



Haoma Mining NL

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

April 30, 2013

Dear Sir,

ACTIVITIES REPORT FOR THE QUARTER ENDED MARCH 31, 2013 – HIGHLIGHTS

- **Group Consolidated Result** – Haoma Mining’s unaudited consolidated financial result for the three months ended March 31, 2013 was a before tax loss of \$2.12 million after interest of \$0.88 million, depreciation and amortisation of \$0.04 million and group exploration, development and test work expenditure of \$1.26 million.
- **Sale of Atlas Iron Shares** - In April 2013, Haoma sold its shares in Atlas Iron Ltd. The shares had been acquired in March 2012 as part consideration for the sale of Haoma’s iron ore rights at Mt Webber to Atlas Iron Ltd. The 8,406,433 shares in Atlas Iron Ltd represented \$23 million of the sale price. Since the Mt Webber sale, the value of the Atlas Iron shares has deteriorated significantly from the initial share acquisition price of \$2.736. The sale of the Atlas shares in April 2013 obtained an average price of 87.2 cents per share for gross proceeds of \$7.33 million. The sale realised a capital loss of approximately \$15.67 million. Notwithstanding the sale of the shares, the Directors of Haoma anticipate a strong future working relationship with Atlas.
Proceeds from the sale will be used to ‘upgrade’ the Bamboo Creek Pilot Plant so to enable commercial gold and PGM production.
- **Bamboo Creek Pilot Plant and Upgraded Plant** – The Directors have begun discussions with overseas smelters regarding the supply of concentrates which will be produced by the upgraded Bamboo Creek Plant. Up-grading the present Bamboo Creek Pilot Plant and installation of additional equipment has begun. Three 3 tonne induction furnaces have been recently purchased.

Directors believe it will take up to 4 months to complete the Bamboo Creek Plant upgrade. At present it is envisaged the upgraded plant will process about 200 tonnes of Bamboo Creek Tailings a day and produce a ‘gravity’ concentrate of about 10 tonnes a day which will then be further processed before shipping overseas.

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1. GROUP CONSOLIDATED RESULT TO MARCH 31, 2013

Haoma Mining NL Consolidated Profit & Loss	2011/12 3rd Qtr (\$m)	2011/12 Full Year (\$m)	2012/13 1st Qtr (\$m)	2012/13 2nd Qtr (\$m)	2012/13 3rd Qtr (\$m)	2012/13 YTD (\$m)
Operating Revenue:	-	-	-	-	-	-
Royalties	0.03	0.11	0.09	0.14	0.06	0.29
Retail Sales & Misc.	0.02	0.16	0.06	0.04	0.03	0.13
Dividend Received	-	-	-	0.25	-	0.25
Finance Revenue	0.03	0.12	0.03	0.03	0.02	0.08
Other Income	-	0.03	0.01	0.01	0.01	0.03
Profit on Sale of Assets	-	32.45	-	-	-	-
Operating Revenue	0.08	32.87	0.19	0.47	0.12	0.78
Operating profit (loss) before interest, depreciation, amortisation, exploration & development costs:	0.10	31.91	0.04	0.36	0.06	0.46
Interest	(1.06)	(4.17)	(0.88)	(0.90)	(0.88)	(2.66)
Depreciation & amortization	(0.01)	(0.70)	(0.06)	(0.04)	(0.04)	(0.14)
Exploration, development & test work	(1.21)	(4.28)	(1.16)	(1.10)	(1.26)	(3.52)
Operating (loss) before tax	(2.18)	22.76	(2.06)	(1.68)	(2.12)	(5.86)

1.1 Haoma's Group Consolidated Result

Haoma Mining's unaudited consolidated financial result for the three months ended March 31, 2013 was a before tax loss of \$2.12 million after interest of \$0.88 million, depreciation and amortisation of \$0.04 million and group exploration, development and test work expenditure of \$1.26 million.

1.2 Funding of Operations

At present, funding for Haoma's operations is being provided by The Roy Morgan Research Centre Pty Ltd, a company owned and controlled by Haoma's Chairman, Gary Morgan. During the March Quarter, The Roy Morgan Research Centre Pty Ltd advanced \$1,150,000 to Haoma.

At March 31, 2013 the principal debt to The Roy Morgan Research Centre Pty Ltd was \$32.81 million. Haoma has approved payment of interest on this debt at the 30 day commercial bill rate plus a facility margin of 4%. Interest will accrue until such time as the Board determines that the company is in a position to commence interest payments. Interest accrued for the 3 months to March 31, 2013 was \$871,080. Total interest accrued and unpaid to March 31, 2013 is \$18.576 million.

