

Appendix 4D

Half year report

Period ending 31 December 2007

Results For Announcement To The Market

Name of entity

HAOMA MINING NL

The following information is provided to ASX in accordance with listing rule 4.2A.3.

The following information should be read in conjunction with the Annual Report for the Year Ended June 30, 2007

ABN	Reporting Half Year Ended	Previous Half Year Ended
12 008 676 177	December 31, 2007	December 31, 2006
	\$A'000	
2.1 Revenues from ordinary activities	up	to 201
2.2 (Loss) from ordinary activities after tax attributable to members	down	to (3,215)
2.3 Net (Loss) for the period attributable to members	down	to (3,215)
2.4 Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil
2.5 Record date for determining entitlements to the dividend	Not Applicable	
2.6 Brief explanation of any of the figures in 2.1 to 2.4.	Refer to attached Financial Report for the Half Year Ended December 31, 2007	

+ See chapter 19 for defined terms.

3. Net tangible assets per security with comparative figure for the previous corresponding period.

	December 31, 2007	December 31, 2006
Net tangible assets per security	(\$0.0920)	(\$0.0719)

4. Details of entities over which control has been gained or lost during the period, including the following.

4.1 Name of the entity. Not Applicable

4.2 The date of the gain or loss of control. Not Applicable

	Current Period	Previous corresponding period
4.3 Where material to an understanding of the report – the contribution of such entities to the reporting entity’s profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.	\$ -	\$ -

5. Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if known) the amount per security of foreign sourced dividend or distribution.

Dividend or distribution payments:	Amount	Date on which each dividend or distribution is payable	Amount per security of foreign sourced dividend or distribution
No dividend or distribution payments.	-	-	-
Total	-	-	-

6. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

Not Applicable

+ See chapter 19 for defined terms.

7. Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Name of entity	% Holding	Aggregate Share of profit (losses)		Contribution to net profit	
		Current period	Previous period	Current period	Previous Period
Daltons Joint Venture	25%	25%	25%	Nil	Nil

8. For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

Not Applicable

9. For all entities, if the ⁺accounts are subject to audit dispute or qualification, a description of the dispute or qualification.

<p>Half-Year accounts are not subject to audit dispute or qualification.</p> <p>Refer to attached Financial Report for Half Year Ended December 31, 2007.</p>

+ See chapter 19 for defined terms.

HAOMA MINING NL

ABN 12 008 676 177

FINANCIAL REPORT

**FOR THE HALF YEAR ENDED
DECEMBER 31, 2007**

DIRECTORS' REPORT

The Directors of Haoma Mining NL include herewith the financial report of the Company and its controlled entities for the half year ended December 31, 2007.

DIRECTORS

The name of each person who has been a Director of the Company at any time during or since the end of the half-year and the period for which they have been a director is:

Gary Cordell Morgan (Chairman)	Director since May 10, 1991
John Lachlan Charles McInnes	Director since May 10, 1991
Michele Levine	Director since August 8, 1994

PRINCIPAL ACTIVITIES

The principal activities of the Economic Entity during the half-year continued to be that of gold mining including the exploration and evaluation of the economic entity's areas of interest in relation to discovery of gold and other precious metals. There was no change in the nature of those activities during the half year.

REVIEW OF OPERATIONS AND RESULTS

- In late November, 2007 reconnaissance rock chip samples were taken over an extensive outcrop of andesitic pillow basalt in Haoma's North Pole exploration region tenement E45/2532 (Area 1). Those samples returned encouraging iron and manganese results with maximum values of 46.1% manganese, 54.8% iron and 1,150ppm vanadium.

The Area 1 main structure of interest is within a 300m long by 5-10m wide zone (Samples 2532-072, 77, 80, 81, 57, 58, 59, 60, 61 & 62). A review of the aeromagnetic data and regional mapping may further increase the strike of the structure. Additional follow up samples (Samples 2532-079, 080, 081, 082, 083 and 084) were collected from along the strike of a previously reported area and have confirmed the sampling and results reported.

The new samples within Area 1 have returned maximum values of **75.20% Iron**, **41.90% Manganese**, **717ppm Vanadium** and **2.23ppm Gold**.

