Haoma Mining NL

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CHAIRMAN'S ADDRESS TO 2010 ANNUAL GENERAL MEETING
BY GARY C. MORGAN,
NOVEMBER 30, 2010

Welcome to the 2010 Annual General Meeting of Haoma Mining NL.

Exploration Activities – Western Australia

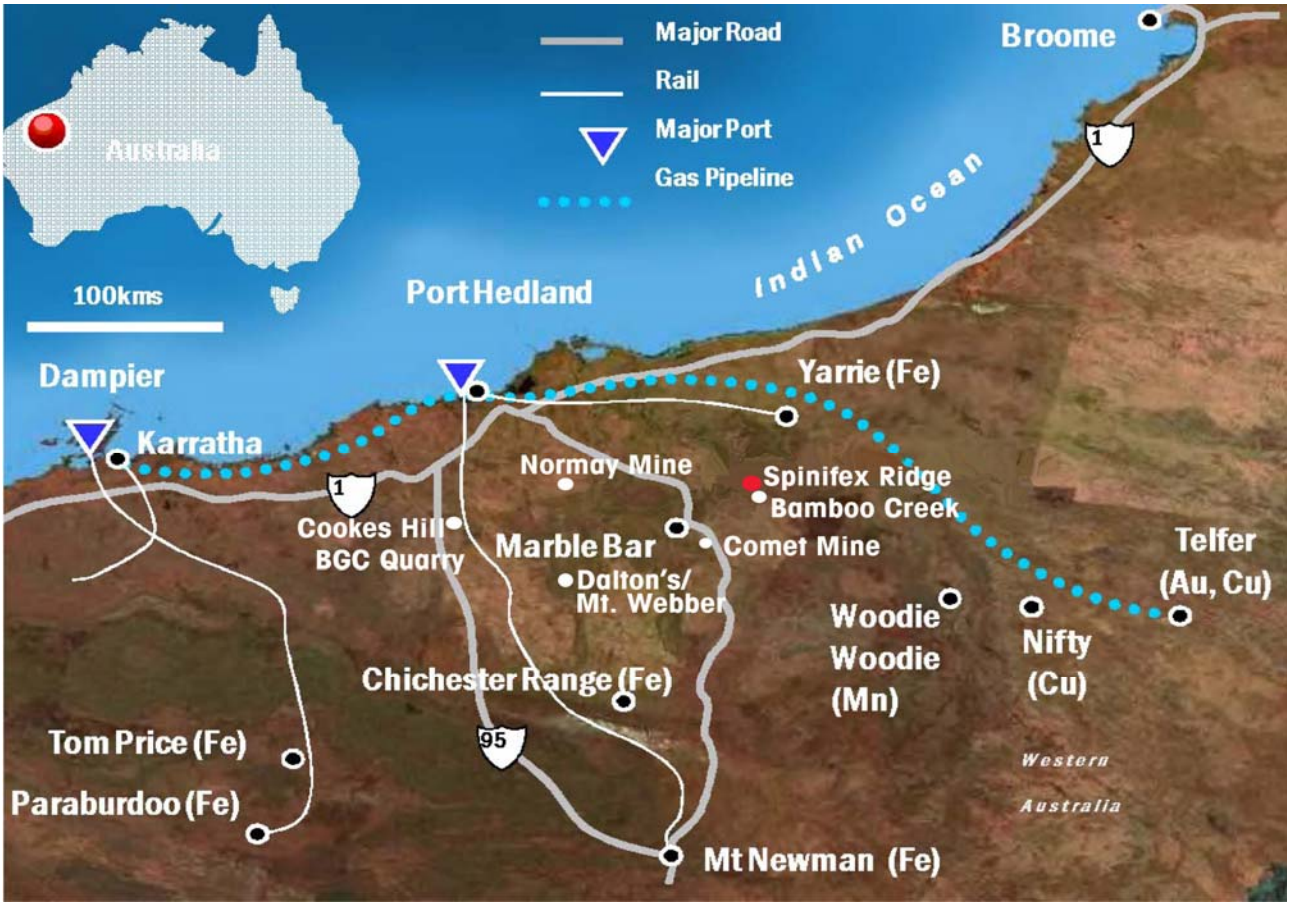

Figure 1: Pilbara Area Project Location Map

Source: Moly Mines Ltd (added to map are locations of Bamboo Creek, Normay Mine, Cookes Hill BGC Quarry, Daltons/Mt Webber and Comet Mine).

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Today I will be talking about three Haoma activities:

1. Daltons Joint Venture: Haoma Mining NL (25%) Mt Webber Joint Venture with Giralia Resources NL (75%) with a mineral resource estimate of 35.1million tonnes @ 57.2% Fe. The final volume of DSO (Direct Shipping Ore) available from the Daltons JV should be between 60 million tonnes and 80 million tonnes.

   The Directors are confident that early in the New Year there will be a clear proposition available for the Joint Venture to export iron ore.

   The Directors are at present considering several alternative propositions, including selling Haoma's 25% Dalton's share to one of numerous interested parties or 'spinning off' a separate iron ore mining company.

2. Processing of gold bearing Bamboo Creek Tailings has begun through the newly commissioned plant at Bamboo Creek. While still on a limited basis the Directors are confident that commercial quantities of gold will be produced in the New Year.

3. A review of Haoma's Queensland tenements is currently being conducted with a view to establishing a small mining operation in Queensland.

1. Mt Webber Daltons Joint Venture (E45/2186, E45/2187, E45/2921, E45/2922) Haoma 25%, Giralia 75% (Includes 100% Haoma M45/780, M45/847, P45/2292 – 2298)

