



# Haoma Mining NL

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February 4, 2008

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, 2007 - HIGHLIGHTS**

- **Group Consolidated Result** – Haoma Mining's unaudited consolidated financial result for the three months ended December 31, 2007 was a before tax loss of \$1.97 million after interest of \$0.58 million, depreciation and amortisation of \$0.19 million and group exploration, development and test work expenditure of \$0.79 million.

- **Bamboo Creek** – Laboratory tests on bulk samples of Bamboo Creek (BBC) tailings show that more gold can be produced from these tailings than measured by traditional assays.

Following the Christmas break a small team at Bamboo Creek have been refurbishing and re-installing the BBC Gravity Circuit. It is anticipated the BBC Gravity Circuit will be ready to process a trial parcel of BBC ore in late February. This should coincide with the completion of Bamboo Creek Laboratory test work.

- **North Pole** - In late November, 2007 reconnaissance rock chip samples were taken over an extensive outcrop of andesitic pillow basalt in Tenement E45/2532. The samples returned encouraging iron and manganese results with maximum values of 46.1% manganese, 54.8% iron and 1,150ppm vanadium.

During January, 2008 a total of 68 additional geochemical rock chip samples taken from tenement E45/2532. Samples were prepared at the Bamboo Creek Laboratory and after being analysed for gold the pulps were sent to ALS, Perth for multi assay analysis. At the time of this report the multi analysis assay results are still outstanding.

Three of the January samples analysed at the Bamboo Creek Laboratory returned anomalous gold values (0.37g/t Au, 0.46g/t Au and 1.66g/t Au). These samples will be assayed again for gold at ALS, Perth.

The rock chip samples were taken over three new structures of which two trend north east and generally follow the overall regional geology. The third trends south east. Traverses samples were taken across two strike structures, with one lithological unit having strong magnetic properties.

- **Nickol Bay / Karratha** – Assays showing "high iron" with "low sulphur" percentages and relatively "low phosphorous" with "good LOI" (Loss of Ignition) make the Nickol Bay iron deposit (although small) worthy of additional exploration. Its close proximity to existing infrastructure, 35 km by road to Cape Lambert and 25 km by road to Karratha, make the area a high priority for Haoma.

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### **1. GROUP CONSOLIDATED RESULT TO DECEMBER 31, 2007**

<b>Haoma Mining NL Consolidated Profit &amp; Loss</b>	<b>2006/07 2nd Qtr (\$m)</b>	<b>2006/07 Year End June 30 (\$m)</b>	<b>2007/08 1st Qtr (\$m)</b>	<b>2007/08 2nd Qtr (\$m)</b>	<b>2007/08 Year End June 30 (\$m)</b>
Operating revenue	0.08	0.21	0.14	<b>0.26</b>	<b>0.40</b>
<b>Operating profit before interest, depreciation, amortisation and exploration and development costs</b>	(1.18)	(3.46)	(0.11)	<b>(0.41)</b>	<b>(0.52)</b>
Interest	(0.48)	(1.76)	(0.49)	<b>(0.58)</b>	<b>(1.07)</b>
Depreciation & amortization	(0.16)	(0.61)	(0.15)	<b>(0.19)</b>	<b>(0.34)</b>
Exploration, development & test work	(0.75)	(2.04)	(0.47)	<b>(0.79)</b>	<b>(1.26)</b>
<b>Operating profit (loss) before tax</b>	<b>(2.57)</b>	<b>(7.87)</b>	<b>(1.22)</b>	<b>(1.97)</b>	<b>(3.19)</b>

<b>Bamboo Creek Processing Plant</b>					
Gold Production (ozs)	56	108	22	<b>82</b>	<b>104</b>
Gold sold (ozs)	56	108	22	<b>82</b>	<b>104</b>
Av. Selling price (\$/oz)	\$801	\$810	\$860	<b>\$909</b>	<b>\$899</b>
<b>Bamboo Creek silver prod'n (oz)</b>					
Silver Production (ozs)	143	170	2	<b>38</b>	<b>40</b>

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

Haoma Mining's unaudited consolidated financial result for the three months ended December 31, 2007 was a before tax loss of \$ 1.97 million after interest of \$0.58 million, depreciation and amortisation of \$0.19 million and group exploration, development and test work expenditure of \$0.79 million.

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

Since February 2007 funding for the Company's operations has been provided by Haoma's major shareholder, Leaveland Pty Ltd. Leaveland 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.

At December 31, 2007 the principal debt to Leaveland was \$22.334 million. Haoma has approved payment of interest to Leaveland at the 30 day commercial bill rate plus a 2% margin. Interest on the debt will accrue until such time as the company is in a position to commence interest payments. Interest accrued for the 3 months from October 1 to December 31, 2007 was \$557,048.

#### **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 Gold Processing Plant

Between October 2006 and January 2007, 31,096 tonnes of Pilbara ores with an average BBC Plant Feed Grade (by Aqua Regia) of 0.9g/t gold were processed at the Bamboo Creek Plant. Of this ore 20,000 were deposited in the BBC Vats while 10,000t were processed through the BBC Plant and leached in the cyanide tanks.

On [November 13, 2006](#) Haoma shareholders were advised that processing of low-grade Kitchener stockpiled ore through the re-engineered Bamboo Creek Plant was producing gold into cyanide solution which was then being recovered onto carbon

Haoma's [December 2006](#) and [March 2007](#) Quarterly Activities Reports advised shareholders that the Bamboo Creek Plant had experienced serious problems extracting most of the gold which had been deposited on carbon from the gold cyanide solution..

Since then test work was conducted at Bamboo Creek on stripping the gold from loaded carbon..

On November 5, 2007 Haoma [reported to the ASX](#) that the problem of extracting the gold from the carbon had been solved, with more gold being extracted from the carbon than was initially measured on the carbon by traditional assay methods.

Shareholders were advised at the Annual General Meeting on November 30, 2007 that test work at Bamboo Creek gave the following significant results:

1. Gold can now be extracted from Bamboo Creek ore and gold loaded carbon,
2. More gold bullion was poured than measured on the carbon by traditional assay methods. The 4.75 tonnes of previously stripped gold loaded carbon with an average gold grade of 315 g/t (expected gold from loaded carbon less barren carbon, 1,254 grams) produced 2,026.1 grams of gold. While only a small amount of gold (51g/t) was measured on the barren carbon.<sup>[1]</sup>
3. Other tests on Bamboo Creek carbon measured more nickel, arsenic and other metals than measured by traditional assay methods, and
4. More than a third of the arsenic measured in BBC ores tested could be separately extracted. This finding could be important if Haoma decides to mine and process the BBC Nickel Deposit discovered in the 1970s. ([See Section 3.2 - March, 2007 Haoma Mining Quarterly Report](#)).

