



# Haoma Mining NL

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February 16, 2007

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

Dear Sir,

**ACTIVITIES REPORT FOR THE QUARTER ENDED DECEMBER 31, 2006 – HIGHLIGHTS**

- **Group Consolidated Result** – Haoma Mining's unaudited Consolidated Financial result for the three months ended December 31, 2006 was a before tax loss of \$2.57 million after interest of \$0.478 million, depreciation and amortisation of \$0.16 million, group exploration, development and test work expenditure of \$0.75 million.
- **Bamboo Creek Plant on Care and Maintenance** – On February 12, 2007, Haoma advised the ASX that processing at the Bamboo Creek Processing Plant had stopped and the Plant had been placed on care and maintenance. Since the end of December 2006 Haoma Mining has experienced serious problems extracting the gold (measured from samples taken during processing) into "gold bars". In addition additional WA Government Health & Safety requirements and Plant breakdowns made it impossible to operate the Bamboo Creek Plant at full capacity. This was despite a dedicated workforce, working as a team, to overcome operational problems.

Leaveland Pty Ltd has advised the Board that until further notice it will fund the company's cash flow requirements while the Bamboo Creek Plant is on care and maintenance. Longer term funding is unlikely to be available until it can be shown the amount of gold produced from processing different test ore parcels through the Bamboo Creek Plant are about the same as measured from Plant samples when subjected to Elazac Assay Method cyanide leach tests in the Bamboo Creek Plant Laboratory or another laboratory. (See 2.2 below).

Between October 12 and January 26, 2007 31,096 tonnes were processed with an average Plant Feed Grade (by Aqua Regia) of 0.9g/t gold. Using the Elazac Assay Method the grade of the cyanide measured gold was 6.14 g/t with a value of \$5.221 million (Gold price A\$850 per oz).

- **Turner River, Pilbara, WA - Tabbata Tabbata Shear Zone (MLA 45/1034, 1035, 1036)** - On November 17, 2006 Haoma completed an Access Agreement with the Fortescue Metals Group Ltd and The Pilbara Infrastructure Pty Ltd to allow them to construct the railway line from the Cloud Break Iron Ore Project to Port Hedland over Haoma's Cookes Hill and Tabbata Tabbata tenements. Fortescue have agreed to carry out a detailed aeromagnetic survey over the affected area and will then undertake a programme of sterilisation drilling on areas where anomalies are revealed. If a Commercial Mineralisation deposit is proven, Fortescue have agreed to either move the railway corridor or leave the railway in its existing location and pay Haoma compensation based on the full value of the commercial disadvantage suffered by Haoma.
- **Tribute Agreement to Mine Dolerite from Cookes Hill (ML 45/1005)** – In December 2006 BGC Contracting Pty Ltd confirmed that they had been awarded the contract to provide dolerite mined from Haoma's Cookes Hill Mining Lease in the construction of the Fortescue Metals Group Ltd railway line from the Cloud Break Iron Ore Project to Port Hedland. Under the Tribute Agreement between Haoma and BGC Contracting, Haoma will receive a royalty of 45 cents per tonne of dolerite mined. BGC Contracting expects to mine a minimum of 1.0 million tonnes of dolerite in the next 12 months.

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### **1. GROUP CONSOLIDATED RESULT TO DECEMBER 31, 2006**

