Haoma Mining NL

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May 13, 2010

Mr Eric Mayne
Chief Supervision Officer
Australian Stock Exchange
20 Bridge St
SYDNEY NSW 2000
Eric Mayne [Eric.Mayne@asx.com.au]

Dear Mr Mayne

We are in receipt of your May 12, 2010 email including your letter **"Haoma Mining NL (the "Company") – Comments re 'Super Profits' Tax ASX Guidance Note 8". (Attached)** (www.haoma.com.au/2010/ASXEricMayneemail12May10.pdf)

On May 11 2010 the Australian Stock Exchange (ASX) refused to publish two announcements from Haoma Mining NL. They covered my Chairman's Address to the Special General Meeting of Shareholders held Tuesday May 11, 2010. (www.haoma.com.au/2010/HaomaChairmansAddressToSpecialGeneralMeeting-11May2010.pdf)

My Chairman's Address includes information in relation to the buy-back of Haoma Mining shares from BHP Billiton, recent and future activities at Haoma's Bamboo Creek test facility and Haoma's 25% interest (75% Giralia Resources NL) in the recent Mt Webber iron ore discovery. **It includes information which may be price relevant.**

My Chairman's Address was 'factual and relevant' and 'objective and clear'.

We do not believe you or those to whom you have copied my correspondence (David Gonski, Chairman ASX, Robert Elstone, Managing Director and CEO ASX or Alan Cameron, Chairman ASX Market Supervision) can or are entitled to 'judge' whether my Chairman's Address has an 'objective approach to the facts outlined'. It is up to the Shareholders of Haoma to make that decision not you or your fellow ASX Directors or Executives.

What concerns us is your fellow ASX Executives or Directors may not be objective. For instance the ASX Chairman David Gonski is the new Chairman of Ingeus Limited, a very profitable business of which Therese Rein (Prime Minister Rudd's wife) is founder and Managing Director.

We believe this reply and your letter should be released by the ASX and available to Haoma Mining's shareholders. If not Haoma shareholders are not fully informed.

Yours sincerely,

Gary C. Morgan
Chairman

From: Eric Mayne [Eric.Mayne@asx.com.au]
Sent: Wednesday, 12 May 2010 5:33 PM
To: Gary Morgan
Subject: Comments re 'Super Profits' Tax - ASX Guidance Note 8
Attachments: 05_12 May 2010 - Ltr Gary Morgan, Haoma Mining.doc; MCR2010.05.12-MR.pdf

Dear Mr Morgan,

Please see attached letter

Regards

Eric Mayne | Chief Supervision Officer
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12 May 2010

Mr Gary Morgan
Chairman
Haoma Mining NL
First Floor
401 Collins Street
MELBOURNE VIC 3000

Dear Mr Morgan,

Haoma Mining NL (the "Company") – Comments re 'Super Profits' Tax – ASX Guidance Note 8

I refer to your Company's correspondence with ASX Limited ("ASX") concerning ASX's decision to not release the text of your address to the Company's special general meeting yesterday (the "Chairman's Address").

As you know, the reason for ASX's decision is that the Chairman's Address contained comments on the Government's proposed Mining 'Super Profits' Tax (the "Proposal") that ASX deemed were inconsistent with the policy guidance given to listed entities in Guidance Note 8, Paragraph 49 of the listing rules.

Guidance Note 8, Paragraph 49 provides as follows:

"Information to be disclosed should be in a form that is suitable for release to the market. The information contained in a market release or announcement should be factual and relevant and expressed in an objective and clear manner. The use of emotive or intemperate language should be avoided. CAP should not be used for promotional purposes or as a forum for subjective debates (eg. with journalists where an entity takes issue with opinions expressed in the media, or between the target and offeror in a hostile takeover). Announcements must be balanced and truthful."

The Company Announcements Platform primarily is a means for listed entities to provide announcements reporting facts consistent with the listing rules and in particular, listing rule 3.1. All announcements that are released on the Platform should comply with the underlying policy stated above. ASX has no objection to listed entities voicing their political opinions and concerns but does not believe that the Platform is the appropriate forum for such views and debate.