Stripping of gold from the remaining 3 tonnes of gold loaded carbon has also been completed. This included the two tonnes of carbon which was used to extract gold from the "gold pregnant" cyanide solution which had for 7 weeks been recirculating through the Bamboo Creek Vat. Recovery grades will be reported to shareholders when finally reconciled.

At present gold continues to be produced and recovered onto carbon at an average rate of 130 grams per week from the 20,000t of low grade ore in the Bamboo Creek Vat.

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<sup>[1]</sup> The report comparing the gold produced with the assayed gold grade of the carbon before being stripped was prepared by Mr Peter Cole, Haoma's metallurgical consultant. Mr. Cole consents to the inclusion of the information in the context in which it appears.

Following the Christmas break a small team at Bamboo Creek have been refurbishing and re-installing the BBC Gravity Circuit. It is anticipated the BBC Gravity Circuit will be ready to process a trial parcel of BBC ore in late February. This should coincide with the completion of Bamboo Creek Laboratory test work.

## **2.2 Test Work at Bamboo Creek Laboratory**

Bamboo Creek Laboratory tests on bulk samples of Bamboo tailings using the Elazac Gold Extraction Process show that more gold can be produced from the BBC tailings than measured by traditional assays.

The Table 1 below shows the gold Head Grade of the BBC tailings is **significantly lower** than the gold “Calculated” Head Grade after using the Elazac Gold Extraction Process.

**Table 1: Comparison of Head Grade with “Calculated” Head Grade for Bulk Samples of Bamboo Creek Tailings**

	Sample 1	Sample 2	Sample 3	Av grade g/t
Weight (g)	1,025.97	4,076.54	2,183.96	
Head Grade (g/t)	0.369	0.221	0.369	0.286
“Calculated” Head Grade (Solution Grade + Solid Tail) (g/t)	2.160	0.942	1.998	1.430

Further test work will continue to "fine tune" the Elazac Gold Extraction Process so that a process design can be implemented at the Bamboo Creek Plant which uses a low cost “gold recovery” circuit.

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

During the last 2 reporting periods, July to September and October to December 2007, exploration activities were mainly concentrated on the North Pole, Linden, Stirling/Copper Hills and Karratha groups of tenements.

### **3.1 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 (pending))**

On December 28, 2007, Haoma Mining released to the ASX encouraging iron and manganese assays from rock chip samples from its North Pole tenement E45/2532 (pending - 100% Haoma) located in the Pilbara Region of Western Australia - approximately 150 km south-east of Port Hedland.

Haoma's 10 Mining Leases and one Exploration License (E45/2532) in the North Pole Region of the Pilbara cover approximately 276 km<sup>2</sup>.

In the past tenement E45/2532 has been exposed to limited modern exploration techniques. In late November, 2007 reconnaissance rock chip samples were taken over an extensive outcrop of andesitic pillow basalt in tenement E45/2532. The samples returned encouraging iron and manganese results with maximum values of 46.1% manganese, 54.8% iron and 1,150 ppm vanadium (See Table 2).

**Table 2: Assay results from Rock Chip Samples – North Pole - E45/2532**

Sample Unit	GDAE	GDAN	Au g/t	Fe %	Mn %	Al <sub>2</sub> O <sub>3</sub> %	CaO %	P %	S %	SiO <sub>2</sub> %	V ppm	LOI %
*R2007-05	755335	7655697	<0.01	31.50	15.80	1.50	0.40	0.143	0.246	18.45	828	10.25
*R2007-06	754397	7655676	<0.01	54.80	0.70	0.76	0.08	0.094	0.232	9.10	1150	9.13
*R2007-07	754261	7655640	<0.01	8.29	0.02	4.27	0.08	0.031	0.417	80.70	64	<0.01
*R2007-08	755225	7655675	<0.01	8.14	46.10	1.48	0.96	0.058	0.235	8.55	334	11.45
*R2007-09	755200	7655676	<0.01	18.70	1.09	5.04	0.17	0.219	0.296	58.00	176	5.81
*R2007-10	755647	7655749	<0.01	32.00	0.11	1.76	13.60	0.129	0.239	20.10	272	17.00
*R2007-11	755709	7655817	<0.01	27.70	0.34	1.78	20.20	0.053	0.264	4.94	214	26.60
*R2007-12	755295	7655797	<0.01	44.10	2.71	1.96	0.13	0.131	0.256	19.90	224	8.88
*R2007-13	755358	7656033	<0.01	36.60	2.09	1.20	0.10	0.052	0.256	35.20	246	6.94
*R2007-14	754923	7655868	<0.01	37.30	13.10	1.51	1.63	0.103	0.234	11.85	310	10.70
*R2007-15	755760	7655898	<0.01	48.50	6.08	3.40	0.07	0.187	0.242	6.14	178	9.37

[Note: <sup>1</sup>

Note: Co ordinates are MGA 50

\*R2007-05 – R2007-15 were reported to the ASX on December 28, 2007

Gold results are from Atomic Absorption determination with all other analysis being XRF (X-Ray Florescence)

During January, 2008 a total of 68 additional geochemical rock chip samples were taken from tenement E45/2532. Samples were prepared at the Bamboo Creek Laboratory and after being analysed for gold the pulps were sent to ALS, Perth for multi assay analysis. At the time of this report the multi analysis assay results are still outstanding.