<b>Haoma Mining NL Consolidated Profit &amp; Loss</b>	<b>2005/06 2nd Qtr (\$m)</b>	<b>2005/06 Year End June 30 (\$m)</b>	<b>2006/07 1st Qtr (\$m)</b>	<b>2006/07 2nd Qtr (\$m)</b>	<b>2006/07 6 Months YTD (\$m)</b>
Operating revenue	0.09	0.52	0.06	<b>0.08</b>	<b>0.14</b>
<b>Operating profit before interest, depreciation, amortisation and exploration and development costs</b>	(0.69)	(2.94)	(0.30)	<b>(1.18)</b>	<b>(1.48)</b>
Interest	(0.27)	(1.12)	(0.37)	<b>(0.48)</b>	<b>(0.85)</b>
Depreciation & amortization	(0.13)	(0.62)	(0.15)	<b>(0.16)</b>	<b>(0.31)</b>
Exploration, development & test work	(0.18)	(0.71)	(0.67)	<b>(0.75)</b>	<b>(1.42)</b>
Share options expense (*)	-	(0.64)	-	-	-
<b>Operating profit (loss) before tax</b>	<b>(1.27)</b>	<b>(6.03)</b>	<b>(1.49)</b>	<b>(2.57)</b>	<b>(4.06)</b>

(\*) Share options not exercised expiring November 11, 2007 - exercise price of 10cents per share.

<b>Bamboo Creek Processing Plant</b>					
Gold Production (ozs)	-	55	-	56	56
Gold sold (ozs)	-	55	-	56	56
Av. Selling price (\$/oz)	-	\$844	-	\$801	\$801
<b>Bamboo Creek silver prod'n (oz)</b>					
Silver Production (ozs)	-	12	-	143	143

#### **1.1 Haoma's Group Consolidated Result**

Haoma's unaudited Consolidated Financial result for the three months ended December 31, 2006 was a before tax loss of \$2.57 million after depreciation and amortisation of \$0.16 million, interest costs of \$0.478 million, group exploration, development and test work expenditure of \$0.75 million.

Funding for the company's operations during the Quarter was provided by Haoma's Chairman, Mr Gary Morgan and Mrs Genevieve Morgan. To December 31, 2006, Mr. & Mrs. Morgan have provided funding of \$17.224 million to Haoma. The Board of Haoma has approved payment of interest to Mr. & Mrs. Morgan at the 30 day commercial bill rate plus a 2% margin. Interest on the loan is to accrue until such time as the company is in a position to commence interest payments. Interest accrued for the 3 months ended December 31, 2006 on the funds advanced by Mr Morgan is \$0.391 million. Total interest accrued to December 31, 2006 is \$2.18 million.

#### **1.2 Future Funding of Group Operations**

Gary and Genevieve Morgan have until now funded all of Haoma's recent activities, to the extent of approximately \$17.224 million to December 31, 2006. On February 12, 2007, Mr & Mrs Morgan advised Haoma's Board that they will not advance further funds to the company.

The Board of Haoma is concerned that without the assurance of further funding the company will be unable to continue mining and processing operations. As a consequence, for the operational reasons as detailed at Item 2.1 below and until other funds are available, the Directors of Haoma have decided that the Bamboo Creek Plant should be put on care and maintenance.

Leaveland Pty Ltd, Haoma's major shareholder, has confirmed that until further notice it will fund the company's cash flow requirements while the Bamboo Creek Plant remains on care and maintenance. Leaveland has also advised Haoma that it has separately agreed to acquire from Gary & Genevieve Morgan the debt owed to them by Haoma.

### **1.3 Forward Gold Sale Contracts**

No future gold production is currently sold forward.

## **2. OPERATIONS AT BAMBOO CREEK, WESTERN AUSTRALIA**

### **2.1 Bamboo Creek Processing Plant Placed On Care & Maintenance**

On February 12, 2007, Haoma advised the ASX that processing at the Bamboo Creek Processing Plant had stopped and the Plant had been placed on care and maintenance.

Since the end of December 2006 Haoma Mining NL has had serious problems extracting the gold (measured from samples taken during processing) into "gold bars". In addition additional WA Government Health & Safety requirements and Plant breakdowns made it impossible to operate the Bamboo Creek Plant at full capacity. This was despite a dedicated workforce, working as a team, to overcome operational problems.

In addition, for the Bamboo Creek Mine to be economically viable it is believed the Plant needs a minimum throughput of at least 1 million tonnes per year.

