



Haoma Mining NL

A.B.N 12 008 676 177

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Company Announcements Office
Australian Stock Exchange
Level 4, North Tower, Rialto
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MELBOURNE, VIC 3000

January 31, 2012

Dear Sir,

ACTIVITIES REPORT FOR THE QUARTER ENDED DECEMBER 31, 2011 – HIGHLIGHTS

- **Group Consolidated Result** – Haoma Mining's unaudited consolidated financial result for the three months ended December 31, 2011 was a before tax loss of \$1.97 million after interest of \$1.10 million, depreciation and amortisation of \$0.04 million and group exploration, development and test work expenditure of \$1.01 million.
- **Bamboo Creek and Mt Webber Gold Test Work** – In the [Haoma Mining 2011 Annual Report](#) and at the [2011 Annual General Meeting](#) Haoma advised shareholders that it has successfully extracted gold from Bamboo Creek Tailings using the Refined Elazac Extraction Method. Shareholders were advised that the **fine gold recovered from a 10.42kg parcel of Bamboo Creek Tailings equated to a gold grade of 41.37/t.**

Haoma is now well advanced in developing a sustainable commercial process to extract gold from Bamboo Creek Tailings and other Bamboo Creek ores. In January 2012 tests on BBC tailings and other ores from the region continued. Haoma anticipates a commercial gold mining operation at Bamboo Creek to begin in the current Quarter.

- **Daltons Mt Webber Iron Ore Joint Venture (E45/2186, E45/2187, E45/2921, E45/2922)** - Haoma Mining has a 25% interest in the Daltons Mt Webber Iron Ore Joint Venture with Atlas Iron Limited 75%. **Daltons Iron Ore Joint Venture at Mt Webber now has an Ore Reserve of 22.8 Mt at 58.3% Fe, Haoma Mining's 25% interest is 5.7 million tonnes.**

Atlas Iron advised there were no activities during the Quarter. As previously reported the Mt Webber iron ore DSO Reserve is defined at 22 million tones at 58.3% Fe. There are many additional lower grade tones. **The iron ore is low in impurities and contains a significant amount of gold.**

In the [Haoma Mining 2011 Annual Report](#) and at the [2011 Annual General Meeting](#) Haoma advised shareholders that a repeat **Mt Webber** gold assay based on a 10kg sample from RC drill hole RCDW029 (over approximately 20 meters) **returned a gold grade of 71.5g/t.** This result **confirmed the previous gold assay result of 62.3 g/t.**

In January 2012 test work continued on developing a commercial process to extract gold from Mt Webber ore which contains gold.

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1. GROUP CONSOLIDATED RESULT TO DECEMBER 31, 2011

Haoma Mining NL Consolidated Profit & Loss	2010/11 2nd Qtr (\$m)	2010/11 Full Year (\$m)	2011/12 1st Qtr (\$m)	2011/12 2nd Qtr (\$m)	2011/12 6 Months (\$m)
Operating Revenue:					
Recovery of Exploration Costs	-	0.50	-	-	-
Royalties	0.02	0.07	0.02	0.02	0.04
Retail Sales & Misc.	0.03	0.16	0.05	0.04	0.09
Finance Revenue	-	0.18	0.08	0.03	0.06
Licence Fee	-	0.14	0.01	-	0.01
Profit on Sale of Assets				0.18	0.18
Operating Revenue	0.05	1.05	0.11	0.27	0.38
Operating profit before interest, depreciation, amortisation, exploration & development costs:	(0.08)	0.08	0.02	0.18	0.20
Interest	(0.93)	(3.75)	(1.07)	(1.10)	(2.17)
Depreciation & amortization	(0.11)	(0.48)	(0.03)	(0.04)	(0.07)
Exploration, development & test work	(0.65)	(3.06)	(0.95)	(1.01)	(1.96)
Operating (loss) before tax	(1.77)	(7.21)	(2.03)	(1.97)	(4.00)

Bamboo Creek Processing					
Gold Production (ozs)	-	71	-	-	-
Gold sold (ozs)	-	71	-	-	-
Av. Selling price (\$/oz)	-	1,289	-	-	-
Bamboo Creek silver prod'n					
Silver Production (ozs)	-	24	-	-	-

1.1 Haoma's Group Consolidated Result

Haoma Mining's unaudited consolidated financial result for the three months ended December 31, 2011 was a before tax loss of \$1.97 million after interest of \$1.10 million, depreciation and amortisation of \$0.04 million and group exploration, development and test work expenditure of \$1.01 million.

