



HAVILAH RESOURCES NL

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ASX Release

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APPENDIX 5B – FIRST QUARTER ACTIVITIES AND CASH FLOW REPORT

FIRST RETURNS FOR SHAREHOLDERS, A NEW TIN PROJECT AND ACQUISITION OF MINING EXPERTISE

HIGHLIGHTS

- **A proposal for Havilah shareholders to receive an in specie distribution of Curnamona Energy shares worth 30-40 cents per Havilah share.**
- **Two experienced mining engineers join Havilah's staff to oversee the proposed trial open pit at Portia and manage the resource evaluation work currently underway at Kalkaroo and Mutooroo.**
- **High grade tin intersections from Prospect Hill drilling, including 3 metres of 4.85% tin**
- **Favourable metallurgy and continuing good copper and cobalt intersections in Mutooroo project feasibility study.**
- **Good progress on Kalkaroo feasibility study, with 9 diamond drillholes completed to obtain large diameter core for metallurgical testing.**
- **Negotiations advancing with Native Title Claimants and Mining and Rehabilitation Plan prepared in support of grant of Mining Lease for Portia trial open pit.**
- **Drilling continues to expand the limits of Curnamona Energy's Oban uranium deposit (Havilah 47.7%)**
- **Temperature logging of drillholes on Geothermal Resources Frome project (Havilah 63.6%) indicates abnormally high temperature gradients above interpreted buried granite bodies.**

REVIEW OF OPERATIONS

IN SPECIE DISTRIBUTION OF CURNAMONA ENERGY SHARES

Havilah Resources NL's (Havilah - ASX :HAV) previously announced intention for an in specie distribution of Curnamona Energy shares will be put to shareholders as a resolution at the forthcoming Annual General Meeting. If the Australian Taxation office grants demerger taxation relief as it has done in the past in similar situations, the Curnamona Energy shares should be tax free in the hands of Havilah shareholders. Existing Havilah option holders will be given adequate time to exercise their options ahead of the record date for entitlements, should they wish to do so. Depending on the number of Havilah options exercised ahead of the share distribution, Havilah shareholders would receive 1 Curnamona Energy share for each 3.3 to 3.7 Havilah shares held, assuming that Havilah distributes 80% of its present holding (ie 24 million shares). Based on Curnamona's share price over the last two months this would equate to a return of approximately 30 to 40 cents per Havilah share.

PROSPECT HILL TIN PROJECT (Havilah earning 85 %)

A 19 hole, 1195 metre drilling programme was completed at the Prospect Hill tin project on EL 3605 in the northern Flinders Ranges. Strongly anomalous metal values were obtained in all holes, with economic grades of tin mineralization returned in several holes on the South Ridge prospect, at comparatively shallow depths, including :

Hole No	From	To (m)	Interval	Approx true width	Sn % (tin)	A\$/T value*
PRC02	43	52	9	6	0.52	96
PRC03	44	47	3	2.5	4.85	897
PRC04	33	45	12	6.8	0.98	181
PRC05	13	16	3	2.5	1.35	249

**using US\$7.50 /lb Sn and 0.90 exchange rate. The \$A values are for the particular drillhole intervals quoted and are not necessarily representative of the total deposit*

These results confirm high grade tin values from shallow drilling by earlier explorers including :

PHP02:	6m @ 1.85%Sn
PHP05:	3m @ 2.31%Sn
PHP08:	2m @ 1.77%Sn
PHP15:	6m @ 2.33%Sn

from which an inferred resource of 172,000 tonnes of 1.15% tin was previously established to 50 vertical metres depth over a strike length of 280m on the South Ridge prospect (see attached map). The higher grade tin mineralization often occurs within broader lower grade tin halos and may be associated with potentially economic grades of copper, lead, zinc and silver. In PRC05, for example, the main tin mineralized interval from 13-16 metres also contains 1% copper, 2.2% lead, 1.76% zinc, 199 ppm uranium and an outstandingly high 6.5 ounces per tonne silver.

This project, which contains South Australia's largest currently known tin resource, has lain dormant for more than a decade, and interest has been re-kindled by the current high tin prices of approximately A\$18,500 / tonne that reflect a world wide shortage of tin.

The eastern portion of EL 3605 also has considerable potential for the discovery of Tertiary palaeochannel hosted uranium deposits, in a geological setting that is very comparable with the Beverley – 4 Mile area that lies roughly 40 kilometres to the south. The key ingredients of suitable sand and gravel beds flanking basement outcrops that are highly elevated in uranium, are known to occur over a large area, and will be targeted in a subsequent drilling programme.

