

3 February 2021

HAVILAH DEALS ITS URANIUM INTERESTS

Havilah Resources Limited (Havilah or the Company) (ASX: **HAV**) announces that it has entered into a binding memorandum of understanding ('MOU') for the exploration and potential development of its uranium interests with Aroha Resources Pty Ltd ('Aroha'), conditional upon Aroha listing on the ASX. The MOU provides for the Parties to progress in good faith on an exclusive basis and will enable Aroha to secure initial seed capital via an Information Memorandum ahead of an IPO (initial public offering).

Aroha's Board of Directors includes well respected resource industry leaders, Messrs Reg Nelson and Neville Alley. It is anticipated that Havilah would hold a 25% interest in Aroha at the time of the proposed ASX listing (subject to details of the capital raising) and will also be entitled to future uranium royalties.

KEY MOU TERMS

Subject to Aroha listing on the ASX via an IPO:

- Aroha would secure the exclusive uranium exploration and mining rights for sediment-hosted uranium deposits within specified Havilah exploration licences (Figure 1)
- Havilah would maintain an interest in the venture via:
 1. An anticipated holding of 25% of the fully diluted issued share capital of Aroha at the time of the IPO, subject to details of the Aroha capital raising to be finalised.
 2. Payment to Havilah of \$500,000 from Aroha IPO proceeds within 1 month of Aroha listing on the ASX, subject also to details of the Aroha capital raising to be finalised.
 3. A 1.5% Net Smelter Return royalty on all Aroha uranium sales revenue from within specified Havilah exploration licences (less certain deductions) after the first \$10 million of cumulative uranium sales revenue.
- The MOU will lapse if the IPO does not proceed within 12 months.
- A formal tenement access agreement will govern details of the uranium rights as they relate to the exploration licences and any subsequent MLs and MPLs over any uranium deposits to be developed, subject to any required government approvals.
- Havilah has agreed to make available its share register for Aroha to present the IPO to Havilah shareholders; Havilah will not seek Aroha Board representation.
- Aroha would be required to spend at least the statutory minimum expenditure commitment annually for each Havilah exploration licence covered by the MOU.
- Aroha would be required to pay Havilah half of the total exploration licence rental and renewal costs commencing no later than 3 months after the MOU date.
- Havilah would retain 100% legal and beneficial ownership of its exploration licences and will have no restriction on its current activities, excepting exploration for sediment-hosted uranium deposits.
- Havilah shareholder approval will not be sought because Havilah's uranium interests have previously been written down to zero asset value, as such its uranium interests are not considered to be a material asset according to the ASX Listing Rules.

Havilah's Technical Director, Dr Chris Giles, said:

"We are delighted that Aroha is intending to fund and advance Havilah's extensive uranium interests, which were acquired via the takeover of Curnamona Energy Limited ('Curnamona Energy') during 2012.

"Aroha's team is well experienced and highly successful in the Australian resources industry and we look forward to working with them.

"This MOU is consistent with Havilah's stated strategy of maximising the value of its significant pipeline of exploration projects in South Australia, while focusing the Company's main efforts on advancing its core projects with near-term potential for significant value uplift for shareholders.

"It also achieves Havilah's objective of progressing its non-core prospects and projects in a prudent manner with external funding and leaves Havilah shareholders with a fair residual benefit in the event of success," he said.

About Havilah's Uranium Assets

Many of Havilah's exploration licences north of the Barrier Highway are highly prospective for Tertiary palaeochannel hosted uranium deposits similar to the nearby Honeymoon uranium project, which is being readied for production (see Figure 1 and [refer to Boss Energy Limited's ASX announcement of 20 January 2021](#)). Curnamona Energy (a 100% owned subsidiary of Havilah after its takeover during 2012) identified numerous potentially economic grade uranium intersections in its extensive drilling campaigns across the region and delineated the 4.6 million pound eU3O8 Oban JORC Inferred Resource (see Table 1 and [refer to Curnamona Energy Limited's ASX announcement of 4 June 2009](#)).

A field leach trial at the Oban uranium deposit was curtailed prematurely following collapse of the uranium market after the earthquake and tsunami that caused the Fukushima nuclear accident during 2011. New techniques and processes over the last decade, especially advancements in the use of resins, give considerable cause for optimism that Oban and similar prospects within exploration licences covered by the MOU can be economically exploited, along with the ongoing improvement in uranium market sentiment.

