Haoma Mining NL

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November 24, 2009

Company Announcements Office
Australian Stock Exchange
Level 45, Rialto South Tower
525 Collins Street
MELBOURNE, VIC. 3000

Dear Sir,

Haoma Mining Annual Report to June 30, 2009

Attached is the Haoma Mining NL 2009 Annual Report and Notice of the Annual General Meeting to be held at 9.30am on Thursday, December 17, 2009 at 'Morgans at 401', 401 Collins Street, Melbourne.

The following important items are included in the Annual Report:

1. **Refined Elazac *Assay* Method (See Annual Report Section 1.3)**

As detailed in previous reports, assays conducted on Bamboo Creek and other Pilbara ores by the traditional methods (Fire assay and Aqua Regia Acid Digestion methods) often significantly under estimate the true grades of gold, silver and other metals.

In Haoma's June 2009 Quarterly Report shareholders were advised that assays using the **Refined Elazac *Assay* Method** returned repeatable high grades of gold and silver from Bamboo Creek ores. **For example, late June trials obtained the following high gold assays for Bamboo Creek Tailings: 56.56g/t, 36.8g/t, 22.5 g/t and 21.86 g/t. Historical assays for Bamboo Creek Tailings measured gold grades between 0.15g/t and 0.3 g/t.**

During the September Quarter Bamboo Creek Laboratory **assay tests** continued to obtain exceptional and repeatable assay results using the **Refined Elazac *Assay* Method**.

Three bulk laboratory trials (each using a 2 kg sample) were conducted in the Bamboo Creek Laboratory on Bamboo Creek Tailings, which historically assayed between 0.15 g/t and 0.3 g/t by traditional methods. Table 1 shows that the recovered gold 'Calculated Grades', using the **Refined Elazac Assay Method**, were significantly higher than the historical assay for the Bamboo Creek Tailings (0.15 g/t - 0.3 g/t).

Table 1 below includes Trial 2 with updated results that have been obtained since the release of the Refined Elazac *Assay* Method results in Haoma's September 30, 2009 Activity Report for Bamboo Creek Tailings. Compare results for Trial 2 in Tables 1 (updated results) & Table 2 (released in September 2009 Activity Report). The Trial Calculated Head Grade for gold is now 74.32 g/t compared to the previously released gold grade of 7.099 g/t. The measured gold can now be extracted to bullion (See Point 2 below and Item 1.4 of the Annual Report)

Table 1: Updated Results for Bamboo Creek Tailings Calculated 'Head Grades'

Description	Bamboo Creek Tailings 2 Kg Ore Samples, un-pulverised	Gold Assay Calculated Head Grade (g/t)	Silver Assay Calculated Head Grade (g/t)
Trial 1	Calculated Grade	1.861	0.004
Trial 2	**Calculated Grade**	**74.32**	**0.07**
Trial 3	Calculated Grade	2.669	0.101

Table 2: Bamboo Creek Tailings Calculated 'Head Grades' – September 2009 Activities Report

Description	Bamboo Creek Tailings 2 Kg Ore Samples, un-pulverised	Gold Assay Calculated Head Grade (g/t)	Silver Assay Calculated Head Grade (g/t)
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2. **Refined Elazac *Extraction* Method – Bulk Ore Trial at Bamboo Creek (See Annual Report Section 1.4)**

Processing of a four tonne bulk ore sample of Bamboo Creek Concentrate through the Bamboo Creek Plant has been completed. (The Gold 'Head Grade' of the bulk ore sample by traditional assay methods was 88.51 g/t).

Gold from the four tonne bulk ore sample has now been extracted onto *'steel wool'* using the Refined Elazac *Extraction* Method. To date the 'Calculated' amount of gold on the *'steel wool'* is 431.41 g or 13.87 ounces, this equates to 107.85 g/t which is more than the 'Head Grade' of 88.51 g/t. The 'Tail' of the bulk ore sample is in the process of being re-leached. This should produce more gold.

The *'steel wool'* is now being smelted by AGR-Matthey. Shareholders will be advised of the total amount of gold produced as soon as AGR-Matthey advises Haoma the amount.

The bulk ore test confirms results from previous Laboratory Trials when Haoma used the Refined Elazac *Assay* Method to measure significantly more gold in the 'Head Grade' than measured by traditional assays

The latest test shows that Bamboo Creek gold bearing ore can now be processed in the Bamboo Creek Plant and significant quantities of gold produced.

The Bamboo Creek Plant is now being modified to enable Refined Elazac *Extraction* Method to be used on a continuous basis so gold and other metals can be produced commercially.

The Haoma Board and Consultants believe early in 2010 gold and other metals will be produced at Bamboo Creek on a profitable commercial basis.

The above findings are significant for Haoma Mining NL shareholders and the Australian Gold Mining Industry.

The information contained in Items 1 and 2 of the report relating to "Metallurgical Results" is based on information compiled by Mr Peter Cole who is a competent person in regard to having sufficient experience which is relevant to this metallurgical test work. The information was compiled in Oct. & Nov. 2009. Mr Cole consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

3. **Mt Webber Joint Venture (75% Giralia, 25% Haoma) Iron Ore Project (Annual Report Section 3)**

On September 14, 2009, Haoma reported an initial 40 million tonne Inferred Iron Ore Mineral Resource for the Mt Webber deposit.

The low alumina and phosphorus iron ore mineralisation at Mt Webber occurs as a flat lying hematite-goethite enrichment cap up to 70 metres thick, with mineralisation starting from surface in many holes.

On behalf of the Daltons Joint Venture, Giralia has commissioned Australian Metallurgical and Mineral Testing Consultants Ltd ("Ammtec") to conduct metallurgical test work on diamond drill core to calculate the ore's compressive strength and determine with 'drop tests' the 'lump' percentage. Initial test results suggest a relatively high 'lump' percentage which should attract a premium to the benchmark iron ore 'fines' price.

Details of the Ammtec report will be released when available. For the reasons outlined above, there is potential to receive a premium price when the Mt Webber iron ore is sold.

For further information, please contact:
Gary Morgan: Chairman +613 9224 5213 (W)
+61 411 129 094 (M)

Yours sincerely,

Gary C. Morgan
CHAIRMAN

HAOMA MINING NL
AND CONTROLLED ENTITIES

ANNUAL REPORT FOR
THE YEAR ENDED JUNE 30, 2009

MISSION STATEMENT

The mission of Haoma Mining is to establish a highly profitable mining company with sustainable growth in shareholder value.

In pursuit of this mission, Haoma has acquired many quality tenements which contain gold and other minerals. Haoma utilise the most effective exploration and recovery techniques to extract minerals in the most efficient way. In addition Haoma is commitment to health, safety and the environment.

Haoma's strategic approach can be characterised as both innovative and practical.

Haoma has developed a 'leading edge' gold mining province in the Pilbara (WA) and Ravenswood/ Charters Towers Region (QLD. Research has been linked with modern technology and new ways of thinking.

Haoma operates with a very flat management structure, which allows all company personnel to be hands-on, practical and single-minded about improving Haoma's financial performance.

<table>
<tr><th>CONTENTS</th><th>ANNUAL GENERAL MEETING</th></tr>
<tr><td>

</td><td>
Notice is hereby given that the Annual General Meeting of the members of the Company is to be held at:
Morgans at 401
Ground Floor
401 Collins Street
Melbourne, Australia.

Thursday, December 17, 2009
Commencing at 9.30am.

All shareholders are encouraged to attend. Light refreshments will be available to members and guests following the meeting. The Notice of Meeting and proxy form accompanies this report.
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</table>

Financial Results

Haoma's Consolidated Loss for the Financial Year to June 30, 2009 was $5.94 million. This operating loss is after providing for income tax, depreciation, amortisation and interest of $2.8 million. Over the last 12 months the Bamboo Creek Processing Facility has predominantly been utilised as a test facility, processing bulk ore samples from Haoma's many Pilbara tenements. Laboratory test work has been ongoing at the Bamboo Creek Laboratory. The loss to June 30, 2009 includes costs associated with research and development work and also the processing of bulk samples through the Bamboo Creek Processing Plant.

Significant research and development results released in 2009 are included in this Annual Report. The end objective is to enable Haoma Mining to re-establish a profitable gold and silver mining operation in the Pilbara region of Western Australia.

The Haoma Board and Consultants believe in 2010 gold and other metals will be produced at Bamboo Creek on a profitable commercial basis.

Through my family investment company, I have continued to provide the required funding for Haoma's research and development activities. The funding has been used to develop a process to economically extract gold and silver from Pilbara ores. The costs to date have been extensive and the revenues limited which has resulted in a deficiency of net assets.

The most significant events over the last year have been reported each Quarter under the ASX continuous disclosure rules.

1. Bamboo Creek Operations – Pilbara, WA

1.1 Refined Elazac *Assay* Method and Refined Elazac *Extraction* Method (Elazac Process) – Provisional Patent

During the last year extensive Laboratory Trials using the **Elazac Process** continued at Bamboo Creek and at the University of Melbourne.

In February 2009, Haoma advised shareholders that Elazac Mining Pty Ltd had filed a Provisional Patent Application covering the Refined Elazac Assay Method and Refined Elazac Extraction Method. **Haoma Mining has unlimited access to and use of the technology described in the Provisional Patent Application for no fee**.

The Provisional Patent covers a confidential process which measures and extracts significantly more gold and silver than measured by traditional assaying methods (fire assay or aqua regia) or traditional mineral processing methods (such as using cyanide).

The science is complex and not easily understood but its application is very effective. There are large quantities of Silver and Chloride in Pilbara ores which combine to form complexes that were previously not known to cause assay difficulties and which coat gold and other minerals in Pilbara ores.

The science explains why it has been difficult to assay Pilbara ore accurately and to extract gold from Pilbara ore. The complex coating on gold and other metal particles cannot be leached by a standard Aqua Regia (acid) assay nor can it be leached when subjected to traditional mineral processing methods. An important aspect of the breakthrough is the discovery of large quantities of silver previously not known to exist and the low cost and ease of extracting the silver using the new assay and extraction methods.

1.2 Extracting Arsenic from Sulphide Ores (such as ores containing Nickel and Copper)

Earlier this year, tests were conducted on high arsenic ores such as Bamboo Creek and Daltons nickel and copper sulphide ores. Results showed the Elazac Process Extraction Method was able to extract between 20% and 50% of the arsenic measured in the Pilbara sulphide ores tested.

The results are likely to be immediately applicable to Australian nickel producers such as BHP Billiton who currently process some nickel sulphide ores with high levels of arsenic.

1.3 Refined Elazac *Assay* Method

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The information contained Sections 1.3 and 1.4 relating to "Metallurgical Results" is based on information compiled by Mr Peter Cole who is a competent person in regard to having sufficient experience which is relevant to this metallurgical test work. The information was compiled in October and November 2009. Mr Cole consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

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Exploration Activities – Western Australia

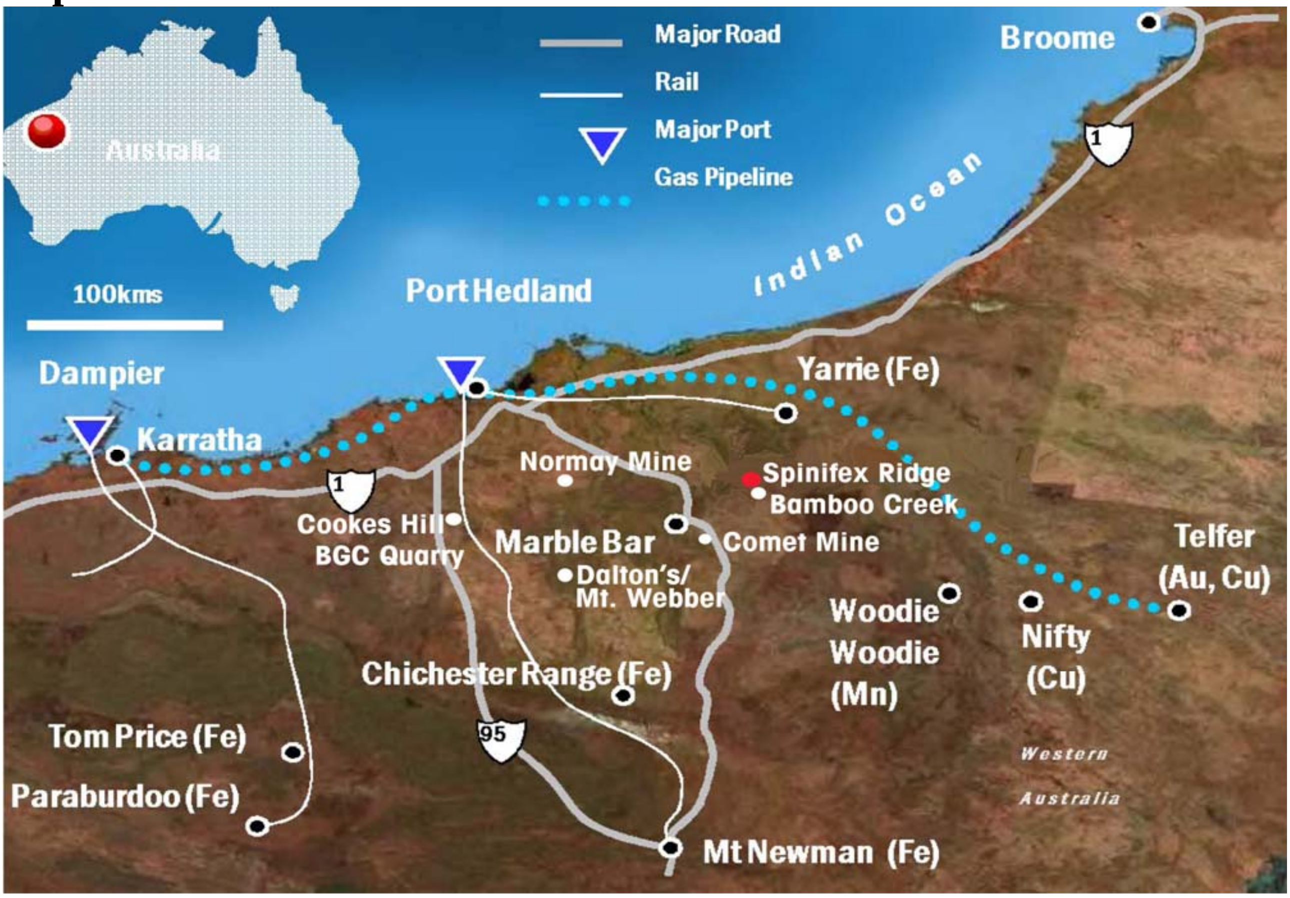


Figure 1: Pilbara Area Project Location Map

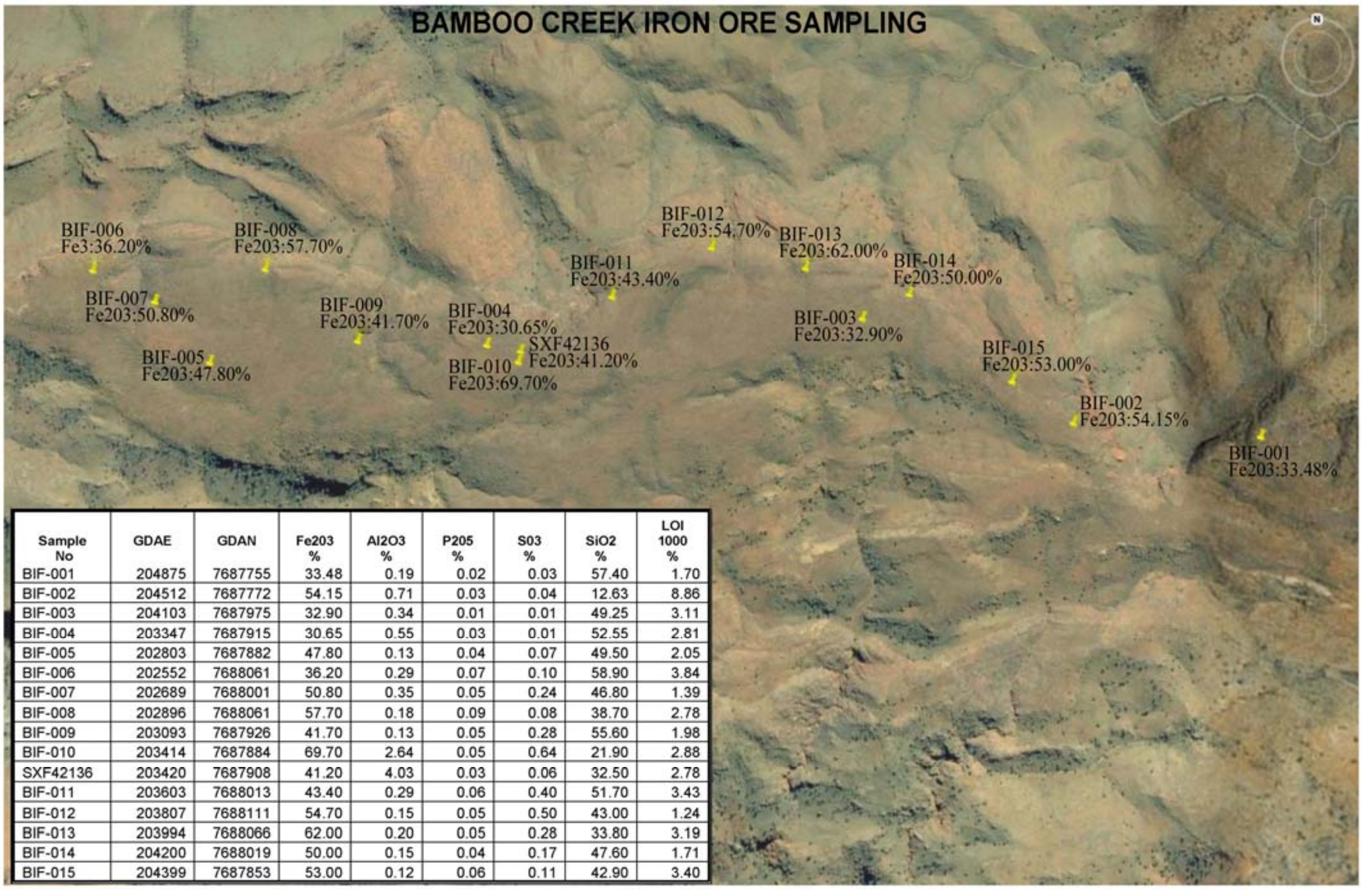
Source: Moly Mines Ltd (Added to map are locations of Bamboo Creek, Normay Mine, Cookes Hill BGC Quarry, Daltons/ Mt Webber and Comet Mine)

2. Bamboo Creek

<u>Bamboo Creek Exploration (E45/3217) – Iron Ore Targets</u>

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 with grades greater than 40% iron from three out of 16 samples to date. The results indicate 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 2 and 6). The mineralisation on E45/3217 is approximately 8 km from the Bamboo Creek plant and township

<u>Figure 2</u>: Haoma's Bamboo Creek Tenement E45/3217 showing exploration sample locations adjacent to Moly Mines Banded Iron Ore Zone.