MUTOOROO COPPER-COBALT PROJECT (Havilah 100%)

Feasibility study drilling during the quarter continued to expand the boundaries of economic mineralization. Significant widths of new footwall lode mineralization (identified as F/W in the table below) have been intersected in many drillholes, including 24 metres of 1.3% Cu and 1280 ppm Co in MTRC 115 and 17 metres of 1.34 % Cu and 1441 ppm Co in MTRC 107.

Three large diameter PQ diamond core holes (MTDD112, 113, 114 in the table below) drilled through the main ore zones, were designed specifically to obtain representative metallurgical samples. The results for the diamond drillholes are comparable with earlier RC drill intersections in the vicinity and indicate the high tenor of the copper-cobalt massive sulphide mineralization. Drillholes MTD112 and 113 were drilled into the “fat zone” discovered last year, while MTD114 sampled a new thick footwall mineralized zone at depth roughly 300 metres to the north (see attached diagram).

Hole No	From	To (m)	Interval	Cu%	Co ppm	A\$/T value*
MTDD112	42.2	55.5	13.3	2.58	2591	391
MTDD113	84.5	111.5	27	2.26	2483	359
MTDD114	143	147.4	4.4	1.59	1195	212
MTDD114 F/W	181.8	192.8	11	1.51	1567	233
MTRC 107	186	192	6	1.14	1385	191
MTRC 107	201	204	3	1.35	1283	199
MTRC 107 F/W	208	225	17	1.34	1441	210
MTRC 109	131	136	5	1.49	1556	230
MTRC 109 F/W	180	188	8	2.27	2064	329
MTRC 115 F/W	188	212	24	1.3	1280	195
MTRC 117	128	137	9	2.32	2186	341
MTRC 117 F/W	156	160	4	1.60	1670	247

**using US\$3.20/lb Cu and US\$30/lb Co and 0.90 exchange rate. The \$A values are for the particular drillhole intervals quoted and are not necessarily representative of the ultimate resource*

The A\$ per tonne values of the drillhole intervals shown in the table are included to give an idea of the potential in situ value of the mineralized intersections in the various drillholes.

Metallurgical studies on the drillcore are currently being undertaken by Optimet metallurgical testing laboratory in Adelaide. Highlights of the metallurgical testing to date are :

1. Relatively high SG of the massive sulphide mineralization – in the range 4.0-4.2
2. Confirmation of relatively high copper and cobalt head grades in composites of the two main ore types (see table below)
3. Very low concentrations of deleterious elements such as arsenic (As) and cadmium (Cd)
4. Flotation results in excellent separation of sulphide ore from gangue material, with over 99% of copper, cobalt and sulphur recovered in the copper plus iron sulphide concentrate.
5. Very high recoveries of copper resulting in a high grade copper concentrate obtained in flotation tests on the bulk sulphide material.

Sample	Cu	Co	Fe	Ag	As	Cd	Au	S
	%	ppm	%	ppm	%	ppm	ppm	%
Primary Pyrrhotite Composite Head	2.32	2730	45.3	6	0.08	7	0.27	32.3
Secondary Pyrite Composite Head	2.40	2800	35.3	5	0.08	5	0.15	35.5

Head grade assays for composite samples of two ore types tested by Optimet laboratory

KALKAROO COPPER GOLD PROJECT (Havilah 100%)

Feasibility study drilling continued during the quarter, with completion of 9 diamond drillholes, with the twin objectives of obtaining metallurgical samples and resource delineation. Glencore International are funding the feasibility study work and in accordance with an agreement, have deposited half of the \$14 million committed for this work into the joint venture account.

A metallurgical test programme is being formulated and will be commenced in the next quarter. Ongoing resource definition drilling will continue in order to upgrade the resource status of the West Kalkaroo copper mineralization and to delimit the depth extensions of the main mineralized zone.

Experienced mining engineer, Richard Buckley has joined Havilah to primarily to assist with the resource evaluation and mine planning aspects of the Kalkaroo feasibility study.

PORTIA GOLD PROJECT (Havilah 100%)

Three further large diameter diamond core holes were completed during the quarter at Portia to test the bedrock mineralized contact zone. Gold assays will be conducted on pulverized core samples by conventional screen fire assay methods and also by sensitive gravity separation methods.

Havilah continues to work on various tasks in support of its application for a mining lease over Portia that will allow it to commence a trial open pit. This includes preparation of a Mining and Rehabilitation Plan ("MARF") as required by PIRSA and finalization of an agreement with the Adnyamathanha native title claimants.

An experienced mining engineer, Jared Murray has been employed to oversee commencement and operation of the Portia trial open pit. Tasks undertaken by Jared in the quarter include finalisation of the MARF, preparation for dewatering tests and site infrastructure planning.