In April 2013, Haoma sold its shares in Atlas Iron Ltd. The shares had been acquired in March 2012 as part consideration for the sale of Haoma's iron ore rights at Mt Webber to Atlas Iron Ltd. The 8,406,433 shares in Atlas Iron Ltd represented \$23 million of the sale price. Since the Mt Webber sale, the value of the Atlas Iron shares has deteriorated significantly from the initial share acquisition price of \$2.736. The sale of the Atlas shares in April 2013 obtained an average price of 87.2 cents per share for gross proceeds of \$7.33 million. The sale realised a capital loss of approximately \$15.67 million. Notwithstanding the sale of the shares, the Directors of Haoma anticipate a strong future working relationship with Atlas.

Proceeds from the sale will be used to 'upgrade' the Bamboo Creek Pilot Plant so to enable commercial gold and PGM production. See Sections 2.2 and 2.3 below for further details.

2.0 RECENT ACTIVITIES AT BAMBOO CREEK

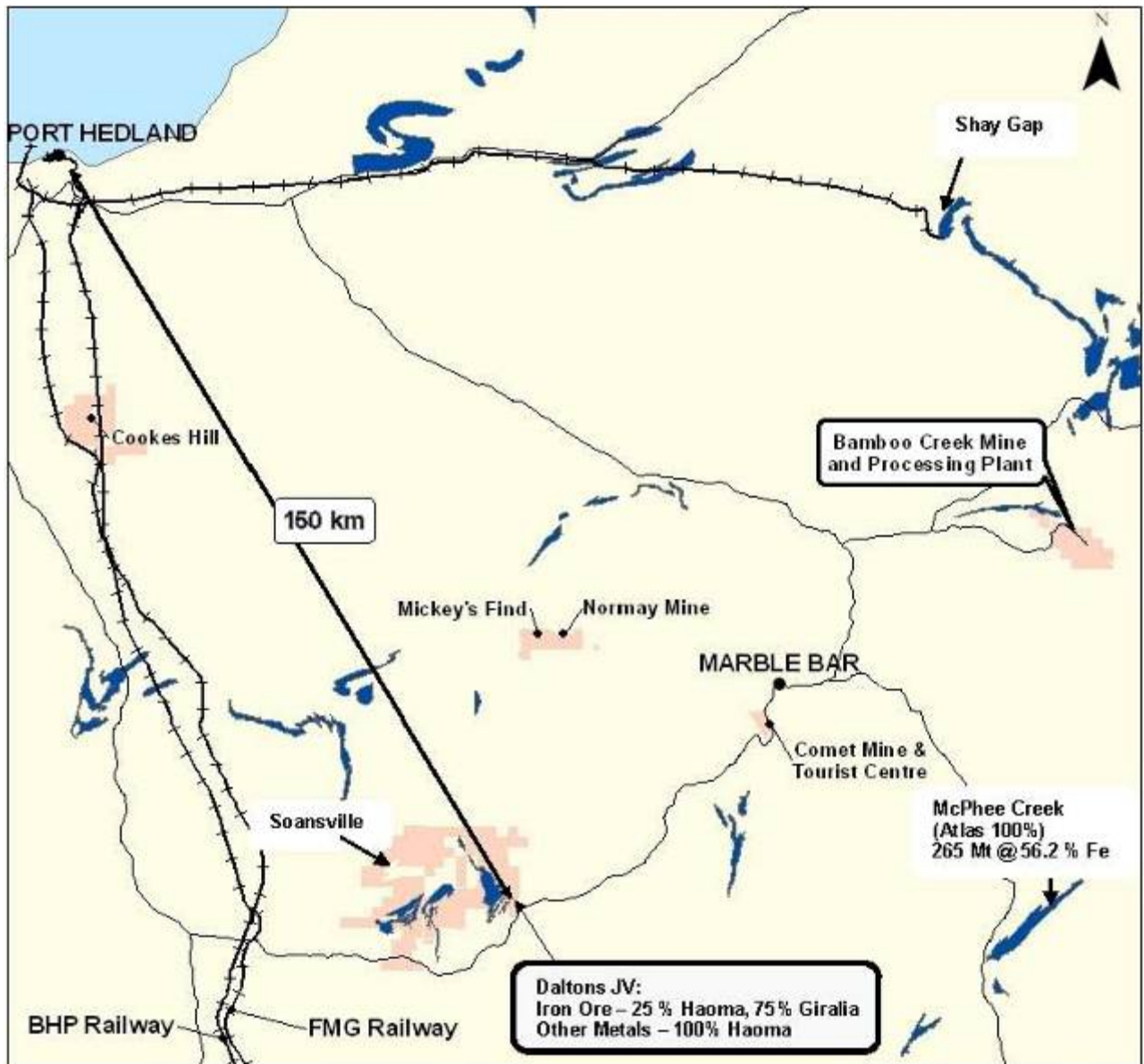


Figure 1: Location of Haoma Mining Projects including the location of Haoma's Bamboo Creek Processing Plant, North Pole Area (including Mickey's Find and Normay Mine), Cookes Hill, Daltons JV and the Comet Gold Mine and Tourist Centre.

2.1 Tropical Cyclone Rusty

For the second year in a row, operations at Bamboo Creek were significantly impacted by seasonal tropical cyclones. While the extensive damage to infrastructure caused by TC Lua in March 2012 was not repeated, the extremely heavy rain from TC Rusty in late February 2013 resulted in major flooding in the area and delayed resumption of work after the cyclone passed.

The following photos show the flooding around the Bamboo Creek Processing Plant. Haoma's staff were not able to vacate the site prior to the cyclone and took safe cover in the decline to the former Bamboo Creek underground mine.



Figure 2: Flooding from Tropical Cyclone Rusty near the Bamboo Creek Plant



Figures 3 & 4: Bamboo Creek roads ‘washed out’ following Tropical Cyclone Rusty



Figure 5: Vehicles moved underground at Bamboo Creek



Figure 6: Haoma Staff ‘taking cover’ from TC Rusty in the decline to the former Bamboo Creek underground mine