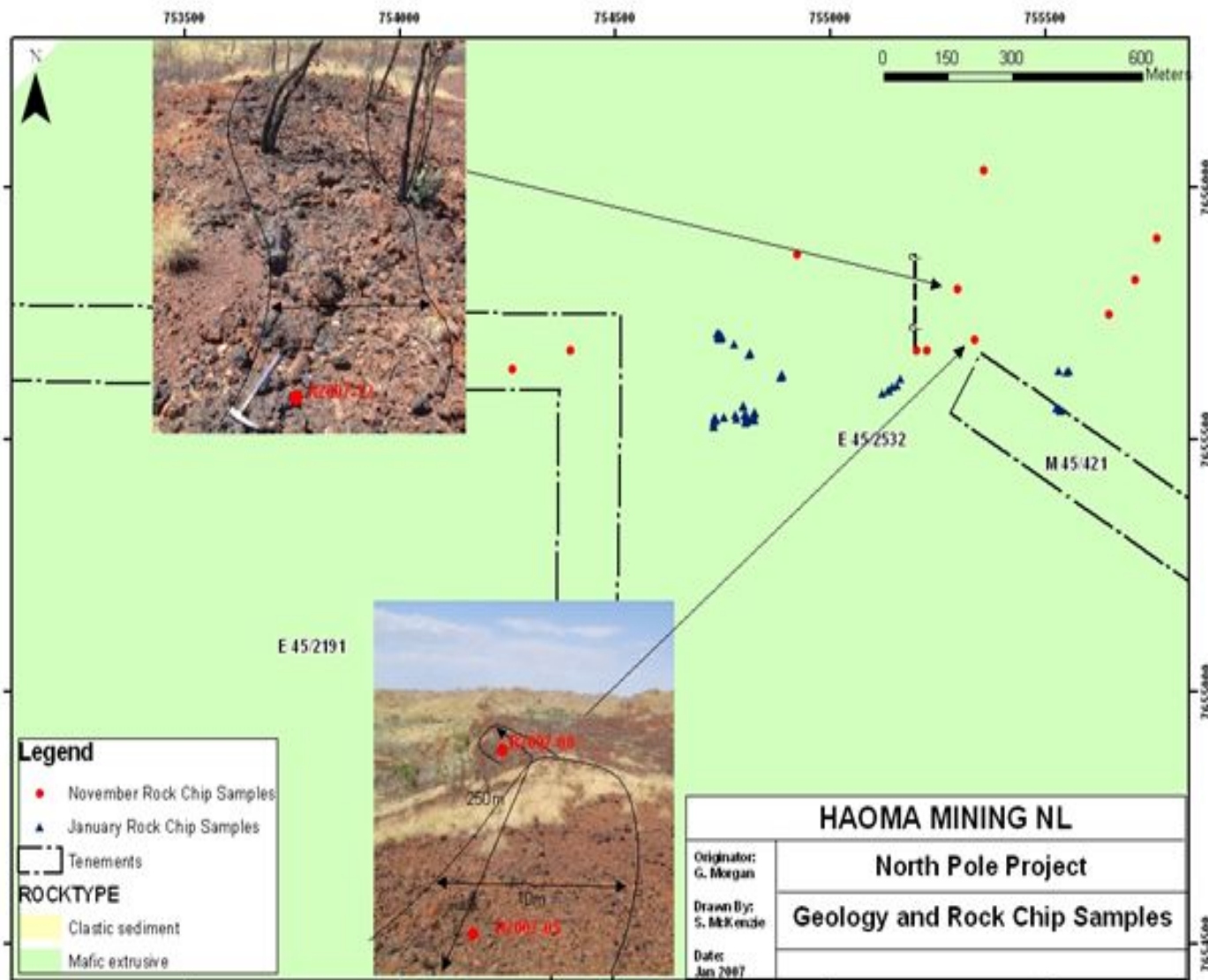
Three of the January samples analysed at the Bamboo Creek Laboratory returned anomalous gold values (0.37g/t Au, 0.46g/t Au and 1.66g/t Au). These samples will be assayed again for gold at ALS, Perth.

The rock chip samples were taken over three new structures of which two trend north east and generally follow the overall regional geology. The third trends south east. Traverses samples were taken across two strike structures, with one lithological unit having strong magnetic properties.

Figure 1 below shows the location of both the original samples collected in November, 2007 and those collected in January, 2008.

<sup>1</sup> Table 2 of exploration assay results was prepared on December 27, 2007 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

**Figure 1: Location of Rock Chip Samples – E45/2532**



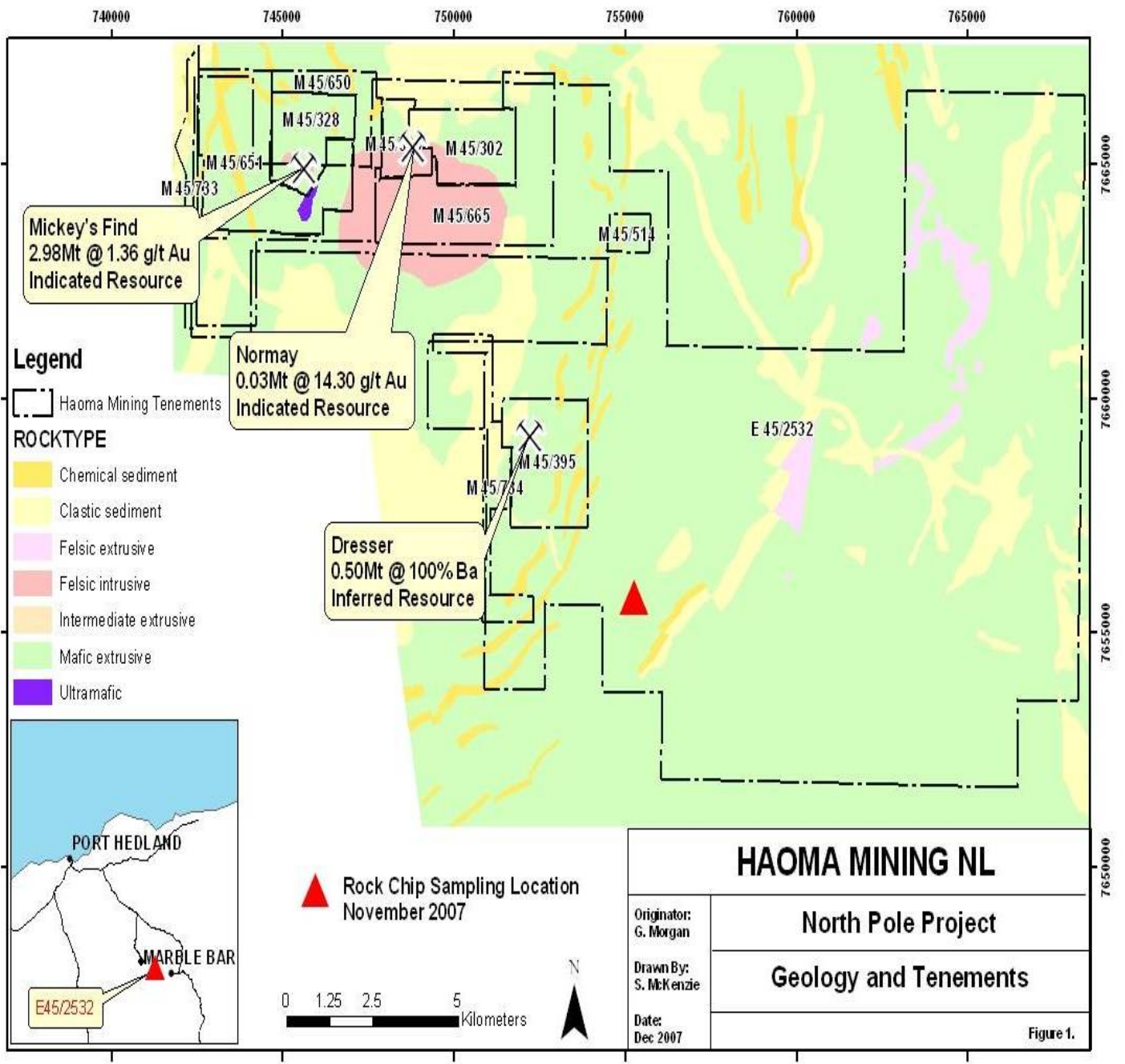
In addition to the above samples, 4 additional samples were collected in late January, 2008 from the south east area of tenement M45/665 adjacent to E45/2532. This area is approximately 8km from the samples collected on E45/2532 in November and January.

