



Haoma Mining NL

A.B.N 12 008 676 177

Registered Office & Head Office:

Level 1, 401 Collins Street, Melbourne, Vic., 3000, GPO Box 2282U, Melbourne, Vic., 3001.

Telephone (03) 9629 6888, Facsimile (03) 9629 1250

Email: haoma@roymorgan.com Website: www.haoma.com.au

(This document corrects Haoma's October 31, 2007 ASX Release)

November 5, 2007

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

Dear Sir,

TESTWORK AT BAMBOO CREEK PRODUCES SIGNIFICANT GOLD:

- 1. GOLD CAN NOW BE EXTRACTED FROM BAMBOO CREEK ORE AND GOLD LOADED CARBON,**
- 2. MORE GOLD BULLION IS Poured THAN MEASURED BY THE TRADITIONAL ASSAY METHOD, AND**
- 3. OTHER TESTS ON BAMBOO CREEK CARBON MEASURED MORE NICKEL AND OTHER METALS THAN MEASURED BY TRADITIONAL ASSAY METHODS**

Since [Haoma's September 21, 2007](#) Report test work has continued at Bamboo Creek on stripping the gold first loaded on carbon in late 2006.

Results to October 30, 2007 from stripping gold from 4.75 tonnes of gold loaded carbon have confirmed beyond doubt the result reported on September 21, 2007 that more gold than measured by the traditional assay method as loaded on carbon can be extracted into gold bullion.

On [September 21, 2007 Haoma's Shareholders](#) were advised that initially one tonne of carbon, with a gold grade of 320 g/t (by the traditional acid digestion Aqua Regia assay method) had to that date produced 800 grams of gold with gold remaining on the carbon measuring 149 g/t.

Since September 21, 2007 test work has continued at Bamboo Creek to extract gold from previously stripped loaded carbon. To date 4.75 tonnes of previously stripped loaded carbon with an average gold grade of 315 g/t (expected gold from loaded carbon less barren carbon, 1,254 grams) has to date produced 2,026.1 grams of gold (this amount of gold will increase further as we are still awaiting additional gold "outturns" from AGR Matthey). Only a small amount of gold (51g/t) was measured on the barren carbon. [Note: ¹]

In addition to the test work producing significantly more gold than measured on the 4.75 tonnes of carbon; other tests on Bamboo Creek carbon measured more nickel and other metals than measured by traditional assay methods.

¹ 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.

Perth Office:

Suite 22 Piccadilly Square 7 Aberdeen Street, Perth, W.A. 6000

Tel: (08) 9325 4899 Fax: (08) 9221 1341

Background to Gold Extraction Problem

On [February 12, 2007, Haoma advised the ASX](#) that ore processing at the Bamboo Creek Plant had stopped and the Plant had been placed on care and maintenance. Haoma's February 12, 2007 release advised Shareholders that since the end of December 2006 Haoma Mining had experienced serious problems extracting the gold (measured from samples taken during processing) into "gold bars".

The Bamboo Creek ore processing method implemented late last year was successful in extracting the gold from ore into a cyanide solution and loading that gold onto carbon. Unfortunately at the same time there were major problems in the gold stripping circuit which meant the gold on carbon could not be stripped from the carbon to produce gold bars. The gold reconciliation (measured as gold being loaded onto the carbon against gold bullion produced) did not balance.

It was also pointed out in the December 2006 Quarterly Activities Report that longer term funding of Haoma was unlikely to be available until it could be shown that the amount of gold produced from processing different test ore parcels through the Bamboo Creek Plant was about the same as measured from Plant samples when subjected to the Elazac Assay Method cyanide leach tests in the Bamboo Creek Plant Laboratory or another laboratory. (See [Item 2.2 in December 2006 Quarterly Activities Report](#)). [Haoma December 2006 Quarterly Activities](#).

Present Bamboo Creek Gold Production

Stripping of gold from the remaining 3 tonnes of gold loaded carbon will be completed in the first 2 weeks of November. In addition gold will be stripped from the 2 tonnes of carbon which is currently being used to extract gold from the cyanide solution which has for 7 weeks been recirculating through the Bamboo Creek Vat. The Bamboo Creek Vat contains 20,000t of coarse low grade Bamboo Creek ore which was loaded into the Bamboo Creek Vat late last year.

Test Work

Tests at Bamboo Creek over more than 10 years have shown beyond doubt that some Pilbara ores contain significantly more gold than measured by traditional Fire Assays or Aqua Regia Assays.

Recent tests at Bamboo Creek on bulk samples processed through the plant have shown that more gold can be produced than measured on the carbon by traditional assays. See [Chairman's Address to Haoma's 2006 Shareholders Annual General Meeting held on December 12, 2006](#).

The latest tests at Bamboo Creek have enabled Consultants to Elazac Mining and Haoma Mining to understand scientifically why this is so.

While conducting these tests at Bamboo Creek on bulk ore samples and loaded carbon our Consultants became aware that the grades of other metals are also underestimated.

Table 1 below compares Bamboo Creek drill core assays by traditional methods (Fire Assays for gold and ICP for other elements) with a new Elazac Assay Method to measure gold in Pilbara ores. The drill core was from 4 diamond drill holes from the surface covering 21.66 metres in total.

As with previously reported tests the latest result in Table 1 shows that the grade of gold is underestimated by the traditional Fire Assay Method. (3.36 g/t compared to 2.03 g/t)

During the Quarter a series of floatation tests were conducted on the drill core. The results showed most of the sulphides, gold and silver were recovered in the concentrate fraction.

Test work is continuing on whether the nickel can be easily separated from the relatively high arsenic in the ore (arsenic grade 0.1-0.2% As).

Table 1: (Note: All assays were analysed by ALS Laboratories)

Assay Comparison	Au g/t	Ag g/t	Ni ppm	Zn ppm
25 gram Fire Assay and ICP	2.03	1.60	2,581	2,203
Elazac Gold Fire Assay Method and ICP	3.36	1.71	2,033	2,111

Note: The gold result from the New Elazac Fire Assay Method is based on the average grade obtained from 18 samples..

Directors advised shareholders in [Haoma's March 2007 Quarterly Report](#) that at Bamboo Creek previous drilling results indicated about 1 million tonnes of 0.8% Ni assayed by traditional methods.

In additional to the above, 1996 drilling at Bamboo Creek by BHP obtained wide intersections (up to 60 meters wide) of low grade nickel (0.1-0.2% Ni) indicating significantly more tonnes of low grade nickel ore.

During the current Quarter test work at Bamboo Creek is continuing on developing a laboratory assay method which will determine the true grades for gold, silver, nickel, zinc and other metals.

These tests will be conducted on a number of different Bamboo Creek and other Pilbara ores.

For further information, please contact:

Gary Morgan, Chairman: + 61 411 129 094, or
Peter Cole: Acting General Manager: + 61 412 810 690

Yours sincerely,



Gary C. Morgan
CHAIRMAN