

HAOMA NORTH WEST NL

October 5, 1993

SUBSTANTIAL SHAREHOLDING: KITCHENER MINING NL: Pursuant its takeover offer (refer announcement dated August 12, 1993), the company's relevant interest in Kitchener Mining NL has increased from 30.5% (16,114,750 f.p. ord. shares) to 49.6% (26,210,890 f.p. ord. shares), as at 04/10/93. The increase of 10,096,140 f.p. ord. shares to which the company is entitled consists of acceptances of the cash offer totalling 1,821,135 Kitchener shares and acceptances of the Haoma scrip offer totalling 8,275,005 Kitchener shares.

TAKEOVER OFFER FOR KITCHENER MINING NL DECLARED UNCONDITIONAL: The company has advised that its takeover offer for Kitchener Mining NL has been declared free of defeating conditions.

EXTENSION OF TAKEOVER OFFER PERIOD: The company has advised that the offer period for shares in Kitchener Mining NL has been extended until 01/11/93.

October 29, 1993

FURTHER EXTENSION OF TAKEOVER OFFER PERIOD: The company has advised that the offer period for shares in Kitchener Mining NL has been extended until 01/01/94.

As at 28/10/93, the company was entitled to 48,913,096 f.p. ord. shares (92.57%) in Kitchener Mining NL.

November 1, 1993

QUARTERLY REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 1993

Liquid Funds at the end of the Quarter: (\$79,000)

Summary of Operations at Bamboo Creek

Gold Production

	92/93 First Qtr	92/93 Fourth Qtr	93/94 First Qtr	92/93 Year To Date	93/94 Year To Date
Gold Production (oz)					
Kitchener	2,749	1,620	2,052	2,749	2,052
Others	763	196	-	763	-
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TOTAL	3,512	1,816	2,052	3,512	2,052
Kitchener share of customer gold. (oz)	216	51	Nil	216	Nil

Mining Activities

Development of the Kitchener orebody and development to the next level of the Wheel of Fortune orebody continued.

The Kitchener A lode is being mined. It is very faulted but of extremely high grade. The grade of feed to the plant has averaged 35g/t as measured by conventional fire assay.

The Kitchener A lode has been intersected on the 1076M level which is 28 metres below the access level. Development of the A lode commenced.

Milling of Kitchener Ore and Normay Ore

Previous milling of Kitchener and Normay ores have shown that the gold as measured by conventional fire assay "disappears" during milling, ie. the conventional fire assay of the ore at various points during processing understates the amount of gold in the samples taken at those points.

During the quarter recovery of gold in bullion from batch milling of Kitchener ore averaged 100% when compared to the feed tonnes and grade measured by conventional fire assay.

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This compares extremely favourably to the recovery this time last year when only 40% of the gold in Kitchener ore was recovered with the missing 60% not being identified in the "tails".

In the quarter's last batch milling campaign of Kitchener ore the concentration of supplementary chemicals added during milling was significantly increased. This had the effect of significantly increasing the measured gold in solution relative to the mill feed grade measured by conventional fire assay. This phenomenon was again observed in the first campaign of the next (present) quarter when milling Kitchener ore.

With these two batch campaigns recovery of gold in bars increased to about 120% compared to feed tonnes and grade measured by conventional fire assay.

This means when milling Kitchener ore full recovery of the gold measured by conventional fire assay can be achieved in a short (5-6 days) batch regrinding cycle. (Previously the regrind period for full recovery was 6-8 weeks).

Batch milling of Kitchener ore will continue until a continuous process is developed.

Milling of Normay ore is now in progress.

Tests on Kitchener Ore, Normay Ore and Mickey's Find Ore

Laboratory tests on Kitchener ore and Normay ore show that gold "disappears" during laboratory milling, which was the situation 12 months ago in the Bamboo Creek Plant.

The testwork on Mickey's Find ore samples continues to indicate that there is more gold in some of the samples than is measured by conventional fire assay.

