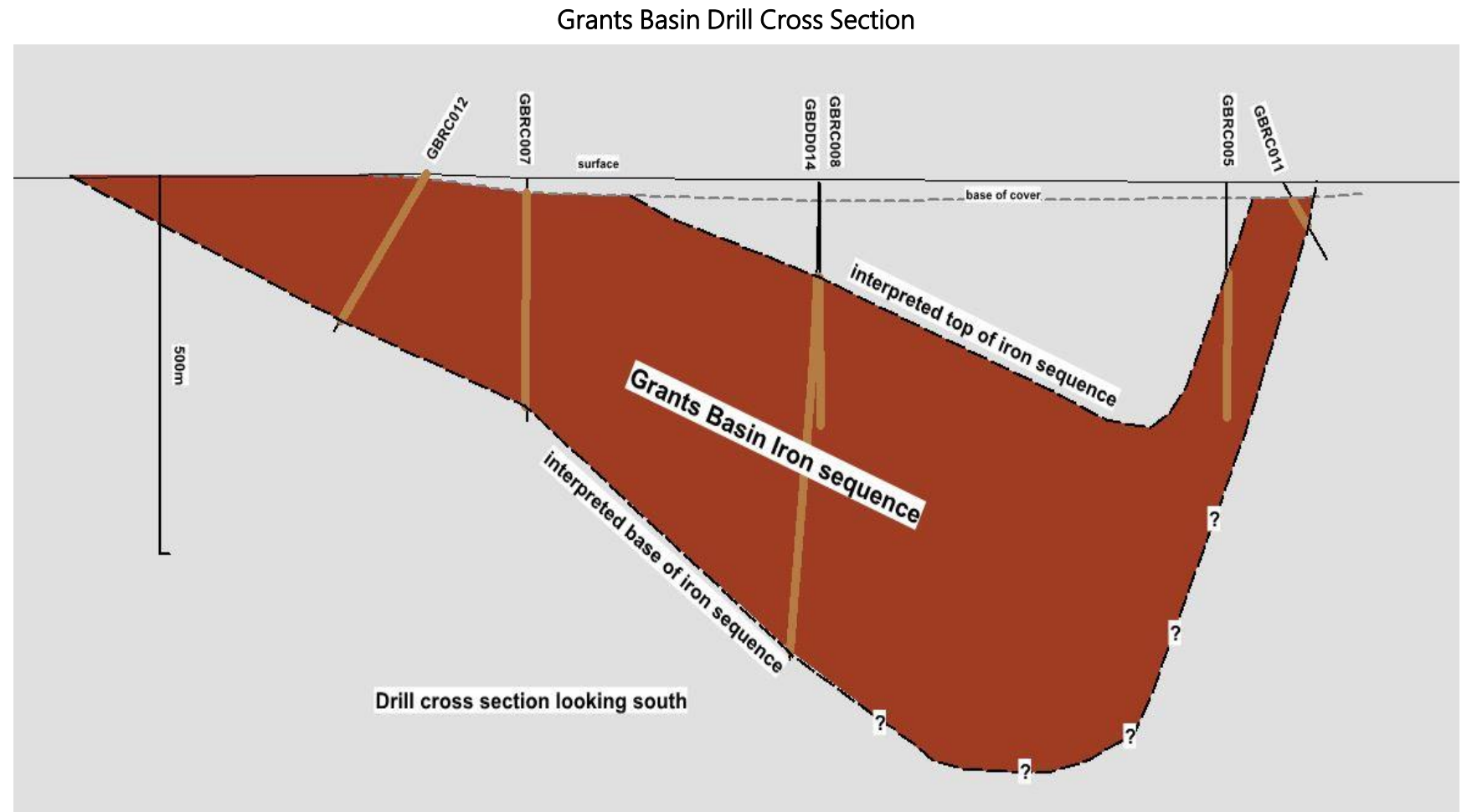


# Grants Basin Drilling

Shallow mineralisation

Significant infill and  
extension resource drilling  
planned

Wide spaced drilling confirms very thick iron sequence,  
shallow dipping



Refer ASX Announcement of 25 June 2019

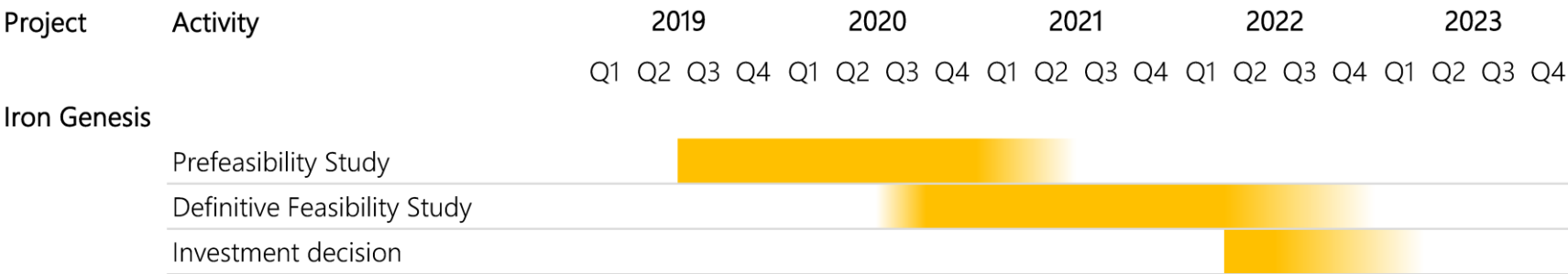
# Iron Genesis Project


Builds on SIMEC’s internal scoping study

Delivers a full PFS and subsequent DFS over 3 years

## Planned activities for 2019

- Set up project team and project management office
- Initial stage of PFS work program focused on exploration and metallurgical drilling
- Commence PFS metallurgical program:
  - Ore characterisation testwork
  - Flowsheet development
- Undertake water, power supply and logistics studies
- Commence studies to support Mineral Lease application

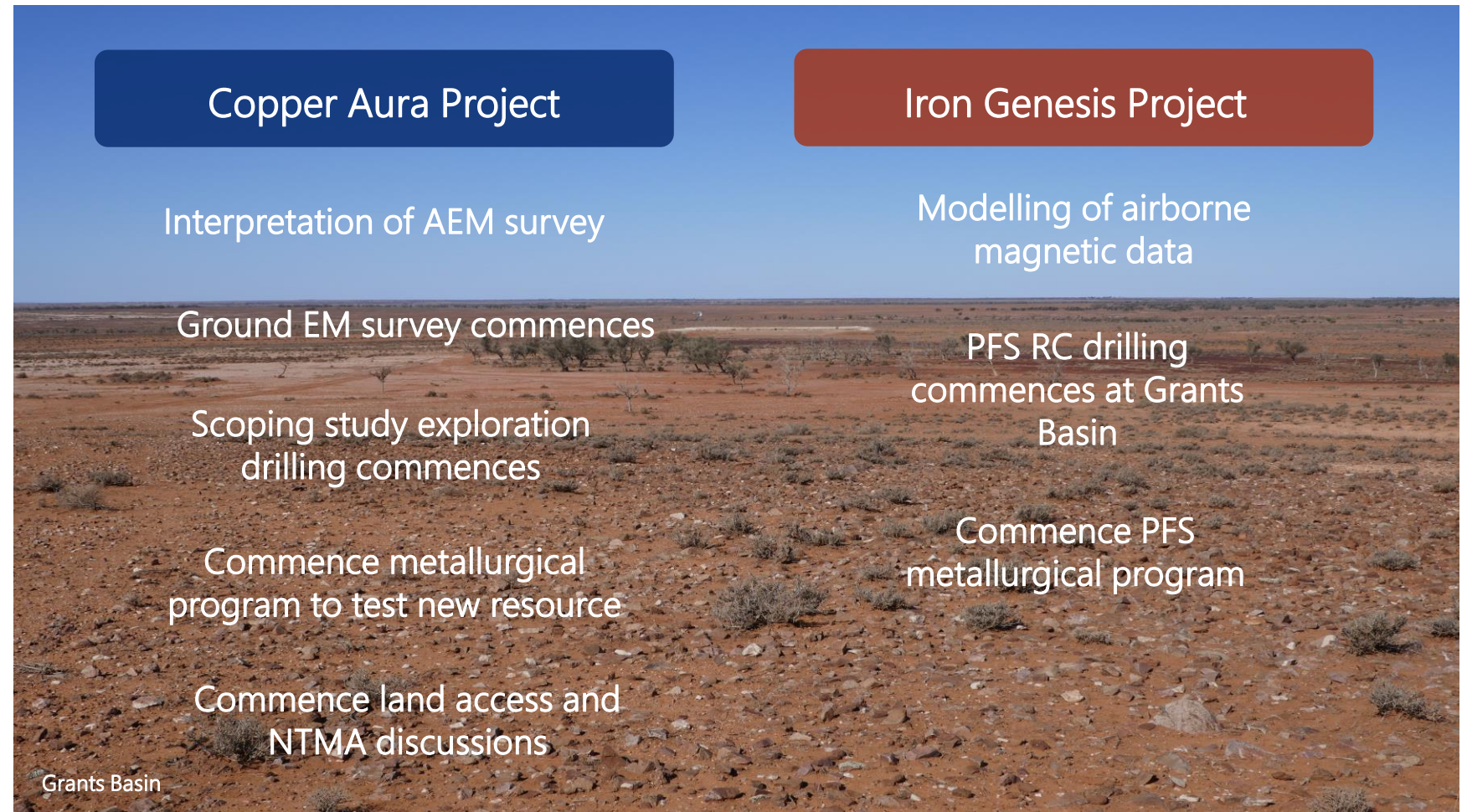


 Shows schedule contingency



## Expected News Flow in 2019

Main focus for 2019 is exploration





# Board Structure and Protection of Minority Holders





## Future Board Structure

GFG appointed directors capped at 4

2 of the 4 GFG directors must be independent

## Board independence guaranteed

- Independent Chair
- Majority independent directors required at all times
- GFG can appoint:
  - 1 Director at 15% shareholding
  - 1 Director (must be independent) at 30% shareholding
  - 2 Directors (one must be independent) at 45% shareholding
- Independence assessment per ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3<sup>rd</sup> Edition

