

25 January 2023

HAVILAH-OZ MINERALS WORK PROGRAM UPDATE

HIGHLIGHTS

- Planned activities under the OZ Minerals Strategic Alliance exploration drilling and Kalkaroo PFS update Study Program (**Study Program**) are being implemented in accordance with the Approved Transaction.
- A 69 day extension to the Study Program (and Kalkaroo Option exercise period) has been agreed due to unavoidable force majeure event delays in commencement of work programs.
- OZ Minerals is continuing with execution of its work programs and associated activities on an undiminished business as usual basis, notwithstanding the BHP Group Limited scheme of arrangement.

Havilah Resources Limited (**Havilah** or the **Company**) (**ASX: HAV**) is pleased to report good progress on the Study Program, exploration drilling under the Curnamona Province Strategic Alliance (**Strategic Alliance**) and TAD (**Think and Act Differently**) incubator initiatives, all funded by OZ Minerals Limited (**ASX: OZL**).

As a result of unavoidable delays caused by unseasonably heavy rains and receipt of requisite land access approvals, Havilah and OZ Minerals have agreed to a 69 day extension to the Study Program under the force majeure provisions. This will have the effect of extending the period for exercise of the Kalkaroo Option by 69 days to 10 May 2024 (if not exercised earlier or further extended).

The following is a summary of key activities currently underway.

1. Strategic Alliance RC Exploration Drilling

The exploration drilling program is initially focusing on 7 separate high priority copper prospect areas within Havilah's 100% owned exploration licence (**EL**) 6659 within 15km of the Kalkaroo copper-gold-cobalt project (**Kalkaroo**) (Figure 1). The objective is to locate additional copper resources close to Kalkaroo that could be additive to the existing Kalkaroo JORC Mineral Resource and so enhance its development prospects.

At the time of writing 37 reverse circulation (**RC**) percussion drillholes had been completed for a total of approximately 6,772 metres on 4 of these copper prospects, namely Johnson Dam, Deep Well, Main Dome NW and Kalkaroo West prospects (Figure 1). 2,332 drill samples have been submitted to an Adelaide assay laboratory. Detailed reporting and geological interpretations will be provided upon receipt of complete laboratory assay results and subsequent evaluation by geologists, including the relevant Competent Person.

The Johnson Dam copper anomalous sulphide gossan (ironstone) was drilled first and intersected an approximately 30 metre thick quartz-carbonate-sulphide zone in several drillholes. It was initially recognised during 1988 by CSR Exploration who reported rock chip samples of gossanous ironstone assaying over 1,000 ppm copper. The gossan outcrops over 1 km of strike and is coincident in part with a linear magnetic feature, which may represent a possible shear zone.

Drilling is presently concentrated on the Kalkaroo West prospect area on the possible western strike extensions of the Kalkaroo fault zone that is an interpreted major control on the Kalkaroo mineralisation (Figure 1).