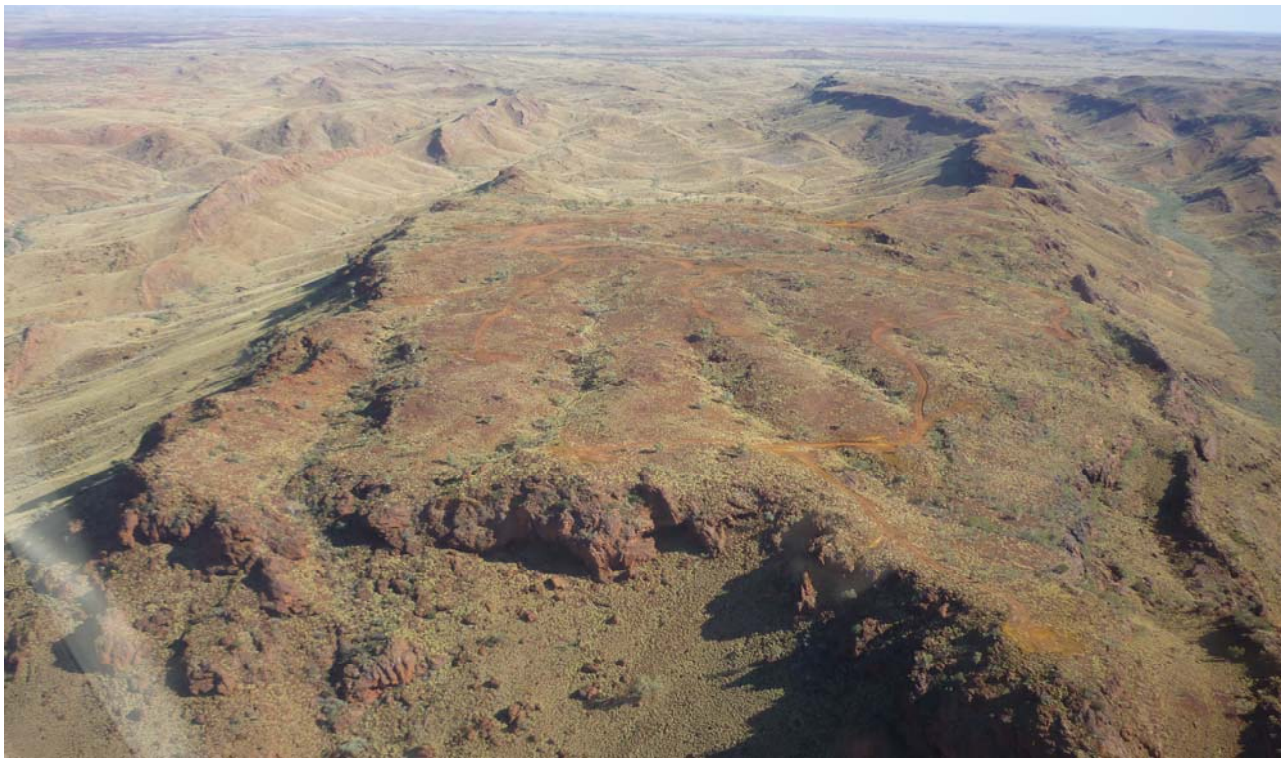
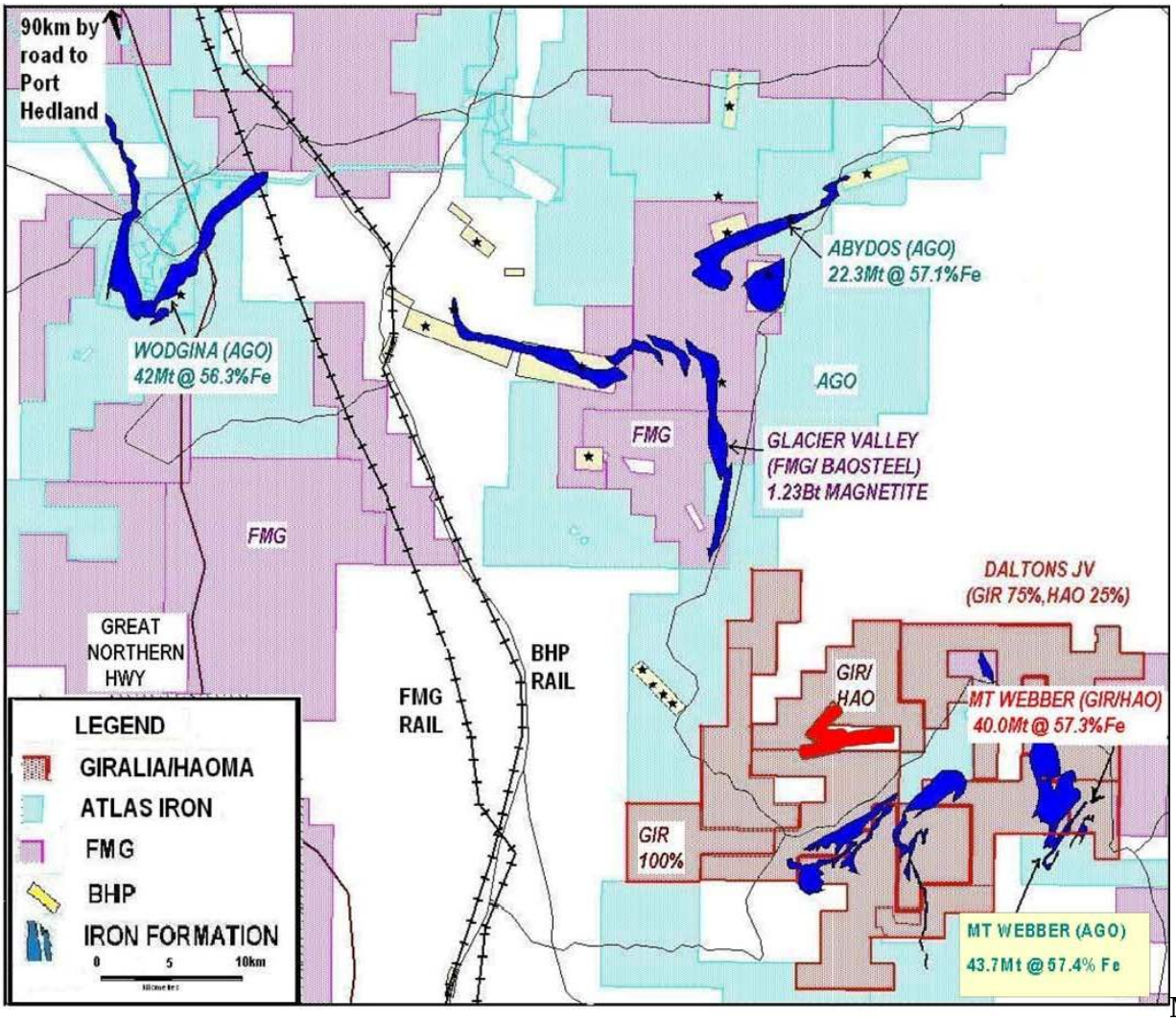


Figure 2: Mt Webber looking south showing GIR/HAO drilled area in foreground.



Mt

Figure 3: Location plan showing Daltons GIR/HAO JV tenements

Webber Iron Ore Project

On September 8, 2010, Haoma advised shareholders of an upgrade to the JORC Mineral Resource category from Inferred to Indicated for the major portion of the Daltons Joint Venture Mt Webber iron ore deposit.

The Main Southern Zone, which comprises over 80% of the direct shipping iron ore ("DSO") resource at Daltons-Mt Webber, is a flat lying enrichment cap up to 70 metres thick, with mineralisation starting from surface in most holes. The Daltons JV's Mt Webber tenements directly adjoin the Atlas Iron Limited (70%)/Altura Mining Limited (30%) Mt Webber project, for which a revised Mineral Resource estimate of 41.9 million tonnes @ 57.1% Fe (Indicated 21.9 million tonnes @ 57.2% Fe, and Inferred 20.0 million tonnes @ 57.0% Fe) was reported on September 1, 2010.

The new Indicated Mineral Resource for the Main Southern Zone of the Daltons JV's Mt Webber deposit is; **28.9 million tonnes @ 57.9% Fe, 6.69% SiO_2, 1.49% Al_2O_3, 0.097% P and 8.17% LOI (63.05% CaFe).** Additional Inferred Resources in the Lower Zone and Northern Zone are essentially unchanged at 6.2 million tonnes. The current Indicated plus Inferred Mineral Resource for the Mt Webber deposit is **35.1 million tonnes @ 57.2% Fe, 7.81% SiO_2, 1.5% Al_2O_3, 0.089% P and 7.99% LOI (62.16% CaFe).**

The upgraded Main Southern Zone resource will form the basis for Ore Reserve estimation and detailed mine engineering studies as part of the ongoing Daltons-Mt Webber Pre-Feasibility Study.

A high rate of conversion from resource to reserves is anticipated as the deposit will require little waste removal, and is entirely "above ground". The Joint Venture is aiming to complete mine permitting by early 2011 and is continuing to assess various transport options with a base case of public road haulage to Port Hedland.

Table 1: Mineral Resource Estimate – Mt Webber Deposit as at August 23, 2010.

