

Havilah Resources NL aims to become a significant new producer of iron ore, copper, gold, cobalt, molybdenum and tin from its 100% owned JORC mineral resources in northeastern South Australia.

120.3 million ordinary shares

11.7 million unlisted options



MAJOR MILESTONE - MALDORKY MLP POSTED FOR PUBLIC COMMENT

HIGHLIGHTS

- **Maldorky mining lease proposal posted for public comment.**
- **Achievement of this major milestone is the culmination of two year's work.**

Havilah Resources NL (**ASX: HAV**) ("Havilah" or the "Company") is pleased to report that following a stringent adequacy check the mining lease proposal document for the Maldorky iron project has been posted on the Department for State Development's (DSD) website and is accessible via the following link :

http://www.minerals.statedevelopment.sa.gov.au/public_notices/mining_proposals_open_for_public_comments/maldorky_iron_project

This 1200 page document contains comprehensive technical and environmental information about the Maldorky iron project in the main text and various supporting consultants' reports in 14 appendices. It was compiled by Havilah technical staff with assistance from technical experts over a period of two years, during which time it was revised several times to meet DSD's requirements.

Interested shareholders and stakeholders are referred to the document for full details about Havilah's mining plans at Maldorky, which involve an open pit, initially producing about 1 million tonnes of saleable product, rising to 2 million tonnes in year 3. A summary of key aspects of the Maldorky development, taken from the mining lease proposal document will be found in the attached information sheet.

Havilah's next regulatory step in the Maldorky mine permitting process is to produce a comprehensive Program for Environmental Protection and Rehabilitation (PEPR). Much of the information required for this document is already included in the MLP document and will be supplemented with more detailed hydrological work and detailed mine closure plans. In parallel the Company is also continuing with its metallurgical pilot test work and negotiation of a native title mining agreement with the Wilyakali people.

For further information visit the Company website www.havilah-resources.com.au or contact:

Dr Chris Giles, Managing Director, on : info@havilah-resources.com.au

Competent Persons Statement

The information in this announcement that relates to Exploration Targets and Exploration Results is based on data compiled by geologist, Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr. Giles is a director of the Company and is employed by the Company on a consulting contract. 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.



HAVILAH RESOURCES NL



Havilah Resources NL (Havilah) 100% owned proposed Maldorky Iron Ore Mine (Maldorky Mine) is located in northeastern South Australia, about five hours drive from Adelaide. The Maldorky deposit is a new discovery by Havilah, and has the highest grade and most favourable mining geometry of all recent discoveries in the Braemar iron ore province. It is located only 26km south of the transcontinental railway.

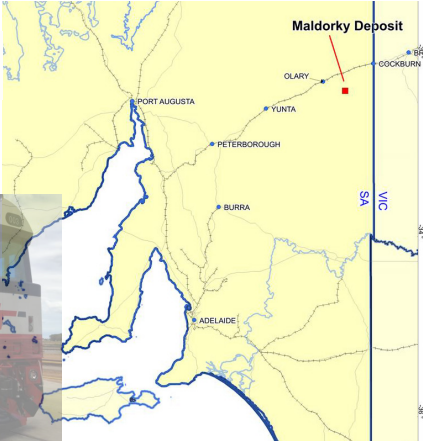
Maldorky will be a New Premier Iron Ore Mine in South Australia

Production Rate Planned ramp up to 2 Mtpa of premium quality, low impurity saleable product

Mine Life 20+ years based on JORC Indicated Resource
147 Mt @ 30% Fe

Operating Costs (Total) Estimated USD\$66/tonne on ship

Capex (Pre-Production) Estimated A\$70-90M using existing rail and port infrastructure, equipment leasing, contract mining

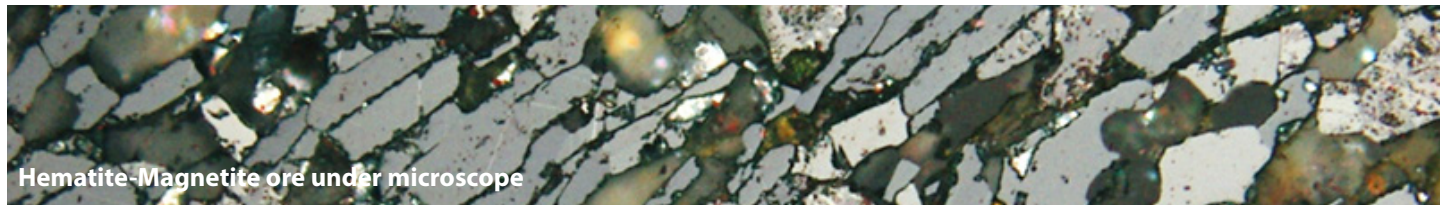


The Maldorky Mine will be an open cut mining operation producing a combined magnetite-hematite iron ore concentrate. Initially the concentrate will be shipped via existing rail and port facilities in order to minimise upfront capital expenditure. The iron ore mined contains an average 30% iron and will be upgraded on site via a gravity and magnetic separation process to a grade of >62% iron. The saleable product will be loaded into rotainers and hauled by road train 26km to a newly constructed railway loading loop at Cutana, where it will be loaded onto a train and transported to Port Adelaide for shipment overseas.