1.2 Funding of Group Operations

Since February 2007, the Company's operations have been financially supported by funding sourced from The Roy Morgan Research Centre Pty Ltd, a company associated with Haoma's Chairman, Gary Morgan and Haoma's major shareholder, Leaveland Pty Ltd. Mr Morgan and Leaveland have confirmed that Haoma's funding requirements will continue to be supported while the Bamboo Creek Processing Plant remains on care and maintenance or until further notice.

At December 31, 2011 the principal debt to The Roy Morgan Research Centre Pty Ltd was \$36.82 million. Haoma has approved payment of interest on this debt at the 30 day commercial bill rate plus a facility margin of 4%. Interest will accrue until such time as the company is in a position to commence interest payments. Interest accrued for the 3 months to December 31, 2011 was \$1.103 million. Total interest accrued and unpaid to December 31, 2011 is \$13.952 million.

1.3 Forward Gold Sale Contracts: No future gold production is sold forward.

2. OPERATIONS AT BAMBOO CREEK, WESTERN AUSTRALIA

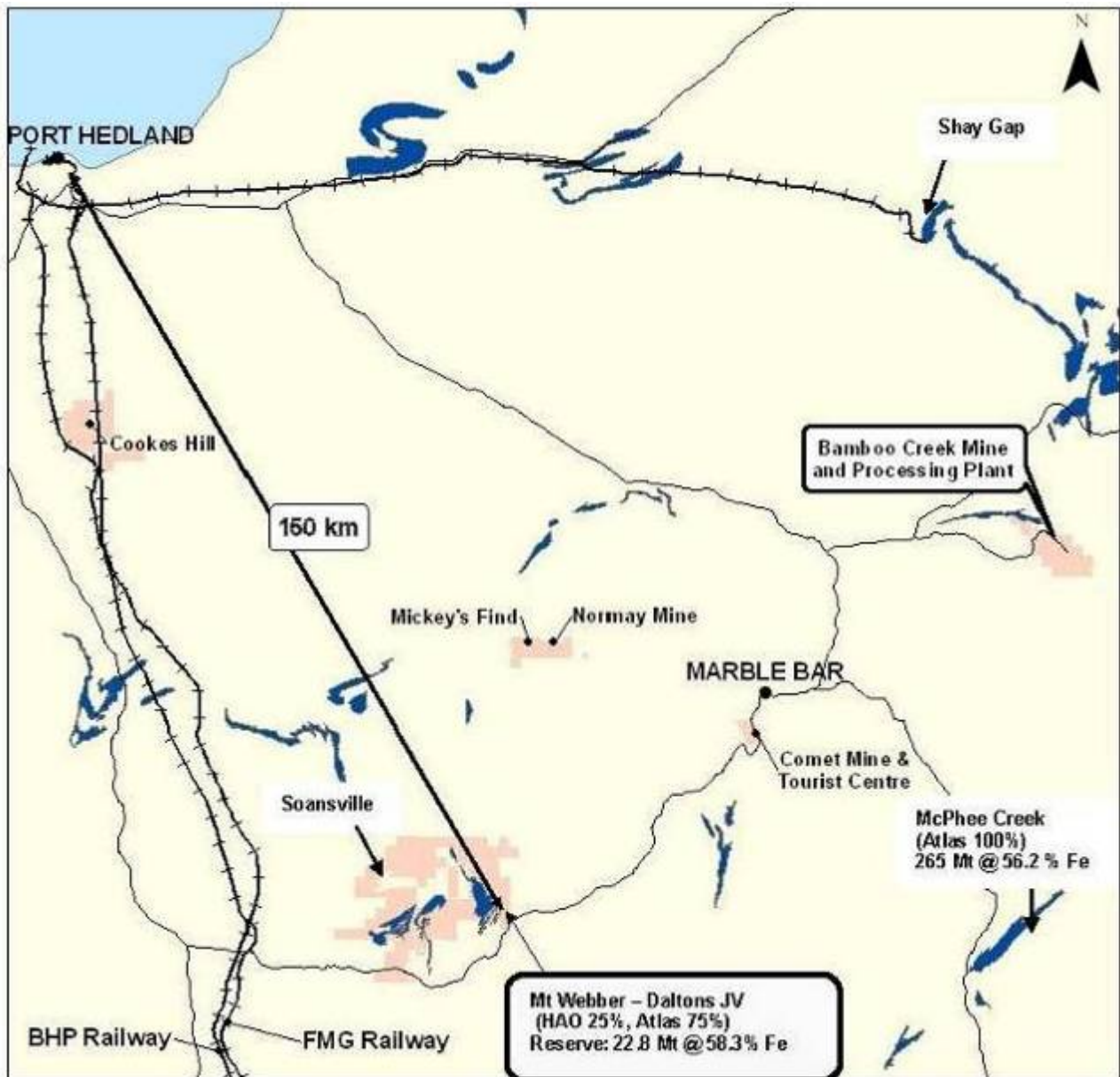


Figure 1:

Haoma Mining's Pilbara tenements, including Mt Webber Daltons JV Iron Ore area. Map includes location of Haoma's Bamboo Creek Mine and Processing Plant, North Pole Area (including Mickey's Find and Normay Mine), Cookes Hill and the Comet Gold Mine and Tourist Centre.



Figure 2: Shaw River near Mickey's Find flowing caused by cyclone activity in the area



Figure 3: Flooding in the Bamboo Creek area due to cyclone activity

2.1 Extracting fine gold from processing Bamboo Creek Tailings using the Refined Elazac Extraction Method

In the [Haoma Mining 2011 Annual Report](#) and at the [2011 Annual General Meeting](#) Haoma advised shareholders that it has successfully extracted gold from Bamboo Creek Tailings using the Refined Elazac Extraction Method. Shareholders were advised that the **fine gold recovered from a 10.42kg parcel of Bamboo Creek Tailings equated to a gold grade of 41.37/t.**