Results from laboratory tests on Kitchener, Normay and Mickey's Find samples are continuing. Results will be reported when completed.

Takeover Offer for Kitchener Mining NL

The directors believe it would be more efficient to amalgamate the gold mining interests of Haoma and Kitchener Mining NL (Kitchener) (refer separate mining review, KTR - K33) into one group. Haoma has announced a takeover consisting of one Haoma share for four Kitchener shares or one half of one cent per Kitchener share.

As at 27/10/93, Haoma has acquired 92.57% of the issued capital of Kitchener from 43.1% of the number of Kitchener shareholders. The Haoma offer for Kitchener shares is now unconditional.

Many shareholders who haven't accepted have non-marketable parcels. Haoma is confident of obtaining support from sufficient shareholders to be able to acquire the balance of the outstanding shares.

Haoma has extended the period of the offer to 01/01/94.

Kitchener Mining NL shares are currently suspended from trading on the Australian Stock Exchange. The shares were suspended on 20/03/92, pursuant to continuing legal action by the State Taxation Department of WA. The demand for \$898,654 stamp duty plus interest and costs created financial uncertainty leading to the suspension of share trading. The Supreme Court of WA handed down its judgement on 23/07/93 in favour of Kitchener and also ordered the State Taxation Department to pay costs.

The State Taxation Department has lodged an appeal against the Court's decision.

Nolans Queensland (Charters Towers) Lease

A tribute agreement was signed with Carpentaria Gold Pty Ltd (a subsidiary of MIM Holdings Limited - refer separate mining review, MIM - M73) giving Carpentaria Gold Pty Ltd the right to mine the Nolans tenement at Ravenswood in Queensland. The tribute agreement is for 5 years from 23/12/92 and provides Haoma with a royalty revenue based on the gold in the ore processed by Carpentaria Gold Pty Ltd. On 20/09/93, the company released a report prepared by Carpentaria Gold Pty Ltd to the Australian Stock Exchange Limited (refer announcement dated September 24, 1993).

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MIM have subsequently announced that a trial pit is to be established and approximately 300,000 tonnes of oxide ore will be mined and treated on leach pads. In addition 120,000 tonnes of transitional sulphide ore will be mined and treated through the MIM crushing and CIP plant at Ravenswood.

MIM have defined to a depth of approximately 100 metres an inferred resource of 11,000,000 tonnes grading 1.6 g/t. Additional gold has been indicated below 100 metres. Shareholders will be advised of the estimated resource below 100 metres when available.

Linden Joint Venture

Joint Venture partner Consolidated Gold Mining Areas NL (CGMA) has had a Receiver/Manager appointed.

Under the terms of the joint venture agreement the appointment of a Receiver has caused the joint venture to be terminated.

Haoma has served notice on the Receiver that it intends to exercise its right to purchase the remaining interest in the joint venture at a value set by an independent arbitrator.

Second Fortune Mine

Legal contracts have been drawn up to formalise an agreement with parties proposing to re-open the Second Fortune Mine. A further announcement will be made when contractual details have been finalised.

Geological studies show measured and indicated reserves of 77,000 tonnes at 12 grams per tonne and an inferred resource of 22,320 tonnes. The minesite plant and equipment remain on a care and maintenance basis.

Normay Mine and Lalla Rookh Mine

During the quarter approximately 1,000 tonnes of surface ore grading 16 g/t were sent to the Bamboo Creek site for toll milling.

In the next 6 months it is planned to develop the next two levels at the Normay Mine and re-open the Lalla Rookh mine.

Other Haoma Tenements

On 25/03/93, the company acquired mining tenements from Leaveland Pty Ltd and Elazac Pty Ltd. Both companies are associated with the directors Messrs G.C. Morgan and J.L.C. McInnes. The acquisition was approved at an extraordinary meeting of shareholders held on 11/06/93. The board considers that the tenements acquired will provide the opportunity for the company to actively expand its gold mining operations by developing the tenements.