



HAVILAH RESOURCES NL
ABN 39 077 435 520



QUARTERLY ACTIVITIES REPORT – PERIOD ENDING JULY 2012

Havilah Resources (ASX:HAV)

Havilah Resources NL aims to become a significant new producer of iron ore, copper, gold, cobalt and molybdenum from its 100% owned mineral discoveries:

Kalkaroo: 124.5 Mt 0.50% Cu
0.39g/t Au Meas+Indic resource
plus 18.7 Mt 0.74 g/t Au Meas
resource

Mutooroo: 13.1Mt 1.48%Cu,
0.14%Co Meas+Indic+Inferred res

North Portia: 11.3Mt 0.89%Cu,
0.64g/tAu, 500ppmMo Ind+Inf res

Portia: 720,000t 2.9g/t Au
Inferred resource

Maldorky: 147Mt 30.1% Fe (18%
Fe cutoff) Indicated resource
Excellent potential to expand
known resources in all cases.

MMG Exploration spending \$12m
over 5 years exploring for IOCG
and sedimentary hosted Pb-Zn
deposits on Havilah's tenements

Issued Capital

108.5 million ordinary shares
20.1 million listed options (HAVO)
1.8 million listed options (HAVOA)
10.4 million unlisted options

Contact

Dr Bob Johnson – Chairman
+ 61 (0)8 83389292

HIGHLIGHTS FOR QUARTER

- **Deep diamond drilling confirms Kalkaroo depth extensions**
Five diamond drillholes completed up to 600m down-dip of the Kalkaroo orebody all returned mineralised intersections, indicating that mineralisation extends well beyond the current resource.
- **Kalkaroo sale process negotiations ongoing**
The sale process has attracted a number of major mining groups who have expressed interest in carrying out additional drilling to expand the resource prior to committing to an acquisition.
- **Portia gold mine permitting advances**
The Mining Regulation Branch of the Department for Manufacturing, Innovation, Resources and Energy (DMITRE) has advised that the most recent version of the Program for Environmental Protection and Rehabilitation (PEPR – formerly MARP) has addressed the final outstanding issues and has been referred to the EPA for consideration.
- **Significant new copper-gold discovery confirmed at Wilkins**
Several Havilah drillholes have intersected wide low grade copper-gold intervals in a quartz-magnetite rich skarn host.
- **A likely new iron ore deposit at Grants**
>140m thick, almost flat-lying iron ore intersections from surface in two recent drillholes suggestive of a substantial new iron ore deposit.
- **MMG drilling to commence in September**
MMG's extensive aeromagnetic survey has highlighted many new target areas, and first drilling is planned to commence in September, subject to land access approvals.
- **Successful conclusion of Curnamona Energy bid**
Off-market takeover bid for all shares in Curnamona Energy closed and company subsequently delisted and 100% subsidiary of Havilah.
- **Non-renounceable 1:10 rights issue announced**
Funds raised will allow Havilah to commence preliminary works on the Portia gold mine, following employment of a mining engineer as operations manager for the project.

