

**HAOMA MINING NL  
AND CONTROLLED ENTITIES**

**ANNUAL REPORT FOR  
THE YEAR ENDED JUNE 30, 2008**

## 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 will acquire quality tenements, explore for gold and other minerals, utilise the most effective exploration and recovery techniques to extract minerals in the most efficient way with a strong commitment to health, safety and the environment.*

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

*Haoma is dedicated to developing a leading edge gold mining province in the Pilbara (WA) and Ravenswood/ Charters Towers region (QLD) by linking research 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 the bottom line performance.*

CONTENTS	PAGE	ANNUAL GENERAL MEETING
<b>Section 1: Chairman's Review &amp; Report on Operations</b>	2	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, January 29, 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.
<b>Section 2: Financial Statements &amp; Reports</b>		
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## **Financial Results:**

Haoma's Consolidated Loss for the Financial Year to June 30, 2008 was \$6.45 million. This operating loss is after providing for income tax, depreciation, amortisation and interest of \$3.06 million. The loss to June 30, 2008 includes costs associated with the processing of bulk sample test work through the Bamboo Creek Processing Plant. Over the last 12 months the Bamboo Creek Processing Facility has been on care and maintenance while laboratory test work has continued.

Significant results [released on October 23, 2008](#) and in [Haoma's September Activities Report released to the ASX on December 24, 2008](#) 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.

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.

The following covers Haoma's activities and achievements up until the lodgment of this 2008 Annual Report with the ASX on December 24, 2008.

## **1. Bamboo Creek – Pilbara, WA**

### **1.1 Significant Gold and Silver Grades Measured at Bamboo Creek: (Test Work at Bamboo Creek Laboratory and the University of Melbourne)**

#### **Background to Gold and Silver Assay and Extraction Problem**

Since 1991 the Directors and Consultants to Haoma Mining NL (including Haoma's wholly owned subsidiary, Kitchener Mining NL) have been concerned that the grade of gold bearing ore from Bamboo Creek (Pilbara Region, WA) could not be **measured** by traditional assay methods or the gold **commercially extracted** in the Bamboo Creek Plant.

Haoma is pleased to advise shareholders of recent significant assay results which increase the value of Haoma's Bamboo Creek Mine (See Section 1.2 and 1.3 below).

Shareholders were advised in Haoma's June 30, 2008 Quarterly Report that test work was continuing at Bamboo Creek using the **Refined Elazac Assay Method** and **Refined Elazac Gold Extraction Method**.

Results were published in [Haoma's June 30, 2008 Quarterly Report](#)

*The following is an extract from Haoma's June 30, 2008 Quarterly Report - Bamboo Creek Test work Results:*

*Recent results from five **Refined Elazac Assay Method** tests on Bamboo Creek Tails measured an average gold grade of 6.06 g/t while by traditional Fire Assays the gold grade was 0.17 g/t. Recent **Refined Elazac Assay Method** testwork also showed that about 40% of the arsenic in Bamboo Creek nickel sulphide ore can be extracted into solution. An arsenic recovery phase to clean the leach solution is presently being refined at the Bamboo Creek Laboratory. Tests using a **Refined Elazac Gold Extraction Method** showed that gold was produced to bullion when bulk samples of Bamboo Creek Vat solution were processed through the modified Bamboo Creek Processing Plant. The gold grade of the Vat solution by the traditional AAS assay method was "zero". The gold grade "back calculated" from fine gold produced equated to a Vat solution gold grade of 0.015 ppm (73.501 g of fine gold was recovered from 4,767 m<sup>3</sup> of Vat solution).*

### **1.3 Latest Results using the Refined Elazac Gold and Silver Assay and Extraction Methods**

#### **1.3.1 Tests Using the Refined Elazac Assay Method**

[On October 23, 2008 Haoma advised shareholders](#) the following result after subjecting samples of **Bamboo Creek (BBC) Tailings** to the **Refined Elazac Assay Method**.

Samples prepared at BBC Laboratory were analysed at the University of Melbourne by Mr. Roger Curtain and Professor Peter Scales using the Scanning Electron Microscope (SEMQuant). The SEMQuant results on **BBC Tailings back calculated to 390 g/t of silver and 1.08 g/t of gold**. This result is a major breakthrough in confirming the **Refined Elazac Assay Method** and validates the assay and extraction work being carried out at Bamboo Creek particularly over the last 3 months. Standard Aqua Regia or Fire Assay of BBC Tailings (conducted at the BBC Laboratory or commercial ALS Laboratory, Perth) return gold values ranging from 0.065 g/t to 0.333 g/t (Au) and silver less than 1g/t (Ag). ([See Haoma Oct 23, 2008 ASX Report](#))

In addition to the above results the **test work also identified the metallurgical reason Bamboo Creek and Pilbara ores were not correctly assaying or leaching gold and silver**.

Since October 23, 2008 additional samples of Bamboo Creek ores and Mickey's Find ore have been assayed by the **Refined Elazac Assay Method** at the BBC Laboratory and the University of Melbourne.

Initially 10 BBC Tailings samples assayed by the **Refined Elazac Assay Method** obtained silver grades ranging from 219 g/t Ag to 1,368 g/t Ag with an average **silver grade 511.84 g/t**. For the 10 samples the gold grades ranged from 0.37 g/t Au to 7.42 g/t Au with an average **gold grade 1.28 g/t**.

Additional **Refined Elazac Assay Method** tests were conducted on three Bamboo Creek ore samples and one Mickey's Find ore sample. **All results measured significant grades of silver**.

**1.3.1.1. Bamboo Creek Sample Results:**

1. In 1996 BHP drilled 23 RC holes across and along the **BBC Valley** and also re-assayed 18 diamond and RC holes previously drilled by Kitchener Mining. A **BHP drill sample** was randomly selected from two diamond drill holes (750 meters and 1.8 km south east of the Bamboo Creek Plant) covering a total of 37 meters and assayed by the **Refined Elazac Assay Method:**

**Ag 311.38 g/t and Au 0.44 g/t**

2. A **BHP drill sample** was selected from 4 underground diamond drill holes in the **BBC Nickel Area** (400 meters south east of the Bamboo Creek Plant) covering 21.66 meters and assayed by the **Refined Elazac Assay Method:** ([See Section 2.1 - Haoma September 2007 Quarter Activities Report to ASX](#)):

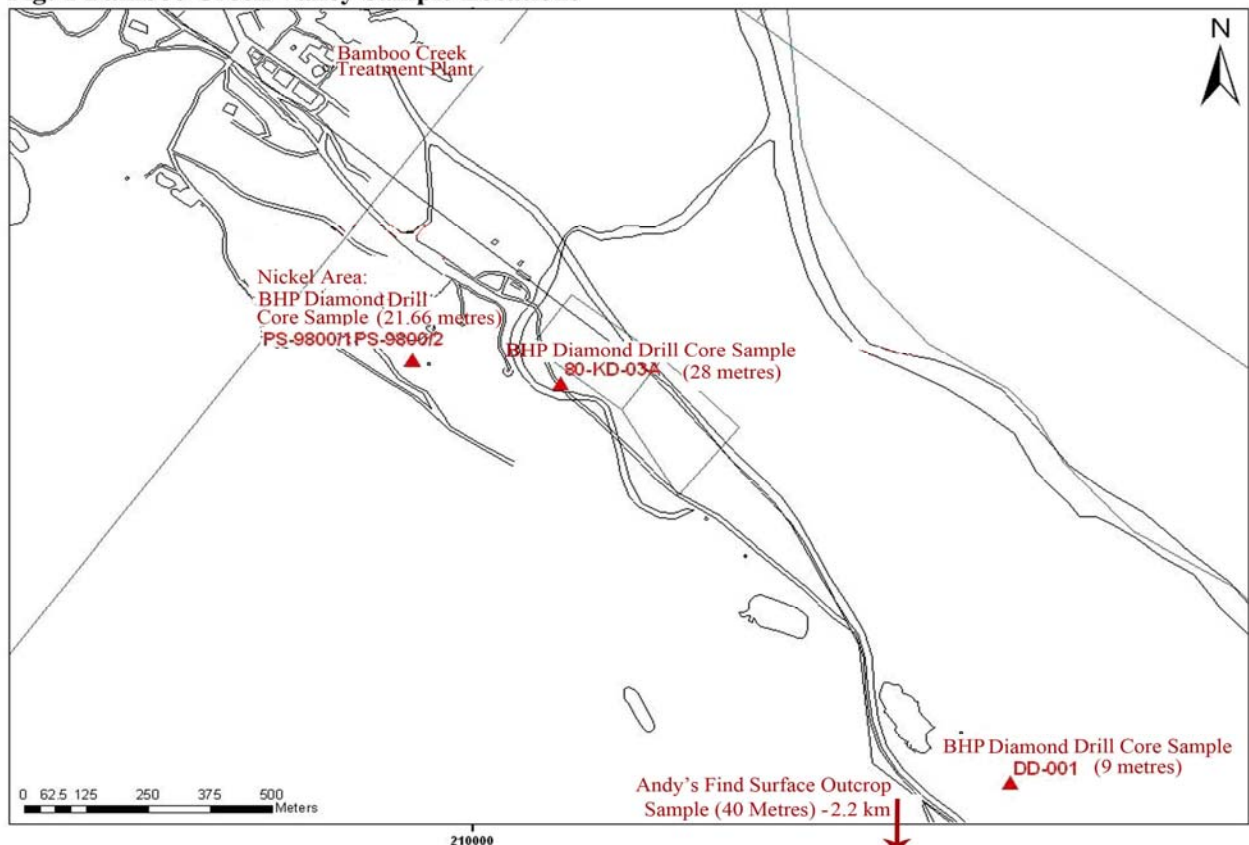
**Ag 245.24 g/t and Au 2.26 g/t (25gm Fire Assay & ICP –  
Ag 1.60 g/t, Au 2.03 g/t, Ni 2,581 ppm, Zn 2,203 ppm)**

3. A mineralised surface outcrop in the **BBC Andy's Find Area** was sampled across 40 meters (4 km south east of the Bamboo Creek Plant) and assayed by the **Refined Elazac Assay Method:**

**Ag 233.06 g/t and Au 1.52 g/t**

The **BBC Andy's Find Area** is an extension of the **BBC Valley** which in total is at least **8 km** long. The 'high' silver results from the three samples in the **Bamboo Creek Valley** suggest the area contains large quantities of ore with significant silver grades.

**Fig: 1 Bamboo Creek Valley Sample Locations**



**1.3.1.2 Mickey's Find Assay Result:**

A **Mickey's Find** sample from **2001 MFRC 64 RC drill core** (North Pole Region near Normay Mine, 80km from BBC) was assayed by the **Refined Elazac Assay Method**:

**Ag 304.83 g/t and Au 0.58 g/t**

**1.3.2 Tests Using the Refined Elazac Gold Extraction Method**

Since October 23, 2008 a series of trial tests using the **Refined Elazac Extraction Method** have been conducted at Bamboo Creek. The following ore samples were leached::

1. **Bulk Vats** each containing a tonne or more ore of **Low Grade Bamboo Creek Ore**, and
2. **Bamboo Creek Tailings** tests on 100gm samples.

The last tests completed December 17, 2008 obtained the following results.

1. A **Bulk Vat Leach Trial** over 4 days (1.4 tonne **Low Grade Bamboo Creek Ore**) for the first time recovered silver into a concentrate which gave a calculated Vat Ore silver grade of 1.55 g/t (average of 10 assays with grades ranging from 0.344 to 5.406 g/t Ag). In the same test gold recovered into the concentrate was very low at only 0.005 g/t Au.
2. Test results using the **Refined Elazac Extraction Method** for 3 hours on a 100 gm sample of **Bamboo Creek Tailings**:

BBC Tailings gold and silver assays by the **Refined Elazac Assay Method**:

Calculated **Gold Head Grade 1.45 g/t**

**Gold recovered** in 3 hours: **1.39g/t** (**95.9%** of calculated Gold Head Grade recovered in 3 hours)

Calculated **Silver Head Grade 240.64 g/t**

**Silver recovered** in 3 hours: **71.86 g/t** (**29.9%** of calculated Silver Head Grade recovered in 3 hours)

The above **Bamboo Creek Tailings** test results using the **Refined Elazac Extraction Method** are significant. The **Refined Elazac Extraction Method** test on **BBC Tailings** has been repeated over the last few days at Bamboo Creek. Assay results will be released in the coming weeks.

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

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

**Table 1: Comparison of Assay Grades using Refined Elazac Assay Method compared to the Leaching Trial, Calculated Head Grade**

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

<b>Leaching Trial: Calculated Head Grade</b>	0.207	0.176	14.52	1.09	108.1	244.6
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<b>Refined Elazac Assay Method: Tail Grade</b>	<b>76.091</b>
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*The information in this report relating to "Metallurgical Results" is based on information compiled by Mr Peter Cole who has had sufficient experience which is relevant to this metallurgical test work. The information was prepared during December 2008. Mr. Cole consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

**2 Linden (E39/293, E39/428, M39/255, M39/649, M39/650, M39/794, M39/795, P39/2974, P39/2975, P39/2976)**

During the June 2008 Quarter, Linden Exploration Tenement E39/379 was converted to Mining Tenements M39/649, M39/650, M39/794 and M39/795. Extensive rock chip sampling was conducted on tenement E39/428 over a recently defined Quartz Ridge Fault Zone. The results of the sampling identified the area as a green fields Molybdenum discovery.

**New mineralisation was discovered** in two sections (covering approximately 1.9 km in length) of the Quartz Ridge Fault Zone containing **significant grades** of molybdenum, gold and silver with the possibility of rhenium and copper.

**Regional and Quartz Ridge Fault Zone Geology**

The rock sequence within the area of the Quartz Ridge Fault Zone is of Archaean age and occupies a part of a corridor of high strain activity termed the "Laverton Tectonic Zone" which averages 10km in width. Within the area the oldest rocks occupy the core of an anticlinal structure near Mt Linden. The fold axis of the anticline strikes north westerly and the north eastern limb dips east at about 45 degrees.

Structurally the Quartz Ridge Fault Zone strikes an average of 340 degrees and converges with the Olympic Fault to the north of the tenement. The fault contributes to repetitions of the layered sequence and have a sinistral sense of movement, the Quartz Ridge Fault has splays trending east-west from it on its eastern side, the best developed being in the Hill East and Sophisticated Lady areas, these dip steeply to the north.

**2.1 Quartz Ridge Fault Zone Sampling**

A total of 242 preliminary rock chip samples were taken on tenement E39/428. 152 samples (100 to the south and 52 to the north) were collected in the Quartz Ridge Fault Zone, of which 84 returned significant results.

The Quartz Ridge Fault Zone contains mineralisation of Molybdenum, Gold and Silver with the possibility of Rhenium and Copper. Mineralisation is contained within quartz veining and from information presently known it appears the mineralised veining (1m wide to 8m wide) has a strike of 1,100 m in the south and 800 m in the north. Alluvial cover over much of the Quartz Ridge Fault Zone has restricted the sampling to only outcropping quartz veins.

During the September 2008 Quarter, an extensive costean and sampling program was completed with the focus of work being on Gold, Silver, Copper and Molybdenum. Approximately 570 further samples have been submitted to ALS Laboratories in Kalgoorlie for multi element analysis. Results are expected back next month.

Full details of the rock chip sampling conducted within the Quartz Ridge Fault Zone in the June 2008 Quarter are included in Table 2.



