

21 October 2024

HAVILAH DEALS URANIUM ASSETS FOR EQUITY INTEREST IN HRE

HIGHLIGHTS

- Binding agreements signed with Heavy Rare Earths Limited (**HRE**) conferring exploration and mining rights for various high calibre uranium assets on certain of Havilah's exploration licences (**Uranium**).
- Effectively monetises a portion of Havilah's remaining uranium assets, providing Havilah with potentially significant uranium market exposure and uranium project development upside.

Havilah Resources Limited (**Havilah** or the **Company**) (**ASX: HAV**) is pleased to report that it has entered into binding agreements with Heavy Rare Earths Limited (**ASX: HRE**) relating to a portion of its extensive uranium exploration assets in the Curnamona Province of northeastern South Australia (Figure 1).

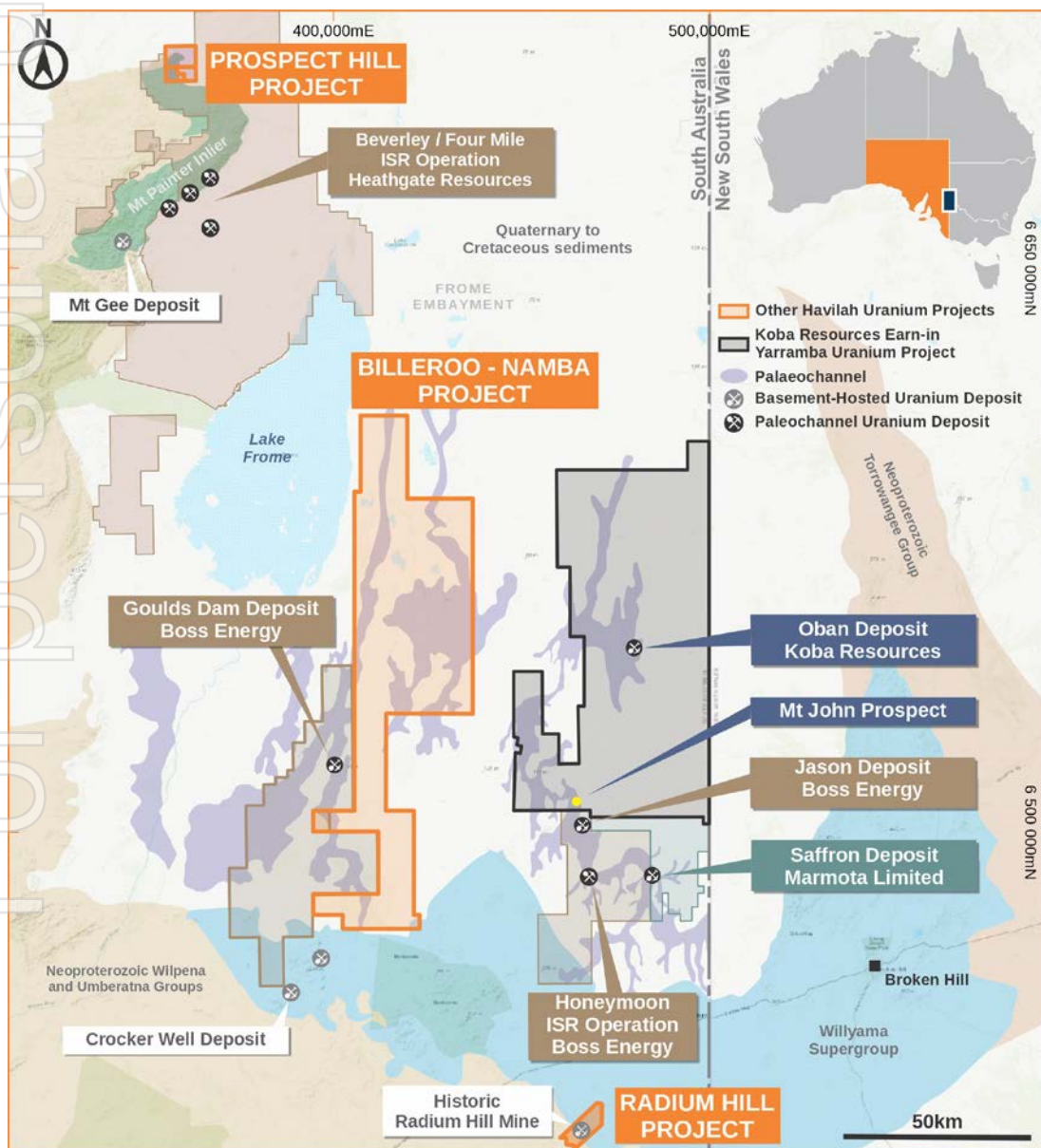


Figure 1 Locations of uranium projects of note in the Curnamona Province in northeastern South Australia. The Havilah uranium areas, the subject of the agreements with HRE, are shown in **orange** and include the Prospect Hill, Billeroo-Namba and Radium Hill projects. The current Koba Resources Limited Yarramba uranium project earn-in with Havilah is shown in **grey** and includes the Oban and Mt John prospects.