Several smaller dolomitic units within the basalt unit were sampled (close sampling spaced across the strike), only one sample (2532-055), showed an anomalous result.

Four rock chip samples (between 60m and 220m apart) were collected from a previously unsampled area (Area 2) within the North Pole Region - approximately 8 kilometres to the northwest of Area 1.

The 4 samples returned maximum values of **58.10% Iron**, **29.80% Manganese**, **532 ppm Vanadium** and **1.38 ppm Gold**.

Table 1: Area 1 - November and January Rock Chip Sampling													
SAMPLE ID	GDA94E	GDA94N	Au ppm	Fe2O3 %	MnO %	Al2O3 %	CaO %	P2O5 %	SO3 %	SiO2 %	V ppm	LOI 1000 %	Note
2532-079	754261	7655640	<0.001	8.29	0.02	4.27	0.08	0.031	0.417	80.70	36	<0.01	
2532-078	754397	7655676	<0.001	54.80	0.70	0.76	0.08	0.094	0.232	9.10	644	9.13	
2532-055	754806	7655547	0.010	21.20	1.55	3.07	25.8	0.123	0.536	18.9	476	24.70	
2532-086	754923	7655868	<0.001	37.30	13.10	1.51	1.63	0.103	0.234	11.85	174	10.70	
2532-062	755121	7655591	0.010	42.70	2.20	4.42	10.05	0.217	0.52	9.85	224	20.30	1
2532-061	755134	7655596	<0.01	47.90	1.08	3.16	13.05	0.164	0.576	7.35	207	19.70	1
2532-060	755138	7655596	<0.01	9.50	34.60	1.32	20.7	0.162	0.513	6.02	302	24.20	1

Table 1: Area 1 - November and January Rock Chip Sampling (Cont'd)

SAMPLE ID	GDA94E	GDA94N	Au ppm	Fe2O3 %	MnO %	Al2O3 %	CaO %	P2O5 %	SO3 %	SiO2 %	V ppm	LOI 1000 %	Note
2532-059	755146	7655604	<0.01	43.60	30.10	2.51	0.1	0.463	0.431	9.55	437	11.85	1
2532-058	755155	7655608	0.030	22.90	14.80	8.27	0.22	0.297	0.547	36.3	314	9.31	1
2532-057	755165	7655622	<0.01	39.10	41.90	1.48	0.23	0.281	0.442	3.78	717	11.95	1
2532-081	755200	7655676	<0.001	18.70	1.09	5.04	0.17	0.219	0.296	58.00	99	5.81	
2532-080	755225	7655675	<0.001	8.14	46.10	1.48	0.96	0.058	0.235	8.55	187	11.45	
2532-084	755295	7655797	<0.001	44.10	2.71	1.96	0.13	0.131	0.256	19.90	125	8.88	
2532-077	755335	7655697	<0.001	31.50	15.80	1.50	0.40	0.143	0.246	18.45	464	10.25	
2532-072	755337	7655695	0.020	53.00	2.58	4.38	0.83	0.128	0.496	24.9	274	10.20	
2532-085	755358	7656033	<0.001	36.60	2.09	1.20	0.10	0.052	0.256	35.20	138	6.94	
2532-068	755527	7655562	0.010	21.30	0.12	4.17	10.5	0.184	0.49	48.3	162	12.85	
2532-063	755531	7655637	0.070	27.70	0.25	2.40	13.85	0.157	0.519	35.8	218	17.20	
2532-067	755535	7655561	0.030	60.90	0.32	0.63	12.2	0.263	0.446	3.23	235	19.65	
2532-066	755537	7655558	0.090	41.80	0.25	1.40	17.7	0.378	0.481	16.8	280	20.30	
2532-064	755549	7655634	2.230	36.80	0.14	1.18	10.4	0.172	0.531	37.2	196	12.85	
2532-065	755555	7655637	0.700	44.30	0.15	1.60	12.6	0.303	0.467	23.4	274	16.50	
2532-071	755645	7655742	0.030	75.20	0.34	0.64	5.05	0.213	0.442	3.76	325	13.70	
2532-082	755647	7655749	<0.001	32.00	0.11	1.76	13.60	0.129	0.239	20.10	152	17.00	
2532-083	755709	7655817	<0.001	27.70	0.34	1.78	20.20	0.053	0.264	4.94	120	26.60	
2532-087	755760	7655898	<0.001	48.50	6.08	3.40	0.07	0.187	0.242	6.14	100	9.37	