2.2 Testwork at Bamboo Creek

On February 25, 2013 shareholders were advised of "[Updated Results from Elazac Process Assays of Mt Webber Drill Core Samples and Bamboo Creek Tailings Concentrate](#)".

- 1) Tests on a bulk 31.835 kg sample of Mt Webber drill hole material from Drill Holes RCDW 03, RCDW 28 and RCDW 56 obtained the following result:

Gold 44.67 ppm (g/t), Silver 55.55 ppm (g/t), Platinum 32.08 ppm (g/t)

- 2) Gold/silver and PGM assay grades for three Bamboo Creek Tailings Concentrate samples conducted by an independent Australian laboratory were reported (See Table 1 below). The samples assayed were the same samples as assayed by a commercial European PGM refinery in the December Quarter. (The results for Samples 1 and 2 were averaged and released as 'Head grades' for Bamboo Creek Tailings to Haoma shareholders on October 5, 2012: "[Significant Platinum and Palladium grades measured in samples of Bamboo Creek Tailings](#)" conducted by an Australian independent laboratory. The Australian independent laboratory used the Refined Elazac Assay Method.

Table 1: Bamboo Creek Tailings Concentrate^[1]

	<u>Sample 1</u>		<u>Sample 2</u>		<u>Sample 3</u>		<u>Sample 4</u>
Bamboo Creek Tailings sample size	70 kg		70 kg		75 kg		305kg
Concentrate as a % of tailings sample	13.41%		12.22%		2.34%		4.0%
	<u>European Refinery Assay</u>	<u>Aust. Lab. Assay</u>	<u>European Refinery Assay</u>	<u>Aust. Lab. Assay</u>	<u>European Refinery Assay</u>	<u>Aust. Lab. Assay</u>	<u>Aust. Lab. Assay</u>
<u>Gold/silver & PGM grades</u>	Ppm	ppm	ppm	ppm	ppm	ppm	ppm
Au	80	342	100	431 Not measured	40	1,021	433
Ag	150	264	90	421	130	77	382
Pt	560	312	450	323	470	32	29
Pd	520	199	500	22	810	-	-
Ir	40	20	20	-	90	-	-
Rh	50	-	120	-	10	-	-
Total gold & PGM	1250	856	1119	1200	1430	1053	462
Nickel grades		3698		4080		5913	9228

Note: Samples 1 and 2 are the same Bamboo Creek Tailing Concentrate plus a 'Middling Concentrate' fraction. **Sample 3** is a Bamboo Creek Tailings Concentrate sample which was acid digested (HCL) before assaying. No 'Middling Concentrate' fraction was added.