The samples are from a new previously un-sampled area, and show similar characteristics as the samples collected from E45/2532, although they are from a new geological zone which does not have a structural relationship to E45/2532.

The samples were analysed for gold at the Bamboo Creek Laboratory and the pulps sent to ALS, Perth for multi assay analysis. Of the 4 samples assayed for gold, one sample returned a grade of 1.38g/t Au.

Further sampling and geological mapping will be carried out during the current Quarter.

**Figure 2: Location of North Pole Tenements**



### 3.2 Nickol Bay–Karratha (M47/577, M47/435, M47/127, M47/421, M47/401, M47/87, M47/455)

During the last 2 reporting periods, July to September and October to December, 2007, exploration activities at Nickol Bay have mainly been confined to geologically mapping part of tenement M45/577 (pending) and the collection of a number of additional rock chip samples.

The area geologically mapped is in a chert/BIF outcrop which lies within the north-east area of the tenement. Based on geological mapping completed to date the outcropping ridge is a ferruginous duricrust with sections of pisolitic ironstone, which overlay several thin chert/BIF and sandstone units.

Figure 3 below shows the extent of the rock outcrop structure where several additional samples were taken at the time of mapping.

**Figure 3: Nickol Bay Tenement - M47/455**

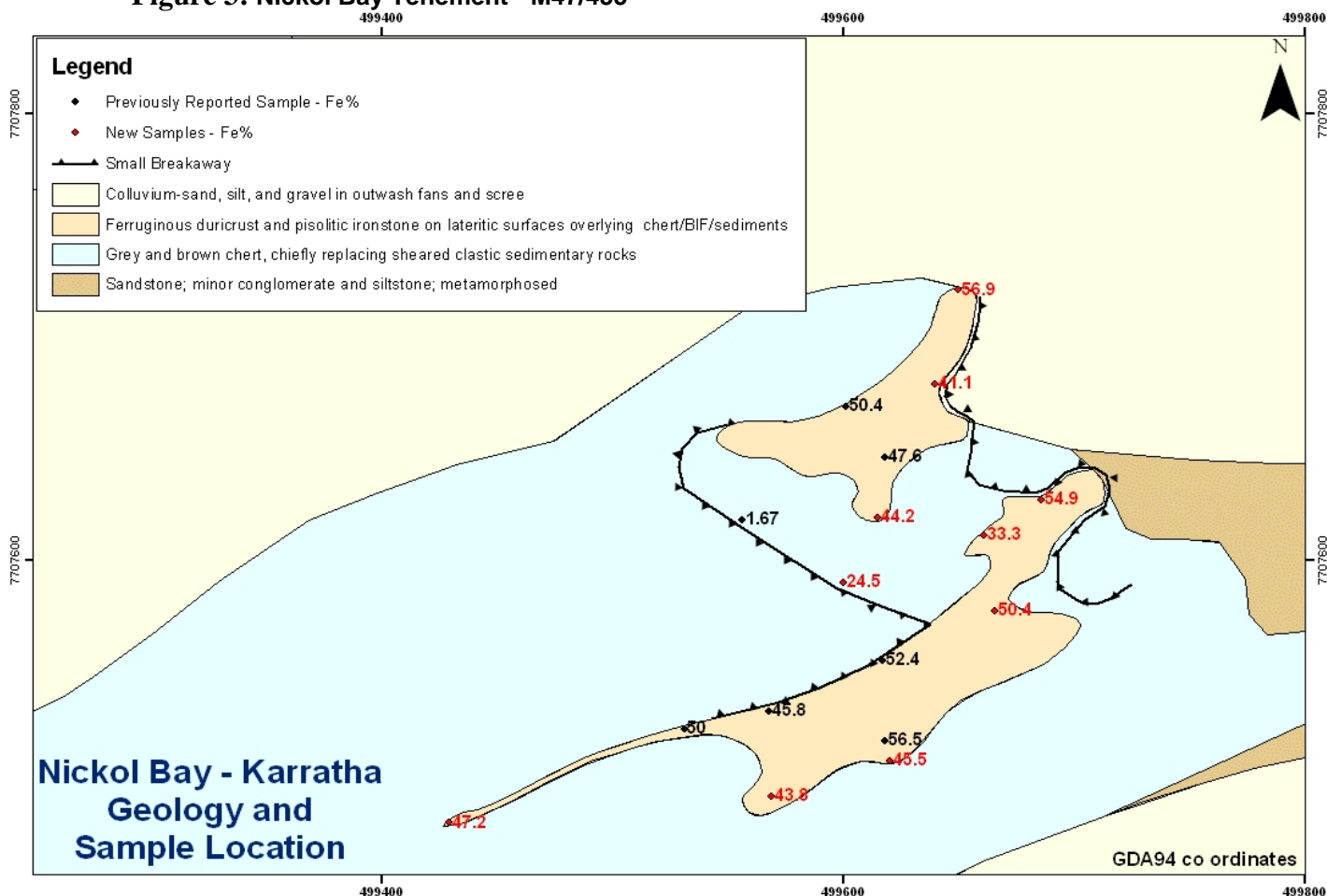


Table 3 below includes assays from additional samples collected during the recent exploration activities. Included are results from rock chip samples from a previous site visit and reported in the September, 2007 Quarterly Report.

**Table 3: Assay Results from Rock Chip Samples – Nickol Bay – M47/455**

Sample Units	GDAE	GDAN	Au g/t	Al <sub>2</sub> O <sub>3</sub> %	Fe %	LOI %	P %	S %	SiO <sub>2</sub> %
*NB-009	499601	7707669	0.01	1.28	50.40		0.147	0.03	
*NB-010	499618	7707646	<0.01	3.11	47.60		0.125	0.04	
*NB-011	499556	7707618	<0.01	0.06	1.67		0.003	0.01	
*NB-012	499617	7707555	0.20	0.44	52.40		0.116	0.05	
*NB-013	499618	7707519	<0.01	0.35	56.50		0.163	0.02	
*NB-014	499568	7707532	0.07	2.95	45.80		0.159	0.07	
*NB-015	499531	7707524	0.13	1.01	50.00		0.135	0.10	
NB-021	499650	7707721	0.07	1.37	56.90	10.65	0.041	0.02	5.94



