



HAVILAH RESOURCES NL

63 Conyngham Street
Glenside 5065 South Australia
phone 61 8 8338 9292
fax 61 8 8338 9293
email info@havilah-resources.com.au
ABN 39 077 435 520

ASX Release

27 November 2009

APPENDIX 5B – FIRST QUARTER ACTIVITIES AND CASH FLOW REPORT

HIGHLIGHTS

- **Kalkaroo feasibility study being finalised.**
- **52 metres of 1.44% copper and 0.89 g/t gold and other good results in resource drilling at North Portia.**
- **At Lilydale, coincident gravity and magnetic anomalies indicative of substantial buried iron ore.**
- **Curnamona Energy has drilled monitor and well field bores in preparation for field recovery trial at Oban.**
- **Geothermal Resources completes 27 line km seismic survey at Frome Project, confirms depth to granite**

REVIEW OF OPERATIONS

KALKAROO FEASIBILITY STUDY (Havilah 100%, copper-gold-molybdenum)

Havilah Resources NL (Havilah – ASX:HAV) continued to focus on completion of the Kalkaroo feasibility study during the quarter.

Work concentrated on running various production and open pit optimisation scenarios in order to determine which alternatives provide the best return on capital invested. With its higher grade oxidised cap, Kalkaroo potentially offers the opportunity of a relatively low capital start up that initially focuses on free gold and native copper production.

The feasibility study completion date has been further extended, in order to provide sufficient time to determine the economics of the various production options.

NORTH PORTIA (Havilah 100%, copper-gold-molybdenum)

During the quarter a 3,200 metre, 27 hole shallow air core drilling program was completed. The objective of the drilling program was to define a JORC resource for the previously incompletely drilled secondary copper sulphide mineralization at North Portia. Potential copper-gold ore from North Portia could provide supplementary feed to a mining operation at Kalkaroo in order to boost total copper and gold production.

The drilling returned several significant intersections, including :

52 metres of 1.44% copper and 0.89 g/t gold in NPAC 39.

This supports previously reported Havilah (and Pasminco) drilling results, including :

38 metres of 3.01% Cu and 0.66 g/t Au in NPAC003

36 metres of 1.55% Cu and 1.0 g/t Au in NPAC015

Better drilling results from the current program for which assays have been received are as follows :

| Hole No | From | To (m) | Interval | Cu% | Au ppm | Mo ppm |
|----------------|-------------|---------------|-----------------|------------|---------------|---------------|
| NPAC 37 | 93 | 119 | 26 | 0.79 | 0.61 | 196 |
| NPAC 39 | 97 | 149 | 52 | 1.44 | 0.89 | 162 |
| NPAC 43 | 92 | 107 | 15 | 2.00 | 1.27 | 934 |
| NPAC 44 | 84 | 119 | 35 | 0.80 | 0.50 | 536 |
| NPAC 49 | 82 | 89 | 7 | 1.80 | 0.28 | 666 |

The material drilled is typically completely weathered to saprolite clays, and as a consequence is very soft and would not require blasting to mine. The main copper sulphide minerals are chalcocite, bornite and chalcopyrite. The molybdenum levels at North Portia, are often quite significant (see results for drillholes NPAC 43 and NPAC 49 above) and could add appreciable value to the potential ore, depending on metallurgical recovery factors.

Havilah's drilling appears to have closed off the economic mineralization along strike, but not down plunge. Drilling information is now adequate to calculate a resource figure for the secondary copper-gold resource at North Portia, which will be published in due course.

MUTOOROO COPPER-COBALT PROJECT (Havilah 100%, copper-cobalt -sulphuric acid)

An experienced metallurgical consultant has been employed to provide a flow sheet and first pass costs for a sulphuric acid roasting plant to treat Mutooroo ore. Mutooroo continues to present a compelling business proposition given the high combined value of sulphuric acid, copper, cobalt, iron ore and electricity that can be generated from even modest production of the massive sulphide orebody.

Havilah's aims to seek a funding partner to assist with financing completion of the project feasibility study and development of an integrated sulphuric acid-copper-cobalt processing plant. Discussions were progressed with various parties during the quarter.