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

Sample 4 was a Bamboo Creek Tailings Concentrate sample which was **NOT** acid digested (HCL) before assaying. No ‘Middling Concentrate’ fraction was added.

Haoma has been advised that about 1,000ppm (g/t) total grade of gold and PGM is high enough for Haoma to export the Polymetallic Concentrate to numerous overseas smelters. Some Bamboo Creek Polymetallic Concentrates also contain sufficient quantities of silver, nickel, chrome and titanium for Haoma to receive financial ‘credits’.

The Directors have begun discussions with overseas smelters regarding the supply of concentrates which will be produced by the upgraded Bamboo Creek Plant. (See below)

Up-grading the present Bamboo Creek Pilot Plant and installation of additional equipment has begun. (See Figures 18 & 19 below which show three recently purchased 3 tonne induction furnaces soon to be installed in the upgraded Bamboo Creek Plant.)

Directors believe it will take up to 4 months to complete the Bamboo Creek Plant upgrade. At present it is envisaged the upgraded plant will process about 200 tonnes of Bamboo Creek Tailings a day and produce a ‘gravity’ concentrate of about 10 tonnes a day which will then be further processed before shipping overseas.

2.3 Details on Bamboo Creek Pilot Plant and Upgraded Plant

The **Bamboo Creek Pilot Plant** is now installed (See Figures 7 -15), and has over the last few weeks operated to process about 2 tonnes of mainly Bamboo Creek Tailings to produce a ‘concentrate’ similar to the ‘concentrate’ assayed by the European Refinery and the Australian Laboratory (See Table 1 above). Assays are currently being conducted and will be released to shareholders as soon as they become available.