Grants Basin





## Minority Shareholders

## Adequate protection provided to minority shareholders

Board Independence

ASX Listing Rule protections

ASIC / Corporations Act protections

- Board of directors consist of a majority of independent directors
- Creeping and takeover restrictions apply, preventing GFG from increasing interest outside of this transaction by more than 3% every 6 months
- Delisting requires the consent of ASX, which in turn requires a 75% shareholder vote in favour of delisting
- GFG and associates constrained by related party restrictions with respect to voting on dealings with major assets or transactions
- Havilah will be able to raise additional capital through share issues from other sources

Broken Hill





# Functioning of Security



## Requirement for Security

Balancing completion of work by Havilah  
vs  
GFG earning an interest

## Balancing incentive with risk and reward

- Funds advanced for Milestone tranche but shares are only issued once the scope of work is completed
- Provides Havilah with funding for work and delays GFG obtaining an interest in Havilah until value has been created
- Provides the appropriate balance in work completed vs earning an interest
- In exchange for upfront funding GFG has security during the completion of Milestone work:
  - Rolling security while work is being performed
  - Limited to funds advanced for a Milestone (ranges from \$1M to \$9M)
  - Limited to Copper Aura and Iron Genesis Project assets
  - Can only be exercised if Havilah becomes insolvent and shares not issued



## Enforcement of Security

Can only be enforced if Havilah is insolvent

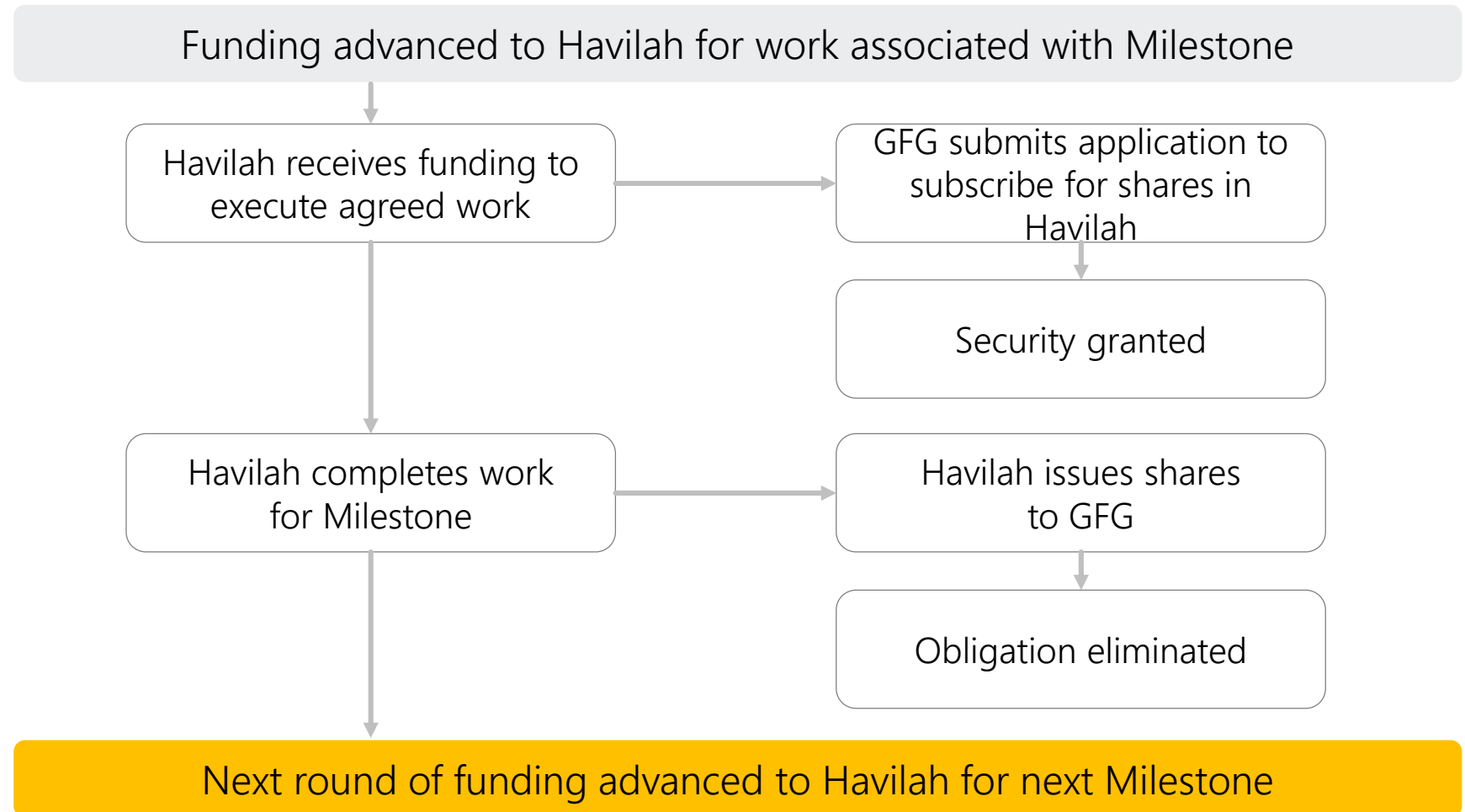
- Security enforced if:
  - An insolvency event has occurred
  - Shares not issued until after the completion of Milestone work
- GFG cannot demand repayment of Milestone pre-payments
- GFG cannot enforce the security for reasons such as:
  - A delay in the work program completion; or
  - Any failure by Havilah to complete a Milestone
- If Havilah is insolvent and GFG exercises its security:
  - A receiver would be appointed to sell the relevant assets on market
  - Proceeds will be used to settle share subscription obligation actually owed to GFG at the time
  - Any excess proceeds realised from the sale of assets to be returned to Havilah

## Share Subscription Mechanism

Milestones achieved by completion of work or spending of funds

Milestone success only impacts funding of future Milestones

Work packages funded in advance with shares issued once work is completed, resulting in elimination of obligation



# About GFG / SIMEC and their Current Intentions



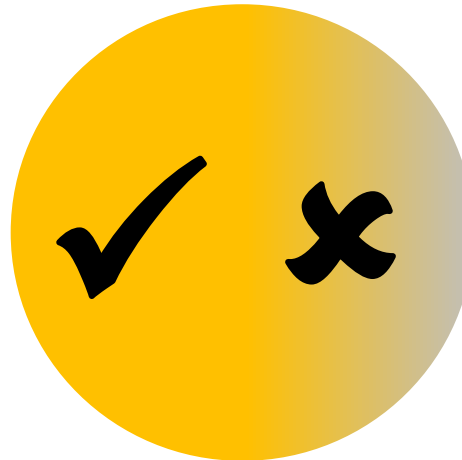


## GFG's Current Intentions\*

## GFG success driven by mutually beneficial partnerships

### Intention is to:

- ✓ Leave day-to-day operations and strategic direction of Havilah to Management
- ✓ Maintain the strategy for Kalkaroo and other assets
- ✓ Develop Copper Aura and Iron Genesis projects per Project Development Plan
- ✓ Acquire future offtake in relation to Havilah's projects
- ✓ Inject future capital in accordance with Share Subscription Agreement
- ✓ Intention to nominate persons to the Havilah board



### No intention to:

- ✗ Change the business of Havilah or transfer/ redeploy any assets out of the Company
- ✗ Change the future employment of Havilah's employees
- ✗ Acquire any interest in any Havilah assets (other than Iron Genesis)
- ✗ Change the financial or dividend distribution policy

\*Based on information provided to Havilah by GFG

# About GFG Alliance



Metals and  
Engineering business



Energy, Infrastructure  
and Natural Resources



Banking and Financial  
Services



Develops Alliance's  
global property  
holdings

- London-headquartered conglomerate with an international focus
- Founded and owned by the British Gupta family
- Annual revenue of over US\$20 billion and around 30,000 staff
- (Business units) include energy generation, metal manufacturing, engineering, natural resources and financial services
- Significant presence in Australia



# About SIMEC Mining

Shipping  
Infrastructure  
Mining  
Energy  
Commodities

- Supplier of iron ore, iron ore pellets and coking coal
- SIMEC Mining's model is to create sustainable, generational value from mineral resources at all stages in their lifecycle
- Supplies raw materials to downstream businesses as part of GFG's vertically integrated supply chain strategy, as well as to external customers
- Iron Ore: includes the hematite and magnetite iron ore mines in the Middleback ranges in South Australia, near Whyalla
- Coal: owns and operates the Tahmoor coking coal mine in New South Wales in Australia
- Also owns and has interests in limestone and dolomite operations



## About SIMEC Mining

### Iron ore operations

- The iron ore operations are in the Middleback Ranges in South Australia, approximately 60 kms from Whyalla
- Iron ore has been continuously mined for over 100 years, consequently SIMEC Mining has extensive iron ore IP and experience
- The operations produce hematite and magnetite products, including iron ore pellets with total production of approximately 8 Mtpa
- The Magnetite Concentrator and Pellet Plant is one of only four production magnetite operations in Australia
- Owns the supply chain, including the Whyalla Port which contains South Australia's only purpose built iron ore export facilities

SIMEC | Iron Knob



## About SIMEC Mining



## Coking coal operations at Tahmoor

- The Tahmoor Coking Coal operation is situated in the Southern Highlands Region of New South Wales
- Tahmoor is an underground mine, extracting primarily hard coking coal from the Bulli seam
- Coking coal is used for steelmaking and transported to the Whyalla Steelworks as well as Australian domestic, European and Asian markets
- The mine produces at approximately 2 Mpta