NB-022	499640	7707679	0.03	0.36	41.10	6.97	0.052	0.01	33.50
NB-023	499615	7707619	0.01	10.40	44.20	11.70	0.172	0.03	12.80
NB-024	499600	7707590	0.01	0.75	24.50	4.34	0.092	0.01	59.40
NB-026	499661	7707611	<0.01	2.78	33.30	6.72	0.108	0.04	42.30
NB-027	499686	7707627	0.04	0.83	54.90	9.89	0.134	0.03	9.96
NB-028	499666	7707577	0.01	5.84	50.40	11.90	0.156	0.07	8.93
NB-029	499429	7707482	0.46	0.57	47.20	7.05	0.030	0.06	24.30
NB-030	499569	7707494	0.12	10.50	43.80	11.50	0.064	0.04	13.55
NB-031	499620	7707510	0.02	9.08	45.50	11.70	0.054	0.04	13.00

[Note: <sup>2</sup>]

**Note:** Co ordinates are MGA 50

\*NB-009 to \*NB-015 previously reported in Quarterly Report for September 2007

Gold results are from Atomic Absorption determination with Aluminium, Iron, Loi (water), Phosphorus, Sulphur and Silica samples by ICP (Inductively Coupled Plasma) for samples NB-009-15 and XRF (X-Ray Florescence) for samples NB-021-31 respectively

The above results with "high iron" and "low sulphur" percentages and relatively "low phosphorous" with "good LOI" (Loss of Ignition) make the Nickol Bay iron deposit (although small) worthy of additional exploration. Its close proximity to existing infrastructure, 35 km by road to Cape Lambert and 25 km by road to Karratha, make the area a high priority for Haoma.

### 3.3 Linden (E39/293, E39/379, E39/428, M39/255, P39/2974, P39/2975, P39/2976)

During October, 2007 a field reconnaissance visit was made to Haoma's Linden tenements. Exploration work included the collection of several rock chip samples from tenement P39/2974. Assay results from samples taken are reported in Table 4 below:

**Table 4: Assay Results from Rock Chip Samples - Linden – October, 2007**

Sample Unit	GDAE	GDAN	Au g/t	Ag g/t	Co ppm	Cu ppm
2974-001	445303	6761243	0.01	<1	32	52
2974-002	445382	6761253	0.06	0.60	3	61
2974-003	445405	6761249	0.09	<1	4	29
2974-004	445429	6761233	0.09	1.50	7	178
2974-005	445401	6761162	0.09	0.70	40	144
2974-006	445391	6761177	0.26	0.60	79	5410
2974-007	445384	6761170	0.47	0.90	54	6380
2974-008	445371	6761181	2.00	1.20	18	3360

[Note: <sup>3</sup>]

**Note:** Co ordinates are MGA 51

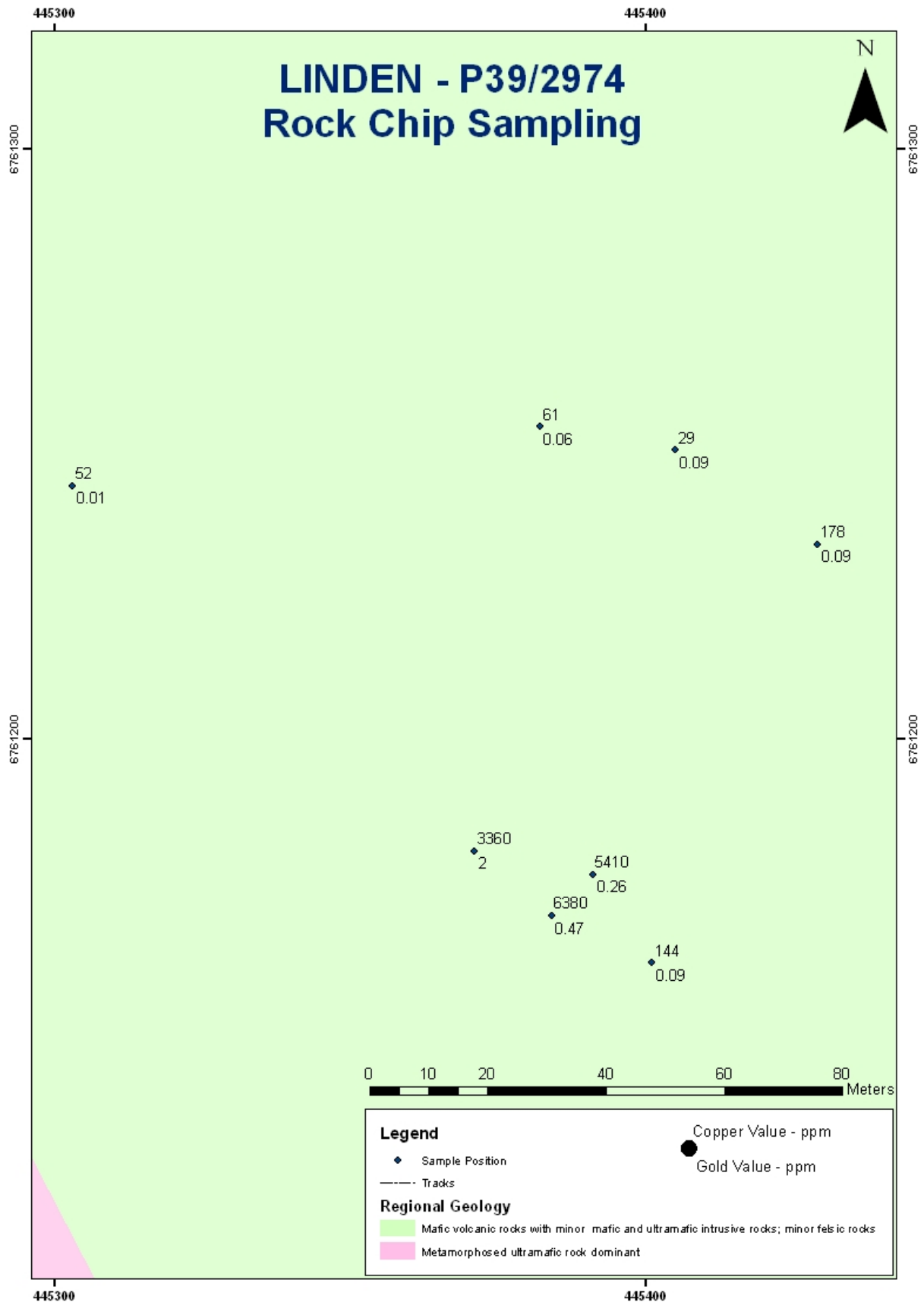
Gold results are from Atomic Absorption determination with Silver, Cobalt and Copper by ICP (Inductively Coupled Plasma)

The high copper results from the rock chip samples were expected however the resulting anomalous gold was **not** expected. Further rock chip sampling will be carried out during 2008 to further define the extent of the anomalous copper/gold zone. Figure 4 shows the positions and grades of the copper and gold samples collected during October, 2007.