**Table 2: Significant Rock Chip Sampling Quartz Ridge Fault Zone Linden <sup>1</sup>**

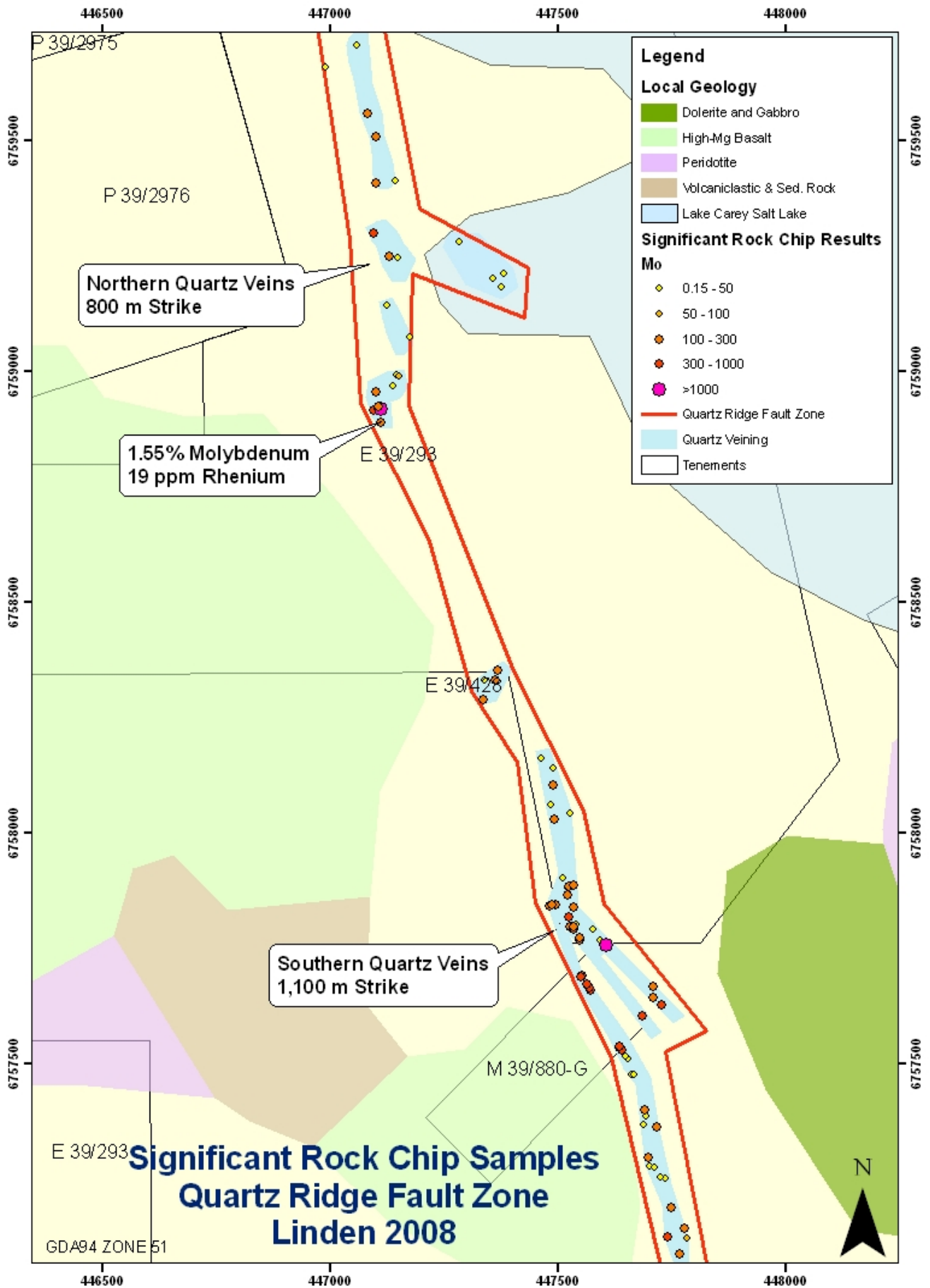
Sample Number	Easting	Northing	Au g/t	Ag ppm	Cu ppm	Mo ppm	Re ppm	W ppm
428-061	446757	6760488	<b>6.17</b>	0.2	7	1	<0.002	2
428-242	446991	6759656	<b>12.85</b>	10.8	301	6	0.002	15
428-074	447059	6759704	0.06	0.4	73	38	0.007	403
428-115	447082	6759556	<0.01	0.3	43	<b>198</b>	0.041	49
428-041	447096	6758914	0.37	3.5	1050	<b>785</b>	<b>1.060</b>	83
428-131	447097	6759296	0.13	1.3	133	<b>351</b>	0.047	11
428-116	447100	6759507	0.01	0.8	127	<b>164</b>	0.004	68
428-120	447102	6759406	0.27	0.6	107	<b>196</b>	0.009	86
428-144	447102	6758953	0.10	0.5	73	<b>118</b>	0.045	2
428-095	447106	6758922	0.20	0.9	194	<b>197</b>	0.032	74
428-081	447112	6758917	N/A	11.0	494	<b>15550</b>	<b>19.350</b>	39
428-147	447113	6758888	0.02	0.3	122	<b>116</b>	0.027	17
428-134	447126	6759140	0.13	1.2	401	26	<0.002	216
428-048	447129	6759247	<b>1.46</b>	5.6	97	<b>106</b>	<0.002	45
428-142	447137	6758966	<b>3.00</b>	<b>20.1</b>	24	3	<0.002	2
428-118	447143	6759412	<b>2.31</b>	1.9	60	5	<0.002	45
428-044	447147	6758990	0.07	0.7	287	40	0.007	236
428-049	447148	6759243	<b>104.00</b>	6.1	107	5	<0.002	14
428-140	447152	6758988	2.80	16.1	144	94	0.019	9
428-046	447174	6759073	0.29	1.1	615	49	0.003	279
428-123	447283	6759278	0.04	0.1	19	6	0.005	346
428-157	447337	6758287	0.11	0.3	111	<b>160</b>	0.012	202
428-156	447339	6758328	0.05	0.7	53	33	<0.002	204
428-124	447358	6759199	<b>4.11</b>	3.9	107	3	<0.002	4
428-160	447362	6758329	0.39	2.4	671	<b>191</b>	0.053	47
428-054	447367	6758349	0.29	5.8	420	<b>187</b>	0.038	12
428-126	447375	6759181	<b>6.76</b>	19.6	316	0	<0.002	44
428-125	447382	6759210	<b>13.10</b>	<b>57.5</b>	640	1	<0.002	11
428-193	447463	6758160	0.12	2.8	40	18	0.007	460
428-078	447482	6757840	0.20	7.4	534	<b>151</b>	0.075	23
428-190	447485	6758059	0.09	2.4	145	27	0.010	296
428-079	447486	6757843	0.96	1.8	355	<b>238</b>	0.188	6
428-191	447489	6758102	0.02	0.2	10	<b>134</b>	0.046	251
428-192	447490	6758139	0.29	4.3	185	10	0.005	490
428-189	447493	6758028	0.03	0.7	231	<b>155</b>	0.125	<b>510</b>
428-076	447495	6757842	0.16	2.8	472	<b>250</b>	0.191	280
428-101	447512	6757902	0.32	10.9	233	17	0.007	62
428-098	447523	6757864	0.05	1.6	226	<b>110</b>	0.075	4
428-099	447523	6757879	0.11	11.9	1980	38	0.024	6
428-100	447524	6757881	0.19	5.1	390	<b>150</b>	0.165	4
428-111	447525	6757815	0.11	1.5	121	<b>327</b>	0.408	69
428-194	447526	6758041	0.89	10.1	292	3	<0.002	7
428-085	447528	6757794	0.02	2.8	297	<b>154</b>	0.105	13
428-083	447532	6757796	0.02	1.7	182	<b>109</b>	0.053	3
428-110	447534	6757789	0.02	5.3	813	<b>239</b>	0.184	37
428-112	447534	6757837	0.04	3.6	743	<b>229</b>	0.117	<b>830</b>
428-185	447534	6757795	0.01	2.0	179	<b>154</b>	0.073	7

<sup>1</sup> Table 2 of exploration assay results was prepared July 25-29, 2008 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).

Sample Number	Easting	Northing	Au g/t	Ag ppm	Cu ppm	Mo ppm	Re ppm	W ppm
428-197	447535	6757886	0.30	12.1	832	<b>175</b>	0.192	3
428-080	447539	6757800	0.01	10.1	145	43	0.007	2
428-109	447548	6757766	0.09	5.4	725	<b>164</b>	0.103	105
428-184	447549	6757771	0.09	3.5	324	<b>114</b>	0.065	61
880-007	447552	6757687	<b>2.31</b>	2.1	458	<b>352</b>	0.060	490
880-006	447553	6757688	0.10	5.2	617	<b>295</b>	0.290	73
880-004	447564	6757670	0.12	3.2	1020	<b>347</b>	0.400	361
880-003	447569	6757663	0.06	2.4	454	<b>452</b>	0.390	62
880-002	447573	6757658	0.11	10.4	1050	<b>370</b>	0.310	300
428-186	447577	6757790	<0.01	0.2	54	14	0.005	296
428-187	447593	6757767	<0.01	0.4	259	46	0.030	239
428-188	447606	6757754	0.01	0.7	177	<b>1010</b>	<b>1.135</b>	<b>850</b>
428-018	447635	6757534	0.08	2.4	209	<b>522</b>	N/A	350
880-012	447636	6757535	0.02	0.3	41	<b>338</b>	0.230	8
428-166	447640	6757527	<0.01	0.3	10	<b>372</b>	0.343	12
428-013	447648	6757514	<b>4.38</b>	5.3	3650	18	N/A	200
428-012	447655	6757509	0.26	13.4	577	10	N/A	20
428-004	447663	6757476	0.10	1.9	862	7	N/A	400
428-167	447666	6757475	<0.01	1.7	310	20	0.010	349
880-009	447685	6757601	<0.01	0.5	34	<b>352</b>	0.170	2
428-005	447689	6757367	0.18	15.5	426	10	N/A	10
428-169	447690	6757398	<0.01	0.1	15	<b>106</b>	0.110	347
428-020	447694	6757385	0.58	10.4	443	13	N/A	20
428-058	447698	6757296	0.06	0.1	3	<b>262</b>	0.349	480
428-022	447701	6757277	0.57	14.3	158	17	N/A	60
428-010	447709	6757665	0.02	0.4	64	<b>124</b>	N/A	170
428-014	447709	6757642	0.10	3.6	269	<b>154</b>	N/A	70
428-173	447713	6757275	0.71	12.7	396	35	0.012	102
428-003	447718	6757362	1.25	15.2	678	<b>228</b>	N/A	70
428-174	447726	6757253	0.09	1.2	203	18	0.009	<b>910</b>
428-008	447727	6757627	0.04	1.6	126	<b>582</b>	N/A	160
428-165	447737	6757250	0.32	6.2	604	33	N/A	250
428-176	447742	6757123	0.07	0.4	15	<b>411</b>	0.257	61
428-179	447749	6757186	0.15	3.5	304	<b>120</b>	0.084	9
428-175	447767	6757087	<0.01	0.1	7	<b>224</b>	0.189	73
428-178	447777	6757143	0.04	0.6	33	<b>114</b>	0.098	217
428-177	447784	6757121	<0.01	0.1	4	63	0.048	64
<b>NOTE:</b>	N/A Not Assayed All samples are in GDA94 zone 51 co ordinates							

Figure 2 shows the main Quartz Ridge Fault Zone and the position of significant rock chip samples.

**Figure 2: Quartz Ridge Fault Zone and the position of significant rock chip samples**





**Photograph 1: Northern end of the southern quartz veining system**



**Photograph 2: Sampling the Southern Section of the northern quartz veining system**



**Photograph 3: Sample 428-081: 1.55% Molybdenum, 19ppm Rhenium**

**2.2 Regional Sampling at Linden**

During the June 2008 Quarter, regional rock chip sampling was conducted on the Linden tenements outside the Quartz Ridge Fault Zone. Significant results are listed in Table 3.

**Table 3: Significant Results of Linden Regional Rock Chip Sampling <sup>2</sup>  
(outside the Quartz Ridge Fault Zone)**

Sample Number	Easting	Northing	Au g/t	Ag ppm	Cu ppm	Mo ppm	Re ppm	W ppm	
428-001	444293	6757010	1.74	0.5	39	1	N/A	0	*
794-002	444933	6755855	1.58	0.3	50	1	<0.002	6	
2974-035	445318	6761231	<b>5.94</b>	1.1	60	0	N/A	0	
2974-028	445365	6761178	0.42	0.3	<b>7600</b>	4	N/A	0	
2974-026	445367	6761178	1.39	1.5	1410	1	N/A	0	
2974-027	445367	6761178	1.59	0.6	<b>45400</b>	5	N/A	0	
2974-029	445373	6761182	<b>13.25</b>	2.4	759	1	N/A	0	
2974-025	445378	6761181	<b>4.45</b>	1.1	<b>2950</b>	2	N/A	0	
2974-045	445378	6761185	2.72	1.7	1410	5	0.010	8	
2974-019	445381	6761125	2.17	0.5	<b>20400</b>	15	N/A	0	
2974-046	445381	6761177	1.88	1.7	435	7	<0.002	26	
2974-018	445382	6761127	<b>5.25</b>	5.8	<b>30900</b>	4	N/A	0	
2974-047	445387	6761165	0.57	2.3	<b>8530</b>	5	<0.002	1	
2974-017	445388	6761126	0.35	<1	<b>7300</b>	0	N/A	0	
2974-016	445390	6761124	0.35	<1	<b>8190</b>	0	N/A	0	
2974-048	445395	6761155	1.81	0.4	208	1	<0.002	3	
2974-015	445396	6761119	0.30	0.7	<b>21400</b>	0	N/A	0	
2974-023	445397	6761155	1.68	0.3	337	0	N/A	0	
2974-020	445401	6761156	<b>8.84</b>	0.7	1700	0	N/A	0	
2974-024	445401	6761185	0.15	<1	<b>8270</b>	1	N/A	0	
2974-049	445401	6761145	2.77	0.5	46	1	<0.002	3	
2974-021	445403	6761150	0.25	1	<b>4890</b>	0	N/A	0	
2974-014	445405	6761106	0.06	0.5	2340	0	N/A	0	
2974-010	445406	6761114	0.12	<1	<b>4120</b>	0	N/A	0	
2974-012	445406	6761120	0.02	<1	2510	0	N/A	0	
2974-013	445408	6761115	<b>3.73</b>	<1	<b>14500</b>	0	N/A	0	
2974-037	445412	6760728	2.52	1.5	121	3	N/A	0	
2975-002	445432	6760685	<b>9.58</b>	2.4	56	0	N/A	0	
2975-003	445455	6760669	<b>7.94</b>	1.3	80	0	N/A	0	
2974-039	445456	6760695	<b>4.96</b>	0.9	45	0	N/A	0	
2975-004	445474	6760638	<b>6.80</b>	2.5	495	0	N/A	0	
2975-007	445497	6760695	<b>6.17</b>	1.4	52	0	N/A	0	
428-066	445787	6758371	<b>12.80</b>	5.2	20	5	0.002	33	
428-069	445791	6758415	2.06	2.0	143	9	0.004	106	
379-004	445864	6750759	<b>11.30</b>	4.2	17	0	N/A	0	*
649-009	446129	6750832	<b>3.32</b>	0.2	41	1	<0.002	1	
649-004	446168	6750838	<b>19.55</b>	0.5	55	1	<0.002	0	
649-001	446174	6750850	<b>47.70</b>	1.6	197	2	<0.002	1	
649-002	446179	6750858	<b>7.87</b>	0.8	127	1	<0.002	1	

<sup>2</sup> Table 3 of exploration assay results was prepared July 25-29, 2008 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).