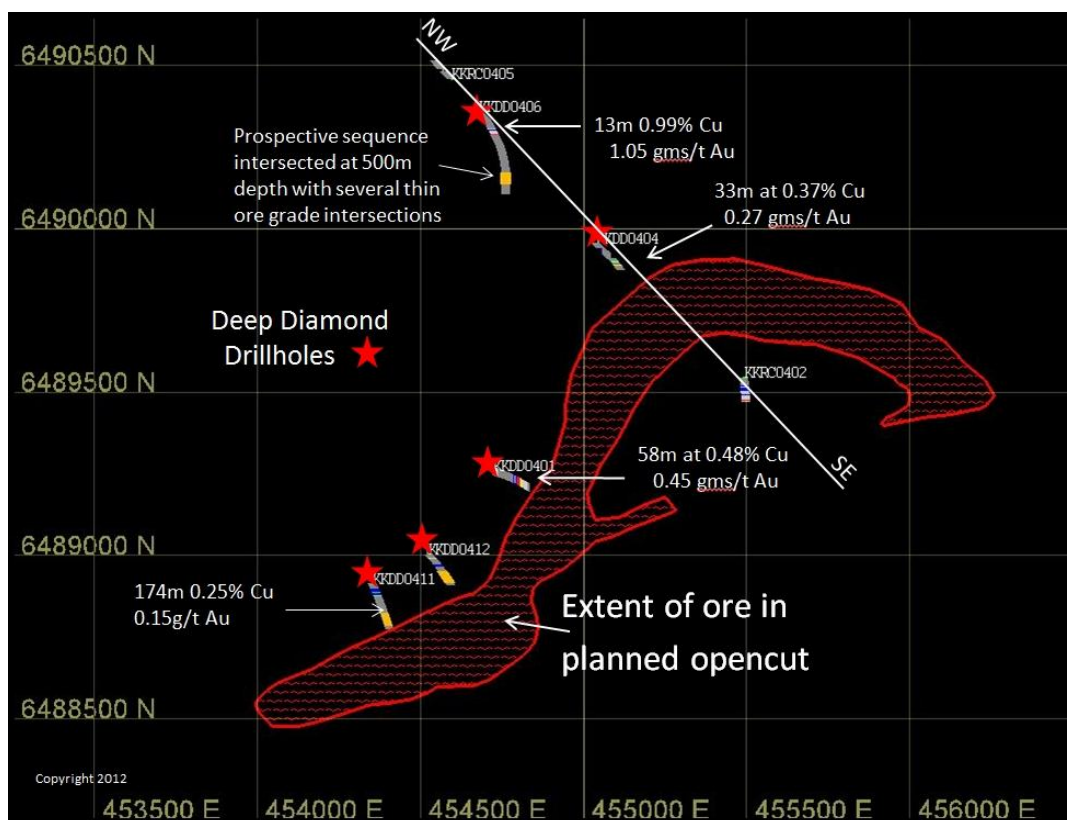
KALKAROO DIAMOND DRILLING

The Kalkaroo copper-gold mineralisation has formed by replacement and veining of chemically reactive lime rich sedimentary strata, termed the “prospective sequence” by Havilah geologists. The favourable prospective sequence is typically 80-120m thick and extends over a very large area and is similar to the Central African copper belt of Zambia and DRC in many important respects.

Last quarter Havilah embarked on a 5 hole deep diamond drilling program to test depth extensions of the prospective sequence at some distance from the previous deepest holes drilled by Havilah into the Kalkaroo ore body. This program was technically successful, with all holes for which results are available intersecting zones of significant mineralisation in the prospective sequence as detailed in the following table and drilling plan :

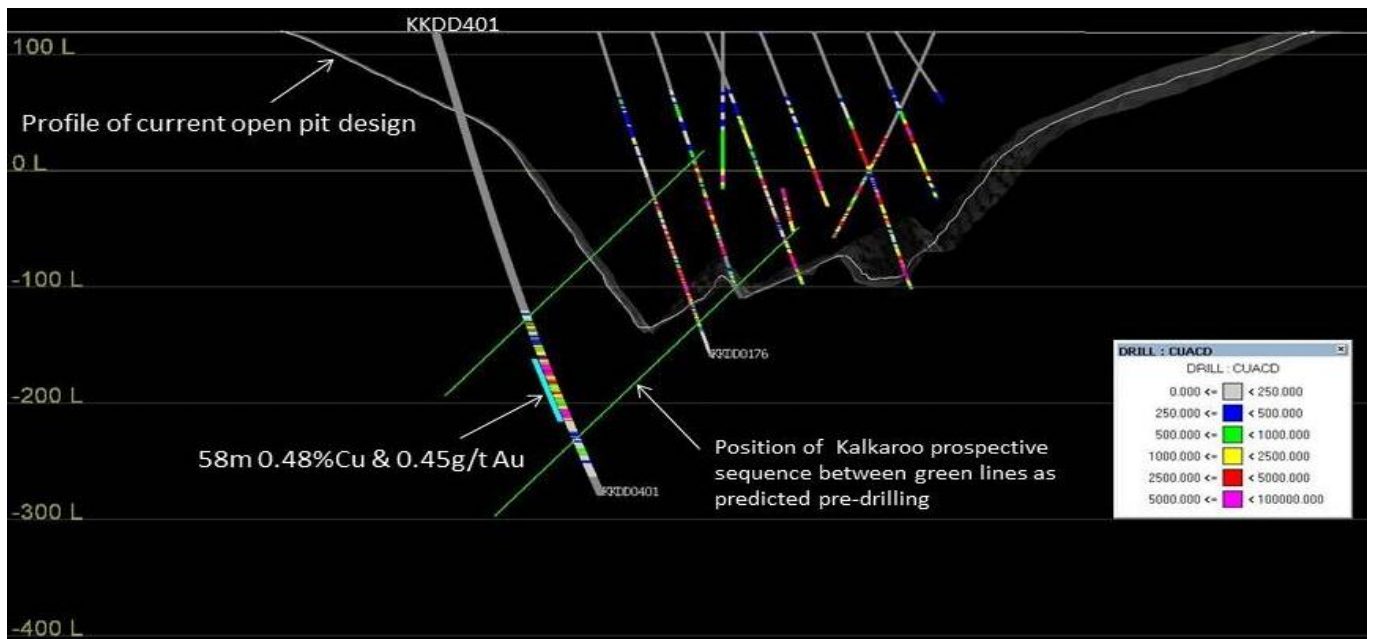
Recent Kalkaroo deep diamond drilling assay results