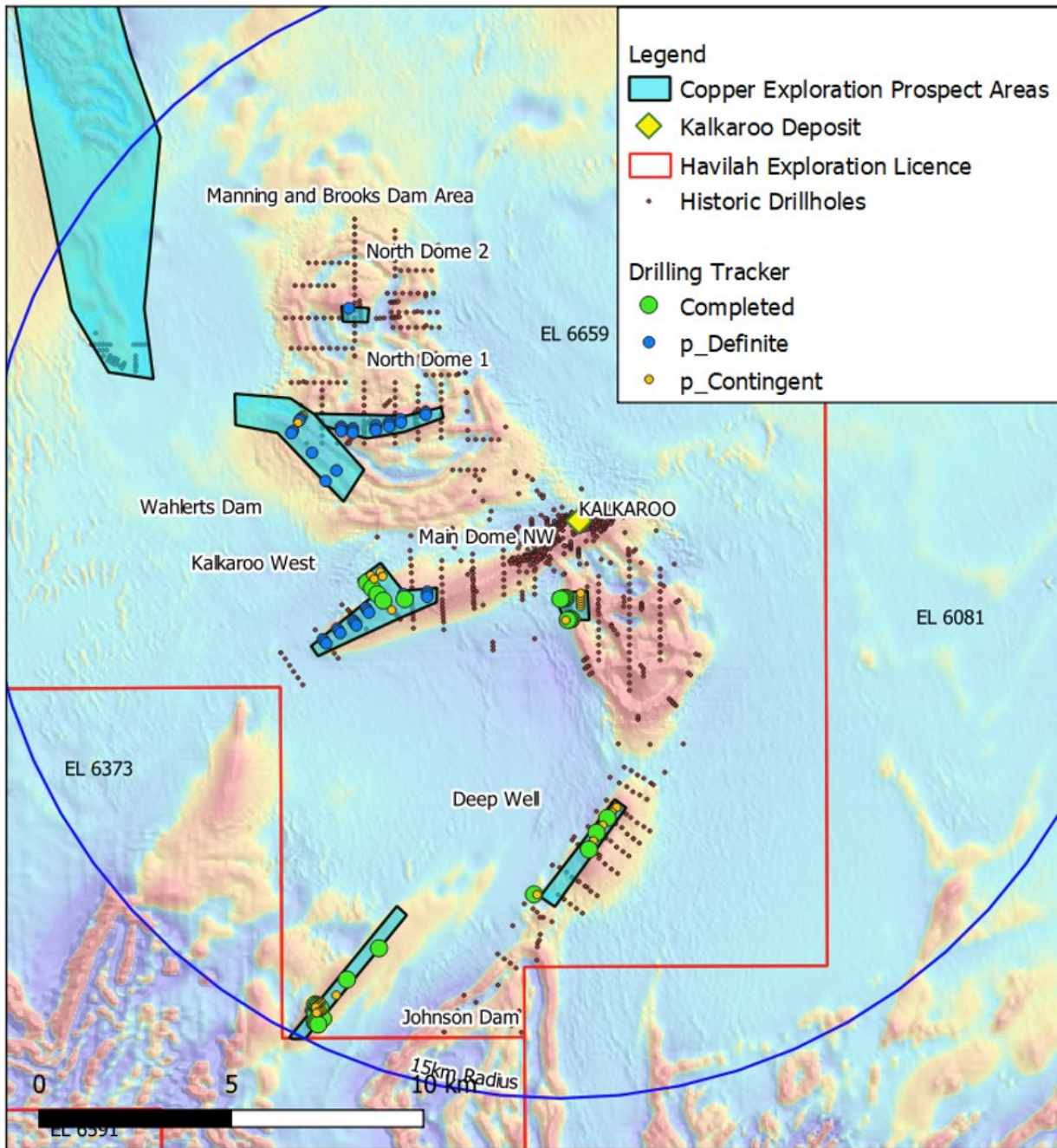


Figure 1 Location of priority copper exploration prospects and RC drillholes completed and planned within 15 km of Kalkaroo.

2. Study Program Diamond Drilling

One diamond drilling rig is currently operating on 2 shifts within mining lease (ML) 6498 during the phase 1 drilling program. Initially 30 diamond drillholes are planned including 7 geotechnical holes and 23 holes that twin existing Havilah RC drillholes (Figure 2). This drilling program has several key objectives:

- Resource verification and checking for any bias in Havilah’s earlier drilling results.
- Obtaining representative metallurgical bulk samples.
- Gathering detailed structural information for geotechnical inputs to inform open pit designs.
- Evaluating data quality of historical Havilah drilling programs.

OZ Minerals has set up its own drillcore logging, cutting and density measurement facilities on site to handle the expected volume of drillcore and has assigned 3 experienced geologists to this task.