<sup>2</sup> Table 3 of exploration assay results was prepared on January 29, 2008 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

<sup>3</sup> Table 4 of exploration assay results was prepared on January 29, 2008 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

**Figure 4: Linden Rock Chip Samples**



### 3.4 Stirling/Copper Hills (M45/238, M45/346, M45/357, M46/4, M46/44, M46/160, M46/177)

During October 2007 a regional exploration program was carried out on the Stirling/Copper Hills group of tenements. Four of the tenements were visited and because of poor access (washed out tracks and impassable rivers) to several of the areas it took 2 days to reach the nominated tenements. Accessibility issues (and road maintenance) to some of the tenements need to be overcome before further work on the tenements can be completed.

Several of the rock chip results from different tenements shown in Table 5 below are significant. They are confirmed by the assays obtained from sampling surrounding old mullock heaps and oversize stockpiles.

**Table 5: Significant Assay Results from Rock Chip Samples – Stirling/Copper Hills Tenements**

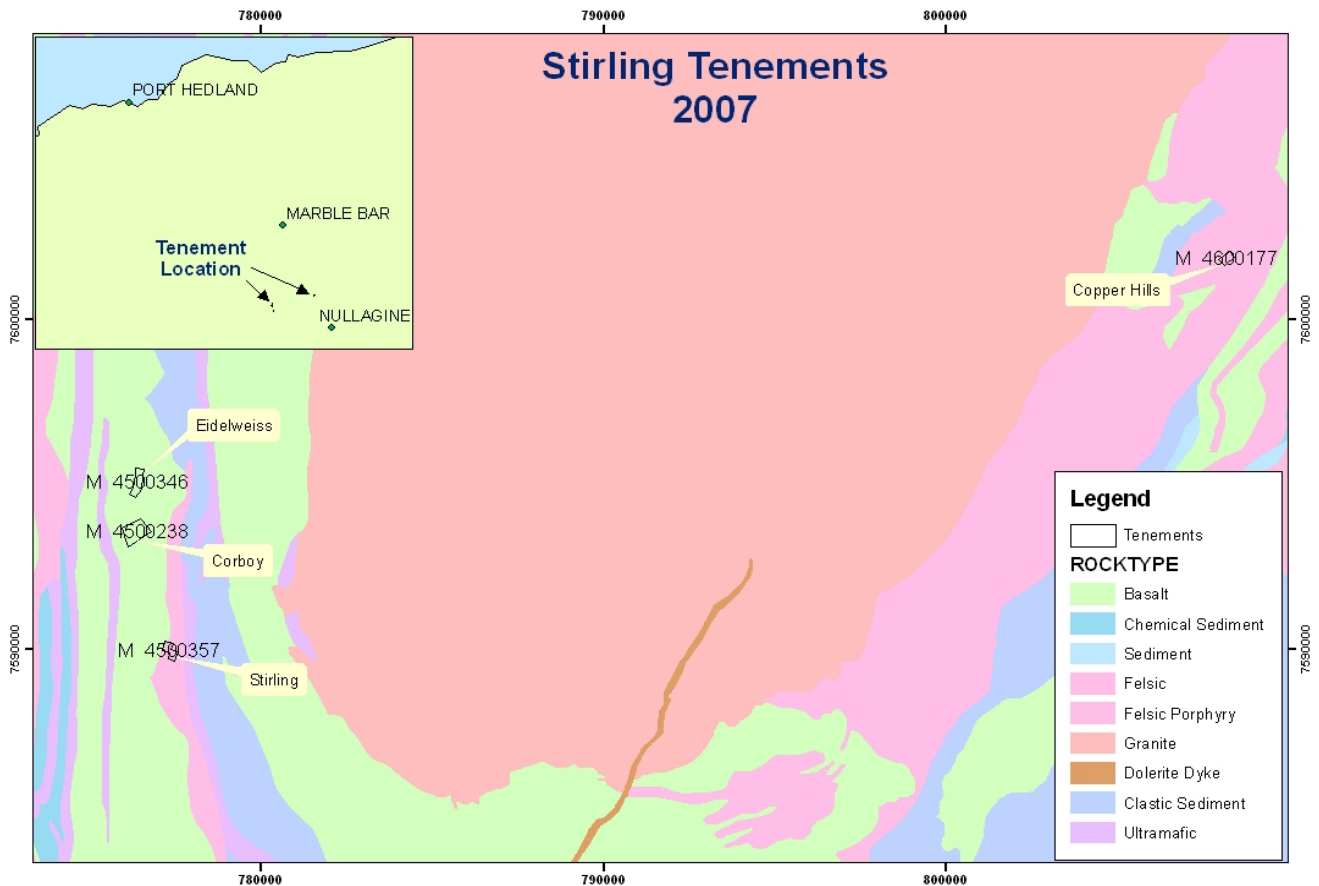
Hole ID	GDAE	GDAN	Sample Type	Au g/t	Ag ppm	Cu ppm
357-004	777374	7589830	Rock Chip	2.91	1	195
357-007	777410	7589885	Mullock	1.83	5	231
357-015	777482	7590023	Mullock	4.13	<1	9
357-016	777478	7590035	Rock Chip	0.75	<1	48
238-007	776285	7593744	Rock Chip	2.43	<1	47
238-008	776312	7593759	Rock Chip	4.11	1	61
238-009	776325	7593772	Rock Chip	0.39	<1	34
238-010	776307	7593800	Mullock	0.19	<1	78
238-011	776391	7593805	Mullock	0.41	<1	43
238-012	776419	7593705	Mullock	3.29	<1	79
238-013	776414	7593731	Mullock	1.16	<1	59
238-014	776513	7593817	Mullock	0.73	<1	99
238-015	776604	7593753	Mullock	0.83	<1	114
238-016	776621	7593761	Mullock	2.17	1	88
177-010	808398	7602024	Rock Chip	0.02	15	6740
177-016	808048	7601918	Rock Chip	0.03	31	39900
177-017	808060	7601930	Rock Chip	0.03	1	1240
177-018	808063	7601911	Rock Chip	0.02	39	34600
177-019	808075	7601902	Rock Chip	<0.01	1	3890
177-022	808120	7601897	Rock Chip	0.47	5	1310
177-031	808153	7601931	Mullock	0.22	91	146000
177-032	808201	7601884	Mullock	0.02	23	16000
177-033	808205	7601863	Mullock	0.78	42	28600
346-002	776407	7595225	Rock Chip	1.62	<1	23
346-003	776410	7595237	Mullock	0.27	<1	21
346-004	776413	7595244	Mullock	0.25	<1	139
346-006	776470	7595280	Mullock	0.12	<1	41
346-007	776497	7595361	Mullock	2.97	1	118
346-008	776510	7594975	Rock Chip	1.50	<1	111

[Note: 4]

Note: Co ordinates are MGA 51  
Gold results are from Atomic Absorption determination with silver and copper by ICP (Inductively Coupled Plasma)

<sup>4</sup> Table 5 of exploration assay results was prepared on January 29, 2008 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

**Figure 5: Stirling Tenements**



**3.5 Cookes Hill (E45/2983 (previously E45/1562), M45/1005, M45/1031 - 1036)**

During the last two reporting periods, July to September and October to December, 2007 BGC Contracting Pty Ltd paid royalty fees to Haoma of \$170,354 for rock mined from Haoma's Cookes Hill tenement M45/1005. Each month samples of excavated material are 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 which may be found on M45/1005).

