ASX MEDIA RELEASE

Havilah Resources
A New Mining Force in South Australia

25 June 2019

Lab Assays Confirm Grants Basin 488m Iron Ore Intersection

HIGHLIGHTS

- **Final laboratory assays for Grants Basin diamond drillhole confirm earlier handheld Niton XRF Fe analyses.**
- **Intersection of 488 m at 24.57 % Fe from 126 m to 614 m downhole.**

Havilah Resources Limited (**Havilah**) is pleased to report the final laboratory assays, recently received, for diamond drillhole GBDD014 (refer **Figures 1 to 3**) completed at Havilah's Grants Basin Iron Ore Project in January this year.

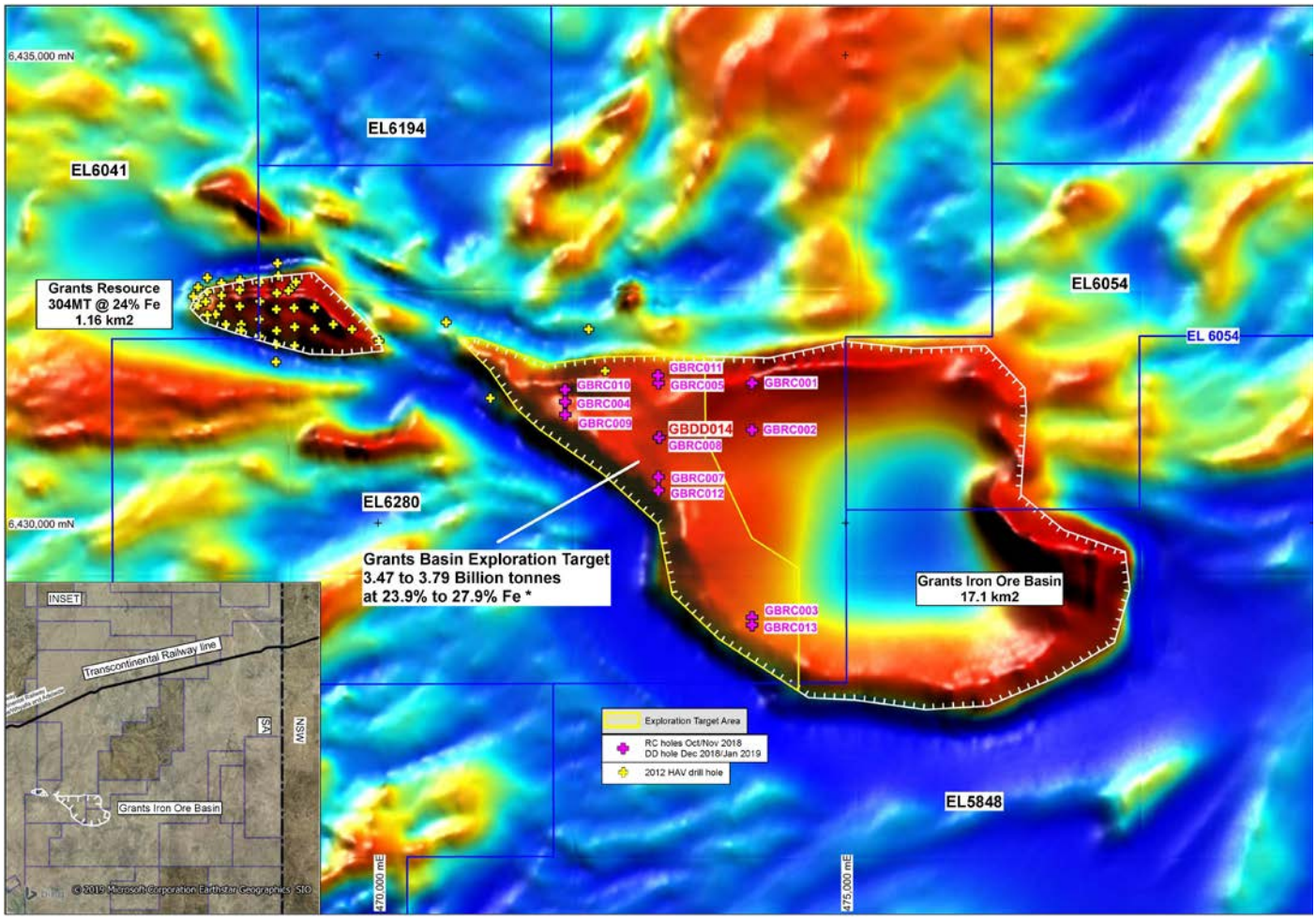

Figure 1 Overview map showing diamond hole GBDD014 (centre of image) and previously completed RC drill holes in the Grants Basin on a magnetic image showing the interpreted surface expression of the basin, Grants Basin Exploration Target* area and the existing Grants Resource outline and drill holes. * 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.