The Uranium assets include:

1. The **Radium Hill project** – strike extensions of the historic Radium Hill uranium mine (but not including it)¹ with significant discovery potential for uranium. HRE's exploration and mining rights also extend to rare earth elements and scandium on the Radium Hill project.
2. An unexplored 15 km section of the **Billeroo palaeochannel project** immediately downstream from Boss Energy Ltd's Goulds Dam deposit.
3. A lightly explored 35 km section of the **Lake Namba palaeochannel project**, with numerous wide-spaced historic uranium drill intersections.
4. **Prospect Hill project** area representing an untested possible geological analogue to the prolific Beverley-Four Mile uranium mining camp.

Key terms of the transaction involve:

1. Issue of 38 million fully paid ordinary shares in HRE to Havilah, half of which are subject to a 6 month voluntary escrow and the other half to a 12 month voluntary escrow (Consideration Shares).
2. Grant of 17.5 million unlisted options over HRE ordinary shares, each exercisable at 6 cents within a period of 3 years from the date of issue (Consideration Options).
3. An expenditure commitment of \$3 million over 3 years, with a minimum commitment of \$1 million within the first year.
4. Subject to the above, an ability for HRE to earn an 80% interest in the Uranium exploration and mining rights within certain Havilah exploration licences and an 80% joint venture interest in any discovery tenements that it applies for over a Uranium discovery.
5. HRE will free carry Havilah's 20% joint venture interest in a Uranium discovery until completion of a bankable feasibility study, following which Havilah may elect to contribute or dilute to a 1.5% NSR (net smelter return) royalty on Uranium produced.
6. Completion of the transaction and consequent issue of the ordinary shares and grant of the options to Havilah and commencement of the joint venture earn-in is subject to the following conditions precedent:
 - A. HRE completing due diligence, to its sole satisfaction;
 - B. HRE obtaining shareholder approval for the issue of the Consideration Shares and Consideration Options; and
 - C. The parties obtaining all other shareholder, regulatory and third-party approvals, consents or waivers which are required to complete their respective obligations under the agreements (together the Conditions Precedent).

These terms have been effected by execution of a binding Term Sheet that sets out the commercial arrangements and a binding Tenement Access and Mineral Rights Agreement that governs the access rights of HRE to Havilah's relevant exploration licences.

After this transaction with HRE and the earlier transaction with Koba Resources Limited ([refer to ASX announcement 22 January 2024](#)), Havilah still retains 100% ownership of several promising hard rock prospects including the Johnson Dam prospect ([refer to ASX announcement 17 May 2023](#)), the Homestead prospect ([refer to ASX announcement 29 August 2023](#)), the Birksgate prospect ([refer to ASX announcement 15 January 2024](#)) and the Coolibah palaeochannel.

¹ There is a Department for Energy and Mining exclusion zone covering the old Radium Hill workings and tailings dam within exploration licence 6041 (Cutana), which is excluded from the relevant exploration licences and the transaction between Havilah and HRE (see 'Historic Radium Hill Mine' on Figure 1).

Commenting on the binding Uranium agreements with HRE, Havilah's Technical Director, Dr Chris Giles said:

"Havilah partnered with HRE because of the extensive exploration expertise of its principals, its tight capital structure, supportive existing shareholder base and available cash resources after the proposed HRE capital raising.

"We are confident that HRE will carry out serious and competent exploration for uranium in this well recognised highly prospective geological terrain in northeastern South Australia.

"The agreements with HRE are a way for Havilah to monetise a portion of its remaining uranium assets, for which it is currently receiving neither inherent market recognition nor any value.

"The substantial shareholding in HRE provides Havilah with significant market exposure, while the free-carried project interest gives Havilah uranium project upside in the event of a successful Uranium development.

"Havilah retains 100% ownership of its exploration licences and all other mineral rights (excluding rare earth elements and scandium on Radium Hill extensions), which HRE's substantial exploration expenditure and field work programs will help maintain in good standing."

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

For further information visit <https://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 Person's Statements

The information in this announcement that relates to Mineral Resources and 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. Except where explicitly stated, this announcement contains references to prior Mineral Resources, Exploration Targets and Exploration Results, all of which have been cross-referenced to previous ASX announcements made by Havilah. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX announcements.