Sample Number	Easting	Northing	Au g/t	Ag ppm	Cu ppm	Mo ppm	Re ppm	W ppm	
428-027	446232	6757306	1.35	153.0	12	4	<0.002	0	
428-026	446236	6757298	0.60	<b>35.8</b>	23	19	<0.002	0	
428-203	446305	6757737	<b>7.89</b>	<b>17.0</b>	51	2	0.002	1	
428-130	446312	6758625	<b>5.25</b>	0.2	306	1	<0.002	11	
428-129	446318	6758661	1.38	0.5	678	4	<0.002	17	
428-223	446497	6758396	<b>3.61</b>	0.2	59	1	<0.002	2	
379-003	446553	6748623	<b>44.30</b>	3.8	146	0	N/A	0	*
428-221	446589	6758429	1.64	2.7	31	4	<0.002	4	
428-220	446593	6758430	2.12	2.8	24	8	<0.002	3	
428-219	446611	6758430	<b>9.34</b>	17.2	69	6	<0.002	3	
428-218	446632	6758421	2.92	3.0	52	2	<0.002	8	
428-217	446646	6758424	1.91	2.7	389	11	0.002	17	
428-215	446653	6758421	1.06	1.6	48	0	<0.002	4	
428-216	446653	6758420	2.99	2.2	195	15	0.002	14	
428-214	446656	6758421	1.67	18.3	73	18	<0.002	5	
428-227	446796	6758378	0.62	4.4	<b>53200</b>	14	0.002	10	
428-224	446802	6758379	1.61	8.1	2800	2	<0.002	2	
428-226	446804	6758376	2.49	15.2	<b>9360</b>	12	<0.002	10	
428-038	446805	6758354	<b>7.85</b>	<b>51.1</b>	<b>84700</b>	<b>196</b>	<0.002	5	
428-039	446806	6758376	<b>10.10</b>	<b>191.0</b>	<b>75600</b>	17	<0.002	5	
428-231	446806	6758360	<b>18.75</b>	<b>46.9</b>	<b>23600</b>	45	<0.002	3	
428-225	446812	6758379	1.17	2.1	655	4	<0.002	4	
428-236	446847	6758170	0.17	0.4	1230	<b>234</b>	0.003	100	
428-211	446863	6758136	0.22	3.6	<b>3910</b>	<b>117</b>	0.005	163	
428-233	446865	6758234	1.85	1.3	393	10	<0.002	18	
428-237	446908	6758275	<b>3.35</b>	2.0	190	<b>100</b>	0.007	4	
428-208	446938	6758201	0.14	0.3	2460	17	0.003	77	
428-209	446938	6758208	2.07	15.4	<b>37100</b>	<b>320</b>	0.004	65	
428-202	446950	6758701	<b>7.19</b>	<b>24.7</b>	48	1	0.002	1	
428-200	446976	6758283	<b>3.27</b>	6.0	23	9	<0.002	5	
428-238	447017	6758290	0.69	0.6	2020	49	0.003	80	
428-213	447021	6758077	<b>62.70</b>	<b>237.0</b>	57	2	<0.002	2	
428-212	447038	6758091	1.06	<b>80.4</b>	60	1	<0.002	1	
428-153	447198	6758433	<0.01	0.1	12	8	<0.002	214	
428-148	447233	6758913	0.01	0.3	414	<b>101</b>	0.019	23	
428-155	447352	6758559	0.38	0.3	406	<b>274</b>	0.044	3	
428-057	447369	6757894	<b>7.17</b>	4.8	18	4	<0.002	3	
428-161	447625	6757931	<0.01	0.1	5	<b>106</b>	0.099	191	
<b>NOTE:</b>	N/A	Not Assayed	All samples are in GDA94 zone 51 co ordinates						
	*	Previously reported in March 2008 Quarterly Report							

**3 North Pole (M45/649, M45/648, M45/442, M45/650, M45/651 M45/328, M45/329, M45/665, M45/302, M45/514 M45/395 E45/2532**

Following the encouraging results of rock chip sampling (see [Haoma's ASX Announcement of December 28, 2007](#)) conducted on the North Pole tenement Region during late 2007, additional work, including further rock chip sampling continued on the North Pole tenements during 2008.

Geological and sampling work was constrained to three areas within the North Pole tenements. Work conducted within Area 1 (See Figure 2) was around selected localised structures and lithologies, with close spaced sampling across and along the strike of these structures.

The Area 1 main structure of interest is within a 300m long by 5-10m wide zone and was initially sampled in December 2007. Samples collected in January 2008 along the Area 1 strike returned assay results confirming those previously reported. All results for Area 1 are included in Table 4.

Regionally the samples sit within a strongly magnetic basalt unit with interbedded cherts. The basalt unit is part of a regional structure which has until now had minimal local exploration and mapping.

In January 2008 four samples were collected in Area 2 (Figure 3) which returned strongly anomalous results (See sample locations in Figure 4). In March 2008 follow-up sampling, using 3 sampling traverses, was conducted over the area. The results were encouraging and outline an unexpected zinc anomaly. Most samples returned good iron and manganese grades, with some samples showing high gold levels.

Further work will be conducted on Tenement M45/665 when Department of Industry & Resources approvals have been obtained.

**Table 4: Area 1 – Rock Chip Sample Assays – Significant Results obtained December 2007– January 2008 [Note: <sup>3</sup>]**

AREA 1– SIGNIFICANT ROCK CHIP SAMPLE ASSAYS												
HOLE_ID	GDAE	GDAN	Au ppm	Fe2O3 %	MnO %	Al2O3 %	CaO %	P2O5 %	SO3 %	SiO2 %	V ppm	LOI %
R2007-05	755335	7655697	<0.01	31.50	15.80	1.50	0.40	0.14	0.25	18.45	464	10.25
R2007-06	754397	7655676	<0.01	54.80	0.70	0.76	0.08	0.09	0.23	9.10	644	9.13
R2007-07	754261	7655640	<0.01	8.29	0.02	4.27	0.08	0.03	0.42	80.70	36	<0.001
R2007-08	755225	7655675	<0.01	8.14	46.10	1.48	0.96	0.06	0.24	8.55	187	11.45
R2007-09	755200	7655676	<0.01	18.70	1.09	5.04	0.17	0.22	0.30	58.00	99	5.81
R2007-10	755647	7655749	<0.01	32.00	0.11	1.76	13.60	0.13	0.24	20.10	152	17.00
R2007-11	755709	7655817	<0.01	27.70	0.34	1.78	20.20	0.05	0.26	4.94	120	26.60
R2007-12	755295	7655797	<0.01	44.10	2.71	1.96	0.13	0.13	0.26	19.90	125	8.88
R2007-13	755358	7656033	<0.01	36.60	2.09	1.20	0.10	0.05	0.26	35.20	138	6.94
R2007-14	754923	7655868	<0.01	37.30	1.31	1.51	1.63	0.10	0.23	11.85	174	10.70
R2007-15	755760	7655898	<0.01	48.50	6.08	3.40	0.07	0.19	0.24	6.14	100	9.37
2532-003	754748	7655705	0.01	15.20	0.16	13.85	0.70	0.22	<0.001	52.00	297	6.53
2532-005	754743	7655700	0.10	17.75	0.21	13.25	2.23	0.21	<0.001	47.70	353	7.40
2532-009	754744	7655710	0.03	16.60	0.21	14.15	3.45	0.11	0.00	47.50	431	7.74
2532-010	754738	7655710	0.01	15.95	0.21	12.80	2.32	0.22	0.00	49.40	459	6.01
2532-012	754741	7655704	<0.01	15.15	0.18	12.60	2.87	0.21	0.00	47.60	487	6.95
2532-020	754733	7655544	<0.01	9.30	1.00	3.15	33.60	0.02	<0.001	18.05	274	29.70
2532-021	754732	7655545	0.03	14.00	2.49	1.98	34.50	0.04	<0.001	13.05	499	30.80
2532-023	754753	7655545	0.01	11.05	1.07	3.36	22.20	0.04	<0.001	24.90	319	27.60
2532-027	754887	7655625	0.01	15.25	0.43	8.57	5.91	0.28	<0.001	48.20	84	11.05
2532-029	754888	7655627	0.01	17.20	0.14	12.75	1.56	0.37	<0.001	51.30	84	5.97
2532-030	754889	7655628	<0.01	16.25	0.11	13.00	1.48	0.34	0.01	52.80	129	5.75
2532-031	754889	7655629	<0.01	16.40	0.14	12.80	1.88	0.33	0.00	52.50	140	5.81
2532-035	754823	7655550	0.03	13.30	1.14	3.26	28.40	0.06	<0.001	21.50	308	27.30
2532-042	754799	7655565	0.02	17.40	0.25	12.20	1.46	0.23	0.01	54.20	331	5.34
2532-043	754798	7655567	<0.01	17.65	0.25	12.75	3.16	0.30	<0.001	49.60	336	6.44
2532-050	754806	7655540	0.01	15.20	0.53	9.12	10.05	0.11	0.01	35.00	235	17.40
2532-055	754806	7655547	0.01	21.20	1.55	3.07	25.80	0.12	0.00	18.90	476	24.70
2532-056	754801	7655550	0.01	13.40	2.57	1.71	26.40	0.05	0.00	25.60	549	26.10
2532-057	755165	7655622	<0.01	39.10	41.90	1.48	0.23	0.28	0.00	3.78	717	11.95

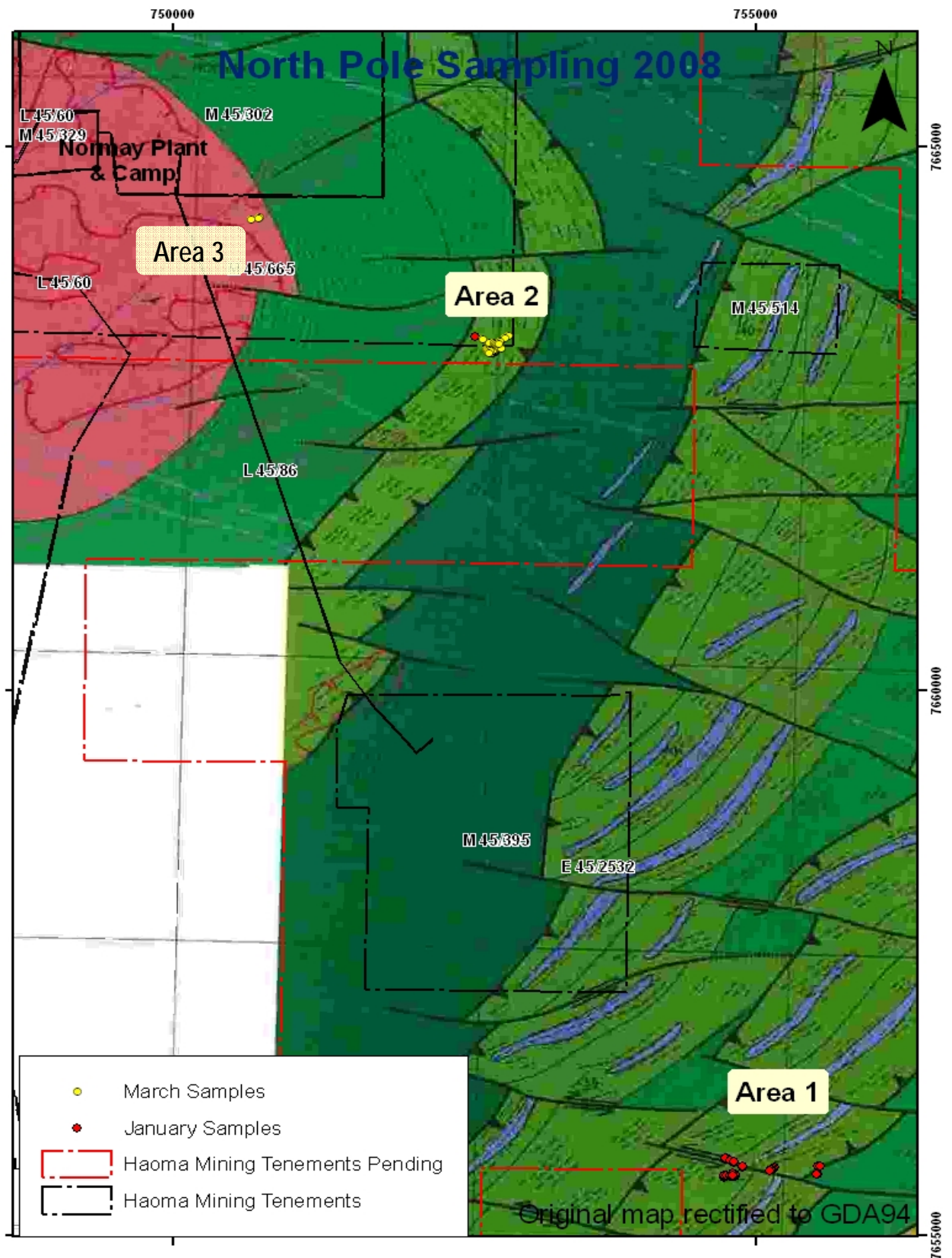
<sup>3</sup> Table 4 of exploration assay results was prepared April 27-30, 2008 by Ms Sandra McKenzie (BSci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

<b>HOLE_ID</b>	<b>GDAE</b>	<b>GDAN</b>	<b>Au ppm</b>	<b>Fe2O3 %</b>	<b>MnO %</b>	<b>Al2O3 %</b>	<b>CaO %</b>	<b>P2O5 %</b>	<b>SO3 %</b>	<b>SiO2 %</b>	<b>V ppm</b>	<b>LOI %</b>
2532-058	755155	7655608	0.03	22.90	14.80	8.27	0.22	0.30	<0.001	36.30	314	9.31
2532-059	755146	7655604	<0.01	43.60	30.10	2.51	0.10	0.46	0.00	9.55	437	11.85
2532-060	755138	7655596	<0.01	9.50	34.60	1.32	20.70	0.16	<0.001	6.02	302	24.20
2532-061	755134	7655596	<0.01	47.90	1.08	3.16	13.05	0.16	0.00	7.35	207	19.70
2532-062	755121	7655591	0.01	42.70	2.20	4.42	10.05	0.22	0.00	9.85	224	20.30
2532-063	755531	7655637	0.07	27.70	0.25	2.40	13.85	0.16	0.00	35.80	218	17.20
2532-064	755549	7655634	2.23	36.80	0.14	1.18	10.40	0.17	<0.001	37.20	196	12.85
2532-065	755555	7655637	0.70	44.30	0.15	1.60	12.60	0.30	0.00	23.40	274	16.50
2532-066	755537	7655558	0.09	41.80	0.25	1.40	17.70	0.38	<0.001	16.75	280	20.30
2532-067	755535	7655561	0.03	60.90	0.32	0.63	12.20	0.26	0.00	3.23	235	19.65
2532-068	755527	7655562	0.01	21.30	0.12	4.17	10.50	0.18	0.00	48.30	162	12.85
2532-071	755645	7655742	0.03	75.20	0.34	0.64	5.05	0.21	0.01	3.76	325	13.70
2532-072	755337	7655695	0.02	53.00	2.58	4.38	0.83	0.13	<0.001	24.90	274	10.20
2532-073	754884	7655619	<0.01	18.40	0.09	13.75	0.59	0.33	<0.001	49.30	118	6.25
2532-074	754884	7655622	<0.01	15.15	0.10	13.10	1.18	0.33	0.00	53.30	174	6.10

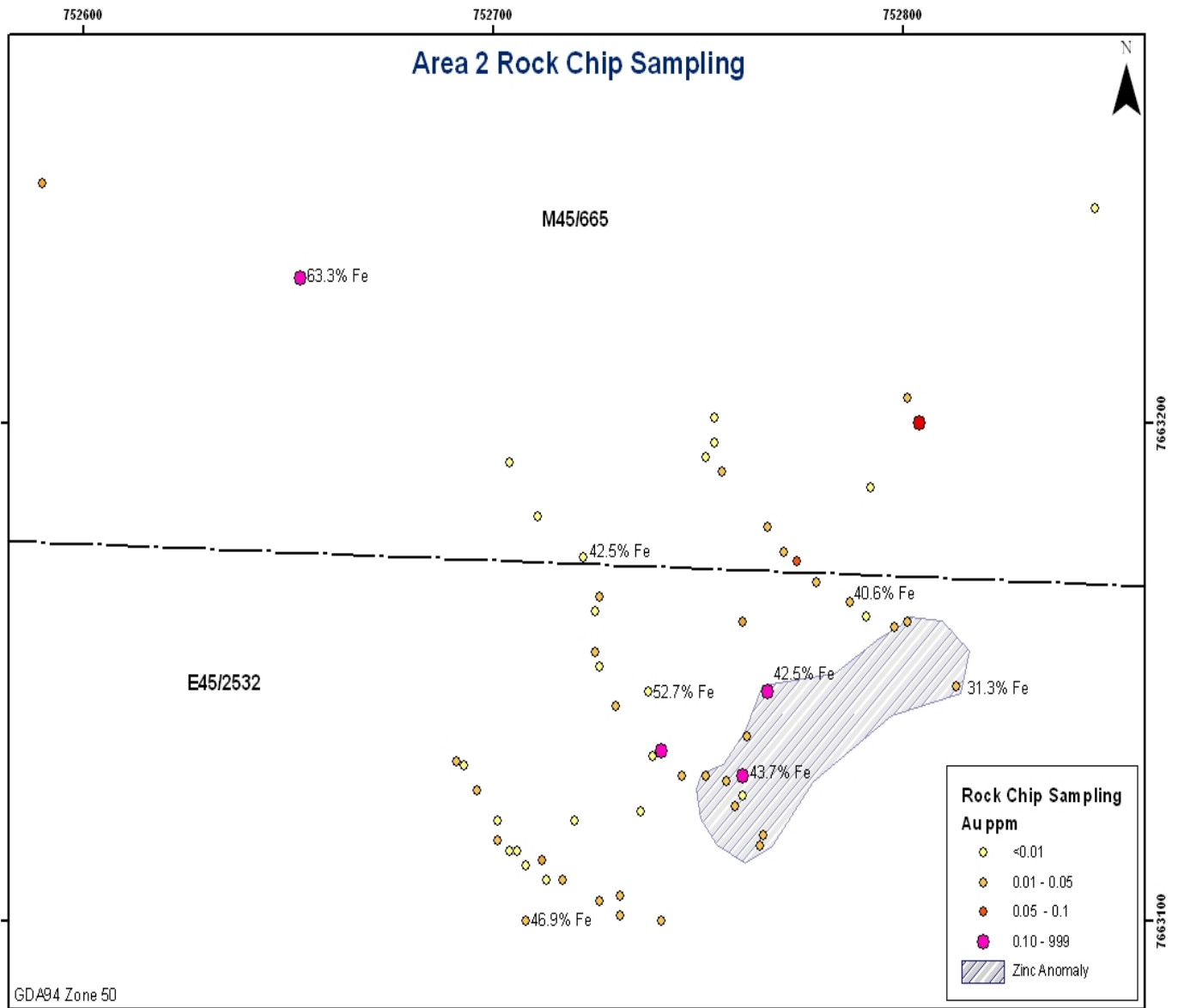
Co ordinates are MGA 50. Gold results are from Atomic Absorption determination with all other analysis being XRF (X-Ray Florescence)