Area	Category	Volume (m^3)	Tonnes	Fe%	P%	SiO2%	Al2O3%	LOI%	CaFe%
Main Southern Zone	Indicated	10,300,000	28,900,000	57.9	0.097	6.69	1.49	8.17	63.05
Lower Zone	Inferred	1,500,000	4,300,000	53.7	0.046	15.29	0.81	6.50	57.43
Northern Zone	Inferred	700,000	1,900,000	55.0	0.070	8.10	3.24	8.52	60.12
TOTAL		**12,500,000**	**35,100,000**	**57.2**	**0.089**	**7.81**	**1.50**	**7.99**	**62.16**

Note: *The CSA Mineral Resource was estimated within wireframe solids based on a nominal lower cut-off grade of 50% Fe. The resource is quoted from blocks above the specified Fe % cut-off grade. Differences may occur due to rounding.*

Delineation of the new Daltons-Mt Webber Indicated Mineral Resource is based on recent infill drilling (19 RC holes and 6 PQ diamond core holes), plus 40 RC drill holes completed in late 2009. The recent drilling confirmed the continuity of the near surface DSO mineralisation, and returned better results (reported to ASX on August 11, 2010) including**; 78 metres (to end of hole) @ 59.8% Fe, 0.11% P, 0.8% Al_2O_3**, **68 metres @ 60.1% Fe, 0.09% P, 1.4% Al_2O_3**, and **58 metres @ 59.1% Fe, 0.10% P, 1.8% Al_2O_3**.

Detailed metallurgical test work on drill core including specific gravity determinations, has resulted in a specific gravity of 2.8 being used by consultants CSA Global for the upgraded resource estimate compared with 3.3 for the previous Inferred Resource estimate reported in September 2009, resulting in a small reduction in tonnage, despite a slightly increased volume.

Figure 4: Main Southern Hill at Mt webber deposit showing approximate position of tenement boundary with Atlas / Altura JV (photograph looks south)

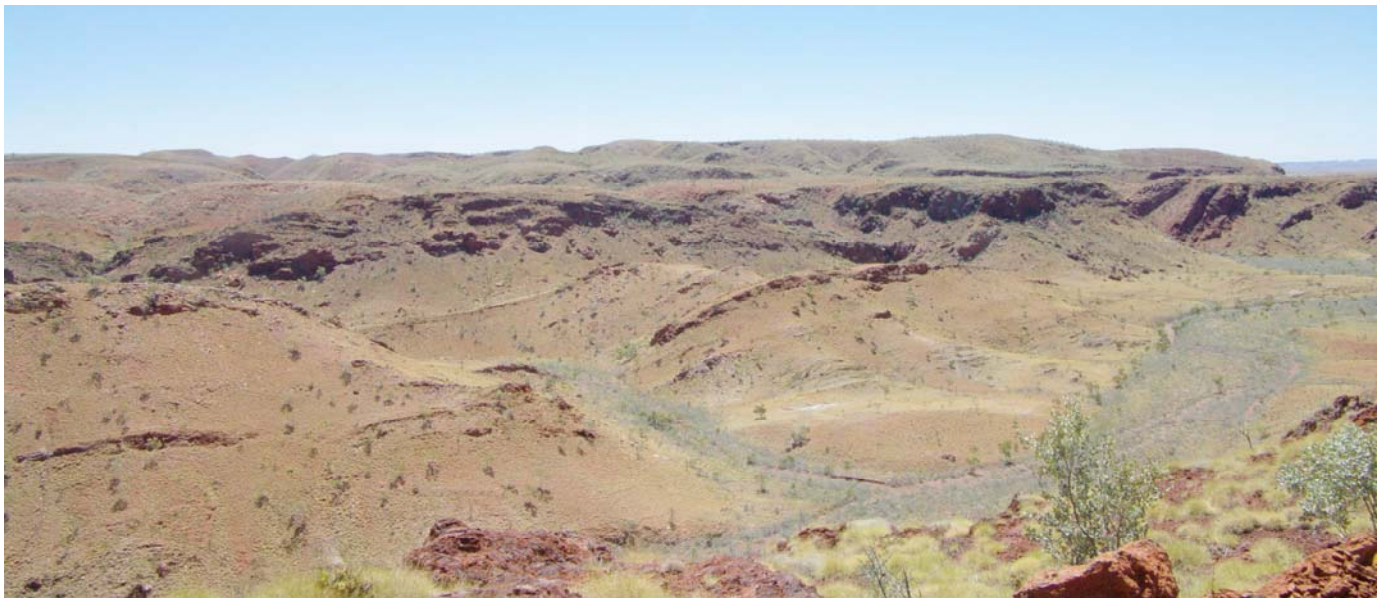
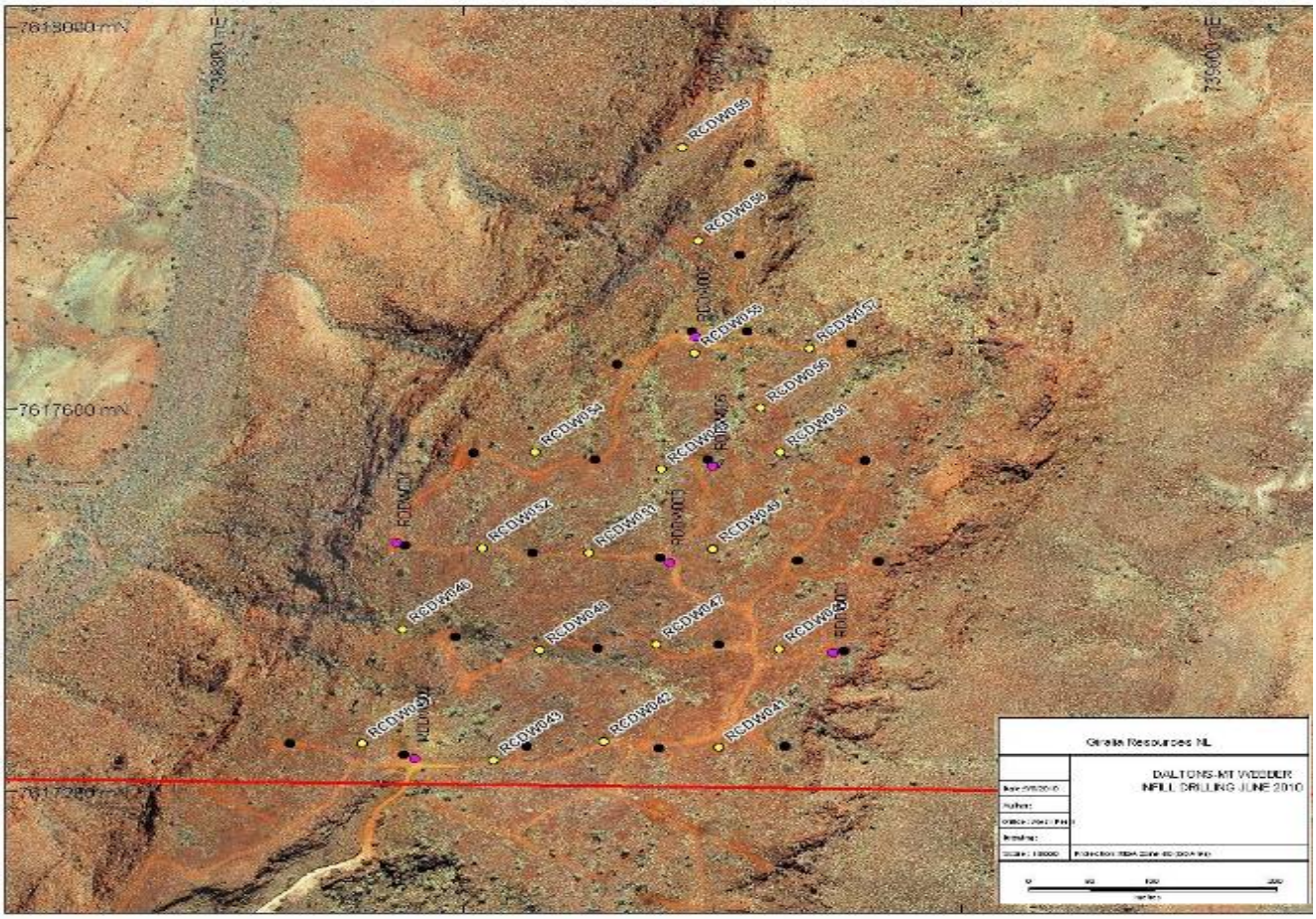


