



HAVILAH RESOURCES NL

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

19 December 2005

Dear Sir / Madam,

PRIORITY OFFER FOR SHARES IN GEOTHERMAL RESOURCES LIMITED

Havilah Resources announces that the prospectus for the Initial Public Offer ("IPO") of shares in Geothermal Resources Limited (Geothermal Resources) is at an advanced stage of preparation and is expected to be lodged with ASIC and ASX early in the New Year.

Geothermal Resources will be focused on the search for hot rock geothermal energy resources within geothermal exploration licences and licence applications that it holds in the Curnamona Craton and the Otway Basin regions in South Australia.

The IPO is planned to raise \$3.75 million through the offer of 15,000,000 shares at an issue price of 25 cents, with a minimum subscription of \$2,200,000. A provision exists for over-subscriptions to raise an additional \$1,000,000. The offer is not underwritten.

Shareholders in Havilah Resources will have priority to participate in the IPO on the basis of one new Geothermal Resources share for every five Havilah shares held on the record date of 12th January 2006. Priority Offer Shareholders and other investors will have the opportunity to apply for additional Geothermal Resources shares, the availability of which will be dependent on the level of take up of shares by Priority Offer Shareholders. Havilah will retain a majority shareholding at the time of public listing of Geothermal Resources Limited.

Yours faithfully

Dr K R Johnson
CHAIRMAN

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