All samples assayed up until December returned normal background readings for all elements. However during early December several samples taken from a newly excavated area within the quarry returned high gold values, shown in the Table 6 below:

**Table 6: Assay Results from BGC Contracting Pty Ltd Excavated Samples**

Sample	Au Avg g/t	Au 1 g/t	Au 2 g/t	Ag Avg g/t	Ag 1 g/t	Ag 2 g/t
1005-001	4.59	4.59	4.59	0.23	0.25	0.21
1005-002	2.94	2.45	3.42	0.24	0.24	0.24
1005-003	3.99	4.28	3.71	0.25	0.22	0.28
1005-004	9.54	8.13	10.94	0.28	0.25	0.31

Note: Samples were assayed by Atomic Absorption Determination at the Bamboo Creek site laboratory

[Note: <sup>5</sup>]

<sup>5</sup> Table 6 of exploration assay results was prepared on January 29, 2008 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Prior to BGC Contracting mining M45/1005 the host rock at the quarry location was an unaltered layered gabbroic intrusion. The recent excavations have unearthed two 1-metre zones of quartz veining separated by 4 metres of fine grained gabbroic host rock. The overall 6-metre zone is characterised by a large increase in visible sulphides and in some areas rock containing grey silica flooding with shearing present at the contact of the quartz veined zones. These characteristics show some similarities to the Cookes Hill gold deposit (50,000 oz) which is situated approximately one kilometre along strike.

Arrangements have been made with BGC Contracting not to mine this area of the quarry. In the current Quarter Haoma will arrange for BGC Contracting to mine and separately stockpile this gold bearing ore.

**3.6 Daltons Joint Venture (E45/2186, E45/2187) – Haoma 25%, Giralia 75%  
(Includes 100% Haoma M45/780, M45/847, P45/2292 – 2298)**

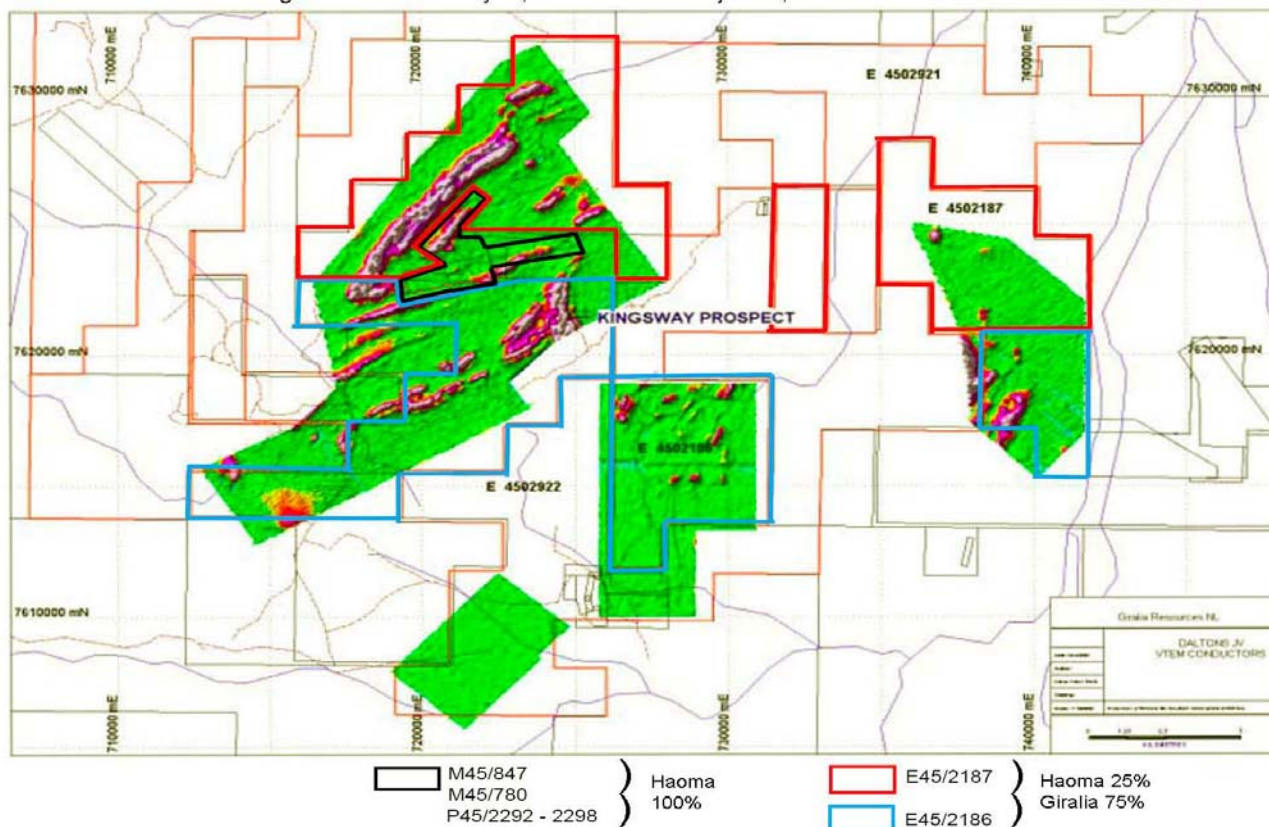
Haoma holds a 25% interest at the Daltons Nickel Joint Venture with Giralia Resources NL (75% interest). The Daltons nickel Joint Venture area is located 150 kilometres south of Port Headland in the Pilbara Region of Western Australia. Haoma has retained the right to all gold/silver and tin/tantalum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

Giralia has provided the following report in respect of activities for the Quarter ended December 31, 2007.