Improved plant maintenance and increasing plant throughput requires significant additional funds.

Leaveland Pty Ltd has advised the Board that until further notice it will fund the company's cash flow requirements while the Bamboo Creek Plant is on care and maintenance. However, longer term funding is unlikely to be available until it can be shown the amount of gold produced from processing different test ore parcels through the Bamboo Creek Plant is about the same as measured from Plant samples when subjected to Elazac Assay Method cyanide leach tests in the Bamboo Creek Plant Laboratory or another laboratory. (See 2.2 below).

### **2.2 Bamboo Creek Processing Operations Prior to February 12, 2007**

From October 12, 2007 until the Plant was placed on care & maintenance different ore types where processing through the Bamboo Creek Plant.

Between October 12 and January 26, 2007 31,096 tonnes were processed with an average Plant Feed Grade (by Aqua Regia) of 0.9g/t gold. Using the Elazac Assay Method the grade of the cyanide measured gold was 6.14 g/t with a value of \$5.221 million (Gold price A\$850 per oz).

The following table shows the grades of the different ore feed types processed through the Bamboo Creek Plant covering October 12, 2006 to January 26, 2007.

Source of Ore Processed	Tonnes	Av. Aqua Regia Head Grade (g/t)	Av. Cyanide Measured Grade of Ore Processed (#) (g/t)	Value of Cyanide Measured Gold (*)
Bulletin Low Grade Ore	3,100	1.23	29.18	\$2,472,000
Kitchener Low Grade Ore	13,949	0.80	5.24	\$1,997,000
Mickey's Find Oxide Ore	1,227	1.34	13.74	\$461,000
Other ore	12,820	0.89	0.83	\$291,000
<b>Total for all tonnes processed</b>	<b>31,096</b>	<b>0.90</b>	<b>6.14</b>	<b>\$5,221,000</b>

# Results may change slightly when more assay data becomes available.

\* Gold Price A\$850/oz

As can be seen above significant up-grades were achieved when the Elazac Assay Method was used to assay Low Grade Kitchener Ore (1 million tonnes of ore are available in the dump next to the Plant), Bulletin Low Grade Ore and Mickey's Find Oxide Ore.

### **3. EXPLORATION AND EVALUATION ACTIVITIES IN WESTERN AUSTRALIA**

#### **3.1 Cookes Hill (E45/1562, M45/1005, 1031, 1032, 1033, 1034, 1035, 1036)**

The Cookes Hill Deposit comprises a dolerite-hosted quartz stockwork style of mineralisation. Exploration to date indicates that the gold lies on a north-east trending splay fault off the major Mallina-Mt Dove Shear intersection.

The Cookes Hill Deposit is estimated to contain approximately 60,000 ounces of gold to a depth of less than 100 metres. RC drilling indicated that the mineralisation is open below 100 metres. Preliminary metallurgical tests show that the gold is **not** refractory and most is recoverable by cyanidation after fine grinding.

A more detailed description of the ore body and a table of significant intersections were included in Haoma's Activities Report for the Quarter ended December 31, 2003 - [December 2003 Activity Report](#)

##### **3.1.1 Tribute Agreement with BGC Contracting Pty Ltd to Mine Cookes Hill (ML 45/1005)**

In December, 2005 a Tribute Agreement was completed with BGC Contracting Pty Ltd to allow them to mine dolerite from Haoma's Cookes Hill Mining Lease.

In early December, 2006 BGC advised Haoma they had been awarded a contract to provide Haoma's dolerite in the construction of the Fortescue Metals Group Ltd railway line from the Cloud Break Iron Ore Project to Port Hedland. Haoma will receive a royalty of 45 cents per tonne of dolerite mined.

BGC Contracting expects to mine a minimum of 1.0 million tonnes of dolerite in the next 12 months. Haoma expects to receive about half a million dollars in royalty fees during 2007.