# Whyalla Expansion

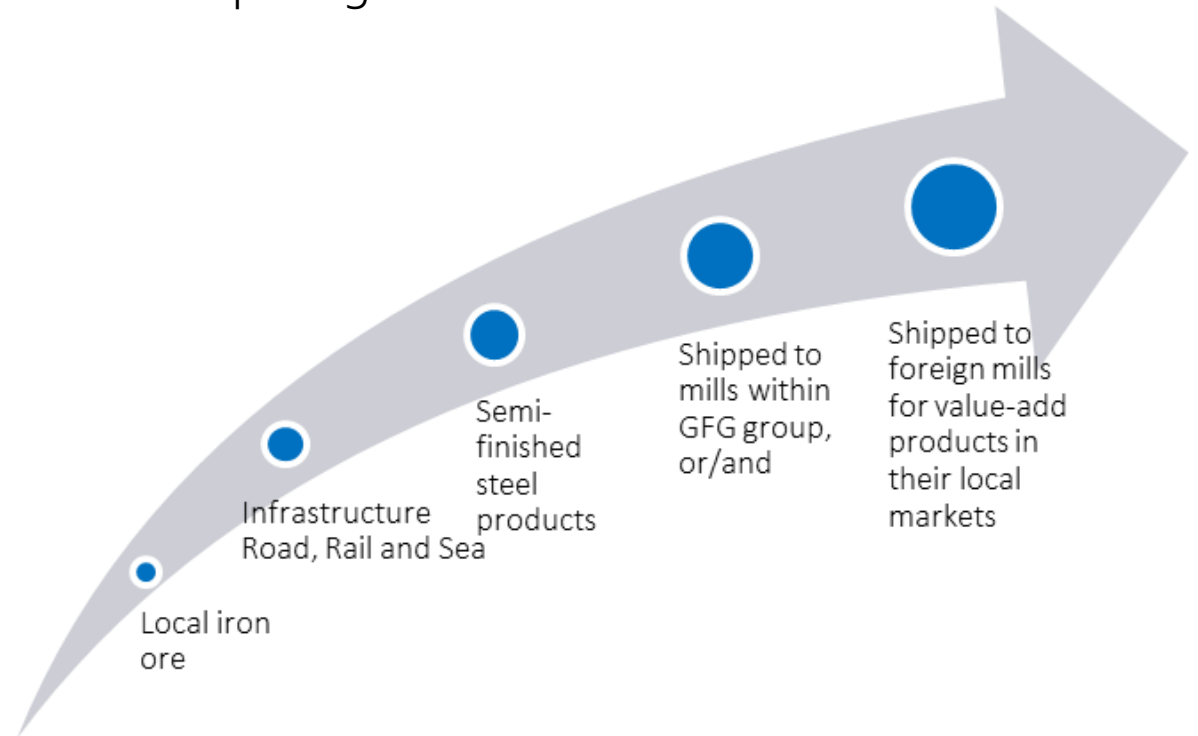
## Whyalla - Next-Gen 10Mt

- Current Whyalla operations will evolve into a modern, world class, sustainable facility
- Producing an impressive 1.8Mt of high-quality, high-end steel each year
- Construction of new processing plants and upgrade of existing facilities will create a safer, more environmentally friendly and globally competitive facility
- Next-Gen will involve an expansion to the iron ore mining operations, development of the SIMEC Energy's Cultana Solar project and potential to develop the Whyalla Port facility

### Next-Gen Status Update

- Chinese Government recognised Next-Gen as one of 16 projects of national significance to China
- GFG signed an engineering feasibility contract for the project with the Chinese global engineering service provider CISDI, part of the Metallurgical Corporation of China (MCC), in December last year
- Signed MOU with China International Capital Corporation, establishing a new strategic partnership to develop funding options for Next-Gen

### Compelling Rationale





# Rights Issue Rationale



## Rights Issue

Early shareholder benefits (for existing shareholders only) to be generated from participation in the rights issue

Record date for the rights issue has not yet been set

Offered at a discount to \$0.154

Discount to GFG subscription shares which is at a premium to \$0.154

- Discount to GFG placement and share subscriptions
- Opportunity to acquire shares at a discount
- Opportunity to increase number of shares held
- Opportunity to benefit from the anticipated share price appreciation
- Participation provides an opportunity to offset shareholder dilution

Kalkaroo Deposit





# Additional Information





## Additional Information

## Index

Kalkaroo Drilling



- Value Creation for the State
- Exclusivity Extension Payment Recovery
- Transaction Misconceptions
- Share Price History
- Share Price Performance
- Top 20 Shareholders
- Board and Senior Management
- Company Secretaries

## Additional Information

## Index

Kalkaroo Drilling



- Kalkaroo Project
- Portfolio Opportunities
- North Portia Divestment
- Project Timeline
- Expected News Flow in Remainder of 2019
- Significant News Flow to Date
- JORC Ore Reserve and Mineral Resource Tables

# Value Creation for the State

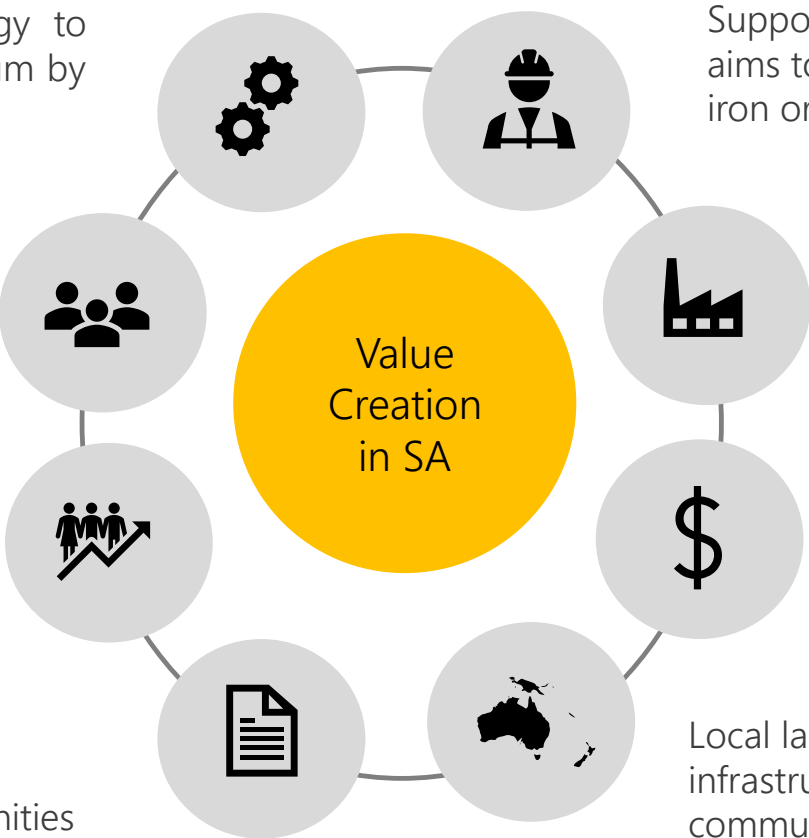
# Potential to establish long term copper and iron ore mines in South Australia

Supports South Australia’s Copper Strategy to achieve 1 million tonnes of copper per annum by 2030

Potential to add significant employment opportunities during construction and operation of two large mines

Increased business opportunities for local community

Native title claimants benefit through employment, training and business opportunities



Supports South Australia’s Magnetite Strategy which aims to secure \$10 billion of committed investment in iron ore projects

Supports steel production industry in South Australia

Increases royalties paid to the state government for the benefit of all South Australians

Local landholders will benefit from improved infrastructure, including upgraded roads, electricity and communication systems



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## Exclusivity Extension Payment Recovery

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Repayment of \$1M will not have an impact on share subscription funding

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- Deduction of the \$1M exclusivity extension payment previously received from SIMEC
- Extinguished at SIMEC's election by:
  - Acquiring 0.83% in the Iron Genesis Project or
  - Not funding \$1M of the \$17M project contingency funding

# Transaction Misconceptions

Transaction has been structured to promote best possible outcomes for Havilah and its shareholders

Misconceptions	Facts
GFG will control Havilah	<ul style="list-style-type: none"> <li>The transaction will not provide GFG with control over decision making and strategic direction (except where an ordinary resolution put to shareholders), access to underlying cash flows, control over dividend policies or access to tax losses</li> <li>Majority independent board to be maintained</li> <li>Havilah management to maintain control of day-to-day decision making</li> </ul>
GFG to take over Havilah without paying a premium	<ul style="list-style-type: none"> <li>Shares issued to GFG, after the initial placement of \$6M, will reflect a premium to pre-announcement share price</li> <li>GFG is paying a premium without it being certain that they will achieve a 51%* interest</li> <li>GFG's \$50M in committed funding is exceeding the Independent Expert's valuation on a control basis for a 51% interest</li> <li>Not GFG's current intention, focus is on a partnership</li> </ul>
GFG is buying Havilah at a bargain	<ul style="list-style-type: none"> <li>\$50M committed funding by GFG for early stage higher risk projects exceeds the Independent Expert's valuation on a control basis for a 51%* interest</li> </ul>
GFG will immediately have a 51%* interest	<ul style="list-style-type: none"> <li>It will take GFG up to 5 years to achieve its 51%* interest and is subject to technical and financial Milestones being achieved , proving value creation</li> </ul>
GFG will take security over all of Havilah's assets	<ul style="list-style-type: none"> <li>Security is limited to Copper Aura and Iron Genesis Project assets</li> <li>Security can only be exercised if Havilah becomes insolvent and cannot issue shares to GFG</li> <li>Security only relates to the value of funds provided on a Milestone by Milestone basis</li> <li>Security is only provided to GFG after funding is received; shares will not be issued until Milestones, creating value, have been completed</li> </ul>
GFG will take control of Havilah by exercising its security	<ul style="list-style-type: none"> <li>Security can only be exercised if Havilah becomes insolvent and cannot issue shares to GFG at which time a receiver would be appointed to sell the relevant assets on market</li> <li>GFG has security during the completion of Milestone work:               <ul style="list-style-type: none"> <li>Rolling security while work is being performed</li> <li>Limited to funds advanced for a Milestone (ranges from \$1M to \$9M)</li> <li>Limited to Copper Aura and Iron Genesis Project assets</li> </ul> </li> </ul>
Dilution continues if Milestones are not met	<ul style="list-style-type: none"> <li>Dilution and funding will cease should a Milestone not meet the technical and financial success criteria</li> </ul>

