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RESEARCH REPORT

Coral Gold Resources Ltd.

(CLH – TSX Venture, CLHRF – OTC Bulletin Board)

Significant increase in resource estimate plus very encouraging analysis of processing alternatives for large sulphide resource now leading to new emphasis on mineability / economics.

The Company – Focus on Robertson – Battle Mountain Trend, Nevada

- **Robertson is an Advanced Mineral Property**. To date, $20+ million has been spent (i.e. over 1,160 drillholes totaling 533,453' in the current resource database). Since 2004, Coral has continued to expand and upgrade resources, from ***583,700*** oz Au in 2001 (43-101 compliant) to ***2.3 million oz Au*** currently (inferred). Exploration potential continues.

Zone	Tons	Grade ozAu/ton	Contained oz. gold
Distal	10,355,041	0.0335	346,893
39A	25,010,247	0.0287	**717,794**
Triplet Gulch	5,904,713	0.0269	158,837
Outside	2,187,500	0.0208	45,500
Gold Pan Oxide	7,049,181	0.0262	**184,689**
Altenburg Hill Oxide	4,558,402	0.0208	94,815
Porphyry Oxide	19,121,927	0.0213	**407,297**
Gold Pan Sulphide	12,053,279	0.0208	**250,708**
Altenburg Hill Sulphide	584,016	0.0176	10,279
Porphyry Sulphide	4,480,533	0.0223	99,916
TOTAL	**91,304,839**	0.0250	**2,316,728**

All calculated at 0.015 opt cut off grade - for important assumptions used in the calculation, see Coral press release data 12/13/07

Targets / Potential

- **Increasing Focus on Economics**. With the updated, much better defined 2+ million oz. resource estimate in hand, there is more than sufficient ounces to change corporate priorities from drilling to add ounces to a program much more focused on economics (i.e. core drilling in selected areas to convert resources to Measured / Indicated category + to firm up metallurgy + important cost issues).

- **Positive Indications**. Much has been known regarding the ***oxide*** resource since the 1990s AMAX Feasibility Study – there simply have not been sufficient ounces for a positive result. With the larger ***sulphide*** resource, indications from the 2006 drilling program (using lab rejects from several holes from the 39A zone) were ***very positive for both direct cyanidation and gravity / flotation*** (this second alternative would presumably offer lower capx / operating costs than the CIL alternative assumed in the 2006 Preliminary Assessment).

- **2008 Goals.** Establish ❶ "mineable" portions of a resource (measured & indicated), ❷ processing (i.e. 39A, Gold Pan sulphide), ❸ costs (stripping at 39A, overall relationship between op / capx vs. grade).

- **Lower Plate Target.** With the property in the "neighborhood" of prolific Lower Plate orebodies (*Pipeline*, *Gold Acres* *Cortez Hills*), such targets have always been of interest. In 2006, Coral conducted an in-depth re-evaluation of this target, successfully correlating newly acquired and old data. In 2007, Coral successfully drilled one target, showing that the Lower Plat is present – and mineralized. Follow up is strongly recommended but at $500k / hole, it is expensive for a junior.

Market Data

Share Data ($Cdn):

Recent Price:	$0.65
52-week Price Range:	$0.45 - $1.326534
Shares Outstanding (12/27/07):	24.88 million
Fully Diluted Shares (1):	32.00 million

(1) Incl.7.1 million options / warrants @ $0.57 - $1.31.

Capitalization ($Cdn):

Market Capitalization:	$16.2 million
Total Debt:	nil

Corporate Information:

President:	David Wolfin
Phone:	(604) 682-3701
Website:	www.coralgold.com
e-mail:	investor-relations@coralgold.com

A Compelling Upside Argument

- Coral is now trading at a very low multiple per ounce, some **$7 per oz**, an amount normally associated with economically "uncertain" deposits.
- Deposits with strong potential for viability will normally receive much higher multiples (i.e. **$30 - $100+ per oz**).
- There is an obvious potential "bump" for Coral through 2008 – can the company demonstrate the viability of (at least significant portions of) its resource base to the scientific community ?
- Later, with a higher share price, Coral may have the ability to raise sufficient funds to conduct a proper drilling program of its' Lower Plate target.