The mining of dolerite from Haoma's Cookes Hill Mining Lease will result in the removal of the top 20 meters of overburden above the Mallina-Mt Dove Shear intersection. This will allow Haoma to better understand the potential for additional discoveries of gold mineralisation in the Cookes Hill area.

### **3.1.2 Access Agreement with Fortescue Metals Group Ltd and The Pilbara Infrastructure PL**

On November 17, 2006 Haoma completed an Access Agreement with the Fortescue Metals Group Ltd and The Pilbara Infrastructure Pty Ltd to allow them to construct the railway line from the Cloud Break Iron Ore Project to Port Hedland over Haoma's Cookes Hill and Tabba Tabba tenements.

Preliminary exploration results on Haoma's tenements indicated that they contain mineralisation. In addition, on November 2, 2006 De Grey Mining sent Haoma the attached VTEM survey results which show the proposed Fortescue Metals Group railway in the Hope Downs Rail Corridor in the Tabba Tabba tenement clearly passes through an anomaly.

Fortescue have agreed to carry out a detailed aeromagnetic survey over the affected area and will then undertake a programme of sterilisation drilling on areas where anomalies are revealed. Where the sterilisation drilling identifies a potential deposit of commercial mineralisation, Haoma may undertake further drilling at Haoma's own expense.

If a Commercial Mineralisation deposit is proven, Fortescue have agreed to either move the railway corridor or leave the railway in its existing location and pay Haoma compensation based on the full value of the commercial disadvantage suffered by Haoma.

### **3.1.3 Turner River - Tabba Tabba Shear Zone (MLA 45/1034/1035/1036)**

Haoma has previously referred to the extensive new discoveries by DeGrey Mining at the Tabba Tabba Shear Zone that are adjacent to Haoma's Turner River tenements. During 2006 DeGrey Mining released a number of exploration results detailing promising zinc-silver-lead-gold-copper mineralisation discoveries from drilling the Tabba Tabba Shear.

As noted above, DeGrey Mining has provided Haoma with interpretations of aeromagnetic results on the east and west ends of Haoma's Tabba Tabba tenements. The information shows anomalies on the DeGrey tenements continue into Haoma's tenements.

The attached map (Figure 1) included in the DeGrey Mining December 2006 Quarterly Activities Report shows the position of multiple zones of zinc-silver-lead-gold-copper mineralisation which run along the south side of the Tabba Tabba Shear to the east and west ends of Haoma's Turner River tenements. Earlier soil samples on Haoma's tenements obtained higher than background values of gold and zinc.

Discussions with DeGrey Mining's Management in respect to working together in the region are continuing.

## **3.2 Daltons Joint Venture (E45/2186, 2187) – Haoma 25%, Giralia 75%**

Haoma holds a 25% interest at the Daltons Nickel Joint Venture with Giralia Resources NL. The Daltons 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 in the area.

### **3.2.1 Kingsway Prospect at Daltons Joint Venture**

Giralia-operated diamond drilling is scheduled to resume in February at Kingsway to follow up a significant intersection of 3.5 metres @ 1.61% nickel, 0.85% copper, 0.81 g/t PGE in hole RDDN029 (see [December 2005 Quarterly Activity Report](#)).

### **3.2.2 Daltons Joint Venture (Falconbridge (Australia) Pty Ltd withdrawn)**

In February 2006, Falconbridge (Australia) Pty Ltd agreed to farm-in a minimum 50% interest in the Daltons Joint Venture. On October 4, 2006, following the successful takeover of Falconbridge (Australia) Pty Ltd by Xstrata Plc, Haoma & Giralia were advised by Xstrata of their withdrawal from the Joint Venture.

In August and September 2006, prior to the notice of withdrawal, Falconbridge completed a major detailed (1,479 line kilometre, 150 metre line spaced) VTEM airborne electromagnetic survey covering approximately 75% of the outcropping ultramafic areas on the Daltons Joint Venture tenements. Final processed data was received in late 2006 after Xstrata's withdrawal and is being interpreted by geophysical consultants Newexco. Preliminary examination of the data indicates several conductivity features associated with ultramafic units that warrant further follow-up work.