Figure 3: Rock Chip Location Plan



**Figure 4: Area 2 – Location of Rock Chip Samples obtained January–March 2008  
(E45/2532 & M45/665)**



**Table 5: Area 2 – Rock Chip Sample Assays – Significant Results obtained January–March 2008**

[Note:<sup>4</sup>]

AREA 2 – SIGNIFICANT ROCK CHIP SAMPLE ASSAYS													
SAMPLE	EAST	NORTH	Au ppm	Fe <sub>2</sub> O <sub>3</sub> %	Al <sub>2</sub> O <sub>3</sub> %	CaO %	MnO %	P <sub>2</sub> O <sub>5</sub> %	SO <sub>3</sub> %	SiO <sub>2</sub> %	V ppm	Zn ppm	LOI 1000 %
2532-069	752590	7663248	<0.01	2.99	30.00	29.80	0.16	0.093	<0.001	25.70	532	460	9.22
2532-070	752761	7663160	<0.01	2.82	58.10	3.84	0.05	0.140	<0.001	24.30	230	710	8.72
665-001	752712	7663112	<0.01	6.40	50.10	3.66	0.08	0.191	<0.001	28.10	235	230	8.07
665-002	752804	7663200	1.41	1.66	57.40	0.19	0.08	0.097	0.143	35.70	252	3000	3.56
665-003	752691	7663132	0.01	19.05	8.54	0.19	0.23	0.141	<0.001	61.90	168	300	5.39
665-004	752693	7663131	<0.01	23.30	12.15	0.12	0.16	0.063	<0.001	47.40	280	300	7.27
665-005	752696	7663126	0.01	30.90	5.27	0.22	3.08	0.172	0.13	42.10	336	300	6.80

<sup>4</sup> Table 5 of exploration assay results was prepared April 27-30, 2008 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).

**HAOMA MINING NL AND ITS CONTROLLED ENTITIES**  
**CHAIRMAN'S REVIEW AND REPORT ON OPERATIONS**

ACN 008 676 177

SAMPLE	EAST	NORTH	Au ppm	Fe2O3 %	Al2O3 %	CaO %	MnO %	P2O5 %	SO3 %	SiO2 %	V ppm	Zn ppm	LOI 1000 %
665-006	752701	7663120	<0.01	20.40	13.15	0.21	0.43	0.098	<0.001	50.70	280	300	7.21
665-007	752701	7663116	0.01	26.90	8.48	0.41	0.45	0.321	0.01	48.60	224	800	6.70
665-008	752704	7663114	<0.01	43.90	5.09	0.19	2.86	0.217	<0.001	36.00	280	400	8.30
665-009	752708	7663111	<0.01	33.50	9.33	0.18	2.68	0.204	<0.001	37.50	336	700	8.21
665-010	752706	7663114	<0.01	27.60	11.70	0.14	0.93	0.156	<0.001	44.30	280	700	7.30
665-011	752713	7663108	<0.01	31.00	10.15	0.11	0.50	0.113	<0.001	44.30	280	700	7.68
665-012	752717	7663108	0.01	34.40	10.30	0.23	0.34	0.211	<0.001	41.00	280	400	8.22
665-013	752726	7663104	0.02	28.10	10.65	0.45	1.70	0.458	<0.001	43.70	280	400	7.79
665-014	752731	7663105	0.01	38.70	7.88	0.08	0.86	0.155	<0.001	41.10	280	200	6.64
665-015	752731	7663101	0.02	31.60	10.05	0.11	0.44	0.110	<0.001	41.40	280	400	7.74
665-016	752741	7663100	0.04	22.90	11.25	1.06	0.21	0.066	<0.001	47.80	280	400	6.96
665-017	752766	7663117	0.01	48.70	4.30	0.08	1.89	0.117	<0.001	33.60	168	1000	8.20
665-018	752765	7663115	0.01	32.60	3.32	0.19	0.56	0.134	<0.001	55.30	224	800	5.48
665-019	752759	7663123	0.01	24.90	10.20	0.12	0.33	0.130	<0.001	49.10	336	1200	4.71
665-020	752761	7663129	0.88	43.70	4.07	0.07	4.74	0.229	<0.001	36.00	224	14400	6.67
665-021	752757	7663128	0.03	40.80	6.43	0.08	0.55	0.082	<0.001	39.10	336	2700	7.29
665-022	752752	7663129	0.01	37.60	6.95	0.10	0.36	0.156	<0.001	42.00	224	800	6.86
665-023	752746	7663129	0.01	33.10	10.80	0.57	0.23	0.202	<0.001	38.20	336	500	8.11
665-024	752761	7663125	<0.01	38.80	8.53	0.04	0.96	0.109	<0.001	37.10	336	800	7.70
665-025	752741	7663134	0.44	24.50	0.78	0.03	0.22	0.097	<0.001	71.30	112	900	2.40
665-026	752739	7663133	<0.01	33.40	10.10	0.06	0.84	0.101	<0.001	40.80	392	500	7.68
665-027	752738	7663146	<0.01	52.70	5.80	0.09	5.92	0.107	<0.001	22.10	280	1300	9.44
665-028	752730	7663143	0.01	41.10	2.87	0.05	9.03	0.066	<0.001	36.50	280	600	7.69
665-029	752726	7663151	<0.01	38.10	8.23	0.04	0.58	0.062	<0.001	37.50	280	500	7.74
665-030	752725	7663154	0.01	27.30	10.10	0.07	0.47	0.044	<0.001	50.70	224	500	6.53
665-031	752725	7663162	<0.01	29.90	8.76	0.05	0.99	0.044	<0.001	47.70	280	600	5.66
665-032	752726	7663165	0.01	34.60	8.22	0.12	0.53	0.056	<0.001	45.20	280	1200	5.78
665-033	752722	7663173	<0.01	42.50	8.86	0.05	0.37	0.124	<0.001	32.30	280	500	7.61
665-034	752711	7663181	<0.01	34.70	7.82	0.11	0.32	0.253	<0.001	44.20	224	600	7.13
665-035	752704	7663192	<0.01	31.60	10.85	0.08	0.53	0.063	<0.001	43.50	336	800	7.30
665-036	752767	7663146	1.47	42.50	1.22	0.06	0.09	0.121	<0.001	51.30	168	1000	3.50
665-037	752762	7663137	0.02	26.60	10.40	0.07	3.08	0.099	<0.001	46.60	280	3600	6.90
665-038	752736	7663122	<0.01	27.00	11.45	0.13	0.61	0.078	<0.001	45.70	336	500	7.44
665-039	752720	7663120	<0.01	29.00	10.90	0.06	0.54	0.064	<0.001	44.10	280	600	6.77
665-040	752708	7663100	0.01	46.90	6.77	0.07	2.48	0.215	<0.001	29.40	224	3500	8.34
665-091	752653	7663229	0.45	63.30	2.70	0.06	0.11	0.232	0.118	27.30	224	4600	4.61
665-092	752754	7663201	<0.01	27.90	11.20	0.20	0.53	0.148	<0.001	45.50	280	400	7.10
665-093	752754	7663196	<0.01	32.40	10.65	0.17	0.78	0.105	<0.001	41.80	280	400	7.54
665-094	752752	7663193	<0.01	28.60	8.57	0.12	0.23	0.082	<0.001	50.80	224	400	6.03
665-095	752756	7663190	0.01	19.70	7.39	0.10	0.17	0.036	<0.001	64.20	168	300	3.97
665-096	752767	7663179	0.01	3.72	0.56	0.04	0.02	0.024	0.505	87.80	<0.01	100	0.25
665-097	752771	7663174	0.01	1.62	1.00	<0.01	0.01	0.013	<0.001	96.70	<0.01	<0.01	0.20
665-098	752774	7663172	0.08	25.10	3.89	0.06	0.13	0.068	0.232	59.80	224	1400	2.66
665-099	752779	7663168	0.02	7.50	12.05	0.10	0.05	0.065	<0.001	70.30	280	600	3.23
665-100	752787	7663164	0.01	40.60	7.16	0.13	0.80	0.170	<0.001	40.10	224	500	6.57
665-101	752791	7663161	<0.01	38.70	7.55	0.06	1.34	0.215	<0.001	39.40	280	400	7.52
665-102	752798	7663159	0.01	28.10	8.93	0.20	0.41	0.115	1.33	51.80	224	500	5.70
665-103	752801	7663160	0.03	37.40	4.63	0.45	0.49	0.093	<0.001	46.80	168	2500	6.37
665-104	752813	7663147	0.05	31.30	7.60	0.67	2.35	0.157	<0.001	44.40	224	6600	6.95
665-105	752874	7663256	0.01	36.20	5.90	0.09	0.37	0.058	<0.001	47.00	224	600	6.09
665-106	752847	7663243	<0.01	38.40	7.84	0.13	0.42	0.065	<0.001	41.10	224	600	7.22
665-107	752801	7663205	0.02	28.20	3.69	0.09	20.40	0.072	<0.001	36.70	224	400	7.77
665-108	752792	7663187	<0.01	33.80	6.70	0.16	2.88	0.076	<0.001	46.20	280	600	5.75

In March several areas between Area 2 and the Normay Plant/Camp were found to have small outcropping mafic units which showed strong iron concentrations. One of these outcrops (Area 3) was sampled and returned high levels of iron. Results of this sampling are reported in the Table 6.

**Table 6: Area 3 – Rock Chip Sample Assays – Significant Results obtained March 2008 [Note:3]**

AREA 3 – SIGNIFICANT ROCK CHIP SAMPLE ASSAYS													
SAMPLE	EAST	NORTH	Au ppm	Al <sub>2</sub> O <sub>3</sub> %	CaO %	Fe <sub>2</sub> O <sub>3</sub> %	MnO %	P <sub>2</sub> O <sub>5</sub> %	SO <sub>3</sub> %	SiO <sub>2</sub> %	V ppm	Zn ppm	LOI 1000 %
665-109	750667	7664327	<0.01	7.13	0.87	67.1	0.77	0.425	<0.001	10.15	168	400	11.9
665-110	750738	7664352	<0.01	6.82	0.05	71.5	0.08	0.558	<0.001	8.08	280	300	11.7
665-111	750735	7664344	<0.01	3.75	0.07	77.6	0.12	0.664	<0.001	5.01	168	200	11.85

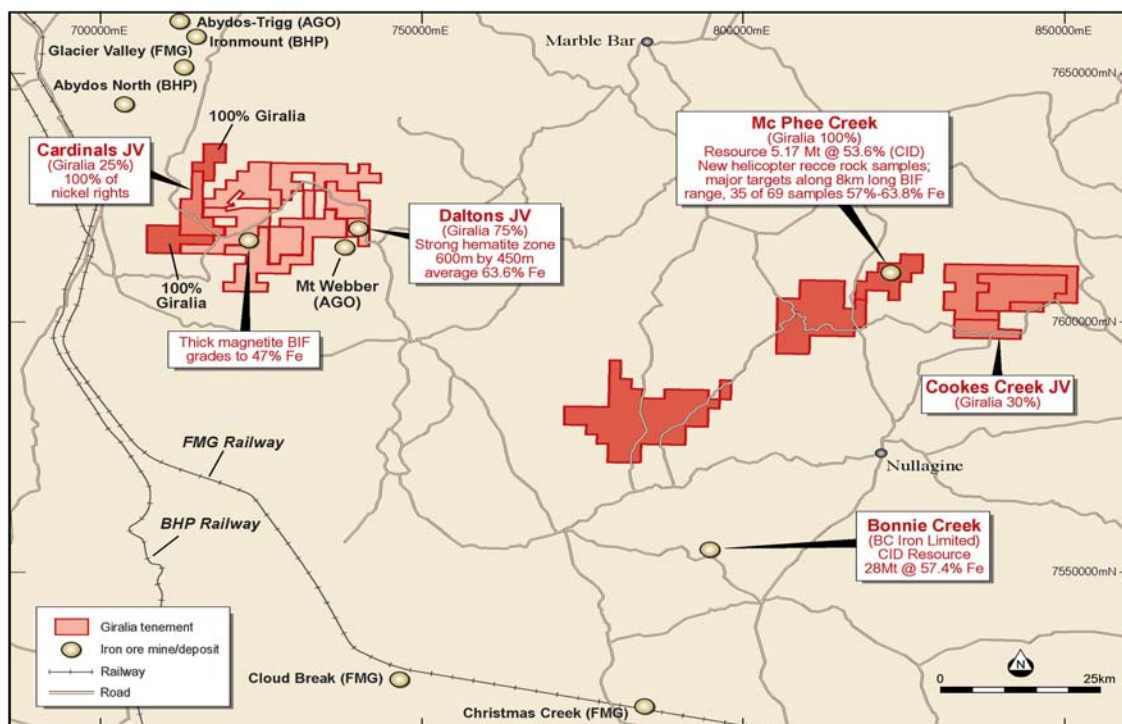
Brookdale Contractors is continuing to remove screened stone from the waste dumps at the Dresser mine site and now have added coarse rock to the contract. Haoma receives \$4.50 per tonne for all stone removed from the North Pole area.

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

Haoma holds a 25% interest at the Daltons Nickel Joint Venture with Giralia Resources NL (75% interest). The Daltons nickel Joint Venture area is located 150 kilometres south of Port Headland in the Pilbara Region of Western Australia. Haoma has retained the right to all gold/silver and tin/tantalum mineralisation.

During the September Quarter of 2008, helicopter supported rock sampling and mapping outlined several substantial zones of outcropping high grade hematite iron ore at the Daltons Joint Venture tenements (Giralia Resources NL 75%, Haoma 25%). (See [Haoma's ASX Announcement of August 8, 2008](#)).

**Figure 5: location plan showing project locations, infrastructure and competitor projects**



The Daltons Joint Venture tenements lie only 20 to 30 kilometres east of BHP Billiton and FMG rail lines. Competitor activity for iron ore in the area is intense, with Atlas Iron Limited completing a Pre Feasibility Study on its Abydos deposit around 25 kilometres to the north of the Daltons JV area, and FMG reporting strongly magnetic banded iron formation (“BIF”) up to 400 metres thick from the nearby FMG/Baosteel Glacier Valley magnetite joint venture.

