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

The Manager
Companies Announcements Office
Australian Stock Exchange Ltd
10th Floor, 20 Bond Street
SYDNEY NSW 2000

22 November 2005

Dear Sir / Madam,

APPENDIX 5B – FIRST QUARTER ACTIVITIES AND CASH FLOW REPORT

HIGHLIGHTS

MORE COPPER AT MUTOOROO AND KALKAROO

- **At Mutooroo prospect** best ever copper-cobalt drill intersections, including **26 metres of 1.55% Cu and 0.18% Co** in drillhole MTRC045 and **31 metres of 1.71% Cu** and **0.18% Co** in drillhole MTRC044. Economic grade mineralisation now confirmed over more than **750 metres of strike** and on track to establish a **shallow open pit mining resource**, which remains open at depth.
- **At Kalkaroo south dome** new copper, gold and molybdenum mineralisation discovered on five drill section lines, up to 6 kilometres south of the Kalkaroo deposit in areas not previously drilled. Includes **63m of 0.41% Cu and 69 metres of 0.67 g/t Au** in drillhole KKRC071 plus several occurrences of native copper and wide low grade copper-gold intersections in other drillholes.
- Memorandum of Understanding signed with a Shanghai-based investment group that is associated with the **largest copper smelter in China for the proposed future development of the Mutooroo copper-cobalt deposit.**
- Successful listing of **Monax Mining Limited** at a substantial premium to subscription price.
- **Curnamona Energy poised to commence drilling** on a highly prospective portion of the Yarramba palaeovalley.

REVIEW OF OPERATIONS

MUTOOROO COPPER MINE (Copper – Cobalt; 100% interest)

Havilah's drilling at this project during the quarter continued to confirm the presence of a well mineralised lode system at shallow depth, with several significant new intersections as follows :

Hole ID	From	To	Metres	Cu%	Co %	Value A$/tonne
MTRC030	63	67	4	2.2	0.28	236
MTRC033	8	28	20	0.7		59
and	55	60	5	1.97	0.25	212

MTRC034	73	79	6	1.25	0.15	130
MTRC043	97	101	4	1.26	0.08	85
and	142	145	3	1.75	0.19	175
MTRC044	78	109	31	1.71	0.18	166
MTRC045	101	127	26	1.55	0.18	157
MTRC046	56	69	13	2.03	0.24	210
and	84	94	10	1.71	0.24	193
MTRC047	87	92	5	1.67	0.19	140
and	126	132	6	0.76	0.22	138

Ore grade intersections have now been returned on **9 separate drill section lines over a strike length of more than 750 m** within Havilah's target 3D modelled ore envelope at Mutooroo. Results for drillholes MTRC 044 and 045, **are comparable or better than the best results achieved in the much deeper Broken Hill South diamond drilling of the lode system** in the 1970's and exceed Havilah's earlier drilling results. The target lode dips roughly 45-50 degrees west and consequently the intersections reported above approximate the true width of the mineralised lode. Mineralisation consists of both disseminated and massive copper and cobalt bearing sulphides within a predominantly amphibolite host rock.

Havilah's drilling has now demonstrated that the Mutooroo lode system contains high value copper-cobalt mineralisation at shallow depths and over significant widths. While the lode has proven to be quite variable in thickness and grade, requiring more drilling to establish a JORC standard resource, directors believe that Havilah is on track to achieve **its stated objective of a 5 million tonne open pit deposit.** There is excellent scope to expand this down dip at depth and also in the footwall where new lode positions have been discovered. Development of the deposit is favoured by the **location, roughly 60 kilometres west of Broken Hill and about 15 kilometres south of the main east-west railway line to Port Pirie.**

During the period Havilah entered into a Memorandum of Understanding with Shanghai Shenxin Investment Co.Ltd, a Shanghai-based investment group that is associated with a large copper smelter in China, for the proposed future development of the Mutooroo copper-cobalt deposit. Under the MOU, the Chinese investors have agreed to spend $5 million on completion of a feasibility study and to reimburse Havilah $2 million of past exploration expenditure to earn a 10% interest in the project. Shanghai Shenxin Investment Co.Ltd may then sole fund all project development costs until commencement of a profitable mining operation to earn a 50% interest in the project and the off-take right to all mine production on a commercial basis to be agreed.
A party of technical experts from the Jiangxi Copper Smelting Company completed their field due diligence in October, and their decision on whether to proceed with a formal agreement is awaited at the time of writing.

KALKAROO (Copper-gold-molybdenum; 100% interest)

Havilah re-commenced drilling at Kalkaroo during the period with two RC drilling rigs. The primary objective of the drilling was to test for repetitions of the Kalkaroo style mineralisation along the interpreted strike extensions of the prospective copper-gold horizon in the Kalkaroo north and south domes. 50% of direct drilling costs for this programme are being met by a SA Government PACE grant, up to a maximum amount of $137,500.

So far the mineralised horizon has been convincingly demonstrated on five drill section lines spaced along the west side of the Kalkaroo south dome over a distance of roughly six kilometres (see diagram). The best result was in drillhole KKRC071, which returned **63 metres of 0.41% copper and 69 metres of 0.67 g/t gold** as reported below :

Hole ID	**From**	**To**	**Metres**	**Cu%**	**Au ppm**	**Mo ppm**
KKRC071	79	124	45	0.36		
and	130	148	18	0.55		
and	85	154	69		0.67	
and	118	142	24			164
KKRC072	76	178	102	0.046		
and	115	178	63		0.31	(diorite from 142 metres)
KKRC063	114	117	3	1.15		(within a 10m native copper zone)

Native copper, which is a good indicator of primary copper mineralisation in the vicinity, was observed in several holes (eg KKRC072 and KKRC063). A strongly altered dioritic intrusion with anomalous copper and gold and elevated arsenic up to 1200 ppm was logged in the lower part of drillhole KKRC072 from 142 metres to the end of the hole. This represents a potentially new porphyry style exploration target and will be followed up in the future.