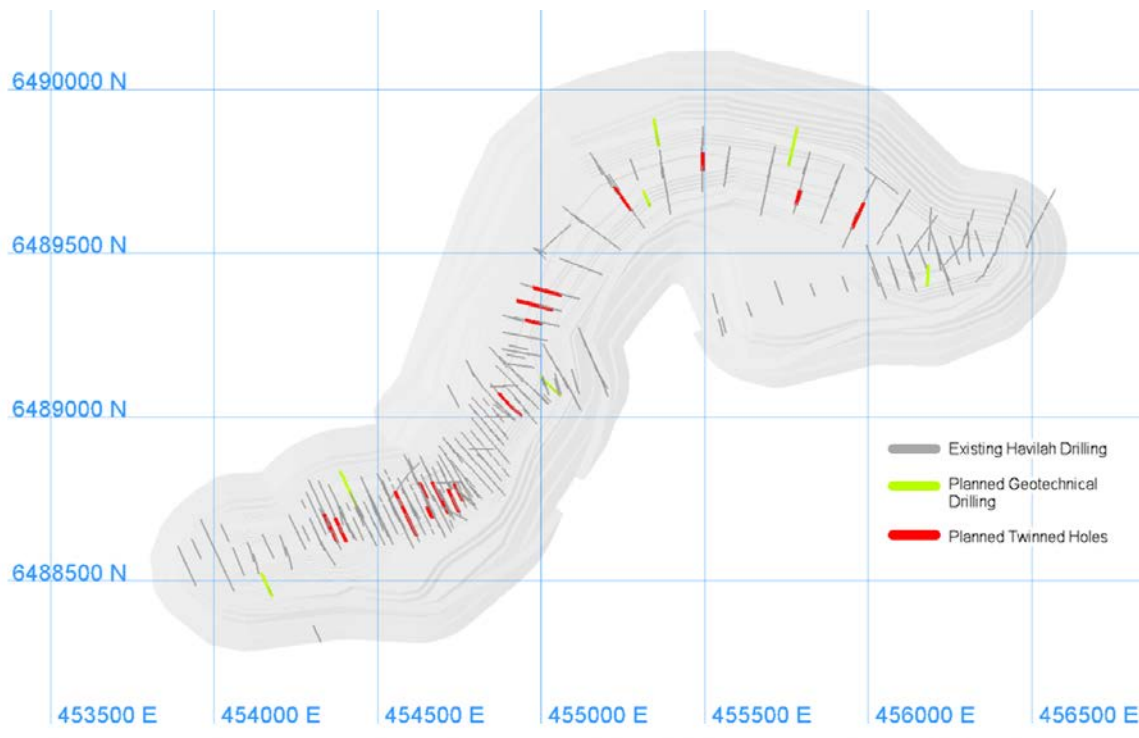


Figure 2 Phase 1 planned diamond drillholes on Kalkaroo resource within ML 6498.

3. Orexplore drillcore scanning

[Orexplore Technologies Limited \(Orexplore\) \(ASX:OXT\)](#) has established a core scanning facility on site using its state-of-the-art GeoCore X10 hardware and its Insight software (Figure 3). The site is presently scanning historical drillcore and producing digital core models that are able to be remotely interpreted by the geology and study teams.

The scanning is able to generate a high resolution 3D digital data set containing structural, mineralogical, textural, density, and other information that can deliver improved orebody knowledge and help to design optimised processing facilities. This process effectively results in a cloud-based virtual core farm that can be viewed digitally at any time.

A primary objective of this work is to evaluate the variability of physical properties, mineralogy and other orebody attributes across the Kalkaroo orebody to complement resource modelling and metallurgical studies.

4. Accommodation camp

A temporary 33 person fully catered camp to accommodate OZ Minerals and other contract personnel working on site is now operational (Figure 4). This will relieve the pressure on Havilah’s exploration camp that has provided the bulk of accommodation of site personnel over the last several months and will offer more comfortable accommodation for a greater number of personnel working on site.

5. TAD (Think and Act Differently) Incubator

According to the stated TAD objectives, this work is designed to create value *“by having the ability to assess and carry many more options, with greater speed and with the inclusion of a much more diverse set of perspectives than might be traditionally done when assessing a project like Kalkaroo.”*

Orexlore drillcore scanning at Kalkaroo is a TAD incubator initiative. The core scanning data will be integrated with a new Kalkaroo base geological model and resource block model being compiled by TAD ecosystem companies using Havilah’s historic database. The immediate objective is to generate optimised mining and processing plans that will form the basis for a fast-tracked economic model that is planned to be delivered by mid-year.

Havilah Management Commentary

Commenting on progress to date, Havilah’s Technical Director, Dr Chris Giles, said:

“In spite of the earlier weather challenges, the various planned activities contemplated in the agreements with OZ Minerals are now in full swing.

“We expect a busy quarter of activities on both the Kalkaroo PFS update and Strategic Alliance regional exploration drilling with plenty of news expected to be reported as results come to hand.”



Figure 3 Orexplore on site scanning facility at Kalkaroo.



Figure 4 OZ Minerals 33 person on site temporary accommodation at Kalkaroo.

Background Information on Agreements with OZ Minerals

A. Option to OZ Minerals to Purchase the Kalkaroo Copper-Gold-Cobalt Project (Kalkaroo)

At the general meeting of shareholders held on 31 August 2022, Havilah shareholders overwhelmingly approved the Proposed Transaction and disposal of interest in Kalkaroo subject to exercise of the Kalkaroo Option in accordance with the Kalkaroo Transaction.

