

28 February 2020

## MOU FOR USE OF PORT AUGUSTA IRON ORE EXPORT TERMINAL

### HIGHLIGHTS

- MOU signed with Port Augusta Operations Pty Ltd (**'PAO'**) for the use of an iron ore port and transshipment facility.
- PAO will hold a 99-year lease over the former Port Playford, near Port Augusta, which it is developing into a modern iron ore export terminal.
- The port facility is well located with respect to Havilah's Braemar iron ore projects and existing rail line, which will minimise logistics capital expenditure.

**Havilah Resources Limited ('Havilah' or 'Company')** is pleased to announce that it has signed a confidential non-binding Memorandum of Understanding (**'MOU'**) with Port Augusta Operations Pty Ltd (**'PAO'**) for future use of port and transshipment services for export of its iron ore.

PAO will hold a 99-year lease over the former Port Playford, near Port Augusta, comprising land and port terminal facilities that includes an existing rail loop, unloading facility, sea wall, roads and storage sheds. PAO is in the process of developing the port land and port terminal facilities into a modern iron ore export terminal that will involve refurbishment, upgrading and certain other transshipment arrangements. Upon completion of the port development PAO will provide port and transshipment services for iron ore, which the present MOU contemplates.

Commenting on the MOU, Havilah's Technical Director, Dr Chris Giles, said:

"Port Augusta Operation's proposed port and transshipment facility is approximately 300km by existing rail link from Havilah's Braemar iron ore deposits, so it potentially provides a favourable logistical solution for us.

"Our Maldorky and Grants iron ore deposits in turn are located in close proximity to the transcontinental rail line, meaning reduced capital expenditure on logistics.

"Given the almost zero overburden, soft nature of the iron ore and its amenability to upgrade to a high yield, high quality 65% iron product, we think the availability of this new port facility will potentially help to make our iron ore deposits internationally competitive.

"We are therefore pleased to have signed this MOU and to encourage development of this well located new dedicated iron ore export port on the eastern side of the Spencer Gulf." he said.

### About Havilah's Iron Ore Projects

Havilah owns 100% of three recent Braemar Formation iron ore discoveries, namely Maldorky (JORC Indicated Mineral Resource of 147 million tonnes @30.1% iron), Grants (JORC Inferred Mineral Resource of 304 million tonnes @ 24% iron) and Grants Basin (Exploration Target\* of 3.5-3.8 billion tonnes @ 24-28% iron). In all cases the iron ore crops out at the surface and initial overburden and waste removal in an open pit is expected to be minimal. The ore is relatively soft, with a low work index and hence a low ore comminution energy requirement. The particulate nature and ease of liberation of the iron ore minerals means that the iron ore can be readily upgraded to a high quality 65% iron product with high yields and high overall iron recoveries.

\* For details of the Exploration Target refer to [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.

## 2019 JORC Iron Ore Mineral Resources

| Project                   | Classification        | Tonnes (Mt) | Iron (%) | Fe concentrate (Mt) | Estimated yield |
|---------------------------|-----------------------|-------------|----------|---------------------|-----------------|
| Maldorky <sup>5</sup>     | Indicated             | 147         | 30.1     | 59                  | 40%             |
| Grants <sup>6</sup>       | Inferred              | 304         | 24       | 100                 | 33%             |
| <b>Total all projects</b> | <b>All categories</b> | <b>451</b>  |          | <b>159</b>          |                 |