Hole ID	From	To	Metres	Cu%	Au g/t	Mo ppm
KKDD401	291	349	58	0.48	0.45	
and	333	340	7			565
KKDD404	365	398	33	0.37	0.27	
and	376	384	8			533
KKDD406	198	211	13	0.99	1.05	
KKDD411	261	435	174	0.25	0.15	
KKDD412	Results pending					



Kalkaroo deep diamond drilling hole location plan

Strong copper-gold mineralisation intersected in drillholes KKDD401 and 411 approximately 125m and 150m down dip respectively, from the nearest Havilah drillhole, highlights the potential to expand the currently defined resource well beyond the current open pit design for only a small incremental increase in overburden removal (see cross section below). Also, for the first time, economic grades of copper-gold mineralisation have been discovered in hangingwall rocks in KKDD406, raising the possibility for shallower stacked ore lenses and further improvement in the open pit mining economics for the deeper prospective sequence.



KKDD401 cut mineralisation outside of the open pit design and 125m down dip from the nearest hole

Drillhole KKDD406 intersected mineralised prospective sequence rocks in the saddle area at around 500m depth and some 600m beyond the planned limits of the current open pit. While the grades of mineralisation intersected in this hole are not economic at these depths, the persistence of mineralised prospective sequence rocks is encouraging for discovery of viable extensions of the Kalkaroo orebody.

KALKAROO SALE PROCESS

The Kalkaroo sale process, being run by Standard Chartered Bank, continued with seven short-listed parties proceeding to Round Two detailed evaluation. This involved management presentations, site inspections and provision of detailed resource and mining data. The process has taken longer than expected due to late entry by two major groups and ongoing negotiations with several parties. For certain major parties, the Kalkaroo deposit lies below their minimum size threshold, and their interest is conditional upon being able to expand the resource. Mechanisms that would allow these parties to achieve this while delivering benefit to Havilah are currently being considered.

At this stage Havilah is not able to provide guidance on whether its negotiations will ultimately lead to an offer acceptable to the Company. Directors are encouraged by the continuing interest and ongoing dialogue and negotiations currently taking place with several major parties. This is in spite of the extremely cautious approach that miners are now taking in the face of a more pessimistic outlook for world economies and mineral commodities in particular.



PORTIA GOLD MINE PERMITTING

Havilah aims to develop the Portia gold mine as soon as possible subject to receiving all operating approvals, raising the necessary finance and assuming there are no major changes to the project economics. To this end during the quarter an experienced mining engineer, who is very familiar with local logistics, suppliers and contractors, was employed as Portia Operations Manager.

Also during the quarter Havilah lodged a revised version of the PEPR (Program for Environmental Protection and Rehabilitation – formerly MARP). The Mining Regulation Branch of the Department for Manufacturing, Innovation, Resources and Energy (DMITRE) has advised that the current PEPR has addressed the outstanding issues to its satisfaction. DMITRE further advise that the PEPR document has now been forwarded to the Environmental Protection Authority (EPA) for their comment on the suitability of the mining proposal. EPA approvals are the final step required in the operating approval process. DMITRE have undertaken to keep Havilah informed of progress with the EPA.

WILKINS COPPER-GOLD PROSPECT DRILLING

During the quarter Havilah completed 17 RC percussion drillholes at its 100% owned Wilkins copper-gold prospect, which lies within 2km of the Transcontinental Railway and Barrier Highway. Better results are summarised below :

Hole ID	From	To	Metres	Cu%	Au g/t
WKRC001	87	111	24	0.14	0.06
and	123	135	12	0.59	0.23
WKRC003	51	150	99	0.37	0.25
WKRC005	42	93	51	0.36	0.10
WKRC006	66	126	60	0.31	0.15
WKRC007	87	117	30	0.44	0.32
WKRC010	75	189	114	0.38	0.17

Havilah's results confirm the copper mineralisation discovered in an earlier nearby MIM Exploration vertical hole WK8, which intersected 121m of 0.31% Cu and 0.12 g/t Au when following up a regional copper soil anomaly. Mineralisation is hosted by a quartz magnetite vein / skarn zone that dips roughly 70° north and is about 100m wide (see section). It is well defined on government sponsored aeromagnetic surveying as a linear magnetic feature extending for over 3.4 km east-west strike length.