Figure 7: Bamboo Creek Pilot Plant



Figure 8: Hopper ore ‘bin’ used to feed Conveyor to Ball Mill

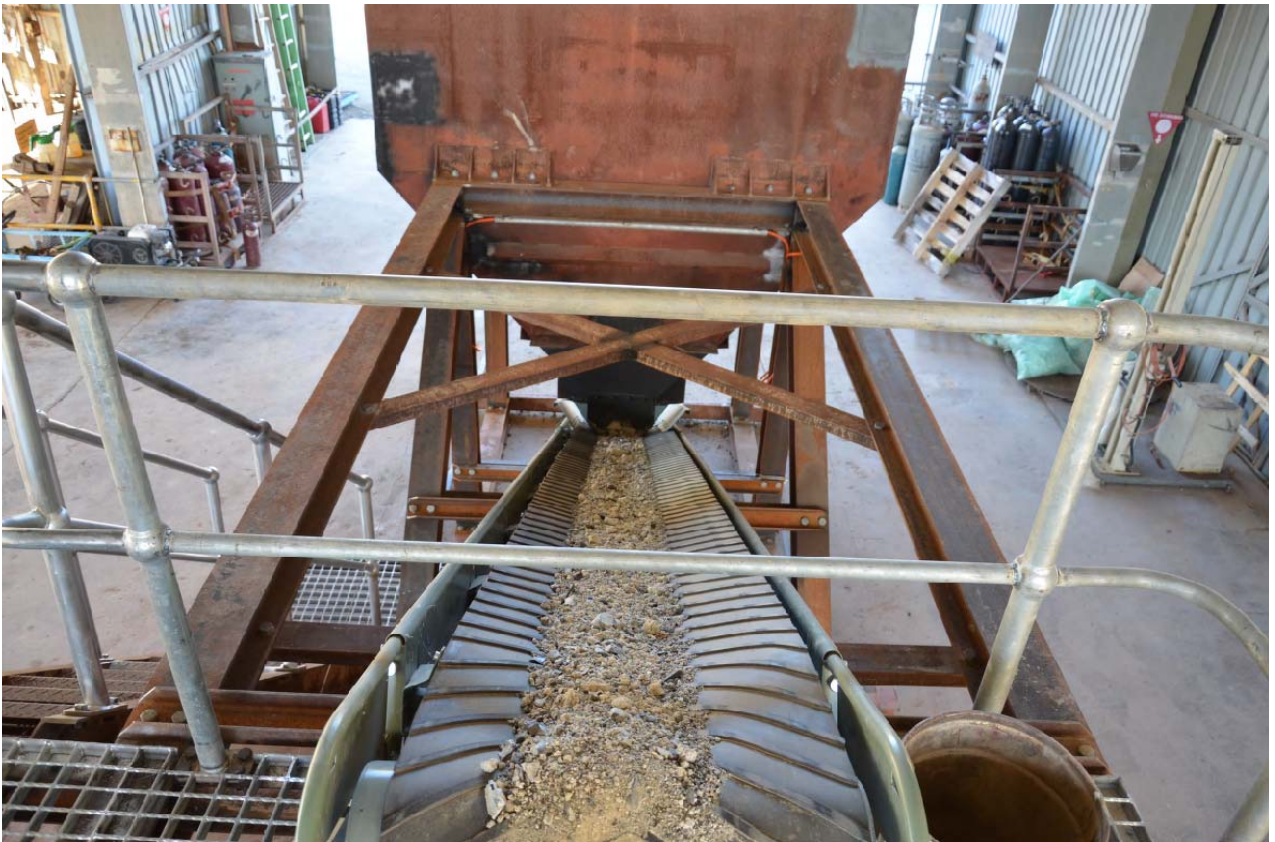


Figure 9: Conveyor carrying ore to Ball Mill



Figure 10: Ball Mill



Figure 11: Magnetic Separator



Figure 12: Gravity Tables – Gemeni Table at left and Wilfrey Table at right



Figure 13a: Wilfrey Gravity Table used to collect a Polymetallic ore ‘concentrate’



Figure 13b: Polymetallic ore being concentrated by Wilfrey Gravity Table



Figure 13c. The left side of the Wilfrey Gravity Table shows polymetallic ore



Figure 14: Polymetallic ore being concentrated and collected by Gemeni Gravity Table



Figure 15. Polymetallic ore fragments shown with the use of a panning dish.



Figures 16 & 17: Three 3 tonne Induction Furnaces recently purchased and soon to be installed in the upgraded Bamboo Creek Plant

3. EXPLORATION AND EVALUATION ACTIVITIES IN WESTERN AUSTRALIA

As part of the ongoing examination of geological setting and mineralization styles, particularly in the context of the Haoma's metallurgical test work program, exploration activities within tenements in the East Pilbara Mineral Field is presently focused on locating iron-rich lithologies and mineralized zones.

3.1 Bamboo Creek Tenement Group - M45/481, M45/480, M45/16, M45/411, M45/874, E45/2982, E45/3217, P45/2227, P45/2242, P45/2244, P45/2301, P45/2329, P45/2330, P45/2336, P45/2342

3.1.1 Five Mile Hill (E45/3217)

A review of the local geology and a preliminary rock chip sampling program commenced in an area covering two magnetic anomalies (see Figure 18) related to ultramafic and banded chert units in tenement E45/3217, located 5 km south of the Bamboo Creek Processing Plant. The program is exploring the potential for Platinum Group Metals (PGM), Gold (Au) and Nickel (Ni) mineralization in the area. Twelve samples have been collected to date. Assay results are pending.