Sample No	GDAE	GDAN	Fe203 %	Al2O3 %	P205 %	S03 %	SiO2 %	LOI 1000 %
BIF-001	204875	7687755	33.48	0.19	0.02	0.03	57.40	1.70
BIF-002	204512	7687772	54.15	0.71	0.03	0.04	12.63	8.86
BIF-003	204103	7687975	32.90	0.34	0.01	0.01	49.25	3.11
BIF-004	203347	7687915	30.65	0.55	0.03	0.01	52.55	2.81
BIF-005	202803	7687882	47.80	0.13	0.04	0.07	49.50	2.05
BIF-006	202552	7688061	36.20	0.29	0.07	0.10	58.90	3.84
BIF-007	202689	7688001	50.80	0.35	0.05	0.24	46.80	1.39
BIF-008	202896	7688061	57.70	0.18	0.09	0.08	38.70	2.78
BIF-009	203093	7687926	41.70	0.13	0.05	0.28	55.60	1.98
BIF-010	203414	7687884	69.70	2.64	0.05	0.64	21.90	2.88
SXF42136	203420	7687908	41.20	4.03	0.03	0.06	32.50	2.78
BIF-011	203603	7688013	43.40	0.29	0.06	0.40	51.70	3.43
BIF-012	203807	7688111	54.70	0.15	0.05	0.50	43.00	1.24
BIF-013	203994	7688066	62.00	0.20	0.05	0.28	33.80	3.19
BIF-014	204200	7688019	50.00	0.15	0.04	0.17	47.60	1.71
BIF-015	204399	7687853	53.00	0.12	0.06	0.11	42.90	3.40

<u>Table 3</u>: Haoma's Bamboo Creek Tenement E45/3217 Surface Sampling Results (Adjacent to Moly Mines Banded Iron Formation at Spinifex Ridge)

Sample No	GDAE	GDAN	Fe %	Al2O3 %	P205 %	S03 %	SiO2 %	LOI 1000 %
BIF-001	204875	7687755	23.4	0.19	0.02	0.03	57.40	1.70
BIF-002	204512	7687772	37.9	0.71	0.03	0.04	12.63	8.86
BIF-003	204103	7687975	23.0	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	49.50	2.05
BIF-006	202552	7688061	25.3	0.29	0.07	0.10	58.90	3.84
BIF-007	202689	7688001	35.5	0.35	0.05	0.24	46.80	1.39
BIF-008	202896	7688061	40.3	0.18	0.09	0.08	38.70	2.78

Sample No	GDAE	GDAN	Fe %	Al2O3 %	P205 %	S03 %	SiO2 %	LOI 1000 %
BIF-009	203093	7687926	29.2	0.13	0.05	0.28	55.60	1.98
BIF-010	203414	7687884	48.7	2.64	0.05	0.64	21.90	2.88
SXF42136	203420	7687908	28.8	4.03	0.03	0.06	32.50	2.78
BIF-011	203603	7688013	30.3	0.29	0.06	0.40	51.70	3.43
BIF-012	203807	7688111	38.2	0.15	0.05	0.50	43.00	1.24
BIF-013	203994	7688066	43.4	0.20	0.05	0.28	33.80	3.19
BIF-014	204200	7688019	35.0	0.15	0.04	0.17	47.60	1.71
BIF-015	204399	7687853	37.1	0.12	0.06	0.11	42.90	3.40

Table 3 'rock chip' exploration assay results was prepared September 26, 2009 by Ms Sandra McKenzie (BSci, MAusIMM), who is a competent person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and who consents to the inclusion of this information in this Report in the form and context in which it is presented.

<u>Figure 3</u>: Haoma's Spinifex Ridge Terrain near Sample BIF-002, see Table 3

<u>Figures 4 and 5</u>: Haoma's Spinifex Ridge Iron Outcrop near Sample BIF-002, see Table 3

Moly Mines Ltd Spinifex Ridge Iron Resource

Moly Mines Ltd (MOL) recently released its Technical Report for the Spinifex Ridge Iron Resource and reported the following total Indicated and Inferred Mineral Resource (Refer Section 19.10 of Spinifex Ridge Iron Resource Technical report dated September 1, 2009)
http://www.molymines.com/public/documents/4/5/090902_IronOreTechnical_Report.pdf

The MOL total Indicated and Inferred Mineral Resource is estimated at 7.3 million tonnes at an average grade: 58.6% Fe, 9.2% SiO2, 1.6% AI203, 0.148% P, 0.010% S and 4.6% LOI as reproduced in Table 4 below.

Table 4: Moly Mines Spinifex Ridge Iron Resource

Classification	Tonnes	Fe %	SiO2 %	Al2O3 %	P %	S %	LOI %
Indicated	6,110,000	58.9	8.5	1.7	0.15	0.006	4.7
Inferred	1,160,000	57.2	12.8	0.9	0.15	0.011	4.1
Total	**7,270,000**	**58.6**	**9.2**	**1.6**	**0.148**	**0.010**	**4.6**

Resource quoted at a > 50% Fe cut off grade.
Full drilling data supporting this resource calculation was release to the market on May 19, 2009.

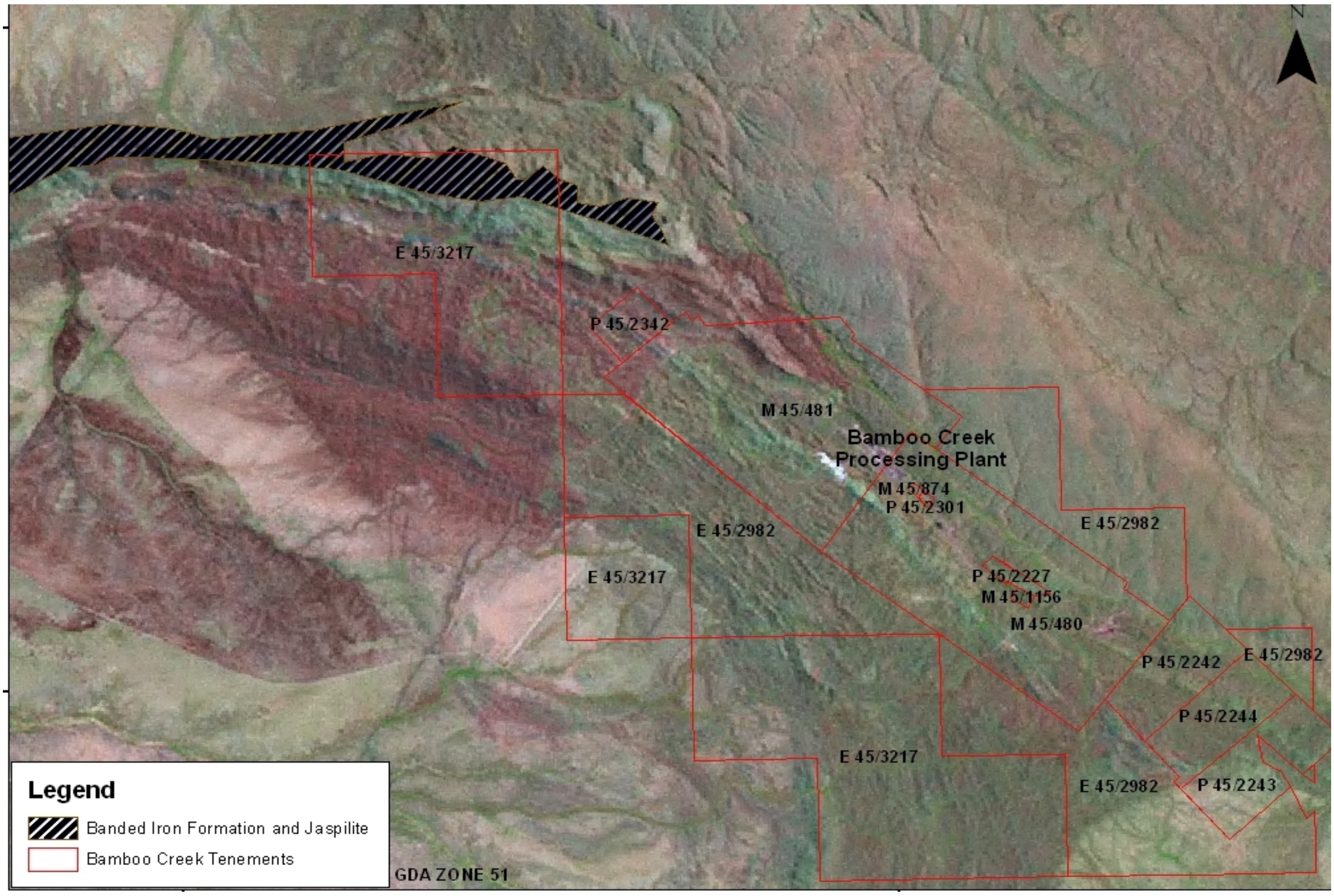


Figure 6: Moly Mines Banded Iron Formation (in black) extending into Haoma's Tenement E45/3217

3 Daltons Joint Venture (E45/2186, E45/2187, E45/2921, E45/2922) with Giralia Resources NL - Haoma Mining 25%, Giralia Resources 75% (includes 100% Haoma M45/780, M45/847, P45/2292 – 2298)

Haoma holds a 25% interest in the Daltons Joint Venture with Giralia Resources NL ("Giralia") 75% interest. The Daltons JV tenements are located 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.**

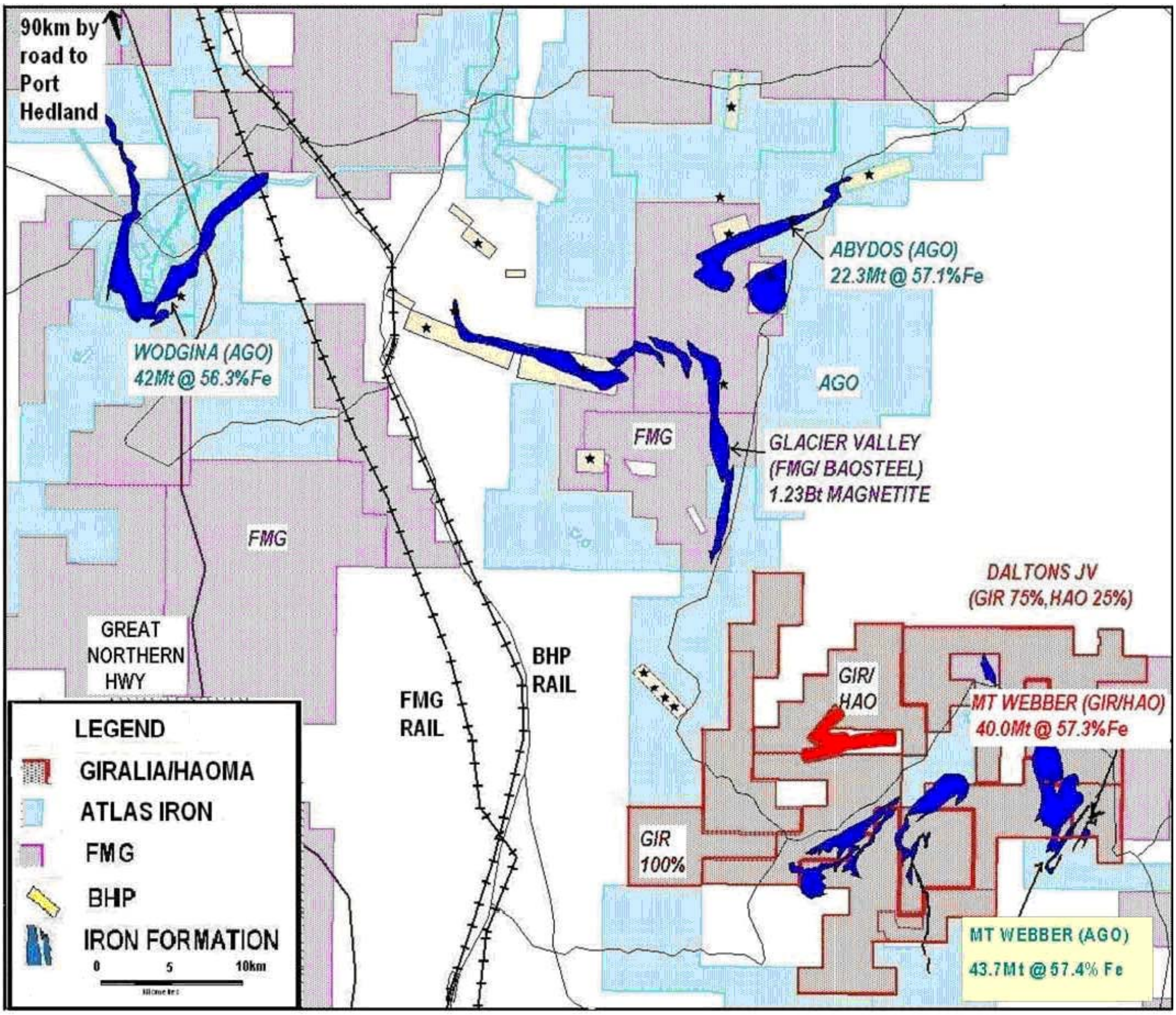


Figure 7:
Location plan showing Daltons GIR/HAO JV tenements **100% Haoma's Soansville Mining Leases (M 45/780, M 45/847)**

Mt Webber Iron Ore Project

On September 14, 2009, Haoma reported an initial 40 million tonne Inferred Iron Ore Mineral Resource for the Mt Webber deposit (see Table 5).

The low alumina and phosphorus iron ore mineralisation at Mt Webber occurs as a flat lying hematite-goethite enrichment cap up to 70 metres thick, with mineralisation starting from surface in many holes.

Table 5: Daltons JV- Mt Webber Iron Ore Project - Mineral Resource Estimate
11 September 2009 (Fe Grade Cutoff >50 %)

Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO2 %	Al2O3 %	LOI %	Café%
Main Southern Zone	Inferred	33.76	57.9	0.093	6.39	1.44	8.19	63.06
Lenses below Main Zone	Inferred	4.36	53.7	0.045	15.39	0.51	6.33	57.3
Northern Zone	Inferred	1.89	54.8	0.070	8.22	3.28	8.57	59.9
Total	**Inferred**	**40.0**	**57.3**	**0.086**	**7.46**	**1.42**	**8.00**	**62.3**

Calcined Iron grade (CaFe) is a measure of iron content upon removal of volatiles (i.e. LOI).

Internationally recognised geological consultants CSA Global Pty Ltd (CSA) were commissioned to complete the initial resource estimate for the Mt Webber deposit. Delineation of this updated Mineral Resource is based on 40 reverse circulation ("RC") drill holes completed at Mt Webber from May to August 2009.

Results from 24 RC holes drilled at the main Mt Webber Southern Hill are included in Table 7 and include:

- **70 metres from surface @ 58.4% Fe, including 54 metres @ 60.9% Fe, 1.5%Al_2O_3),**
- **52 metres @ 60.5% Fe 1.3% Al_2O_3 from 4 metres depth,**
- **60m @ 58.6% Fe from surface, including 44m @ 60.1% Fe, 1.7% Al_2O_3 and**
- **68m @ 60.9% Fe, 0.7% Al_2O_3 from surface.**

Results from 16 RC holes drilled at the smaller Mt Webber Northern Hill are included in Table 6 and include:

- **16 metres @ 58.5% Fe and 34 metres @ 55.1% Fe**.

On behalf of the Daltons Joint Venture, Giralia has commissioned Australian Metallurgical and Mineral Testing Consultants Ltd ("Ammtec") to conduct metallurgical test work on diamond drill core to calculate the ore's compressive strength and determine with 'drop tests' the 'lump' percentage. Initial test results suggest a relatively high 'lump' percentage which should attract a premium to the benchmark iron ore 'fines' price.

Details of the Ammtec report will be released when available. For the reasons outlined above, there is potential to receive a premium price when the Mt Webber iron ore is sold.

The Daltons Joint Venture has commissioned a Scoping Level Mining Study of development options for Mt Webber, with a 'base case' being to truck and ship Mt Webber iron ore from Port Hedland. Opportunities for rail haulage agreements are being pursued.

The Daltons JV tenements at Mt Webber directly adjoin Atlas Iron Limited's ("Atlas") Mt Webber prospect. Atlas has recently reported an expanded resource estimate of 43.7 million tonnes @ 57.4% Fe on its tenement at Mt Webber (See Figure 8)

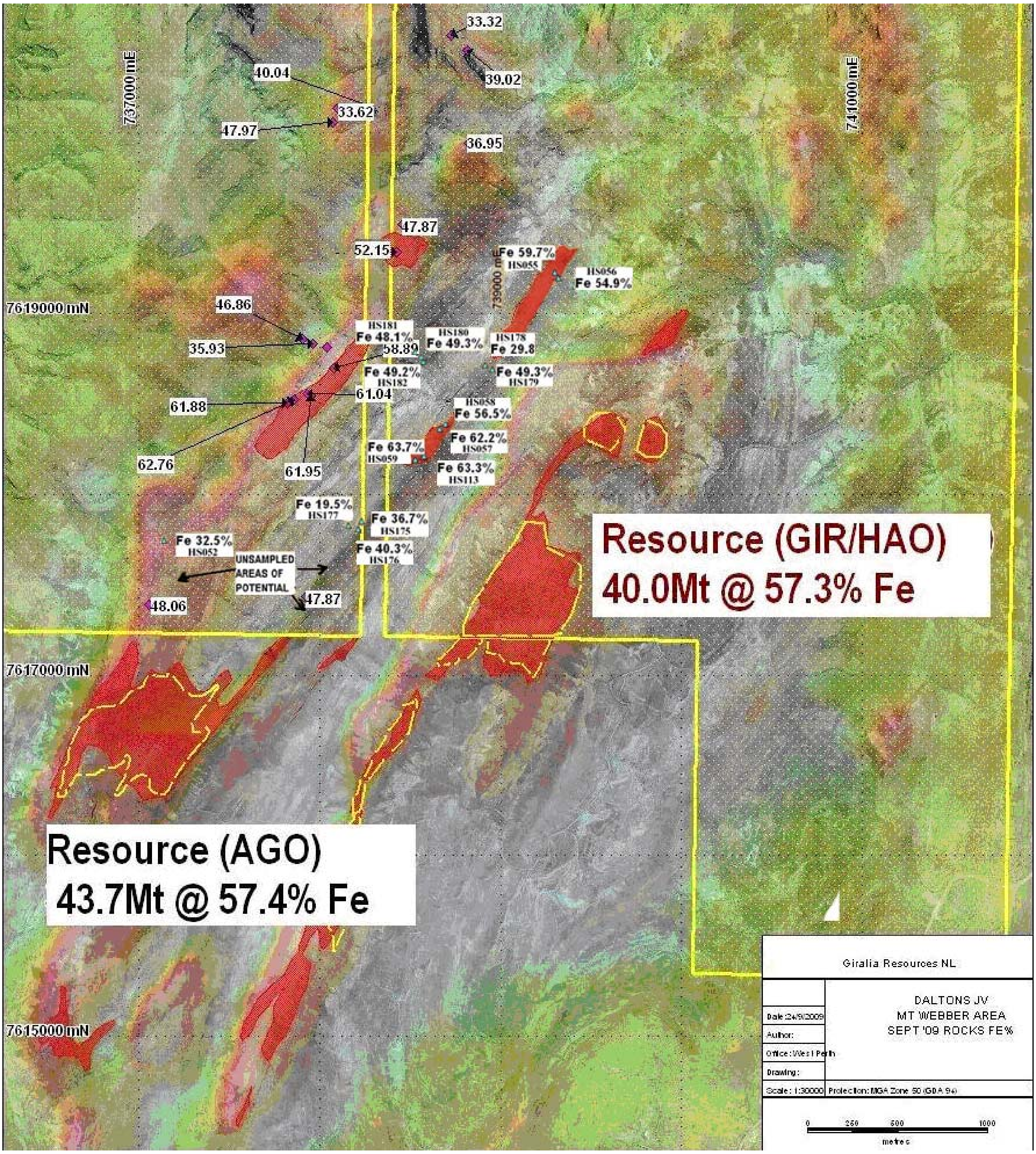


Figure 8:

Daltons JV Mt Webber iron ore prospect. Joint Venture tenements in Yellow. Mt Webber resource outlines shown on air photo with aeromagnetic image underneath. Assay results (Fe%) for rock chip samples from Mt Webber North Western Range area.

