

28 June 2019

Update for GFG Alliance Proposed Transaction and EGM

Havilah Resources Limited (**Havilah**) has entered into a Share Subscription Agreement with OneSteel Manufacturing Pty Ltd (**SIMEC**), a member of the GFG Alliance, that provides for a capital injection of up to \$100 million (**Proposed Transaction**) to fund agreed work programs on Havilah's iron ore assets and its copper prospects and Mutooroo deposit in the Mutooroo Copper-Cobalt District ([ASX announcement of 1 May 2019](#)).

As outlined in the announcement of 1 May 2019, Havilah will be seeking the approval of shareholders for the Proposed Transaction and will not proceed with the Proposed Transaction unless that approval is obtained.

Havilah will soon be convening an extraordinary general meeting (**EGM**) for the purpose of obtaining this approval but wishes to provide shareholders with an update in the interim.

The date for the EGM has not yet been determined, as there are two documents and a number of normal required regulatory reviews that need to be completed before the EGM can be convened, namely:

1. An independent expert report (**IER**) expressing the relevant independent expert's opinion as to whether the Proposed Transaction is fair and/or reasonable to the shareholders of the Company who are entitled to vote on the resolution for the approval of the Proposed Transaction. This is a comprehensive document that will consider the value of Havilah's assets and the value of the Proposed Transaction each based on a thorough technical and financial assessment.
2. A notice of meeting (**NOM**) that will include material information on the Proposed Transaction including the recommendations of each director as to how non-associated shareholders should vote on the relevant resolution and the reasons for that recommendation. The NOM will also include a copy of the IER.
3. The NOM (including the IER), once completed, will be provided to ASIC and the ASX for their review prior to it being dispatched to shareholders.

Havilah commissioned an independent expert to prepare the IER and commenced work on the NOM shortly after the announcement of the Proposed Transaction. The independent expert subsequently engaged an independent technical expert in connection with its preparation of the IER.

Havilah understands that the independent expert is nearing finalisation of the IER and expects that the final IER will be provided to Havilah soon.

Once the NOM and IER are finalised, Havilah will be in a position to lodge the NOM with ASIC and ASX for their review; a process that takes approximately two weeks. After these regulatory reviews are completed, the NOM will be printed and dispatched to shareholders. A period of at least 28 days must elapse between dispatch of the NOM and the date of the EGM.

Subject to the timely completion of the IER and the regulatory reviews, it is expected that the NOM will be dispatched to shareholders around middle to late July 2019, with the EGM then scheduled to take place around

middle to late August 2019. Included in this mail out will be a presentation detailing the Proposed Transaction and the IER.

Once the NOM has been dispatched, it is Havilah's intention to conduct shareholder briefings to respond to any queries that shareholders may have. Havilah's management also plans to release a comprehensive 'question and answer' document in relation to the information contained in the NOM and IER.

Havilah reminds shareholders that the Proposed Transaction provides for Havilah to undertake a pro-rata rights issue at a discount to \$0.154 (being the subscription price for the initial placement by the GFG Alliance) following approval of the Proposed Transaction. The record date for the rights issue has not yet been set. Further information regarding the rights issue will be provided closer to the EGM.

Havilah directors and management believe that the Proposed Transaction is a potentially transformational opportunity for Havilah and are optimistic that shareholders will also support the Proposed Transaction once they have had the opportunity to consider the comprehensive information contained in the NOM.

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

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