Figure 5: Looking north-east from Mt Webber to adjacent Daltons JV ' Western Ranges' terrain



<u>Figure 6:</u> Main Southern Hill at Daltons-Mt Webber deposit (looking north) showing 2009 Drill Collars (black dots), new June 2010 infill holes (yellow dots) and PQ Diameter core holes (purple dots)

Table 2: Daltons-Mt Webber Deposit RC infill drilling 2010

Hole No	Coordinates East	Coordinates North	Dip / Az	Depth (m)	From (m)	To (m)	Interval (m)	Fe %	CaFe %	P %	SiO2 %	Al2O3 %	LOI %
RCDW041	739205	7617246	60/90	110	4	72	**68**	**60.1**	**64.4**	**0.09**	**5.6**	**1.4**	**6.6**
				and	84	104	20	50.7	53.8	0.02	19.7	0.5	5.7
RCDW042	739112	7617252	60/90	118	0	52	52	54.0	59.6	0.09	9.5	2.7	9.4
				incl.	32	52	**20**	**56.5**	**62.7**	**0.10**	**7.0**	**1.7**	**9.9**
RCDW043	739024	7617233	60/95	94	10	44	**34**	**58.1**	**64.0**	**0.11**	**5.8**	**1.5**	**9.1**
RCDW044	738917	7617250	60/93	64	0	64	**64 EOH**	**57.5**	**62.8**	**0.11**	**6.4**	**2.4**	**8.4**
RCDW045	739253	7617349	60/90	118	0	36	**36**	**57.5**	**62.5**	**0.09**	**7.5**	**1.8**	**8.0**
				incl.	16	34	**18**	**60.6**	**65.5**	**0.10**	**4.5**	**1.3**	**7.5**
				and	40	52	12	50.1	52.8	0.04	22.0	0.7	5.1
				and	86	112	**26**	**56.9**	**61.2**	**0.04**	**8.1**	**1.5**	**7.2**
RCDW046	738951	7617370	60/90	70	0	24	**24**	**57.8**	**61.9**	**0.10**	**6.3**	**3.7**	**6.9**
				incl.	8	24	**16**	**63.7**	**67.3**	**0.10**	**2.3**	**1.1**	**5.2**
RCDW047	739154	7617354	60/90	94	4	28	**24**	**55.9**	**60.5**	**0.10**	**9.8**	**1.2**	**7.6**
				incl.	4	22	**18**	**58.1**	**62.8**	**0.11**	**7.2**	**0.9**	**7.5**
				and	32	46	14	51.1	53.8	0.05	19.0	1.3	4.9
RCDW048	739060	7617348	60/90	76	0	36	**36**	**58.9**	**63.1**	**0.09**	**6.6**	**2.0**	**6.6**
				incl.	2	32	**30**	**60.3**	**64.4**	**0.08**	**5.2**	**1.8**	**6.4**
RCDW049	739200	7617454	60/90	76	0	44	**44**	**56.1**	**60.0**	**0.08**	**11.4**	**1.0**	**6.4**
				incl.	12	38	**26**	**59.9**	**64.1**	**0.09**	**6.4**	**0.9**	**6.5**
RCDW050	739254	7617555	60/90	94	0	64	**64**	**56.2**	**62.3**	**0.09**	**6.6**	**2.2**	**9.8**
				incl.	10	60	**50**	**57.1**	**63.3**	**0.09**	**5.4**	**2.2**	**9.8**
RCDW051	739100	7617450	60/90	58	0	30	**30**	**57.5**	**62.4**	**0.07**	**7.1**	**1.6**	**7.9**
				incl.	8	30	**22**	**60.4**	**65.2**	**0.08**	**4.7**	**1.2**	**7.4**
				and	38	44	6	52.9	56.9	0.11	15.1	0.7	7.1
RCDW052	739015	7617455	60/90	64	0	58	**58**	**59.1**	**63.6**	**0.10**	**6.1**	**1.8**	**7.1**
RCDW053	739159	7617537	60/90	58	0	56	**56**	**56.4**	**61.1**	**0.10**	**10.0**	**1.0**	**7.5**
				incl.	0	42	**42**	**58.8**	**63.8**	**0.10**	**6.3**	**1.1**	**7.7**
RCDW054	739057	7617556	60/90	58	0	34	**34**	**58.6**	**63.3**	**0.09**	**6.7**	**1.9**	**7.4**
RCDW055	739185	7617659	60/90	88	10	88	**78 EOH**	**59.8**	**65.8**	**0.11**	**3.9**	**0.8**	**9.1**
RCDW056	739238	7617601	90/0	70	2	46	**44**	**56.5**	**61.9**	**0.09**	**7.7**	**1.7**	**8.7**
				incl.	8	44	**36**	**57.7**	**63.5**	**0.09**	**5.7**	**1.7**	**9.0**
				and	64	70	**6 EOH**	**58.0**	**62.6**	**0.04**	**7.4**	**1.9**	**7.3**
RCDW057	739278	7617664	60/90	94	12	68	**56**	**57.6**	**64.2**	**0.11**	**5.2**	**1.0**	**10.3**
				incl.	20	68	**48**	**58.7**	**65.4**	**0.12**	**3.9**	**0.7**	**10.3**
				and	82	92	**10**	**56.0**	**61.2**	**0.10**	**10.3**	**0.6**	**8.5**
RCDW058	739188	7617776	90/0	64	0	4	4	53.9	60.5	0.10	8.2	2.7	10.9
RCDW059	739175	7617874	60/270	94				NSV					

Intersections quoted using lower cut-offs of 50% and 55**%** Fe.
All coordinates in MGA Zone 50 GDA 94, by hand held GPS (± 6m).
NSV= no intersections of 2m @ >50% Fe.
XRF analyses by Spectrolab Laboratory Geraldton.
RC drill samples collected as 2 metre riffle split composites.
EOH means iron intersection open at end-of-hole.
CaFe is a measure of iron content upon removal of volatiles (i.e. LOI).
QA/QC included field duplicate samples and two standards (Certified Reference Material), comprising one coarse standard and one pulverised standard

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The information in Section 1 of this Chairman's Address that relates to in-situ Mineral Resources is based on information compiled by Mr Chris Allen of CSA Global. Mr Chris Allen takes overall responsibility for the reported Mineral resources. He is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Mr Chris Allen consents to the inclusion of such information in this Report in the form and context in which it appears.

The information in Section I of this Chairman's Address that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by R M Joyce, who is a Member of the Australasian Institute of Mining and Metallurgy. R M Joyce has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. R M Joyce consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