The final calculated intersection of 488 m at 24.57% Fe (from 126 m to 614 m downhole) using laboratory assay data compares favourably with the previously announced indicative handheld Niton XRF results of 486 m @ 24.06% Fe (from 127 m to 613 m downhole) (ASX announcement of 29 January 2019).

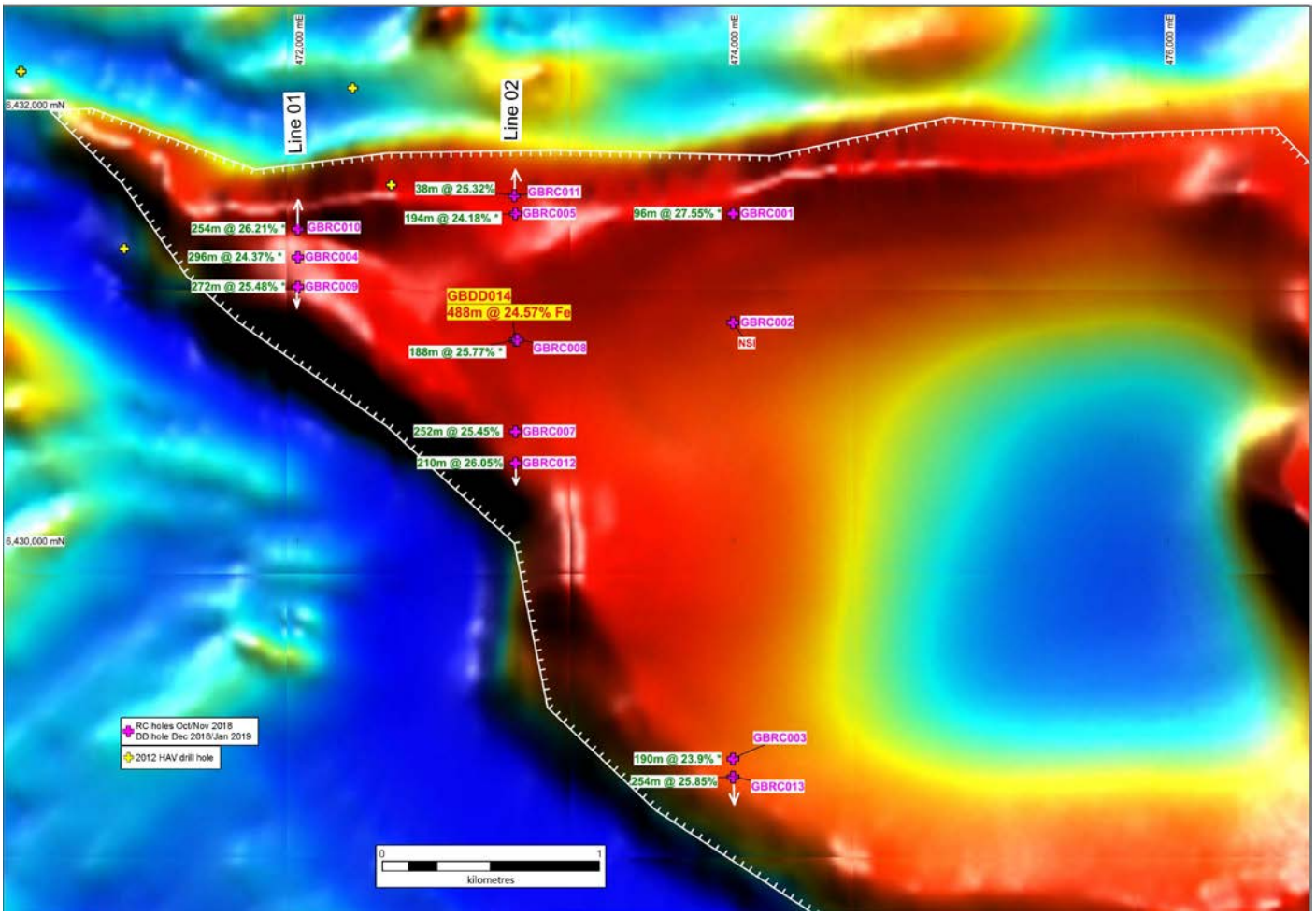

Figure 2 Zoomed in view of diamond hole GBDD014 and its assayed drill intersection and previously completed RC drill holes on a magnetic image also showing the interpreted surface expression of the Grants Basin. Note "NSI" = no significant intersection, * = ended in iron sequence.