ASX's decision to not release the Chairman's Address is consistent with the approach that has been taken for all participants in your industry sector wishing to comment on the Proposal. In discussing the matter with your Company Secretary, Jim Wallace, ASX pointed to a release on the subject that has been deemed acceptable for release by ASX from Mincor Resources NL (ASX Code: MCR) on 7 May 2010, as it was judged to have an objective approach to the facts of this matter (a copy of which is attached for your reference). ASX has no objection to releasing announcements of this type.

ASX notes that it publishes over 130,000 announcements on the Company Announcements Platform each year. Accordingly, there must be standards administered by ASX to ensure the orderliness and relevance of the material published on the Platform. ASX's guidance on the form and content of announcements is clear and longstanding and should be understood by all listed entities. In all cases where ASX has objections to the content of a proposed announcement, it endeavours to work with the relevant listed entity to find a solution that, in most cases, results in the entity making an appropriate announcement to the market and saying whatever else it may wish in other fora.

I trust that the above assists your understanding of the matter.

Yours sincerely,

Eric Mayne
Chief Supervision Officer

cc. David Gonski, Chairman ASX
Robert Elstone, Managing Director and CEO, ASX
Alan Cameron, Chairman, ASX Markets Supervision

MINCOR TO RE-OPEN MIITEL NICKEL MINE

But Warns That New Resource Super Tax Will Threaten Future Mine Life Extensions

- Recommendation for **immediate re-start** of production at **Miitel Nickel Mine** accepted by Mincor's Board, with estimated **mine re-start costs of less than $1 million**.

- **Start-up work already underway** with underground shifts to start as early as next month and the **ramp-up to full production to commence from July 2010**.

- **Miitel re-start expected to create 100 new jobs** and inject **more than $130 million** into the local and State economy over the next four years.

- Production forecast at **4,500-5,500 tonnes of nickel-in-ore per year** during initial 4-year production schedule at life-of-mine cash costs of approximately **A$5.50-6.00/lb of payable nickel**.

- **Mine economics bolstered** by inclusion of recent N29 discovery – **maiden Ore Reserve of 148,000 tonnes @ 2.7% nickel for 4,000 tonnes of contained nickel metal,** which remains open to the south.

- **Total Miitel Re-Start Ore Reserve** including N29 of **616,000 tonnes @ 2.7% nickel for 16,400 tonnes of contained nickel**.

- Project modelling to assess impact of new **Resource Super Tax** indicates that in a post-2012 tax regime the average tax rate for the life of the project **would rise to a deeply unattractive 55%**.

- **Any mine-life additions**, which Mincor is confident could be achieved, would be fully exposed to the new Resource Super Tax and would be uncertain to meet Mincor's investment hurdles.

Australian nickel producer Mincor Resources NL (**ASX: MCR**) today announced that it would move rapidly to recommence production from its flagship **Miitel Nickel Mine** in Kambalda, Western Australia, creating 100 new jobs and injecting over $130 million into the local and State economy over the next four years.

However, Mincor also today warned that the recently announced "Resource Super Tax" could threaten the future viability of the operation, which it placed on care and maintenance in December 2008 in response to the Global Financial Crisis.

Mincor said it had completed an analysis to assess the impact of the proposed new tax, which indicated that, if the mine was re-started in a post-2012 tax environment, the total tax rate for the Project would increase to a deeply unattractive level of 55%, compared with a rate of 41% (tax + royalty) under current legislation. More details on the impact of the new tax are provided below.

Site works have commenced at Miitel – traditionally Mincor's largest producing mine in Kambalda – with initial production set to resume as early as next month and the ramp-up to full production to commence from July 2010. Steady-state production levels are forecast at approximately 15,000 to 18,000 tonnes of ore per month, yielding between 4,500 and 5,500 tonnes of nickel metal in ore per annum. Life-of-mine cash costs are estimated at between A$5.50 and A$6.00 per pound of payable nickel.