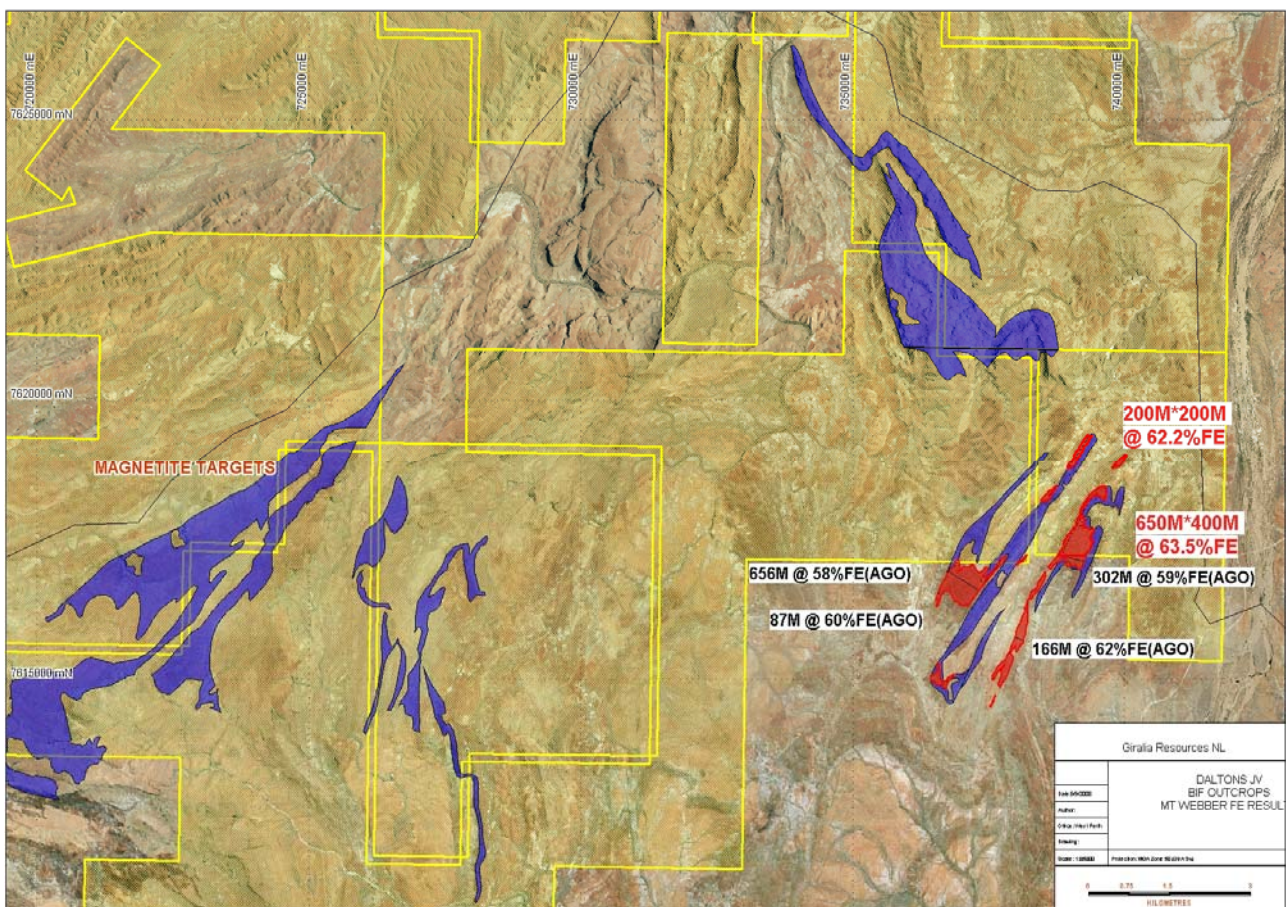
The Daltons JV tenements host around 30 strike kilometres of Archaean age BIF mapped by the GSWA as extensions to the units that host iron ore deposits and prospects to the north.

Using helicopter support, a total of 70 rock chip samples were collected from outcrops of BIF in the Daltons JV area, with 26 samples returning potentially direct shipping (“DSO”) grades of iron ore. Most significant is a substantial 600 metres by 450 metres zone of strong hematite enrichment in the east of the JV area where average iron grades exceed 63% Fe.

The mineralisation is interpreted to occur in a fold hinge and appears relatively shallowly dipping locally. The overall thickness of the mineralisation can only be determined by drilling. Additionally rock chip sampling of an area just to the north of the new discovery has returned a grade of 62.2% Fe from another outcrop of massive hematite extending for approximately 200 metres by 200 metres. This area is a direct extension of Atlas Iron’s Mt Webber prospect, where a rock chip traverse sample of 302 metres @ 59% Fe is reported by Atlas from immediately across the tenement boundary.

Further mapping and sampling of a prominent BIF/chert range in the west of the Daltons JV area outlined potential for magnetite type iron ore mineralisation, with thick zones of BIF grading 30 to 47% Fe identified in preliminary reconnaissance is to be scheduled.

**Figure 6: Daltons JV area (yellow shaded) showing BIF units (blue) and hematite targets (red) with significant July 2008 sampling results Fe%**



**TABLE 7: ASSAY RESULTS FOR ROCK SAMPLES DALTONS JOINT VENTURE  
JULY 2008 HELICOPTER SUPPORTED SAMPLING**

Sample	East	North	Datum	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
HS052	737144	7617753	GDA94/50	32.45	46.89	2.10	0.04	0.06	4.00
<b>HS053</b>	<b>739143</b>	<b>7617432</b>	<b>GDA94/50</b>	<b>65.40</b>	0.68	0.49	0.09	0.05	5.42
<b>HS054</b>	<b>739081</b>	<b>7617391</b>	<b>GDA94/50</b>	<b>64.96</b>	1.75	0.60	0.09	0.04	3.9
<b>HS055</b>	<b>739293</b>	<b>7619223</b>	<b>GDA94/50</b>	<b>59.75</b>	2.24	0.53	<b>0.44</b>	0.02	10.77
<b>HS056</b>	<b>739299</b>	<b>7619200</b>	<b>GDA94/50</b>	<b>54.96</b>	7.01	5.33	<b>0.29</b>	0.05	8.01
<b>HS057</b>	<b>738660</b>	<b>7618362</b>	<b>GDA94/50</b>	<b>62.64</b>	1.83	2.04	0.13	0.07	6.32
<b>HS058</b>	<b>738694</b>	<b>7618388</b>	<b>GDA94/50</b>	<b>56.54</b>	2.73	2.25	0.13	0.02	11.35
<b>HS059</b>	<b>738530</b>	<b>7618197</b>	<b>GDA94/50</b>	<b>63.70</b>	2.70	1.29	0.11	0.04	5.33
HS064	737074	7622597	GDA94/50	49.89	23.79	0.97	0.05	0.03	3.29
<b>HS065</b>	<b>737002</b>	<b>7622610</b>	<b>GDA94/50</b>	<b>50.61</b>	20.65	2.03	0.09	0.03	4.56
<b>HS066</b>	<b>739208</b>	<b>7617719</b>	<b>GDA94/50</b>	<b>63.17</b>	0.65	0.60	0.14	0.02	8.76
HS067	736394	7623505	GDA94/50	11.47	80.60	0.58	0.03	0.03	1.09
HS068	736419	7623448	GDA94/50	26.76	46.82	6.51	0.06	0.03	7.51
HS069	735290	7624206	GDA94/50	18.53	71.49	0.23	0.03	0.09	1.08
<b>HS070</b>	<b>739378</b>	<b>7617662</b>	<b>GDA94/50</b>	<b>62.82</b>	2.43	0.69	0.09	0.03	7.63
HS071	738673	7620730	GDA94/50	37.66	43.62	0.49	0.08	0.02	2.39
HS072	719938	7614653	GDA94/50	41.37	39.06	0.49	0.04	0.03	1.23
HS073	719933	7614683	GDA94/50	36.26	47.19	0.40	0.04	0.02	0.74
HS074	722360	7615005	GDA94/50	32.8	50.16	0.17	0.04	0.02	1.52
HS075	724223	7618338	GDA94/50	31.16	51.50	0.39	0.04	0.08	2.54
HS076	738625	7620730	GDA94/50	20.38	66.53	0.87	0.05	0.04	2.5
HS078	719956	7614638	GDA94/50	42.77	35.96	0.49	0.05	0.04	1.56
HS079	725623	7619453	GDA94/50	40.92	39.57	0.25	0.03	0.03	0.65
HS082	725701	7619462	GDA94/50	36.28	45.46	0.48	0.06	0.03	1.54
HS105	722340	7615102	GDA94/50	47.47	28.53	0.25	0.04	0.04	2.51
<b>HS107</b>	<b>739374</b>	<b>7617468</b>	<b>GDA94/50</b>	<b>63.05</b>	2.93	0.87	0.08	0.07	5.36
<b>HS108</b>	<b>739300</b>	<b>7617500</b>	<b>GDA94/50</b>	<b>64.53</b>	0.67	0.41	0.06	0.05	5.69
<b>HS109</b>	<b>739175</b>	<b>7617370</b>	<b>GDA94/50</b>	<b>65.49</b>	1.07	0.40	0.07	0.02	4.46
<b>HS110</b>	<b>739129</b>	<b>7617478</b>	<b>GDA94/50</b>	<b>64.90</b>	0.77	0.58	0.08	0.04	5.04
HS111	721208	7615276	GDA94/50	3.22	93.81	0.08	0.03	0.01	0.41
HS112	721152	7615342	GDA94/50	10.77	81.67	0.15	0.03	0.01	1.61
<b>HS113</b>	<b>738573</b>	<b>7618223</b>	<b>GDA94/50</b>	<b>63.37</b>	2.33	0.72	0.07	0.03	7.63
<b>HS114</b>	<b>737718</b>	<b>7617103</b>	<b>GDA94/50</b>	<b>64.48</b>	1.51	0.71	0.09	0.04	6.37
<b>HS115</b>	<b>737738</b>	<b>7617138</b>	<b>GDA94/50</b>	<b>60.70</b>	1.23	0.66	0.15	0.05	10.55
HS116	724029	7617231	GDA94/50	32.57	52.42	0.18	0.04	0.01	0.24
HS117	724090	7617178	GDA94/50	13.72	78.28	0.29	0.03	0.02	1.10
HS118	725396	7618835	GDA94/50	11.85	80.62	0.08	0.03	0.00	0.70
HS119	725450	7618850	GDA94/50	44.53	34.60	0.38	0.04	0.01	1.07
HS131	724641	7618082	GDA94/50	32.55	49.26	0.46	0.04	0.02	2.85
HS158	722329	7617116	GDA94/50	16.68	74.17	0.11	0.03	0.03	1.33
<b>HS171</b>	<b>739238</b>	<b>7617267</b>	<b>GDA94/50</b>	<b>55.97</b>	12.13	1.63	0.08	0.06	5.63
HS172	739174	7617265	GDA94/50	61.52	4.74	1.04	0.09	0.07	6.24
<b>HS173</b>	<b>739148</b>	<b>7617278</b>	<b>GDA94/50</b>	<b>64.63</b>	2.06	0.90	0.07	0.11	4.63
<b>HS174</b>	<b>739184</b>	<b>7617356</b>	<b>GDA94/50</b>	<b>64.08</b>	1.41	0.85	0.09	0.05	6.58
HS175	738233	7617854	GDA94/50	36.74	40.81	2.16	0.04	0.04	3.92
HS176	738203	7617811	GDA94/50	40.33	34.51	1.29	0.07	0.03	6.21

Sample	East	North	Datum	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
HS177	738153	7617830	GDA94/50	19.45	66.51	1.62	0.12	0.08	2.38
HS178	738907	7618714	GDA94/50	29.80	51.09	1.71	0.07	0.04	4.75
HS179	738945	7618699	GDA94/50	49.30	18.57	2.27	0.13	0.04	8.42
HS180	738520	7618794	GDA94/50	49.27	18.50	2.29	0.13	0.04	7.98
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
<b>HS183</b>	<b>739173</b>	<b>7617385</b>	<b>GDA94/50</b>	<b>63.76</b>	2.71	0.87	0.09	0.04	5.63
HS184	735733	7624025	GDA94/50	1.47	95.74	1.20	0.03	0.01	0.27
HS185	736131	7622819	GDA94/50	1.29	94.77	1.84	0.02	0.01	0.34
HS186	738181	7621210	GDA94/50	6.02	89.77	0.30	0.03	0.02	0.81
HS187	718659	7615317	GDA94/50	40.31	22.42	7.80	0.05	0.13	11.55
HS188	718719	7615271	GDA94/50	29.81	39.63	9.08	0.04	0.05	6.33
HS189	720921	7616081	GDA94/50	1.58	96.35	0.25	0.03	0.01	-0.05
HS190	720862	7616177	GDA94/50	20.33	68.75	0.14	0.03	0.01	0.76
HS191	720927	7616263	GDA94/50	1.81	93.20	1.43	0.03	0.02	0.96
HS192	721663	7617124	GDA94/50	30.28	40.54	3.02	0.04	0.05	8.01
<b>HS193</b>	<b>738964</b>	<b>7617223</b>	<b>GDA94/50</b>	<b>65.43</b>	1.51	1.10	0.06	0.06	3.82
<b>HS194</b>	<b>739061</b>	<b>7617141</b>	<b>GDA94/50</b>	<b>62.92</b>	2.08	0.65	0.06	0.04	7.39
<b>HS195</b>	<b>739139</b>	<b>7617008</b>	<b>GDA94/50</b>	<b>64.55</b>	1.87	1.19	0.07	0.06	5.78
HS196	722173	7617154	GDA94/50	44.32	33.81	0.56	0.05	0.04	1.62
HS197	722162	7617176	GDA94/50	40.24	40.01	0.55	0.04	0.04	0.86
HS198	722343	7617072	GDA94/50	12.49	78.81	0.21	0.03	0.03	1.79
HS199	724270	7618294	GDA94/50	24.68	59.87	0.31	0.03	0.03	2.91
<b>HS200</b>	<b>721793</b>	<b>7617106</b>	<b>GDA94/50</b>	<b>57.42</b>	6.65	0.81	0.04	0.02	10.75

All coordinates in Zone 50 GDA 94, by hand held GPS ( $\pm 10m$ ). XRF analyses by Spectrolab Laboratory Geraldton. QA/QC included field duplicate samples and standards (Certified Reference Material).

*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. 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.*

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

During the 2008 year Haoma received royalty income of \$357,712 for rock mined from Haoma's Cookes Hill tenement M45/1005. BGC Contracting has advised Haoma that it expects to require approximately 1.4 million tonnes of Dolerite from late 2008.

Haoma has recently completed negotiations to vary the Tribute Agreement with BGC Contracting to supply Dolerite as rail ballast to companies in the area. The variation has increased the royalty payment from \$0.46c per tonne to \$0.75c per tonne plus an annual CPA adjustment.

Samples of excavated material from the Cookes Hill Quarry are periodically taken from areas mined by BGC Contracting and given to Haoma for assaying. This procedure is to check that the railway ballast mined by BGC Contracting does not contain any form of mineralisation. (Haoma Mining NL has retained the rights to all gold mineralisation found on M45/1005). To date all assays have returned normal background levels of gold.

**6 Comet Gold Mine & Tourist Centre**

Work is underway to upgrade the Comet Gold Mine and Tourist Centre and restore underground mine access and tours through the former Comet Mine Processing Plant.

Work has been completed on the restoration of two of the 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. [Power Station Engines Demonstration](#).

Upgrading of on site backpacker accommodation will be completed prior to the forthcoming tourist season.



Photograph 4

Comet Mine Power Station engines, restoration of two engines is now complete



**7. Queensland Exploration Activities**

**Mt Canton Prospect (EPM 14038)**

During the year, gridded rock chip sampling was conducted at the Fishermans Prospect on tenement EPM14038 within an area of prospective host lithology and quartz veining. Some significant results were initially returned. The gridded sampling was then extended to close off the anomaly and hopefully extend the area.