Both the width and potential strike length of the mineralised system are particularly encouraging for a sizeable deposit. While the Wilkins copper-gold prospect holds considerable promise, Havilah's present focus is on developing the Portia gold mine rather than undertaking the expense of a major resource drill out. Having been identified, Wilkins will be revisited in the future as time and funds permit.

GRANTS IRON ORE PROJECT (EXPLORATION FARM-IN ON EL4200)

In the previous quarterly report Havilah reported that *“initial drillholes are encouraging and have intersected shallow dipping iron ore formations, with minor overburden, containing > 20% Fe (based on Niton XRF field assays) over a wide area, confirming the original geological exploration concept. Havilah*

is optimistic that its ongoing exploration drilling in this area will add substantially to its existing nearby Maldorky iron ore resource.”

Havilah has recently recommenced RC percussion drilling at Grants to follow up geological concepts based on the previous drilling. The initial two holes in this program completed in the last few days have intersected a thick, near horizontal iron formation from surface to up to 180m depth. Preliminary Niton portable XRF field assay results for these two holes, namely GTRC021 and 22 are summarized below :

Hole ID	From	To	Metres	Niton Fe%**
GTRC021	0	141	141	18
GTRC022	0	180	180	18
GTRC001*	0	92	92	22
GTRC011*	0	81	81	21
GTRC014*	3	150	147	17
GTRC017*	2	44	42	25

**Holes from drilling program earlier in 2012*

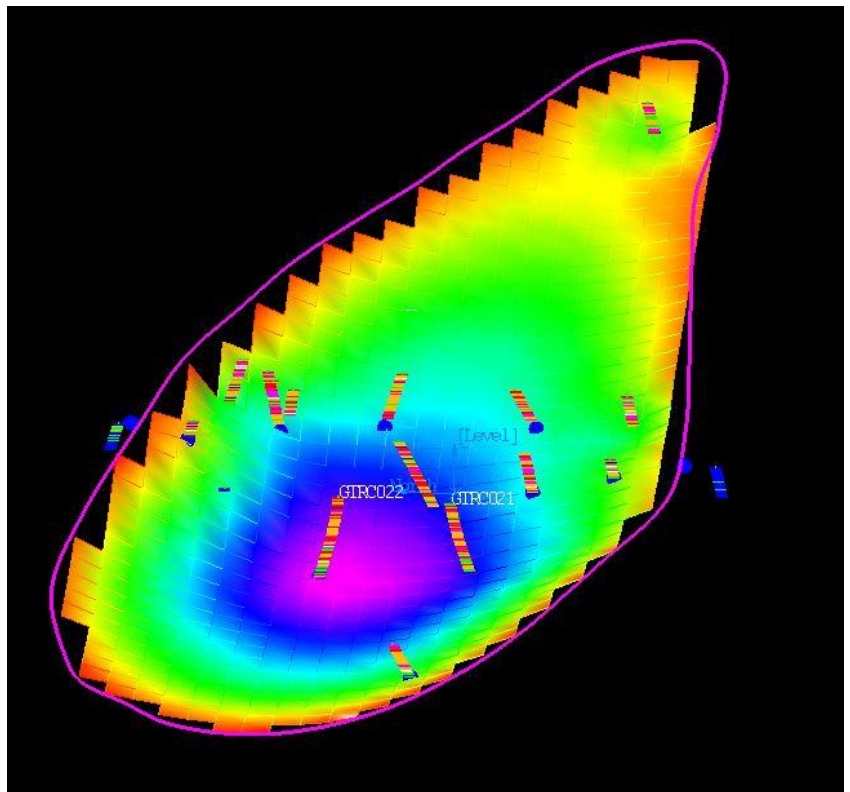
***Niton results should be taken as indicative only until confirmed by lab analysis.*

To date, all drilling has been on the EL 4200 farm-in area, with drillholes GTRC021 and 22 being very close to the boundary of Havilah’s EL 3895. Preliminary indications are promising for a significant near surface shallow dipping iron ore deposit, which will almost certainly extend into Havilah’s ground. The iron ore here is relatively soft and granular, and, consistent with other Braemar Iron Formation occurrences, would be expected to be upgradeable to a saleable product.