Table 6: Intersections Mt Webber (main) Southern Hill, RC drilling July-August 2009

Hole No	Coordinates East (MGA94_50)	Coordinates North (MGA94_50)	Dip/Az	Depth (m)	From (m)	To (m)	Interval (m)	Fe (%)	P (%)	SiO2 (%)	Al2O3 (%)	LOI (%)
*RCDW017	738861	7617251	60/90	76	2	34	32	58.4	0.05	6.8	1.7	7.4
*RCDW018	738953	7617244	60/90	88	0	58	58	58.3	0.11	4.4	1.9	9.4
				incl.	6	56	50	59.6	0.11	3.1	1.4	9.2
*RCDW019	739050	7617249	60/90	88	0	82	82	55.1	0.07	8.9	1.8	8.9
				incl.	16	66	50	57.9	0.07	5.6	1.8	8.5
#RCDW020	739156	7617245	60/90	106	14	66	52	58.7	0.11	3.2	1.7	10.2
				and	78	86	8	55.6	0.06	12.15	0.8	6.7
#RCDW021	739260	7617247	60/90	118	0	60	60	58.6	0.10	6.1	1.7	7.8
				incl.	14	58	44	60.1	0.11	3.6	1.7	8.4
#RCDW022	739307	7617348	60/90	100	0	70	70	58.4	0.09	6.7	1.6	7.4
				incl.	16	70	54	60.9	0.10	3.2	1.5	7.7
				incl.	26	54	28	63.3	0.10	1.7	1.0	6.9
				and	86	100	14	51.7	0.02	18.5	0.5	5.9
#RCDW023	739205	7617356	60/90	106	0	40	40	57.0	0.07	8.7	1.3	6.9
				incl.	6	34	28	58.9	0.07	6.3	1.1	6.8
#RCDW024	739106	7617350	60/90	100	0	34	34	57.9	0.06	8.6	1.7	6.0
				incl.	0	30	30	59.0	0.06	7.0	1.9	6.0
#RCDW025	738995	7617363	60/90	106	2	20	18	56.2	0.11	7.5	4.0	7.2
				incl.	12	20	8	61.5	0.15	4.1	1.2	6.7
				and	26	44	18	59.0	0.15	5.4	1.4	8.5
#RCDW026	739334	7617446	60/90	130	4	56	52	60.5	0.10	4.9	1.3	7.2
				incl.	8	56	48	61.3	0.10	3.9	1.3	7.2
				and	82	100	18	54.8	0.01	15.0	0.3	5.6
#RCDW027	739265	7617445	60/90	124	4	52	48	59.2	0.10	5.4	1.5	7.5
				and	96	102	6	52.5	0.02	19.3	0.3	4.9
^RCDW028	739324	7617544	60/90	123	14	66	52	59.2	0.09	5.3	1.2	7.9
				and	82	108	26	56.8	0.04	10.2	0.4	6.3
				incl.	84	104	20	58.4	0.03	8.5	0.4	6.1
^RCDW029	739160	7617447	60/90	106	0	34	34	59.2	0.08	5.9	1.0	7.5
^RCDW030	739196	7617546	60/90	100	0	42	42	56.2	0.08	7.9	1.1	9.1
^RCDW031	739053	7617449	60/90	106	8	14	6	58.5	0.08	7.1	1.5	7.2
				and	24	38	14	59.4	0.16	3.5	1.9	8.6
^RCDW032	738952	7617459	60/90	124	10	48	38	58.6	0.07	6.6	1.5	7.3
^RCDW033	739125	7617645	-90	112	4	64	60	54.6	0.13	10.5	0.8	9.1
				incl.	30	48	18	58.5	0.15	5.7	0.8	9.1
^RCDW034	739229	7617864	60/90	88	0	44	44	52.8	0.10	12.6	1.1	9.5
^RCDW035	739221	7617761	-90	106	0	22	22	57.7	0.12	5.2	1.1	10.0
RCDW036	739311	7617672	60/90	124	0	68	68	60.9	0.09	3.7	0.7	7.8
RCDW037	739224	7617668	60/90	100	0	46	46	57.9	0.12	6.6	1.1	8.7
RCDW038	739183	7617682	60/90	76	4	42	38	58.3	0.10	4.8	0.6	10.2
RCDW039	739105	7617544	60/90	106	14	34	20	56.0	0.08	9.4	1.9	7.6
				incl.	22	34	12	62.2	0.09	2.7	1.1	7.0
RCDW040	739009	7617558	60/90	118	0	64	64	55.6	0.09	9.9	1.5	7.8
				incl.	20	50	30	60.1	0.10	4.0	1.0	7.8

**Holes RCDW017,018 and 019 reported 3 August 2009. #Holes RCDW020 to 027 reported 18 August 2009. .^Holes RCDW 028 to 035 reported 24 August 2009. RC drill samples collected as 2m composites. Intersections quoted using lower cut-offs of 50% Fe. All coordinates in MGA Zone 50 GDA 94, by hand held GPS (± 5m). XRF analyses by Spectolab Laboratory Geraldton. QA/QC included typically field duplicate samples and two standards (Certified Reference Material), comprising one coarse standard and one pulverised standard for each drill hole.*

Table 7: Drilling Intersections - Mt Webber Northern Hill, RC drilling June 2009:

Hole No	Coordinates East MGA94_50	North	Dip/Az	Depth (m)	From (m)	To (m)	Interval (m)	Fe (%)	P (%)	SiO2 (%)	Al2O3 (%)	LOI (%)
RCDW001	740006	7619001	90/-	22	6	8	2	50.5	0.02	14.6	3.4	9.8
RCDW002	739905	7618891	90/-	34	8	10	2	53.6	0.03	10.6	2.5	9.3
RCDW003	739829	7618813	90/-	40	0	2	2	50.4	0.03	9.4	6.6	9.9
RCDW006	739614	7618580	90/-	22	0	14	14	50.2	0.03	8.8	7.3	10.3
RCDW007	739585	7618484	90/-	16	0	2	2	53.8	0.04	4.7	6.2	10.2
RCDW008	739654	7618400	90/-	40	0	4	4	53	0.09	9.6	3.3	9.8
RCDW009	739571	7618402	60/90	100	0	4	4	57.2	0.08	9.4	1.8	6.3
				and	10	12	2	51.9	0.09	19.8	0.7	5.5
				and	58	72	14	52.4	0.02	19	0.8	4.1
				and	76	82	6	51.2	0.03	18.6	0.9	5.8
				and	86	88	2	53.9	0.07	13.4	0.9	6.3
RCDW010	739416	7618291	60/90	88	0	4	4	55.8	0.07	8.3	2.5	7.4
RCDW012	739599	7618302	60/90	65	2	12	10	56.2	0.09	8.1	1.7	7.8
RCDW013	739636	7618293	60/90	37	0	16	16	56.1	0.07	7.2	2.2	9
RCDW014	739779	7618249	60/90	87	0	34	34	55.1	0.06	9.4	3.6	8
RCDW016	739575	7618300	90/-	112	0	16	16	58.5	0.08	5	1.8	7.3

RC drill samples collected as 2m composites. Intersections quoted using lower cut-offs of 50% Fe. All coordinates in MGA Zone 50 GDA 94, by hand held GPS (± 5m). XRF analyses by Spectolab Laboratory Geraldton. QA/QC included typically field duplicate samples and two standards (Certified Reference Material), comprising one coarse standard and one pulverised standard for each drill hole.

The information in this report that relates to Exploration Results is based on information compiled by R M Joyce, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of the Giralia Resources NL. Mr 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'. Mr Joyce consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

New Hematite Zones At Daltons Joint Venture

In September 2009 helicopter supported rock sampling and mapping was conducted in the Daltons JV areas with hematite potential. Areas had previously been selected from interpretation of air photography and aeromagnetics within the 30 kilometres of strike of known iron formation outcrop at the Daltons JV tenements. The sample rock chip assays identified seven new hematite zones with results in the range 57% to 62% Fe, providing clear targets for resource growth.

The most significant zone was mapped around 1 kilometre north of the Atlas Iron resource on the western range at Mt Webber (See Figure 9 and Table 8 of assay results), while 10 kilometres to the west in the Soansville area in the central part of the Daltons JV tenement block, zones of hematite enrichment were identified along several parallel iron formation ranges, occasionally capped by remnants of pisolitic material (See Figure 9 and Table 9 of assay results).

Follow up ground based detailed mapping and systematic sampling will be carried out in 2010 to establish the extents of the new zones and prior to planning and design of drilling programs and access tracks.

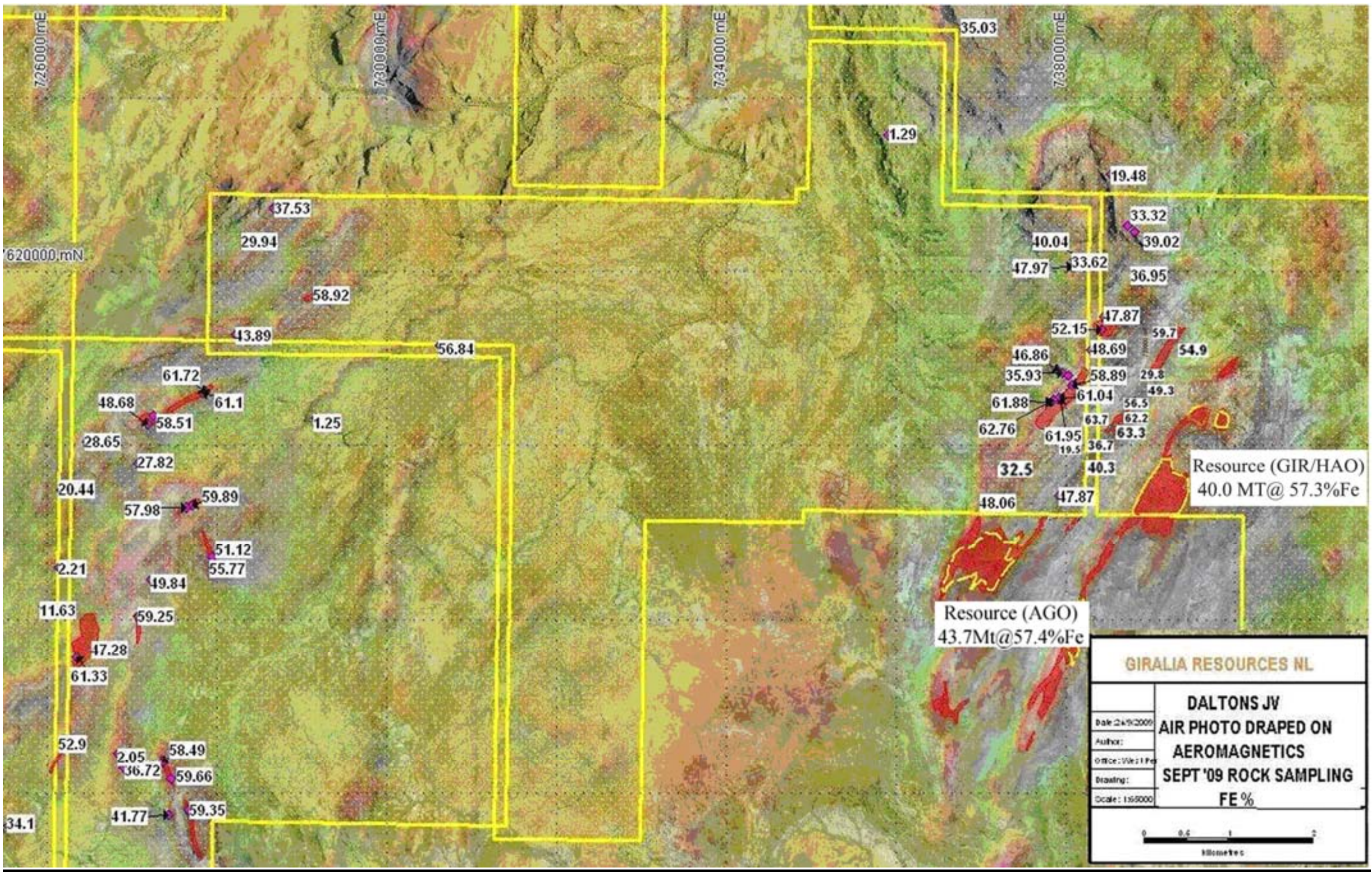


Figure 9: **Daltons JV area showing iron surface rock sample assay grades, September 2009. JV Tenements in yellow, red polygons are areas of mapped hematite outcrop. Background is air photo draped on aeromagnetic image.**

Figure 10: **Mt Webber surface terrain showing outcrops of iron ore**

Table 8: Rock Sample Assay Results - Mt Webber Western Range (July 2008 & September 2009)

Sample[1]	East	North	Datum	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
HS205	734390	7625081	GDA94/50	59.72	3.872	0.717	0.105	0.008	9.76
HS204	735905	7621575	GDA94/50	1.29	95.769	1.205	0.002	0.004	0.57
HS203	735909	7624280	GDA94/50	34.35	43.478	1.038	0.082	0.077	5.11
HS253	736809	7622797	GDA94/50	35.03	48.291	0.117	0.017	0.034	2.16
HS252	736924	7623286	GDA94/50	5.94	90.374	0.352	0.019	0.013	0.84
HS206	737057	7617392	GDA94/50	48.06	25.731	0.24	0.022	0.018	6.04
HS052	737144	7617753	GDA94/50	32.45	46.89	2.10	0.04	0.06	4.00
HS251	737274	7623429	GDA94/50	16.87	75.258	0.342	0.039	0.028	1.16
HS213	737819	7618508	GDA94/50	61.88	2.353	0.526	0.236	0.012	8.37
HS212	737860	7618526	GDA94/50	62.76	3.182	1.555	0.105	0.064	5.27
HS214	737902	7618859	GDA94/50	46.86	25.559	0.58	0.11	0.048	7.27
HS209	737925	7617436	GDA94/50	47.87	24.620	0.367	0.128	0.026	6.21
HS211	737928	7618555	GDA94/50	61.04	2.183	1.065	0.163	0.042	8.56
HS210	737950	7618544	GDA94/50	61.95	2.295	1.0	0.172	0.057	7.55
HS215	737960	7618835	GDA94/50	35.93	44.197	0.329	0.028	0.086	4.66
HS216	738038	7618812	GDA94/50	20.18	62.715	1.538	0.021	0.051	3.63
HS257	738073	7620063	GDA94/50	47.97	29.961	0.357	0.045	0.028	1.17
HS217	738080	7618702	GDA94/50	58.89	1.790	2.736	0.231	0.056	9.72
HS254	738100	7620138	GDA94/50	33.62	48.882	0.266	0.07	0.035	2.56
HS177	738153	7617830	GDA94/50	19.45	66.51	1.62	0.12	0.08	2.38
HS176	738203	7617811	GDA94/50	40.33	34.51	1.29	0.07	0.03	6.21
HS175	738233	7617854	GDA94/50	36.74	40.81	2.16	0.04	0.04	3.92
HS261	738294	7619101	GDA94/50	48.69	26.528	0.53	0.038	0.091	3.4
HS260	738344	7620130	GDA94/50	40.04	38.825	0.627	0.054	0.075	3.44
HS202	738426	7619343	GDA94/50	52.15	24.872	0.178	0.043	0.024	0.99
HS201	738454	7619493	GDA94/50	47.87	29.919	0.48	0.039	0.038	1.37
HS180	738520	7618794	GDA94/50	49.27	18.50	2.29	0.13	0.04	7.98
HS059	738530	7618197	GDA94/50	63.70	2.70	1.29	0.11	0.04	5.33
HS256	738540	7621129	GDA94/50	19.48	68.431	0.418	0.068	0.045	3.08
HS181	738552	7618764	GDA94/50	48.06	10.07	9.48	0.05	0.06	10.20
HS182	738565	7618744	GDA94/50	49.22	7.16	9.65	0.09	0.07	11.28
HS113	738573	7618223	GDA94/50	63.37	2.33	0.72	0.07	0.03	7.63
HS057	738660	7618362	GDA94/50	62.64	1.83	2.04	0.13	0.07	6.32
HS058	738694	7618388	GDA94/50	56.54	2.73	2.25	0.13	0.02	11.35
HS255	738726	7620539	GDA94/50	33.32	48.116	0.451	0.074	0.015	3.48
HS258	738819	7620457	GDA94/50	39.02	42.785	0.577	0.024	0.056	1.23
HS259	738820	7619944	GDA94/50	36.95	38.154	1.196	0.018	0.050	5.68
HS178	738907	7618714	GDA94/50	29.80	51.09	1.71	0.07	0.04	4.75
HS179	738945	7618699	GDA94/50	49.30	18.6	2.27	0.13	0.04	8.42
HS055	739293	7619223	GDA94/50	59.75	2.24	0.53	0.44	0.02	10.77
HS056	739299	7619200	GDA94/50	54.96	7.01	5.33	0.29	0.05	8.01

Note 1: Sample Range 1 to 200 – July 2008 sampling
Sample Range 201 to 276 – September 2009 sampling

The information in Section 3 of this Report that relates to Exploration Results is based on information compiled by R M Joyce, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of the Company. Mr 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'. Mr Joyce consents to the inclusion in the report of the matters based on the information in the form and context in which it appears."

Table 9: Rock Sample Assay Results – Soansville Area of Daltons JV (September 2009)

Sample	East	North	Datum	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
HS222	725539	7613630	GDA94/50	34.10	46.677	0.85	0.015	0.058	3.97
HS223	725962	7616151	GDA94/50	11.63	82.723	0.33	0.012	0.034	1.18
HS224	726141	7616604	GDA94/50	2.21	95.922	0.352	0.015	0.001	0.66
HS225	726163	7617484	GDA94/50	20.44	65.533	0.258	0.014	0.040	4.55
HS264	726189	7614618	GDA94/50	52.90	11.662	1.547	0.32	0.028	10.21
HS265	726340	7615568	GDA94/50	61.33	1.222	0.251	0.291	0.016	10.79
HS226	726472	7618046	GDA94/50	28.65	55.668	0.184	0.017	0.032	3.55
HS266	726563	7615624	GDA94/50	47.28	4.703	11.321	0.031	0.091	11.98
HS221	726832	7614461	GDA94/50	2.05	97.794	0.3	0.008	0.002	0.31
HS220	726909	7614289	GDA94/50	36.72	40.014	0.768	0.215	0.020	7.37
HS229	727068	7617797	GDA94/50	27.82	55.926	0.286	0.051	0.005	4.77
HS267	727073	7616041	GDA94/50	59.25	2.553	0.967	0.339	0.020	10.56
HS228	727176	7618253	GDA94/50	48.68	10.010	5.94	0.024	0.045	11.93
HS268	727223	7616463	GDA94/50	49.84	7.220	7.856	0.035	0.056	12.23
HS227	727250	7618356	GDA94/50	58.51	1.966	1.384	0.104	0.045	11.14
HS263	727356	7614356	GDA94/50	58.49	2.529	0.884	0.29	0.048	10.74
HS219	727431	7613753	GDA94/50	41.77	24.348	4.411	0.204	0.027	8.99
HS262	727457	7614164	GDA94/50	59.66	3.975	1.31	0.058	0.058	7.4
HS270	727637	7617296	GDA94/50	57.98	3.827	1.836	0.313	0.021	10.67
HS218	727671	7613803	GDA94/50	59.35	2.350	1.363	0.116	0.031	10.99
HS269	727705	7617327	GDA94/50	59.89	2.492	0.71	0.313	0.018	10.26
HS230	727828	7618611	GDA94/50	61.10	2.923	1.517	0.026	0.054	7.06
HS231	727864	7618633	GDA94/50	61.72	2.284	1.025	0.206	0.022	7.92
HS271	727939	7616730	GDA94/50	51.12	18.146	1.563	0.295	0.025	6.74
HS272	727957	7616601	GDA94/50	55.77	5.492	2.956	0.272	0.016	11.08
HS232	728222	7619275	GDA94/50	43.89	15.418	7.696	0.029	0.034	11.72
HS233	728347	7620387	GDA94/50	29.94	52.173	0.683	0.056	0.018	4.01
HS276	728669	7620747	GDA94/50	37.53	45.250	0.517	0.042	0.028	1.57
HS273	729169	7618316	GDA94/50	1.25	98.234	0.405	0.005	0.008	0.2
HS275	729202	7619770	GDA94/50	58.92	2.498	1.828	0.158	0.028	11.9
HS274	730632	7619154	GDA94/50	56.84	3.359	3.51	0.059	0.127	11.18

Figure 11: Looking north-west from Mt Webber to adjacent Daltons JV 'Western Ranges' terrain where iron ore surface rock samples have obtained assay grades greater than 50% iron

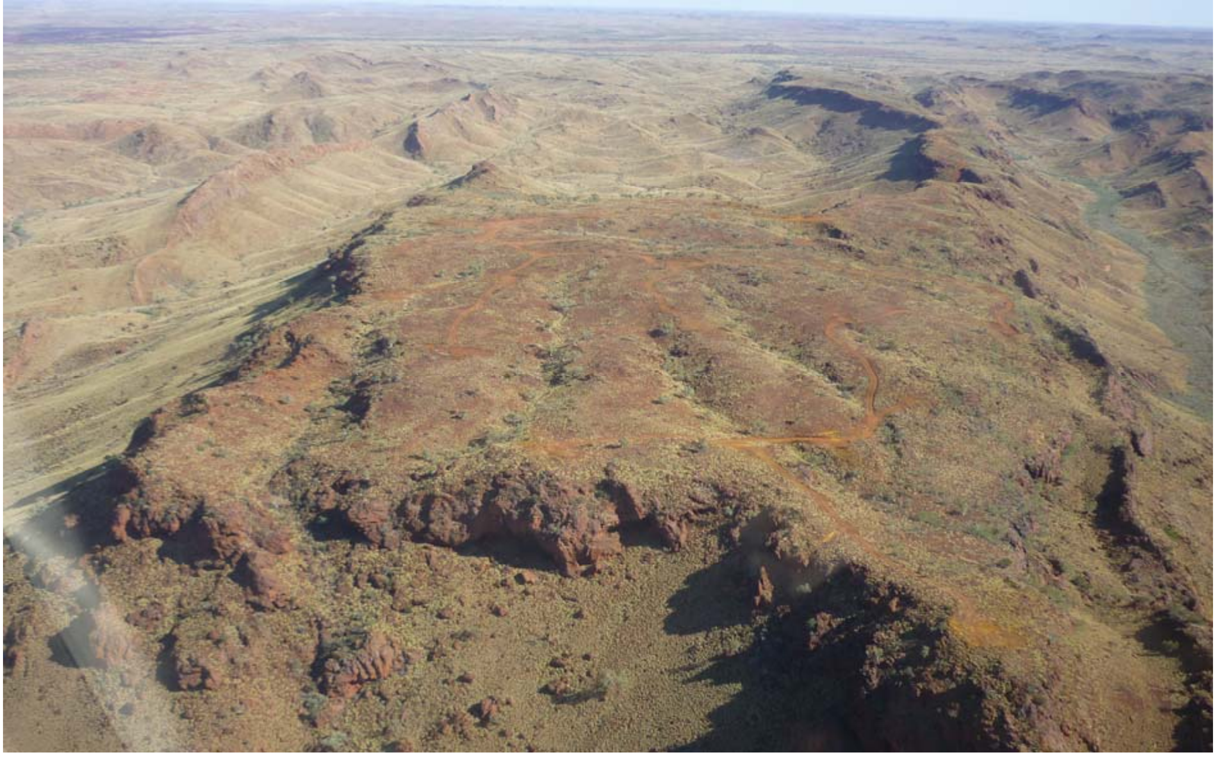


Figure 12: Mt Webber looking south showing GIR/HAO drilled area in foreground

4 Linden Tenements (E39/293, E39/428, M39/255, M39/649, M39/650, M39/794, M39/795, P39/2974, P39/2975, P39/2976

Haoma has agreed terms of sale for its Linden Tenements. A Letter of Agreement has been exchanged with the purchaser. The sale is subject to satisfactory completion of due diligence.