Havilah's intention is to commence production at Maldorky as soon as practicable, subject to timely receipt of mine operating permits, financing and satisfactory resolution of other key development issues. It is planned that production will ramp up from 1 Mtpa (of saleable product) in Year 1 to 2 Mtpa in Year 3 and thereafter. Further increase in production can be supported by available resources, but is dependent on expansion of shipping facilities.

Highly favourable mining economics compared to Braemar peers:

- Highest grade primary ore: 30.1% Fe (other projects 15.5 - 23% Fe)
- Minimal overburden: 0-5m thickness only
- Softest ore: just over half the average hardness of other deposits
- Lowest waste:ore ratio of 1:12 compared with up to 1.5:1 for some other deposits
- Ideal open pit mining geometry: horizontal slab as opposed to vertical beds
- Closest to rail line: 26km
- Work force will be transported daily by bus from Broken Hill



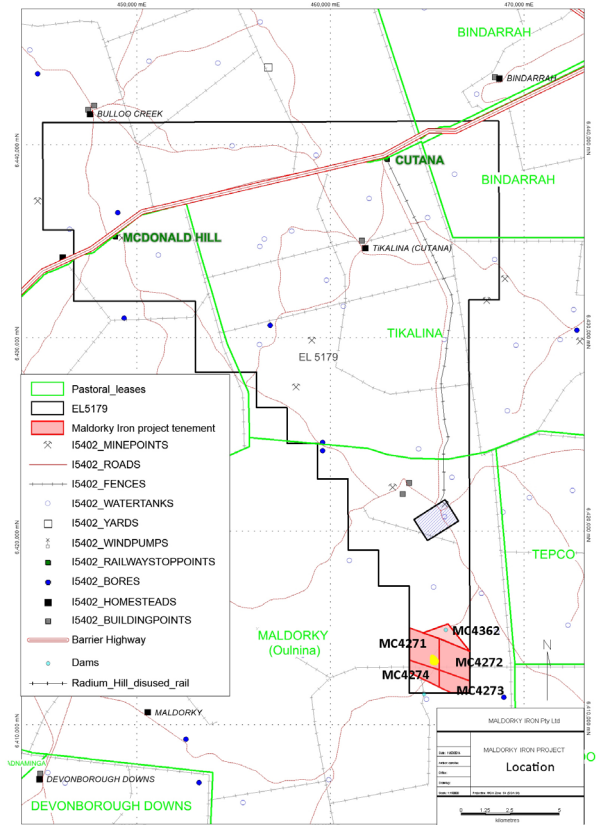
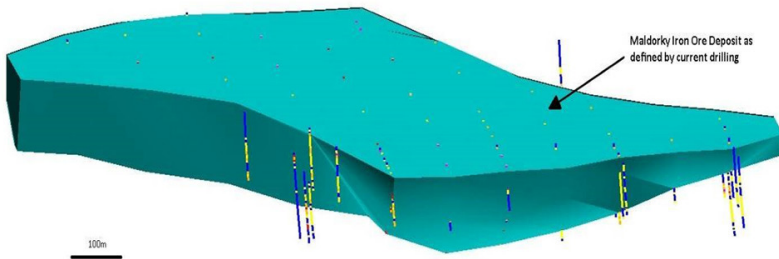
Hematite-Magnetite ore under microscope

Maldorky Iron Ore Mine Approvals

Mining Lease Proposal (MLP)

The Maldorky MLP document has passed the Department of State Development's (DSD) stringent adequacy check process and is now posted on DSD's website for public comment. It may be accessed via the following link: http://www.minerals.dmitre.sa.gov.au/public_notices/mining_proposals_open_for_public_comment/maldorky_iron_project