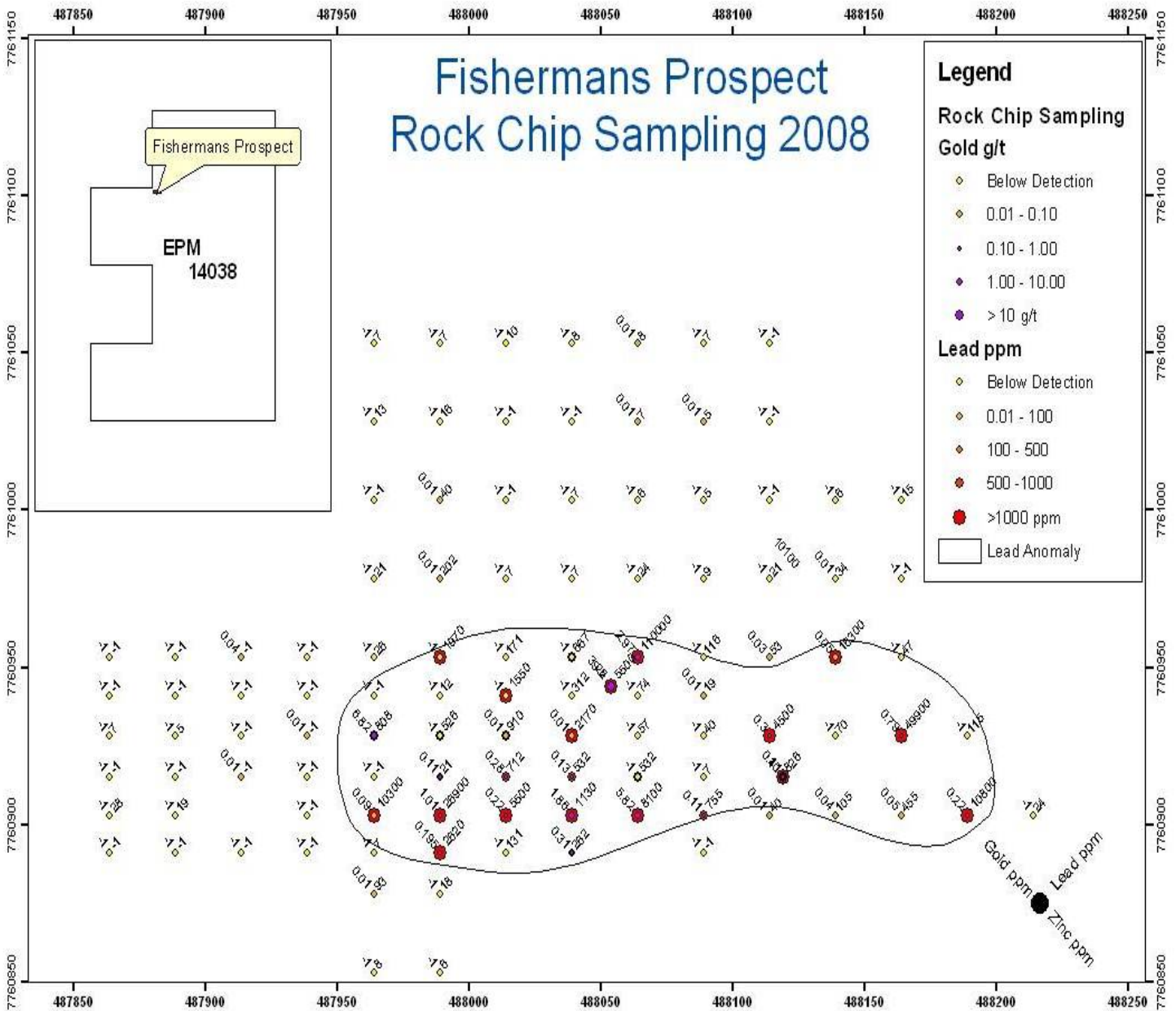
The anomaly (250m x 70m) has strongly elevated levels of lead and gold, contained within east west striking, steeply dipping quartz veins, up to 2 m wide. Further sampling was unable to increase the size of the anomaly. Table 8 below lists the significant rock chip assays which returned elevated levels of gold and lead grades.

**Table 8: Fishermans Prospect Significant Rock Chips <sup>5</sup>**

<b>SAMPLE REF</b>	<b>GDAE</b>	<b>GDAN</b>	<b>Au g/t</b>	<b>Ag g/t</b>	<b>Cu ppm</b>	<b>Mo ppm</b>	<b>Pb ppm</b>	<b>Zn ppm</b>
R7383	487758	7761107	0.01	<1	272	<1	1120	258
R7385	487777	7755540	0.01	<1	45	<1	605	996
R7318	487964	7760903	0.09	4	833	10	10300	731
R7329	487964	7760928	6.82	48	86	<1	808	42
R7319	487989	7760903	1.01	13	657	<1	26900	175
R7340	487989	7760953	<0.01	<1	43	<1	1070	66
R7392	487989	7760891	0.20	2	1020	<1	2620	379
R7406	487989	7760915	0.11	<1	534	<1	21	40
R7320	488014	7760903	0.22	7	117	<1	5500	58
R7407	488014	7760915	0.28	3	129	<1	712	359
R7421	488014	7760941	<0.01	1	83	<1	1550	64
R7321	488039	7760903	1.86	4	96	<1	1130	31
R7332	488039	7760928	0.01	1	57	<1	2170	21
R7394	488039	7760891	0.31	2	474	<1	262	31
R7408	488039	7760915	0.13	3	151	<1	532	56
R7322	488064	7760903	5.82	7	189	<1	8100	101
R7343	488064	7760953	2.97	37	1720	<1	110000	475
R7323	488089	7760903	0.11	1	104	<1	755	223
R7335	488114	7760928	0.30	2	434	63	4500	248
R7346	488139	7760953	0.05	3	437	<1	16300	10100
R7337	488164	7760928	0.79	17	787	<1	49900	441
R7327	488189	7760903	0.22	3	133	<1	10800	47

<sup>5</sup> Table 8 of exploration assay results was prepared July 25-29, 2008 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).

**Figure 7: Fishermans Prospect Rock Chip Sampling 2008**



**Burdekin Gold Tenements (EPM 14297)**

A total of 79 gridded soil samples were collected in the old Carstens Area and sent to Analabs in Townsville for analysis for Au, Ag, As, Cu, Mo, Pb and Zn. The assays showed no significant grades.

Finally, 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 thanks go to Mr Peter Cole, Prof Peter Scales, Mr Hugh Morgan who have all contributed to solving the Pilbara assay and metallurgical problems. In addition the Board would like to thank Mr Tristin Cole, Mr Steve Wilson, Mr Bob Ward and all others who have been involved in re-engineering the Bamboo Creek Plant; our geologist, Ms Sandra McKenzie for her significant contribution in upgrading Haoma's Western Australia and Queensland tenements. The Board also extends its thanks to our Top Camp Manager in Queensland - Merlene Manderson and our Comet Mine Manager in Western Australia Tracie King.



Gary C. Morgan  
Chairman

December 24, 2008



Comet Gold Mine Plant from Tourist Centre

**HAOMA MINING NL**  
**ANNUAL FINANCIAL STATEMENTS & REPORTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2008**

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, 2008.

## **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 (appointed October 22, 2007)

## **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 financial year to June 30, 2008 was \$6,453,746 (2007 – loss \$7,895,563).

## **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, 2008, 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.

Research and investigation work associated with developing a true assay method for the complex gold ores in the Pilbara Region of Western Australia is ongoing at the company's Processing Plant and Laboratory at Bamboo Creek. Test work has continued to develop a Refined Elazac Assay Method and Refined Elazac Gold Extraction Method. Recent results from five **Refined Elazac Assay Method** tests on Bamboo Creek Tails measured an average gold grade of 6.06 g/t while by traditional Fire Assays the gold grade was 0.17 g/t. Recent **Refined Elazac Assay Method** testwork also showed that about 40% of the arsenic in Bamboo Creek nickel sulphide ore can be extracted into solution. An arsenic recovery phase to clean the leach solution is presently being refined at the Bamboo Creek Laboratory.

Tests using a **Refined Elazac Gold Extraction Method** showed that gold was produced to bullion when bulk samples of Bamboo Creek Vat solution were processed through the modified Bamboo Creek Processing Plant. The gold grade of the Vat solution by the traditional AAS assay method was "zero". The gold grade "back calculated" from fine gold produced equated to a Vat solution gold grade of 0.015 ppm (73.501 g of fine gold was recovered from 4,767 m<sup>3</sup> of Vat solution).

Bulk sample tests are at present continuing through the Bamboo Creek Plant. All test work was performed under the supervision of consultants, Mr. Peter Cole, Registered Manager and metallurgical consultant Dr. Peter Scales.

## **FINANCIAL POSITION**

The consolidated financial position shows a deficiency of net assets at June 30, 2008 of \$23,922,884 (2007 – deficiency \$17,756,568). 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 \$25 million of financial support to the Group.

In the 2007 financial report, tenements located in the Eastern Goldfields Region of Western Australia ("Linden Tenements") were disclosed as Assets Held for Sale. This disclosure was based upon a May 2006 sale agreement whereby Haoma had agreed to sell the Linden tenements to Deepstrike Resources Ltd. Subsequent to that agreement, Deepstrike further contracted to acquire the Second Fortune Mining Camp located on the Linden Tenements. Deepstrike Resources Ltd paid Haoma a \$250,000 non-refundable deposit in respect to the combined sale agreements. The sales were not completed. In 2008, the Linden Tenements have been reclassified as Exploration and Evaluation. The Board is considering other opportunities for the sale or exploitation of these tenements.

## **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, 2008.

## **EVENTS SUBSEQUENT TO BALANCE DATE**

Except for the above disclosures, no other matter or circumstance 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 2008/09, 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. While this work is undertaken, the Bamboo Creek Processing Plant will essentially remain on care and maintenance.

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](http://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

Appointment Date:

Experience:

Interest in Shares and Options:

Directorships held in other listed entities:

Special Responsibilities:

Chairman

May 10, 1991

Executive Chairman of Roy Morgan Research Pty Ltd. He is a member of a number of research and marketing organizations.

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.

Nil

Nil

John Lachlan Charles McINNES, B.Comm, FCA

Appointment Date:

Experience:

Interest in Shares and Options:

Special Responsibilities:

Non-executive Director

May 10, 1991

Chartered Accountant and Director in Mutual Trust Pty Ltd. He is a Registered Company Auditor and is Chairman of the Company's Audit Committee. Mr. McInnes is also a Director of other companies associated with Haoma's Chairman, Mr. Gary Morgan.

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.

Chairman of Audit Committee.

Michele LEVINE, B.Sc (Hons), Env. St

Appointment Date:

Experience:

Directorships held in other listed entities:

Interest in Shares and Options:

Special Responsibilities:

Executive Director

August 8, 1994

Director and Chief Executive Officer of Roy Morgan Research.

Nil

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.

Nil

Howard Toomey B.Bus. (Acc.) CA

Appointment Date:

Experience:

Directorships held in other listed entities

Interest in Shares and Options

Special Responsibilities

Company Secretary

October 22, 2007

Chartered Accountant and CFO of Roy Morgan Research.

Nil

Nil

Audit Committee

James WALLACE B.Ec, CA

Appointment Date:

Experience:

Directorships held in other listed entities

Interest in Shares and Options

Special Responsibilities

Company Secretary

November 21, 1997

Chartered Accountant

Nil

Options to acquire 100,000 shares

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 \$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 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. The following Table 1 details remuneration paid to members of the Group Executive for the year ended June 30, 2008.



**REMUNERATION REPORT – (AUDITED) Continued**

**Table 1: Remuneration of Key Management Personnel**

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	--
<b>Total</b>		<b>290,400</b>	--	--	<b>7,200</b>	<b>140,700</b>	<b>438,300</b>	--

(\*) 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.

2007		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	26,200	43,600	--
Non-Executive Director								
John McInnes (*)	Full Year	40,000	--	--	3,600	--	43,600	--
Key Management Personnel								
Peter Cole	Full Year	165,600	--	--	--	--	165,600	--
<b>Total</b>		<b>285,600</b>	--	--	<b>7,200</b>	<b>26,200</b>	<b>292,800</b>	--

**Service agreements**

Remuneration and other terms of employment for the Directors and other Key Management Personnel are formalised in service agreements. The remuneration is not dependent on satisfaction of predetermined performance criteria, however, a bonus can be paid to senior management at the discretion of the Board.

**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 predetermined 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. The 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.

The options expire November 30, 2009. At the date of the report no options had been exercised.

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.

<b>2008</b>	<b>Options Granted</b>	<b>Options Granted as part of remuneration</b>	<b>Total remuneration represented by options</b>	<b>Options Exercised</b>	<b>Options Lapsed (11/11/07)</b>	<b>Total</b>
		\$	%	\$	\$	\$
Company Officer						
Michele Levine – Director	2,000,000	80,400	64.8	-	(26,200)	80,400
Jim Wallace – Secretary	100,000	4,020	-	-	(1,310)	4,020
Key Management Personnel						
Peter Cole	1,500,000	60,300	26.1	-	(3,275)	60,300
	<b>3,600,000</b>	<b>144,720</b>		<b>-</b>	<b>(30,785)</b>	<b>144,720</b>

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 five full meetings of the Board of Directors and two meetings of the Audit Committee. The number of meetings attended by each of the Directors is:

	<b>Full meetings of Directors</b>	<b>Meetings of Audit Committee</b>
<b>Number of meetings held:</b>	3	2
<b>Number of meetings attended by:</b>		
Mr. G C Morgan	3	-
Ms. M Levine	3	-
Mr. J McInnes	3	2

**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, 2008 is included at page 8.

**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 C. Morgan  
Chairman**

Melbourne,  
September 30, 2008

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of Haoma Mining NL for the year ended 30 June 2008, 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.



**R A Dean**  
**Partner**  
**PKF**  
**Chartered Accountants**

30 September 2008  
Melbourne

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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 2008.

### **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:

<b>Name</b>	<b>Position</b>
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. The Non-Executive Director is a leader in his field and holds senior positions in other Australian companies.

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](http://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, 2008

	Note	Consolidated Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
<b>Continuing Operations</b>					
Sale of goods .....	3 (a)	107,532	77,800	107,532	77,800
Retail Sales .....		199,231	130,943	199,231	130,943
Royalty income .....		434,320	-	434,320	-
Finance revenue .....	3 (a)	151	748	151	748
<b>Revenue</b> .....		<b>741,234</b>	209,491	<b>741,234</b>	209,491
Other income .....	3 (b)	-	275,000	-	275,000
Cost of sales .....		(415,765)	(499,385)	(415,767)	(499,385)
Test work and plant configuration expenditure .....		(2,261,798)	(4,318,007)	(2,250,489)	(4,305,585)
Exploration and tenement costs expensed .....		(537,914)	(576,389)	(480,404)	(541,201)
Administration and compliance expense .....	3(c)	(566,863)	(533,726)	(506,863)	(425,275)
Finance costs .....	3(d)	(2,487,964)	(1,769,547)	(2,487,798)	(1,769,381)
Depreciation and amortisation costs .....	3(e)	(581,610)	(618,776)	(534,410)	(571,577)
Allowance for doubtful debts - inter company loan .....	3(f)	-	-	(96,237)	(115,079)
Impairment loss .....	3(h)	(22,273)	-	(22,273)	-
Provision for rehabilitation .....		(33,363)	(64,224)	(11,084)	(21,439)
Share option expense .....		(287,430)	-	(287,430)	-
Loss before income tax .....		(6,453,746)	(7,895,563)	(6,351,521)	(7,764,431)
Income tax expense .....	4	-	-	-	-
<b>Net loss attributable to members of the parent entity</b> .....		<b>(6,453,746)</b>	(7,895,563)	<b>(6,351,521)</b>	(7,764,431)
Earnings per share (cents per share)					
- basic loss for the year attributable to ordinary equity holders of the parent	5	(3.34)	(4.09)		
Diluted earnings (loss) per share (cents per share)	5	(3.34)	(4.09)		

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



**BALANCE SHEET**

AS AT JUNE 30, 2008

	Note	Consolidated Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents .....	7	592	24,003	586	21,753
Trade and other receivables .....	8	54,372	43,579	54,372	43,579
Inventories .....	9	432,854	330,544	432,854	330,544
		<b>487,818</b>	398,126	<b>487,812</b>	395,876
Non-current assets classified as held for sale .....	10	-	1,525,000	-	1,525,000
<b>Total Current Assets</b> .....		<b>487,818</b>	1,923,126	<b>487,812</b>	1,920,876
<b>Non-current Assets</b>					
Other financial assets .....	11	-	-	-	-
Property, plant and equipment .....	13	1,342,869	1,918,890	1,313,942	1,842,763
Exploration and evaluation .....	14	7,535,000	6,035,000	6,535,000	5,035,000
<b>Total Non-Current Assets</b> .....		<b>8,877,869</b>	7,953,890	<b>7,848,942</b>	6,877,763
<b>TOTAL ASSETS</b> .....		<b>9,365,687</b>	9,877,016	<b>8,336,754</b>	8,798,639
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and other payables .....	15	1,536,464	1,378,426	1,290,852	1,163,316
Interest bearing loans and borrowings .....	16	30,150,164	23,838,023	30,150,164	23,838,023
Provisions .....	17	71,440	56,006	71,440	56,006
Income tax payable .....	18	119,916	685,522	119,916	685,522
<b>Total Current Liabilities</b> .....		<b>31,877,984</b>	25,957,977	<b>31,632,372</b>	25,742,867
<b>Non-Current Liabilities</b>					
Interest bearing loans and borrowings .....	16	-	298,383	-	298,383
Provisions .....	17	1,410,587	1,377,224	470,196	459,112
<b>Total Non-Current Liabilities</b> .....		<b>1,410,587</b>	1,675,607	<b>470,196</b>	757,495
<b>TOTAL LIABILITIES</b> .....		<b>33,288,571</b>	27,633,584	<b>32,102,568</b>	26,500,362
<b>NET ASSETS/(LIABILITIES)</b> .....		<b>(23,922,884)</b>	(17,756,568)	<b>(23,765,814)</b>	(17,701,723)
<b>EQUITY</b>					
<b>Equity attributable to equity holders of the parent</b>					
Contributed Equity .....	19	60,305,981	60,241,791	60,305,981	60,241,791
Reserves .....	19	6,470,345	6,247,105	5,355,462	5,132,222
Accumulated Losses .....		(90,699,210)	(84,245,464)	(76,724,214)	(83,075,736)
<b>TOTAL SHAREHOLDERS' EQUITY/(DEFICIENCY)</b> .....		<b>(23,922,884)</b>	(17,756,568)	<b>(11,062,771)</b>	(17,701,723)