Shareholders will be provided with full disclosure of the terms of sale at the appropriate time so as not to cause commercial disadvantage to any of the parties to the sale.

5 Tribute Agreement for BGC Contracting Pty Ltd to Mine Dolerite from Cookes Hill (ML 45/1005, M45/1034-M45/1036)

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 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 2008/09 year 524,407 tonnes of material were mined from the Cookes Hill Quarry for which Haoma received royalties of $359,560.

BGC have advised that during the next twelve months they expect to continue to operate the Cookes Hill quarry and crushing facility to meet other demand in the Port Hedland area and elsewhere for dolerite aggregate.

Figure 13: **Stockpiled Dolerite at Haoma's Cookes Hill Quarry operated by BGC Contracting P/L**

Figure 14: **BGC Contracting Pty Ltd Portable Crushing Plant at Cookes Hill Dolerite Quarry**

Figure 15: **Haoma's Cookes Hill Dolerite Quarry**

6 Comet Gold Mine & Tourist Centre

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

Work has largely been completed on the restoration of the three of historic Comet Mine Power Station engines (c.1930) so they 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 machines operating is included on Haoma's website.

Further upgrading of on site visitor accommodation will be carried out before the next tourist season.

Figure 16: **Comet Gold Mine Plant, showing accommodation and camping facilities**

Figures 17 and 18: **Comet Gold Mine Tourist Centre (Open each day 9am – 4pm)**

7. Queensland Exploration Activities

During the year, activities at Haoma's tenements in the Ravenswood and Charters Towers districts of North Queensland were primarily focussed on the ongoing review of the extensive geological database. Inspection of prospects was carried out by Haoma's geologist based at the company's Ravenswood field office.

Following the completion of the geological review, it is expected that a proposed work program for 2010 exploration activities will be prepared for consideration by the Directors.

Discussions with Resolute Mining NL in relation to processing ore from Haoma's tenements is ongoing.

The Ravenswood Camp in North Queensland is operating successfully as an accommodation facility and a commercial motel.

8. Issue of Share Options

At the 2007 Annual General Meeting shareholders approved the issue of 7,150,000 share options to a Director, Consultants and a number of Employees of Haoma Mining NL. The share options were open for exercise within a two year period and have an exercise price of 10c per share. None of the options have been exercised. On September 29, 2009 the Board of Haoma resolved to re-issue the share options to a Director, Consultants and Employees if none of the options were exercised before the expiry date on November 30, 2009. In total it is proposed to issue 7,150,000 share options at an exercise price of 10c per share. Full details of the option issue along with voting resolutions are included in the 2009 Notice of Annual General Meeting sent to shareholders.

9. Acknowledgements

I would like to express the Board's appreciation to all those who have helped during the last 12 months with Haoma's activities in the Pilbara and Ravenswood Districts. In particular, the Board's thanks go to Mr Peter Cole, Prof. Peter Scales, Mr Hugh Morgan and Dr Edwin van Leeuwen who have all contributed to solving the Pilbara assay and metallurgical problems. On July 6, 2009 Dr van Leeuwen commenced as a consultant to Haoma having worked for 20 years with BHP Limited and then BHP Billiton Ltd as their Global Manager of Exploration and Mine Optimisation.

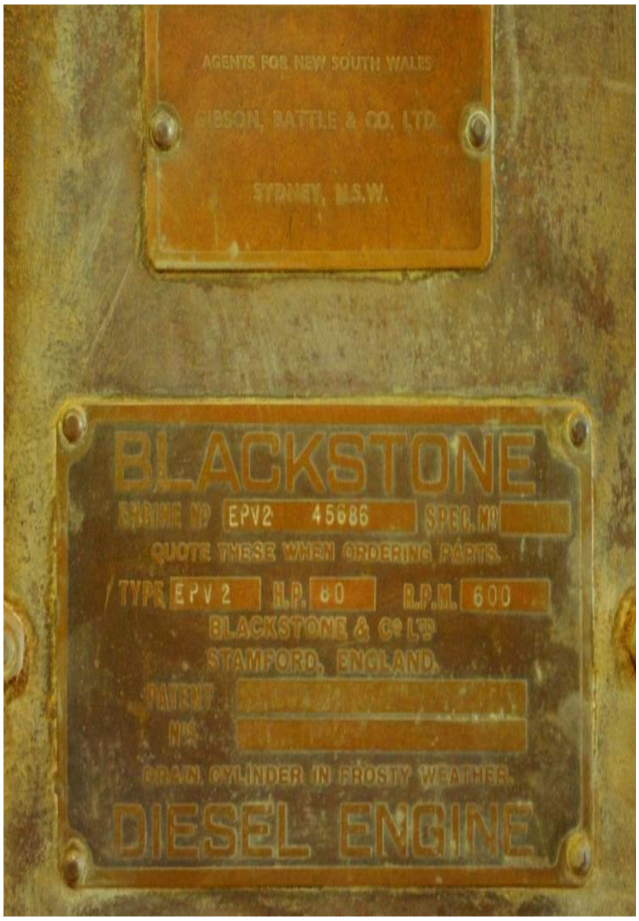
In addition the Board wishes to thank Mr Tristin Cole, Mr Steve Wilson, Mr Bob Ward and all others who have been involved in re-engineering the Bamboo Creek Plant; our geologists, Ms Sandra McKenzie and Mr David Toland for their contributions in upgrading Haoma's Western Australia and Queensland tenements. The Board also extends it thanks to our Top Camp Manager in Queensland - Merlene Manderson and our Comet Mine Manager in Western Australia Kylie Hutton.

Finally, I would like to express our thanks for the excellent work undertaken by Mr Rod Flegg and his assistants, Mr. Kevin Butler and Mr Lance Croft in restoring the former diesel engines at the Comet Mine Power Station. Thanks to their efforts three engines are now running again. Video footage of the machines in operation can be viewed on Haoma's website. (www.haoma.com.au/cometgoldmine.cfm)

Gary C. Morgan
Chairman
November 16, 2009

Figure 19: Comet Gold Mine Tourist Centre

Figure 20: Entrance to Comet Gold Mine Tourist Centre



<u>Figures 21 – 23:</u>
Comet Gold Mine Historic Diesel Power Station showing Blackstone Engine which has recently been restored

HAOMA MINING NL

ANNUAL FINANCIAL STATEMENTS & REPORTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2009

DIRECTORS' REPORT

In accordance with a resolution of the Board of Directors, the Directors' present their report on the company and its controlled entities for the financial year ended June 30, 2009.

DIRECTORS

The persons who have been a Director of the Company at any time during or since the end of the year are:

Gary Cordell Morgan (Chairman)
Michele Levine
John Lachlan Charles McInnes

All directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARIES

The following persons held the position of company secretary at the end of the financial year:

James A. Wallace CA
Howard F Toomey CA

PRINCIPAL ACTIVITIES

The principal activities of the Economic Entity during the financial year were gold mining, mineral exploration and mining development. There was no significant change in the nature of the principal activities during the year.

OPERATING RESULTS

The consolidated loss of the Economic Entity for the year to June 30, 2009 was $5,938,141 (2008 – loss $6,453,746).

DIVIDEND

No dividends have been paid or declared during or since the end of the financial year.

REVIEW OF OPERATIONS AND RESULTS

During the year ended June 30, 2009, Haoma's primary area of activity continued to be exploration and research and development activities at its areas of interest in the Pilbara and Eastern Goldfields Regions of Western Australia and the Ravenswood / Charters Towers districts in North Queensland.

Bulk Trials at Bamboo Creek

During the June 2009 Quarter bulk ore trials were conducted on a batch basis using the Bamboo Creek Plant. In late June a batch trial of 1,552t of low grade Bamboo Creek ore (gold grade, 0.9 g/t) was successfully processed. In total 426gms of gravity gold were recovered. The gold leaching process was successful although leaching of all the ore processed has not yet been completed.

The Bamboo Creek Plant has now been converted to a continuous processing circuit so that 300-400t per day of Bamboo Creek ore can be processed.

Refined Elazac *Assay* Method and Refined Elazac *Extraction* Method (Elazac Process)

During the June 2009 Quarter extensive Laboratory Trials using the Elazac Process continued at Bamboo Creek and the University of Melbourne. Results have been exceptional and have advanced the Elazac Process to a stage which explains the reasons 'why' gold, silver and other metal assays conducted on Bamboo Creek and other Pilbara ores are often significantly under estimated by the traditional methods (Fire assay and Aqua Regia acid digestion methods). Trial assays have been returning repeatable high grades of gold and silver from Bamboo Creek ores.

For example, the highest gold assays from late June trials on Bamboo Creek Tailings measured 56.56g/t, 36.8g/t, 22.5 g/t and 21.86 g/t. Traditional assays on Bamboo Creek Tailings measure gold grades between 0.15g/t and 0.3 g/t.

Daltons Joint Venture - (Haoma 25% interest with Giralia Resources NL 75% interest)

An initial Iron Ore Inferred Mineral Resource has recently been announced for the Mt. Webber iron ore deposit, part of the Company's Daltons Joint Venture, located 150 kilometres south of Port Hedland in the Pilbara region of Western Australia. **Haoma retains 100% of gold/silver and tin/tantalum mineralisation**.

Key features of the Mt Webber Mineral Resource are:

- **Overall Resource 40.0 million tonnes @ 57.3%Fe (62.3% CaFe) and 1.42% Al_2O_3**
- **Includes a higher grade zone of 24.6 million tonnes @ 59.0%Fe (64.2% CaFe) and 1.33% Al_2O_3 with an Fe cut-off of 57%**
- **The maiden estimate is based on a 40 hole first pass drilling program completed in May to August 2009.**
- **The low alumina resource is near-surface, and within road haulage distance of Port Hedland.**
- **A Mining Scoping Study has commenced to evaluate development options.**

The low alumina mineralisation at Mt Webber appears to be a flat lying hematite-goethite enrichment cap up to 70 metres thick, with mineralisation starting from surface in many holes.

The Daltons JV tenements at Mt Webber directly adjoin Atlas Iron Limited's ("Atlas") Mt Webber prospect. Atlas recently reported an initial resource estimate of 32.62 million tonnes @ 57.3% Fe on its tenement at Mt Webber. Recent rock sampling and mapping of areas of hematite potential within the Daltons JV has identified targets for resource growth, particularly immediately north of the Atlas Iron resource on the western range at Mt Webber.

Daltons JV - Mt Webber Iron Ore Project - Mineral Resource Estimate (Fe Grade Cutoff >50 %)

Deposit	Category	Tonnes (Mt)	Fe %	P %	SiO2 %	Al2O3 %	LOI %	CaFe%
Main Southern Zone	Inferred	33.76	57.9	0.093	6.39	1.44	8.19	63.06
Lenses below Main Zone	Inferred	4.36	53.7	0.045	15.39	0.51	6.33	57.3
Northern Zone	Inferred	1.89	54.8	0.070	8.22	3.28	8.57	59.9
Total	**Inferred**	**40.0**	**57.3**	**0.086**	**7.46**	**1.42**	**8.00**	**62.3**

Calcined Iron grade (CaFe) is a measure of iron content upon removal of volatiles (i.e. LOI).

This is an important outcome for Haoma shareholders. Mt Webber is a 'greenfields' area with the discovery of an 'easy to mine' direct shipping hematite resource within trucking distance of Port Hedland. The low alumina content, and high LOI should make this ore saleable, and the deposit is right at surface. The mining Scoping Study will outline the Joint Venture's various development options.

Following the announcement on September 14, 2009 (www.haoma.com.au/2009/Haoma_ASX_14_Sep_09.pdf) of a maiden Inferred Mineral Resource iron ore resource of **40.0 million tonnes @ 57.3% Fe** for the Mt Webber deposit in the south-east of the Joint Venture area, **seven new hematite zones have been defined by surface mapping and sampling at the Daltons Joint Venture.**

Helicopter supported rock sampling and mapping was recently carried out in areas of hematite potential selected from interpretation of air photography and aeromagnetics within the Daltons JV's 30 kilometres of known iron formation outcrop. The work identified seven new hematite zones with rock chip results in the range 57% to 62% Fe, providing clear targets for resource growth.

The most significant zone was mapped around 1 kilometre north of the recently announced Atlas Iron resource on the western range at Mt Webber, while 10 kilometres to the west in the Soansville area in the central part of the Daltons JV tenement block, zones of hematite enrichment were identified along several parallel iron formation ranges. Follow up ground based detailed mapping and systematic sampling will be carried out to establish the extent of the new zones and prior to planning and design of drilling programs and access tracks.

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. Haoma expects to earn approximately $300,000 from this source between July and December 2009.

BGC have further advised that they expect to continue to operate the Cookes Hill quarry and crushing facility to meet other demand in the Port Hedland area for dolerite aggregate. During the 2008/09 year 524,407 tonnes of material were mined from the Cookes Hill Quarry for which Haoma received royalties of $359,560.

Iron Ore Exploration Targets at Bamboo Creek

A recent 'rock chip' sampling program in the western section of Haoma's Bamboo Creek tenements has obtained significant assay results over more than 2.5 km of the Bamboo Creek Banded Iron Formation with grades greater than 50% iron from eight out of 16 samples to date.

The results indicate that the Moly Mines (MOL) Banded Iron Formation which contains the Spinifex Ridge Iron Ore deposits extends into Haoma's Bamboo Creek Exploration Tenement E45/3217.

Mineralisation on E45/3217 is approximately 8 km from the Bamboo Creek plant and township. Further intense exploration to delineate potential Spinifex Ridge style Iron Ore Zones will commence immediately, with drilling to follow where appropriate targets are identified.

FINANCIAL POSITION

The consolidated financial position shows a deficiency of net assets at June 30, 2009 of $29,861,025 (2008 – deficiency $23,922,884). Funding for the company's ongoing operations is presently being provided by Leaveland Pty Ltd. Leaveland is Haoma's principal shareholder and has made the loan in its capacity as Trustee of a family trust controlled by Haoma's Chairman, Mr. Gary Morgan. Leaveland Pty Ltd has provided an assurance to the Board that it will continue to ensure funds are made available to the company to fund care and maintenance operations for a period of at least 12 months from the date of this report. At the date of this report, Leaveland Pty Ltd has provided approximately $28 million of financial support to the Group.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Apart from matters already disclosed, there were no significant changes in the state of affairs of Haoma during the year to June 30, 2009.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Economic Entity, the results of those operations, or the state of affairs of the Economic Entity in future financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

During 2009/10, it is expected that operations at The Bamboo Creek Processing Plant will predominantly be directed to ongoing test-work with the Elazac Assay Method using ores sourced from Haoma's Pilbara areas and the development of commercially viable methods for processing and production of gold from Pilbara ores.

Haoma will seek to further develop its established areas of interest in relation to iron ore exploration, particularly at the Daltons Joint Venture tenements (including the established resource at Mt Webber) and at the known iron ore zones on Haoma's Bamboo Creek tenements adjacent to Spinifex Ridge. Gold exploration activities in established Western Australian gold districts in the Pilbara and Eastern Goldfields and at Ravenswood in Queensland will be ongoing.

Haoma is listed on the Australian Stock Exchange and is subject to the continuous disclosure requirements of the ASX Listing Rules which require immediate disclosure to the market of information that is likely to have a material effect on the price or value of Haoma's securities. Information on likely developments in the operations of the Group is released as and when available. Further information in relation to Haoma's operations and copies of information releases is also available from Haoma's website at www.haoma.com.au

ENVIRONMENTAL ISSUES

The gold mining, exploration and mining development activities of Haoma Mining NL are subject to significant environmental regulation. Environmental legislation under which the company conducts its activities is principally Australian State Government legislation and includes in Western Australia; the *Mining Act* 1978 (WA), the *Environmental Protection Act* 1986 (WA) and the *Aboriginal Heritage Act* 1980 (WA) and in Queensland; the *Mineral Resources Act* 1989 (Qld) and the *Environmental Protection Act* 1994 (Qld).

The company has complied with environmental protection and rehabilitation requirements and has management and reporting systems for all of the areas in which it has interests. Regular reviews are conducted in regard to environmental compliance matters. The environmental impact of the operation of the company's processing plants at Normay and at Bamboo Creek, Western Australia is subject to continuous assessment. There were no significant matters in regard to environmental control or management that arose during the year. The company will continue to monitor its performance in relation to the environment. That process will include the ongoing assessment of the environmental impact of each of the company's operations and the development of additional reporting and communications systems to ensure compliance and identify items for specific action.

INFORMATION ABOUT DIRECTORS AND OFFICERS

Gary Cordell **MORGAN**, B.Comm	Chairman
Appointment Date:	May 10, 1991
Experience:	Executive Chairman of Roy Morgan Research Pty Ltd. He is a member of a number of research and marketing organizations.
Interest in Shares and Options:	Indirect and beneficial interest in 128,182,961 shares in Haoma Mining NL via Directorships and interest in Leaveland Pty Ltd, Roy Morgan Research Pty Ltd and G&G Morgan Superannuation Fund.
Directorships held in other listed entities:	Nil
Special Responsibilities:	Nil
John Lachlan Charles **McINNES**, OAM, B.Comm, FCA	Non-Executive Director
Appointment Date:	May 10, 1991
Experience:	Chartered Accountant.
Directorships held in other listed entities:	Mr. McInnes is Chairman of Bass Strait Oil Ltd and is also a director of a number of unlisted company's, including companies associated with Chairman Mr Gary Morgan.
Interest in Shares and Options:	Indirect interest in 126,379,704 shares in Haoma Mining NL via Directorships in Leaveland Pty Ltd and Roy Morgan Research Pty Ltd. Indirect and beneficial interest in 1,500,000 shares in Haoma Mining NL via Directorship and interest in Etonwood Management Pty Ltd. Direct interest in 4,500 shares.
Special Responsibilities:	Chairman of Audit Committee.
Michele **LEVINE**, B.Sc (Hons), Env. St	Non-Executive Director
Appointment Date:	August 8, 1994
Experience:	Director and Chief Executive Officer of Roy Morgan Research.
Directorships held in other listed entities:	Nil
Interest in Shares and Options:	Indirect interest in 4,919,452 shares in Haoma Mining NL via Directorship in Roy Morgan Research Pty Ltd. Indirect and beneficial interest in 1,319,000 shares in Haoma Mining NL via interest in the Levine Family Superannuation Fund and Levine Family Trust. Direct interest in 12,000 shares. Options to acquire 2,000,000 shares.
Special Responsibilities:	Nil
Howard **TOOMEY** B.Bus. (Acc.) CA	Company Secretary
Appointment Date:	October 22, 2007
Experience:	Chartered Accountant and CFO of Roy Morgan Research.
Directorships held in other listed entities	Nil
Interest in Shares and Options	Nil
Special Responsibilities	Audit Committee
James **WALLACE** B.Ec, CA	Company Secretary
Appointment Date:	November 21, 1997
Experience:	Chartered Accountant and Senior accountant of Roy Morgan Research.
Directorships held in other listed entities	Nil
Interest in Shares and Options	Options to acquire 100,000 shares
Special Responsibilities	Audit Committee

No Director, during or since the end of the financial year, has received or become entitled to receive a benefit by reason of a contract made by the Company or a related body corporate with the Director or with a firm of which he is a member, or with an entity in which he has a substantial financial interest other than as shown in Note 24 (Related Party Information) to the financial statements. During the year Roy Morgan Research Pty Ltd, a company associated with Gary Morgan, Michele Levine and John McInnes provided administrative support and services to the Company. Roy Morgan Research Pty Ltd billed Haoma $167,827 (2008: $169,003) during the year for those services.