Havilah is optimistic that its ongoing exploration drilling in this area over the next few weeks will add substantially to its existing nearby Maldorky iron ore resource.

Grants project has the advantage that it is only 8 km from the railway line.

Havilah drillholes in the Grants iron ore “basin” showing the thickest iron ore intersections to date in drillholes GTRC021 and 22 in the interpreted central portion. Ongoing Havilah drilling will aim to define the geometry of the structure and the iron ore resource contained in it.





MMG EXPLORATION

During the quarter MMG completed a 102,000 line km aeromagnetic survey at 50m line spacing and an average 30m flying height above the land surface. This produced far superior data to earlier surveys and will be a valuable exploration aid in this area of almost non-existent outcrop.

MMG commenced gravity surveying in May over selected potential drilling targets and plans to continue with this work until the end of the year. Subject to the results of aboriginal heritage surveys, MMG aims to complete a \$1.2million drilling program prior to the end of 2012, comprising :

- 14,000m of aircore drilling (approximately 132 holes) on the southern Eurinilla dome and southern Benagerie dome.
- 1,000m of diamond drilling on the Mulyungarie dome.

MMG is continuing with its drilling target generation work in preparation for an expanded drilling program in 2013.

CURNAMONA ENERGY TAKEOVER

Following the successful off-market takeover bid by Havilah and compulsory acquisition of outstanding shares and options, Curnamona Energy is now a 100% owned subsidiary of Havilah. Curnamona Energy was suspended from quotation on 5 July 2012 and subsequently removed from the official list of ASX Limited on 27 July 2012.

In accordance with Section 661B(1)(d) of the Corporations Act, Havilah has sent remaining Curnamona Energy shareholders and optionholders a compulsory acquisition notice (Form 6021) and covering letter that invites these shareholders and optionholders to claim their outstanding Havilah shares and options arising from the takeover.