Note1: Along strike of sample 2532-072, 77, 80 & 81

SAMPLE ID	GDA94E	GDA94N	Au ppm	Fe2O3 %	MnO %	Al2O3 %	CaO %	P2O5 %	SO3 %	SiO2 %	V ppm	LOI 1000 %	Note
2532-069	752730	7663403	<0.001	30.00	29.80	2.99	0.16	0.093	<0.001	25.7	532	9.22	
665-001	752852	7663267	<0.001	50.10	3.66	6.40	0.08	0.191	<0.001	28.1	235	8.07	
2532-070	752901	7663315	<0.001	58.10	3.84	2.82	0.05	0.14	<0.001	24.3	230	8.72	
665-002	752944	7663350	1.382	57.40	0.19	1.66	0.08	0.097	0.143	35.7	252	3.56	

Haoma will release further significant exploration results as they become available.

- 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.

DIRECTORS' REPORT *(continued)*

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.
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.

Following the Christmas break a small team at Bamboo Creek have been refurbishing and re-installing the Bamboo Creek Gravity Circuit. The Bamboo Creek Gravity Circuit is now ready to process a trial parcel of Bamboo Creek ore. Since February 2008 Bamboo Creek Laboratory test work has been conducted on showing that more gold can be obtained than measured on the carbon by traditional assay methods. When completed, the test results will be reported.

- During the six months to December 31, 2007, Haoma received royalty payments of \$170,354 from BGC Contracting Pty Ltd. The payments are in accordance with the Royalty Agreement between Haoma and BGC Contracting Ltd to mine dolerite from Haoma's Cookes Hill tenement 45/1005. The mined material is being used as railway ballast in the construction of the Fortescue Metals Group Ltd rail line from the Cloud Break Iron Ore Project to Port Hedland. The railway travels over Haoma's Cookes Hill and Tabba Tabba tenements.

The consolidated operating loss of the Economic Entity for the half-year to December 31, 2007, after provision for income tax, depreciation, amortisation and interest was \$3,215,472 (2006 loss of \$4,015,126).

All quarterly activity reports to the Australian Stock Exchange and annual reports are available on the company web site www.haoma.com.au

AUDITOR'S INDEPENDENCE DELCARATION

The Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 is set out on page 5 and forms part of the Director's Report for the half year ended December 31, 2007.

Signed in accordance with a resolution of the Directors.



Gary. C. MORGAN
Director
Melbourne,
February 29, 2008

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF HAOMA MINING NL**

As lead auditor for the review of Haoma Mining NL for the half-year ended 31 December 2007, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



**R A Dean
Partner
PKF
Chartered Accountants**

29 February 2008
Melbourne

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CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE HALF YEAR ENDED DECEMBER 31, 2007

	Consolidated	
	Half-year Ended Dec 31, 2007	Half-year Ended Dec 31, 2006
	\$	\$
Sale of goods	107,532	138,408
Retail sales	93,133	--
Finance revenue	51	--
Revenue	200,716	138,408
Other income	206,836	275,000
Cost of sales	(121,622)	(275,906)
Test work and plant configuration expenditure	(1,148,595)	(2,270,404)
Exploration & tenement costs expensed	(305,417)	(335,659)
Administration and compliance expense	(282,672)	(367,516)
Finance costs	(1,128,256)	(843,985)
Depreciation and amortisation costs	(337,260)	(312,816)
Provision for rehabilitation	(11,772)	(22,248)
Share options expense	(287,430)	--
Loss before income tax expense	(3,215,472)	(4,015,126)
Income tax (expense)	--	--
Net loss	(3,215,472)	(4,015,126)
Basic loss per share (cents per share)	(1.67)	(2.08)
Diluted loss per share (cents per share)	(1.67)	(2.08)

The above Condensed Consolidated Income Statement should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31, 2007