*Field follow up of VTEM conductor targets is planned for the upcoming field season. The VTEM data indicates over 100 first rank conductors. Many of the conductivity features are associated with ultramafic units, and are prospective for nickel sulphide mineralisation.*

*A review of the iron ore potential of the Dalton's Joint Venture tenements continued during the Quarter, with integration of air photo, and hyperspectral images, and mapped geology leading to the identification of several areas of outcropping banded iron formation (“BIF”).*

**Figure 6: Daltons Area: VTEM (late time conductors) - (Haoma 25%, Giralia 75% and 100% Haoma tenements in black)**



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

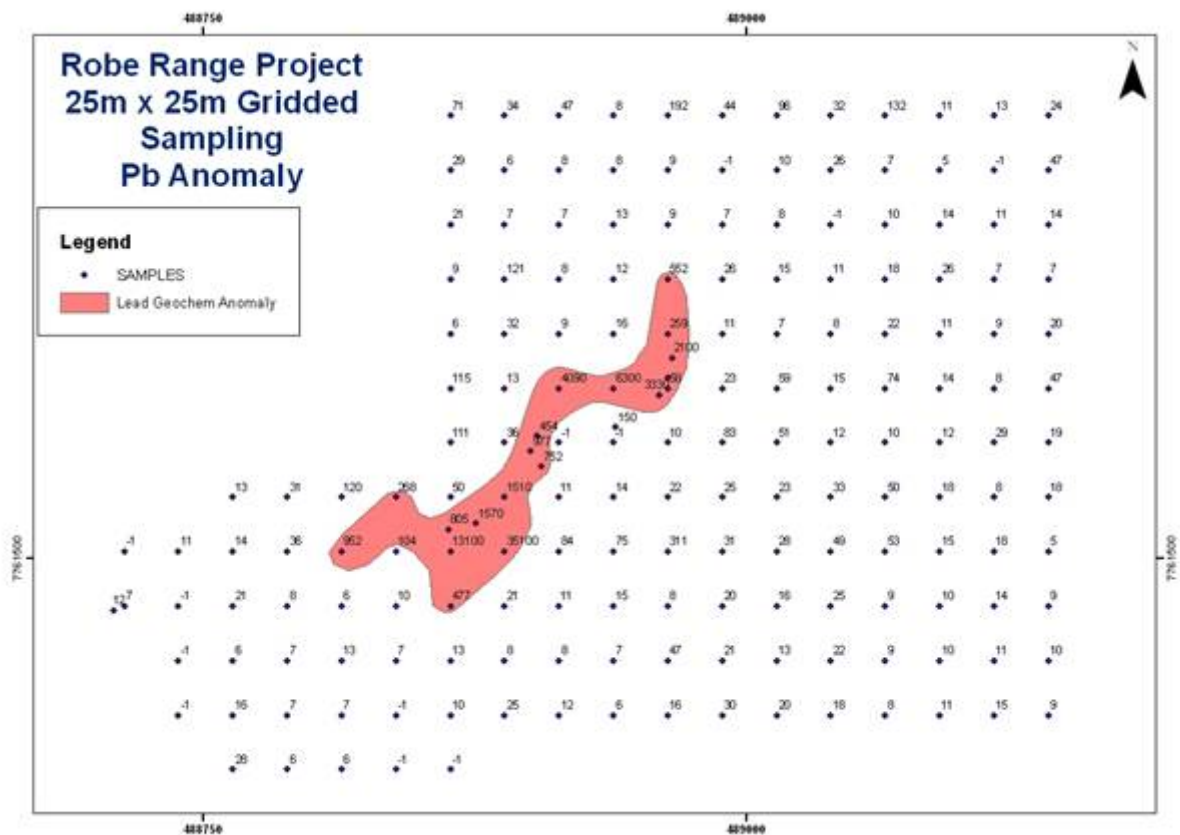
### 4.1 Ravenswood District Tenements

During the December Quarter exploration activities by Haoma Mining NL concentrated on the extension to the existing gridded sampling on tenement EPM14038 and follow up gridded sampling of several areas where anomalous grades had been found from old information recorded for Fishermans Prospect. In addition historical rock chip sampling continued in several more remote areas on tenement EPM14297. Delays of up to six weeks at the SGS Townsville Laboratory have meant that some sample assays from most projects are still outstanding.

### 4.2 Mt Canton Prospect (EPM 14038)

The original gridded sampling conducted on the tenement was extended, by approximately 100 metres to the south-west but stopped when tributaries of Fish Creek were encountered. See Figure 7 below. The lithologies/structures across the tributaries do not indicate favourable host rocks or structures. They indicate that further sampling would not encounter additional geochemical anomalies. In total 31 samples were taken to extend the existing grid. Results were disappointing with the highest values being 268ppm Pb and 952ppm Pb. The samples extended the geochemical footprint by only another 25m resulting in the size of the geochemical anomaly being too small to warrant urgent follow up work. Two drill holes will be drilled under the anomaly when a drilling program is being conducted in the region.

**Figure 7: Robe Range Project Gridded Sampling Lead Anomaly**



A further gridded sampling program was initiated within the tenement after historical 1998 sampling records showed 4 anomalous samples were taken from the Fishermans Prospect. Sample grades are shown in the Table 7:

**Table 7: Assay Results from 1998 Rock Chip Samples - EPM14038**

<b>Sample</b>	<b>Date Sampled</b>	<b>Au g/t</b>	<b>Ag g/t</b>	<b>Pb ppm</b>
PK118	1998	22.00	35.1	5440
PK119	1998	39.62	45.1	5550
PK120	1998	10.00	78.1	5550
PK121	1998	0.41	1.3	826

[Note: <sup>6</sup>]

The above results indicate the area contains favourable structures which warranted further follow up work. During December, 2007 a limited gridded rock chip sampling program was initiated and completed. The samples were sent to the SGS Townsville Laboratory for analysis and at the time of this report were still outstanding.

On site reconnaissance indicated some previous work (including 3 drill holes and 1 costean) was conducted at this location. The results from this historical work are still to be located with effort now underway to retrieve this information.

### **4.3 Burdekin Gold Tenements (EPM 14297)**

During the last 6 months a sample and drill hole validation programme was conducted to check historical sample assays and historical drill hole locations (Department of Mines Geochemical Database). To date the following prospects on the Burdekin Gold Tenements have been sampled: Three Sisters, Three Sisters surrounding area (including several unnamed prospects), Town Creek, St Paul's, Whistling Duck, Magpie Regional, Galena Lode, Carstens, Brook Creek and South Carstens.

Several areas were not sampled due to poor access. Due to delays at the SGS Townsville Laboratory several sampled areas are still outstanding resulting in the final statistical analysis not being fully completed.

After several site visits and a review of the historical data it was concluded that of all Burdekin Gold Tenements the area around the old Carstens workings is of highest importance and priority. A gridded sampling program will commence as soon as possible over multiple old workings on what appears to be several different mineralised lodes (within a relatively small area). The program will determine whether there is mineralisation between the Carstens and South Carstens lodes (a distance of approximately 250 - 300m). If this is the case then this old historical deposit could be a significant size.

At the time of this report all Haoma Mining NL exploration activity in the region has been suspended due to high rainfall and impassable tracks.

Yours sincerely,



**Gary C Morgan**  
CHAIRMAN

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<sup>6</sup> Table 7 of exploration assay results was prepared on January 29, 2008 by Ms Sandra McKenzie (B Sci., MAusIMM), who is a competent Person under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).