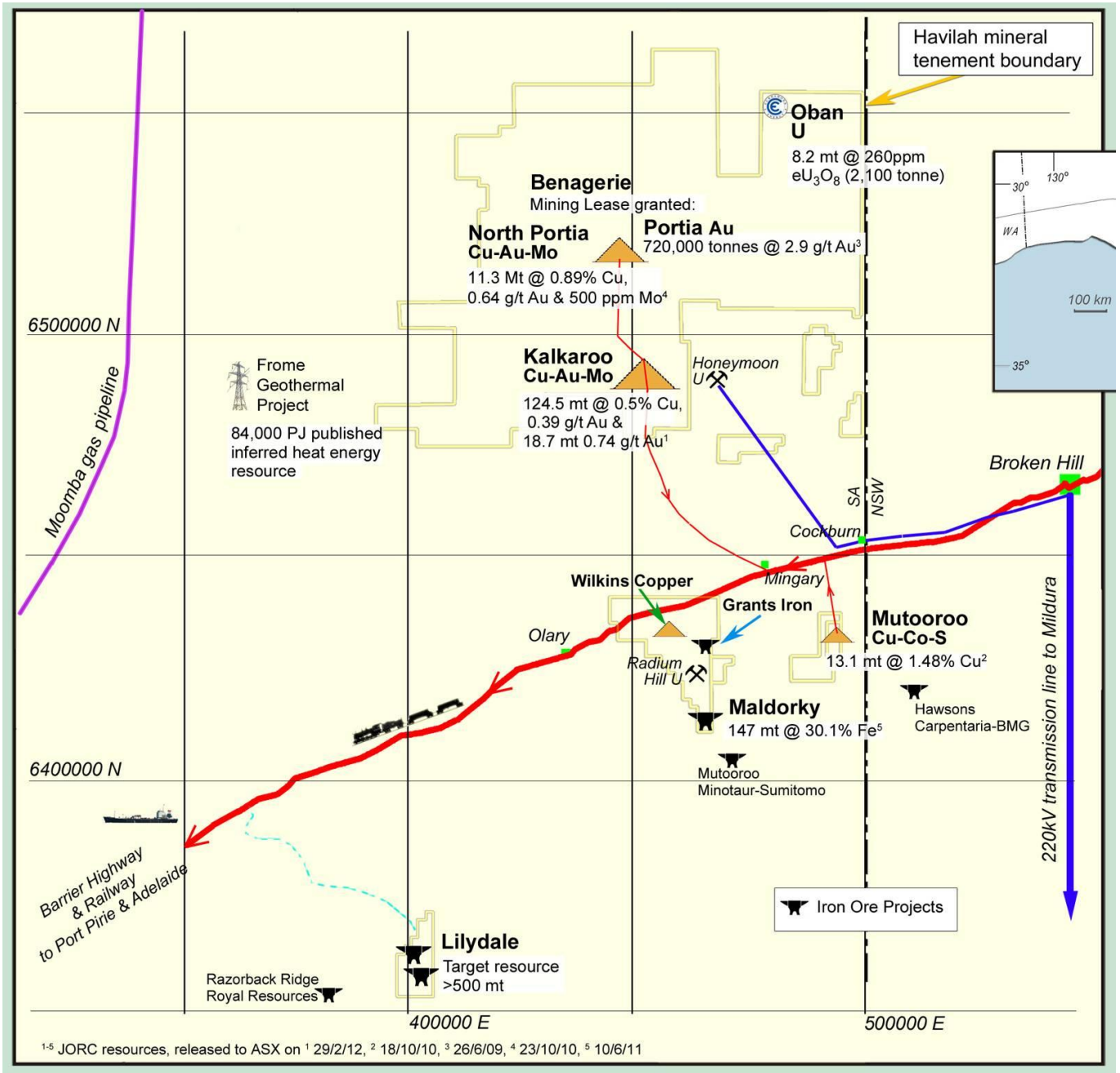
1:10 NON-RENOUCEABLE RIGHTS ISSUE

Havilah shareholders will have received a prospectus and application form for a pro-rata non-renounceable rights issue on the basis of one new share at an issue price of sixty five cents (65¢) each for every ten shares held on the record date. Each new share will have an attaching free option exercisable at a price of \$1 at any time within a period of 12 months from the date of issue. The issue will raise approximately \$7 million if all rights are taken up, with the exact figure dependent on the number of listed and unlisted options that are exercised prior to the record date for determining entitlements. Funds will be primarily used to advance development of the Portia gold deposit and for continued exploration drilling on Havilah's other projects.

Canaccord Genuity (Australia) Limited has been appointed Lead Manager to the issue with a mandate to place all shortfall shares and options not taken up by shareholders.

FINANCE

As at 31 July 2012 the Company had available funds of approximately \$3.28 million. Expenditure during the quarter was spread over a number of projects, with the majority of expenditure outlaid on exploration drilling, and various activities, including fees related to the Portia permitting work.



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.



Appendix 5B

Mining exploration entity quarterly report (Unaudited)

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Havilah Resources NL

ABN

39 077 435 520

Quarter ended ("current quarter")

31 July 2012

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (.12.... months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	-649	-3,032
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	109	245
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
	-732	-3,613
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	-45	-85
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 (provide details if material)		
	-45	-85
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	-777	3,698



1.13	Total operating and investing cash flows (brought forward)	-777	-3,698
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	108	5,416
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	-13	-92
1.18	Dividends paid		
1.19	Other (Payment for bank guarantee deposit \$90. Costs of share issues \$863)	-176	-953
	Net financing cash flows	-81	4,371
Net increase (decrease) in cash held			
		-858	673
1.20	Cash at beginning of quarter/year to date	4,140	2,609
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	3,282	3,282

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	346
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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	500
4.2 Development	
4.3 Production	
4.4 Administration	150
Total	650

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	406	188
5.2 Deposits at call	2,876	3,952
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3,282	4,140

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	108,758,252	108,758,252		
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 <i>(description and conversion factor)</i>	20,118,625 1,802,356 100,000 1,800,000 6,000,000 500,000 1,000,000 150,000 1,100,000 560,000 200,000 700,000 400,000 602,000	Listed Listed Employee Directors Directors Unlisted Unlisted Employee Employee Employee Employee Employee Employee Employee	<i>Exercise price</i> 50 cents 75 cents 150 cents 199 cents 96 cents 225 cents 180 cents 46 cents 96 cents 76 cents 76 cents 98 cents 98 cents 109 cents	<i>Expiry date</i> 30/10/2013 23/3/14 04/04/13 10/01/13 20/11/14 06/03/13 06/03/13 23/03/14 20/11/14 27/5/14 27/5/15 20/7/14 23/2/16 25/6/16
7.8 Issued during quarter	602,000 1,803,456	Employee Listed	109 cents 75 cents	25/6/16 23/3/13



7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 24 August 2012
(Director/Company secretary)

Print name: ...Bob 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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