



NEWS RELEASE

Havilah Mining Corporation Announces Asset Purchase Agreement with 55 North Mining Inc.

8/7/2018

TORONTO, Aug. 7, 2018 /CNW/ - Havilah Mining Corporation (TSXV: HMC) ("Havilah" or the "Company") is pleased to announce that it has, through a wholly-owned subsidiary, Havilah Mining Canada Ltd. ("Havilah Canada"), entered into an asset purchase agreement (the "**Agreement**") with 55 North Mining Inc. (formerly SGX Resources Inc.) ("**55 North**") to acquire all of 55 North's 50% interest in the Tully mining claims and mining lease located in Timmins, Ontario (the "**Tully Property**") an exploration property in Ontario (the "**Acquisition**"). Havilah Canada is currently the holder of the other 50% interest in the Tully Property. Upon completion of the Acquisition, Havilah Canada will be the 100% direct owner of the Tully Property.

Under the terms of the Agreement, Havilah Canada will acquire 55 North's legal and beneficial right, title and interest in and to all of 55 North's 50% in the Tully Property in exchange for consideration which includes payment of \$200,000 in cash for the settlement of outstanding litigation between 55 North and a former employee and the waiver of outstanding liabilities owing to the Company by 55 North in the amount of approximately \$970,552.

Additionally, pursuant to the terms of the Agreement, concurrent with the closing of the Acquisition, 55 North is required to complete a non-brokered private placement (the "**Placement**") offering of 3,333,333 post-consolidation common shares of 55 North (the "**55 North Shares**") to Havilah Canada, at a price of \$0.06 per 55 North Share, for aggregate gross proceeds of \$200,000. Havilah Canada currently owns 14,349,085 55 North Shares representing approximately 24.57% of the issued and outstanding 55 North Shares.

Completion of the Acquisition and the Placement is subject to the satisfaction of certain conditions precedent as well as the approval of the TSX Venture Exchange (the "**TSXV**"). The Acquisition is expected to close on September 30, 2018, or such other date as the parties may agree upon.

ABOUT HAVILAH

Havilah Mining Corporation is a junior gold producer that owns the True North mine and mill complex ("True North") currently processing historic tails. In addition to operating True North in Bissett, Manitoba, Havilah owns approximately 43,600 hectares of land surrounding the 40 hectare package that True North is located. Havilah believes their land package is a prime exploration opportunity to create a mining district with a central milling facility. Also, the company owns the Tully project in Timmins, Ontario. The Company will focus on both organic growth opportunities and accretive acquisition opportunities in North America.

ON BEHALF OF THE BOARD OF DIRECTORS

Blair Schultz

Chairman and Interim President and Chief Executive Officer

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.

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 Acquisition and Placement, and contemplated approvals of the TSXV and the Company's plans for the Tully Property, 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.

SOURCE Havilah Mining Corporation