The Miitel Project has been substantially bolstered by the inclusion of the recent N29 discovery – comprising a maiden Ore Reserve of **148,000 tonnes @ 2.7% nickel for 4,000 tonnes of nickel metal**.

Not only does this increase the existing Miitel ore reserves by 32%, but it also provides an additional production front within the mine, increasing the overall production capacity. The total capital required to extract this Ore Reserve is estimated at $17 million, most of which will be spent during the 2011 financial year, and all of which will be financed from Mincor's existing cash resources.

The re-opening study was based on a total Ore Reserve, including the N29 deposit, of **616,000 tonnes at 2.7% nickel containing 16,400 tonnes of nickel metal**, which allows for an initial project life of four years. However, Mincor is increasingly confident that this will grow as a result of recent exploration success to both the north and the south of the existing mine, where three drill rigs are currently operating.

However, any mine life extensions delineated through this exploration program would fall under the new Resource Super Tax and hence their ability to deliver an attractive return on capital is unclear at this stage.

Mincor will operate Miitel using the services of mining contractor Byrnecut, currently Mincor's contractor at the nearby Mariners Mine. As with Mariners, the management functions of the mine, including mine planning and engineering, mine surveying and geology will be performed by Mincor personnel. Following Miitel's re-start, Mincor will have two mines operated on a contractor basis and two mines operated on an owner-miner basis.

The re-opening of Miitel will create approximately 100 new jobs, and is expected to generate more than $7.8 million in State Royalties and inject over $130 million into the local and state economy. On base case nickel price assumptions of US$9.00/lb, it will generate over A$200 million in export earnings for Australia. All of the ore produced will be toll-treated through BHP Billiton's concentrator plant in Kambalda, with the concentrate sold to BHP Billiton under a long term off-take agreement.

The Impact of the Proposed New Resource Super Tax on Miitel

Mincor has sought to understand the impact of the proposed new mining tax on Miitel. A number of scenarios were modelled with the help of Mincor's external tax advisers. The models assess the tax position of Miitel at the corporate level, that is, including corporate income tax, but do not attempt to fully model Mincor's corporate tax. Essentially the model estimates Miitel's tax position as if it were the sole asset of a corporation that has no other costs or assets. One of the most important costs not covered in this model is that of external finance, because Mincor is in the fortunate position of being able to finance the project from its own cash resources. Were the project to be externally financed the tax outcome would be substantially different, as finance costs are not deductible from the Resource Super Tax.

It is important to note that much about the new tax remains unclear, and assumptions made in the modelling could change the outcomes very substantially, both positively and negatively.

The results given below are based on a life of mine nickel price assumption of US$9.00/lb, and an exchange rate of 0.90. This is close to the average of most analysts' long term nickel price forecasts. Thus it is the widely expected nickel price over the foreseeable future, and not a price at which "super" profits could be expected.

In essence, the modelling shows that if the mine was developed as a completely new project under the new tax regime, and without the benefit of past expenditures, the total tax rate would be a deeply unattractive 57%. If the benefit of past expenditures were included, this total tax rate would reduce to a still unattractive 55%.

This compares with the 41% tax rate (income tax plus royalties) that the project would attract under existing legislation, including the benefit of past expenditures.

However, the modelling also shows that it is advantageous to put Miitel back into production immediately, as the Project will benefit from the two-year window before the new tax is fully implemented and will derive some further benefit from transitional arrangements associated with the introduction of the new tax. Under this scenario the total tax rate is modelled at 38%.

However, as with all of Mincor's mines, the Company has high expectations that the initial four-year mine life will be substantially extended through exploration, and it is the viability of these possible future extensions that are placed in doubt by the new tax. Such extensions would attract tax of approximately 55%.