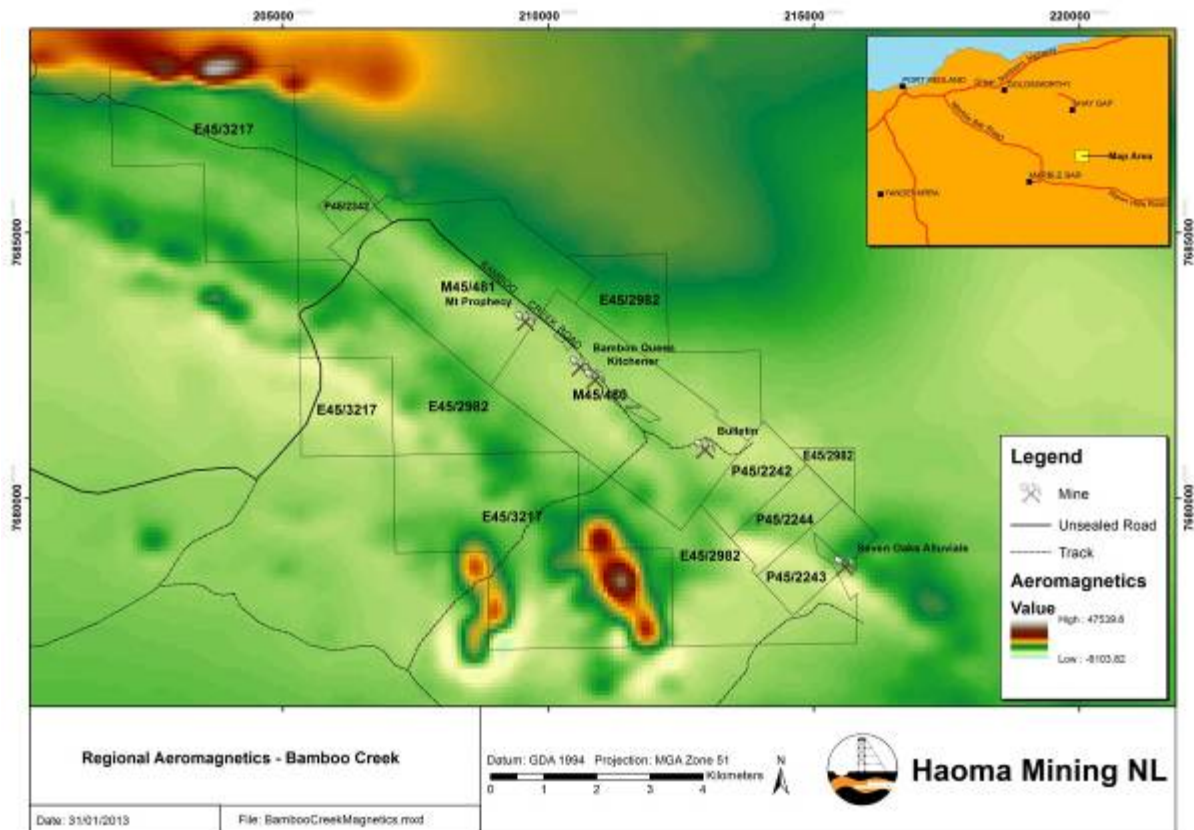


Figure 18: Magnetic anomalies related to ultramafic and banded chert units in Tenement E45/3217

3.1.2 Mt Bloch (M45/481)

A program of close spaced rock chip sampling in several traverses is being conducted over an area known as Mt Bloch (see Figure 19), 1 km north-west from the Bamboo Creek Processing Plant in tenement M45/481. Mt Bloch lies as an extension of known mineralization to the south-east in the Bamboo Creek Valley. The program aims to explore the potential for Gold (Au) mineralization in the area. To date, 203 samples have been collected. Assay results are pending.

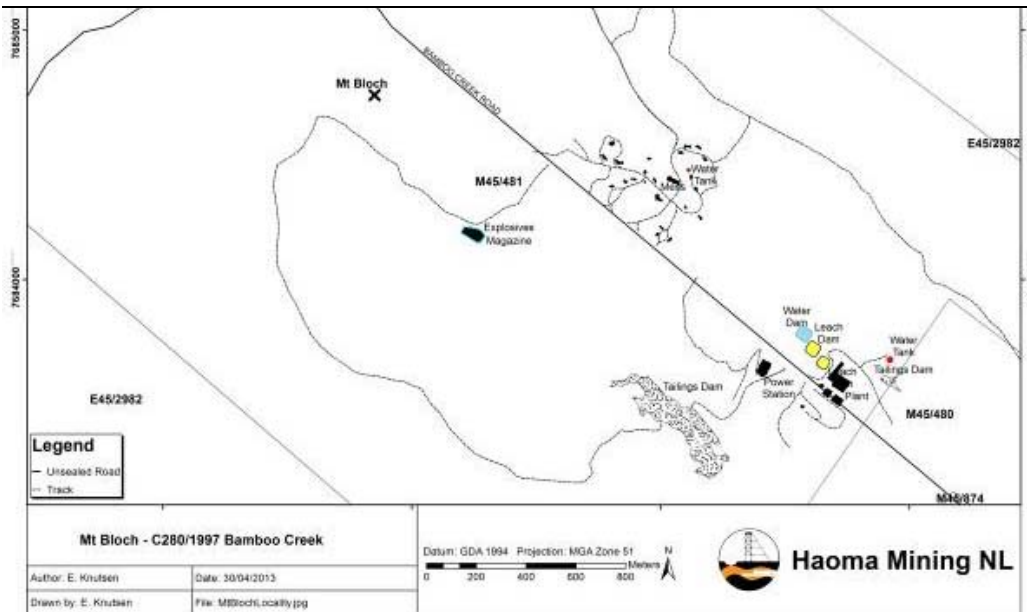


Figure 19: Mt Bloch rock chip sampling

3.1.3 The Patch (M45/480)

Historical review and preliminary rock chip sampling was completed in the prospect area named as 'The Patch' (Gomez), at M45/480 (see Figure 20). Previous gold workings consist of a series of open stopes along a massive quartz vein in the Euro Basalt of the Warrawoona Formation. The area lies outside the ultramafic unit which hosts the majority of the known mineralization at Bamboo Creek. The aim of the program is to examine the local geology and mineralization style to determine extent and setting. Results will be applied to evaluate new target areas within the Euro Basalt. Twenty-seven samples were collected. Assay results are pending.