Haoma is now well advanced in developing a sustainable commercial process to extract gold from Bamboo Creek Tailings and other Bamboo Creek ores. **During January 2012 there was significant cyclone activity in the region.** (See Figures 2 and 3 above) Tests on BBC tailings and other ores in the region continued. Haoma anticipates a commercial gold mining operation at Bamboo Creek to begin in the current Quarter.

Haoma has previously reported that there are approximately one million tonnes of Bamboo Creek Tailings and a million tonnes of mined ore ready to be processed through the Bamboo Creek Plant. In addition there are many millions of tonnes of lower grade gold bearing ore in the Bamboo Creek Valley. (See Figures 4 and 5 below)



Figure 4: Bamboo Creek Processing Plant



**Figure 5:
Bamboo
Creek
Tailings
Dam**



Figure 6: Bamboo Creek Airstrip, used in January because roads closed due to cyclone activity in the area

2.2 Gold in the Mt Webber Iron Ore Deposit - Significant Haoma results from processing bulk ore samples of Mt Webber drill core using the Refined Elazac Assay Method (Elazac Method)

Overall the Mt Webber iron ore DSO Reserve is defined at 22 million tonnes at 58.3% Fe. There are many additional lower grade tones. **The iron ore is low in impurities and contains a significant amount of gold.**

In the [Haoma Mining 2011 Annual Report](#) and at the [2011 Annual General Meeting](#) Haoma advised shareholders that a repeat **Mt Webber** gold assay based on a 10kg sample from RC drill hole RCDW029 (over approximately 20 meters) **returned a gold grade of 71.5g/t**. This result **confirmed the previous gold assay result of 62.3 g/t**.

These laboratory tests show the gold content of the Mt Webber ore can be conclusively measured and that the gold content is up to 2ozs per tonne. See Table 1.