The diamond drillhole has provided the first interpreted full thickness intersection of the Grants Basin iron bearing sequence (**Figure 3**), as well as providing material for preliminary metallurgical testwork from this new discovery. It has also provided partial twinned drillhole assay data to allow comparison between the diamond core assays and the adjacent reverse circulation (**RC**) assays in hole GBRC008 (316 m total depth). Analysis of the relevant duplicated sections of the holes has shown excellent correlation between the two sample types with the GBDD014 drill core returning 186.5 m @ 25.95% Fe (from 129.5 m to 316 m) compared to GBRC008 RC samples returning 186 m @ 25.73% Fe (from 130 m to 316 m), representing a less than 1% difference in the laboratory Fe grades.

Figure 3 Drill cross section of Line 02 looking west showing the diamond cored hole GBDD014, nearby RC drill intersections and interpreted shallower dip of iron sequence on southern side of basin. Full width of iron ore basin at surface is interpreted to be ~1,700m.

This drilling was part of a comprehensive program of work which was performed and funded by SIMEC Mining (an affiliate of the GFG Alliance) as part of their due diligence investigation of the commercialisation potential of Havilah's Maldorky and Grants iron ore projects. The drilling program was implemented and supervised by Havilah personnel.

Results from this drilling program allowed the estimation of an initial Exploration Target* for the Grants Basin of 3.47 to 3.79 billion tonnes at a grade of 23.9% to 27.6% Fe (ASX announcement of 5 April 2019).
* 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.

Havilah has recently announced a funding deal of up to $100 million with GFG Alliance, to fully fund work programs on Havilah's iron projects (including Maldorky, Grants and Grants Basin) and copper assets in the Mutooroo Copper-Cobalt District (ASX announcement of 1 May 2019).

Commenting on the new laboratory assay results, Havilah's Technical Director, Dr Chris Giles said: "As expected, the laboratory assays have confirmed the exceptionally thick 488 m intersection of iron formation in the Grants Basin, with a slightly higher grade of 24.57% Fe over this interval compared to previously announced handheld XRF analyses.
"These assays are also broadly consistent with the assays in the adjacent reverse circulation drillhole, meaning that our results have now been confirmed by two different drilling methods as well as by two different assaying methods.
"So far our wide spaced drilling has only covered about 25% of the area of the Grants Basin based on our aeromagnetic data interpretation, giving an idea of the potential scale and extent of the iron ore mineralisation.
"Our next step is to carry out an infill resource drilling campaign, with the objective of defining a JORC resource as part of the planned prefeasibility studies," he said.

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

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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.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on data and information 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 the Company. Mr Price 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'. Mr Price consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Drilling Data

Hole_ID	GDA_E	GDA_N	RL	Azimuth	Dip	EOH_depth	Iron (Fe) intersection
GBDD014	473002.99	6430918.40	215.36	360	-90	624.4 m	**488 m @ 24.57% Fe (126 m to 614 m)**

APPENDIX 1: TABLE 1 OF THE 2012 EDITION OF THE JORC CODE

The table below is a description of the assessment and reporting criteria for the Grants Basin drilling program results, in accordance with Table 1 of The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• The first 2 samples (3.5m) of the reported intersection is from the RC precollar. RC drill chips and powder were collected directly via a cyclone and cone splitter to obtain a 3-4 kg, composite sample for drill assay and a 15-30 kg bulk sample (1 metre interval). • All remaining samples are of HQ sized half core samples and a small number of quarter core samples, all of which were submitted for assay. Sample lengths ranged in length from 0.5m to 2.25m.
Drilling techniques	• Ausdrill (ANW) completed the RC component of the drillhole using a large capacity RC rig (model DRA-RC600 with 4.5" drill rods. • MJ Drilling completed the diamond coring section of the drillhole (129.5m to 624.4m) using a multipurpose UDR650 drill rig and HQ3 (triple tube) drill rods and equipment to maximise core recovery.
Drill sample recovery	• RC sample recoveries were in general, excellent. • Drill core recovery was excellent at 100%.
Logging	• The RC chips and drill core were logged in detail by an experienced geologist directly into a tablet with logging software. Data was then uploaded into an Excel spreadsheet database. • Logging is semi-quantitative and 100% of reported intersections have been logged. • Logging is of a sufficiently high standard to support any subsequent interpretations, resource estimations and mining and metallurgical studies.
Sub-sampling techniques and sample preparation	• 3-4 kg, two metre composite RC drill assay samples were collected via the cyclone and cone splitter. • Half and quarter core samples were collected for assay. • Industry standard sample preparation was conducted by the Bureau Veritas (BV) laboratory in Whyalla, SA and Perth, WA. This consisted of jaw crushing then pulverising to 80% passing 75 µm.
Quality of assay data and laboratory tests	• All samples are prepared and analysed at the Bureau Veritas (BV) laboratory in Whyalla, SA and Perth, WA. • Samples were analysed using BV methods XRF4_WH01 and XRF202. Both are extended Iron Ore suites using XRF fusion (fused with 12:22 lithium borate flux). Elements/compounds analysed include the following (detection limits in brackets): • Fe (0.01%), SiO_2 (0.01%), Al_2O_3 (0.01%), CaO (0.01%), S (0.002%), P (0.002%), TiO_2 (0.005%), Na_2O (0.02%), K_2O (0.002%), MgO (0.01%), Mn (0.01%), Ba (0.002%), Zn (0.002%), Pb (0.002%), Cu (0.001%), V (0.002%), As (0.001%), Co (0.001%), Cr (0.001%), Ni (0.001%) & LOI (loss on ignition) (0.01%). • These XRF methods used are industry standard and are considered appropriate. • Quality control procedures include the insertion of standards, blanks and duplicates into the regular sample number sequence (1 in 25 samples). If any blank, standard or duplicate is out of spec, re-assay of retained samples is requested of the laboratory as a first step. BV also insert their own QC/QA samples into the sample sequence.
Verification of drilling sampling and assaying	• Rigorous internal QC procedures are followed to check all assay results against expected QC/QA samples. Assay results are also checked against logged lithology to identify potential inconsistencies. • All data entry is under control of an experienced geologist, who is responsible for data management, storage and security.
Location of drillholes	• Downhole surveys were completed using a gyroscopic survey tool due to the magnetic nature of the iron sequence. The survey was completed by Borehole Wireline with readings collected at 30m intervals. • The drillhole collar was located using a DGPS (Omnistar HP signal with ±0.1m accuracy x:y:z) and are quoted in GDA94 datum coordinates.