CURNAMONA ENERGY LIMITED (Havilah 47.7% ownership)

Curnamona Energy's drilling efforts have continued to be focused on the Oban project, where it continues to progressively expand the area of sand-hosted uranium mineralization. At the same time Curnamona Energy has been working through the governmental permitting procedure in order to secure all approvals for commencement of a field leach trial at Oban

GEO THERMAL RESOURCES LIMITED (Havilah 63.6% ownership)

Geothermal Resources Limited temperature logging of three Frome Project drillholes recorded relatively high bottom of hole temperatures, including drillhole Frome 3 which had the highest bottom of hole temperature of 45°C at 440 metres. The results indicate geothermal gradients, comparable with temperature gradients found in the Cooper Basin, and support the buried radiogenic granite geological model. It is inferred that suitably high temperatures (over 200°C) are likely to be present at around 4,000 metres and within economic drilling depths.

FINANCE

As at 31 July 2007 the Company had available funds of approximately \$18.5 million. Of this amount, approximately \$6.6 million is joint venturer's funds advanced for the Kalkaroo feasibility

study, while approximately \$2.1 million is joint venturer's funds advanced for the Mutooroo project.

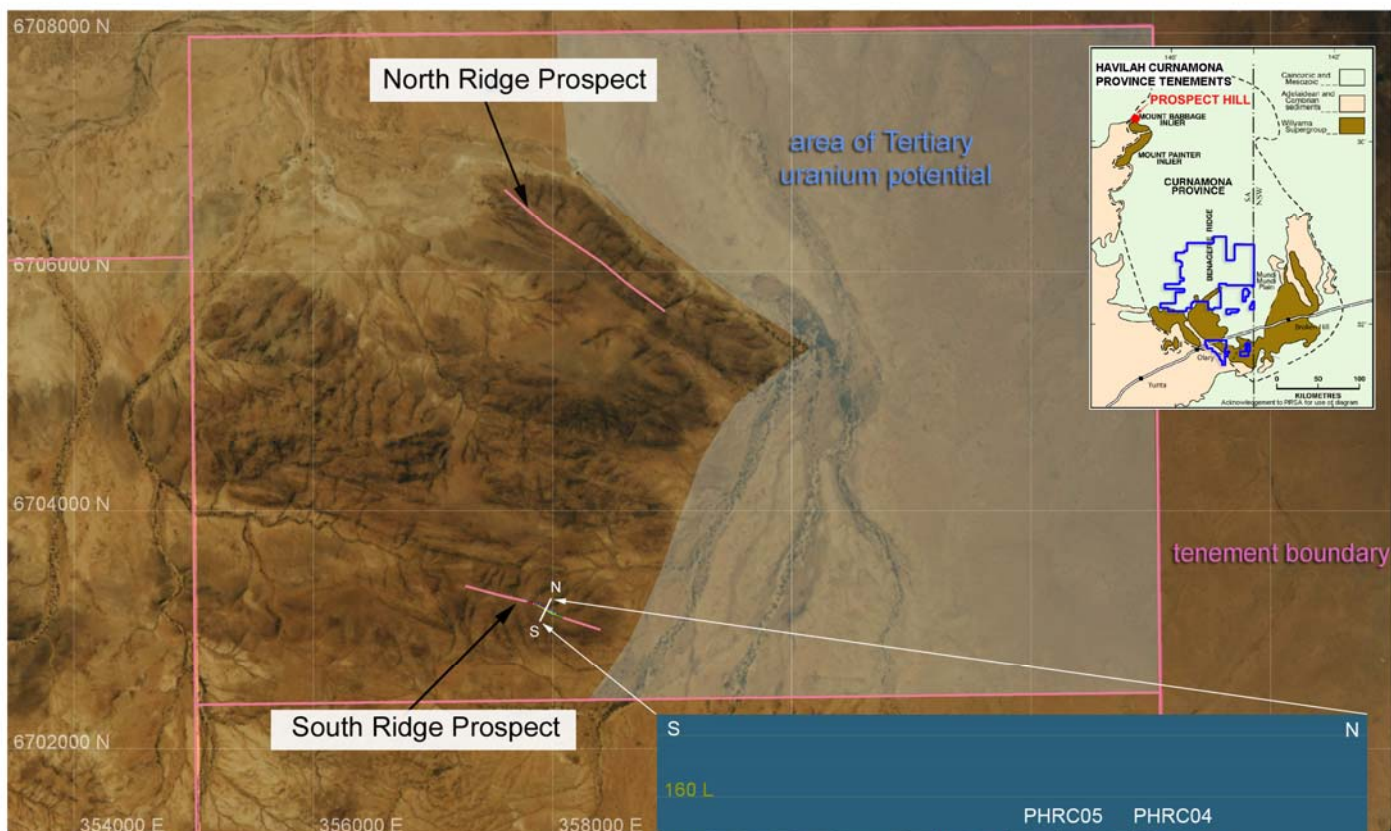
Total exploration expenditure by the company during the quarter was \$1,179,000. Of this amount, approximately \$560,000 of joint venturer's funds were spent on feasibility drilling and preliminary metallurgical work at the Mutooroo project and \$558,000 of joint venturer's funds were spent on feasibility drilling at the Kalkaroo project

