



Haoma Mining NL

A.B.N 12 008 676 177

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The Listing Manager
Australian Stock Exchange Ltd
530 Collins Street
MELBOURNE VIC 3000

February 3, 2003

Dear Sir,

REPORT FOR THE QUARTER ENDED DECEMBER 31, 2002 – HIGHLIGHTS

- **Group Consolidated Result** – The unaudited consolidated financial result for the three months ended December 31, 2002 before tax was a loss of \$2.12 million (2001- loss \$2.58 million). The result for the Quarter was after charging depreciation and amortisation of \$0.16 million (2001: \$1.15 million), interest of \$0.13 million (2001 - \$Nil) and group exploration, development and evaluation expenditure of \$Nil (2001 - \$0.27 million).
During the Quarter ended December 31, 2002, Haoma was not able to process Nolan's sulphide ore through the Joint Venture plant due to actions by MIM/Carpentaria Gold.
These included but were not limited to:
 1. Using security guards to stop Haoma's personnel accessing the Nolan's lease for nearly a week. This resulted in Haoma not having sufficient tonnes of beneficiated ore to process, and
 2. Since Haoma stopped processing at the end of September 2002, Haoma on most weeks received a significant 'negative' gold allocation. This meant that when Haoma next processed almost \$1 million value of gold would have been "allocated" to MIM/ Carpentaria Gold from Haoma's gold produced. Haoma could not accept this situation nor was Haoma given an acceptable explanation by executives of MIM/Carpentaria Gold.
- **Legal Action Against MIM Holdings Ltd and Carpentaria Gold Pty Ltd** – On January 28, 2003 Justice Fryberg in the Supreme Court of Queensland dismissed Haoma's "Gold Allocation" claim in Case No. 233/2002 against Carpentaria Gold/MIM because Haoma could not arrange a bank guarantee for "security of costs". The case was dismissed on a technicality. Haoma is appealing the dismissal. The merits of the claim by Haoma had only been partially heard. MIM/Carpentaria Gold's counter claim is still before the Court.
Haoma is hopeful that a commercial settlement can be reached.
- **Bamboo Creek, Pilbara WA** – During the Quarter, Mickey's Find oxide ore, North Shaw sulphide ore and low grade Bamboo Creek stockpiled ore were processed at the recommissioned Bamboo Creek Plant. A total of 531 ounces of gold and 2,050 ounces of silver were produced.
Trucking of North Shaw sulphide ore (8,000 tonnes) to the Bamboo Creek treatment plant commenced in mid December 2002.
The Bamboo Creek Plant is now operating on a continuous basis processing North Shaw and Bamboo Creek ore. In the current Quarter a flotation circuit will be installed at Normay to treat the 150,000 tonnes of Normay tails (2+ g/t). The flotation concentrate will be treated by the Bamboo Creek plant.
The Bamboo Creek Plant is projected to produce 200 ounces of gold per week from processing of North Shaw sulphide ore and low grade stockpiled Bamboo Creek sulphide ore (1 million tonnes).
Tests are continuing on treating the Bamboo Creek tails (1 million tonnes).
- **Joint Venture Agreement with Giralia Resources NL, Pilbara WA** - Haoma has entered into a 3 year Farm-in and Joint Venture Agreement with Giralia Resources NL in respect to exploration leases E45/2186 and E45/2187 in the Pilbara region of Western Australia. The exploration areas contain the Daltons ultramafic intrusive. Haoma has retained the exclusive right to explore for and mine Gold and Tantalum from the tenements.

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1. GROUP CONSOLIDATED RESULT TO DECEMBER 31, 2002

Haoma Mining NL Consolidated Profit & Loss	2001/02 2 nd Quarter (\$m)	2001/02 Full Year (\$m)	2002/03 1 st Quarter (\$m)	2002/03 2 nd Quarter (\$m)	2002/03 Full Year (\$m)
Revenue	6.87	31.26	2.47	0.90	3.37
Profit before Interest, Depreciation and Amortisation and Exploration and Development expenditure	(1.16)	4.03	(0.17)	(1.59)	(1.76)
Interest	-	(0.09)	(0.10)	(0.13)	(0.23)
Depreciation & Amortisation	(1.15)	(4.56)	(0.64)	(0.40)	(1.04)
Exploration, Development & Evaluation	(0.27)	(2.00)	(0.05)	(0.00)	(0.05)
Profit (Loss) before Tax	(2.58)	(2.63)	(0.96)	(2.12)	(3.08)