During the Kalkaroo Option period (commencing 31 August 2022), OZ Minerals plans to undertake and sole fund a study and work program on the Kalkaroo Tenements (granted Mining Leases and Miscellaneous Purposes Licences) with the aim of progressing and completing an update to the current Kalkaroo pre-feasibility study (**PFS**). The results of the study and work program will assist OZ Minerals in determining whether to exercise the Kalkaroo Option during the Kalkaroo Option period (now expires on 10 May 2024 if not exercised earlier or further extended). If exercised, OZ Minerals would proceed with the purchase of 100% of Kalkaroo for a consideration payable to Havilah of a cash payment of \$205,000,000 at completion, and contingent consideration up to a maximum of \$200,000,000 subject to the satisfaction of the relevant milestones.

During the Kalkaroo Option period, OZ Minerals will have exclusive possession and use of the Kalkaroo Tenements.

Subject to and with effect from Completion, Havilah grants OZ Minerals an exclusive right to apply for one or more new mining tenements in respect of an area wholly or partly within EL 6659 where this is required to cover a contiguous extension of the existing Kalkaroo JORC Mineral Resource disclosed in the Baseline Study for mining purposes or for any ancillary operations related to or supportive of the Kalkaroo mining operations.

OZ Minerals may elect to not exercise the Kalkaroo Option at any time during the Kalkaroo Option period provided 5,000 metres has been drilled on the Kalkaroo Tenements or a shortfall payment (metres not drilled multiplied by \$400) is paid to Havilah. If the Kalkaroo Option is not exercised, Havilah would retain ownership of the Study Program data and the value of OZ Minerals' investment in Kalkaroo would continue to be available for use by Havilah in advancing Kalkaroo.

B. Curnamona Province Strategic Alliance (Strategic Alliance)

Havilah and OZ Minerals executed the Strategic Alliance agreement for the purposes of conducting activities aimed at the discovery, location and delineation of copper dominant mineralisation on tenements within the Area of Interest (**AOI**) and any work relating to the possible development and exploitation of minerals within the AOI (**Strategic Alliance Activities**). The agreement was executed with OZ Minerals on 25 July 2022 but has an effective date of 31 August 2022.

OZ Minerals has agreed to provide Havilah \$1 million per month (up to a total of \$18,000,000 over 18 months from 31 August 2022) during the Kalkaroo Option period, of which \$0.5 million per month must be spent on Strategic Alliance exploration work. Where Havilah makes a discovery within the AOI of copper dominant mineralisation (as measured by reference to the value of copper in the mineralisation) or other associated mineralisation that OZ Minerals considers it could process in its proposed (or upgraded) Kalkaroo processing plant (**AOI Discovery**), OZ Minerals may notify Havilah that the AOI Discovery is a discovery of interest (**DOI**) and shall provide Havilah with a proposed work program in relation to the DOI, which shall be sole funded by OZ Minerals. OZ Minerals is limited to 3 DOIs at any given time.

If OZ Minerals defines an initial Mineral Resource pursuant to a DOI work program in relation to the particular DOI, then a joint venture will be formed, between OZ Minerals and Havilah, under which the initial joint venture interests of the participants will be: 70% - OZ Minerals; and 30% - Havilah.

OZ Minerals would sole fund all joint venture expenditure until a final investment decision to proceed with a commercial mining operation is made by the joint venture operating committee, and OZ Minerals shall be the initial manager of the joint venture.

Havilah will also grant OZ Minerals a right of first refusal to purchase Havilah's interest in an AOI Discovery in the event that Havilah intends to dispose of its interest in an AOI Discovery, subject to the Kalkaroo Option having been exercised.

Note: for full details of the terms of these agreements, refer to the Notice of Meeting [released to the ASX on 29 July 2022](#) (see Schedule 3, 'Transaction Documents').

This announcement has been authorised on behalf of the Havilah Board by Mr Simon Gray.

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

Contact: Dr Chris Giles, Technical Director, on (08) 7111 3627 or email info@havilah-resources.com.au

Registered Office: 107 Rundle Street, Kent Town, South Australia 5067

Mail: PO Box 3, Fullarton, South Australia 5063

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. Given the ongoing uncertainty relating to the duration and extent of the global COVID-19 pandemic, and the impact it may have on the demand and price for commodities (including copper, cobalt and gold), on our suppliers and workforce, and on global financial markets, the Company continues to face uncertainties that may impact its operating and financing activities.

Competent Person's Statements

The information in this announcement that relates to Exploration Results is based on data and information compiled by geologist Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr Giles is Technical Director of the Company, a full-time employee and is a substantial shareholder. 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.