Of interest is the way in which the tax rate changes under changing commodity price assumptions. The model shows that under the proposed new system the tax rate of around 55-57% remains unchanged at high, low and middling nickel price assumptions. Under current tax legislation the tax rate rises under low price assumptions and declines under high price assumptions. This means that, under the Resource Super Tax, the federal government will effectively subsidise marginal or sub-economic mines during periods of lower commodity prices.

This has profound implications for economic efficiency, resource investment, and Australia's status as a market economy.

Management Comment on the Resource Super Tax

Mincor has received requests from shareholders and analysts for clarity regarding the impact of the proposed new Resource Super Tax. Mincor is not able to provide this clarity as it has not yet been able to definitively model the new tax on a full corporate basis. A great many details remain unclear. The Government has expressed the view that the new tax is in the national interest and has urged the mining industry to participate in the consultation process. Mincor intends to do so.

However, it is the opinion of Mincor's management that the new tax will undermine the viability of the Australian mining industry and damage Australia's reputation as a safe place in which to invest. We make the following specific observations:

- The tax is not a tax on "super profits", it is a tax on all profits, all the time.
- In this regard it is fundamentally different to the Petroleum Resource Rent Tax.
- The new tax appears to generate a total tax rate for mining companies of approximately 57% and, as such, represents a substantial new impost on Australia's most successful industry.
- The high tax on profits will lead to the loss of the Australian mining industry's present status as the most competitive and innovative in the world.
- In our view it is certain that the tax will drive new mining investment offshore and deter foreign investment in Australian mines and exploration.
- The new tax will not accrue franking credits.
- The new tax will substantially increase tax complexity for mining companies, not least due to the extra paperwork that will be required to first calculate and pay State royalties and then to claim them back from the Federal Government.

For more detailed management comment on the Resource Super Tax please click on the link below.

http://www.mincor.com.au/investor_relations/resource_super_tax.phtml

RESOURCES, RESERVES AND COMPETENT PERSON STATEMENTS

Miitel Mineral Resources as at 31 March 2010

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Miitel	152,000	3.5	476,000	3.7	189,000	3.2	817,000	3.6	29,100
N29			137,400	3.5			137,400	3.5	4,900
Grand Total	**657,000**	**4.0**	**613,400**	**3.6**	**810,000**	**4.3**	**954,400**	**3.6**	**34,000**

- Note that Resources are inclusive of Reserves.
- Figures have been rounded and hence may not add up exactly to the given totals.

Resources are estimated to a 1% nickel cut-off. No minimum mining width criteria are used. The Resource estimation is done using inverse distance or kriging methods, depending on the data density. Volume models are constructed using all available data including underground drive and stope mapping. Grade interpolation uses assay results from diamond drill core and, in places, underground face samples.

The information in this Public Report that relates to Mineral Resources is based on information compiled by Mr Robert Hartley, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a permanent employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Miitel Ore Reserves as at 31 March 2010

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Miitel	**28,000**	**2.6**	**440,000**	**2.7**	**468,000**	**2.7**	**12,400**
N29			**148,000**	**2.7**	**148,000**	**2.7**	**4,000**
Grand Total	**28,000**	**2.6**	**588,000**	**2.7**	**616,000**	**2.7**	**16,400**

Figures have been rounded and hence may not add up exactly to the given totals.

Appropriate dilution for the various mining methods was applied to the Indicated and Measured Resources. Using a 1.5% nickel cut-off and minimum mining width criteria, areas were selected as being mineable. Additional modifying factors to account for ore loss, recovery, further dilution, etc were then applied to achieve an estimated Reserve.

The information in this Public Report that relates to Ore Reserves is based on information compiled by Mr Dean Will, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Will is a permanent employee of Mincor Resources NL. Mr Will has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Will consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mincor is a leading Australian nickel producer. The Company is listed on the Australian Securities Exchange and forms part of the benchmark S&P/ASX 200 Index. Mincor operates two mining centres in the world class Kambalda Nickel District of Western Australia, and has been in successful production since 2001.

- ENDS -

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