Conclusion

In 2008, Coral has potential to move from its sleeper status to getting on some important radar screens.

Opinion – Valuation Issues

We believe that Coral can now enter a new era in its corporate development. In the past, Coral could be characterized as a company that was slowly adding ounces to its Robertson (Upper Plate) resource. There was basically little mention, one way or another, as to whether this resource was an economic one until 2006, when a Preliminary Assessment, based on a limited analysis of two resources (the oxide Porphyry zone and the then combined sulfide 39A / Gold Pan zone) gave uneconomic results. With the 2006 Preliminary Assessment, the principal issue was one of an insufficient number of ounces, with the sulphide resource having the same issue with respect to ounces plus a very high cost processing alternative being assumed. We believe that the market continues to believe that Robertson is a highly uncertain deposit and that the new information (i.e. significantly increased resources, potential processing alternatives for the 39A sulphides – which is essentially buried on p. 12 of the 2006 Drilling Summary Report) may not be getting out and / or is underappreciated in terms of its potential.

The past status of the resource based and the various economic arguments are summarized below.

Aspect	The Past	Current
Resource Base	• Historically, Coral has continued to add ounces to its Robertson gold resource – however, these increases were not been sufficient to excite investors.	• In 2007, Coral has ***significantly added*** to its resource base, from just over 1 million ounces to the current 2.3 million. • Recent work also allows a ***more rigorous definition*** of resource (several zones have both oxide and sulfide resources, which facilitates much more detailed analysis economically). • 2006 drilling, relogging of past holes, combined with a more rigorous modeling process significantly aided in defining and in defining a dramatically new resource.
Economics	• No real formal study on economics (aside from Feasibility Study on Porphyry deposit by AMAX) until 2006, when the Preliminary Assessment determined that both the (then small) recoverable Porphyry oxide resource and the (also then small) sulfide resource (based on the most expensive processing option) were "uneconomic as evaluated". • In all fairness, insufficient information was available in order to give a more complete review of processing alternatives, or to "combine" the respective oxides and sulphides of different zones with each other. With hindsight, the 2006 review would seem to overly simplify the analysis.	• Economics of **oxide** resources have been well known ever since the AMAX Feasibility Study, but there have been insufficient resources for a positive economic result – the new (oxide) resource base appears to bump this up significantly to fundamentally change this analysis. • There has been very little past metallurgical work on **sulfide** resource base (i.e. from the 2006 43-101 Tech Report - "*only sparse preliminary metallurgical data exists for the 39A / Gold Pan indicated resources and the Altenburg Hill inferred resource*). • *This appears to be changing* – in 2006, metallurgical testing of selected drill holes using laboratory reject material gave excellent results for both direct cyanidation and combined gravity + flotation for the 39A zone material.

Going forward, we believe there are several key points to be made for the Robertson gold resource.

- Coral now has a sufficient number of ounces to begin more seriously investigating mine planning / economics.
- Initial metallurgical work (2006 / 07) on sulfide resource gave positive results.
- 2008 work should move the resource (or significant portions thereof) to Measured & Indicated status, and establish very important processing and cost issues – in short, ***dramatically affect the confidence in this resource base***. This will have a direct impact on valuation.

What are We Looking At

The 2006 Preliminary Estimate gave the following results:

Resource Base

Measured and Indicated Resources

Zone	Million Tons	Grade (opt)	Contained Oz.	Cutoff (opt)
Porphyry Zone	12.70	0.020	249,000	0.01
39A / Gold Pan	10.20	0.044	450,000	0.015
Total	**22.90**	**0.031**	**699,000**	

Inferred Resources

Zone	Million Tons	Grade (opt)	Contained Oz.	Cutoff (opt)
Altenburg Hill	3.50	0.018	63,000	0.01
39A / Gold Pan	4.90	0.039	192,000	0.015
Distal Target	1.01	0.178	179,000	0.05
Total	**9.41**	**0.046**	**434,000**	

2006 Mineability Study (summary only, from sec. 15.3 - with net revenue providing a general measure of project feasibility).