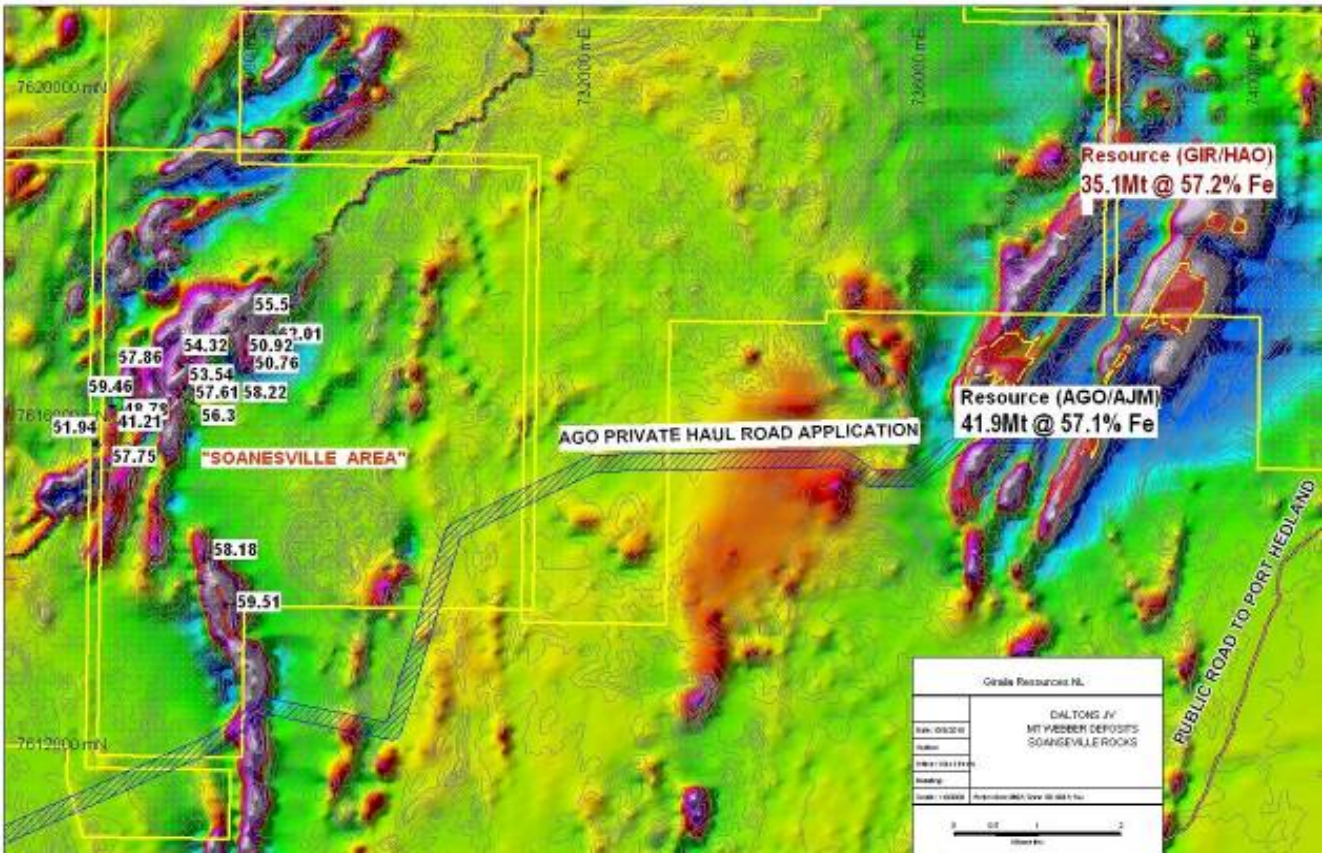


Figure 7: Daltons JV Eastern Portion Aeromagnetic Image, Showing Mt Webber Deposits and New Soanesville Area Sampling Results (Fe%)

Table 3: Daltons JV Soanesville area - rock chip sample results July 2010

SAMPLE	EAST	NORTH	Fe %	P %	SiO2 %	Al2O3 %	LOI %
DW001	727441	7614219	**58.2**	0.15	4.06	1.71	10
DW002	727698	7613673	**59.5**	0.16	2.32	1.17	10.45
DW003	726525	7616063	48.8	0.03	2.93	8.81	10.67
DW004	726384	7616065	**59.5**	0.08	2.64	1.14	10.66
DW005	726407	7615879	41.2	0.05	4.46	18.7	7.91
DW006	726347	7615451	**57.7**	0.24	3.54	1.83	10.88
DW007	726197	7615634	51.9	0.21	7	5.44	9.96
DW008	727050	7616137	**57.9**	0.12	4.24	2.15	9.18
DW009	727148	7616247	**56.3**	0.37	5	2.35	10.7
DW010	727206	7616344	**57.6**	0.26	3.76	2.58	10.25
DW011	727311	7616471	53.5	0.39	8.19	3.21	10.72
DW012	727177	7616579	54.3	0.08	12.25	0.81	8.74
DW013	727956	7616577	**58.2**	0.28	2.41	1.9	11.48
DW014	728016	7616696	50.8	0.33	8.65	5.03	9.77
DW015	727983	7616835	50.9	0.23	6.78	7.02	11.87
DW016	727950	7616945	**62.0**	0.10	2.26	0.67	7.82
DW017	727918	7617154	**55.5**	0.23	2.9	4.5	9.86

Daltons Drill Sample (E45/2186, E45/2187, E45/2921, E45/2922) Test Work using Refined Elazac Assay Method: (Daltons Joint Venture is Giralia Resources NL 75%, Haoma Mining NL 25%, except for Gold, Silver, Tin and Antimony which is 100% Haoma):

Leaching trials were conducted on drill chip samples from the Daltons Project with additional follow up assays using the **Refined Elazac Assay Method**. The gold Tail Grade by the **Refined Elazac Assay Method was 76.091g/t** compared to the gold Leaching Trial Tail Grade of **0.027 g/t** and the gold Calculated Head Grade after the leaching trial of 0.176 g/t. All assays were conducted by ALS Laboratories in Perth. The test work used a total of 17 drill chip samples covering 21.8 meters from 3 different drill holes. The original ALS weighted assays were: Au 0.033g/t, Ni 0.77%, As 71.09 ppm and Co 217.96 ppm.

Table 4: Comparison of Assay Grades using Refined Elazac Assay Method compared to the Leaching Trial, Calculated Head Grade

Sample	Gold BBC Assay g/t Au	Gold ALS Assay g/t Au	Silver ALS Assay g/t Ag	Nickel ALS Assay % Ni	Arsenic ALS Assay ppm As	Cobalt ALS Assay ppm Co
Assayed Head Grade	0.049	0.059	6.62	1.19	111.5	249.0
Leaching Trial: Recovered Grade	0.114	0.149	12.69	0.46	29.7	90.6
Leaching Trial: Tail Grade	0.093	**0.027**	1.83	0.63	78.4	154.0
Leaching Trial: Calculated Head Grade	0.207	0.176	14.52	1.09	108.1	244.6