Falconbridge completed expenditure of almost \$900,000 in the short period prior to their withdrawal.

### **3.3 Linden Tenements (E39/293, E39/379, E39/428, M39/385, M39/386, M9/387, M39/500, M39/629, M39/649, M39/650, M39/780, M39/781, M39/782, M39/794, M39/785, P39/2974, P39/2975, P39/2976)**

In May, 2006 Haoma entered into an agreement to sell its Linden tenements to Deepstrike Resources Ltd. Consideration for the sale was \$500,000 plus a placement of shares when Deepstrike Resources successfully completes an IPO and subsequent ASX listing. In May and August 2006, Haoma received a deposit and a first payment totalling \$150,000. The remainder of sale proceeds (\$350,000 cash and \$1 million shares) was due on November 1, 2006.

Haoma and Deepstrike have recently completed a Deed of Variation to allow further time for the completion of the payment of the purchase price. The Deed of Variation includes the sale of Haoma's Second Fortune Mining Camp for \$275,000. The amendment to the terms of payment provides for Deepstrike to pay Haoma monthly instalments of \$20,000 effective from November 1, 2006. Payment of \$40,000 for November and December was received on January 16, 2007. Instalment payments will continue until Deepstrike is admitted to the official list of the ASX at which time the balance remaining will become immediately payable.

Haoma will receive a placement of shares in respect of the \$1 million non-cash component of the consideration.

#### **4. EXPLORATION ACTIVITIES IN THE RAVENSWOOD DISTRICT - QUEENSLAND**

Activity during the December Quarter focused on EPM 14038 (Mt Canton) located approximately 20kms south of the company's exploration base in Ravenswood. Work involved a review of past exploration activity at Mt Canton - Mt Canton North and Mt Canton Breccia Prospects. Initial rock chip sampling (61 samples) returned some very encouraging gold assays with 28 samples returning > 0.5g/t Au, of which 20 were greater than 1 g/t Au. The 20 samples returned an average gold grade of 5.43g/t with a peak assay of 13.4 g/t Au.

##### **4.1 Mt Canton North Prospect (EPM 14038)**

Three rock chip samples from the Mt Canton North Prospect returned an average of 6.76 g/t gold from a zone of silicification that on surface is approximately 20 metres wide.

Plotting of old drill holes in the area indicates that the original holes drilled on the west of the Mt Canton ridge were terminated at 90m which was well short of the required target depth of 150 to 200 metres. The gold mineralisation on the Mt Canton North Prospect appears to dip steeply towards the east. As a consequence it is now considered that exploration drilling of the Mt Canton North Prospect should be via drill sites located on the eastern side of the ridge and not from the west as conducted in earlier drilling programs. In this area the hill slopes are very steep and access for drilling rigs is presently restricted to previously prepared tracks that were constructed in 1990-91 by Poseidon Exploration. Due to the rugged nature of the terrain drill testing of the Mt Canton North Prospect will not proceed until after the wet season.

##### **4.2 Mt Canton Breccia Prospect (EPM 14038)**

Exploration focused on locating the source of the Mt Canton Breccia gold. Geological mapping of the Prospect was completed on a 1:100 scale with additional rock chip samples also collected. Samples from a zone of alteration and silicification underlying a flow banded rhyolite near the top of the Breccia Complex were identified as the main source of the gold mineralisation. Three samples from this zone of gold mineralisation were collected over a 100m strike length; they returned an average gold grade of 7.8g/t. Lower gold grade values (around 1g/t Au) were returned from samples collected from the underlying Mt Canton Breccia.