# Transaction Misconceptions

# Transaction to provide Havilah with greater optionality in terms of Kalkaroo and other assets

Misconceptions	Facts
Havilah did not consider an asset farm-in arrangement	<ul style="list-style-type: none"> <li>• A farm-in results in loss of control over the asset prior to value of asset being confirmed</li> <li>• Does not provide upfront funding for corporate costs, discretionary exploration, or advancement of the Mutooroo project</li> <li>• Risk of being out funded and diluted to a tonnage royalty</li> </ul>
Kalkaroo value is not reflected in GFG subscription price	<ul style="list-style-type: none"> <li>• Kalkaroo still requires substantial expenditure to complete DFS</li> <li>• Kalkaroo has limited value in the absence of development funding and the current share price of Havilah reflects this</li> <li>• Value only realised once substantial at risk capital is invested in the project</li> </ul>
The iron ore assets are valuable and GFG desperately needs the raw material from Havilah's assets	<ul style="list-style-type: none"> <li>• Havilah's iron ore assets are potentially sizeable and there is potentially a material resource in-situ</li> <li>• Value for these assets will only be realised with significant study costs and capital to develop these deposits</li> <li>• GFG has a number of other options in relation to iron ore, including its own iron ore generated through SIMEC</li> </ul>
The independent directors will issue all the shares to GFG soon after the EGM has completed	<ul style="list-style-type: none"> <li>• A share subscription agreement (binding contract) will be in place should the resolution be approved at the EGM</li> <li>• This agreement has obligations and responsibilities in-built that prevent the issue of shares that are not in line with the agreement</li> <li>• As a result, it is not possible for the independent directors to issue all the shares to GFG at their election outside of the share subscription agreement</li> </ul>
GFG is getting Kalkaroo for nothing	<ul style="list-style-type: none"> <li>• Kalkaroo is not part of the initial GFG funding, ensuring Havilah's flexibility to consider all other options regarding its development</li> <li>• GFG will be a shareholder of Havilah and will have no special rights or access to Kalkaroo</li> <li>• GFG will be restricted in that dealing with Kalkaroo will be a related party transaction, which excludes GFG from voting if the transaction relates to Kalkaroo and GFG</li> <li>• Having GFG as a financial partner releases the pressure on capital required to develop Kalkaroo</li> <li>• If the transaction is approved at the EGM, Havilah will be in a stronger position to negotiate with other interested parties regarding potential farm-in / transactional opportunities at favourable entry terms for Havilah and its shareholders</li> </ul>



# Share Price History

Havilah Resources Limited (ASX: HAV) share price for the last 12 months



## Share Price Performance

Havilah compared to the ASX Small Resources Index for the last 12 months



# Top 20 Shareholders

Share Price<sup>1</sup>  
A\$ 0.145

Shares Issued<sup>1</sup>  
218.2 Million

Market Cap<sup>1</sup>  
\$31.6 Million

Cash<sup>2,3</sup>  
\$2.3 Million

Listed Options<sup>1</sup>  
13.6 Million

Unlisted Options<sup>1</sup>  
18.1 Million

Debt<sup>2</sup>  
\$2.5 Million

Access to Debt Funding<sup>2</sup>  
\$4.0 Million

Total Shareholders<sup>1</sup>  
2,755

Top 20% Holders<sup>1</sup>  
57%

TOP 20 SHAREHOLDERS <sup>1</sup>			
Name of Shareholder	% of Issued Shares	Name of Shareholder	% of Issued Shares
1. Trindal Pty Ltd	19.2	11. Statsmin Nominees Pty Ltd	1.2
2. First Names (Jersey) Limited	9.1	12. Ms Krystyna Helena Kasperowicz	1.1
3. Glencopper SA Pty Ltd	4.7	13. Dianne Pearl Investments Pty Ltd	0.9
4. HSBC Custody Nominees (Australia) Limited	3.7	14. Craig Park Pty Ltd	0.9
5. National Nominees Limited	3.0	15. Dr Keith Robert Johnson	0.8
6. Mr Paul Clark	2.9	16. Talager Pty Ltd	0.7
7. J P Morgan Nominees Australia Limited	2.7	17. Werner Lushington & Sylvia Lushington	0.7
8. Mr Brian Kenneth Murphy	1.7	18. Mr Gerard Angelillo	0.6
9. Citicorp Nominees Pty Limited	1.3	19. Mr Peter John Baxter	0.5
10. HNC Holdings Pty Ltd	1.2	20. Mr Matthew John Garrett & Annett Marie O'Brien	0.5

1. As of 31 July 2019

2. As of 30 April 2019

3. Excludes \$4.0M received from North Portia divestment on 23 May 2019



# Board and Senior Management

**Mark Stewart**  
Independent Non-Executive Chairman



Mr Stewart was appointed to the Board of Havilah in December 2017. He has over 26 years of international legal and commercial experience, particularly in the resources industry, in Africa, Asia, North America and Australia. Mr Stewart worked as an in-house lawyer for Anglo American plc for over ten years, negotiating acquisitions and joint ventures throughout Africa, South East Asia and Australia. He has broad commercial experience in the junior mining and resources sector having worked for junior listed resource companies from 2003 to 2010, including several years as Managing Director of two ASX listed exploration companies (Uranex NL and Clancy Exploration Ltd), which he listed in 2005 and 2007. Mr Stewart is a practicing commercial and corporate lawyer.

**Martin Janes**  
Independent Non-Executive Director



Mr Janes joined Havilah in January 2019. He is an experienced mining executive with over 28 years experience. Until recently he was Chief Executive Officer of Terramin Australia Limited (ASX: TZN). In his time with Terramin, Mr Janes had oversight of operations in South Australia and overseas and has valuable experience in all facets of mining project development. Mr Janes also has a strong finance background covering equity, debt and related project financing transactions and commodity off-take negotiation. He is also a Director of Maximus Resources Limited (ASX: MXL) where he is Chairman of the Audit and Risk Committee.

**Christopher Giles**  
Executive Director – Technical



Dr Giles is an internationally experienced exploration geologist having been directly involved in exploration programs resulting in the discovery of several operating gold mines in various parts of the world, including Indonesia, Tanzania, the Tanami and the Eastern Goldfields regions of Australia. Dr Giles is a founding member of Havilah and has played a key role in the strategic accumulation of Havilah's ~16,000 km<sup>2</sup> tenement holding in the Curnamona Province of northeastern South Australia. As Technical Director for Havilah, Dr Giles has been responsible for ground selection and overseeing exploration programs contributing to the delineation of eight new mineral deposits within this tenement area, resulting in Havilah's large JORC mineral inventory.

**Walter Richards**  
Chief Executive Officer



Mr Richards has more than 20 years' experience working in various roles in the mining industry in Africa, USA, and Australia, focusing on project management and project development. He joined Havilah in April 2014 in the role of Chief Financial Officer & Company Secretary. In November 2017, Mr Richards was appointed as the Chief Executive Officer. Prior to commencing at Havilah, Mr Richards worked for Newmont Mining Corporation in a variety of roles, including that of Regional Vice President – Finance, Africa during the project development and construction of its Akyem mine in Ghana, West Africa. Earlier he also worked for the Stillwater Mining Company in the USA as Project Controller.

# Company Secretaries

**Claire Redman**  
Company Secretary & Business Manager



Ms Redman joined Havilah in January 2017 as Business Manager following over 20 years experience in a number of South Australian based and global businesses across diverse sectors including manufacturing, resources, and construction. Ms Redman's core competencies include employment relations, recruitment, performance management, and organisational development. Prior to commencing at Havilah, Ms Redman was Human Resources Manager at Ellex Medical. She was appointed as Company Secretary, reporting to the Chairman of the Board of Havilah in December 2017.

**Simon Gray**  
Company Secretary



Mr Gray has over 35 years' experience as a Chartered Accountant and 20 years as a Partner with Grant Thornton, a national accounting firm. In his last five years at the firm, he was responsible for the Grant Thornton Mining and Energy group. He retired from active practice in July 2015. His key expertise lies in audit and risk, valuations, due diligence and ASX listings. Mr Gray is currently Chair of the Audit and Finance Committee of the Flinders Medical Research Foundation and a member of the Audit and Finance Committee of the South Australia Medical Research Foundation.



Havilah Office in Adelaide



# Kalkaroo Project

Pre-tax NPV<sub>7.5%</sub> of \$564M

Post-tax NPV<sub>10%</sub> of \$258M

Post-tax IRR of 21%

Pre-production CAPEX \$332M

Total CAPEX \$578M

Metal prices & exchange rate:

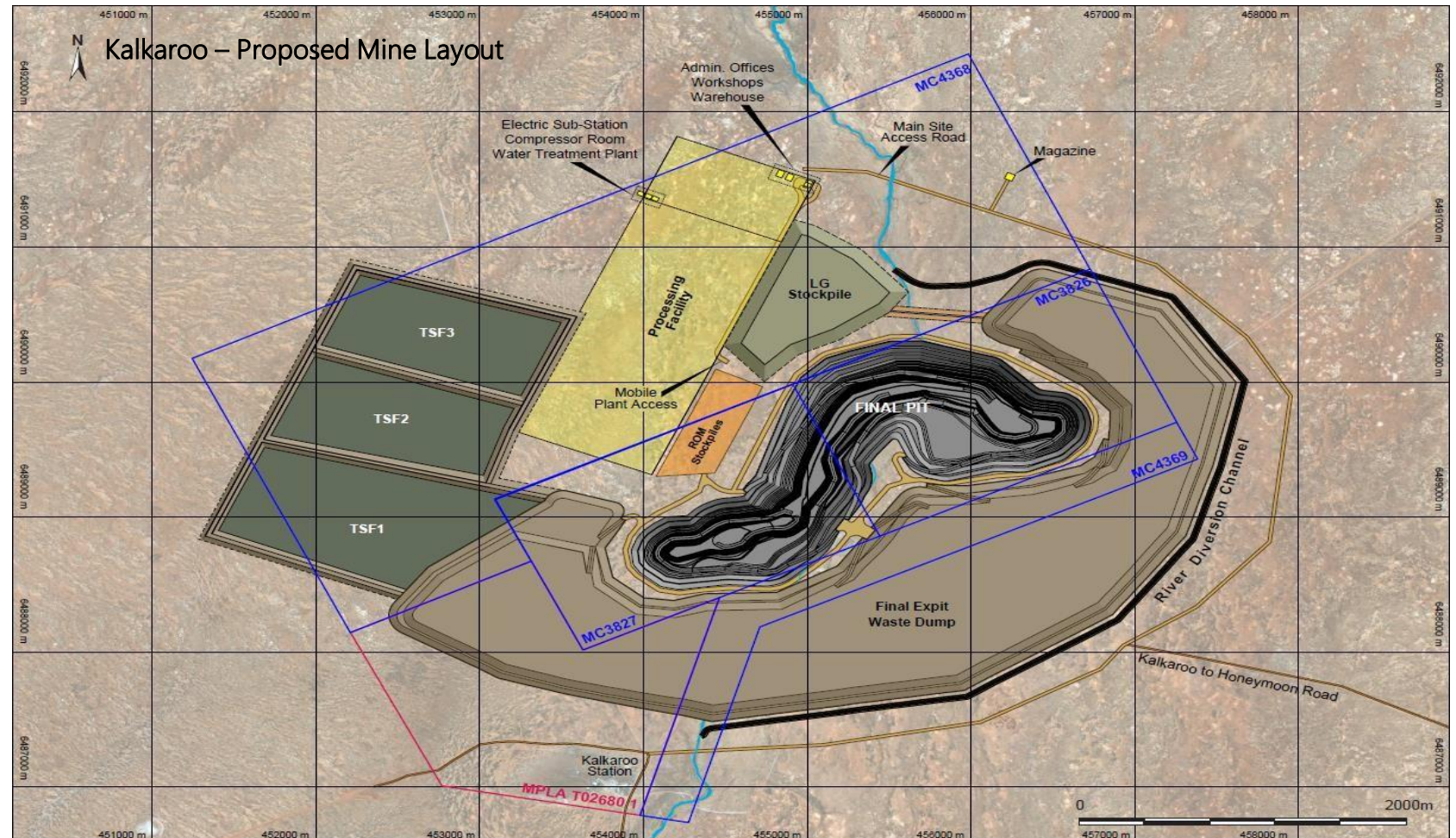
Copper: USD \$2.89/lb

Gold: USD \$1,200/oz

AUD\$: USD \$0.75

Refer ASX Announcement of 18 June 2019

## Independent PFS supports a large scale open pit copper-gold mine





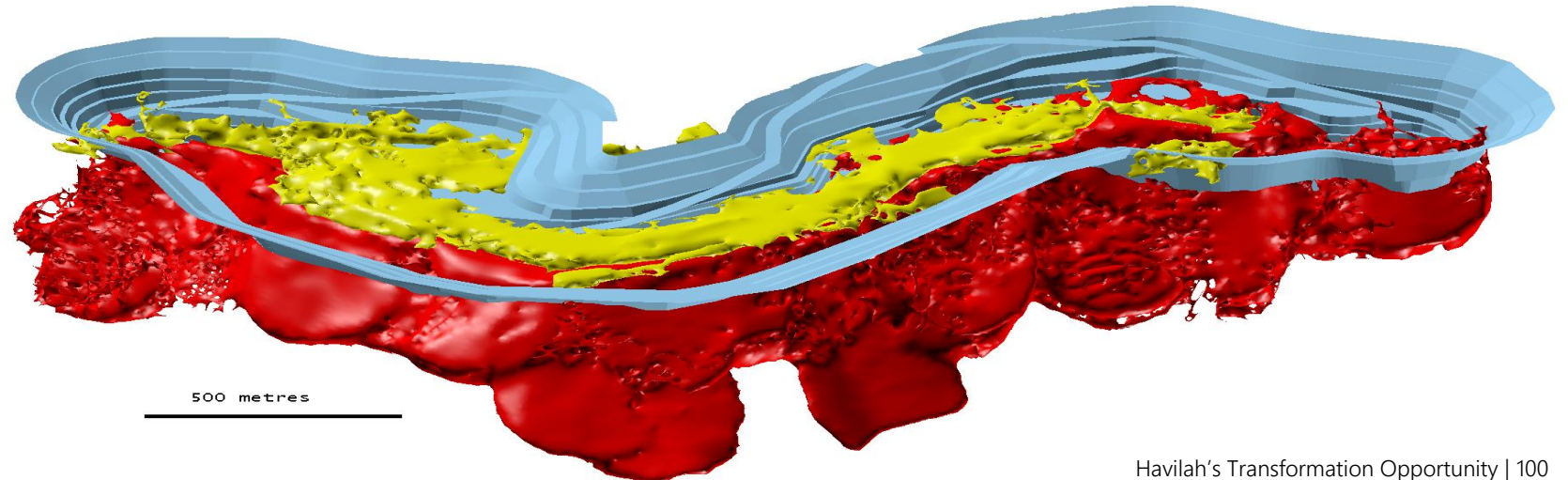
# Kalkaroo Project

Excellent potential to expand the current resource base

## Potential large scale open pit copper-gold project

- 100.1 Mt Ore Reserve comprising:
  - 90.2 Mt proven
  - 9.9 Mt probable
  - Containing 474,000 t copper and 1.41 M ounces of gold
- Average annual production 35,000 t copper and 70,000 ounces gold over a 14 year production period

Conceptual pit design showing gold cap (yellow) and copper-gold resource envelopes (red)