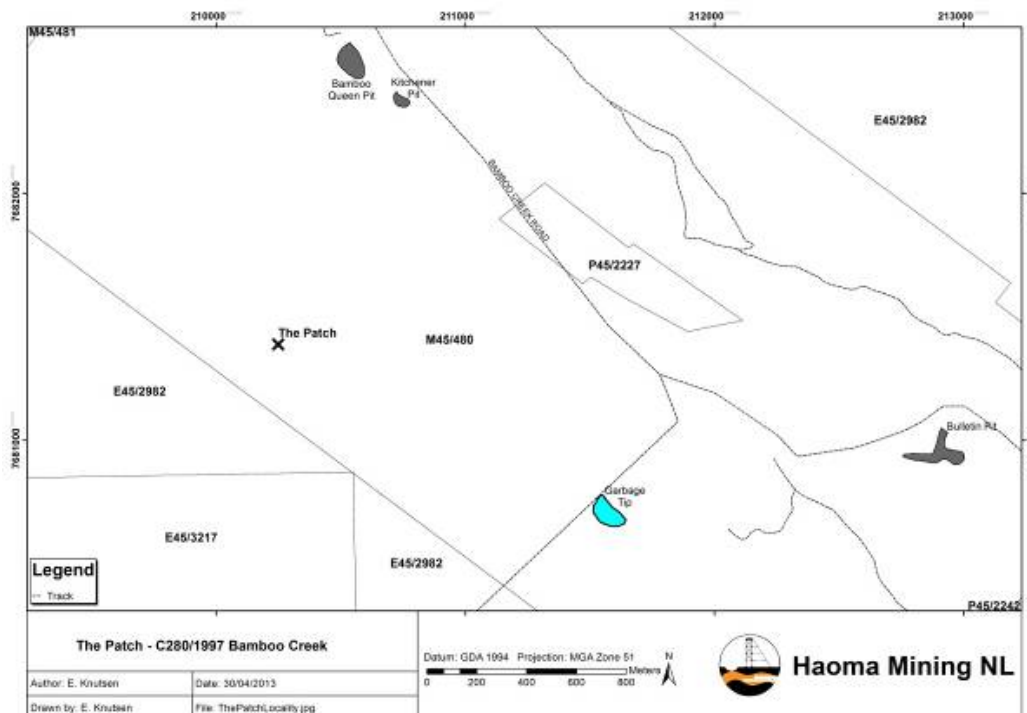


Figure 20: Location of rock chip samples at M45/480

3.2 Marble Bar Tenement Group – M45/672, M45/679, M45/682, M45/521

3.2.1 Coronation Ridge

Further exploration at Coronation Ridge M45/672, M45/679 and M45/682 increased the known extent of the multi-element anomalous outcrop reported in the December Quarter. The target unit is displaced by a fault and strike continuity is offset by 500 metres to the north.

Strike length is now considered to exceed 2 kilometres with 1.5kms to the west of the fault and 500 metres to the east.

3.2.2 Klondyke

Sampling of ironstone in the Klondyke area, M45/672, and Fieldings Gully, M45/521 has commenced. Results are pending.

3.3 North Pole Tenement Group – (M45/302, M45/329)

3.3.1 Normay Gold Mine

The historical workings of Normay Gold Mine (M45/302) lie in the east-west trending Normay Shear Zone near the core of the geological feature known as the North Pole Dome.

Exploration in recent years has examined the potential for an eastern extension of the auriferous gold with quartz veins in the shear zone with limited success.

During the Quarter a rock chip sampling program was implemented to test surface outcrop of the shear zone west of the Normay Mine in M45/329. A mineralised quartz vein sampled approximately 700 metres west of the Normay main shaft returned assays of 6.84 g/t Au, 0.32 g/t Au and 0.13 g/t Au (Figure 21). Further sampling is planned to define the consistency and dimensions of this zone.