Although a number of drill holes were previously completed on the Breccia Prospect, mapping has indicated that the zone of silicification was not drill tested. It now appears that the main auriferous zone has not been previously sampled. The zone of gold mineralisation appears to dip back into Mt Canton that will make drill testing difficult. The mineralisation is likely to extend at depth as a tabular shoot following the basal contact of the rhyolite intrusive. Additional drilling is required to evaluate this prospect.

A soil sampling program was laid out over the Mt Canton Breccia Prospect and a total of 58 minus 80 micron soil samples were collected at 20 metre intervals along 5 traverses following the contours on Mt Canton. (An additional six soil samples were collected across the gold mineralisation on the Mt Canton North Prospect for orientation purposes).

The soil samples were analysed for Ag, Cu, Pb, Zn, As, Mo, Fe and Mn by ICP21R and for gold by Aqua Regia (ARL155). The results are shown in Table 1 below.

A total of 18 samples returned strongly anomalous gold values of > 0.10ppm Au with a peak value of 0.98ppm Au. The soil anomaly is outlined best on traverse line CD where it extends for over 120 metres with the anomaly open on the northern side. Significantly, the orientation traverse over the gold zone at the Mt Canton North Prospect did not return any assays over 0.1ppm Au despite the presence of > 6g/t Au on a surface outcrop. (See bottom of Table 1)