Refer JORC Ore Reserve Table Slide

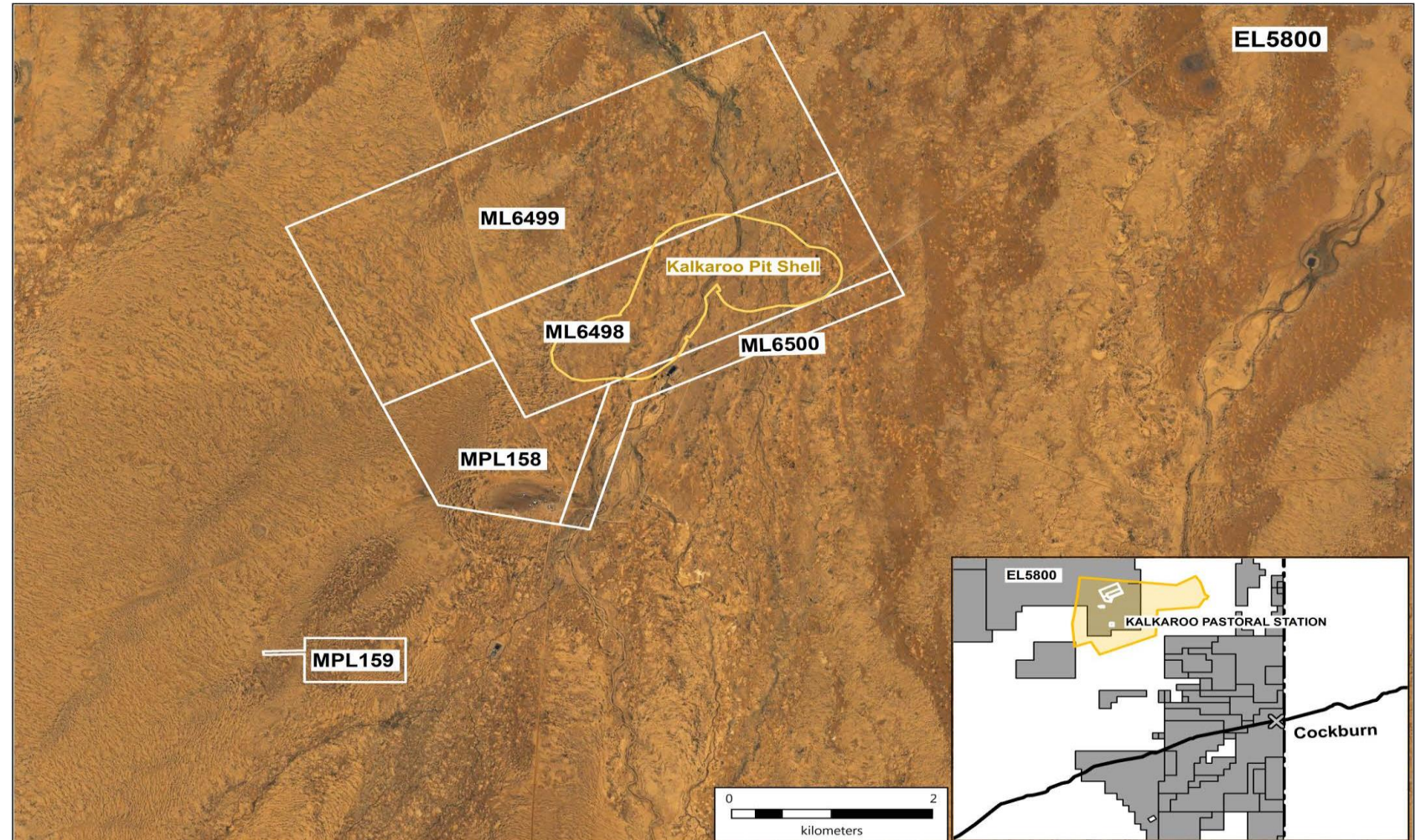
# Kalkaroo Project

Right to mine secured with land access risk eliminated

Kalkaroo Station owned by Havilah

Land access secured

Mineral Leases granted

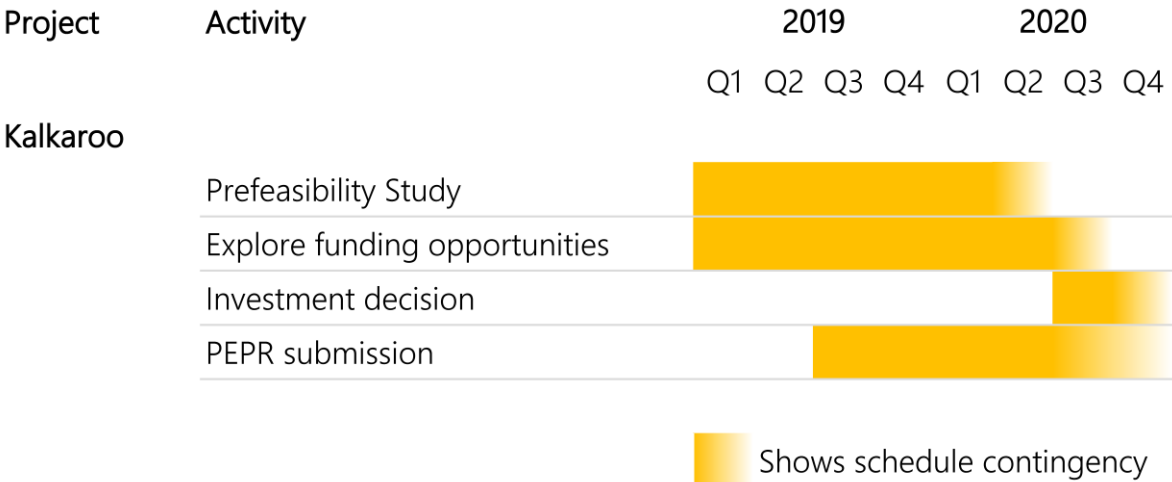


# Kalkaroo Project

PFS update to be completed Q4 2019

## Value enhancing opportunities

- Positive outcomes from completed metallurgical program completed
- Improved gold recoveries from saprolite
- Investigate regional exploration opportunities with the aim of establishing a Central Curnamona District
- Explore funding opportunities to support targeted exploration



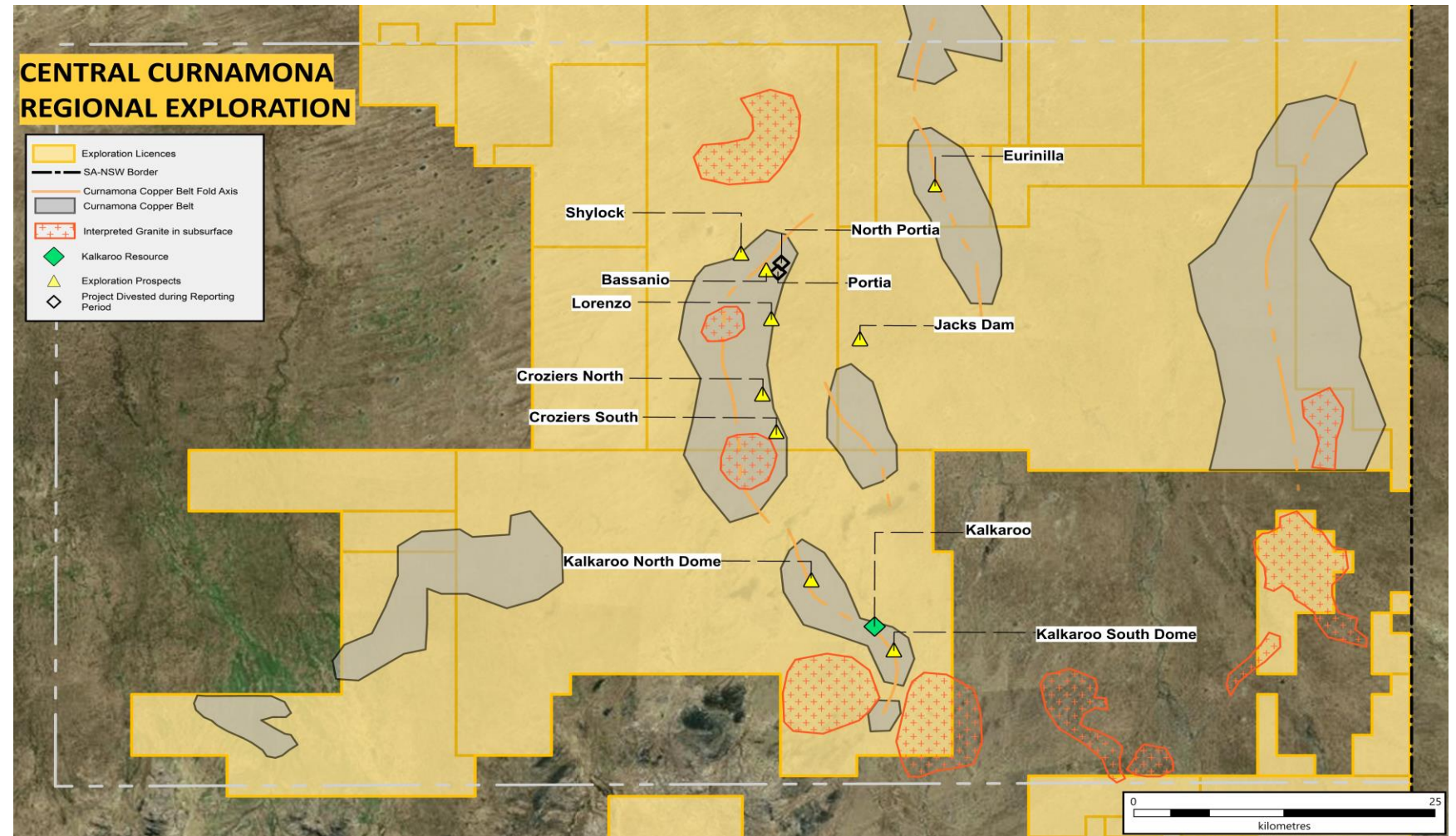


# Portfolio Opportunities

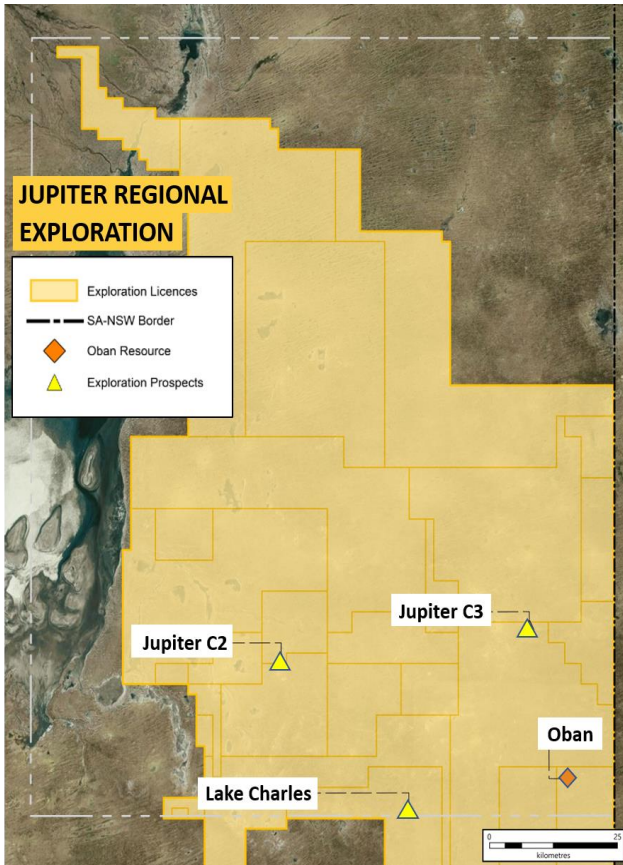
Potential for additional Kalkaroo style stratabound copper-gold and IOCG mineralisation

Systematic regional exploration planned at Croziers and other promising prospects

Central Curnamona District hosts multiple promising copper-gold exploration targets