Nolan's production – (oz)	9,702	42,458	3,475	0	3,475
Av. Cash cost (excl capex - \$/oz)	\$665	\$532	\$460	-	\$460
Sustaining capital (\$/oz)	15	15	-	-	15
Av. Cash cost including sustaining capital (\$/oz)	\$680	\$547	\$460	-	\$460
Gold sold (ozs)	10,532	44,254	3,313	564	3,877
Av. Selling price (\$/oz)	\$652	\$667	\$698	\$688	\$696
Normay/Bamboo Creek gold prod'n (ozs)	162	849	364	531	895
Gold sold (ozs)	162	849	150	745	895
Av. selling price (\$/oz)	\$559	\$563	\$578	\$576	\$576
Normay/Bamboo Creek silver prod'n (ozs)	-	-	3,493	2,050	5,543
Silver sold (ozs)	-	-	1,181	4,211	5,392
Av. selling price (\$/oz)	-	-	\$8.60	\$7.85	\$8.01

1.1 Haoma's Group Consolidated Results

Haoma's unaudited Consolidated Financial result for the three months ended December 31, 2002 before tax was a loss of \$2.12 million (2001- loss \$2.58 million). The result for the Quarter was after charging depreciation and amortisation of \$0.16 million (2001: \$1.15 million), interest of \$0.13 million (2001 - \$Nil) and group exploration, development and evaluation expenditure of \$0.00 million (2001 - \$0.27 million).

Group Exploration, Development and Evaluation expenditure for the 3 months to December 31, 2002 totalled \$256,424. Expenditures included \$132,745 in the Ravenswood area of Queensland and \$123,679 in the Pilbara region of Western Australia.

1.2 Forward Gold Sale Contracts

No future gold production is currently sold forward.

2. LEGAL ACTIONS AGAINST CARPENTARIA GOLD PTY LTD AND MIM HOLDINGS LTD

These matters have previously been extensively reported in Haoma's 2001 and 2002 Annual Reports, Gary Morgan's Chairman's Address at the Annual General Meeting on December 16, 2002 and in Quarterly Activity Reports for the Quarters ended September 30, 2001, December 31, 2001, April 30, 2002, July 31, 2002 and September 31, 2002. Releases are available from Haoma's website at www.haoma.com.au

2.1 Case No. 233/2002

On January 28, 2003 Justice Fryberg in the Supreme Court of Queensland dismissed Haoma's "Gold Allocation" claim in Case No. 233/2002 against MIM/Carpentaria Gold because Haoma could not arrange a bank guarantee for "security of costs". The case was dismissed on a technicality. Haoma is appealing the dismissal. The merits of the claim by Haoma had only been partially heard. MIM/Carpentaria Gold's counter claim is still before the Court.

Haoma is hopeful that a commercial settlement can be reached.

3. OPERATIONS AT RAVENSWOOD, QLD

3.1 Mining and Processing of Ore from the Nolan's Lease, Qld. (ML 1394)

The Nolan's Gold Mine is located at Ravenswood 90km south of Townsville and 60km east of Charters Towers in North Queensland.

Since June 2002, Haoma has not been able to access the bottom of the Nolan's Pit as a consequence of Carpentaria Gold Pty Ltd preventing access over the section of the Nolan's Pit that is situated on the adjoining Sarsfield Lease (owned and operated by Carpentaria Gold Pty Ltd). At the date of this Quarterly Report, Haoma's access is still restricted.