**TABLE 1: Mt Canton Breccia Prospect - Soil Sampling Results**

Sample	East	North	Geology	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm	As ppm	Fe ppm	Mn ppm	Mo ppm
CA-1	487943	7756601	RHY	-	-	3	29	117	5	13300	1470	-
CA-2	487949	7756614	RHY	-	-	3	46	105	8	14700	1740	-
CA-3	487972	7756680	RHY	-	-	5	41	195	3	13200	1320	-
CA-4	487987	7756649	RHY	-	-	7	65	276	4	16600	2130	-
CA-5	487993	7756657	RHY	-	-	5	76	195	4	12500	1330	-
CA-6	488013	7756678	RHY	-	-	5	99	165	5	13200	1450	-
CA-7	488016	7756687	RHY	0.01	-	6	71	193	6	14000	1530	-
CA-8	488050	7756692	V	-	-	10	156	189	19	16600	1770	-
CA-9	488069	7756689	V	-	-	12	272	285	17	19600	2400	-
CA-10	488094	7756696	V	-	-	13	150	162	9	14000	2100	-
CB-1	487955	7756628	RHY	-	-	10	220	362	7	16700	1610	-
CB-2	487966	7756645	RHY	0.01	-	8	118	264	3	14400	947	-
CB-3	487975	7756664	RHY	0.03	-	15	111	280	7	17300	1990	-
CB-4	484986	7756680	SIL	0.06	1	22	119	249	11	16400	1440	4
CB-5	488005	7756688	SIL	0.04	-	16	231	317	9	16900	1780	-
<b>CB-6</b>	<b>488010</b>	<b>7756710</b>	<b>SIL</b>	<b>0.54</b>	<b>3</b>	<b>75</b>	<b>138</b>	<b>359</b>	<b>37</b>	<b>30900</b>	<b>1110</b>	<b>15</b>
<b>CB-7</b>	<b>488027</b>	<b>7756718</b>	<b>RHY-ALT</b>	<b>0.10</b>	<b>2</b>	<b>113</b>	<b>222</b>	<b>1150</b>	<b>19</b>	<b>24800</b>	<b>4320</b>	<b>4</b>
CB-8	488050	7756723	RHY-ALT	0.01	1	44	571	950	22	19000	4100	-
CB-9	488067	7756726	RHY-BX	0.01	-	28	271	858	20	19200	3270	-
CB-10	488082	7756735	BX-FB	0.02	-	49	178	1730	38	19400	4560	2
CB-11	488100	7756745	SIL-O/C	0.01	2	20	157	434	17	19500	2100	2
CB-12	488120	7756752	Fe-FRA	0.01	-	12	178	313	20	17600	2600	3
CC-1	487920	7756594	RHY	-	-	6	74	213	3	10600	1560	-
CC-2	487958	7756564	RHY	-	-	6	85	187	5	10200	798	-
CC-3	487933	7756640	RHY-Fe	0.01	-	23	109	327	5	17000	1280	-
CC-4	487929	7756649	V	0.02	-	37	171	392	8	21400	2040	-
CC-5	487942	7756666	V	0.01	-	24	149	319	11	17700	1610	-
CC-6	487953	7756680	V	0.09	-	80	131	366	16	23100	2160	2
CC-7	487967	7756690	V	0.07	-	33	107	260	16	19900	1770	3
CC-8	487480	7756700	V	0.03	-	23	117	243	17	20200	1560	4
<b>CC-9</b>	<b>487999</b>	<b>7756688</b>	<b>V</b>	<b>0.98</b>	<b>4</b>	<b>193</b>	<b>382</b>	<b>486</b>	<b>38</b>	<b>38400</b>	<b>1510</b>	<b>9</b>
<b>CC-10</b>	<b>488006</b>	<b>7756729</b>	<b>RHY-BX</b>	<b>0.26</b>	<b>3</b>	<b>407</b>	<b>238</b>	<b>984</b>	<b>31</b>	<b>31300</b>	<b>4980</b>	<b>5</b>
<b>CC-11</b>	<b>488024</b>	<b>7756750</b>	<b>RHY-BX</b>	<b>0.11</b>	<b>1</b>	<b>65</b>	<b>300</b>	<b>1330</b>	<b>17</b>	<b>22200</b>	<b>5160</b>	-
CC-12	488039	7756763	RHY-BX	0.01	-	35	743	1180	25	18200	4890	-
CC-13	488063	7756765	RHY-BX	-	-	25	258	976	76	20000	3410	-
CC-14	488062	7756763	RHY-BX	0.01	-	14	215	517	54	16100	2090	-
CC-15	488079	7756774	V	-	-	15	130	483	27	18200	2250	2
CC-16	488093	7756786	V	0.01	-	15	120	235	5	10500	1380	-
CD-1	487898	7756578	RHY	0.02	-	34	359	364	29	23200	2370	-
CD-2	487889	7756594	SIL-V	0.14	1	132	140	530	22	27700	1990	-
CD-3	487883	7756615	V-Fe/Mn	0.65	4	146	293	655	30	31000	2280	3
CD-4	487890	7756629	V-Fe/Mn	0.11	2	76	246	530	13	23100	3010	-
CD-6	487902	7756649	V-Fe/Mn	0.05	1	56	246	923	18	28900	3720	-
CD-7	487913	7756670	RHY-BX	0.05	-	32	142	349	11	17700	2040	-
CD-8	487937	7256707	RHY-BX	0.05	1	72	142	698	17	23400	2560	-
<b>CD-9</b>	<b>487950</b>	<b>7756723</b>	<b>RHY-BX</b>	<b>0.46</b>	<b>1</b>	<b>74</b>	<b>164</b>	<b>551</b>	<b>18</b>	<b>22500</b>	<b>2460</b>	-
<b>CD-10</b>	<b>487965</b>	<b>7756745</b>	<b>RHY-BX</b>	<b>0.14</b>	<b>2</b>	<b>461</b>	<b>214</b>	<b>1020</b>	<b>19</b>	<b>32300</b>	<b>5570</b>	-
<b>CD-11</b>	<b>487975</b>	<b>7756766</b>	<b>RHY-BX</b>	<b>0.36</b>	<b>1</b>	<b>300</b>	<b>302</b>	<b>923</b>	<b>30</b>	<b>31300</b>	<b>3540</b>	<b>6</b>
<b>CD-12</b>	<b>487987</b>	<b>7756781</b>	<b>RHY-BX</b>	<b>0.15</b>	-	<b>71</b>	<b>367</b>	<b>1560</b>	<b>10</b>	<b>17500</b>	<b>5420</b>	-