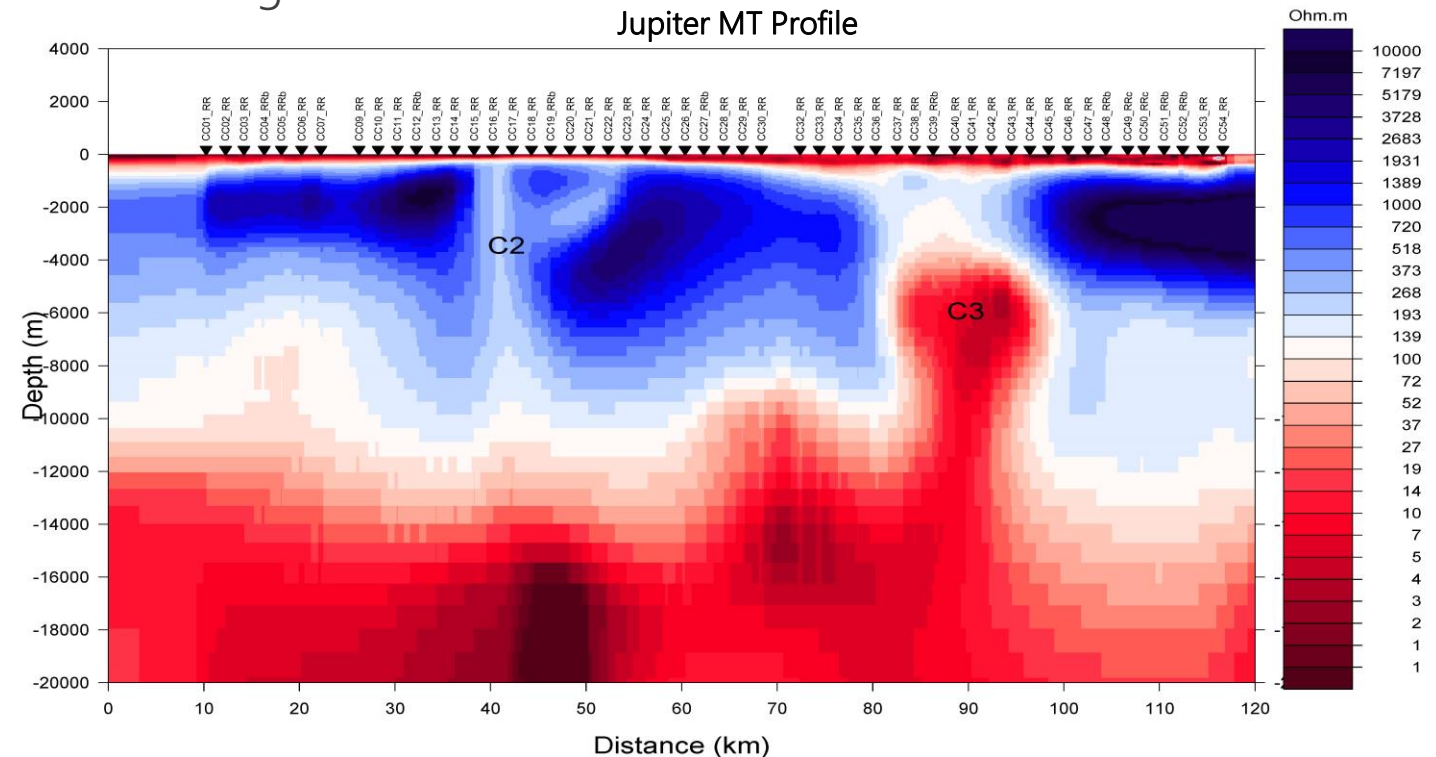


# Portfolio Opportunities



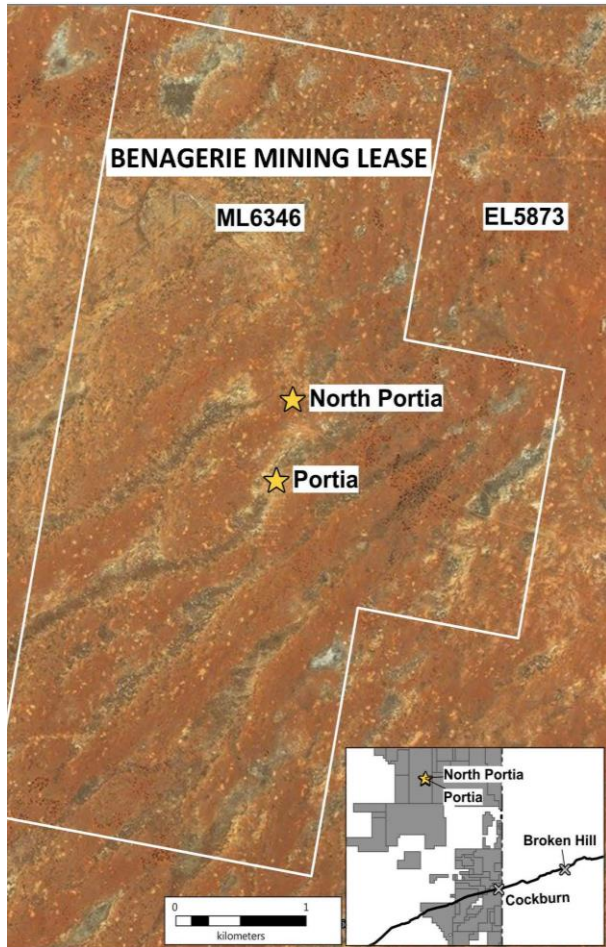
## Jupiter MT anomaly has similar characteristics to Olympic Dam

- Jupiter MT anomalies (C2 & C3) have similar characteristics to those associated with large IOCG deposits including Olympic Dam and Ernest Henry
- Geophysical program planned to advance the shallower C2 MT anomaly towards drill target definition





## North Portia Divestment



## Received 100% of initial divestment receipts

- \$12M realised from divestment of Benagerie Mining Lease
- \$8M received to date (\$7M plus \$1M reduction in rehabilitation obligations)
- Permitting of copper-gold operation by new owner continuing
- Havilah maintains 1.5% NSR royalty over Benagerie Mining Lease
- Havilah's obligations and funding requirements extinguished