Porphyry Zone	• Open pit / heap leach operation • Expected recovery of 64% • Stripping ratio of 0.8 : 1 • Mining costs of $1 / ton • Processing / G&A costs of $3.50 / ton • 171,000 oz of recoverable gold, generating only $22.8 million in net revenue (@ $550 / oz Au price). • Resource uneconomic as evaluated.
39A / Gold Pan Zone	• Open pit with milling option • Metallurgical recovery of 90% based on a a series of agitated leach tests. • Mining costs of $1 / ton • Processing / G&A costs of $7.50 / ton (high cost milling option) • Pit slope of 45º (no pit slope stability studies available) gave a 7.45 : stripping ratio. • 512,000 oz of recoverable gold, generating $74.7 million in net revenue (@ $550 / oz Au price) • Resource uneconomic as evaluated.

The parameters in this study appear to be changing:

- Very significantly increased resource base for both oxide and sulphide material.
- More zones being included in the resource estimate.
- Separation of the various zones into oxide and sulphide material – allowing the conceptual adding of the various types of material together (i.e. rather than simply evaluating the Porphyry zone as a stand alone, one can begin to look at including much more oxide material – and perhaps some of the sulphides as well - indications seem to be positive with respect to this potential)

2008 Keys for Coral

- Attempt to move the Inferred resource into the ***Measured & Indicated*** categories.
- With this new data and with more potential options available, conduct more ***rigorous study from an economic perspective*** on actual alternatives.

We have attempted to summarize the **current** status of each of these zones below.

2007 – Estimated Inferred Resources by Zone

Zone	Tons (mill.)	Au (opt)	Au (oz.)	Issues / Comments
Distal	10.34	0.034	346,224	• Very interesting zone, but depth to it at around 1,000' suggests an (expensive) underground mining operation and grades to date tend to be a bit "light" from this perspective. • This ***zone remains open*** – good potential for expansion.
39A	25.01	0.029	**717,794**	• In the 2006 study – the 39A / Gold Pan resources were combined in an open pit with milling option. At a 90% recovery, recoverable ozs were 512,000 giving $280 million in revenue @ $550 Au, but $1/ton mining costs and a high 7.45 stripping ratio generated $100+ million in mining costs for the overall deposit, and the $7.45/ton processing / G&A costs generated another $100+ million in processing costs (~15 million tons) – for "net revenue" of $74.7 million. The capx estimate was not given in the report but a ballpark amount is believed to be for about $100 million. The conclusion was that this resource was uneconomic as evaluated. • Subsequent relogging of past data now facilitates its inclusion into the resource database – which now serves to effectively delineate the boundary between 39A and Gold Pan, as well as between the sulfides and oxides at Gold Pan. • Drilling in 2006 also expanded the resource, as well as provided representative samples for early metallurgical work – which was very positive for both direct cyanidation and gravity / flotation – and it is noteworthy that a gravity / flotation alternative would be expected to have lower capx and operating costs than the CIL process assumed in the 2006 Preliminary Report. • A low grade resource is now known to "surround" the higher grade zone – which opens up additional possibilities. Given the fact that the 39A sulphides appear to leach fairly well (i.e., finer crush, agglomerating material, etc.). If such scenarios are possible, there could be potential to eliminate the need for an on-site whole ore leach operation, or a flotation operation for that matter. Or – another option might be to leach the low grade and float the higher grade (but dramatically reducing the scale – and cost – of the flotation operation). • **Main Issues** – ***Much needs to be firmed up concerning the 39A zone***. Important work to do in 2008 to firm up processing alternatives / costing. ❶ can the low grade be agglomerated & simply thrown on the leach pad, ❷ what are the economics of direct cyanidation (fine crush) of the high grade, ❸ can the high grade sulphides be processed elsewhere (i.e. at a local autoclave processing facility which require sulphide material), ❹ would it make sense to have a much smaller (i.e. low capx) flotation operation for the high grade sulphides, ❺ given the high stripping ratio combined with significant portion of the resource with low grades, does it make most sense to access the higher grade resources alone (i.e. ~200,000 oz., much more limited pit then driving a ramp at a working face at the south end where this resource is initially located much nearer surface). There are more than enough considerations with respect to the 39A zone at this point.