Sample	East	North	Geology	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm	As ppm	Fe ppm	Mn ppm	Mo ppm
CD-13	487997	7756789	RHY-BX	0.33	-	75	210	1390	11	19700	3380	-
CD-14	488009	7756798	RHY-BX	0.16	-	24	174	784	12	18100	2230	-
CE-1	487829	7756629	V-Fe	0.07	-	166	163	845	14	39300	3020	-
CE-2	487888	7756645	V-Fe	0.14	2	281	158	753	13	59800	1830	-
CE-3	487851	7756661	V-Fe	0.09	2	102	188	924	54	56900	2850	-
CE-4	487863	7756679	V-Fe/Mn	0.71	1	58	226	792	18	39300	1930	-
CE-5	487872	7756690	V-Fe	0.11	1	43	240	791	16	37600	2180	-
CE-6	487889	7756708	V	0.19	-	36	127	1240	15	28500	2690	-

### **Mt Canton North Prospect**

Sample	East	North	Geology	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm	As ppm	Fe ppm	Mn ppm	Mo ppm
CN-1	489333	77357695	V	0.02	-	20	26	55	6	32600	1050	3
CN-2			V	0.02	-	18	22	67	10	30500	1330	4
CN-3			SIL-V	0.08	-	21	40	67	19	33100	1760	12
CN-4			SIL	0.09	-	34	39	97	16	32000	1040	7
CN-5			SIL	0.09	-	37	57	106	14	27200	1710	6
CN-6			V	0.04	-	31	38	81	13	22400	1220	5

#### **Geological Description**

RHY	Rhyolite
V	Volcanics
SIL	Silicification
ALT	Alteration
BX	Breccia
FRA	Fractured
Fe	Iron oxides
Mn	Manganese oxides

### **4.3 Budgerie Prospect - ML 1325**

Historical mine records for the Budgerie tenement area, located approximately 10kms east of Ravenswood, show the area is strongly altered and hosts very high grade gold mineralisation. Mining lease ML1325 has been renewed and compensation agreements concluded with the local grazier and Burdekin Shire Council.

### **4.4 Waterloo Prospect - ML 1529**

Renewal of this tenement is currently proceeding and a formal compensation agreement has been signed with the local land holder.

It is anticipated that any ore sourced from Waterloo will be trucked via the gazetted public road through Silver Valley which is approximately 3kms to the north of Waterloo. However, only one kilometre of new roadwork will be required for the access route to Waterloo as an access road has already been cleared over a section of the proposed route. This work will be initiated following the mining lease renewal.

### **4.5 Podoskys Prospect - ML 10315**

No further exploration work has been undertaken on Podoskys as it has yet to progress through Native Title. The Queensland Government is currently trying to arrange a meeting with the legal representative of the Birri people who hold a claim over the area.

#### **4.6 Copper Knob - ML1330**

Maintenance work including the backfilling and vegetation rehabilitation of trenches located at the northern end of Copper Knob, outside the main mineralised area, was completed during the Quarter.

#### **4.7 Old Man - ML 1326 and ML 1415, 1483 and 10275**

Work on other Ravenswood lease areas has been restricted to general lease peg maintenance with no exploration work conducted on the tenements. Rehabilitation of sample bags and the drill site on Old Man (ML 1326) was completed during the **December** Quarter, prior to the onset of the wet season. Some additional drill sites have been prepared so drilling can proceed once a rig becomes available.

#### **5. HAOMA MINING ASX RELEASES**

Any person who would prefer to receive Haoma ASX Releases by email is advised to email Haoma Mining at [haoma@roymorgan.com](mailto:haoma@roymorgan.com) or telephone the Company Secretary on (03) 92245142.

Yours sincerely,

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

**Gary C Morgan**  
CHAIRMAN