LILYDALE IRON ORE PROJECT (Havilah 100%, iron ore)

The Lilydale iron ore project lies 50 km southeast of Yunta, which is located on the Transcontinental Railway, some 200km east of Port Pirie. Aeromagnetic anomalies associated with

magnetic ironstone indicate at least 20 km of strike of the Braemar Iron Formation lie within Havilah's 100% owned EL 3519.

A surface sample that contained 55% Fe based on readings from a portable Niton XRF analyzer was submitted for complete laboratory analysis. The results shows a comparatively high iron content of 58.6% and relatively low levels of the main unwanted elements such as Al, P, Ti and V, as summarized in the following table :

| ID | Fe | SiO2 | Al2O3 | CaO | K2O | MgO | Mn | Na2O | P | TiO2 | V | LOI |
|-------------|-------------|-----------|-------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|------------|
| | % | % | % | % | % | % | % | % | % | % | % | % |
| ORT1 | 58.6 | 10 | 2.32 | 0.26 | 0.028 | 0.16 | 0.016 | 0.04 | 0.078 | 0.16 | 0.009 | 2.7 |

To assist in locating the highest concentrations of iron, Havilah completed a detailed gravity survey along a portion of the Braemar Iron Formation within EL 3519 where it is interpreted to be thickest and best developed, based on the highest magnetic intensity. Gravity readings were carried out at 50m spacing along traverses 200m apart, covering approximately 2 km of strike of the western limb of the iron formation. Strong positive gravity anomalies closely match the areas of intense magnetism, indicating higher density material and hence higher iron contents in the underlying iron formation (marked by the orange, red and white colours on the attached plan). Notably, the sample containing 58.6% Fe, lies in a comparatively moderate intensity part of the gravity and magnetic anomalies.

Both the gravity and magnetic data confirm that the iron formation is considerably thickened in the area of the gravity survey. This may be the result of thicker accumulation of iron-rich sediments in the original sedimentary basin, and / or subsequent structural repetition caused by folding or faulting. It is possible that heating and fluid input from the underlying granite remobilised and concentrated iron in this area, resulting in the high magnetic intensity.

The gravity anomalies, coincident with the magnetic ridge, represent priority target areas for high grade iron ore. A reverse circulation drilling program is planned to target this and other areas of interpreted higher grade iron indicated by the gravity and magnetic data.

CURNAMONA ENERGY LIMITED (Havilah 45.4% ownership)

Curnamona Energy's main effort has been establishment of monitor boreholes and one pattern of production and injection wells required for the field recovery trial at Oban. This has involved careful drilling, casing and grouting and has been completed with the Company's own equipment and personnel. All of the monitor boreholes have been logged, and some have returned ore-grade intersections outside of the current resource. This is encouraging for the expansion of uranium resources in the immediate vicinity of Oban.

GEO THERMAL RESOURCES LIMITED (Havilah 58% ownership)

Geothermal Resources Limited completed a 27 km long seismic survey line at the Frome project during the quarter. The objective was to accurately map the top of the granite body along an approximately east-west profile in the vicinity of the proposed 3.25km deep injection and production wells, Frome 15 and 16.

At the Penola-Robe project (formerly Crower project) work continued on interpreting the extensive historic seismic data for the region, via "in house" developed software that enhances the image and aids interpretation.

