



NEWS RELEASE

Havilah Announces Closing of Non-Brokered Private Placement

9/19/2018

TORONTO, Sept. 19, 2018 /CNW/ - Havilah Mining Corporation ("Havilah" or the "Company" - TSXV: HMC) is pleased to announce that it has closed its previously announced non-brokered private placement offering for aggregate proceeds of \$960,300 (the "Offering"). The Company's senior management and members of the board of directors (the "Board") purchased approximately 80% of the Offering and the balance was purchased by existing partners who have a working relationship with the Company.

The Offering consists of: (i) 655,000 units ("Units") of the Company, with each Unit comprised of one common share of the Company ("Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"), at a price of \$0.36 per Unit, and (ii) 1,725,000 units ("FT Units") of the Company, with each FT Unit comprised of one Common Share issued on a flow-through basis (within the meaning of the Income Tax Act (Canada), as amended), and one-half of one Warrant, at a price of \$0.42 per FT Unit. Each Warrant will entitle the holder thereof to purchase one additional Common Share at a price of \$0.50 per Common Share for a period of 36 months following the closing of the Offering. The price was determined with reference to the volume weighted average ("VWAP") of the Company's shares on the TSX Venture Exchange ("TSXV") for the five trading days ending August 3, 2018 where 7,377,138 shares, over 25% of the shares outstanding, traded with a VWAP of \$0.36.

The proceeds of the Offering will be used to fund exploration activities at the Company's Canadian mineral projects in Manitoba.

Certain insiders of the Company (within the meaning of the rules and policies of the TSXV) have purchased Units and/or FT Units under the Offering. The Offering therefore constitutes a "related-party transaction" to the extent of such insiders' participation within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 – Protection of

Minority Security Holders in Special Transactions ("MI 61-101"). The Company intends to rely on exemptions from the formal valuation and minority security holder approval requirements of the related-party rules set out in sections 5.5(a) and 5.7(a) of MI 61-101 as the fair market value of the subject matter of the Offering does not exceed 25% of the market capitalization of the Company. The Company did not file a material change report more than 21 days before the closing of the Offering as the details of the Offering and the participation therein by each "related party" of the Company were not settled until shortly prior to the closing of the Offering, and the Company wished to close the Offering on an expedited basis for sound business reasons.

The Common Shares and Warrants that comprise the Units and FT Units (as well as any Common Shares issued upon exercise of the Warrants) will be subject to hold period of four months from and after the closing of the Offering expiring January 20, 2019 under applicable securities legislation and the rules and policies of the TSXV. The Offering remains subject to final acceptance by the TSXV. **The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.**

ON BEHALF OF THE BOARD OF DIRECTORS

Blair Schultz

Chairman and Interim President and Chief Executive Officer

Cautionary Statement Regarding Forward Looking Information:

This press release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. This press release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

All forward-looking statements reflect the Company's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-

looking statements. All of the Company's forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions listed below. Although the Company believes that these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. All statements that address expectations or projections about the future, including but not limited to, statements about the proposed Offering and use of proceeds therefrom, reliance on exemptions from requirements of MI 61-101 and Policy 5.9 of the TSXV from the minority shareholder approval and valuation requirements for each related party transaction and contemplated approvals of the TSXV, are forward-looking statements. Although Havilah has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise, except in accordance with applicable securities laws.

Neither the TSXV nor its Regulatory Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

SOURCE Havilah Mining Corporation