	Consolidated	
	Dec 31, 2007	June 30, 2007
	\$	\$
Current Assets		
Cash and cash equivalents	26,131	24,003
Trade and other receivables	94,502	43,579
Inventories	366,669	330,544
	487,302	398,126
Non-current assets classified as held for sale	1,525,000	1,525,000
Total Current Assets	2,012,302	1,923,126
Non-Current Assets		
Property, plant and equipment	1,587,218	1,918,890
Exploration and evaluation	6,035,000	6,035,000
Total Non-Current Assets	7,622,218	7,953,890
Total Assets	9,634,520	9,877,016
Current Liabilities		
Trade and other payables	1,534,064	1,378,426
Interest bearing loans and borrowings	26,787,764	23,838,023
Provisions	55,380	56,006
Current tax liability	433,409	685,522
Total Current Liabilities	28,810,617	25,957,977
Non-Current Liabilities		
Interest bearing loans and liabilities	119,515	298,383
Provisions	1,388,998	1,377,224
Total Non-Current Liabilities	1,508,513	1,675,607
Total Liabilities	(30,319,130)	(27,633,584)
Net Asset Deficiency	(20,684,610)	(17,756,568)
Shareholders' Equity		
Contributed equity	60,305,981	60,241,791
Reserves	6,470,345	6,247,105
Accumulated losses	(87,460,936)	(84,245,464)
Total Deficiency in Shareholders' Equity	(20,684,610)	(17,756,568)

The above Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31, 2007

Consolidated	Attributable to Equity Holders of the Parent				
	Share Option Reserve	Share capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
At July 1, 2006	64,190	60,241,791	6,182,915	(76,349,901)	(9,861,005)
Share options expired			--	--	--
Total income and expense for the period recognised directly in equity	--	--	--	--	--
(Loss) for the period	--	--	--	(4,015,126)	(4,015,126)
At December 31, 2006	64,190	60,241,791	6,182,915	(80,365,027)	(13,876,131)

Consolidated	Attributable to Equity Holders of the Parent				
	Share Option Reserve	Share capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
At July 1, 2007	64,190	60,241,791	6,182,915	(84,245,464)	(17,756,568)
Share options expired	(64,190)	64,190	--	--	--
Total income and expense for the period recognised directly in equity	--	--	--	--	--
(Loss) for the period	287,430	--	--	(3,215,472)	(2,928,042)
At December 31, 2007	287,430	60,305,981	6,182,915	(87,460,936)	(20,684,610)

The above Condensed Consolidated Statement of Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

ABN 12 008 676 177

FOR THE HALF YEAR ENDED DECEMBER 31, 2007

	Consolidated	
	Half-year Ended Dec 31, 2007	Half-year Ended Dec 31, 2006
	\$	\$
Cash flows from operating activities		
Receipts from customers	83,965	24,445
Interest received	51	286
Other income	264,875	83,803
Payments to suppliers and employees	(1,464,337)	(2,431,859)
Interest and other costs of finance paid	(33,258)	(45,896)
Income tax paid	(252,113)	--
Net cash flows used in operating activities	(1,400,817)	(2,369,221)
Cash flows from investing activities		
Payment for property, plant and equipment	(5,589)	(153,487)
Proceeds from sale of property, plant & equipment	2,727	100,000
Exploration and development expenditure	(305,417)	(335,659)
Net cash flows used in investing activities	(308,279)	(389,146)
Cash flows from financing activities		
Proceeds from related parties	2,017,803	3,044,079
Repayment of lease liability	(306,579)	(246,653)
Net cash provided by financing activities	1,711,224	2,797,426
Net increase / (decrease) in cash held	2,128	39,059
Cash at the beginning of the financial year	24,003	17,559
Cash at the end of the financial year	26,131	56,618

The above Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**1. CORPORATE INFORMATION**

Haoma Mining is a listed public company, incorporated and domiciled in Australia. The financial report of Haoma Mining NL for the half-year ended December 31, 2007 was authorised for issue in accordance with a resolution of the Directors on February 29, 2008.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Half Year Financial Report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, and financing and investing activities of the consolidated entity as a full financial report.