REMUNERATION REPORT – (AUDITED)

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration.
- Details of remuneration
- Service agreements
- Share based compensation

Principles used to determine the nature and amount of remuneration

The Board of Directors are responsible for determining and reviewing compensation arrangements for the Directors and senior management. This involves assessing the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions including length of service and the particular experience of the individual concerned. The contracts of service between the Company and Directors and Executives are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement Directors and Executives are paid employee benefit entitlements accrued to the date of retirement. Termination payments are generally not paid on resignation or dismissal for serious misconduct. Employee contracts do not contain clauses linking remuneration to company performance.

Executives are given the option to receive remuneration in a variety of forms including cash and benefits such as superannuation, vehicles and expense payment plans. It is expected that the manner of payment chosen will be optimal for the recipient without creating undue costs for the Company.

The contract for services in respect of the General Manager, Peter Cole is based upon negotiated consulting rates. The contract may be terminated by either party upon 2 months notice.

During the year, there were no alterations or modifications to share-based payment transactions granted as compensation to key management personnel. Details of equity instruments including options and rights over equity instruments provided as compensation to key management personnel including instruments granted, exercised, vested or lapsed during the reporting period are disclosed in Note 21 Share Based Payments.

No options or rights granted as part of a remuneration package for key management personnel were exercised during the reporting period.

Details of remuneration

Details of the remuneration of Directors and Key Management Personnel of Haoma Mining are set out in Tables 1 and 2 below.

The Key Management Personnel of Haoma Mining and the Group include all Directors and the General Manager, Mr. Peter Cole.

Mr. Cole together with the Directors, is the Group Executive with the most authority and responsibility for planning, directing and controlling activities of both the Consolidated Entity and the Parent Entity during the financial year. Mr. Cole is a consultant to Haoma Mining. Table 1 details remuneration paid to members of the Group Executive for the year ended June 30, 2009.

REMUNERATION REPORT – (AUDITED) ***Continued***

Table 1: Remuneration of Key Management Personnel

2009		**Short-term benefits**			**Post employment benefits**	**Share based payments**		
Name	**Period of responsibility**	**Salary & Director Fees**	**Bonus**	**Non-Cash Benefits**	**Super**	**Options**	**Total**	**Performance Related**
		$	**$**	**$**	**$**	**$**	**$**	**%**
Executive Directors								
Gary Morgan (*)	Full year	40,000	-	-	-	-	40,000	-
Michele Levine (*)	Full year	40,000	-	-	3,600	-	43,600	-
Non-Executive Director								
John McInnes (*)	Full Year	40,000	-	-	3,600	-	43,600	-
Key Management Personnel								
Peter Cole	Full Year	174,000	-	-	-	-	174,000	-
Total		**294,000**	**-**	**-**	**7,200**	**-**	**301,200**	**-**

(*) Directors' fees and superannuation contributions thereon have not been paid. The Board of Directors has deferred payment of Directors fees until such time that the company returns to profitable operations and cash flow exceeds operating requirements.

2008		**Short-term benefits**			**Post employment benefits**	**Share based payments**		
Name	**Period of responsibility**	**Salary & Director Fees**	**Bonus**	**Non-Cash Benefits**	**Super**	**Options**	**Total**	**Performance Related**
		$	**$**	**$**	**$**	**$**	**$**	**%**
Executive Directors								
Gary Morgan (*)	Full year	40,000	-	-	-	-	40,000	-
Michele Levine (*)	Full year	40,000	-	-	3,600	80,400	124,000	-
Non-Executive Director								
John McInnes (*)	Full Year	40,000	-	-	3,600	-	43,600	-
Key Management Personnel								
Peter Cole	Full Year	170,400	-	-	-	60,300	230,700	-
Total		**290,400**	**-**	**-**	**7,200**	**140,700**	**438,300**	**-**

(*) Directors' fees and superannuation contributions thereon have not been paid. The Board of Directors has deferred payment of Directors fees until such time that the company returns to profitable operations and cash flow exceeds operating requirements.

Service agreements

Remuneration and other terms of employment for the Directors and other Key Management Personnel may be formalised in service agreements. There are no current service agreements in place.

REMUNERATION REPORT – (AUDITED) ***Continued***

Share based compensation

At the 2007 Annual General Meeting shareholders approved the issue of 2,000,000 share options to Director Michele Levine with an exercise price of $0.10. Shareholders also approved the issue of options to other consultants, employees and officers of the company as detailed in the schedule below. The options were issued in recognition of past efforts.

The non-renounceable options may be converted to an equivalent number of Haoma Mining NL shares subject to continuous performance and Directors' approval.

The remuneration of other directors and senior management is not dependent on completion of pre-determined performance criteria.

The value of options granted to Directors and Key Management Personnel is the assessed fair value at grant date of the options. Fair values at grant date are determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the share price at grant date, the expected volatility of the underlying share and the expected dividend yield and the risk-free interest rate for the term of the option.

Options are approved for issue by the Board. All share options have an exercise price of $0.10 per share and are exercisable on or before November 30, 2009. The options are non-renounceable, hold no voting or dividend rights and are not transferable.

All options expire on November 30, 2009. At the date of this report no options have been exercised. The Board has resolved to put a resolution to the 2009 Annual General Meeting to re-issue any options that are not exercised by the expiry date on November 30, 2009. The options will be offered on the same terms and conditions as expiring options.

Details of options over ordinary shares in the Company provided to each Officer and Key Management Personnel are set out in the Table 2 below.

Table 2: Value of options granted, exercised or lapsed during the year.

The following table discloses the value of options granted, exercised or lapsed during the year in which any Director or Key Management Personnel were entitled.

No options were issued for the period July 1, 2008 to June 30, 2009.

2008	**Options Granted**	**Options Granted as part of remuneration**	**Total remuneration represented by options**	**Options Exercised**	**Options Lapsed (11/11/07)**	**Total**
		$	%	$	$	$
Company Officer Michele Levine – Director	2,000,000	80,400	64.8	-	(26,200)	80,400
Key Management Personnel Peter Cole	1,500,000	60,300	26.1	-	(3,275)	60,300
	3,600,000	**144,720**		**-**	**(30,785)**	**144,720**
	3,600,000	**144,720**		**-**	**(30,785)**	**144,720**

For details on the valuation of the options, including models and assumptions used, refer to Note 21 to the financial statements. There have been no alterations to the terms and conditions of options granted in recognition for past services since the grant date.

DIRECTORS' MEETINGS

During the financial year there were three full meetings of the Board of Directors and three meetings of the Audit Committee. The number of meetings attended by each of the Directors is:

	Full meetings of Directors	Meetings of Audit Committee
Number of meetings held:	3	3
Number of meetings attended by:		
Mr. G C Morgan	3	-
Ms. M Levine	3	-
Mr. J McInnes	3	3

The Board of Directors' comprises 3 persons each of whom are in regular contact with each other and meet informally approximately once per week. In addition the Board is in daily contact by telephone and email communication.
These regular and efficient forms of contact enable all of the Directors to keep abreast of company business and to ensure informed and timely decisions are reached. Where urgent matters arise that require formal adoption of resolutions by the Board, circulated resolutions are executed to effect decisions.

INDEMNIFICATION OF OFFICERS AND AUDITORS

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

PROCEEDINGS ON BEHALF OF ENTITY

No person has applied for leave of Court to bring proceedings on behalf of the company or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended June 30, 2009 is included at page 9.

NON-AUDIT SERVICES

There were no non-audit services provided by the auditor, or by another person or firm on the auditors behalf during the financial year.

This report is signed in accordance with a resolution of the Directors.

Gary Morgan

Gary C. Morgan
Chairman

Melbourne,
September 30, 2009

Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Haoma Mining NL for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Haoma Mining NL and the entities it controlled during the year.

J A Mooney
Partner
PKF

30 September 2009
Melbourne

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CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Haoma Mining NL ("Haoma") is responsible for the Corporate Governance Practices of the Economic Entity. The Board guides and monitors the business and affairs of Haoma Mining NL on behalf of the shareholders by whom they are elected and to whom they are accountable.

Unless otherwise disclosed below, best practice recommendations of the Australian Stock Exchange (ASX) Corporate Governance Council have been applied for the entire financial year ended 30 June 2009.

COMPOSITION OF THE BOARD

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The Directors in office at the date of this statement are:

Name	Position
G C Morgan	Chairperson, Director
M Levine	Executive Director
J L C McInnes	Non-Executive Director

To ensure the Board is well equipped to discharge it's responsibilities it has established guidelines for the nomination and selection of Directors and for the operation of the Board.

Directors are appointed for a three year term after which time they seek re-election by shareholders.

The ASX recommends that the majority of the Directors should be Independent; the Chairman should be an Independent Director and should not also be the Chief Executive Officer.

As noted above, Mr. Gary Morgan is the Chairman of Haoma. Mr. Morgan is not considered to be an Independent Director due to his family's 63% shareholding in Haoma. Mr. John McInnes is not deemed to be an Independent Director because he is a Director of companies that control Mr. Morgan's family shareholding in Haoma and he has been on the Board for more than 10 years. Michele Levine is not an Independent Director as she is the Chief Executive of Roy Morgan Research Pty Ltd which is a private company controlled by Mr. Morgan.

Accordingly, Haoma does not comply with ASX Corporate Governance Council Best Practice Recommendation 2.1 to 2.4 regarding independence. The relevance of this non-compliance must be considered in light of the fact that entities controlled by Mr. Gary Morgan hold shares in the company representing over 63% of the issued capital. Haoma is not a large company with a broad spread of shareholders. It is a company controlled and managed by Mr. Morgan in which outside shareholders have the opportunity to invest because it has ASX listing. The extent of Mr. Morgan's personal and financial commitment to Haoma is not new and is well known to the market. The overwhelming majority of current shareholders acquired their shares in the full knowledge of that relationship.

The company does not comply with the recommendations relating to Board independence. All Directors actively participate in meetings of Directors and it is not considered that the company or its shareholders are compromised or disadvantaged by the current Board structure.

All Directors have the right to seek Independent professional advice in the furtherance of their duties as Directors at the company's expense. Written approval must be obtained from the Chairman prior to incurring any material expense in this regard.

The ASX Corporate Governance Council Best Practice Recommendations recommends that the company has an Audit, Nomination, and Executive Remuneration Committee and in the case of Haoma the members of the Board fulfils that role.

TRADING POLICY

The size of the company allows adherence to generally acceptable levels of integrity and ethical behavior without the need for a formal code of conduct.

Directors and officers of the company may not deal in the company's securities when they are in possession of information not publicly known that may influence the price of the company's shares.

AUDIT COMMITTEE

Haoma has for many years maintained a formal Audit sub-committee of the Board. The Audit Committee operates under a charter approved by the Board. It is the Audit Committee's responsibility to ensure that an effective internal framework exists within the entity. This includes internal controls, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

The Audit Committee provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.

The Audit committee is also responsible for nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit and half year statutory review. A formal sign off of the accounts by the Chief Executive Officer and Chief Financial Officer is required.

TIMELY AND BALANCED DISCLOSURES

Haoma provides timely and balanced disclosures of all material matters concerning the Company as required by the ASX listing rules. This means that all investors have equal and timely access to material information concerning the company – including its financial situation, performance, ownership and governance. The Company's announcements are factual and presented in a clear and balanced way to present positive and negative information.

The Directors are aware of the disclosure obligations as per the Corporations Act 2001 (Clth). and ASX Listing rules and the need to comply with them. There is no formal document covering disclosure and compliance with ASX listing rules.

RESPECTING THE RIGHTS OF SHAREHOLDERS

The Board acts on behalf of the shareholders and is accountable to the shareholders. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. In discharging these duties the Board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical obligations.

The Company recognizes and respects the rights of shareholders and facilitates the effective exercise of those rights. The Company empowers its shareholders by: communicating effectively with them; giving them ready access to balanced and understandable information about Company and corporate proposals; and, makes it easy for shareholders to participate in General Meetings.

While the Company does not have a documented procedure there is regular communication with shareholders including the mailing of ASX Quarterly Activity Reports and information on matters of significance which affect the Company. Company information is continuously updated on its website; www.haoma.com.au. At each Annual Meeting shareholders are given a detailed briefing regarding the activities of the Company and shareholders are encouraged to both attend and participate in General Meetings. It is considered the size of the company does not warrant a formal written policy in this area.

The auditors attend the Annual General Meeting each year.

RISK MANAGEMENT

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to minimize the impact of accidental loss or damage to the company.

PERFORMANCE EVALUATION

The responsibility for the operation and administration of the Economic Entity is delegated by the Board to Mr. Gary Morgan and Management. The Board ensures that personnel are appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the management team.

Although Haoma does not comply with the ASX Corporate Governance Council Best Practice Recommendation regarding 'performance evaluation', it is considered that the size of the company and the structure of the Board do not necessitate full compliance with this recommendation.

REMUNERATION COMMITTEE

The accounts contain all details of Directors' remuneration and the remuneration of senior staff to the extent required by law. The company is small and because of its size and structure it is not considered necessary to have a Remuneration Committee of the Board.

There are no schemes for retirement benefits other than statutory superannuation for non-executive Directors.

OTHER INFORMATION

The Board and senior executives are aware of the need to comply with all laws relevant to operations of the Company. Due to the size and structure of Haoma it is not considered necessary to have a formal written code of conduct.

Good Corporate Governance is dependent on the culture of the Company generally, and Board and Senior Management in particular. Mere compliance with the ASX recommendations in itself however, will not necessarily result in good corporate governance.

The Board of Haoma is committed to ensuring that a standard of good governance is maintained. It does this by ensuring that the company complies with not only the letter of the many regulations and laws governing the company's operations but also complies with the spirit and intent of those regulations and laws. It is also committed to ensuring that the shareholders and the market are kept fully informed regarding the company's operations and strategic direction.

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2009

	Note	Consolidated Entity		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$
Continuing Operations					
Sale of goods	3 (a)	**111,326**	107,532	**111,326**	107,532
Retail Sales	3 (a)	**315,339**	199,231	**315,339**	199,231
Royalty income	3 (a)	**410,642**	434,320	**410,642**	434,320
Finance revenue	3 (a)	**53**	151	**29**	151
Revenue		**837,360**	741,234	**837,336**	741,234
Other income	3 (b)	**5,800**	-	**5,800**	-
Cost of sales		**(617,296)**	(415,765)	**(617,294)**	(415,767)
Test work and plant configuration expenditure		**(2,059,106)**	(2,261,798)	**(2,059,106)**	(2,250,489)
Exploration and tenement costs expensed		**(727,912)**	(537,914)	**(671,199)**	(480,404)
Administration and compliance expense	3(c)	**(533,020)**	(566,863)	**(473,020)**	(506,863)
Finance costs	3(d)	**(2,266,602)**	(2,487,964)	**(2,266,602)**	(2,487,798)
Depreciation and amortisation costs	3(e)	**(533,284)**	(581,610)	**(504,357)**	(534,410)
Allowance for doubtful debts - inter company loan	3(f)	**-**	-	**(56,917)**	(96,237)
Impairment loss	3(h)	**-**	(22,273)	**-**	(22,273)
Provision for rehabilitation		**(44,081)**	(33,363)	**(14,694)**	(11,084)
Share option expense		**-**	(287,430)	**-**	(287,430)
Loss before income tax		**(5,938,141)**	(6,453,746)	**(5,820,053)**	(6,351,521)
Income tax expense	4	**-**	-	**-**	-
Net loss attributable to members of the parent entity		**(5,938,141)**	(6,453,746)	**(5,820,053)**	(6,351,521)
Earnings per share (cents per share)					
- Basic loss for the year attributable to ordinary equity holders of the parent	5	**(3.08)**	(3.34)		
- Diluted loss for the year attributable to ordinary equity holders of the parent	5	**(3.08)**	(3.34)		

The above Income Statement should be read in conjunction with the accompanying notes.

BALANCE SHEET

AS AT JUNE 30, 2009

	Note	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
ASSETS					
Current Assets					
Cash and cash equivalents	7	**19,459**	592	**19,225**	586
Trade and other receivables	8	**180,405**	54,372	**180,405**	54,372
Inventories	9	**334,389**	432,854	**334,389**	432,854
Total Current Assets		**534,253**	487,818	**534,019**	487,812
Non-current Assets					
Property, plant and equipment	13	**849,724**	1,342,869	**849,724**	1,313,942
Exploration and evaluation	14	**7,535,000**	7,535,000	**6,535,000**	6,535,000
Total Non-Current Assets		**8,384,724**	8,877,869	**7,384,724**	7,848,942
TOTAL ASSETS		**8,918,977**	9,365,687	**7,918,743**	8,336,754
LIABILITIES					
Current Liabilities					
Trade and other payables	15	**1,645,096**	1,536,464	**1,339,483**	1,290,852
Interest bearing loans and borrowings	16	**35,582,272**	30,150,164	**35,582,272**	30,150,164
Provisions	17	**97,966**	71,440	**97,966**	71,440
Income tax payable	18	**-**	119,916	**-**	119,916
Total Current Liabilities		**37,325,334**	31,877,984	**37,019,721**	31,632,372
Non-Current Liabilities					
Provisions	17	**1,454,668**	1,410,587	**484,889**	470,196
Total Non-Current Liabilities		**1,454,668**	1,410,587	**484,889**	470,196
TOTAL LIABILITIES		**38,780,002**	33,288,571	**37,504,610**	32,102,568
NET ASSETS/(LIABILITIES)		**(29,861,025)**	(23,922,884)	**(29,585,867)**	(23,765,814)
EQUITY					
Contributed Equity	19	**60,305,981**	60,305,981	**60,305,981**	60,305,981
Reserves	19	**6,470,345**	6,470,345	**5,355,462**	5,355,462
Accumulated Losses		**(96,637,351)**	(90,699,210)	**(95,247,310)**	(89,427,257)
TOTAL SHAREHOLDERS' EQUITY/(DEFICIENCY)		**(29,861,025)**	(23,922,884)	**(29,585,867)**	(23,765,814)

The above Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2009

CONSOLIDATED	Share Capital **$**	Reserves (Note 19) $	Accumulated Losses **$**	Total Equity $
Balance at June 30, 2007…………………………	60,241,791	6,247,105	(84,245,464)	(17,756,568)
Share options expired ………………………………	64,190	(64,190)	-	-
Share options issued …………………………………	-	287,430	-	287,430
Total income and expense for the period recognised directly in equity				
(Loss) for the period ………………………………	-	-	(6,453,746)	(6,453,746)
Balance at June 30, 2008…………………………	**60,305,981**	**6,470,345**	**(90,699,210)**	**(23,922,884)**
Total income and expense for the period recognised directly in equity				
(Loss) for the period ………………………………	-	-	(5,938,141)	(5,938,141)
Balance at June 30, 2009…………………………	**60,305,981**	**6,470,345**	**(96,637,351)**	**(29,861,025)**

PARENT	Share Capital **$**	Reserves (Note 19) $	Accumulated Losses **$**	Total Equity $
Balance at June 30, 2007…………………………	60,241,791	5,132,222	(83,075,736)	(17,701,723)
Share options expired ………………………….	64,190	(64,190)	-	-
Share options issued ………………………..	-	287,430	-	287,430
Total income and expense for the period recognised directly in equity				
(Loss) for the period ………………………..	-	-	(6,351,521)	(6,351,521)
Balance at June 30, 2008…………………………	**60,305,981**	**5,355,462**	**(89,427,257)**	**(23,765,814)**
Total income and expense for the period recognised directly in equity				
(Loss) for the period …………………………	**-**	-	(5,820,053)	(5,820,053)
Balance at June 30, 2009…………………………	**60,305,981**	**5,355,462**	**(95,247,310)**	**(29,585,867)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2009

		Consolidated Entity		Parent Entity	
	Note	**2009**	2008	**2009**	2008
		$	$	**$**	$
Cash flows from operating activities					
Receipts from customers		**60,397**	107,532	**60,397**	107,532
Interest received		**53**	151	**29**	151
Other income		**724,030**	579,180	**724,030**	579,180
Payments to suppliers and employees		**(848,237)**	(982,023)	**(848,238)**	(952,395)
Interest paid		**(212,722)**	(44,430)	**(212,722)**	(44,393)
Current tax paid		**(119,916)**	(552,113)	**(119,916)**	(552,113)
Net cash used in operating activities	7(b)	**(396,395)**	(891,703)	**(396,420)**	(862,038)
Cash flows from investing activities					
Purchase of property, plant and equipment		**(40,139)**	(5,589)	**(40,139)**	(5,589)
Proceeds from sale of property, plant and equipment		**5,800**	2,727	**5,800**	2,727
Exploration and development expenditure		**(2,787,019)**	(2,799,711)	**(2,730,306)**	(2,730,894)
Advances to related entity		**(100)**	-	**(57,017)**	(96,237)
Net cash used in investing activities		**(2,821,458)**	(2,802,573)	**(2,821,662)**	(2,829,993)
Cash flows from financing activities					
Loan funding from related parties		**3,515,135**	4,182,317	**3,515,135**	4,182,317
Repayment of lease liability		**(288,754)**	(511,452)	**(288,754)**	(511,452)
Net cash provided by financing activities		**3,226,381**	3,670,865	**3,226,381**	3,670,865
Net increase (decrease) in cash held		**8,528**	(23,411)	**8,299**	(21,166)
Cash at the beginning of the financial year		**592**	24,003	**587**	21,753
Cash at the end of the financial year	7(a)	**9,120**	592	**8,886**	587

The above Cash Flow Statement should be read in conjunction with the accompanying note.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

1 *CORPORATE INFORMATION*

The financial report of Haoma Mining NL for the year ended June 30, 2009 was authorized for issue in accordance with a resolution of the Directors on Wednesday, September 30th, 2009.