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

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED JUNE 30, 2008

CONSOLIDATED	Attributable to equity holders of the consolidated group				
	Share Option	Share Capital	Reserves	Accumulated	Total
	Reserve		(Note 19)	Losses	Equity
	\$	\$	\$	\$	\$
<b>Balance June 30, 2006</b> .....	64,190	60,241,791	6,182,915	(76,349,901)	(9,861,005)
Share options expired .....	-	-	-	-	-
<i>Total income and expense for the period recognised directly in equity</i>					
(Loss) for the period .....	-	-	-	(7,895,563)	(7,895,563)
<b>Balance at June 30, 2007</b> .....	<b>64,190</b>	<b>60,241,791</b>	<b>6,182,915</b>	<b>(84,245,464)</b>	<b>(17,756,568)</b>
Share options expired .....	(64,190)	64,190	-	-	-
Share options issued .....	287,430	-	-	-	287,430
<i>Total income and expense for the period recognised directly in equity</i>					
(Loss) for the period .....	-	-	-	(6,453,746)	(6,453,746)
<b>At June 30, 2008</b> .....	<b>287,430</b>	<b>60,305,981</b>	<b>6,182,915</b>	<b>(90,699,210)</b>	<b>(23,922,884)</b>
<hr/>					
PARENT	Share Option	Share Capital	Reserves	Accumulated	Total
	Reserve		(Note 19)	Losses	Equity
	\$	\$	\$	\$	\$
<b>Balance June 30, 2006</b> .....	64,190	60,241,791	5,068,032	(75,311,305)	(9,937,292)
Share options expired .....	-	-	-	-	-
<i>Total income and expense for the period recognised directly in equity</i>					
(Loss) for the period .....	-	-	-	(7,764,431)	(7,764,431)
<b>Balance at June 30, 2007</b> .....	<b>64,190</b>	<b>60,241,791</b>	<b>5,068,032</b>	<b>(83,075,736)</b>	<b>(17,701,723)</b>
Share options expired .....	(64,190)	64,190	-	-	-
Share options issued .....	287,430	-	-	-	287,430
<i>Total income and expense for the period recognised directly in equity</i>					
(Loss) for the period .....	-	-	-	(6,351,521)	(6,351,521)
<b>At June 30, 2008</b> .....	<b>287,430</b>	<b>60,305,981</b>	<b>5,068,032</b>	<b>(89,427,257)</b>	<b>(23,765,814)</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes, refer to note 19.

**CASH FLOW STATEMENT**

FOR THE YEAR ENDED JUNE 30, 2008

	Note	Consolidated Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
<b>Cash flows from operating activities</b>					
Receipts from customers .....		107,532	77,800	107,532	77,800
Interest received .....		151	748	151	748
Other income .....		579,180	139,669	579,180	136,740
Payments to suppliers and employees .....		(982,023)	(5,207,436)	(952,395)	(5,117,203)
Interest paid .....		(44,430)	(90,391)	(44,393)	(90,225)
Current tax paid .....		(552,113)	-	(552,113)	-
<b>Net cash used in operating activities.....</b>	7	<b>(891,703)</b>	<b>(5,079,610)</b>	<b>(862,038)</b>	<b>(4,992,140)</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment .....		(5,589)	(211,122)	(5,589)	(211,122)
Proceeds from sale of property, plant and equipment .....		2,727	200,000	2,727	200,000
Exploration and development expenditure .....		(2,799,711)	(576,389)	(2,730,894)	(541,201)
Advances from (to) related entity .....		-	1,000	(96,237)	(114,078)
<b>Net cash used in investing activities .....</b>		<b>(2,802,573)</b>	<b>(586,511)</b>	<b>(2,829,993)</b>	<b>(666,401)</b>
<b>Cash flows from financing activities</b>					
Loan funding from related parties .....		4,182,317	6,135,160	4,182,317	6,135,160
Repayment of lease liability .....		(511,452)	(462,595)	(511,452)	(462,595)
<b>Net cash provided by financing activities .....</b>		<b>3,670,865</b>	<b>5,672,565</b>	<b>3,670,865</b>	<b>5,672,565</b>
Net (decrease) increase in cash held .....		(23,411)	6,444	(21,166)	14,024
Cash at the beginning of the financial year .....		24,003	17,559	21,753	7,729
<b>Cash at the end of the financial year .....</b>	7	<b>592</b>	<b>24,003</b>	<b>586</b>	<b>21,753</b>

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, 2008

**1 CORPORATE INFORMATION**

The financial report of Haoma Mining NL for the year ended June 30, 2008 was authorized for issue in accordance with a resolution of the Directors on Tuesday, September 30<sup>th</sup>, 2008.

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 measured at Net Present Value. The financial report is presented in Australian dollars.

**(b) Going Concern**

The financial statements have been prepared on the basis of the going concern principle. That principle contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. At June 30, 2008, the Economic Group recorded a consolidated loss of \$6,453,746 for the year, has total net liabilities of \$33,288,572 and negative shareholders equity of \$23,922,884.

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, 2008 the total debt owing in respect of funds provided to Haoma by Leaveland Pty Ltd is \$24,498,229. (2007: \$20,315,912).

**(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.

The Consolidated Group has also adopted AASB 7 *Financial Instruments; Disclosures* and all consequential amendments which became applicable on July 1, 2007. The adoption of this standard affects only the disclosure required and has no effect on profit and loss or the financial position of the entity.

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, 2008. Significant implications are outlined in the table below:

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**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) and AASB 2007-8	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 and AASB 2007-3	Operating Segments, and Consequential amendments to other Australian Accounting Standards.	AASB 8 replaces AASB 114 <i>Segment Reporting</i> , which adopts a management reporting approach to segment reporting.	January 1, 2009	Haoma has not yet determined the extent of the impact, if any.	July 1, 2009

**(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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)**

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 in Note 21).

**(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.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)**

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.

**(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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)**

deferred income tax assets are reassessed each balance date and are recognised to the extent that it 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.

**(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.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)**

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Plant and equipment	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.

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 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, 2008 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, 2008.

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 to 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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)**

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.

**(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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**2 STATEMENT OF ACCOUNTING POLICIES (continued)****(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.

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, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>3 REVENUES &amp; EXPENSES</b>				
<b>Continuing Operations</b>				
<b>(a) Revenue</b>				
Gold sales .....	106,788	74,539	106,788	74,539
Silver sales .....	744	3,261	744	3,261
	<b>107,532</b>	<b>77,800</b>	<b>107,532</b>	<b>77,800</b>
Retail sales .....	199,231	130,943	199,231	130,943
Royalty income .....	434,320	-	434,320	-
Finance revenue - bank interest.....	151	748	151	748
	<b>741,234</b>	<b>209,491</b>	<b>741,234</b>	<b>209,491</b>
<b>(b) Other Income</b>				
Net (loss) gain on disposal of property, plant and equipment .....	-	275,000	-	275,000
<b>(c) Administration and compliance expense</b>				
Corporate service costs .....	177,011	208,658	117,013	100,207
Legal and compliance costs .....	220,848	194,196	220,848	194,196
Management fees .....	169,003	130,872	169,002	130,872
	<b>566,863</b>	<b>533,726</b>	<b>506,863</b>	<b>425,275</b>
<b>(d) Finance Costs</b>				
Director related loan .....	2,342,893	1,573,127	2,342,893	1,573,127
Bank loans and overdrafts .....	44,429	84,347	44,428	84,347
Bank charges .....	9,898	13,880	9,733	13,714
Current tax liability .....	90,744	98,193	90,744	98,193
	<b>2,487,964</b>	<b>1,769,547</b>	<b>2,487,798</b>	<b>1,769,381</b>
<b>(e) Depreciation of non-current assets</b>				
Property, plant and equipment.....	306,642	305,782	259,442	258,583
Leased assets .....	274,968	312,994	274,968	312,994
	<b>581,610</b>	<b>618,776</b>	<b>534,410</b>	<b>571,577</b>
<b>(f) Allowance for doubtful debt - inter company</b>				
Allowance for doubtful debt - inter company .....	-	-	96,237	115,079
<b>(g) Employee benefits expense</b>				
Wages and salaries .....	1,122,457	1,113,481	1,122,457	1,000,332
Superannuation .....	104,505	116,624	104,505	95,067
Annual leave .....	8,279	4,275	8,279	19,862
	<b>1,235,241</b>	<b>1,234,380</b>	<b>1,235,241</b>	<b>1,115,261</b>
<b>(h) Impairment loss on property, plant and equipment classified as held for sale</b>				
	(22,273)	-	(22,273)	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**4 INCOME TAX**

The amount provided in respect of income tax differs from the prima facie benefit on operating loss. The difference is reconciled as follows:

Operating loss before income tax .....	<b>(6,453,746)</b>	(7,895,563)	<b>(6,351,522)</b>	(7,764,432)
Prima facie income tax expense (benefit) calculated at 30% (2007 - 30%)				
Economic entity .....	<b>(1,936,124)</b>	(2,368,669)	-	-
Parent entity .....	-	-	<b>(1,905,456)</b>	(2,329,329)
Other members of the income tax consolidated group .....	-	-	<b>(30,667)</b>	(39,340)
Tax effect of temporary differences:				
Non-deductible amount related to transactions within tax consolidated group .....	-	-	-	-
Tax losses not recognised				
Economic entity .....	<b>1,936,124</b>	2,368,669	<b>1,936,124</b>	2,368,669
Income tax expense (benefit) attributable to operating loss .....	-	-	-	-
Deferred tax assets which have not been brought to account comprise:				
Income tax losses .....	<b>11,366,927</b>	9,320,100		
Other temporary differences .....	<b>(1,632,617)</b>	(1,380,531)		
	<b>9,734,310</b>	7,939,569		

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:

- the consideration 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;
- the consolidated entity continues to comply with the conditions for deductibility imposed by Law; and
- 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, 2008

	<b>Consolidated Entity</b>	
	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>

**5 EARNINGS PER SHARE**

Net loss attributable to ordinary equity holds or the parent from continuing operations .....	<u>(6,453,746)</u>	<u>(7,895,563)</u>
Weighted average number of ordinary shares for basic earnings per share .....	<b>192,993,655</b>	192,993,655
Effect of dilution:		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution.....	<u><b>192,993,655</b></u>	<u>192,993,655</u>
Weighted average number of converted, lapsed or cancelled potential ordinary shares included in diluted earnings per share .....	<u>-</u>	<u>-</u>
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 .....	<u><b>(3.34)</b></u>	<u>(4.09)</u>

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 (2007: 192,993,655)

The loss for the year used in the calculation of basic and diluted earnings per share is \$6,453,746 (2007: loss \$7,895,563)

As at 30 June 2008 the company has issued options over unissued capital (refer to note 20). 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:

Franking account balance at July 1, 2007	-	-
Tax paid	<b>552,114</b>	-
Other movements	-	-
<b>Franking account balance at June 30, 2008</b>	<u><b>552,114</b></u>	<u>-</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**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

Cash and cash equivalents .....	<b>592</b>	24,003	586	21,753
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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**

Loss after income tax .....	<b>(6,453,746)</b>	(7,895,563)	<b>(6,351,521)</b>	(7,764,431)
Depreciation .....	<b>306,642</b>	305,782	<b>259,442</b>	258,583
Amortisation .....	<b>274,968</b>	312,994	<b>274,968</b>	312,994
Options expense .....	<b>287,430</b>	-	<b>287,430</b>	-
Net loss (profit) on disposal of property, plant and equipment .....	-	(275,000)	-	(275,000)
Accrued interest - director related loan .....	-	935,436	-	935,436
Accrued interest - director related entity .....	<b>2,342,893</b>	637,691	<b>2,342,893</b>	637,691
Impairment write down of capitalised exploration and evaluation assets .....	<b>2,799,711</b>	576,389	<b>2,730,894</b>	541,201
Allowance for doubtful debts - inter company .....	-	-	<b>96,237</b>	115,078
Impairment loss on property plant and equipment classified as held for sale .....	<b>22,273</b>	-	<b>22,273</b>	-
<i>Changes in assets and liabilities:</i>				
Decrease (increase) in trade debtors & other receivables ...	<b>(10,793)</b>	5,800	<b>(10,793)</b>	5,800
Decrease in prepayments .....	-	7,836	-	7,836
Decrease (increase) in inventories .....	<b>(102,310)</b>	97,344	<b>(102,310)</b>	97,344
Increase in trade creditors and other creditors .....	<b>158,039</b>	106,878	<b>127,537</b>	73,309
(Decrease) in current tax payable .....	<b>(565,606)</b>	-	<b>(565,606)</b>	-
Increase in provisions .....	<b>48,796</b>	104,803	<b>26,518</b>	62,019
<b>Net cash used in operating activities</b>	<b>(891,703)</b>	(5,079,610)	<b>(862,038)</b>	(4,992,140)

**8 TRADE AND OTHER RECEIVABLES****(Current)**

Trade and other receivables .....	<b>54,372</b>	43,579	<b>54,372</b>	43,579
Related bodies corporate:				
Kitchener Mining NL .....	-	-	<b>3,922,384</b>	3,826,148
Allowance for doubtful debt .....	-	-	<b>(3,922,384)</b>	(3,826,148)
	<b>54,372</b>	43,579	<b>54,372</b>	43,579

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**8** *TRADE AND OTHER RECEIVABLES (continued)*

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 \$96,237 (2007: \$115,078)

Movements in the provision for impairment loss were as follows:

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
Opening balance	-	-	(3,826,148)	(3,711,070)
Additional provision	-	-	(96,237)	(115,078)
	-	-	(3,922,384)	(3,826,148)

**9** *INVENTORIES***(Current)**

Stores of consumables and spare parts .....	<b>432,854</b>	330,544	432,854	330,544
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**10** *NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE***(Current)**

Mining leases and property held for sale .....	-	1,525,000	-	1,525,000
Opening balance .....	<b>1,525,000</b>	1,450,000	<b>1,525,000</b>	1,450,000
Transfer from (to) exploration & evaluation assets .....	<b>(1,500,000)</b>	-	<b>(1,500,000)</b>	-
Second Fortune Mining Camp .....	-	275,000	-	275,000
Impairment loss .....	<b>(25,000)</b>	-	<b>(25,000)</b>	-
Deposit received .....	-	(200,000)	-	(200,000)
	-	1,525,000	-	1,525,000

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, 2008

	Parent Entity		Consolidated Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**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	
		2008	2007
		%	%
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, 2008

	Consolidated Entity			Parent Entity		
	Plant & Equipment	Hire Purchase Assets	TOTAL	Plant & Equipment	Hire Purchase Assets	TOTAL
	\$	\$	\$	\$	\$	\$

**13** *PROPERTY, PLANT & EQUIPMENT*

(Non-current)

**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)
<b>Net carrying amount</b>	<b>632,165</b>	<b>710,704</b>	<b>1,342,869</b>	<b>603,238</b>	<b>710,704</b>	<b>1,313,942</b>

**At June 30, 2007**

Cost or fair value .....	6,929,434	2,098,217	9,027,651	2,486,200	2,098,217	4,584,417
Accumulated depreciation .....	(6,244,798)	(863,963)	(7,108,761)	(1,877,691)	(863,963)	(2,741,654)
<b>Net carrying amount</b>	<b>684,636</b>	<b>1,234,254</b>	<b>1,918,890</b>	<b>608,509</b>	<b>1,234,254</b>	<b>1,842,763</b>

(1) The directors resolved that the written down value of property, plant and equipment at June 30, 2008 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.