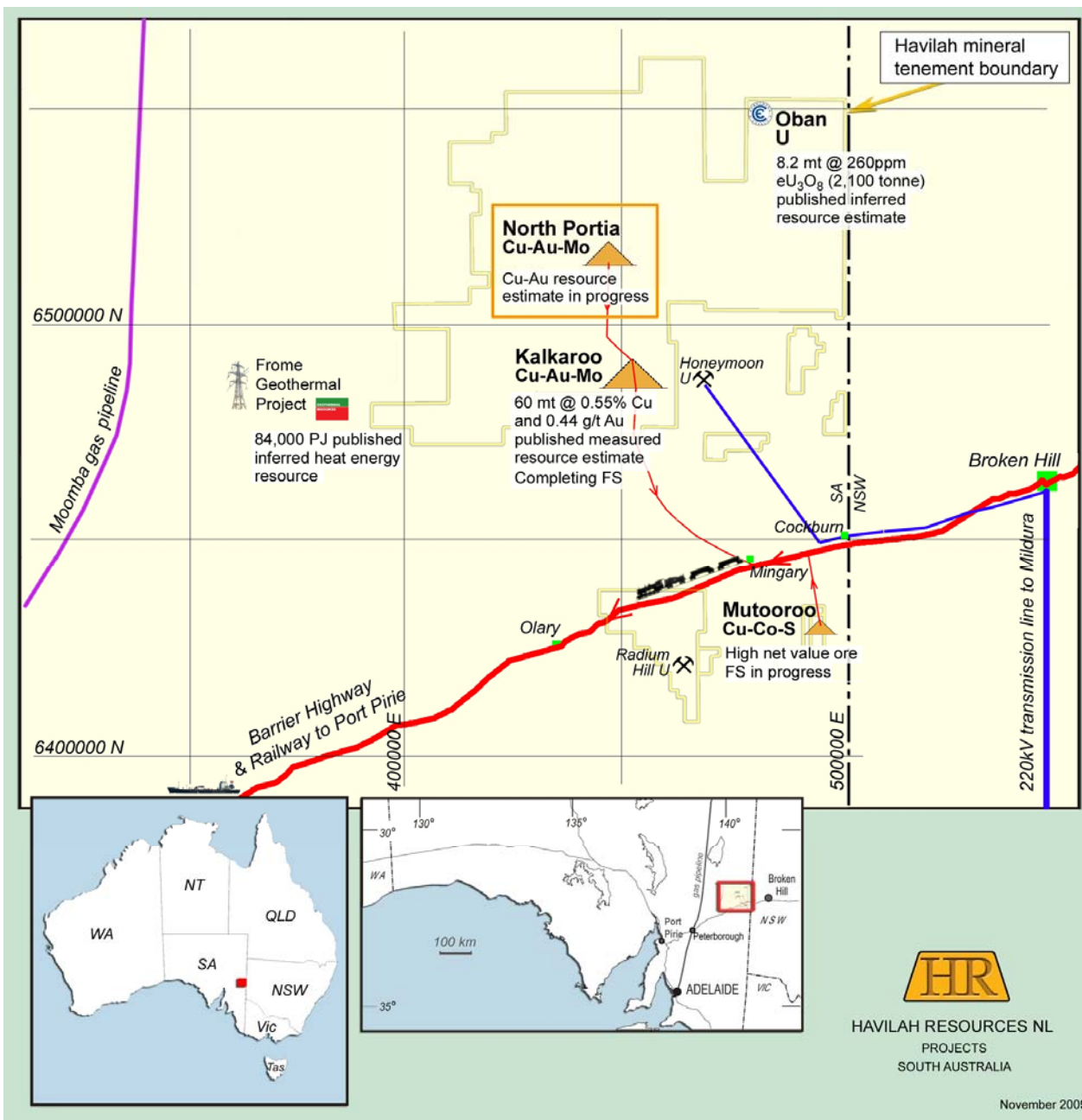
FINANCE

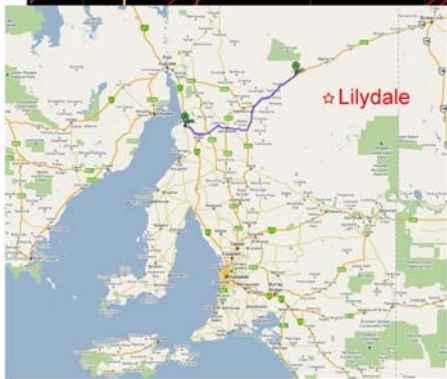
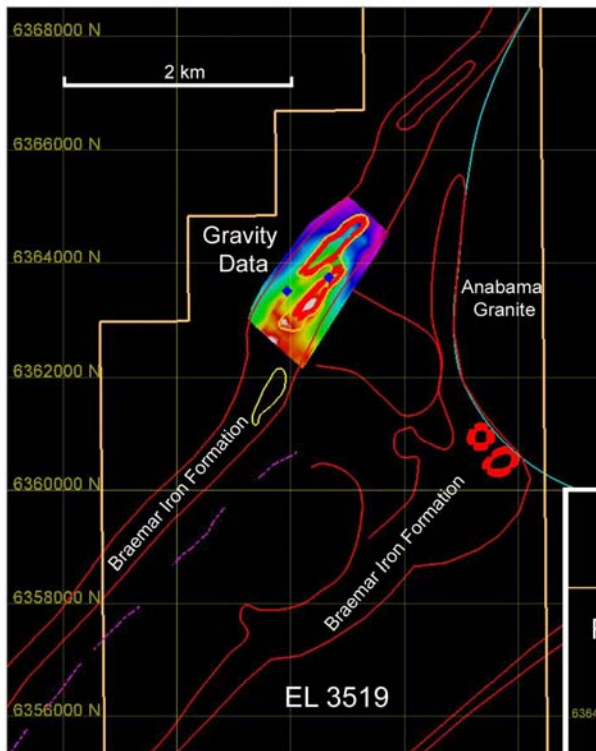
As at 31 October 2009 the Company had available funds of approximately \$8.7 million. Expenditure during the quarter was spread over a number of projects, including the Kalkaroo feasibility study that is being funded by Glencore International.