Refined Elazac Assay Method: Tail Grade		**76.091**

2. Bamboo Creek Operations

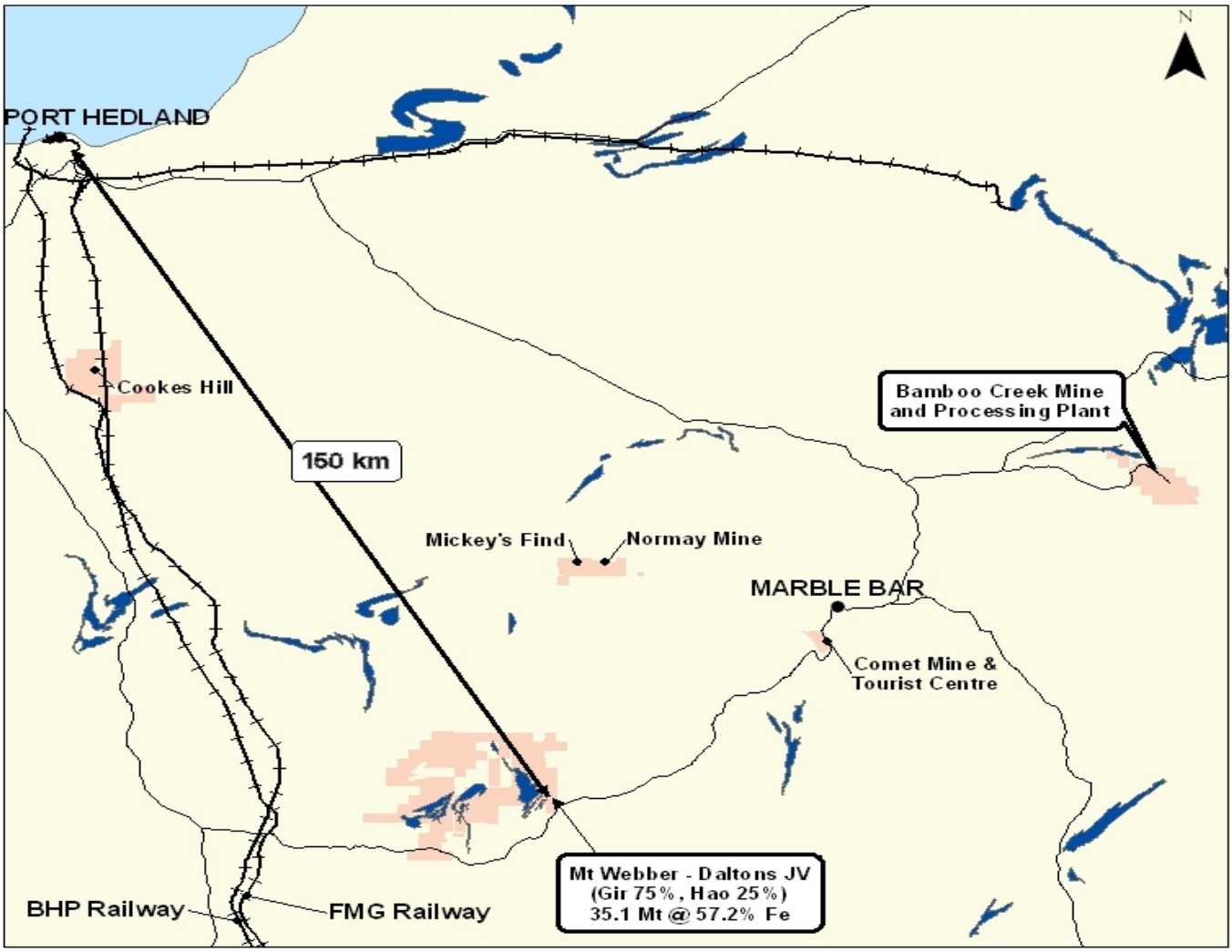


Figure 8: Pilbara Projects Location Map

During July and August this year bulk ore tests continued at the Bamboo Creek Plant facilities using the **Refined Elazac *Extraction* Method** and the **Refined Elazac *Assay* Method** on samples of Bamboo Creek **Tailings** and Tailings **Concentrates**.

The **latest results significantly up-grade previous Bamboo Creek test results** which showed that conventional assays did not accurately measure the amounts of gold and silver that can be extracted from Bamboo Creek ores.

Three independent trials on Bamboo Creek Tailings (samples 50g, 50g and 400g) using the **Refined Elazac *Extraction* Method** have just been completed in Melbourne at an Independent Facility to test recoveries of gold and silver from the samples tested. Assays from these three trials at the Independent Facility used the **Refined Elazac *Assay* Method** and check assays were carried out at the Bamboo Creek Laboratory.

Results were significantly higher than results from previous test work carried out at Bamboo Creek and reported to shareholders in the June 2010 Quarterly Report:
(www.haoma.com.au/2010/Haoma_Qtrly_Q4_Jun_10-App5B.pdf)

Table 5:

Bamboo Creek Tailings			
Bamboo Creek Assays		Independent Assays	
Gold	Silver	Gold	Silver
Calc Head	Calc Head	Calc Head	Calc Head
(g/t)	(g/t)	(g/t)	(g/t)
145.66	**186.93**	**189.02**	**385.05**

Haoma shareholders were advised on March 29, 2010 http://www.haoma.com.au/2010/Haoma_ASX_29Mar2010.pdf that conventional assays for the Bamboo Creek Tailings sample were as follows:

- Conventional Aqua Regia Assay: 0.302 g/t Au and 0.000 g/t Ag.
- Conventional Fire Assay: 0.152 g/t Au and 0.091 g/t Ag.

In addition to the three independent trials, a **20kg bulk sample of Bamboo Creek Tailings** was processed by the **Refined Elazac *Extraction* Method** at the Bamboo Creek Treatment Plant with all assays carried out at the Melbourne Independent Facility. **The 20kg bulk sample returned calculated grades from bullion of 174.89g/t gold and 92.95g/t silver**.

Haoma has approximately one million tonnes of Bamboo Creek Tailings and one million tonnes of mined ore ready to be processed through the Bamboo Creek Plant.

Comparison of the above results with previous Bamboo Creek Tailings bulk ore test (sample 56 kg) show significantly higher gold and silver grades were obtained.
(See Haoma's June 30, 2010 Quarterly Activities Report.to Shareholders, (www.haoma.com.au/2010/Haoma_Qtrly_Q4_Jun_10-App5B.pdf).

Table 6:

	The Perth Mint	**Australian Laboratory Services**	**Other Independent Facility**
	g/t	g/t	g/t
Gold	55.66	47.74	63.87
Silver	Not Measured	55.19	31.32

The latest results and the above previous results outlined in Haoma's June 30, 2010 Quarterly Activities Report both confirmed the initial bulk ore test which measured 55.90 g/t gold in Bamboo Creek Tailings and released to the ASX in Haoma's April 8, 2010 Special Report. http://www.haoma.com.au/2010/Haoma_ASX_08Apr2010%20.pdf

The latest Elazac results showed that the measured gold and silver grades can now be recovered into gold and silver bullion. Residues from using the Elazac Process may contain some additional gold, silver and other metals which can be recovered with additional processing.

<u>Figures 9 & 10</u>
Bamboo Creek Dore –
Au & Ag Assays Awaited

Figure 11: **Bamboo Creek Plant from Tailings Dam**

Figure 12: **Bamboo Creek Plant**

Figure 13:
Bamboo Creek Valley and main Range (on right) which contains ore bodies

3. Bamboo Creek Banded Iron Formation (E45/3217)

In 2009 a 'rock chip' sampling program on the western section of Haoma's Bamboo Creek tenements obtained significant surface 'rock chip' assay results over more than 2.5 km of the Bamboo Creek Banded Iron Formation.

The results indicated that the adjoining Moly Mines (MOL) Banded Iron Formation (which contains the Spinifex Ridge Iron Ore deposits) extends into Haoma's Bamboo Creek Exploration Tenement E45/3217 (See Figures 6 and 7). The mineralisation on E45/3217 is approximately 8 km from the Bamboo Creek plant and township.