It is expected that total exploration expenditure by Havilah on all projects in the next quarter will be comparable with the current quarter.

Dr K R Johnson
CHAIRMAN

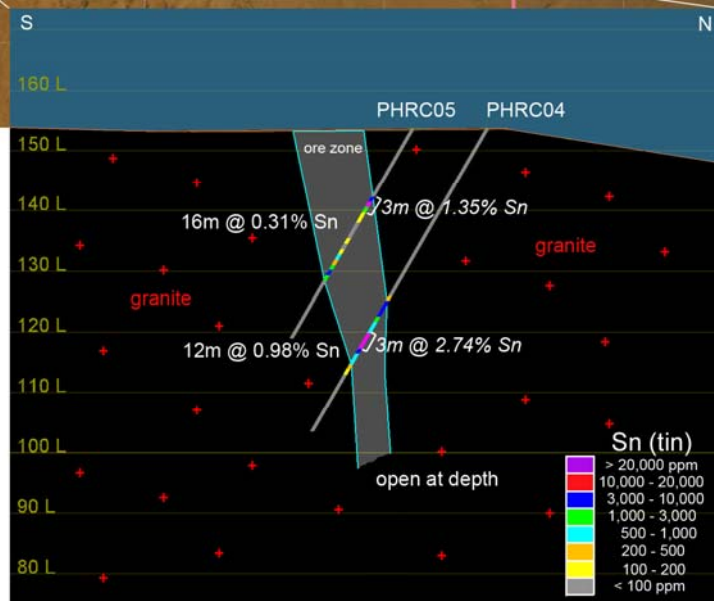
The information in this report has been prepared by Dr Bob Johnson who is a member of the Australasian Institute of Mining and Metallurgy and Dr Chris Giles who is a member of The Australian Institute of Geoscientists. Drs Johnson and Giles are employed by the Company on consulting contracts. They have sufficient experience which is relevant to the style of mineralization and type 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



Prospect Hill EL 3605
Tin and Basemetal Project

November 2007



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")

31/10/07

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	-1061	-1061
	(b) development		
	(c) production		
	(d) administration	-118	-118
	Dividends received		
1.4	Interest and other items of a similar nature received	249	249
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
		-930	- 930
	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	- 61	- 61
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		
1.12	Other (JV partner receipts)	7000	7000
		6939	6939
	Net investing cash flows		
1.13	Total operating and investing cash flows (brought forward)	6009	6009

Cash flows related to financing activities

1.14	Proceeds from issues of shares, options, etc.	15	15
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	-15	-15
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	6009	6009
1.20	Cash at beginning of quarter/year to date	12522	12522
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	18531	18531

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	143
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

The majority of this amount comprises payment for contract drilling to Talager Drilling Pty Ltd, a company associated with one of the directors. Drilling charges are at standard commercial rates as determined by public quotes for comparable equipment, and approved by non-associated directors. 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

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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

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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	800,000
4.2 Development	
Total	800,000

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	2439	285
5.2 Deposits at call	16093	9704
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	18531	9989

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				

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 (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	79,911,783	79,911,783		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	6,050 Ordinary shares were issued as the result of exercise of listed options			
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	140,000 200,000 3,520,000 100,000 200,000 90,000 3,612,981 275,000 100,000 150,000	Employee Employee Directors Employee Employee Employee Listed Employee Employee Employee	Exercise price 25 cents 102 cents 118 cents 106 cents 96 cents 75 cents 160 cents 178 cents 212 cents 231 cents	Expiry date 09/10/08 09/05/09 14/08/10 29/08/10 17/02/11 19/10/11 30/04/10 12/02/12 13/04/12 08/06/12
7.8	Issued during quarter				

7.9	Exercised during quarter			<i>Exercise price</i>	<i>Expiry date</i>
		6,050	Listed	160 cents	30/04/10
7.10	Expired during quarter	50,000	Employee	231 cents	08/06/12
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: 29 November 2007

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

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