Triplet Gulch	5.90	0.027	158,837	• Not included in 2006 resource estimate – subsequent relogging of previous drilling now facilitates its inclusion into data set. • May have potential to include in heap leach operation. • Reasonable ~1.50:strip ratio expected. • Good ***potential for expansion***. • **Main Issues** – more work to do to firm this up as a concrete resource – will this resource hold up as a Measured / Indicated resource upon closer scrutiny.
Outside	2.19	0.021	45,500	
Gold Pan Oxide	7.05	0.026	184,689	• 2006 program (relogging) serves to evaluate Gold Pan as distinct from 39A, a significant portion of which is oxide – it seems likely that these ounces can be combined with the Porphyry resource in a simple leaching operation. • Low strip ratio (estimated to be <2 – depth to mineralization ranges from 10' – 200').
Altenburg Hill Oxide	4.56	0.021	94,815	• Relogging of past data (and inclusion into current database) now also effectively defines boundary between sulfides & oxides. • Potential for expansion (i.e. ***hole 30*** drilled in 2006 which returned **140' @ 0.04 opt starting at 95'**. This hole is located about 800 ft south of the existing Porphyry Zone resource and remains open for expansion both to the north and east. ***If it is shown that Altenburg Hill is connected with the southern part of the Porphyry Zone, it is believed that the potential for resource expansion is substantial*.**
Porphyry Oxide	19.12	0.021	407,297	• Well known deposit – historically studied in detail by Amax (1986 Feasibility Study). • 2006 Barnes Study – evaluated on a stand-alone basis – 249,000 contained ozs, *171,000 recoverable ozs*., 0.8:1 strip ratio, $1 / ton mining costs, $3 /ton processing / G&A costs. In this study, on a stand alone basis, not considered economic largely due to insufficient ounces(net revenues of $22.8 million @ $550 Au price) to justify capital cost of leach operation (i.e. estimate not given in report but ballpark estimate believed to be about $50 million). • **Main issue** – firm up economics / costing of heap leach operation.
Gold Pan Sulphide	12.05	0.021	250,708	• From 1996 AMAX metallurgical study – partial "nugget" effect (i.e. higher grade "blob" effect) seems to result in lower leach recovery (preliminary results only but not very positive). • Grades not particularly high. • **Main issue** – Processing, grade issues.
Altenburg Hill Sulphide	0.58	0.018	10,279	• Limited testing completed in 2006 / 07. Au in silica could present an issue.
Porphyry Sulphide	4.48	0.022	99,916	• This resources was also part of the Amax 1996 Feasibility Study (for the overall Porphyry resource), which showed that these sulphides leach well, but at lower recoveries (i.e. 60s vs. 70s for the oxides).
Total	**91.28**	**0.025**	**2,316,058**	

Oxides. We now seem to have the ability to combine the ounces at Porphyry with the oxide portions of Gold Pan and Altenburg Hill, and perhaps also the resource at Triplet Gulch (Porphyry sulphides ?, potentially even the 39A sulphides?). Assuming a recovery of about 70+%, recoverable ounces might be well over 500,000 oz. Au (i.e. once the "mineable" portions are firmed up). This is in stark contrast to the 171,000 oz assumed in the 2006 Preliminary Study. At $600 gold, this new figure generates about $300 - $400+ million in gross revenue. The big unknown at this point is what the cost structure will be. With low strip ratios (i.e. less than 1:1) and using the same mining and processing / G&A costs as in the 2006 study, indications are positive. However, we would tend to wait for more definitive estimates (i.e. not argue too aggressively based on a one paragraph analysis given in the 2006 Update Report). What we can say at this point is that the project is certainly moving very favorably in the right direction.

Keys to Economics - oxides

- Lower capx per ounce by combining ounces from different zones.

Sulfides. The "big" question here lies with the various options that may be available for the 39A zone and there is a need for more rigorous study of metallurgical work in all the zones. There are almost too many alternatives to examine. While the 2006 drilling program gave some excellent information, it is felt that several (~10) core holes are required in 39A for a variety of technical issues (i.e. geotech, metallurgical consistency, etc.).