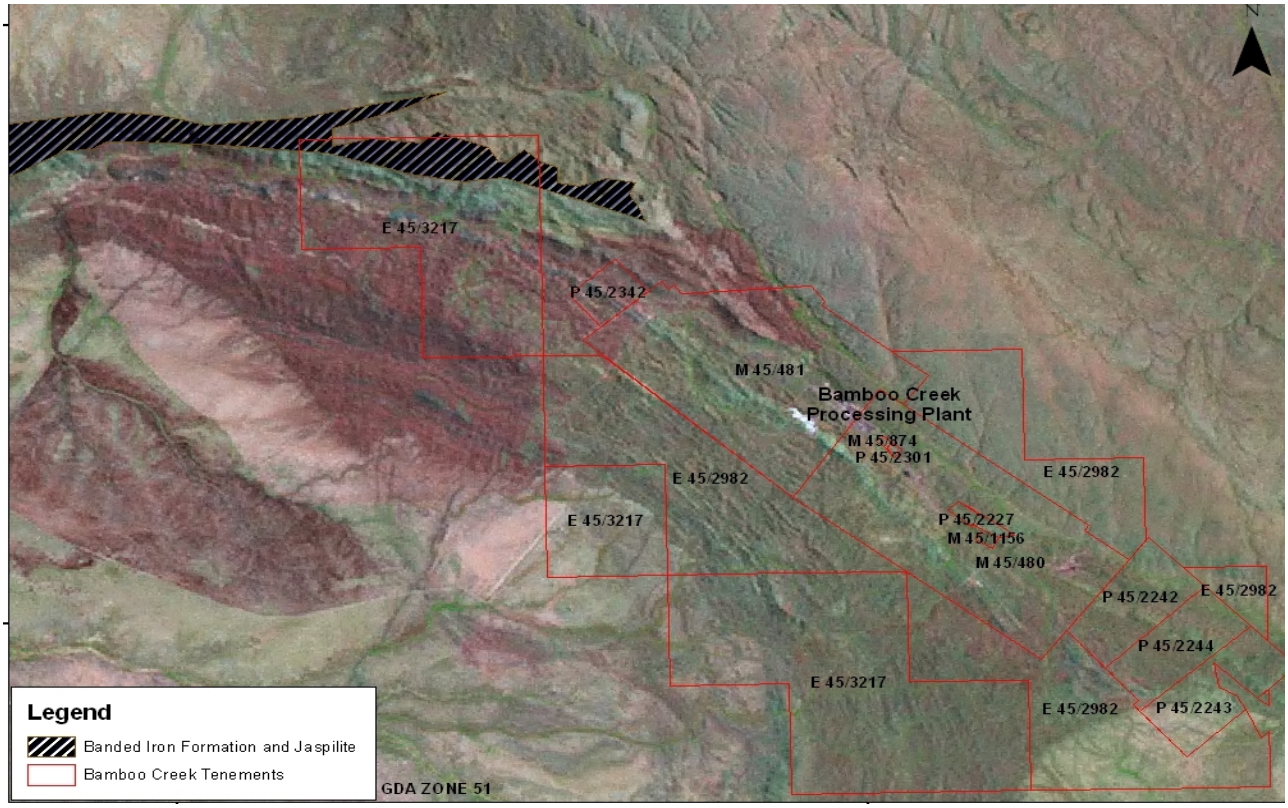
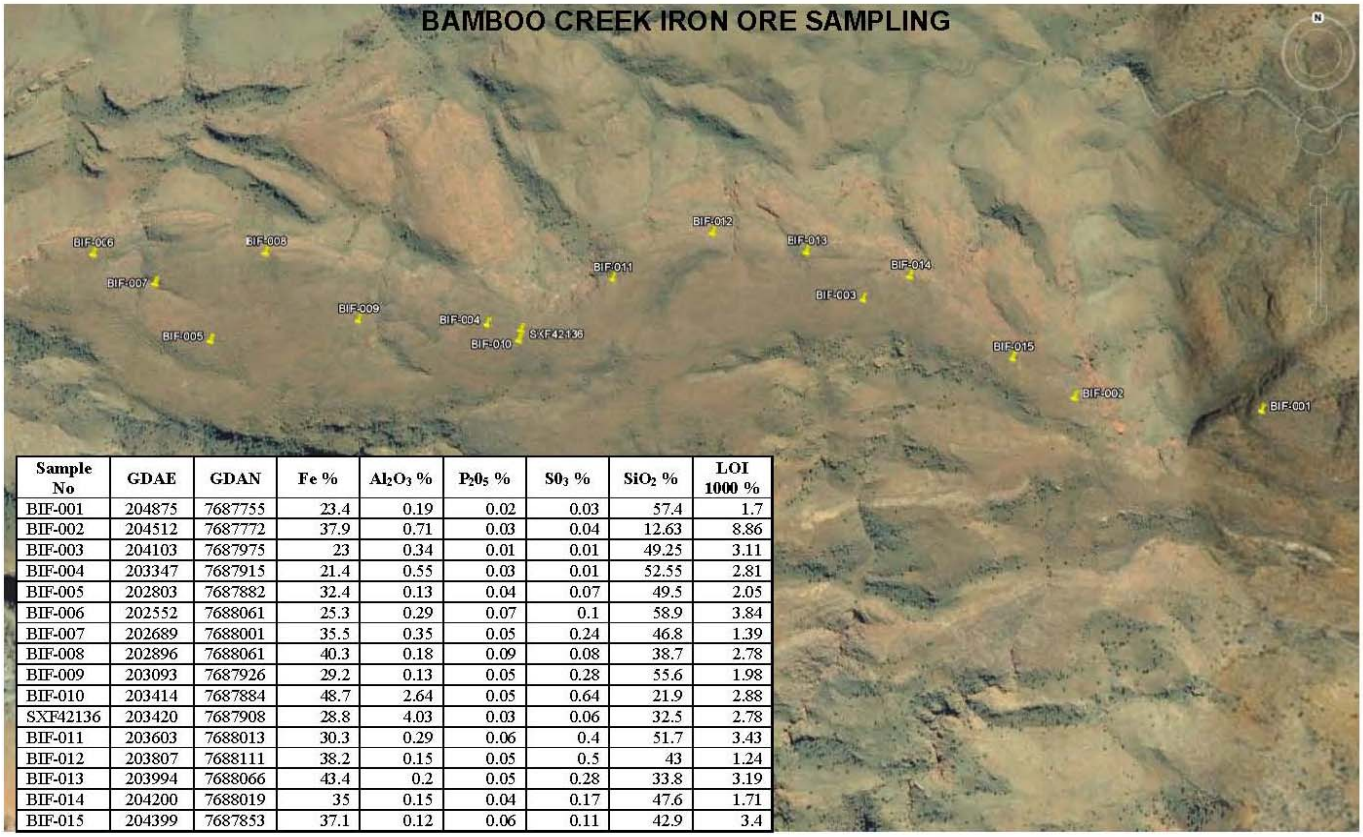


Figure 15: Moly Mines Banded Iron Formation (in black) extending into Haoma's Tenement E45/3217



Sample No	GDAE	GDAN	Fe %	Al_2O_3 %	P_2O_5 %	$S0_3$ %	SiO_2 %	LOI 1000 %
BIF-001	204875	7687755	23.4	0.19	0.02	0.03	57.4	1.7
BIF-002	204512	7687772	37.9	0.71	0.03	0.04	12.63	8.86
BIF-003	204103	7687975	23	0.34	0.01	0.01	49.25	3.11
BIF-004	203347	7687915	21.4	0.55	0.03	0.01	52.55	2.81
BIF-005	202803	7687882	32.4	0.13	0.04	0.07	49.5	2.05
BIF-006	202552	7688061	25.3	0.29	0.07	0.1	58.9	3.84
BIF-007	202689	7688001	35.5	0.35	0.05	0.24	46.8	1.39
BIF-008	202896	7688061	40.3	0.18	0.09	0.08	38.7	2.78
BIF-009	203093	7687926	29.2	0.13	0.05	0.28	55.6	1.98
BIF-010	203414	7687884	48.7	2.64	0.05	0.64	21.9	2.88
SXF42136	203420	7687908	28.8	4.03	0.03	0.06	32.5	2.78
BIF-011	203603	7688013	30.3	0.29	0.06	0.4	51.7	3.43
BIF-012	203807	7688111	38.2	0.15	0.05	0.5	43	1.24
BIF-013	203994	7688066	43.4	0.2	0.05	0.28	33.8	3.19
BIF-014	204200	7688019	35	0.15	0.04	0.17	47.6	1.71
BIF-015	204399	7687853	37.1	0.12	0.06	0.11	42.9	3.4

Figure 16: Haoma's Bamboo Creek Tenement E45/3217 showing exploration sample locations adjacent to Moly Mine's Banded Iron Ore Zone