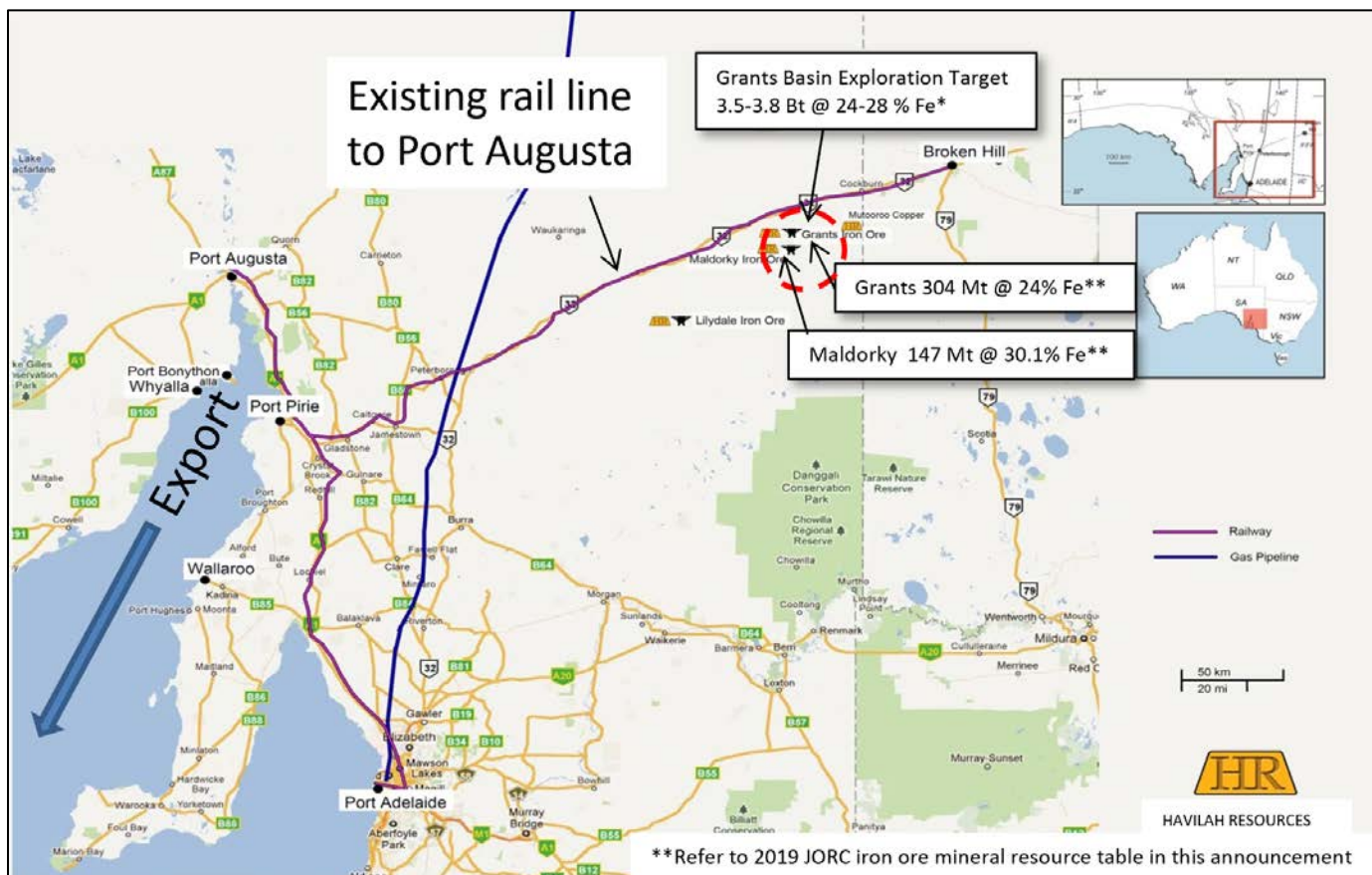
### Footnotes to 2019 JORC Iron Ore Mineral Resource Table

Numbers in tables are rounded.

<sup>5</sup> [Details released to ASX: 10 June 2011](#) applying an 18% Fe cut-off (Maldorky)

<sup>6</sup> [Details released to ASX: 5 December 2012](#) applying an 18% Fe cut-off (Grants)

Map showing location of Havilah's Braemar iron ore projects in relation to Port Augusta and existing rail line in South Australia.



**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 Person's Statement**

The information in this announcement that relates to Exploration Targets, Exploration Results and Mineral Resources 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, is 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.

This release has been authorised on behalf of the Havilah Resources Limited Board by Mr Simon Gray.

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

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