It is evident that the current round of drilling has **discovered completely new mineralisation and successfully validated Havilah's geological model of the copper-gold horizon wrapping around the Kalkaroo dome**. The high quality aeromagnetic data has greatly aided pin-pointing the target mineralised horizon, with the result that almost all holes have passed through the prospective sequence and hit some mineralisation. During the next quarter drilling will continue to strategically test the 36 kilometres of prospective strike around the Kalkaroo north and south domes under the auspices of the PACE funded proposal. Considerably more drilling will be required in due course to establish the economic significance of the current results, especially in the vicinity of drillhole KKRC071.

MONAX MINING LIMITED (Gawler Craton exploration ; 10% interest)

After an oversubscribed capital raising of $5 million, Monax Mining Limited listed on the ASX on 21 September 2005 at a substantial premium to its subscription price. Monax holds a large ground position in the Gawler Craton, and has identified exploration potential for discovery of a variety of ore types including Olympic Dam style copper-gold-uranium deposits, palaeochannel hosted uranium mineralisation and Archaean greenstone nickel, gold and copper-zinc deposits. Monax's flagship Punt Hill project shares the same geological setting as the adjacent Carrapateena discovery, where a recent drillhole intersected 178 metres of 1.83% copper and 0.64 g/t gold in Olympic Dam style breccia. Monax has identified a series of prospective gravity anomalies on its Punt Hill tenement, which will be followed up with detailed gravity surveying to assist future drill targeting.

Havilah holds a strategic 10% shareholding in Monax, worth approximately $1million at the current market price

CURNAMONA ENERGY LIMITED (Uranium; 50.6% interest)

Curnamona Energy has commissioned its drilling and logging equipment and at the time of writing is poised to commence drilling of its Yarramba palaeovalley prospects, delayed only by recent heavy rains in the area. A drill grid has been laid out over an area of potential uranium entrapment in an interpreted restricted portion of the Yarramba palaeovalley, that was identified by an earlier airborne electromagnetic geophysical survey. It is expected that drilling results will be available for this area prior to Christmas.

FINANCE

As at 31 October 2005 the company had available funds of $3.743 million, of which the majority is held in a term deposit. During the period a royalty payment of $2.0 million cash was made to Placer Dome Australia Limited upon which Placer's clawback rights and option over the Kalkaroo project area, along with its right to receive any further royalty payments, ceased. The depletion in cash reserves was partially replaced by funds received from placement of 1.2 million shares at 107 cents each and exercise of employee options.

Total net exploration expenditure by the company during the quarter was $609,000 of which drilling and related expenses including assaying and field costs, accounted for more than 80%. Some of the costs related to drilling completed at Kalkaroo will be reimbursed in future quarters under a $137,500 PACE grant awarded to Havilah.

With the drilling programme shortened by the Christmas-New Year break, it is expected that total exploration expenditure in the next quarter will be approximately two thirds that of the current quarter, after adjusting for the fact that some proposed drilling costs at Kalkaroo and Eurinilla, which represents Havilah's single largest expenditure item, will be reimbursed under a PACE grant.

Dr K R Johnson
CHAIRMAN

The information in this report has been prepared by Dr Bob Johnson and Dr Chris Giles, who are members of the Australasian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists, respectively, and are adherents to the respective Institute's codes and recommended practices. Both have had a minimum of five years experience in the types of activities being reported.

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

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	Quarter ended ("current quarter")
077 435 520	31/10/05

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	-614	-614
	(b) development		
	(c) production		
	(d) administration	-62	-62
	Dividends received		
1.4	Interest and other items of a similar nature received	65	65
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)	2	2
	Net Operating Cash Flows	-609	-609
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects		
	(b)equity investments	-25	-25
	(c) other fixed assets	- 3	- 3
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 (royalty payment to Placer Dome related to EL2720, Kalkaroo)	-2000	-2000
	Net investing cash flows	-2028	-2028

1.13	Total operating and investing cash flows (brought forward)	-2637	-2637
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1294	1294
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	1294	1294
	Net increase (decrease) in cash held	-1343	-1343
1.20	Cash at beginning of quarter/year to date	5086	5086
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	3743	3743

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	257
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

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	475,000
4.2 Development	
Total	475,000

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	168	436
5.2 Deposits at call	3575	4650
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3743	5086

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	EL 3419			100%
	EL 3405			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** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	72,576,273	72,576,273		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	40,000 1,200,000	40,000 1,200,000	25 cents 107 cents	Employee opt ex Placement
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)*	180,000	Employee	*Exercise price* 25 cents	*Expiry date* 09/12/08
7.8	Issued during quarter	200,000 3,520,000 100,000	Employee Directors Employee	107 cents 118 cents 106 cents	09/05/09 14/08/10 29/08/10
7.9	Exercised during quarter	40,000	Employee	*Exercise price* 25 cents	*Expiry date* 09/12/08

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: .... Date: 22 November 2005
(Director/Company secretary)

Print name: Dr KR Johnson...

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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