Balance at July 01, 2006.....	779,296	1,547,248	2,326,544	655,970	1,547,248	2,203,218
Additions .....	211,122	-	211,122	211,122	-	211,122
Disposals .....	-	-	-	-	-	-
Depreciation/Amortisation .....	(305,782)	(312,994)	(618,776)	(258,583)	(312,994)	(571,577)
Balance at June 30, 2007.....	<b>684,636</b>	<b>1,234,254</b>	<b>1,918,890</b>	<b>608,509</b>	<b>1,234,254</b>	<b>1,842,763</b>
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)
<b>Balance at June 30, 2008.....</b>	<b>632,165</b>	<b>710,704</b>	<b>1,342,869</b>	<b>603,238</b>	<b>710,704</b>	<b>1,313,942</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**14 EXPLORATION & EVALUATION****(Non-current)**

Opening balances July 1,2007.....	<b>6,035,000</b>	6,035,000	<b>5,035,000</b>	5,035,000
Additions .....	<b>2,799,711</b>	576,389	2,730,894	541,201
Disposals .....	-	-	-	-
Transfer from Assets classified as held for sale (Note 10) .	<b>1,500,000</b>	-	<b>1,500,000</b>	-
Exploration and evaluation costs written off .....	<b>(2,799,711)</b>	(576,389)	<b>(2,730,894)</b>	(541,201)
Closing balance June 30,2008.....	<b>7,535,000</b>	6,035,000	<b>6,535,000</b>	5,035,000

**15 TRADE AND OTHER PAYABLES****(Current)**

Trade creditors and accruals .....	<b>403,174</b>	306,193	<b>391,562</b>	265,083
Other creditors .....	<b>568,255</b>	554,855	<b>568,255</b>	554,855
	<b>971,429</b>	861,048	<b>959,817</b>	819,938
<i>Related party payables:</i>				
Director's fees payable to Director related entities .....	<b>468,000</b>	348,000	<b>234,000</b>	174,000
Amount payable to Roy Morgan Research Centre .....	<b>82,535</b>	154,878	<b>82,535</b>	154,878
Elazac Mining Pty Ltd .....	<b>14,500</b>	14,500	<b>14,500</b>	14,500
	<b>1,536,464</b>	1,378,426	<b>1,290,852</b>	1,163,316

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)**

Amount due to Director related entity .....	(a)	<b>24,498,229</b>	20,315,912	<b>24,498,229</b>	20,315,912
Accrued interest - Director related entity .....	(a)	<b>2,980,584</b>	637,691	<b>2,980,584</b>	637,691
Accrued interest - Director loan .....	(a)	<b>2,382,597</b>	2,382,597	<b>2,382,597</b>	2,382,597
Amounts due under Hire purchase contracts (note 20) .....		<b>288,754</b>	501,823	<b>288,754</b>	501,823
		<b>30,150,164</b>	23,838,023	<b>30,150,164</b>	23,838,023

(a) These loans are at call however assurances have been provided by the Director and Director related entity confirming the loans will not be called until Haoma has the capacity to repay them.

**(Non-current)**

Amounts due under Hire purchase contracts (note 20) .....		-	298,383	-	298,383
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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, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**17 PROVISIONS****(Current)**

Provision for employee benefits .....	<b>71,440</b>	56,006	<b>71,440</b>	56,006
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**(Non-current)**

Provision for rehabilitation .....	<b>1,410,587</b>	1,377,224	<b>470,196</b>	459,112
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**18 TAX LIABILITIES****(Current)**

Income tax .....	<b>119,916</b>	685,522	<b>119,916</b>	685,522
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**19 CONTRIBUTED EQUITY & RESERVES****Contributed Equity**

Ordinary shares - 192,993,665 .....	<b>60,241,791</b>	59,770,831	<b>60,241,791</b>	59,770,831
Share options .....	<b>64,190</b>	470,960	<b>64,190</b>	470,960
	<b>60,305,981</b>	60,241,791	<b>60,305,981</b>	60,241,791
Ordinary shares - issued and fully paid .....	<b>59,662,124</b>	59,662,124	<b>59,662,124</b>	59,662,124

The company does not have a limited 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.

ii. For information relating to share options issued to Key Management Personnel during the year, refer to Note 21.

**Reserves**

Capital profits .....	<b>6,178,490</b>	6,178,490	<b>5,063,607</b>	5,063,607
Forfeited shares .....	<b>4,425</b>	4,425	<b>4,425</b>	4,425
Share option reserve .....	<b>287,430</b>	64,190	<b>287,430</b>	64,190
	<b>6,470,345</b>	6,247,105	<b>5,355,462</b>	5,132,222

**(a) Capital profits reserve**

Opening balance .....	<b>6,178,490</b>	6,178,490	<b>5,063,607</b>	5,063,607
Movements during the year .....	-	-	-	-
	<b>6,178,490</b>	6,178,490	<b>5,063,607</b>	5,063,607

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

**(b) Forfeited shares**

Opening balance .....	<b>4,425</b>	4,425	<b>4,425</b>	4,425
Movements during the year .....	-	-	-	-
	<b>4,425</b>	4,425	<b>4,425</b>	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, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**19 CONTRIBUTED EQUITY & RESERVES (continued)****(c) Share option reserve**

Opening balance .....	<b>64,190</b>	64,190	<b>64,190</b>	64,190
Movements during the year .....	<b>223,240</b>	-	<b>223,240</b>	-
	<b>287,430</b>	64,190	<b>287,430</b>	64,190

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 \$64,190. Share options issued during the year was \$287,430.

**20 COMMITMENTS & CONTINGENCIES****HP and Finance Leases**

Capital Items Leased				
Mining Equipment.....	<b>1,500,000</b>	2,098,217	<b>1,500,000</b>	2,098,217
<b>(Payable - Minimum lease payments)</b>				
Lease and Hire Purchase Commitments Payable				
- Within one year.....	<b>298,786</b>	555,846	<b>298,786</b>	555,846
- After one year but not more than five years...	-	298,787	-	298,787
Minimum lease payments.....	<b>298,786</b>	854,633	<b>298,786</b>	854,633
Less future finance charges.....	<b>(10,032)</b>	(54,427)	<b>(10,032)</b>	(54,427)
Present value of minimum lease payments.....	<b>288,754</b>	800,206	<b>288,754</b>	800,206
Current liability.....	<b>288,754</b>	501,823	<b>288,754</b>	501,823
Non-current liability.....	-	298,383	-	298,383
	<b>288,751</b>	800,206	<b>288,754</b>	800,206

**(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 .....	<b>3,130,439</b>	1,996,284	<b>2,855,772</b>	1,747,070
After on year but not more than five years .....	<b>4,901,244</b>	5,028,078	<b>4,211,690</b>	4,137,065
Longer than five years .....	<b>3,672,153</b>	3,607,542	<b>3,672,153</b>	3,607,542
	<b>11,703,836</b>	10,631,904	<b>10,739,615</b>	9,491,677

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, 2008

**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, 2008 was \$5,108,387 (2007: \$4,959,370)

**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 (2007: \$385,000) relating to rehabilitation requirements on its tenements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**21****SHARE BASED PAYMENTS***Employee & Consultants Share Options*

The following share based payment arrangements existed at June 30, 2008

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

	<i>CONSOLIDATED</i>		<i>PARENT</i>	
	2008	2007	2008	2007
	\$	\$	\$	\$
Share options issued .....	<b>287,430</b>	-	<b>287,430</b>	-

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, 2008

**21** *SHARE BASED PAYMENTS (continued)*

	<i>CONSOLIDATED</i>				<i>PARENT</i>			
	2008		2007		2008		2007	
	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	4,900,000	0.10	4,900,000	0.10	4,900,000	0.10	4,900,000	0.10
Granted	7,150,000	0.10	-	0.10	7,150,000	0.10	--	0.10
Forfeited	-	-	-	--	-	--	--	--
Exercised	-	-	-	--	-	--	--	--
Expired	4,900,000	0.10	-	0.10	4,900,000	0.10	--	0.10
Outstanding at year-end	7,150,000	0.10	4,900,000	0.10	7,150,000	0.10	4,900,000	0.10
Exercisable at year-end	7,150,000	0.10	4,900,000	0.10	7,150,000	0.10	4,900,000	0.10

Note	<i>CONSOLIDATED</i>		<i>PARENT</i>	
	2008	2007	2008	2007
	\$	\$	\$	\$

**22** *AUDITORS REMUNERATION*

Remuneration of the auditor of the Economic Entity:

- auditing and reviewing the financial accounts	40,000	37,000	40,000	37,000
- taxation services .....	-	17,750	-	17,750
Total Remuneration .....	40,000	54,750	40,000	54,750

**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, 2008

**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 2008.

**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 \$169,003 for those services (2007: \$130,872)

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, 2008 the total funding provided by Leaveland is \$24,498,229 (2007: \$ 20,315,913). 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 2% 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, 2008, interest accrued on the funds advanced by Leaveland was \$2,342,893 (2007: \$1,573,127)

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, 2006 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 \$96,237 (2007: \$115,079). No interest has been charged for the financial year ended June 30, 2008 (2007: interest charged \$nil). The balance payable at June 30, 2008 was \$3,922,385 (2007: \$3,826,148) and has been fully provided against.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

	Consolidated Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$

**24 RELATED PARTY INFORMATION (continued)****Key Management Personnel Compensation**

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

Short term employee benefits .....	290,400	285,600	230,400	285,600
Post employment benefits .....	7,200	7,200	3,600	7,200
Share based payments .....	140,700	-	140,700	-
	<b>438,300</b>	<b>292,800</b>	<b>374,700</b>	<b>292,800</b>

**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	
	2008	2007	2008	2007
	\$	\$	\$	\$

**Financial Assets**

Cash and cash equivalents	592	24,003	586	21,753
Trade and other receivables	54,372	43,579	54,372	43,579
<b>Total Financial Assets</b> .....	<b>54,964</b>	<b>67,582</b>	<b>54,958</b>	<b>65,332</b>

**Financial Liabilities**

Trade and other payables	1,536,464	1,378,426	1,290,852	1,163,316
Borrowings	30,150,164	24,136,406	30,150,164	24,136,405
<b>Total financial liabilities</b> .....	<b>31,686,628</b>	<b>25,514,832</b>	<b>31,441,016</b>	<b>25,299,721</b>

**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 1.25% (2007: 1.25%)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**25** FINANCIAL RISK MANAGEMENT AND POLICIES (*continued*)**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 9.49% (2007: 8.55%)

Haoma also holds a Hire Purchase contract due to expire before the end of the financial year ending June 30, 2009. The weighted average fixed interest rate was: 7.51% (2007: 6.38%)

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, 2008.

At June 30, 2008, 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:

	Post tax profit higher / (lower)		Equity higher / (lower)	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>Financial Liabilities</b>				
<b>Borrowings &amp; Tax Liability</b>				
<b>Consolidated</b>				
+ 0.75% (75 basis points)	1,846,361	1,575,108	(1,846,361)	(1,575,108)
- 0.75% (75 basis points)	(1,846,361)	(1,575,108)	1,846,361	1,575,108
<b>Parent</b>				
+ 0.75% (75 basis points)	1,846,361	1,575,108	(1,846,361)	(1,575,108)
- 0.75% (75 basis points)	(1,846,361)	(1,575,108)	1,846,361	1,575,108

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 Groups policy to securitise its trade and other receivables.

It is the Consolidated Groups 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2008

**25 FINANCIAL RISK MANAGEMENT AND POLICIES (continued)****Liquidity Risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they 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.

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

<u>Year Ended June 30, 2008</u>	< 6 months	6-12 months	1-5 years	> 5 years	Total
	\$	\$	\$	\$	\$
<b>Consolidated</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	592	-	-	-	592
Receivables and other receivables	54,372	-	-	-	54,372
	<u>54,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,964</u>
<b>Financial Liabilities</b>					
Trade and other payables	956,109	580,356	-	-	1,536,464
Interest bearing liabilities	-	288,754	29,861,410	-	30,150,164
	<u>956,109</u>	<u>869,109</u>	<u>29,861,410</u>	<u>-</u>	<u>31,686,628</u>
<b>Parent</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	586	-	-	-	586
Receivables and other receivables	54,372	-	-	-	54,372
	<u>54,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,958</u>
<b>Financial Liabilities</b>					
Trade and other payables	710,497	580,356	-	-	1,290,853
Interest bearing liabilities	-	288,754	29,861,410	-	30,150,164
	<u>710,497</u>	<u>869,110</u>	<u>29,861,410</u>	<u>-</u>	<u>31,441,017</u>

**Commodity Price risk**

Haoma is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Consolidated Groups control. As the Group is currently engaged in exploration and development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative 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, 2008

**25** FINANCIAL RISK MANAGEMENT AND POLICIES (*continued*)**Financing Facilities Available**

At reporting date, the following financing facilities have been negotiated and were available:

**Total facilities**

- Business Visa Card .....	<b>15,000</b>	15,000	<b>15,000</b>	15,000
-Revolving lease/hire purchase .....	<b>316,836</b>	800,206	<b>316,836</b>	800,206
-Business lending/ bank guarantees.....	<b>385,000</b>	385,000	<b>385,000</b>	385,000

**Facilities used at reporting date**

- Business Visa Card .....	<b>559</b>	942	<b>559</b>	942
-Revolving lease/hire purchase .....	<b>288,918</b>	800,206	<b>288,918</b>	800,206
-Business lending/ bank guarantees.....	<b>242,289</b>	242,289	<b>242,289</b>	242,289

**Facilities unused at reporting date**

- Business Visa Card .....	<b>14,441</b>	14,058	<b>14,441</b>	14,058
-Revolving lease/hire purchase .....	<b>27,921</b>	800,206	<b>27,921</b>	800,206
-Business lending/ bank guarantees.....	<b>142,711</b>	142,711	<b>142,711</b>	142,711

## Directors' Declaration

The Directors' of Haoma Mining NL declare that:

1. In the directors' opinion the financial statements and notes on pages 9 to 41 and the remuneration disclosures that are contained in the Remuneration report in the Directors' Report, set out on pages 4 to 6, 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, 2008 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, 2008

We have audited the accompanying financial report of Haoma Mining NL, which comprises the balance sheet as at 30 June 2008, 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 and the consolidated entity comprising Haoma Mining NL 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, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with Australian Accounting Standards ensures that the financial statements and notes, comply 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.

### **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 2008 and of their 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 consolidated financial statements and notes also comply with International Financial Reporting Standards, as disclosed in Note 2.

### **Report on the Remuneration Report**

We have audited the Remuneration Report included in the directors' report on pages 4 to 6 for the year ended 30 June 2008. 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 2008, complies with section 300A of the Corporations Acts 2001.

PKF  
Chartered Accountants

R A Dean  
Partner

30 September 2008

Melbourne  
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## 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 August 21, 2008

Shareholders	Number of Shares	
	#	%
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
Joseph and Michele Levine	1,150,000	0.60
Sandra Stuart Curwen	1,108,650	0.57
Edwin Leigh Davies	1,000,000	0.52
J. Van Beelen	900,000	0.47
Sandra & Charles Curwen	882,350	0.46
KEO Projects Pty Ltd	793,423	0.41
Ianaki Semerdziev	762,000	0.39
Robert Gordon	617,906	0.32
Harry Cooper	600,000	0.31
Robert David Tighe	590,000	0.31
Leigh Imbesi	584,000	0.30
Richie Dyland Davies	500,100	0.26
Gregory Young Pty Ltd	500,000	0.26
	<b>152,450,390</b>	<b>78.99</b>

### 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	670
1,001 - 5,000	954
5,001 - 10,000	365
10,001 - 100,000	574
100,001 - and over	92

**Total** **2,655**

- (ii) There were 1,452 holders of less than a marketable parcel of 4,348 ordinary shares.
- (iii) The twenty largest shareholders hold between them 78.99% 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					
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				
Coongan	M46/160							
Copper Hills / Stirling	G45/36	M45/238	M45/346	M45/357				
Copenhagen	M45/240							
Coronation	M45/672	P45/2333						
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	M45/679	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							
Mustang	M45/680	M45/731	M45/747	P45/2134	P45/2250	P452251	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						

**HAOMA MINING NL AND ITS CONTROLLED ENTITIES****ACN 008 676 177**

Soansville	M45/748	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			
Wyman Well	M45/823	E45/1249	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

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

<b>North Shaw Western Australia</b>	E45/2186	E45/2187	E45/2921	E45/2922
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