

This Week

Havilah to Raise \$9.4 Million BUY

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Recommendation

Shareholders should take up their rights and apply for additional shares at \$1.30.

Capital Structure - HAV

Shares	79.9 m.
Options	7.6 m.
Price	\$ 1.53
Market Cap	\$ 122 m.
Cash (est)	\$ 11 m.

Substantial Shareholders

Lion Selection Group	19.0%
Directors	14.1%

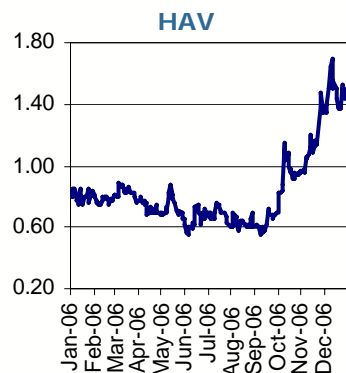
Note: Pre-issue percentages

As predicted, Havilah Resources is making a non-renounceable, 1:10 issue at \$1.30 per share with a 1:2 free option attached, exercisable at \$1.60 by April 2010. Importantly, existing shareholders have an option to apply for any shortfall from this issue.

Funds will be used to undertake trial mining at the Portia gold project and also to progress a feasibility study into development of the huge, Kalkaroo copper, molybdenum project.

Valuation

StockAnalysis calculates a base value of \$1 per share, based only on the company's investments, plus cash and its interest in the Mutooroo copper cobalt iron project. Addition of a very modest estimate for the value of Kalkaroo and other interests boosts this valuation target to \$3.13 per share.

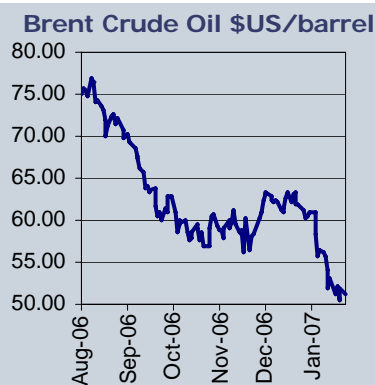
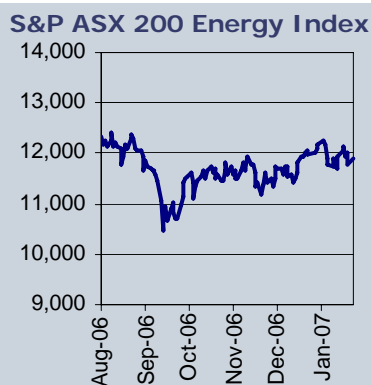
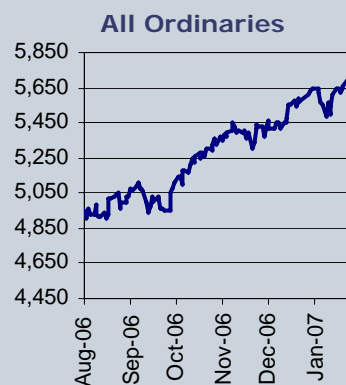


	\$m.	\$/share	Comments
Cash	11	0.13	
Unissued equity	10	0.12	
Investments	29	0.34	CUY, MOX & GHT
Mutooroo	37	0.42	DCF
Sub Total	87	1.00	
Kalkaroo	134	1.54	A13 cts/lb
Portia	23	0.26	A\$50/oz for 460Koz
Nth Portia	17	0.20	A\$13 cts/lb
Exploration	20	0.23	Nominal
Corporate	-8	-0.09	
Total	274	3.13	

Source: Strachan Corp. Pty Ltd.

If Portia lives up to expectations, this 100% owned project could be worth well over \$1.50 per share.

Indices & Prices	
All Ordinaries	5,704.00
Energy Index	11,901.90
Brent US\$/bbl	51.14
AUS\$/US\$	0.7921
As at Close January 23rd	



Mutooroo Project

Mutooroo In-Pit Resource		Cu%	Co%
	11.5 t @	1.10%	0.10%
Containing Kt		127	11
Current Price	US\$ per lb	\$ 2.55	\$ 18
Insitu value	<u>\$ 100</u> per tonne		

Source: Havilah Resources & Strachan Corporate Pty Ltd.

At Mutooroo, Havilah has signed a Memorandum of Understanding (MOU) to form a Joint Venture with Chinese metallurgical group, Heilongjiang Resources Limited which could see it fund development of a mine to earn a 50% interest in the project. The most favoured option is to produce a simple, gravity concentrate, containing most of the cooper, cobalt plus iron, which would be shipped to China for processing and extraction of valuable metals.

Kalkaroo

Kalkaroo In-Pit Resource		Cu%	Au g/t	Mo %
	100 t @	0.47%	0.46	0.012%
Containing Kt/Moz		470	1.5	12.4
Current Price	US\$	\$ 2.55	\$ 620	25.7
Insitu value	<u>\$ 54</u> per tonne			

Source: Havilah Resources & Strachan Corporate Pty Ltd.

This project has many similarities to Western Australia's Telfer gold, copper project. StockAnalysis estimates that the Kalkaroo project contains at least 100 million tonnes of mineable mineralisation, containing close to 0.5 million tonnes of copper plus 1.5 million ounces of silver and 12,000 tonnes of molybdenum. Recent drilling has extended known zones of mineralisation at higher grades than the previously calculated resource, holding out promise for additional tonnes and a higher grade starter pit zone.

Portia Gold

The Portia gold project was originally discovered by Pasminco. Recent re-assaying of old RC drill sample bags indicates that the target mineralisation is very nuggetty and that previous sampling methods did not present a fair representation of its true gold grade. The company is now moving to dig a trial pit and treat the target mineralisation in a gravity recovery circuit to more accurately determine insitu gold grades. A positive outcome would most likely lead to a long life gold project on site. The company has identified up to 7 kilometres of prospective strike zone which may prove to be mineralised. If just 3 km of strike is found to be gold bearing, as much as 8 million tonnes of mineralisation could be present, if it averages 15 metres thick and 100 metres wide with a density of 1.8 tonnes per cubic metre. Final grades will need to await results from trial mining, but results from bulk assay work indicate grades ranging from 10 to 43 g/t gold in the best zone so far identified.

opportunities for your own accounts.

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