Criteria	Commentary
Data spacing and distribution	• The objective of this diamond drill hole was to test the full thickness of Grants Basin iron bearing sequence, provide partial twinned hole data and to provide material for preliminary metallurgical testwork on Grants Basin material.
Orientation of data in relation to geological structure	• The drillhole azimuth and dip was chosen to intersect the interpreted shallow dipping iron formation as close as possible to right angles to maximize the value of the drilling data. • The hole was drilled vertically into an interpreted shallowly north dipping sequence. • At this stage, no material sampling bias is known to have been introduced by the drilling direction.
Sample security	• The samples are placed in calico bags, packed into polyweave sacks which were then sealed with cable ties. The samples were transported to the BV assay labs by SIMEC personnel. There is minimal opportunity for systematic tampering with the samples as they were not out of the control of Havilah/SIMEC until they are delivered to the assay lab. This is considered to be a secure and reasonable procedure and no known instances of tampering with samples have occurred since drilling commenced.
Audits, reviews	• Ongoing internal auditing of sampling techniques and assay data has not revealed any material issues.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• All drilling was undertaken on Havilah Resources 100% owned Exploration Licence EL 6280 (formerly EL 5393), "Mingary".
Exploration done by other parties	• There has been limited previous shallow, AC, RC and open hole percussion drilling carried out on the prospect by BHP, MIM and Havilah.
Geology	• Stratiform iron formation belonging to the Braemar Iron Formation of Adelaidean (Neoproterozoic) age. The sequence has been folded into a basin shape during deformation. The Adelaidean sequence is overlain by a cover sequence of 2 to 36m of Tertiary/Quaternary clays, grits and sand. The iron sequence is completely weathered to ~50-70m with the base of weathering at ~70-90m. The iron bearing sequence includes hematite- magnetite siltstones and hematite- magnetite ironstones with local glacial component including dropstones and diamictite grits. The iron bearing sequence is overlain by a quartz-biotite siltstone and underlain by glacial tillites and quartzite. There is locally developed surficial lateritic iron enrichment where the iron sequence outcrops, which was the focus of mining for smelting flux used at Broken Hill in the late 1800s and early 1900s.
Drill hole Information	• See separate table in this report.
Data aggregation methods	• Drill intersections are calculated using the length-weighted averages of individual samples. Minimum grade truncations are applied (18% Fe cut off with intervals of up to 12 continuous metres of sub 18% Fe internal dilution).
Relationship between mineralisation widths and intercept lengths	• Down-hole lengths are reported. The drillhole was oriented with the objective of intersecting mineralisation as close as possible to right angles, and therefore the down-hole intersection is estimated to be close (within 10-15%) to the interpreted true width.
Diagrams	• Included figures show the location of the drillhole and a table of drillhole data is attached.

Criteria	Commentary
Balanced reporting	• All results to date are reported.
Other substantive exploration data	• Wide spaced reconnaissance exploration drilling has previously been reported by Havilah.
Further work	• Further resource drilling is planned.