Table 1:

Area Sampled	Sample Description	Gold Assay by Traditional Method	'Calculated' Gold Head Grade using Refined Elazac Assay Method ^[1]	
				g/t
1. Daltons/Soansville: Reported December 2008	17 drill chip samples, over 21.8 metres from 3 drill holes	0.059g/t	Leached Trial Grade	0.176
			Tail Grade 'Calculated' Gold	76.09
			Head Grade	> 76.0
2. Daltons/Mt Webber May-July 2011 (Samples from diamond drill hole RDDW002 location East 738955.19, North 7617235.26, Dip/Azim -90/0 & RDDW003 location East 739163.67, North 7617445.42, Dip/Azim -90/0)	Sample sizes, 20-90 kg	0.08 g/t	Bamboo Creek Lab	4.5 5.0 17.0 75+
			Independent Lab	4.5 7.5 31+
			ALS	80+
3. Daltons/Mt Webber Sept./Oct. 2011 (Sample from approximately 20 meters of RC drill hole RCDW029; location East 739160, North 7617447, Dip/Azim -60/90)	Sample size: 3a: 1.835 kg 3b: 10kg	0.08 g/t	Independent Lab Independent Lab	62.3 71.3

Note: Table 1 above includes the previously reported (July 31, 2011) high-grade gold results obtained from Daltons/Mt Webber samples. On September 2, 2011 shareholder were advised that repeat gold assays obtained similar high gold grades as indicated by '+'.
In January 2012 test work continued on developing a commercial process to extract gold from Mt Webber ore which contains gold.

The Mt Webber tenements are subject to an iron ore Joint Venture between Haoma and Giralia/Atlas (25% Haoma, 75% Giralia/Atlas). **Haoma is entitled to 100% of the gold, silver, tin and tantalum.**

Table 2 below shows there is a large number of tonnes of ore available from the Daltons/Mt Webber tenements.

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Table 2: Atlas Iron (AGO) and Haoma Mining (HAO) Mt Webber Iron Ore Reserves

	Atlas	Haoma	Total
Mt Webber reserves	17.107mt	5.702mt	22.809mt

^[1] The information & data in this report as it relates to Metallurgical Results is based on information compiled by Mr Peter Cole who is an expert in regard to this type of metallurgical test work. The results relate to testing the effectiveness of a new method of assaying for gold and other mineral content (the Refined Elazac Assay Method) and a new method for extraction of gold and other minerals from ore (the Refined Elazac Extraction Method). These methods are together referred to as the Elazac Process. The information reported relates solely to the ongoing test work in relation to bringing the Elazac Process to commercial realisation. Mr Cole has worked in the mining industry for over 30 years and has been associated with the development of the Elazac Process over a long period (approximately 15 years). Mr Cole is one of only a few persons with sufficient relevant knowledge and experience to report results in relation to test work on the Refined Elazac Assay Method and Refined Elazac Extraction Method. Mr. Cole has consented to the inclusion in this release of the information and data in the form and context in which it appears.

3. EXPLORATION AND EVALUATION ACTIVITIES IN WESTERN AUSTRALIA

3.1 Daltons Joint Venture with Giralia Resources Pty Ltd (subsidiary of Atlas Iron Limited Group) - Haoma Mining 25%, Giralia 75% (E45/2186, E45/2187, E45/2921, E45/2922) (Incl. 100% Haoma M45/780, M45/847, P45/2292 – 2298)

Haoma Mining has a 25% interest in the Daltons Mt Webber Iron Ore Joint Venture with Atlas Iron Limited's wholly owned subsidiary, Giralia Resources Pty Ltd 75%.

The Daltons Joint Venture covers four tenements located approximately 150 kilometres south of Port Hedland and only 20 to 30 kilometres east of the BHP Billiton and FMG rail lines in the Pilbara region of Western Australia. **Haoma retains rights to 100% of the gold/silver and tin/tantalum mineralisation.**

The current Joint Venture Heads of Agreement between Giralia and Haoma enables either party to take their own iron ore from Mt Webber although there is as yet no Mining Agreement or Mining Lease approval. The Giralia-Haoma Joint Venture Exploration Agreement which is still in draft form foreshadows a separate Joint Venture Mining Agreement.

Atlas Iron advised Haoma that during the Quarter there were no activities on the JV tenements.



