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31st August 2005

Dear Fellow Shareholders,

Each quarter Havilah Resources has published a newsletter covering the material in our ASX Quarterly Report. It is accompanied by a letter from myself, as Chairman and is aimed at maintaining clear communication with our fellow shareholders. We intend to do the same for Curnamona Energy and we have chosen this path rather than spending our funds on advertising to promote the companies.

Our General Manager, Mr Mark Randell has been busy organising a suitable drill rig, support equipment and staff to enable us to operate efficiently in this time of critical shortages of appropriate equipment and contractors. Delays can be very wasteful and we wish to conduct the high level of drill activity that Havilah has maintained on the basis that the more holes we drill, the higher are our chances of success.

Our most exciting result for the Quarter was the completion of a helicopter Hoist Electromagnetic survey over that part of the Yarramba Palaeochannel which is our initial focus. You can see by the photos in the Newsletter why it gets its name (the "Hills-Hoist" clothes line was invented only a short distance from our office in Adelaide).

With the HoistEM system an electrical impulse is directed at the ground and a large antenna (the hoist) detects the variations in electrical-magnetic conductivity in the material below the helicopter. This data is mapped and plotted to reveal the high and low conductivity areas. The high conductive areas coincide with salty groundwater in the palaeochannel while the non-conductive zones coincide with bedrock which forms the sides of the channel. Using both the gravity survey data and the HoistEM data, we can interpret a clearly defined path for the ancient river channel thereby making drill targeting far more efficient.

Drilling will soon begin and we should be improving our understanding of the Yarramba Palaeochannel and its uranium prospectivity over the next three months. As results become available they will be released to the market in an orderly and professional manner.

Yours sincerely

Bob Johnson
Chairman