Sulphide processing options, all of which have lower capx and operating costs than the expensive conventional milling / CIL operation assumed in the 2006 Preliminary Assessment.

1. Use of **flotation,**
2. Use of **direct cyanidation**
3. Use of **off site processing**. In a "perfect" world, the sulphides would simply be mined and shipped to a local autoclave (in need of large amounts of sulphide material), virtually eliminating capx as well as on-site processing (while also offering few environmental issues).
4. Treat separately higher grade and lower grade in different processes (offers smaller, lower cost plant size for flotation / milling, etc. of higher grade material).

With additional information concerning capital and operating costs for these alternatives, we would be inclined to put forward at least an illustrative, ball park model of what may be possible / scenarios. This in turn would facilitate what the deposit (as it would then stand) might be worth in the hands of a potentially producing company (both in terms of a "preproduction" value as well as when in production after the capx is spent). Given that we do not see Coral as necessarily becoming a producing company, the appropriate value for Coral (again, assuming that analysis is representative of "reality") , would be some discounted, transaction type of value (i.e. vended to a producer).

"Neighborhood" Deposits (Barrick)	2006 Cash Costs	P & P Tons	Grade (opt)	Comments
Bald Mountain	$248	109.9	0.031	Nearly all prior production has been from small - moderate sized open pits & processed by heap leach methods
Marigold JV	$465	34.3	0.021	Open-pit operation began surface mining in 1989, and uses heap-leaching mature mine w / generally higher stripping ratios, longer truck hauls (w aste and ore).

Our only comment at this point is that – given the information at present concerning Robertson (i.e. larger resource, good indications of processing alternatives), the discount currently being given based on a market cap per ounce given that junior mineral exploration companies generally tend to be evaluated based on the discount that the market believes is appropriate in each circumstance, we believe this approach is valid. Our conclusion in this case is that the "discount" seems to be fairly high.

For a summary and more complete history of the Robertson property (previous studies, resource development through mid-2006), see the Howlett Research report dated July 13, 2006 at

http://www.howlett-research.com/Research%20Reports/Coral%20Gold%20%20Howlett%20Research%20Report%207-13-06.pdf

NOTE ON DEEP (LOWER PLATE) POTENTIAL

Historical Interest & Work to Find Lower Plate Target

Since 1968, the Robertson property and adjacent "Excluded" claims have been the focus of periodic "deep" exploratory drilling for Carlin-type mineralization hosted by favorable lower plate carbonate strata. The earliest documented deep drilling was undertaken by the U.S. Geological Survey (USGS) primarily as a research program aimed at studying the regional thickness, composition, and distribution of the Roberts Mountain allochthon (RMA). The USGS program encountered lower plate strata in two of the four holes and provided early evidence that the lower plate of the Roberts Mountain thrust fault (RMTF) could be reached at depths of between 880' to 3,000'

In 1990, Amax Gold embarked on a deep drilling program at Robertson. The initial concept relied on the apparent similar geologic environments between the original ***Goldstrike*** mine on the Carlin trend, operated by Western States, and that of the Robertson property. Both properties contained significant gold mineralization in siliceous upper plate rocks that have been intruded by a series of intermediate-composition dikes and stocks. Deep drilling from the Goldstrike open pit mine by Western States discovered high grade gold in the ***Betze-Deep Post*** deposits beneath the near surface low grade mineralization. In addition nearby Carlin-type gold deposits at ***Cortez*** and ***Gold Acres***, both hosted by lower plate carbonate rocks, provided examples of Carlin-type potential in close proximity to Robertson. The nearest exposure of lower plate carbonate rocks are at the north end of the Gold Acres structural window which is part of the the Cortez / Coral "Excluded" claims. The final piece of encouragement came from USGS drill hole No. 1, which was collared about 1 ½ miles north of the center of the Robertson property and drilled to a depth of 4,000'. Beginning at 2,938' and continuing to the bottom of the hole, a sequence of dark gray limestone, hornfels, and marble were encountered, which clearly represented the lower plate of the RMA.

