



*Havilah Resources Limited plans to sequentially develop its portfolio of gold, copper, iron, cobalt, tin and other mineral resources in South Australia. Our vision is to become a new mining force, delivering value to our shareholders, partners and the community.*

190 million Ordinary Shares -- 8 million Unlisted Options

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## HAVILAH'S COPPER STRATEGY - POSITIONED FOR GROWTH

### KALKAROO PRE-FEASIBILITY STUDY ON TRACK

#### Highlights

- Large portion of the PFS data evaluation work has been completed by RPM Global.
- Results to date are consistent with Havilah's past work and meeting expectations.
- Upgraded resource estimate of 232 million tonnes @ 0.49% copper and 0.37 g/t gold validated by RPM Global.
- Completion of PFS by the end of the year is on track.

#### Background

Havilah Resources Limited (Havilah) is pleased to report that the pre-feasibility study (PFS) work on the Kalkaroo Copper-Gold Project in northeastern South Australia is progressing as planned. Under the non-binding Memorandum of Understanding (MOU) agreed with Wanbao Mining Limited (Wanbao) in May 2017, RPM Global are managing the PFS study, which is being sponsored and funded by Wanbao.

RPM Global has been working closely with Havilah over the last four months in assimilating, evaluating and validating all of the technical data that Havilah has previously generated for the project. Of note is that RPM Global's rigorous analysis has validated Havilah's upgraded resource estimate of 232 million tonnes @ 0.49% copper and 0.37



g/t gold, with a less than 4% change in tonnage and a 15% increase in the Measured Resource due to re-allocation of some Indicated Resource component. Currently, mining optimisation studies are a main focus of RPM Global's work, and this in turn will lead to an independently determined Probable Ore Reserve based on the Measured and Indicated Resource estimates. This can then be used as the basis for generating an industry acceptable valuation for the Kalkaroo project, leading to the publication of an NPV for the Kalkaroo Copper-Gold Project.

An extensive metallurgical testing program is now largely complete, using a range of drill core samples supplied by Havilah. This work has also validated Havilah's previous metallurgical work, with generally improved metal recoveries. Locked cycle tests for the chalcocite ore generated >83% copper recovery and >72% gold recovery with a concentrate grade of > 29% copper in only one stage of cleaning, indicating no abnormal metallurgical recovery challenges. Gold recoveries in the native copper ore are >72% Au using a combination of gravity and flotation.

Wanbao has remained actively engaged throughout, having provided valuable marketing information and they are currently assisting with obtaining indicative prices for high quality Chinese processing plant components. Senior Wanbao technical personnel will be visiting Australia at the end of the October for a workshop on the PFS with RPM Global and Havilah.

At this stage RPM Global have indicated that the PFS study is on track to be completed by the end of December as planned. Wanbao will have a further two months after delivery of the PFS to make a decision on their possible future participation in the project.

Legal drafting of the Kalkaroo native title mining agreement with the Adnyamathanha and Wilyakali people is now largely complete. Some funds raised from the rights issue will be used by Havilah to meet its attaching financial obligations upon signing this agreement. The regulators have indicated that the Kalkaroo mining lease will be issued as a matter of course once the executed native title mining agreement is lodged and registered.

**Commenting on the above, Havilah Managing Director, Dr Chris Giles said:** "Our association with Wanbao and their consultants has been highly productive and beneficial for Havilah.

"A lot of work has been completed in a short time and we are pleased that our earlier work has been independently validated by highly experienced technical experts.

"We look forward to further productive discussions at the end of October with Wanbao and RPM Global, and for the completion of the PFS on time by the end of December.

"The outlook for copper is positive and significantly higher multiples are now being paid in the market place for quality copper assets in safe jurisdictions such as the recent example of the White Range Copper Project in Queensland, with multiples more than double that typically paid 2 to 3 years ago.

"One of the big positives to come out of the PFS study will be the independently determined Probable Ore Reserve statement that will allow firm valuations to be placed on Kalkaroo for the first time" he said.

#### **About Wanbao Mining Limited ([www.wbmining.cn](http://www.wbmining.cn))**

Wanbao Mining Limited is a Beijing-based specialist international mining company with substantial copper mining operations in Myanmar and copper and cobalt mining and smelting operations in the Democratic Republic of Congo. Currently Wanbao controls resources of more than 9 million tonnes of copper, 400,000 tonnes of cobalt and 800 tonnes of platinum. This year Wanbao is targeting 150,000 tonnes of cathode copper production from its Myanmar operations, where it has successfully developed and applied proprietary bacterial leaching technology.



## **About RPMGlobal (www.rpmglobal.com ASX: RUL)**

RPMGlobal is a global leader in the provision of advisory services to the mining industry. Its global team has over 45 years of experience in the mining industry and is the world's largest publicly listed group of independent technical experts, including 200 specialists in 20 offices across 13 countries. RPMGlobal is well qualified to carry out the PFS work, having completed over 50 metalliferous PFS/FS studies and hundreds of compliant projects under relevant international reporting standards. Many of RPM's team members have direct operational experience enabling them to add value via their practical advice. RPM's Beijing office established in 2005 works for some of China's largest state owned and private enterprises on their outbound investment and ensures effective communications with Chinese partners and equipment suppliers.

## **About the Kalkaroo Project**

Kalkaroo is one of the largest undeveloped copper-gold projects in Australia, containing JORC Measured, Indicated and Inferred resources of 232 million tonnes of copper and gold for over 1.1 million tonnes of copper and 3.3 million ounces of gold (refer ASX announcement 29 March 2017). The project is capable of producing high quality copper-gold concentrates plus copper metal (as native copper) and gold dore. To develop the Kalkaroo project at an optimum mining and throughput rate requires a major capital investment and considerable operational expertise.



*One of Wanbao Mining Limited's copper mines in Myanmar that is expected to produce over 100,000 tonnes of cathode copper next year from an extremely efficient bacterial sulphide leaching operation.*

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

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