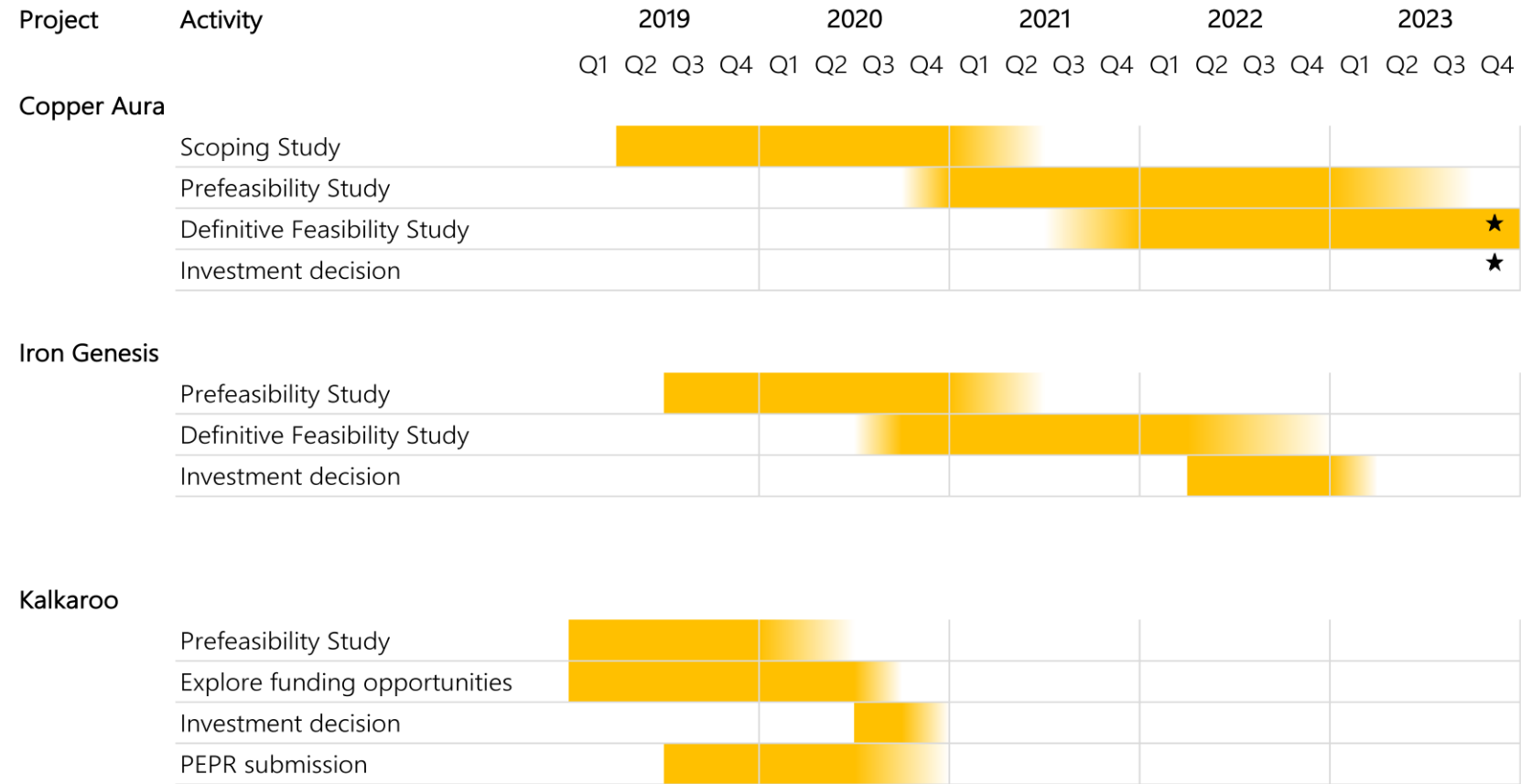


# Project Timeline

Two projects fully funded to DFS

Kalkaroo PEPR advanced while funding options are investigated

## Advancing three major projects over the next three years

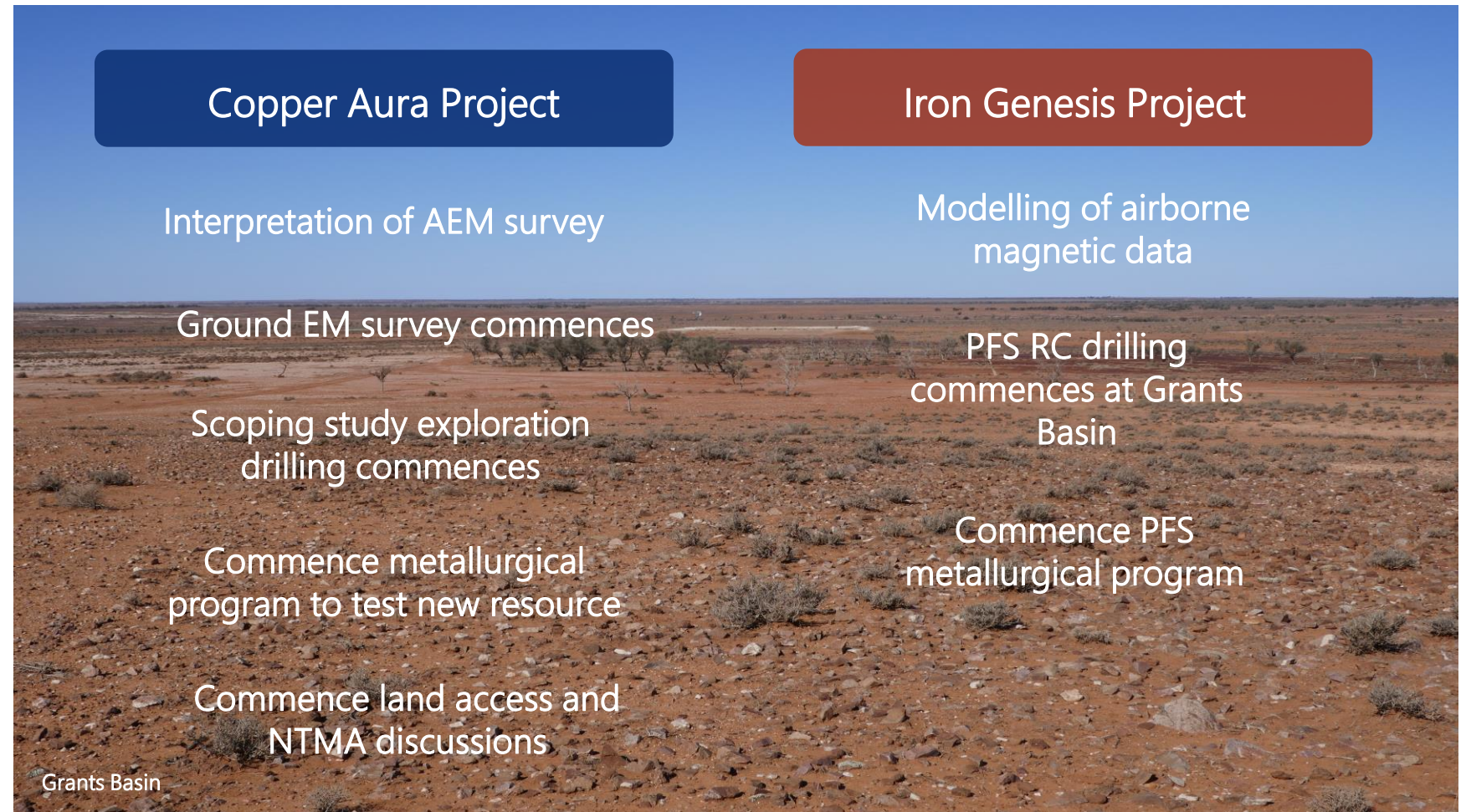


★ Timeline extends to 2024  
 Shows schedule contingency

## Expected News Flow in 2019

News flow related to the \$48M in project funding from the transaction with GFG

Main focus for 2019 related to the transaction with GFG is exploration



# Significant News

## Flow to Date

- **12 August 2019: Mutooroo AEM Survey Identifies Strong Conductors** – Airborne EM survey within Mutooroo Copper-Cobalt District identifies a number of priority anomalies, with the Scorpion Prospect confirmed as a priority one target
- **25 June 2019: Lab Assays Confirm Grants Basin 488m Iron Ore Intersection** – Final laboratory assays for Grants Basin diamond drillhole confirm earlier handheld Niton XRF Fe analyses
- **18 June 2019: Positive Kalkaroo PFS Supports Large Scale Copper Project** – Positive PFS project economics supports a large-scale open pit copper-gold mine at Kalkaroo in north-eastern South Australia, near Broken Hill
- **23 May 2019: \$4M North Portia Divestment Payment Received** – Havilah has received the third North Portia divestment payment of \$4.0 million
- **23 May 2019: Kalkaroo Mining Leases Granted** – Kalkaroo Mineral Leases and Miscellaneous Purpose Licences granted by the Department for Energy and Mining
- **9 May 2019: Positive Kalkaroo PFS Metallurgy Test Work** – Kalkaroo PFS supplementary metallurgical test work program nearing completion with positive outcomes achieved for the key objectives that were set
- **24 April 2019: Iron Ore Scoping Study Update** – SIMEC internal scoping study and due diligence work is nearing completion with positive results reported



# Significant News

## Flow to Date

- **10 April 2019: New Mutooroo Scoping Study Seeks to Enhance Economics** – New scoping study will investigate a higher throughput, initially copper only, option for the Mutooroo Project
- **8 April 2019: North Portia Revised Divestment Terms** – Revised divestment terms provide mutual commercial benefits, with accelerated payments to Havilah
- **3 April 2019: Grants Basin Iron Ore Exploration Target** – Initial Exploration Target for iron ore has been estimated for the Grants Basin
- **1 April 2019: Kalkaroo Mining Lease Milestone** – Notification of terms and conditions for grant of Kalkaroo mining tenements in accordance with formal regulatory process
- **29 January 2019: 486m Iron Ore Intersection in Grants Basin Drilling** – Grants Iron Ore Basin diamond drillhole has been completed at a final depth of 624.4m
- **21 January 2019: Lab Assays Upgrade Grants Basin Iron Ore** – 18% average increase in grade confirmed by laboratory assays of percussion drilling samples vs earlier reported field Niton XRF iron analyses

# Competent Person Statements

## Competent Person Statement - Kalkaroo

The estimates of Mineral Resources presented in this Report have been carried out in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code – 2012 Edition).

The information in this announcement that relates to Mineral Resources as referenced in the PFS is based on information compiled by Mr Robert Dennis who is a Member of the Australasian Institute of Geoscientists and Australian Institute of Mining and Metallurgy. Mr Dennis is a full time employee of RPM. Mr Dennis is the Competent Person for this Mineral Resource estimate as used in the PFS and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in the report to which this Competent Persons Statement is attached, relates to the Ore Reserves of the Kalkaroo Copper Gold Project, and is based on information compiled and reviewed by Mr Igor Bojanic, who is a Fellow of the Australasian Institute of Mining and Metallurgy, and is a full-time employee of RPM. Mr Igor Bojanic has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which, he has undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr Igor Bojanic is not aware of any potential for a conflict of interest in relation to this work for the Client.

Igor Bojanic (B.Eng.(Mining, Hons), FAusIMM)

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource or the Ore Reserve and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

## Competent Person Statement – Grants Resource, Maldorky, Mutooroo

The information in this presentation that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on data compiled by geologist, Andrew Price, a Competent Person who is a member of The Australian Institute of Geoscientists. Mr Price is a full time employee of Havilah. Mr Price 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". Mr Price consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information for the Grants Basin Exploration Target complies with the JORC Code 2012. Havilah confirms that all material assumptions and technical parameters underpinning the Exploration Target continue to apply and have not materially changed.

Note: The Grants Resource, Maldorky and Mutooroo resource estimations were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 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 inferred resources continue to apply and have not materially changed.

# JORC Ore Reserve and Mineral Resource Tables - Kalkaroo

## JORC Ore Reserves as of 31 July 2019

Project	Classification	Tonnes (Mt)	Copper %	Gold g/t	Copper tonnes (Kt)	Gold ounces (Koz)
Kalkaroo <sup>1</sup>	Proved	90.2	0.48	0.44	430	1,282
	Probable	9.9	0.45	0.39	44	125
<b>Total</b>		<b>100.1</b>	<b>0.47</b>	<b>0.44</b>	<b>474</b>	<b>1,407</b>

## JORC Mineral Resources as of 31 July 2019

Project	Classification	Resource Category	Tonnes	Copper %	Cobalt %	Gold g/t	Copper tonnes	Cobalt tonnes	Gold ounces
Kalkaroo <sup>2</sup>	Measured	Oxide Gold Cap	12,000,000			0.82			
	Indicated	Oxide Gold Cap	6,970,000			0.62			
	Inferred	Oxide Gold Cap	2,710,000			0.68			
	<b>Total</b>	<b>Oxide Gold Cap</b>	<b>21,680,000</b>			<b>0.74</b>			<b>514,500</b>
	Measured	Sulphide Copper-Gold	85,600,000	0.57		0.42			
	Indicated	Sulphide Copper-Gold	27,900,000	0.49		0.36			
	Inferred	Sulphide Copper-Gold	110,300,000	0.43		0.32			
	<b>Total</b>	<b>Sulphide Copper-Gold</b>	<b>223,800,000</b>	<b>0.49</b>		<b>0.36</b>	<b>1,096,600</b>		<b>2,590,300</b>
	<b>Total Kalkaroo</b>		<b>245,480,000</b>				<b>1,096,600</b>		<b>3,104,800</b>
	Inferred	Cobalt Sulphide <sup>3</sup>	193,000,000		0.012			23,200	

Based on JORC resources:

Numbers in tables are rounded

<sup>1</sup> Details released to ASX: 18 June 2018 (Kalkaroo)

<sup>2</sup> Details released to ASX 30 January 2018 & 7 March 2018 (Kalkaroo)

<sup>3</sup> Note that the Kalkaroo cobalt Inferred resource is not added to the total tonnage



# JORC Mineral Resource Tables for Mutooroo, Maldorky and Grants

JORC Mineral Resources as of 31 July 2019

Project	Classification	Resource Category	Tonnes	Copper %	Cobalt %	Gold g/t	Copper tonnes	Cobalt tonnes	Gold ounces
Mutooroo <sup>1</sup>	Measured	Oxide	598,000	0.56	0.040	0.08			
	Total	Oxide	598,000	0.56	0.040	0.08	3,300	200	1,500
	Measured	Sulphide Copper-Cobalt-Gold	4,149,000	1.23	0.140	0.18			
	Indicated	Sulphide Copper-Cobalt-Gold	1,697,000	1.52	0.140	0.35			
	Inferred	Sulphide Copper-Cobalt-Gold	6,683,000	1.71	ISD	ISD			
	Total	Sulphide Copper-Cobalt-Gold	12,529,000	1.53			191,700	8,200	43,100
		Total Mutooroo	13,127,000				195,000	8,400	44,600
Project	Classification	Tonnes	Iron	Fe Concentrate	Estimated				
Maldorky <sup>2</sup>	Indicated	147	30.1	59	40%				
Grants <sup>3</sup>	Inferred	304	24	100	33%				
Total all projects	All categories	451		159					

Based on JORC resources:

Numbers in tables are rounded

<sup>1</sup> Details released to ASX: 18 October 2010 (Mutooroo)

<sup>2</sup> Details released to ASX: 10 June 2011 applying an 18% Fe cut-off (Maldorky)

<sup>3</sup> Details released to ASX: 25 December 2012 applying an 18% Fe cut-off (Grants)



[www.havilah-resources.com.au](http://www.havilah-resources.com.au)



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Pictures provided by Reece Singleton  
[rej.singleton@gmail.com](mailto:rej.singleton@gmail.com)

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ASX: HAVOC (Listed Options)

Kalkaroo Station & Exploration Camp