Following discovery of the Pipeline gold deposit and signing a joint venture agreement with Coral in 1996, Cortez completed a major deep drilling program along the northward projection of the Pipeline fault, thought to be a major ore-controlling structure, in an area referred to as the "Pipeline corridor" on to the "Excluded" claims. While these holes failed to intersect significant mineralization, they did provide important structural and stratigraphic information regarding the depth to and composition of the lower plate rocks underlying the "Excluded" claims.

Development of a "New" Model

What we seem to have up to this point is the following:

- Evidence that favorable Lower Plate strata exists on the property.
- Failure of Cortez to find its Pipeline fault target.
- Considerable gold in the Upper Plate at Robertson (raising the issue as to where the source is for this gold ?).

During 2006, Coral completed a program to re-evaluate the potential to host Carlin-type gold deposits in the lower plate of the RMTF. Specifically, the purpose was to define a favorable structural setting where shallow lower plate rocks are cut by dike-filled, NNW-striking high angle faults that acted as major fluid conduits for gold. This evaluation was comprehensive in nature and included the following studies.

- Reviewing existing drilling and geochemical databases,
- Conducting a detailed gravity survey and acquiring additional private and public gravity data covering adjacent claims,
- Acquiring commercially available high resolution aeromagnetic data,
- Completing new geological mapping and compiling existing data to develop new geologic maps, and
- Completing rock chip / dump and grid soil sampling programs, merging this with existing grid soil covering the adjacent Excluded claims.

Could this study not only define new target areas, could they also explain the largely unsuccessful past drilling efforts at Robertson ? The answer appears to be "yes".

The result of these studies defined at least two target areas – the NNW-striking, high angle **Try** and **Tomcat** fault zones.

- Both are *strongly developed structural zones* that reach >5,000' along strike and up to 1,000' wide and show evidence of recurrent movement over a long time period,
- Certain fault segments are filled by *multiple igneous dikes* and contain local zones of strong silica-clay alteration that carry gold values up to 6060 ppb and arsenic values ?10,000 ppm.
- These structural zones are further defined by *coincident linear gravity and magnetic features* interpreted to represent deep expressions of the faults mapped at surface,
- Evidence that these structural zones served as important conduits for the transport of gold is provided by *soil and rock geochemistry* which define a series of strong gold-arsenic and silvery-base metal anomalies that coincide precisely with the areal extent of the mapped fault zones and geophysical linear features.
- Both structural zones are intersected by less obvious *NE-striking fault / fracture zones*, features that are well defined by linear arsenic-gold and silver-base metal anomalies that lie along major "basement rock" displacements as defined by structure contour reconstruction and coincident geophysical features,
- Geophysical anomalies seem to be enhanced where the Try and Tomcat zones are intersected by the NE-trending zones.

It has been noted that an important structural element that seems to be a major control of mineralization at the south end of Crescent Valley are low-angle or bedding parallel faults cutting lower plate carbonate strata. Along with intersecting high-angle NE and NNW faults, the low angle faults are documented as exerting strong control on the distribution of gold at the Pipeline / South Pipeline and "lower" Cortez Hills deposits. At Robertson and on the adjacent Lander Ranch claims, similar low-angle structural features are also an important control of mineralization, but they are developed within the upper plate of the RMTF. [how important is it that this fold is strong disrupted by the NNW striking Tomcat and Try fault zones, as well as at least two NE-striking structural zones.

2007 Drilling by Coral

In 2006, Coral drilled two holes in the northwest corner of the property (Try Zone). TV07-2 was drilled vertical to a depth of 3,450 ft. and intersected strongly altered limestone of the lower plate at a depth of 3,080 ft in the immediate footwall of a dike-filled high-angle fault. Locally, the upper 200 ft of the lower plate intercept returned anomalous gold values ranging from 30 to 2,190 ppb, accompanied by anomalous levels for arsenic, antimony and thallium.

These intercepts break new ground since no gold intercepts of this magnitude were ever known from past drilling in the area.

Going Forward

What we now have is a model that seems to fit very well with the existing data and provides evidence for two excellent targets with strong geological evidence for large scale Carlin-type mineralization.

It is believed that an initial program of at least 6-10 holes spaced up to 2,000' apart would return important data necessary to refine the current current geological / geophysical models for which to further refine targets (bear in mind that the apparent strike of each of these two zones is roughly 1 mile long).