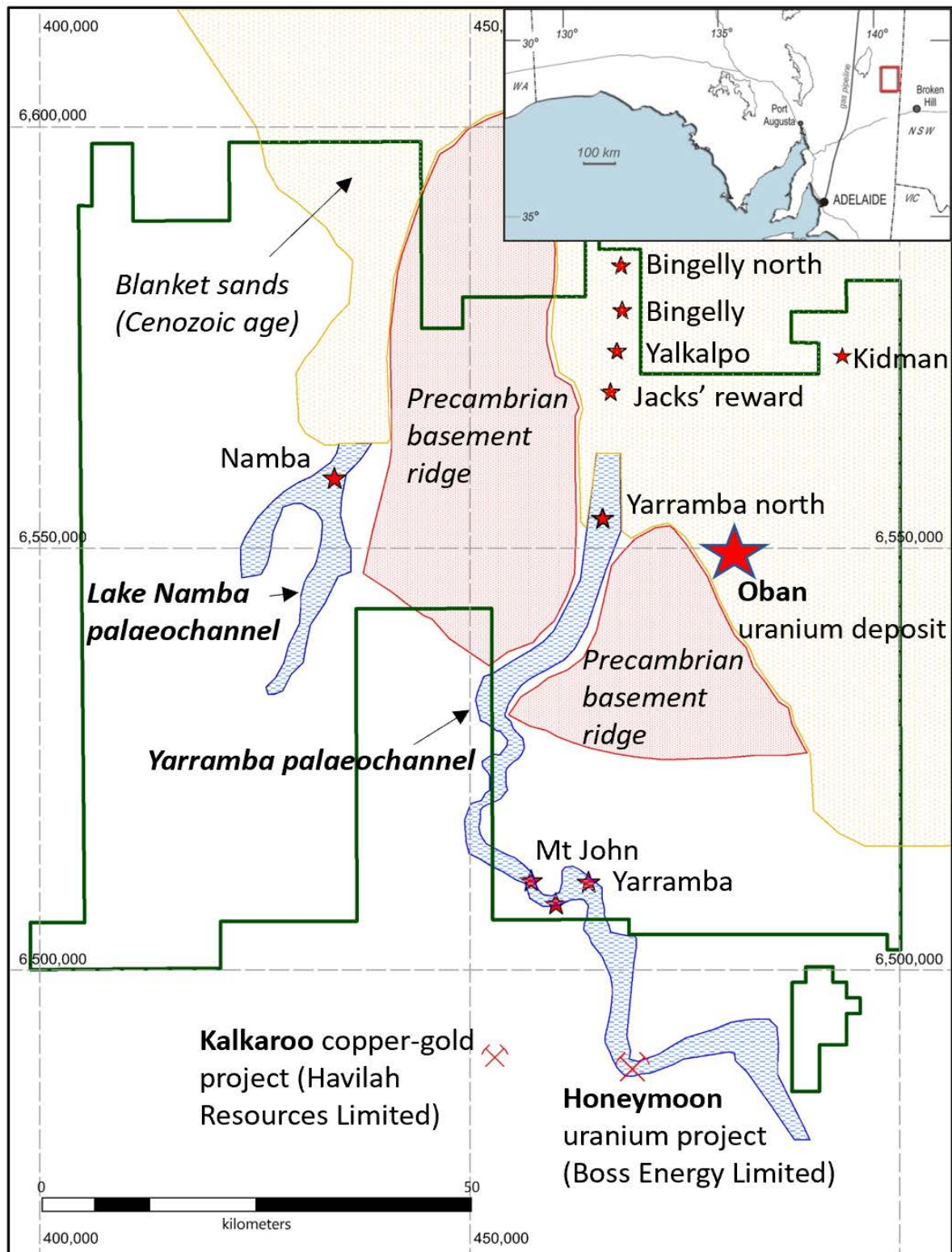


Figure 1 Havilah’s exploration licence area covered by the MOU uranium rights (green boundary), excepting for EL 5966, which lies to the north of Lake Frome, north of this map. Two major uranium mineralised Cenozoic palaeochannels traverse the area and merge into extensive blanket sands to the north. The Precambrian basement ridges are mostly underlain by comparatively uranium rich granites and felsic volcanics. Previous drilling by Curnamona Energy has identified numerous prospects warranting follow up (small red stars) and the Oban uranium deposit. Note proximity of the Honeymoon uranium project (owned by Boss Energy Limited) located on the Yarramba palaeochannel immediately south.

Table 1 JORC Uranium Resources as at 31 July 2020.

| Project | Classification | Tonnes (Mt) | eU3O8 (ppm) | Contained eU3O8 (Tonnes) |
|-------------------|----------------|-------------|-------------|--------------------------|
| Oban ¹ | Inferred | 8 | 260 | 2,100 |

¹ Details released to the ASX: 4 June 2009, applying a grade-thickness cut-off of 0.015 metre % eU3O8.

Cautionary Statement

This announcement 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. 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. Given the ongoing uncertainty relating to the duration and extent of the global COVID-19 pandemic, and the impact it may have on the demand and price for commodities (including uranium), on our suppliers and workforce, and on global financial markets, the Company continues to face uncertainties that may impact its operating and financing activities.

Competent Person's Statements

The information in this announcement that relates to Exploration Targets, Exploration Results, JORC Mineral Resources and Ore Reserves is based on data and information compiled by geologist Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr Giles is Technical Director of the Company, a full-time employee and is a substantial shareholder. Dr Giles has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken 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 the announcement of the matters based on his information in the form and context in which it appears.

Except where explicitly stated, this announcement contains references to prior exploration results all of which have been cross-referenced to previous ASX announcements made by Havilah. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX announcements.

This release has been authorised on behalf of the Havilah Resources Limited Board by Mr Simon Gray.

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

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