3.2 Nolan's Mine Production - Summary for 3 Months to December 31, 2002

CIL Plant Nolan's ROM Milled	2nd Qtr 2001/02	Full Year 2001/02	1st Qtr 2002/03	2nd Qtr (*) 2002/03	Full Year 2002/03
Tonnes Mined	395,644	1,470,614	N/A	N/A	N/A
Tonnes Milled	345,540	1,321,181	125,869	-	125,869
Crusher Av. Grade (g/t)	0.95	1.07	0.93	-	0.93
Av. Metallurgical Recovery (%)	91.7	93.6%	89.2%	-	89.2%
Overall Av. Gold Grade (g/t)	0.95	1.07	0.86	-	0.86
Gold Prod'n (oz)	9,702	42,459	3,475	-	3,475
Silver Prod'n (oz)			1,578	496	2,074

* No production during December Quarter due to restricted access to Nolan's Pit and "negative" gold allocations made by Carpentaria Gold Pty Ltd in its capacity as Manager of the Nolan's Joint Venture Processing Plant.

3.3 Nolan's CIL Operation

During the Quarter ended December 31, 2002, Haoma was not able to process Nolan's sulphide ore through the Joint Venture plant due to actions by MIM/Carpentaria Gold.

These included but were not limited to:

1. Using security guards to stop Haoma's personnel accessing the Nolan's lease for nearly a week. This resulted in Haoma not having sufficient tonnes of beneficiated ore to process, and
2. Since Haoma stopped processing at the end of September 2002, Haoma on most weeks received a significant 'negative' gold allocation. This meant that when Haoma next processed, almost \$1 million value of gold would have been "allocated" to MIM/Carpentaria Gold from Haoma's gold produced. Haoma could not accept this situation nor was Haoma given an acceptable explanation by executives of MIM/Carpentaria Gold.

4. EXPLORATION ACTIVITIES IN QUEENSLAND

During the Quarter, exploration in the Ravenswood district continued to be focussed on production opportunities at a reduced level due to the adverse impact of Haoma's ongoing Supreme Court of Queensland case against Carpentaria Gold over their misappropriation of Haoma's gold.

Supervision of ongoing trial mining and ore stockpiling was also undertaken at Copper Knob. The work was suspended due to Carpentaria Gold (the Joint Venture Manager) advising Haoma that it could not process Haoma's Copper Knob oxide ore through the Nolan's Plant without blending it with Nolan's sulphide ore.

Following suspension of the Copper Knob operation, Haoma focused its exploration efforts on its Charters Towers tenements. Haoma currently holds 2 exploration permits near Charters Towers (EPM 10375, EPM 9629) and has another 2 concessions, which lie, on the southern side of the Burdekin River. Work on the Charters Towers tenements is presently being directed by Mr Ron Furnell, Consulting Geologist. Mr Furnell has temporarily moved Haoma's exploration base to Charters Towers for the purpose of conducting this work.

Work to date has involved a review of all previous exploration on the tenements. Geological compilation of maps at 1:25,000 scale to cover the tenements was also initiated. Air photos have been acquired covering the company's tenements also at a scale of 1:25,000. Interpretation of magnetic and radiometric data has been completed. Field reconnaissance has been undertaken over the priority areas where access has been granted by the local landholders.

None of the old gold prospects located to date appear to offer any near surface tonnage potential. Younger sediments cover some areas and these areas would require RAB drilling in order to effectively test their gold potential. It is noted that deep leads have been worked in the past in proximity to some of the covered areas. Access to some of the areas close to Charters Towers is being hampered by the presence of numerous small holdings.

5. OPERATIONS AND EXPLORATION ACTIVITIES IN WESTERN AUSTRALIA

5.1 Processing at Bamboo Creek and Normay.

The Bamboo Creek Plant is now operating on a continuous basis processing North Shaw and Bamboo Creek ores. In the current Quarter a flotation circuit will be installed at Normay. The flotation concentrate will be treated by the Bamboo Creek plant.

During the December Quarter, Mickey's Find oxide ore, North Shaw sulphide ore and low grade Bamboo Creek stockpiled ore were processed at the recommissioned Bamboo Creek Plant. A total of 531 ounces of gold and 2,050 ounces of silver were produced.

Trucking of North Shaw sulphide ore (8,000 tonnes) to the Bamboo Creek treatment facility commenced mid December, 2002 utilising a local cartage contractor based in Port Hedland. At December 31, 2002, 254 ounces of gold had been produced from the North Shaw sulphide ore with approximately 600 ounces of gold held in circuit. Gold in circuit stock will be released from the circuit during February following changes made to overcome gold stripping problems caused by the high proportion of copper in the elution circuit.