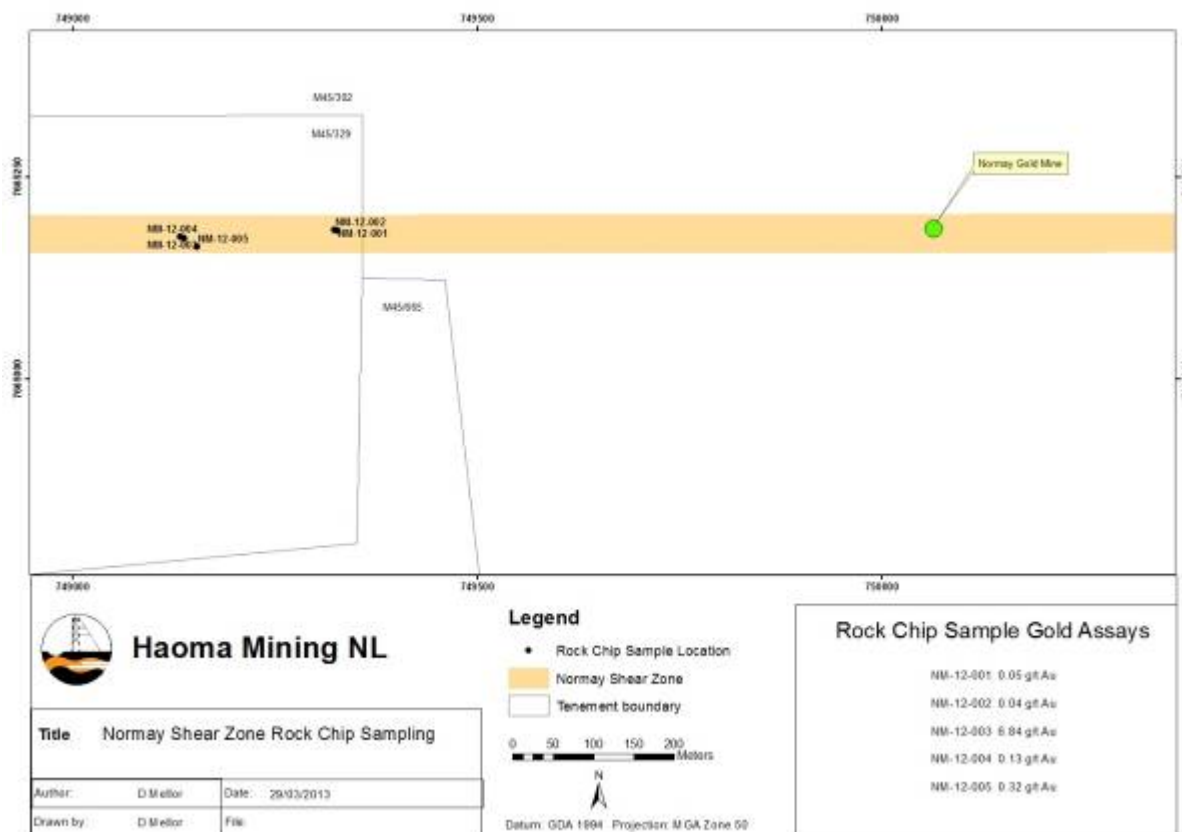


Figure 21: Location of rock chip samples at M45/329

3.4 Cookes Hill (E45/2983 (previously E45/1562), M45/1005, M45/1031 - 1036) - Including BGC Tribute Agreement to Mine Dolerite from Haoma's Cookes Hill Quarry

The Haoma Quarry at Cookes Hill is operated by BGC Contracting Pty Ltd. BGC Contracting mine and crush dolerite aggregate which is then supplied to customers for infrastructure construction including new railway lines in the Pilbara.

Haoma receives a royalty of \$0.82c per tonne for railway ballast and \$0.44c per tonne for by-product. During the Quarter 135,965 tonnes of ballast and by-product rock was mined from the Cookes Hill Quarry and Haoma earned royalties of \$61,355.

4. EXPLORATION ACTIVITIES IN THE RAVENSWOOD DISTRICT - QUEENSLAND
EPM 8771, EPM 14038, EPM 14297, ML 1325, ML 1326, MI 1330, MI 1415, ML 1483, ML 1529

At present Haoma is continuing to review the potential for further development of all its tenements in the Ravenswood District of North Queensland. Haoma personnel recently met with a number of local representatives with mining interests in the area with a view to as soon as possible establishing a commercial arrangement to bring into production Haoma's gold ore resources.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gary Morgan', with a long horizontal flourish extending to the right.

Gary C Morgan,
CHAIRMAN