Dr K R Johnson
CHAIRMAN

The information in this report has been prepared by Dr Bob Johnson who is a member of the Australasian Institute of Mining and Metallurgy and Dr Chris Giles who is a member of The Australian Institute of Geoscientists. Drs Johnson and Giles are employed by the Company on consulting contracts. They have sufficient experience which is relevant to the styles of mineralization and types of deposit under consideration to qualify as Competent Persons as defined in the JORC Code 2004. Drs Johnson and Giles consent to the release of the information compiled in this report in the form and context in which it appears.

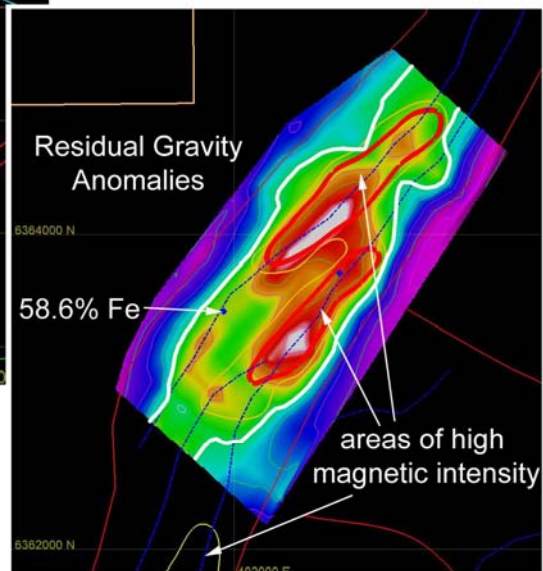
Enquiries should be directed to Dr Bob Johnson, Chairman, on (08) 83389292





Havilah Resources NL

Lilydale Iron Ore Project
Gravity data highlighting iron formations



November 2009

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

HAVILAH RESOURCES NL

ABN

077 435 520

Quarter ended ("current quarter")

31/10/09

Consolidated statement of cash flows

| Cash flows related to operating activities | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|--|----------------------------|--|
| 1.1 | Receipts from product sales and related debtors | | |
| 1.2 | Payments for (a)exploration and evaluation | -672 | -672 |
| | (b) development | | |
| | (c) production | -72 | -72 |
| | (d) administration | | |
| | Dividends received | | |
| 1.4 | Interest and other items of a similar nature received | 67 | 67 |
| 1.5 | Interest and other costs of finance paid | | |
| 1.6 | Income taxes paid | | |
| 1.7 | Other (provide details if material) | | |
| | | -677 | - 677 |
| Net Operating Cash Flows | | | |
| Cash flows related to investing activities | | | |
| 1.8 | Payment for purchases of: | | |
| | (a)prospects | | |
| | (b)equity investments | | |
| | (c) other fixed assets | -10 | - 10 |
| 1.9 | Proceeds from sale of:(a)prospects | | |
| | (b)equity investments | | |
| | (c)other fixed assets | | |
| 1.10 | Loans to other entities | | |
| 1.11 | Loans repaid by other entities (PACE) | | |
| 1.12 | Other (cash from Kalkaroo JV partner) | | |
| | | -10 | -10 |
| Net investing cash flows | | | |
| 1.13 | Total operating and investing cash flows (brought forward) | -687 | -687 |