During 2003, the Bamboo Creek Plant is projected to produce 200 ounces of gold per week by processing North Shaw sulphide ore and low grade stockpiled Bamboo Creek sulphide ore (1 million tonnes).

Gold production at the Normay and Bamboo Creek Processing Plants for the Quarter and Year-to-Date are shown in the following table.

	Gold Production for Quarter (Ozs)	Silver Production for Quarter (Ozs)	Gold Production YTD (6 mths) (Ozs)	Silver Production YTD (6 mths) (Ozs)
Mickey's Find Oxide Ore	197	1,312	301	2,892
Bamboo Creek	80	219	80	219
Normay Tailings	-	-	260	1,913
North Shaw Sulphide Ore	254	519	254	519
Total	531	2,050	895	5,543

5.2 Golden Ridge Mining Lease (M26/534) in the East Coolgardie Mineral Field

Haoma is entitled to a royalty of \$2.00 per tonne for ore mined by Harmony Gold from Golden Ridge mining lease M26/534. Harmony Gold have advised Haoma that during the current Quarter they expect to mill approximately 18,000 tonnes of ore mined from the Golden Ridge lease with a further 4,000 tonnes to be mined and milled in the June 2003 Quarter.

5.3 Joint Venture Agreement with Giralia Resources NL (E45/2186, E45/2187)

Haoma has entered into a Farm-in and Joint Venture Agreement with Giralia Resources NL in respect to exploration tenements E45/2186 and E45/2187 in the Pilbara region of Western Australia. The exploration areas contain the Daltons ultramafic intrusive.

Haoma has granted Giralia an exclusive option to earn a 50.1% participating interest in the tenements by spending \$375,000 within 3 years. At the completion of earning a 50.1% interest, Giralia may elect to increase its participating interest to 75% by the expenditure of a further \$250,000.

Haoma has retained the exclusive right to explore for and mine gold and tantalum from the tenements.



Gary C Morgan
CHAIRMAN

http://203.108.64.32/haoma/2002/Chairmans_AGM_Address_2002.pdf

http://203.108.64.32/haoma/2002/Q1_SEP2002.pdf

http://203.108.64.32/haoma/2002/Q4_JUN2002.pdf

http://203.108.64.32/haoma/2002/Q3_MAR2002.pdf

http://203.108.64.32/haoma/2002/Q2_DEC2001.pdf

http://203.108.64.32/haoma/2001/Q1_SEP2001.pdf

Ref: [x:\admin\mining\haoma\quartly\2002_03\q2_dec2002.doc;8]

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

HAOMA MINING NL

ABN

12 008 676 177

Quarter ended ("current quarter")

31st December 2002

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (six months) \$A'000
1.1 Receipts from product sales and related debtors	2,527	4,233
1.2 Payments for (a)exploration and evaluation (b) development (c) production (d) administration	(2,893)	(7,180)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid	(110)	(204)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(476)	(3,150)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b) equity investments (c) other fixed assets	(33)	(90)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(33)	(90)
1.13 Total operating and investing cash flows (carried forward)	(509)	(3,241)

1.13	Total operating and investing cash flows (brought forward)	(509)	(3,241)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	2,961	8,328
1.17	Repayment of borrowings	(2,322)	(3,954)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	639	4,373
	Net increase (decrease) in cash held	130	1,133
1.20	Cash at beginning of quarter/year to date	935	(68)
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,065	1,065

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	
Total	

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,065	--
5.2 Deposits at call	--	1,000
5.3 Bank overdraft	--	(65)
5.4 Other (provide details)	--	--
Total: cash at end of quarter (item 1.22)	1,065	935

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities <i>(description)</i>	N/A	N/A	N/A	N/A
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 ⁺ Ordinary securities	192,993,655	192,993,655		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	NIL	NIL		
7.5 ⁺ Convertible debt securities <i>(description)</i>	N/A	N/A		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	N/A	N/A	<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	N/A	N/A		
7.12 Unsecured notes <i>(totals only)</i>	N/A	N/A		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does ~~/does not*~~ give a true and fair view of the matters disclosed.



Gary C Morgan
Chairman

Date: January 31, 2003

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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