

Havilah Resources NL plans 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



PROJECT UPDATES

RIGHTS ISSUE TO CLOSE 22 AUGUST 2014

HIGHLIGHTS

- **Maldorky pilot plant produces premium quality (65% Fe) iron ore concentrate.**
 - **Portia PEPR revision and agency briefings completed – lodgement next week.**
 - **Kalkaroo final mining lease proposal lodged.**
 - **Environmental Manager appointed to complete Kalkaroo and Maldorky permitting.**
 - **Rights issue to close as planned on Friday, 22 August 2014 at 5.00 pm CST.**
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Maldorky Iron Ore Project

Havilah Resources NL (**ASX: HAV**) (“Havilah” or the “Company”) is pleased to report that it has completed the initial phase of gravity concentration testing of approximately 1.5 tonnes of a specially prepared representative iron ore sample. This sample was ground to -106 microns, which earlier work has shown provides optimum liberation of the iron ore minerals, namely hematite and magnetite. A high quality iron ore concentrate was recovered, with exceptionally low contents of aluminium, phosphorous, sulphur and other undesirable elements (see assay below) by a staged gravity processing method that relies on the high specific gravity of the iron minerals relative to the silicate and carbonate gangue components. **This work confirms that it is possible to generate a premium iron ore concentrate by the simple combination of optimum size grinding, screening and gravity separation.**

Fe (%)	Al ₂ O ₃ (%)	CaO (%)	P (%)	S (%)	SiO ₂ (%)	TiO ₂ (%)	LOI (%)
65.02	0.79	0.23	0.04	<0.001	4.42	0.88	0.07

Table of assay data from composite of 8 concentrates (assays completed by ALS Global, Perth)

The next steps planned for the Maldorky metallurgical testing program are:

1. Conduct testing of the iron ore concentrate to ascertain its suitability as blast furnace feed.
2. Scaled up the pilot testing on a bulk sample exceeding 10 tonnes to validate recovery and production rate.

The public comment period for the Maldorky mining lease proposal (MLP) document, currently posted on the Department for State Development (DSD) website, will close later this week. It may be viewed via the following link:

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

Havilah's next step in the Maldorky mine permitting process is to produce a comprehensive Program for Environmental Protection and Rehabilitation (PEPR) document. 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 mine closure plans. In parallel, the Company will continue with its metallurgical pilot test work and negotiation of a native title mining agreement with the Wilyakali people.

Portia Gold Project Update

Since completion of pumping and injection trials on site by Havilah in June/July this year, Australian Groundwater Technologies (AGT) have confirmed that the disposal of excess mine water via reinjection into the Shylock Palaeochannel within the mining lease is viable. The findings from the reinjection trial report have been incorporated into the Portia project PEPR document. Briefings with relevant government agencies commenced last week in which the findings from the trial and the project's revised water management strategy were discussed. Havilah is confident that all previous concerns raised have now been addressed.

With completion of consultations, it is proposed to re-lodge the PEPR document with DSD early next week. Havilah remains optimistic that final approvals will be forthcoming to allow mining to commence before the end of 2014.

Kalkaroo Copper-Gold Project Update

The final draft of the Kalkaroo MLP document was lodged two weeks ago and is currently undergoing adequacy checking by DSD prior to being posted on their website for public comment.

In the meantime, a consulting metallurgist has undertaken a comprehensive review of all available Kalkaroo metallurgical data and has formulated a series of recommendations that will assist the Company in undertaking detailed process plant engineering design, necessary for accurate project capital and operating cost estimates.

Employment of Environmental Manager

Havilah is delighted to announce the appointment of Mr Andrew Woidt as Environmental Manager. Andrew has had ten years' experience in environmental management, most recently as Senior Environmental Officer for IMX Resources at the Cairn Hill magnetite-copper-gold project in northern South Australia. Prior to that he worked for several years as an environmental engineer for Golder Associates on a range of projects and also for One Steel (now Arrium Mining) operations at Whyalla. Andrew brings a wealth of highly relevant practical experience and his initial task will be to assist in preparation of the PEPR documents for the Maldorky and Kalkaroo projects and the associated management plans and environmental compliance monitoring programs.

Rights Issue

Havilah reminds shareholders that the current 1 for 4 non-renounceable Rights Issue will close this Friday, 22 August 2014 at 5.00 pm CST and will not be extended. Directors therefore urge Eligible Shareholders intending to take up their Entitlements not to delay completing their personalised applications to ensure they capitalise on this Offer.

Please study the Prospectus carefully and seek independent professional advice, before making a decision whether to take up the Offer. The Prospectus, with full details of the Rights Issue, is available to download from both the ASX website (at www.asx.com.au) and the Company's website (at http://www.havilah-resources.com.au/pdf/Prospectus_Rights-Issue_23Jul2014_FINAL.pdf).

Shareholders' attention is also drawn to the recent presentation slides posted on Havilah's website (http://www.havilah-resources.com.au/pdf/Shareholder_Presentation_13Aug2014_Final.pdf), which summarises the Company's prospects and forward plans, and a video of the presentation given by Managing Director, Dr Chris Giles (<http://www.havilah-resources.com.au/videos.html>). Advice on the Rights Issue may also be obtained by calling Mr Tim Moffatt of Phillip Capital on 08 7202 1110.

Chairman's Comment

Havilah Chairman, Mr Ken Williams said: "The updates reported here for the advanced projects are further tangible evidence of the steady progress being made towards Havilah's goal of developing its projects. "Our move to employ a well-credentialed Environmental Manager, who can help us streamline our permitting and environmental management obligations, is a clear signal of Havilah's seriousness in advancing its projects.

"I am particularly encouraged by the excellent iron ore concentrate specifications, which vindicates our faith in the Maldorky project as a potential future supplier of a high quality premium iron ore product."

For further information visit the Company website www.havilah-resources.com.au or contact: Dr Chris Giles, Managing Director, on (08) 83389292 or info@havilah-resources.com.au.

Competent Person's 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.

Proposed Maldorky mine site layout (from MLP document)

