

Havilah Resources NL aims to become a significant new producer of iron ore, copper, gold, cobalt, molybdenum and tin from its 100% owned JORC mineral resources in northeastern South Australia.

120.3 million ordinary shares

31.6 million listed options

10.4 million unlisted options



PURCHASE OF MINING CAMP AND PROGRESS ON PORTIA MINE PERMITTING

HIGHLIGHTS

- Agreement to purchase mining camp.
 - Portia mining approval tasks nearing completion.
 - Formal tender documents for Portia mining being prepared.
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CAMP ACQUISITION

Havilah is pleased to advise that it has entered into an agreement with Polymetals to acquire the nearby 48 room White Dam mining camp on favourable terms. This is a complete modern camp that includes a kitchen, mess and septic system that has been well maintained and is in excellent condition. Havilah has until the end of the year to remove the camp the comparatively short distance of 80 km to the Portia site via public roads and station tracks.

Acquiring a camp is an important pre-requisite to commencing mining development work at Portia and avoids the potentially long lead time and considerably greater expense of building a new camp. In addition, Havilah can gain cost efficiencies by moving the camp with its own personnel in its own time with the assistance of local contractors.

PERMITTING WORK

The Portia permitting work to satisfy the Environmental Protection Authority (EPA) requirements continues to progress satisfactorily, notwithstanding that two separate episodes of heavy rain have restricted access to site over the past two months. Havilah's project manager and engineering consultants continue to have constructive dialogue with DMITRE in resolving the outstanding EPA issues.

The final outstanding task is to establish to the satisfaction of the government regulators that the de-watering water from the open cut at Portia can be successfully re-injected into the nearby Shylock palaeochannel. If proven viable this will obviate the need for a large evaporation pond and will therefore reduce the footprint of surface disturbance, which is a desirable outcome. It has already been established that there are no water quality (salinity) issues as the injection water is of lower salinity than the palaeochannel water, and none of the water is potable for humans or animals.

Havilah has carried out initial pump test work, but on examination of the data, the groundwater consultants

have advised that in order to obtain results that can be modelled to the level of detail required by the EPA, it will be necessary to carry out at least a 3-7 day pump test.

Because pumping for this length of time from the palaeochannel will produce large volumes of water, it is necessary to construct a sizeable dam as the saline water cannot be pumped out on the ground. Permission from the local landholder has been sought and granted subject to waiting until the country has dried out after the recent heavy rains. Consequently, it is planned to commence dam construction work in the next few weeks with a view to commencing the pump test prior to the end of July.

The new pump test results will be applied by the groundwater consultants to develop a new water re-injection model which in turn will be incorporated into the final Program for Environmental Protection and Rehabilitation (PEPR) document to be re-submitted to DMITRE. Regrettably, these developments will inevitably further push out the time for receipt of mining approvals for Portia from DMITRE and EPA to later in the year. This is an unavoidable part of the approvals process, which requires the proponent to provide extremely detailed technical data on every aspect of the project, with associated expense and time.

In the meantime, formal tenders for the contract mining based on the updated site works requirements and refined mine plan will be sought.

CORPORATE

Mr Peter Reeve role as an executive of Havilah has ceased. Mr Reeve remains a non-executive director of Havilah.

For further information visit the Company website www.havilah-resources.com.au or contact :

Dr Bob Johnson, Chairman, on (08) 83389292 or email : info@havilah-resources.com.au

Competent Persons Statement

The information in this report has been prepared by geologists 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.

*Newly acquired 48 room
White Dam mining camp
including mess, kitchen,
cool rooms, laundry,
recreation room and
enviroflow septic system*