Haoma Mining is a listed public company, incorporated and domiciled in Australia.

2 *STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES*

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act* 2001 and Australian Accounting Standards and Interpretations.

The financial report has been prepared on a historical cost basis, except for available-for-sale assets, which have been measured at fair value and provisions which have been carried at fair value. The financial report is presented in Australian dollars.

(b) Going Concern

The Consolidated Group and Parent Entity incurred net losses of $5,938,141 and $5,820,053 for the year respectively, have negative working capital of $36,791,081 and $36,485,702 respectively, and negative shareholders equity of $29,861,025 and $29,585,867 respectively. These conditions indicate a material uncertainty that may cast significant doubt about the consolidated entity's and parent entity's ability to continue as going concerns.

To support the ongoing operations of the Group, Leaveland Pty Ltd, (Haoma's principal shareholder which is owned and controlled by Mr. Gary Morgan) has provided an undertaking that it will make funds available to the company to ensure that there is no shortfall of funding required for operations for a period of at least 12 months from the date of this report.

At June 30, 2009 the total debt owing in respect of funds provided to Haoma by Leaveland Pty Ltd is $28,013,364 (2008: $24,498,229). Leaveland Pty Ltd has also confirmed that payment of monies owed by Haoma will not be required until such time as the Board of Directors determine that Haoma is capable of paying these amounts without adverse financial consequences to the company or its controlled entities. For these reason, the Board of Directors are satisfied that the going concern basis is appropriate.

The financial statements have been prepared on the basis that the company and consolidated entity are going concerns, which contemplates the continuity of normal business activities and the realisation of assets and the extinguishment of liabilities in the normal course of business at the amounts stated in the financial statements.

If the consolidated entity is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report. The report does not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the company be unable to continue as a going concern and meet its debts as and when they become due and payable.

(c) Statement of Compliance

The financial report of Haoma Mining NL as a consolidated group and as an individual parent entity complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto complies with International Financial Reporting Standards (IFRS).

In the current year, the consolidated group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. Details of the impact of those changes are set out in the individual accounting policy notes.

Australian Accounting Standards and Interpretations that have been issued or amended but not yet effective have not been adopted by the Consolidated Group for the annual reporting period ended June 30, 2009. Significant implications are outlined in the table below:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

Reference	Title	Summary	Application date of standard	Impact on the Financial report	Application date for Haoma
AASB 101 (revised)	Presentation of Financial Statements, and Amendments to other Australian Accounting Standards	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassification of items in the financial statements, changes in the presentation for dividends and changes to the titles of the financial statements	January 1, 2009	These amendments are expected to affect the presentation of Haoma's financial report and will not have a direct impact on the measurement and recognition of amounts disclosed	July 1, 2009
AASB 8	Operating Segments, and Consequential amendments to other Australian Accounting Standards.	AASB 8 replaces AASB 114 *Segment Reporting*, which adopts a management reporting approach to segment reporting.	January 1, 2009	AASB 8 is a disclosure standard, and as such is not expected to have any impact of amounts included in the financial statements or the Consolidated group or Haoma entity.	July 1, 2009
AASB 123	Borrowing costs	The original standard issued July 2004 permitted entities to either immediately recognize borrowing costs as an expense, or capitalize them as part of the carrying amount of a qualifying asset where borrowing costs are directly attributable to the acquisition, construction or production of a qualifying asset. Adoption of AASB 123 will result in the capitalisation of all interest expenses on qualifying assets.	January 1, 2009	Haoma has no current borrowings for the purpose of acquiring, constructing or production of a qualifying asset. The adoption of AASB123 will not have a material impact on Haoma's accounts.	July 1, 2009
AASB 3	Business combinations	Adoption of AASB 3 Business Combinations applies prospectively to business combinations for which the acquisition date is on or after 1 July 2009 and alters the manner in which business combinations and changes in ownership interest in subsidiaries are accounted for.	January 1, 2009	The adoption of the standard has no impact on previously reported financial results as the Consolidated Entity has not had any acquisitions prior to June 30, 2009.	July 1, 2009
AASB 127	Consolidated and Separate Financial Statements	Under the revised standard, a change in the ownership interest of a subsidiary (that does not result in loss of control) will be accounted for as an equity transaction.	January 1, 2009	The Consolidated Entity has been unable to assess the financial impact of this change on the entity financial report in the period of initial application.	July 1, 2009

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

(d) Principles of Consolidation

The financial report comprises the Economic Group of Haoma Mining NL and its controlled entities, and Haoma Mining NL as an individual Parent Entity. The financial reports of all subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

A controlled entity is any entity controlled by Haoma Mining NL. Control exists where Haoma has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Haoma to achieve the objectives of Haoma. Controlled entities are detailed in Note 12 to the financial statements.

In preparing the financial statements, the financial impact of all inter-company balances and transactions between entities in the economic group during the year have been eliminated. The operating results of controlled entities are included from the date control was obtained or until the date control ceased.

(e) Significant judgements, estimates and assumptions used in applying accounting policies

(i) Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Exploration and Mining Lease Commitments

The Group holds various exploration and mining lease permits over areas of interest in Western Australia and Queensland. Annual minimum expenditure requirements are required in order to retain the exclusive right to explore and mine on these leases. In a number of cases, leases are located adjacent to or in close proximity to each other and activities often overlap a number of leases. With the approval of the relevant State Government Departments, certain expenditures which are known to be applicable to a broad area covering a number of leases are aggregated and applied to the affected leases using allocation estimates. The decision as to which leases should be aggregated for this purpose requires an exercise of judgement.

(ii) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black Scholes model and assumptions detailed in Note 21. The Group measures the cost of cash-settled share-based payments at fair value at the grant date taking into account the terms and conditions upon which the instruments were granted (see Note 21).

Exploration Assets and impairment

Accounting estimates are required for the impairment of exploration assets. See note 2(q).

Provision for Rehabilitation costs.

Accounting estimates has been used to calculate the carrying value of Provision for Rehabilitation of exploration assets. See note 2(u)

(f) Revenue Recognition

The Group's primary source of revenue is from the production and sale of precious metals, specifically gold and silver. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue from the production and sale of precious metal is therefore recognised upon supply of refined metal to the customer or on delivery against forward sale contracts.

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

Other sources of revenue are recognised on the following basis:

Interest is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate.

The Group operates retail outlets at the Comet Mine Tourist Centre at Marble Bar, Western Australia and at its Top Camp accommodation facility at Ravenswood, Queensland. Revenue from the sale of goods is recognised when the sale is completed and ownership has passed to the purchaser.

Revenue from the provision of consulting services is recognised upon the delivery of the service to the customer.

Haoma has negotiated contracts with companies in which to receive Royalty income. Royalties are paid for the use of Haoma's tenements. The revenue is recognised and accrued after the company has utilized Haoma's tenements.

All revenue is stated net of goods and services tax (GST).

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(h) Impairment of assets

At each reporting date the Group assesses whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at the revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(i) Foreign Currency Transactions and Balances

Foreign currency transactions are converted to Australian currency at the rate of exchange applicable at the date of each transaction. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of exchange ruling at that date.

- The gains and losses from conversion of assets and liabilities, whether realised or unrealised, are recognised as they arise.

2 STATEMENT OF ACCOUNTING POLICIES *(continued)*

(j) Income Tax

Haoma Mining NL and its wholly-owned Australian subsidiaries formed an income tax consolidated group on July 1, 2003. Haoma Mining NL is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidation group. The tax consolidation group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to the net profit before tax of the tax consolidated group.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to calculate taxation assets and liabilities are those that applied at year end balance date.

At balance date, deferred income tax is provided on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when:

- the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, does not affect either accounting profit or taxable income; or
- the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward unused tax assets and unused tax losses, to the extent that it is probable that future taxable profits will be available to utilise the benefit of those deductible temporary differences, carry forward tax credits and tax losses, except when:

- the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, does not affect either accounting profit or taxable income; or

- the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that taxable income will be generated in the foreseeable future against which the temporary difference will reverse.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to utilise the deferred tax asset. Unrecognised deferred income tax assets are reassessed each balance date and are recognised to the extent that is has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, using tax rates that have been enacted or substantively enacted at balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit and loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and taxation authority.

(k) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(l) Cash and cash equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents includes:

- cash at bank, cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- investments in money market instruments with less than 14 days to maturity.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

(m) Inventories

Inventories are measured and valued as follows:

- Stores of purchased consumables and materials are counted and valued at the lower of cost and net realisable value,
- Inventories of Run of Mine ore stockpiles, work in process, heap leach material and gold bullion are physically measured or estimated and are valued at the lower of cost and net realisable value,

Net realisable value is the estimated selling price in the ordinary course of business, less estimated further costs of production and the estimated costs of selling.

(n) Trade and other receivables

Trade receivables, are recognised and carried at original invoice amount less an allowance for any component of the debt for which collection is considered doubtful. An allowance for a doubtful debt is made when there is objective evidence that the Group will not be able to collect the debt. Bad debts are written off when identified.

(o) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment is shown at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the cost of replacement parts that are eligible for capitalization. The subsequent carrying amount of plant and equipment is reviewed annually at financial year end by Directors to ensure it is not in excess of the recoverable amount of these assets. Recoverable amount is the greater of fair value less costs to sell and value in use determined by discounted net cash flows.

The cost of fixed assets constructed within the Economic Entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Depreciation

All fixed assets including building and capitalised lease assets, but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The default depreciation rates used where specific useful life estimates are not available for each class of depreciable assets are;

Class of Fixed Asset	Depreciation Rate
Plant and equipment	7-20%
Leased plant and equipment	10-20%

(p) Leased Assets – Group as lessee

Leases of fixed assets where substantially all the risks and benefits incidental to ownership of the asset, but not legal ownership, are transferred to entities in the Economic Group, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments which includes any financial commitment in regard to payment of a residual value for the leased item. Lease payments are allocated between the reduction of the lease liability and lease finance charges in accordance with the underlying calculated interest rate over the term of the lease. Lease finance charges are recognised as an expense in profit or loss.

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

When it is likely that the Economic Group will obtain ownership of the asset over the term of the lease, leased assets are depreciated on a straight line basis over their estimated useful life. Where there is no reasonable certainty that the Group will obtain ownership, leased assets are depreciated over the term of the lease.

Lease payments for operating leases, where substantially all risks and benefits remain with the lessor, are charged as an expense in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability.

(q) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of exploration interest. These costs are carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. In October 2005, Haoma commissioned an independent valuation by Golder Associates of the Haoma Mining Group mineral tenements to determine whether the carrying value was appropriate. The value of Exploration and Development expenditure adopted in the June 30, 2009 accounts is based upon a year end review of tenement carrying values using the Golder Valuation report as a reference document. The Directors consider that the appropriate carrying amounts do not differ materially from the fair value of these assets at balance date and have determined it is not appropriate to capitalise costs spent on these areas in the year to June 30, 2009.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according the rate of depletion of the economically recoverable reserves.

(r) Interest in Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The Group has interests in joint ventures that can generally be classified as joint ventures involving jointly controlled assets and which are specifically related to undertaking exploration and development work on various mineral exploration leases.

A joint venture identified as involving the use of jointly controlled assets is typified by joint ownership of assets contributed or acquired for the purpose of the joint venture and dedicated to the purposes of the joint venture. The assets are used to obtain benefits for the joint venture. Each joint venture participant may take a share of the output from the assets and each bears an agreed share of the expenses incurred. Each participant has control over its share of future economic benefits through its share of the jointly controlled assets.

Expenses incurred in common by the joint venture are borne by each joint venturer according to agreed percentages as established in the respective joint venture agreements. Some agreements contain farm-in clauses whereby one or more of the joint venture parties acquires or may increase an ownership interest in a controlled asset by agreeing to fund an initial amount of expenditure.

The Group recognises its interests in jointly controlled asset joint ventures by recording the fair value of its share of the joint venture assets that it controls and the liabilities that it incurs. The Group also recognises its share of the expenses that are incurred on joint venture activities and its share of the income that is earned from the sale of goods or services by the jointly controlled operation.

(s) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

2 *STATEMENT OF ACCOUNTING POLICIES (continued)*

(t) Employee Leave Benefits and Entitlements

Provision is made for the expected future liability for employee benefits and entitlements arising from services rendered by employees to balance date. A current liability is recognised in respect of benefits and entitlements expected to be paid within one year and a non current liability is recognised for benefits and entitlements expected to be paid later than one year.

Employee benefits together with entitlements arising in respect of wages and salaries, long service leave, annual leave and sick leave that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Long service leave and other entitlements expected to be payable later than one year are measured at the present value of the estimated future cash flows to be made for those benefits. In determining the extent of liability, consideration is given to expected future salary and wage levels, related on costs, experience of employee retention and expired periods of service.

Liabilities for employer superannuation contributions are expensed when incurred.

(u) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for Restoration Costs

Restoration costs are costs that are expected to be incurred as a consequence of the Economic Group undertaking its exploration and mining activities. Ground disturbance and other works that impact upon topography, environment and habitat may occur to varying degrees during exploration, evaluation, development, construction or production phases of the Group's activities. As a consequence, there is a need for restoration work to be carried out either progressively or upon the abandonment of activity in an area of interest. The provision is measured as the present value of the future expenditure. On an ongoing basis, the rehabilitation liability will be re-measured in line with the changes in the time value of money (recognised as an expense in the income statement and an increase in the provision).

In determining the restoration obligations, the entity assumes no significant changes will occur in relevant Federal and State legislation in relation to restoration of disturbed areas.

(v) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised. Interest on loans and borrowings is recognised as an expense as it accrues.

(w) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black Scholes model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Haoma Mining NL if applicable.

2 STATEMENT OF ACCOUNTING POLICIES (continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the equity instruments (the vesting date). The cumulative expense is recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

(x) Earnings per share

Basic earnings per share is calculated as net profit/(loss)attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

3 *REVENUES & EXPENSES*

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Continuing Operations				
(a) Revenue				
Gold sales	**74,351**	106,788	**74,351**	106,788
Silver sales	**180**	744	**180**	744
Gold nuggest sales	**36,795**	-	**36,795**	-
	111,326	107,532	**111,326**	107,532
Retail sales	**315,339**	199,231	**315,339**	199,231
Royalty income	**410,642**	434,320	**410,642**	434,320
Finance revenue - bank interest	**53**	151	**29**	151
	837,360	741,234	**837,336**	741,234
(b) Other Income				
Net gain on disposal of property, plant and equipment	**5,800**	**-**	**5,800**	**-**
(c) Administration and compliance expense				
Corporate service costs	**234,781**	177,012	**174,783**	117,013
Legal and compliance costs	**130,412**	220,848	**130,411**	220,848
Management fees	**167,827**	169,003	**167,826**	169,002
	533,020	566,863	**473,020**	506,863
(d) Finance Costs				
Director related loan	**2,195,389**	2,342,893	**2,195,389**	2,342,893
Bank loans and overdrafts	**10,045**	44,429	**10,045**	44,428
Bank charges	**9,414**	9,898	**9,414**	9,733
Current tax liability	**51,754**	90,744	**51,754**	90,744
	2,266,602	2,487,964	**2,266,602**	2,487,798
(e) Depreciation of non-current assets				
Property, plant and equipment	**372,159**	306,642	**343,232**	259,442
Leased assets	**161,125**	274,968	**161,125**	274,968
	533,284	581,610	**504,357**	534,410
(f) Allowance for doubtful debt - inter company				
Allowance for doubtful debt - inter company	-	-	**56,917**	96,237
(g) Employee benefits expense				
Wages and salaries	**1,317,253**	1,122,457	**1,317,253**	1,122,457
Superannuation	**95,924**	104,505	**95,924**	104,505
Annual leave	**1,907**	8,279	**1,907**	8,279
	1,415,084	1,235,241	**1,415,084**	1,235,241
(h) Impairment loss on property, plant and equipment classified as held for sale	**-**	22,273	**-**	22,273

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

4 *INCOME TAX*

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
The amount provided in respect of income tax differs from the prima facie beneift on operating loss. The difference is reconciled as follows:				
Operating loss before income tax	**(5,938,141)**	(6,453,746)	**(5,820,053)**	(6,351,522)
Prima facie income tax expense (benefit) calculated at 30% (2007 - 30%)				
Economic entity	**(1,781,442)**	(1,936,124)	**-**	-
Parent entity	**-**	-	**(1,746,016)**	(1,905,456)
Other members of the income tax consolidated group	**-**	-	**(35,426)**	(30,667)
Tax effect of temporary differences:				
Non-deductible amount related to transactions within tax consolidated group	**-**	-	**-**	-
Deferred tax assets not recognised				
Economic entity	**1,781,442**	1,936,124	**1,781,442**	1,936,124
Income tax expense (benefit) attributable to operating loss	-	-	-	-

	2009	2008
Deferred tax assets which have not been brought to account comprise:		
Income tax losses	**13,126,795**	11,366,927
Other temporary differences	**(1,671,130)**	(1,632,617)
	11,455,665	9,734,310

Deferred tax liabilities that have arisen in the course of normal operations have been offset against unutilised deferred tax assets and as such have not been shown separately.

This benefit for tax losses will only be obtained if:

- (a) the consolidated entity derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (b) the consolidated entity continues to comply with the conditions for deductibility imposed by Law; and
- (c) no changes in tax legislation adversely affect the ability of the consolidated entity to realise these benefits.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

5 *EARNINGS PER SHARE*

	Consolidated Entity 2009 $	2008 $
Net loss attributable to ordinary equity holds or the parent from continuing operations ……	**(5,938,141)**	(6,453,746)
Weighted average number of ordinary shares for basic earnings per share ……	**192,993,655**	192,993,655
Effect of dilution:		
Share options	**-**	-
Weighted average number of ordinary shares adjusted for the effect of dilution……	**192,993,655**	192,993,655
Weighted average number of converted, lapsed or cancelled potential ordinary shares included in diluted earnings per share ……	**-**	-
There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements		
Earnings (loss) per share ……	**(3.08)**	(3.34)

The weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share and diluted earnings per share was 192,993,655 and (2008: 192,993,655)

The loss for the year used in the calculation of basic and diluted earnings per share is $5,938,141 (2008: loss $6,453,746)

As at 30 June 2009 the company has issued options over unissued capital (refer to note 21). As the exercise of these options would decrease basic loss per share, these options are not considered dilutive.

6 *DIVIDENDS PAID AND PROPOSED*

There were no dividends provided for or paid during the financial year.