The Half Year Financial Report should be read in conjunction with the Annual Financial Report of Haoma Mining and its controlled entities for the year ended June 30, 2007.

It is also recommended that the Half Year Financial Report be considered together with any public announcements made by Haoma Mining and its controlled entities during the half year ended December 31, 2007 in accordance with the continuous disclosure rules of The Australian Stock Exchange and reporting obligations under the Corporations Act 2001.

Basis of accounts preparation

The Half Year Financial Report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB134 "*Interim Financial Reporting*" and other mandatory professional reporting requirements.

The principal accounting policies adopted by Haoma Mining NL and its Controlled Entities are stated to assist in a general understanding of the financial statements. The Half Year Financial Report has been prepared on an historical cost basis, except for non-current assets classified as held for sale which have been measured at fair value and provisions for restoration costs which has been measured as the present value of the future expenditure, taking into account the time value of money and relevant risk for the required expenditure.

For the purpose of preparing the Half Year Financial Report, the half-year has been treated as a discrete reporting period. The financial report is presented in Australian dollars.

Going Concern

The financial statements have been prepared on the basis of the going concern principle. That principle contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. At December 31, 2007 the Consolidated Entity recorded a consolidated loss of \$3,215,472 for the six months, has net current liabilities of \$26,798,315 and negative shareholder's equity of \$20,684,610.

To support the ongoing operations of the Group, Leaveland Pty Ltd, (Haoma's principal shareholder which is owned and controlled by Mr. Gary Morgan) has provided an undertaking that it will make funds available to the company to ensure that there is no shortfall of funding required for operations for a period of at least 12 months from the date of this report.

Significant Accounting Policies

The Half Year Consolidated Financial Statements have been prepared using the same accounting policies as used in the Annual Financial Statements for the year ended June 30, 2007.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)**Basis of Consolidation**

The Half Year Consolidated Financial Statements comprise the financial statements of Haoma Mining NL and its controlled entities ('the Haoma Group').

3. SEGMENT REPORTING

The Haoma Group operates solely in the minerals industry segment in Australia. Operations comprise exploration, evaluation and development of gold and other precious and base metal projects.

The economic entity operates solely in Australia, principally in the Pilbara region of Western Australia and the Ravenswood / Charters Towers District of Queensland.

	Consolidated	
	Dec 31, 2007	Dec 31, 2006
	\$	\$
4. REVENUE, INCOME AND EXPENSES		
<i>Revenue</i>		
Gold sales	106,788	45,122
Silver sales	744	2,737
	<u>107,532</u>	<u>47,859</u>
Retail sales	93,133	90,263
Mining royalties	204,109	--
Finance - bank interest	51	286
	<u>404,825</u>	<u>138,408</u>
<i>Other income</i>		
Gains on disposal of property, plant and equipment	2,727	275,000
<i>Finance costs</i>		
Interest on overdraft & other bank facilities	248	--
Interest on loan from other financiers	1,044,993	733,212
Interest paid under hire purchase contract	26,182	45,701
Other finance costs	56,833	65,072
Total finance costs	<u>1,128,256</u>	<u>843,985</u>
<i>Other expenses</i>		
Depreciation	337,260	312,816
Rehabilitation expense	<u>11,772</u>	<u>22,248</u>

5. SEASONALITY OF OPERATIONS

There were no seasonal or climate related events which directly or indirectly affected Haoma's ability to earn or derive income during the half-year to December 31, 2007.

6. CASH AND CASH EQUIVALENTS

For the purpose of the half-year condensed cash flow statement, cash and cash equivalents are comprised of the following:

Cash at bank and in hand	<u>26,131</u>	<u>56,618</u>
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7. DIVIDENDS PAID AND PROPOSED

Prior to adoption by the Board of this Half Year Financial Report and in the period since the issue of the June 30, 2007 Annual Financial Report, no dividends were proposed, declared or paid.

8. PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

During the half-year ended December 31, 2007 Haoma acquired assets with a cost of \$5,589 (2006: \$153,487).

Impairment losses

The current carrying value of property, plant and equipment is recorded at its depreciated value. Haoma believes the current carrying value of property, plant and equipment is not in excess of its fair value.