| | | | |
|---|---|------|------|
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | | |
| 1.15 | Proceeds from sale of forfeited shares | | |
| 1.16 | Proceeds from borrowings | | |
| 1.17 | Repayment of borrowings | -41 | -41 |
| 1.18 | Dividends paid | | |
| 1.19 | Other (provide details if material) | | |
| Net financing cash flows | | -41 | -41 |
| Net increase (decrease) in cash held | | -728 | -728 |
| 1.20 | Cash at beginning of quarter/year to date | 9473 | 9473 |
| 1.21 | Exchange rate adjustments to item 1.20 | | |
| 1.22 | Cash at end of quarter | 8745 | 8745 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | |
|------|--|----------------------------|
| | | Current quarter \$A'000 |
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 213 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | |

1.25 Explanation necessary for an understanding of the transactions

Much of this amount comprises payment for contract drilling to Talager Drilling Pty Ltd, a company associated with Dr Bob Johnson. Drilling charges are at standard commercial rates as determined by public quotes for comparable equipment, and approved by non-associated directors. Some is also payment to Maptek, a company associated with Dr Bob Johnson for geological resource modelling work at standard charge out rates. Other payments are to companies associated with the directors for management and consulting services in accordance with service agreements previously entered into, and for reimbursement of expenses incurred by directors on behalf of the Company.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

| |
|--|
| |
|--|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

| |
|--|
| |
|--|

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | | |
| 3.2 Credit standby arrangements | | |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|---------|
| 4.1 Exploration and evaluation | 400 |
| 4.2 Development | |
| Total | 400 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 249 | 343 |
| 5.2 Deposits at call | 8496 | 9130 |
| 5.3 Bank overdraft | | |
| 5.4 Other (provide details) | | |
| Total: cash at end of quarter (item 1.22) | 8475 | 9473 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|-----------------------|----------------------------------|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | | | | |
| 6.2 Interests in mining tenements acquired or increased | ML 6346 | 100% ownership | | 100% |

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|-----|---|-----------------|------------------|---|--|
| 7.1 | Preference | | | | |
| | +securities | | | | |
| | <i>(description)</i> | | | | |
| 7.2 | Changes during quarter | | | | |
| | (a) Increases through issues | | | | |
| | (b) Decreases through returns of capital, buy- backs, redemptions | | | | |
| 7.3 | +Ordinary | 81,978,521 | 81,978,521 | | |
| | securities | | | | |
| 7.4 | Changes during quarter | | | | |
| | (a) Increases through issues | | | | |
| | (b) Decreases through returns of capital, buy-backs | | | | |
| 7.5 | +Convertible | | | | |
| | debt securities | | | | |
| | <i>(description)</i> | | | | |
| 7.6 | Changes during quarter | | | | |
| | (a) Increases through issues | | | | |
| | (b) Decreases through securities matured, converted | | | | |
| | | | | | |

| | | | | | |
|------|---|--|--|--|---|
| 7.7 | Options (description and conversion factor) | 3,587,768 3,520,000 100,000 200,000 90,000 75,000 100,000 150,000 300,000 1,800,000 1,000,000 500,000 200,000 50,000 400,000 | Listed Directors Employee Employee Employee Employee Employee Employee Employee Directors Unlisted Unlisted Employee Employee Employee | Exercise price 160 cents 118 cents 106 cents 96 cents 75 cents 178 cents 212 cents 231 cents 218 cents 199 cents 180 cents 225 cents 150 cents 132 cents 45 cents | Expiry date 30/04/10 14/08/10 29/08/10 17/02/11 19/10/11 12/02/12 13/04/12 08/06/12 17/12/12 10/01/13 06/03/13 06/03/13 04/04/13 28/08/13 23/03/14 |
| -7.8 | Issued during quarter | | | | |
| 7.9 | Exercised during quarter | | | Exercise price | Expiry date |
| 7.10 | Expired during quarter | | | | |
| 7.11 | Debentures (totals only) | | | | |
| 7.12 | Unsecured notes (totals only) | | | | |

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does ~~does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date: 27 November 2009

Print name: Dr KR Johnson..... Director / Chairman.....

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.