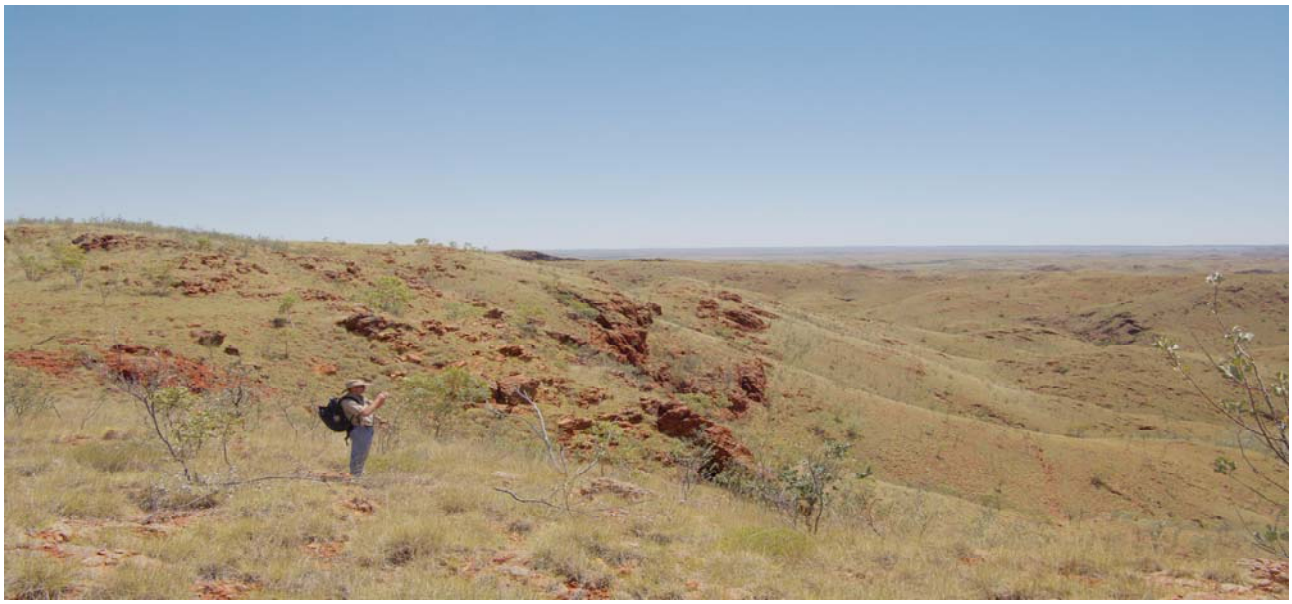


Figure 17: Haoma's Spinifex Ridge Terrain

4. Sale of Linden Tenements

Priority for Haoma Shareholders in Exterra Resources Ltd IPO

As announced at the Annual General Meeting on December 17, 2009, Haoma sold all of its Linden Tenements (E39/293, E39/428 M39/649, M39/650, N39/794, P39/2974, P39/2975, P39/2976) and the Linden Camp to Exterra Resources Ltd. These tenements were not core to Haoma's operations and were sold to focus on Haoma's Pilbara tenements and Queensland activities.

The Directors determined that Exterra was the appropriate company to bring forward the development of the existing Second Fortune Gold Mine on these tenements. In addition Exterra have a team of people experienced in exploration and mining high grade underground ore bodies. The Linden Tenements combined with other tenements in the Linden and Leonora District held by Exterra are a significant land holding. We believe proposed drilling will quickly define new mining projects and hopefully facilitate a swift move to the development of new mines.

The terms of the sale was a cash consideration of $1.1 million (which Haoma was paid at the time of sale) and a Convertible Note with a face value of $1 million. Haoma may convert the Convertible Note to 10 million ordinary Exterra shares at any time during the 18 month period after Exterra is admitted to the official list of the ASX. When Exterra proceeds to an ASX listing an additional $500,000 will be paid to Haoma for reimbursement of previous exploration costs paid by Haoma on the Linden Tenements.

If Exterra achieves its maximum subscription under its initial public share offer (IPO), conversion of the Convertible Note would result in Haoma holding 12.1% of Exterra's share capital. While Haoma will not be involved in Exterra on a day-to-day basis Peter Cole (Haoma's Acting General Manager) and I are both on the Board of Exterra.

As part of the Exterra IPO all Haoma shareholders have been given a Priority Offer to apply for shares in this issue. The terms of this offer are:

Haoma Shareholders may acquire shares in Exterra by completing the Application Form accompanying the Prospectus. If you wish to take advantage of this Priority Offer then you should download the Prospectus from **exterraresources.com.au/prospectus** or alternatively, request a copy of the Prospectus from Exterra by calling 08 9481 7288, and one will be sent to you.

Immediately after listing Exterra intends to commence drilling of the Second Fortune Mine lode system. This drilling program is part of the feasibility study being conducted to determine the requirements to re open the Second Fortune Mine. The drilling results will be used to verify and upgrade the current resource estimates.

5. Cookes Hill (E45/2983, M45/1005, M45/1031 – 1036) Including BGC Tribute Agreement to Mine Dolerite from Haoma's Cookes Hill Quarry

The Haoma Dolerite Quarry at Cookes Hill is operated by BGC Contracting Pty Ltd. BGC Contracting mine and crush dolerite aggregate which is being supplied to BHP Billiton railways for its new Pilbara railway line. Haoma earns a royalty of $0.75c per tonne of railway ballast and $0.40c per tonne for other material. During the year 792,018 tonnes of material were mined from the Cookes Hill Quarry for which Haoma received royalties of $408,098.

BGC has advised that over the next 12 months they expect to continue to operate the Cookes Hill Quarry and crushing facility to meet demand in the Port Hedland area for dolerite aggregate.

Figure 18: **Haoma's Cookes Hill Dolerite Quarry**

Figure 19: **BGC Contracting Pty Ltd Portable Crushing Plant at Cookes Hill Dolerite Quarry**

Figure 20: **Stockpiled Dolerite at Haoma's Cookes Hill Quarry operated by BGC Contracting P/L.**

6. Queensland

We have many tenements in Queensland which contain gold, silver and copper bearing ore .

During the year, activities at Haoma's tenements in the Ravenswood and Charters Towers Districts of North Queensland primarily focused on the ongoing review of Haoma's extensive geological database. Visual field inspections and assessments of Haoma's prospects were conducted by Haoma's staff based at the company's Ravenswood Office. A feasibility study is being prepared to determine the viability of recommencing gold and silver mining on Haoma's mining leases near Ravenswood. The ore produced would be toll milled at nearby treatment plants.

The Ravenswood Top Camp Motel in North Queensland is at present operating its accommodation facilities on a successful commercial basis.

Conclusion

Finally, I would like to express the Board's appreciation to all those who have helped Haoma's activities in the Pilbara and Ravenswood Districts during the last 12 months.

In particular, the Board's thanks go to Mr. Peter Cole, Prof. Peter Scales, Mr Roger Curtain (University of Melbourne), Dr Edwin van Leeuwen and Mr. Hugh Morgan who have all contributed to solving the Pilbara assay and metallurgical problems.

In addition the Board would like to thank Mr. Tristin Cole, Mr. Steve Wilson, Mr. Bob Claydon, Mr. Bob Ward and all others at our Bamboo Creek Mine who have been involved in test work and re-engineering the Bamboo Creek Plant.

We thank our principal geologist, Ms Sandra McKenzie for her significant contribution in upgrading Haoma's Western Australia and Queensland tenements. Sandra McKenzie was assisted in Queensland by Mr. Dave Toland.

Our thanks go to Mr Rod Flegg and his assistants, Mr. Kevin Butler and Mr Lance Croft for the excellent work undertaken by them in restoring the former diesel engines at the Comet Mine Power Station. These engines are now running again thanks to their efforts.

Finally we thank those who help run our 'mining accommodation', namely Ms Kylie Hutton for operating the Comet Mine Tourist Centre, Ms Gail Swift at Normay, and Ms Merlene Manderson and her people at our 'Top Camp' Ravenswood, Queensland facility.

Seasonal greetings and with kind regards

Gary C. Morgan
CHAIRMAN