9. SHARE BASED PAYMENTS

On November 30, 2007 the Consolidated Entity issued 7,150,000 Share Options. The Share Options entitle the holder to take up the same number of ordinary shares at an exercise price of \$0.10 each. The options are exercisable on or before November 30, 2009. The options are non-renounceable, hold no voting or dividend rights and are not transferable. As at December 31, 2007 and during the half-year ended, no share options were exercised.

10. INTEREST BEARING LOANS AND BORROWINGS

During the half-year to December 31, 2007 funding for the company's ongoing operations has been substantially provided by Haoma's principal shareholder, Leaveland Pty Ltd (holds 62.91% of issued shares). Leaveland is owned and controlled by Haoma's Chairman, Mr Gary Morgan.

To December 31, 2007, Leaveland Pty Ltd has provided accumulated funding of \$22,333,715 (2006: \$17,224,832) to Haoma.

The Board of Haoma has approved payment of interest on the loan at the 30 day commercial bill rate plus a 2% margin. Interest on the loan has not been paid and will accrue until such time as the company is in a position to commence interest payments. During the 6 months ended December 31, 2007, interest accrued on the total funds advanced was \$1,044,993 (2006: \$733,212). Total interest accrued over the life of the loan to December 31, 2007 is \$4,065,281 (2006: \$2,180,373).

11. CONTINGENT LIABILITIES

Native Title

The Consolidated Entity's activities in Australia are subject to the Native Title Act of the Commonwealth.

Any native title claim over mining and exploration tenements are lodged with the Native Titles Tribunal. Mining and exploration licences will not be granted by the Department of Minerals and Energy, W.A. until claims have been resolved. Haoma is not aware of any claim that is unresolved during the half-year to December 31, 2007.

Management Fee

Following a settlement with a former director, Kitchener Mining NL, a controlled entity, agreed to pay the director \$68,658. Payment will only be made when other directors' fees and management fees owing by Kitchener Mining NL for the period 1989 to 1993 are paid. The Directors' fees and management fees are only payable when Kitchener Mining NL has an operating profit in excess of \$500,000 in a financial year. A related party contingent liability exists to The Roy Morgan Research Centre for a total \$1,000,000 and to the Directors' of Kitchener Mining for a total \$155,000 in respect to the financial years from 1 July 1989 to 30 June 1993.

CONTINGENT LIABILITIES *(continued)***Financial Support for Controlled Entity**

The Parent Entity has provided a “letter of support” in respect of financial support to its controlled entity, Kitchener Mining NL. Total Kitchener Mining NL liabilities at December 31, 2007 were \$3,994,402 (December 31, 2006: \$3,750,422).

12. CONTRIBUTED EQUITY

	Consolidated	
	Dec 31, 2007	June 30, 2007
	\$	\$
Ordinary shares - issued and fully paid	60,241,791	59,770,831
Share options	64,190	470,960
	60,305,981	60,241,791
Movement in ordinary shares on issue	Number	\$
At July 1, 2007	192,993,655	60,305,981
Issued during the 6 months to December 31, 2007	--	--
At December 31, 2007	192,993,655	60,305,981

13. EVENTS AFTER BALANCE SHEET DATE

No significant events have occurred after balance date and prior to the adoption of this Half Year Financial report.

DIRECTORS' DECLARATION

The Directors of Haoma Mining NL declare that:

- (a) the financial statements and notes of the consolidated entity:
 - (i) give a true and fair view of the financial position of the consolidated entity's as at December 31, 2007 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and
 - (ii) comply with Accounting Standards AASB 134 "*Interim Financial Reporting*" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors



Gary C. Morgan:
Director

Melbourne

February 29, 2008

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF HAOMA MINING NL**

We have reviewed the accompanying half-year financial report of Haoma Mining NL, which comprises the condensed balance sheet as at 31 December 2007, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising Haoma Mining NL and the entities it controlled at 31 December 2007 or from time to time during the half-year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of Haoma Mining NL are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Haoma Mining NL's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Haoma Mining NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Haoma Mining NL is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



PKF
Chartered Accountants



R A Dean
Partner

29 February 2008
Melbourne