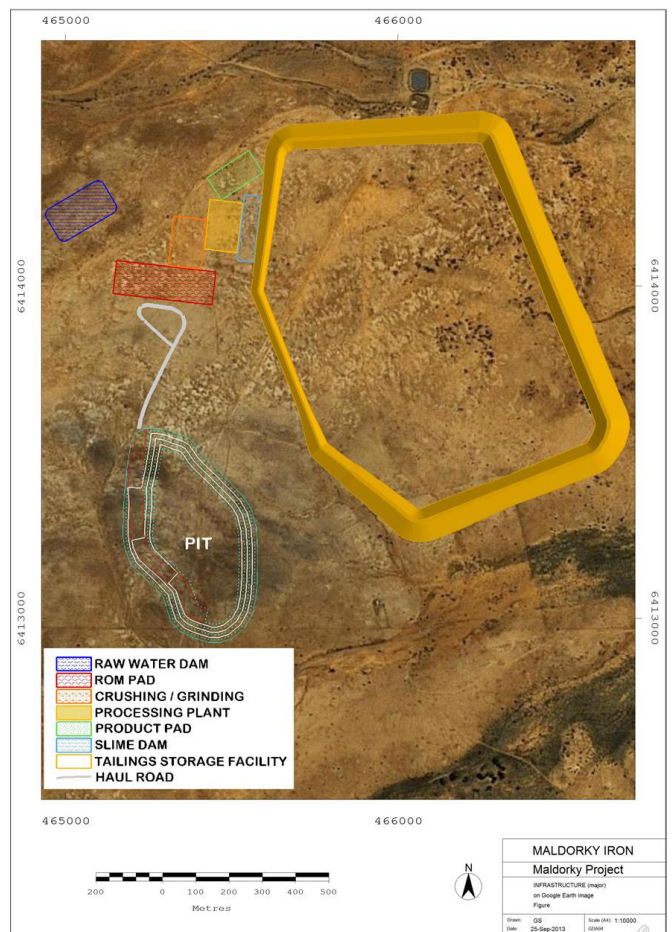
The current mining proposal is for a 5 year mining plan, in which 24 million tonnes of iron ore will be mined to produce 8.5 million tonnes of saleable concentrate. The mining proposal will be revised to cater for expanded mining rate beyond five years, subject to available infrastructure capacity.



Mining Lease Proposal Requirements

The Mining Act and associated regulations and guidelines clearly outline what is required to be covered in the MLP document, including:

- A detailed description of the proposed mining and processing operations.
- Details of the existing environment, including baseline flora and fauna surveys, groundwater studies.
- A description of the impacts on the local social, economic and physical environment from the proposed mining operation, and the measures to be taken to manage, limit or mitigate those potential impacts.
- A statement of the proposed outcomes expected to be met during construction and operation of the mine and during rehabilitation and post mine closure.
- A draft statement of the criteria to be used to measure the proposed environmental outcomes as applied by the regulatory authorities.



Maldorky Iron Ore Mine Project ongoing work:

- Preparation of Program for Environmental Protection and Rehabilitation (PEPR) document, required to obtain mine operating approvals from DSD and other government agencies.
- Construction of pilot plant on site to test the proposed processing flow sheet.
- Confirmation of adequate water supply for processing, including hydrological studies.
- Detailed estimation of capex and opex costs and securing of project development financing.

Frequently Asked Questions

How many people will the operation require?

There will be approximately 75 full-time employees required by the operation during the life of the mine.

How will the workers get to the site?

Havilah plans to bus its workers to site from the major regional centre of Broken Hill, which lies one hour drive to the northeast.

What effect will there be on local residents?

The area is sparsely populated pastoral grazing country. The mine site will not be visible from any station homesteads or any public roads. Owing to the distance it is unlikely that any mine-related noise will be heard in areas presently accessible to the public.

Is there any previous history of mining in the area?

Maldorky is a new discovery made by Havilah's geologists and has not been mined. It lies just 8km south of the famous Radium Hill uranium mine that was operated in the 1950s by the SA government. Iron ore was mined as flux for the Broken Hill smelters in the 1890s at the extensive Grants iron ore quarries that lie roughly 18km north of Maldorky.

How will the existing environmental values be preserved?

Baseline flora and fauna surveys show the area does not have high conservation value in terms of rare and endangered species. Strict environmental guidelines require that all surface disturbance be kept to a minimum, and that best practice rehabilitation returns the land to as near to its natural state as is practically possible.

What will the land be used for after mining?

The land will revert to its original grazing use.

Will the operation have an impact on groundwater?

The groundwater encountered in boreholes at Maldorky to date is highly saline and not suitable for stock or human consumption. Dewatering of the open pit will temporarily lower the water table in a localised area surrounding the mine.

Potential Benefits

The Maldorky Mine is expected to result in a significant range of benefits for the local and regional area and for the State of South Australia in general.

- Social benefits include employment and training, and improved infrastructure and services.
- Economic benefits include project expenditure and investment in infrastructure, taxes, royalty payments and salaries from created jobs and indirectly generated jobs.
- Havilah will provide employment and training opportunities to the Wilyakali people who have lodged a Native Title claim over the area.
- Havilah has traditionally supported a wide range of community events in the region and will be pleased to expand this as its income grows.
- Over the life of the Maldorky Mine, it is likely that the majority of the workforce will be drawn from the mid-north and northeastern SA and Broken Hill, where new employment opportunities are currently limited.
- Ultimately, grid power is likely to be extended to the Maldorky Mine, which will help stimulate further regional development.
- Environmental benefits include best practice mine rehabilitation including increased area for native vegetation, provision of significant increase in environmental knowledge from collection of baseline data and improving the understanding of biodiversity, native vegetation and landscape values for the region.

To view a video of the Maldorky iron project click the following link:

<https://www.youtube.com/watch?v=Z8Ro7xvZuw0>

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