Franking credit balance

The amount of franking credits available for the financial year are:

	2009 $	2008 $
Franking account balance at July 1	**552,114**	-
Tax paid	**119,916**	552,114
Other movements	**-**	-
Franking account balance at June 30	**672,030**	552,114

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$

7 *CASH AND CASH EQUIVALENTS*

(Current)

(a) Reconciliation to Cash Flow Statement
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Cash and cash equivalents ………………………………	**19,459**	592	**19,225**	586
Bank overdraft ……………...………………………	**(10,339)**	-	**(10,339)**	-
	9,120	592	**8,886**	586

Cash at bank earns interest at floating rates based on daily bank deposit rates.

(b) Reconciliation of net profit after tax to cash flows from operations

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Loss after income tax ………………………………………	**(5,938,141)**	(6,453,746)	**(5,820,053)**	(6,351,521)
Depreciation ………………………………………………	**533,284**	581,610	**504,357**	534,410
Options expense …………………………………………	**-**	287,430	**-**	287,430
Net loss (profit) on disposal of property, plant and equipment …………………………………………………	**(5,800)**	-	**(5,800)**	-
Accrued interest - director related entity …………………	**2,195,389**	2,342,893	**2,195,389**	2,342,893
Impairment write down of capitalised exploration and evaluation assets …………………………………………	**2,787,019**	2,799,711	**2,730,306**	2,730,894
Allowance for doubtful debts - inter company ……………	**-**	-	**56,917**	96,237
Impairment loss on property plant and equipment classified as held for sale …………………………………	**-**	22,273	**-**	22,273
Changes in assets and liabilities:				
Increase in trade debtors & other receivables …………	**(84,244)**	(10,793)	**(84,244)**	(10,793)
Increase in prepayments …………………………………	**(41,789)**	-	**(41,789)**	-
Decrease (increase) in inventories ………………………	**98,465**	(102,310)	**98,465**	(102,310)
Increase in trade creditors and other creditors ……………	**108,731**	158,039	**48,728**	127,537
(Decrease) in current tax payable ………………………	**(119,916)**	(565,606)	**(119,916)**	(565,606)
Increase in provisions ……………………………………	**70,607**	48,796	**41,220**	26,518
Net cash used in operating activities	**(396,395)**	(891,703)	**(396,420)**	(862,038)

8 *TRADE AND OTHER RECEIVABLES*

(Current)

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Trade and other receivables ………………………………	**138,616**	54,372	**138,616**	54,372
Prepayments ………………………………………………	**41,789**	-	**41,789**	-
	180,405	54,372	**180,405**	54,372
Related bodies corporate:				
Kitchener Mining NL …………………………………	**-**	-	**3,979,301**	3,922,384
Allowance for doubtful debt …………………………	**-**	-	**(3,979,301)**	(3,922,384)
	180,405	54,372	**180,405**	54,372

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

Trade and other receivables are non-interest bearing. Due to the short term nature of trade receivables amounts, their carrying value is assumed to approximate their fair value. The average credit period on trade receivables are generally 30 day terms and no interest is charged on balances past due. The Group has a history of 100% collection of trade receivable amounts and therefore no provision for impairment loss is required.

The receivable from the controlled entity has no fixed repayment term. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. An impairment loss has been recognised for the controlled entity receivable of $56,917 (2008: $96,237)

Movements in the provision for impairment loss were as follows:

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Opening balance	**-**	-	**(3,922,384)**	(3,826,148)
Additional provision	**-**	-	**(56,917)**	(96,237)
	-	-	**(3,979,301)**	(3,922,384)

9 *INVENTORIES*

	Consolidated 2009	Consolidated 2008	Parent 2009	Parent 2008
(Current)				
Stores of consumables and spare parts ……………………	**334,389**	432,854	**334,389**	432,854

10 *NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE*

	Consolidated 2009	Consolidated 2008	Parent 2009	Parent 2008
(Current)				
Mining leases and property held for sale ………………..	**-**	-	**-**	-
Opening balance ……………………………………………	**-**	1,525,000	**-**	1,525,000
Transfer from (to) exploration & evaluation assets ………	**-**	(1,500,000)	**-**	(1,500,000)
Second Fortune Mining Camp ……………………………	**-**	-	**-**	-
Impairment loss ………………...…………………………	**-**	(25,000)	**-**	(25,000)
Deposit received ……………………………………………	**-**	-	**-**	-
	-	-	**-**	-

In 2007, Held for Sale Assets consisted of Linden tenements located in the Eastern Goldfields Region of Western Australia. These include tenements E39/293, E39/379, E39/428, M39/385, M39/386, M9/387, M39/500, M39/629, M39/650, M39/780, M39/781, M39/782, M39/794, M39/785, P39/2974 and P39/2976. Haoma Mining executed a Contract for Sale of these assets to Deepstrike Resources Ltd in May 2006. A Deed of Variation was signed January 9, 2007 to include the sale of the Second Fortune Mining Camp. The camp is located on the Linden tenements. The sale was not completed. In 2008 the Linden Tenements have been reclassified to Exploration and Evaluation (Note 14). The Board is considering other opportunities for the sale or exploitation of these tenements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

	Parent Entity		Consolidated Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
11 ***OTHER FINANCIAL ASSETS***				
(Non-current)				
Controlled Entities - Unlisted securities at cost ………….	**-**	**-**	**23,204,784**	**23,204,784**
Less accumulated impairment ……………………………	**-**	**-**	**(23,204,784)**	**(23,204,784)**
	-	**-**	**-**	**-**

12 *CONTROLLED ENTITIES*

(Non-current)

Investments in Controlled Entities	**Country of Incorporation**	**Percentage owned 2009 %**	**Percentage owned 2008 %**
Parent Entity			
Haoma Mining NL …………………………………………	Australia	-	**-**
North West Mining NL ……………………………………	Australia	100	100
Exploration Geophysics Pty Ltd ………………………….	Australia	100	100
Kitchener Mining NL ………………………………………	Australia	100	100
Shares held by Kitchener Mining NL			
- Bamboo Creek Management Pty Ltd …………………	Australia	100	100

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

13 *PROPERTY, PLANT & EQUIPMENT*

	Consolidated Entity			Parent Entity		
	Plant & Equipment	Hire Purchase Assets	TOTAL	Plant & Equipment	Hire Purchase Assets	TOTAL
	$	$	$	$	$	$
(Non-current)						
At June 30, 2009						
Cost or fair value …………………	8,724,873	-	8,724,873	4,281,639	-	4,281,639
Accumulated depreciation ……….	(7,875,149)	-	(7,875,149)	(3,431,915)	-	(3,431,915)
Net carrying amount	**849,724**	**-**	**849,724**	**849,724**	**-**	**849,724**
At June 30, 2008						
Cost or fair value …………………	7,533,240	1,500,000	9,033,240	3,090,006	1,500,000	4,590,006
Accumulated depreciation ……….	(6,901,075)	(789,296)	(7,690,371)	(2,486,768)	(789,296)	(3,276,064)
Net carrying amount	632,165	710,704	1,342,869	603,238	710,704	1,313,942

(1) The directors resolved that the written down value of property, plant and equipment at June 30, 2009 does not exceed its net realisable value

Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year.

	Plant & Equipment	Hire Purchase Assets	TOTAL	Plant & Equipment	Hire Purchase Assets	TOTAL
Balance at July 01, 2008………..…	632,165	710,704	1,342,869	603,238	710,704	1,313,942
Additions …………………………	40,139	-	40,139	40,139	-	40,139
Disposals …………………………	-	-	-	-	-	-
Transfer …………………………	549,579	(549,579)	-	549,579	(549,579)	-
Depreciation/Amortisation ……….	(372,159)	(161,125)	(533,284)	(343,232)	(161,125)	(504,357)
Balance at June 30, 2009……….	**849,724**	**-**	**849,724**	**849,724**	**-**	**849,724**
Balance at July 01, 2007…………	684,636	1,234,254	1,918,890	608,509	1,234,254	1,842,763
Additions …………………………	5,589	-	5,589	5,589	-	5,589
Disposals …………………………	-	-	-	-	-	-
Transfer …………………………	248,582	(248,582)	-	248,582	(248,582)	-
Depreciation/Amortisation ……….	(306,642)	(274,968)	(581,610)	(259,442)	(274,968)	(534,410)
Balance at June 30, 2008…………	632,165	710,704	1,342,869	603,238	710,704	1,313,942

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

		Consolidated Entity		Parent Entity	
		2009	2008	**2009**	2008
		$	$	**$**	$

14 *EXPLORATION & EVALUATION*

(Non-current)

	2009	2008	**2009**	2008
Opening balances July 1	**7,535,000**	6,035,000	**6,535,000**	5,035,000
Additions	**2,787,019**	2,799,711	**2,730,306**	2,730,894
Transfer from Assets classified as held for sale (Note 10)	**-**	1,500,000	**0**	1,500,000
Exploration and evaluation costs written off	**(2,787,019)**	(2,799,711)	**(2,730,306)**	(2,730,894)
Closing balance June 30	**7,535,000**	7,535,000	**6,535,000**	6,535,000

15 *TRADE AND OTHER PAYABLES*

(Current)

	2009	2008	**2009**	2008
Trade creditors and accruals	**444,052**	403,174	**432,440**	391,562
Other creditors	**414,034**	568,255	**414,033**	568,255
	858,086	971,429	**846,473**	959,817
Related party payables:				
Director's fees payable to Director related entities	**588,000**	468,000	**294,000**	234,000
Amount payable to Roy Morgan Research Centre	**184,610**	82,535	**184,610**	82,535
Elazac Mining Pty Ltd	**14,400**	14,500	**14,400**	14,500
	1,645,096	1,536,464	**1,339,483**	1,290,852

Due to the short term nature of trade creditors, their carrying value is assumed to approximate their fair value. The Group's payment policy and system ensures that all creditors are paid within payment terms, and consequently no discounts or penalty payments arise.

16 *INTEREST BEARING LOANS AND BORROWINGS*

(Current)

		2009	2008	**2009**	2008
Bank overdraft	(a)	**10,339**	-	**10,339**	-
Amount due to Director related entity	(b)	**28,013,364**	24,498,229	**28,013,364**	24,498,229
Accrued interest - Director related entity	(b)	**5,175,972**	2,980,584	**5,175,972**	2,980,584
Accrued interest - Director loan	(b)	**2,382,597**	2,382,597	**2,382,597**	2,382,597
Amounts due under Hire purchase contracts (note 20)		**-**	288,754	**-**	288,754
		35,582,272	30,150,164	**35,582,272**	30,150,164

(a) The National Australia Bank Ltd Holds a fixed and floating charge over the assets of Haoma Mining NL. Additional security (charges, registered mortgage, fixed and floating charges, lien and deed of cross guarantee) is provided by other Director related entities.

(b) Funding for the company's ongoing operations is presently being provided by Leaveland Pty Ltd. Leaveland is Haoma's principal shareholder and has made the loan in its capacity as Trustee of a family trust controlled by Haoma's Chairman, Mr. Gary Morgan. Leaveland Pty Ltd has provided an assurance to the Board that it will continue to ensure funds are made available to the company to fund care and maintenance operations for a period of at least 12 months from the date of this report.

During the current and prior year there were no defaults or breaches on any of the loans.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$

17 *PROVISIONS*

(Current)				
Provision for employee benefits	**97,966**	71,440	**97,966**	71,440
(Non-current)				
Provision for rehabilitation				
Opening balances July 1	**1,410,587**	1,377,224	**470,196**	459,112
Amounts charged to the profit and loss	**44,081**	33,363	**14,694**	11,084
Closing balances June 30	**1,454,668**	1,410,587	**484,889**	470,196

18 *TAX LIABILITIES*

(Current)				
Income tax	**-**	119,916	**-**	119,916

19 *CONTRIBUTED EQUITY & RESERVES*

Contributed Equity				
Ordinary shares - 192,993,665	**60,305,981**	60,241,791	**60,305,981**	60,241,791
Share options	**-**	64,190	**-**	64,190
	60,305,981	60,305,981	**60,305,981**	60,305,981
Ordinary shares - issued and fully paid	**59,662,124**	59,662,124	**59,662,124**	59,662,124

The company has unlimited authorised capital and issued shares have no par value.

Options

i. For information relating to the Consolidated Entity's option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 21 Share Based Payments.

Reserves				
Capital profits	**6,178,490**	6,178,490	**5,063,607**	5,063,607
Forfeited shares	**4,425**	4,425	**4,425**	4,425
Share option reserve	**287,430**	287,430	**287,430**	287,430
	6,470,345	6,470,345	**5,355,462**	5,355,462
(a) Capital profits reserve				
Opening balance	**6,178,490**	6,178,490	**5,063,607**	5063607
Movements during the year	**-**	-	**-**	-
	6,178,490	6,178,490	**5,063,607**	5,063,607

The capital profits reserve on the sale of investment records non-taxable profits.

(b) Forfeited shares				
Opening balance	**4,425**	4,425	**4,425**	4,425
Movements during the year	**-**	-	**-**	-
	4,425	4,425	**4,425**	4,425

The Forfeited share reserve records the cash received on forfeit of shares.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$

19 *CONTRIBUTED EQUITY & RESERVES (continued)*

(c) Share option reserve				
Opening balance ………………………………………	**287,430**	64,190	**287,430**	64,190
Movements during the year ……………………………	**-**	223,240	**-**	223,240
	287,430	287,430	**287,430**	287,430

The share option reserve records the value of the options issued and lapsed. Share options expired during the year and transferred to Share Capital account was nil (2008: $64,190) . No share options were issued during the year (2008: $287,430).

20 *COMMITMENTS & CONTINGENCIES*

HP and Finance Leases				
Capital Items Leased				
Mining Equipment…………………………………….....	**-**	1,500,000	**-**	1,500,000
(Payable - Minimum lease payments)				
Lease and Hire Purchase Commitments Payable				
- Within one year…………………………………………..	**-**	298,786	**-**	298,786
- After one year but not more than five years……………...	**-**	-	**-**	-
Minimum lease payments…………………………………..	**-**	298,786	**-**	298,786
Less future finance charges………………………………...	**-**	(10,032)	**-**	(10,032)
Present value of minimum lease payments….......................	**-**	288,754	**-**	288,754
Current liability…………………………………………….	**-**	288,754	**-**	288,754
Non-current liability……………………………………….	**-**	-	**-**	-
	-	288,754	**-**	288,754

(i) Exploration & expenditure commitments

In order to maintain current rights of tenure to mining tenements, the Consolidated Entity will be required to meet tenement lease rentals and minimum expenditure requirements of the Western Australian and Queensland Departments of Minerals and Energy as follows:

Within one year ……………………………....................	**2,907,213**	3,130,439	**2,655,757**	2,855,772
After one year but not more than five years …...................	**5,172,000**	4,901,244	**4,733,240**	4,211,690
Longer than five years …………………………………..	**3,519,113**	3,672,153	**3,519,113**	3,672,153
	11,598,326	11,703,836	**10,908,110**	10,739,615

Expenditure on tenements will only be incurred where the Consolidated Entity believes that future expenditure can be recovered from either sale or future mining operations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

20 *COMMITMENTS & CONTINGENCIES (continued)*

The Department of Minerals & Energy (Western Australia) has agreed that, under the current circumstances, expenditure on testing Pilbara bulk ore samples using the Elazac Process at Kitchener Mining NL's Bamboo Creek mine site can be classified as tenement expenditure.

(ii) Financial support for controlled Entity

The Parent Entity has provided a "letter of support" in respect of the financial support to its controlled entity, Kitchener Mining NL. Total Kitchener Mining NL liabilities at June 30, 2009 were $5,254,692 (2008: $5,108,387)

Contingent Liabilities

Native Title

The decision of the High Court in Mabo & Ors -v- the State of Queensland ("Mabo Case") recognised a form of native title which, in cases in which it has not been extinguished, reflects the entitlement of the indigenous inhabitants, in accordance with their laws or customs, to their traditional lands.

Lawyers commenting on the Mabo Case have indicated that the principles enunciated by the High Court could potentially invalidate, in certain circumstances, mining tenements granted after the enactment of the Racial Discrimination Act 1975 where the grant of that mining tenement infringed or otherwise affected native title to the area. Lawyers commenting on the Mabo Case have also suggested that compensation may be payable to native title holders.

Claims have been lodged with the Native Titles Tribunal over a number of tenements applied for by the Parent Entity. These tenements will not be granted by the Department of Minerals & Energy, W.A. until the claims have been resolved. Until further information arises in relation to these claims, the Economic Entity is unable to assess the likely effects, if any, of the claims.

Management Fee

Following a settlement with a former director, Kitchener Mining NL agreed to pay the director $68,658. Payment will only be made when other directors' fees and management fees owing by Kitchener Mining NL for the period 1989 to 1993 are paid. The Directors' fees and management fees are only payable when Kitchener Mining NL has an operating profit in excess of $500,000 in a financial year. A related party contingent liability exists to both The Roy Morgan Research Centre for a total $1,000,000 and to the Directors' of Kitchener Mining for a total $155,000 in respect to the financial years from 1 July 1989 to 30 June 1993.

Bank Guarantee

The entity has in place guarantees of $385,000 (2008: $385,000) relating to rehabilitation requirements on its tenements.

Legal Claim

Haoma is presently defending a claim by a former employee for injuries and economic loss suffered as a consequence of a vehicle accident in 2003. At the date of this report the amount of the claim has not been specified other than the plaintiff has claimed an amount being the maximum that can be awarded by the District Court. Haoma Mining believes that any liability arising from this matter will be covered by relevant policies of insurance in respect to motor vehicle 3rd party injury and or workers compensation.

21 *SHARE BASED PAYMENTS*

Employee & Consultants Share Options

The following share based payment arrangements existed at June 30, 2009

On November 11, 2007 the Consolidated Entity issued 7,150,000 Share Options to nominated employees, consultants and a director of the Consolidated Entity. Partially the Share Options issued replace 4,900,000 options which expired November 11, 2007. The Share Options entitle the holder to take up the same number of ordinary shares at an exercise price of $0.10 each. The options are exercisable on or before November 30, 2009. The options are non-renounceable, hold no voting or dividend rights and are not transferable. At balance date, the 7,150,000 share options were un-exercised.

Expenses arising from share based payments transactions
The amounts disclosed for the share options is the assessed fair value at grant date of options granted. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the share price at grant date and the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The options vest at grant date. Additional details relating to share options are set out in the Remuneration Report.

The model inputs for options granted during the year ended 30 June 2008 included:

(a) Options are granted to nominated employees, consultants and director at a strike value of $0.10
(b) Exercise price $0.10
(c) Grant date: November 30, 2007
(d) Expiry date: November 30, 2009
(e) Share price at grant date: $0.075
(f) Expected price volatility of the Company's shares: 10%
(g) Risk free interest rate: 7.5%
(h) Vested Date: November 30, 2007

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Share options issued ………………………………………	-	287,430	-	287430

All share options granted to key management personnel are ordinary shares in Haoma Mining NL, which confer a right of one ordinary share for every option held.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

21 *SHARE BASED PAYMENTS (continued)*

	Consolidated				Parent			
	2009		2008		**2009**		2008	
	Number of Options	**Weighted Average Exercise Price $**	Number of Options	Weighted Average Exercise Price $	**Number of Options**	**Weighted Average Exercise Price $**	Number of Options	Weighted Average Exercise Price $
Outstanding at the beginning of the year	**7,150,000**	**0.10**	4,900,000	0.10	**7,150,000**	**0.10**	4,900,000	0.10
Granted	**-**	**-**	7,150,000	0.10	**-**	**-**	7,150,000	0.10
Forfeited	**-**	**-**	-	-	**-**	**-**	-	-
Exercised	**-**	**-**	-	-	**-**	**-**	-	-
Expired	**-**	**-**	4,900,000	0.10	**-**	**-**	4,900,000	0.10
Outstanding at year-end	**7,150,000**	**0.10**	7,150,000	0.10	**7,150,000**	**0.10**	7,150,000	0.10
Exercisable at year-end	**7,150,000**	**0.10**	7,150,000	0.10	**7,150,000**	**0.10**	7,150,000	0.10

22 *AUDITORS REMUNERATION*

	Note	Consolidated **2009** **$**	Consolidated 2008 $	Parent **2009** **$**	Parent 2008 $
Remuneration of the auditor of the Economic Entity:					
- auditing and reviewing the financial accounts		**44,403**	40,000	**44,403**	40,000
- taxation services …………………………….		**-**	-	**-**	-
Total Remuneration …………………………..		**44,403**	40,000	**44,403**	40,000

23 *SEGMENT INFORMATION*

(a) Business segments
The Economic Entity operates predominantly in the minerals sector. Operations comprised exploration, evaluation, development and mining.