Figure 7: Mt Webber, Pilbara WA (looking south)



Figure 8: Daltons JV tenements looking north-west, photo shows drill pads on Mt Webber



Figure 9: Daltons JV tenements looking south, left side of photo shows drill pads on Mt Webber and below in Mt Webber valley

4. EXPLORATION ACTIVITIES IN THE RAVENSWOOD DISTRICT - QUEENSLAND

Haoma has many tenements in Queensland which contain commercial gold, silver and copper bearing ore.

During the Quarter, activities primarily focused on completion and interpretation of sampling and reconnaissance surveys instigated in the previous Quarter.

5. SALE OF KARRATHA TENEMENT GROUP (M47/87, M7/577, M47/127, M47/435, M47/401, M47/421, M47/455)

During the Quarter, Haoma sold its tenement holdings near Karratha to D & K Corps Investments Pty Ltd for \$200,000.

6. COMET GOLD MINE & TOURIST CENTRE

Work is continuing on upgrades to the Comet Gold Mine and Tourist Centre with the aim of restoring underground mine access and tours through the former Comet Mine Processing Plant.

Three Comet Mine historic Power Station Engines (c.1930) have been restored and can again generate power. The engines generated power in the 1930s supplying power to the Comet Mine and Marble Bar Township. A video of the restored engines operating is included on Haoma's website (www.haoma.com.au/videos/CometPower.cfm). The restoration project has been carried out under the direction of Mr. Ron Flegg who with his team of assistants has worked on this project over a number of years.

Upgrading of on site visitor accommodation is ongoing.



Figure 10: Comet Gold Tourist Centre and Mine Plant (looking south) showing ore bearing ranges on the right. Road goes to Mt Webber (approximately 80km)



Figure 11: Close-up of Comet Gold Mine Plant with ore bearing range behind



Figure 12: Comet Gold Mine Plant from Tourist Centre during heavy rain caused by cyclone activity in the Marble Bar area



Figure 13: Comet Gold Mine Plant and accommodation from the Tourist Centre



Figure 14: Comet Gold Mine Tourist Centre



Figure 15: Comet Gold Mine restored Blackstone Diesel Power Engine



Figure 16: Comet Gold Mine restored Blackstone Diesel Power Engine



Figure 17: Comet Gold Mine restored Blackstone Diesel Power Engine

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gary Morgan', written in a cursive style.

Gary C Morgan
CHAIRMAN

Appendix 5B

Mining exploration entity quarterly report

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

HAOMA MINING NL

ABN

12 008 676 177

Quarter Ended
("current quarter")

31st December 2011

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to Date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	33	75
1.2 Payments for (a) exploration & evaluation	(944)	(1,833)
(b) development	(84)	(323)
(c) production		
(d) administration		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	30	70
1.5 Interest and other costs of finance paid	(3)	(10)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(968)	(2,021)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments		
(c) other fixed assets	(16)	(125)
1.9 Proceeds from sale of: (a) prospects	200	200
(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)		
Net investing cash flows	184	75
1.13 Total operating and investing cash flows (carried forward)	(784)	(1,946)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Cash flows related to operating activities		Current Quarter \$A'000	Year to Date (6 months) \$A'000
1.13	Total operating and investing cash flows (brought forward)	(784)	(1,946)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	826	1,870
1.17	Repayment of borrowings	(17)	(35)
1.18	Dividends paid		
1.19	Other (provide details if material)		
Net financing cash flows		809	1,835
Net increase (decrease) in cash held		25	(111)
1.20	Cash at beginning of quarter/year to date	31	167
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	56	56

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

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

+ See chapter 19 for defined terms.

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	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	--
4.3 Production	100
4.4 Administration	300
Total	1,000

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	56	31
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	56	31

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 disposed	M47/87, M47/577, M47/127, M47/435, M47/401, M47/421, M47/455	Sold	100%	0%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	182,993,655	182,993,655		
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>	N/A	N/A		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7 Options <i>(description and conversion factor)</i>	Ordinary Shares		<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter	7,150,000		\$0.10	05/05/2013
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	N/A	N/A		
7.12 Unsecured notes <i>(totals only)</i>	N/A	N/A		

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 ~~not~~* give a true and fair view of the matters disclosed.



Sign here: Date: 31/01/2012
 (CHAIRMAN)
 Print name: **.GARY C MORGAN**

+ See chapter 19 for defined terms.