(b) Geographical segments
The Economic Entity operates exclusively in Australia.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

24 RELATED PARTY INFORMATION

Directors
The name of each person holding the position of Director of Haoma Mining NL during the financial year is:
Gary Cordell Morgan,
Michele Levine, and
John Lachlan Charles McInnes.
All of these persons were directors at 30 June 2009.

Directors and Director-Related Entities

	Roy Morgan Research Pty Ltd	The Roy Morgan Research Centre Pty Ltd	Elazac Mining Pty Ltd	Leaveland Pty Ltd	Elazac Pty Ltd
Mr. Gary Morgan	Director	Director	Director	Director	Director
Ms. Michele Levine	Director	-	-	-	-
Mr. John Mc Innes	Director	Director	Director	Director	Director

Other transactions with Directors and Director-Related Entities – Parent Entity
During the year Roy Morgan Research Pty Ltd provided significant administrative support and services to Haoma Mining NL. That support is continuing. Roy Morgan Research charged a management fee of $167,827, for those services (2008: $169,003)

Funding for the company's ongoing operations is presently being provided by Leaveland Pty Ltd. Leaveland is Haoma's principal shareholder and is owned and controlled by Haoma's Chairman, Mr. Gary Morgan. To June 30, 2009 the total funding provided by Leaveland is $28,013,364 (2008: $24,498,229). The Board of Haoma previously approved payment of interest on funds advanced by Mr. Morgan or entities associated with him at the 30 day commercial bill rate plus a 4% margin. The interest accrues but will not be paid until such time as the Board determines that the company is in a financial position to commence interest payments. During the year to June 30, 2009, interest accrued on the funds advanced by Leaveland was $2,195,389 (2008: $2,342,893)

Further information about Director related payables is disclosed in Notes 16.

Related Party Transactions – Economic Entity
On April 6, 1993 an agreement was reached between Kitchener Mining NL, Leaveland Pty Ltd and Elazac Mining Pty Ltd. The agreement acknowledges that all information obtained from test work undertaken by Kitchener Mining NL to resolve the metallurgical problems faced by the company is the property of Leaveland Pty Ltd, or its nominee Elazac Pty Ltd. On December 20, 1993 Elazac Pty Ltd sold the intellectual property to Elazac Mining Pty Ltd.

The reason information and intellectual property was owned by Leaveland Pty Ltd and Elazac Pty Ltd was that both companies paid consultant fees and other costs associated with the investigation and test work on Bamboo Creek and Normay ore at Bamboo Creek and other locations.

Kitchener Mining NL holds a licence to develop the process and both Kitchener Mining NL and Haoma Mining NL have the right to use the intellectual property for no fee.

The Roy Morgan Research Centre Pty Ltd is entitled to management fees from Kitchener Mining NL of $1,000,000 for the financial years from 1 July, 1989, to 30 June, 1993. The management fees were treated as an accrued liability for the year ended June 30, 2004. However, due to the uncertainty of future profits, the liability has been reversed. For the year ended June 30, 2009 this has been treated as a contingent liability. The amount is payable when Kitchener Mining NL resumes mining operations and has an operating profit in excess of $500,000 pa. This debt is non-interest bearing.

During the year Haoma Mining NL advanced funds to Kitchener Mining NL of $56,917 (2008: $96,237). No interest has been charged for the financial year ended June 30, 2009 (2008: interest charged $nil). The balance payable at June 30, 2009 was $3,979,301 (2008: $3,922,385) and has been fully provided against.

24 RELATED PARTY INFORMATION *(continued)*

Key Management Personnel Compensation

The aggregate compensation of the key management personnel is set out below:

	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Short term employee benefits	**294,000**	290,400	**234,000**	230,400
Post employment benefits	**7,200**	7,200	**3,600**	3,600
Share based payments	**-**	140,700	**-**	140,700
	301,200	438,300	**237,600**	374,700

Options and Rights

The number of options issued over ordinary shares in the Consolidated Entity held during the finanical year by each Director of the Consolidated Entity and Haoma Mining, are set out below:

2009	**Balance at start of the year**	**Received as compensation**	**Options excercised**	**Options lapsed ***	**Options issued ***	**Balance at end of the year**
Michelle Levine	2,000,000	-	-	-	-	2,000,000
Jim Wallace	100,000	-	-	-	-	100,000
Peter Cole	1,500,000	-	-	-	-	1,500,000
	3,600,000	**-**	**-**	**-**	**-**	**3,600,000**
2008						
Michelle Levine	2,000,000	-	-	(2,000,000)	2,000,000	2,000,000
Jim Wallace	100,000	-	-	(100,000)	100,000	100,000
Peter Cole	1,500,000	-	-	(1,500,000)	1,500,000	1,500,000
	3,600,000	**-**	**-**	**(3,600,000)**	**3,600,000**	**3,600,000**

* Options issued January 27, 2006 lapsed November 11, 2007. The options were re-issued November 30, 2007 for a 2 year term.

The number of shares in the Consolidated Entity held during the finanical year by each Director of the Consolidated Entity and Haoma Mining, including their personally related parties, are set out below: There were no shares granted during the period as compensation.

2009	Balance at start of the year	Received as compensation	Options excercised	Net change other	Balance at end of the year
Gary Morgan	128,182,961	-	-	-	128,182,961
Michelle Levine	6,250,452	-	-	-	6,250,452
John McInnes	127,884,204	-	-	-	127,884,204
Peter Cole	-	-	-	-	-
	262,317,617	**-**	**-**	**-**	**262,317,617**
2008					
Gary Morgan	128,182,961	-	-	-	128,182,961
Michelle Levine	6,250,452	-	-	-	6,250,452
John McInnes	127,884,204	-	-	-	127,884,204
Peter Cole	-	-	-	-	-
	262,317,617	**-**	**-**	**-**	**262,317,617**

25 FINANCIAL RISK MANAGEMENT AND POLICIES

Haoma's principal financial instruments comprise cash, receivables, payables and finance leases. The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk.

Although the Consolidated Group do not have documented policies and procedures, the Directors' manage the different types of risks to which it is exposed by considering the risk and monitoring the levels of exposure to interest rates and by being aware of market forecasts for interest rate and commodity prices.

Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk and liquidity risk, these are monitored through general budgets and forecasts.

The Consolidated Group and Haoma hold the following financial instruments:

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Financial Assets				
Cash and cash equivalents	**19,459**	592	**19,225**	586
Trade and other receivables	**180,405**	54,372	**180,405**	54,372
Total Financial Assets	**199,864**	54,964	**199,630**	54,958
Financial Liabilities				
Trade and other payables	**1,645,096**	1,536,464	**1,339,483**	1,290,852
Borrowings	**35,582,272**	30,150,164	**35,582,272**	30,150,164
Total financial liabilties	**37,227,368**	31,686,628	**36,921,755**	31,441,016

Risk Exposure and Responses
Interest Rate Risk

Assets

Haoma's exposure to the risk of changes in market interest rates relates primarily to cash with a floating interest rate.

The Group's cash at bank and on hand had a weighted average floating interest rate at year end of 1% (2008: 1.25%)

Liabilities

Haoma's exposure to market interest rates relates primarily to the Groups on-going funding provided by Haoma's principal shareholder Leaveland Pty Ltd. The weighted average floating interest rate at year end was 7.23% (2008: 9.49%)

Haoma held a Hire Purchase lease that expired prior to June 30, 2009. The weighted average fixed interest rate was: 7.51% (2008: 7.51%)

The level of debt is disclosed at note 16.

The Consolidated Group presently does not engage in any hedging or derivative transactions to manage interest rate risk.

The following sensitivity analysis is based on the interest rate risk exposure in existence at June 30, 2009.

At June 30, 2009, if interest rates had moved as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

25 FINANCIAL RISK MANAGEMENT AND POLICIES *(continued)*

	Post tax profit higher / (lower)		Equity higher / (lower)	
	2009	2008	**2009**	2008
	$	$	**$**	$
Financial Liabilities				
Borrowings & Tax Liabilitiy				
Consolidated				
+ 0.75% (75 basis points)	**2,101,002**	1,846,361	(2,101,002)	(1,846,361)
- 0.75% (75 basis points)	**(2,101,002)**	(1,846,361)	2,101,002	1,846,361
Parent				
+ 0.75% (75 basis points)	**2,101,002**	1,846,361	(2,101,002)	(1,846,361)
- 0.75% (75 basis points)	**(2,101,002)**	(1,846,361)	2,101,002	1,846,361

The movements in profit are due to higher/lower interest costs from variable rate debt and cash balances. The sensitivity in financial liabilities is higher as the principal debt outstanding has increased in the current financial year.

The effect of volatility of Haoma's Financial Assets within the expected reasonable possible movements would not be material.

Credit Risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. Haoma's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure excluding the value of any collateral or other security is equal to the carrying amount of these instruments net of any allowance for doubtful debts as disclosed in the balance sheet and notes to the financial report. There are no concentrations of credit risk within the Group.

Haoma trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Consolidated Group's policy to securitise its trade and other receivables.

It is the Consolidated Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Haoma does not have any significant customers and accordingly does not have any significant exposure to bad or doubtful debts.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as the fall due. Haoma's approach to managing liquidity is to ensure as far as possible that the Consolidated Group will always have sufficient liquidity to meet its liabilities when due. This objective is maintained through a balance between continuity of funding and flexibility through the use of bank overdrafts, bank and other loans, finance leases and committed available credit lines. Additionally, Haoma manages liquidity risk by monitoring cash flow and maturity profiles of financial assets and liabilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

25 FINANCIAL RISK MANAGEMENT AND POLICIES *(continued)*

The contractual maturities of financial liabilities, including estimated interest payments are provided below. There are no netting arrangements in respect of financial liabilities.

Year Ended June 30, 2009	< 6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
CONSOLIDATED					
Financial Assets					
Cash and cash equivalents	19,459	-	-	-	19,459
Receivables and other receivables	180,405	-	-	-	180,405
	199,864	-	-	-	199,864
Financial Liabilities					
Trade and other payables	1,216,663	309,723	118,711	-	1,645,096
Interest bearing liabilities	10,339	-	35,571,933	-	35,582,272
	1,227,002	309,723	35,690,644	-	37,227,369
PARENT					
Financial Assets					
Cash and cash equivalents	19,225	-	-	-	19,225
Receivables and other receivables	180,405	-	-	-	180,405
	199,630	-	-	-	199,630
Financial Liabilities					
Trade and other payables	911,049	309,723	118,711	-	1,339,483
Interest bearing liabilities	10,339	-	35,571,933	-	35,582,272
	921,388	309,723	35,690,644	-	36,921,755

Commodity Price risk

Haoma is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Consolidated Group’s control. As the Group is currently engaged in exploration and development activities, no significant sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivate transactions have been used to manage commodity price risk.

Capital risk management

Haoma’s objectives when managing capital is to safeguard Haoma’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Management of the Group and Haoma’s capital is overseen by the Board.

Haoma is not exposed to any externally imposed capital requirements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2009

25 FINANCIAL RISK MANAGEMENT AND POLICIES *(continued)*

	Consolidated Entity		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Financing Facilities Available				
At reporting date, the following financing facilities has been negotiated and were available:				
Total facilities				
- Business Visa Card ……	**15,000**	15,000	**15,000**	15,000
- Revolving lease / hire purchase ……	**-**	800,206	**-**	800,206
- Business lending / bank guarantees ……	**385,000**	385,000	**385,000**	385,000
Facilities used at reporting date				
- Business Visa Card ……	**860**	559	**860**	559
- Revolving lease / hire purchase ……	**-**	800,206	**-**	800,206
- Business lending / bank guarantees ……	**242,289**	242,289	**242,289**	242,289
Facilities unused at reporting date				
- Business Visa Card ……	**14,140**	14,441	**14,140**	14,441
- Revolving lease / hire purchase ……	**-**	-	**-**	-
- Business lending / bank guarantees ……	**142,711**	142,711	**142,711**	142,711

Directors' Declaration

The Directors' of Haoma Mining NL declare that:

1. In the directors' opinion the financial statements and notes on pages 13 to 44 and the remuneration disclosures that are contained in the Remuneration report in the Directors' Report, set out on pages 5 to 7, are in accordance with the Corporations Act 2001, include:

   (a) giving a true and fair view of the Consolidated Group and Parent Entity's financial position as at June 30, 2009 and of their performance for the financial year ended on that date; and

   (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001.

2. The financial statements also comply with International Financial Reporting Standards as disclosed in Note 1(c).

3. The remuneration disclosures that are contained in the Remuneration report within the Directors' Report comply with Australian Accounting Standard AASB 124 *Related Party Disclosures*, the Corporations Act 2001 and the Corporations Regulations 2001, and

4. In the Directors' opinion there are reasonable grounds to believe that the Consolidated Group and the Parent Entity will be able to pay its debts as and when they become due and payable;

5. The Directors' have been given the declarations by the Chief Executive Officer and the Chief Financial Officer required by Section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

Gary Morgan
Chairman

Melbourne,
September 30, 2009

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HAOMA MINING NL

PKF
Chartered Accountants
& Business Advisers

Report on the Financial Report

We have audited the accompanying financial report of Haoma Mining NL, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration for both Haoma Mining NL ("the company") and the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(c), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with Australian Equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

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Chartered Accountants
& Business Advisers

INDEPENDENT AUDITOR'S REPORT (CONT'D)
TO THE MEMBERS OF HAOMA MINING NL

Auditor's Opinion

In our opinion:

(a) the financial report of Haoma Mining NL is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(c).

Emphasis of Matter - Material Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter.

As referred to in Note 2(b) to the financial statements, the consolidated entity and the company incurred net losses of $5,938,141 and $5,820,053 for the year respectively, have negative working capital of $36,791,081 and $36,485,702 respectively, and negative shareholders equity of $29,861,025 and $29,585,867 respectively. These conditions give rise to a material uncertainty which may cast significant doubt about the ability of the company and the consolidated entity to continue as going concerns, and therefore whether they will be able to pay their debts as and when they fall due and realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report. The financial report has been prepared on a going concern basis and therefore does not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concerns.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 7 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Haoma Mining NL for the year ended 30 June 2009, complies with section 300A of the *Corporations Acts 2001*.

PKF

J A Mooney
Partner

30 September 2009
Melbourne

STOCK EXCHANGE - ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

A. 20 Largest Shareholders as at September 29, 2009

Shareholders	Shareholding	
	No. of shares	(%) held
Leaveland Pty Ltd	121,420,252	62.91
BHP Billiton Nickel West Pty Ltd	10,000,000	5.18
Roy Morgan Research Pty Ltd	4,919,452	2.55
Gary and Genevieve Morgan	1,843,257	0.96
Etonwood Management Pty Ltd	1,500,000	0.78
PYC Investments Pty Ltd	1,410,000	0.73
Liliana Teofilova	1,369,000	0.71
Robert Gordon	1,170,622	0.61
Joseph and Michele Levine	1,150,000	0.60
Sandra Stuart Curwen	1,058,650	0.55
Robert John Annells	1,000,000	0.52
Edwin Leigh Davies	1,000,000	0.52
J. Van Beelen	900,000	0.47
Ianaki Semerdziev	762,000	0.39
Gregory Young Pty Ltd	700,000	0.36
Richie Dyland Davies	650,000	0.34
Harry Cooper	600,000	0.31
Sandra & Charles Curwen	587,350	0.30
Leigh Imbesi	584,000	0.30
Selstock Pty Ltd	500,000	0.26
	153,124,583	**79.35**

B. Substantial Shareholders

Name	Number of Shares	Class of Share
Leaveland Pty Ltd	121,420,252	Ordinary
BHP Billiton Nickel West Pty Ltd	10,000,000	Ordinary

C. Distribution of Equity Securities

(i). Ordinary shares issued by Haoma Mining NL

Range of Shares held	# of Shareholders
1 - 1,000	669
1,001 - 5,000	933
5,001 - 10,000	366
10,001 - 100,000	558
100,001 - and over	98
Total	**2,619**

(ii) There were 1,464 holders of less than a marketable parcel of 5,000 ordinary shares.

(iii) The twenty largest shareholders hold between them 79.35% of the issued capital.

D. Class of Shares and Voting Rights

The Parent Entity's issued shares are of one class and carry equal voting rights.

E. Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Stock Exchange Limited.

STOCK EXCHANGE - ADDITIONAL INFORMATION

F. Mining Tenement Summary

(a). Tenements held by Haoma Mining NL (100%)

(i) Pilbara, Western Australia

Bamboo Creek	E45/2982	E45/3217	L45/174	M45/1156	M45/874	M45/885	P45/2342		
Blue Bar	G45/51	M45/591	M45/796	M45/906	P45/2311				
Comet North	M45/928								
Copenhagen	M45/985	P45/2391							
Coronation	M45/682								
Lalla Rookh	M45/442								
Marble Bar	M45/981	M45/982	M45/515	M45/607	E45/1273	E45/1869	E45/1913	E45/2041	
North Pole	L45/86	M45/302	M45/328	M45/329	E45/2532				
North Shaw	M45/682	M/45/1009	E45/2188	E45/2784	L45/60	E45/2955	E45/3218	E45/3219	
Spear Hill	M45/980								
Tabba Tabba	E45/2311								

(ii) Linden, Western Australia

E39/1232	P39/4525	P39/4526	P39/4527					
E39/293	E39/428	P39/2974	P39/2975	P39/2976	L39/12	L19/13	L39/14	
M39/255	M39/385	M39/386	M39/387	M39/629	M39/649	M39/650	M39/780	M39/781
M39/782	M39/794	M39/795	M39/500					

(iii) Linden, Western Australia

Golden Ridge M26/534

New Hampton Goldfields NL has exercised its option to acquire a beneficial interest in this tenement. Haoma has retained legal title and receives a royalty on all gold produced.

(b) Tenements beneficially held by Haoma Mining NL (100%)

Pilbara, Western Australia

Apex	M45/705	P45/2133								
20oz Gully	M45/840	M45/869	P45/2227	P45/2301	P45/2329	P45/2330	P45/2336			
Bamboo Creek	M45/723	M45/781								
Big Stubby	M45/57	M45/284	M45/453	M45/554						
Blue Bar	M45/702	M45/724	P45/2125	P45/2127	P45/2226					
Comet	G45/21	M45/14	M45/16	M45/385	M45/438	M45/459	M45/478	L45/4	L45/12	L45/37
Cookes Hill	M45/1034	M45/1035	M45/1036	E45/2983	M45/1186					
Coongan	M46/160									
Copper Hills / Stirling	G45/36	M45/238	M45/346	M45/357						
Copenhagen	M45/240									
Coronation	M45/672	P45/2333	M45/679	M45/1249						
Fieldings Gully	M45/521	M45/1028	M45/1029							
Lalla Rookh	M45/648	M45/649								
Lionel	M46/43	M46/44								
Marble Bar	M45/618	M45/678	M45/706	M45/774	M45/851	M45/927	P45/2231	P45/2275	P45/2356	
McKinnon	M45/490	M45/606	M45/873							
Mercury Hill	M45/588	P45/2250	M45/748							
Mustang	M45/680	M45/731	M45/747	P45/2134	P45/2251	P45/2269	P45/2288	P45/2331		
Nickol River	M47/87	M47/127	M47/401	M47/421	M47/435	M47/455	M47/577			
North Pole	M45/395	M45/514	M45/650	M45/651	M45/665	M45/733	M45/734	E45/2191		
Salgash	M45/848	M45/849	M45/850							
Sharks Gully	M45/758	M45/692								
Soansville	M45/780	M45/847	P45/2292	P45/2293	P45/2294	P45/2295	P45/2296	P45/2297	P45/2298	
Starrs Find	M45/857									

Tank Hill	M45/773					
Tassie Queen	M45/76	M45/235	M45/296	M45/297	M45/655	M45/795
Warrawoona	M45/547	M45/671	M45/824	P45/2316		
Wyman Well	M45/823	P45/2317				

(c) Tenements beneficially held by Kitchener Mining NL (100%)

i) Bamboo Creek, Western Australia

M45/742 M45/480 M45/481 L45/72 P45/2242 P45/2243 P45/2244

(ii) Ravenswood, Queensland

Budgerie	ML1325		Barrabas	EPM8771	
Burdekin Gold	EPM14297		Robe Range	EPM14038	
Old Man & Copper Knob	ML1326	ML1330	Waterloo	ML1529	
Elphinstone	ML10275		Podoskys	ML10315	
Ravenswood Mining Claims	MC2205	MC2206	Wellington Springs	ML1415	ML1483
Robe Range East	EPM17832				

(d) Giralia Resources NL (75%) & Haoma Mining NL (25%) Joint Venture Tenements

North Shaw Western Australia	E45/2186	E45/2187	E45/2921	E45/2922