FINNISS RANGE PROJECT, NT

EL 24773

ANNUAL REPORT

FOR THE PERIOD

10th January 2007 TO 11th January 2008

Tenement : EL24773
Owner : Australian Tantalum Pty Ltd
Operator : Haddington Resources Ltd
Prepared by : S Adamson
Date : February 2008
Distribution : Haddington Resources Ltd (1)
Department of Primary Industry, Fisheries and Mines (DPIFM) (1)
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1. SUMMARY

Exploration work for the reporting period consisted of field checking weak radiometrics anomalies with a hand held spectrometer.

2. INTRODUCTION

This report covers exploration work carried out by Australian Tantalum Pty Ltd, a wholly owned subsidiary of Haddington Resources Limited (HDN) during the reporting period (10th January 2007 to 11th January 2008).

3. LOCATION AND ACCESS

The Finniss Range Project is located approximately 50 km south of Darwin; roughly 20 km southwest of Berry Springs/Tumbling Waters. Access is via the all-weather Litchfield National Park and Fog Bay Roads, and various dirt tracks.

The Licence lies on the Darwin 1:250,000 (SD52-4), and Bynoe (5072) 1:100,000 scale topographical and geology sheets.

4. TENEMENT STATUS

EL24773 was granted to Australian Tantalum Pty Ltd on 11th January 2006 for a period of six (6) years.

The tenement is part of a project which also includes EL24774 and EL24639 (Figure 1).

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Holder</th>
<th>Grant Date</th>
<th>Expiry</th>
<th>Area (Km²)</th>
<th>Rent$</th>
<th>Commitment $</th>
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<td>11.01.2006</td>
<td>10.01.2012</td>
<td>361.1</td>
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Table 1. EL24773 – Tenement Details.
Figure 1. Finniss Range Project - Tenement Location Plan
5. LOCAL GEOLOGY

The project area consists primarily of the Early Proterozoic Burrell Creek Formation (Figure 2), an interbedded sequence of lutite, arenite and rudite. The sediments form undulating hills, low ridges and prominent strike ridges (where more resistant arenite predominates in outcrop). Sandstone units (often metamorphosed to quartzite) typically form blocky beds between 0.2-2.0m thick, are strongly jointed and fractured, and often quartz veined. Much of the area is covered by ferricrete, which varies between massive and pisolitic.

The formation conformably overlies the Mount Bonnie Formation, the contact being defined by the top of the uppermost unit of argillite, tuff, banded iron formation, or shale containing chert bands, lenses or nodules.

To the west, the Burrell Creek Formation is intruded and contact metamorphosed by the Two Sisters Granite (immediately southwest of EL24639). Metamorphic grade increases westward from sub-greenschist facies siltstone and sandstone in the east, to upper greenschist facies gneiss and schist in the west.

The Two Sisters Granite forms a discordant irregular batholith, and consists of moderately to non-foliated granite, adamellite, granodiorite and minor porphyritic granite.

The Archaean Rum Jungle Complex is located immediately east of EL24639, where it is exposed as scattered low pavements and boulder-strewn outcrops protruding through a thin veneer of Cainozoic sand.

Rare element pegmatites that crop out in the area form the Litchfield pegmatite belt. The Litchfield belt is divided into the more prominent Bynoe Pegmatite Field, and the less significant Wingate Mountains pegmatite district.

The Bynoe pegmatite field is 70km in length and 15km in width. All pegmatites are believed to have been derived from the Two Sisters Granite (Ahmad 1995), which is considered to dip to the east under the Burrell Creek Formation, below the exposed pegmatites.

The pegmatites typically occur in clusters, and six pegmatite groups are recognised within the Bynoe field; The Kings Table, Observation Hill, Walkers Creek, Labelle, Leviathan, River Annie Group. The last two groups lie within the Project Area.

The Leviathan and River Annie Group pegmatites occur within the Burrell Creek Formation. The pegmatites are irregularly distributed, concordant with the main metamorphic foliation, and interfinger in places mostly along bedding planes (Frater, 2005).
6. PREVIOUS EXPLORATION

Previous exploration has centred on the Leviathan Group pegmatites (Leviathan Mine), and the area surrounding the Annie Mine.

The Leviathan mineralisation was discovered by C. Clarke in 1886, and a mine and battery were established shortly after. By 1890, three shafts had raised 406t of ore to produce 2.03t of Sn oxide (Frater, 2005). The tin mineralisation proved to be patchy and the leases were abandoned in 1909.

Following this initial discovery, numerous mineralised pegmatites were discovered and worked in the area by Chinese and European prospectors. Mining was short lived and virtually all leases were abandoned by 1910, with no record of location or production.

The Leviathan area was explored by Greenex (a division of Greenbushes Ltd – later Sons of Gwalia) between 1983 and 1990. By 1987, using ground reconnaissance and aerial photographs, Greenex had rediscovered over 20 of the pegmatites that had been worked at the turn of the century.

Leases covering the Leviathan pegmatites passed to Corporate Development and in 2000, Julia Corporation Ltd (Julia) negotiated an option to explore the Leviathan ground. They carried out an RC drilling program, targeting several of the larger Leviathan pegmatites. In total, over thirty pegmatites have been discovered in the Leviathan area.

Greenex mapped the Annie area in 1984, and sampling of the Annie pegmatite showed it to be tin-rich. Outcrop was restricted to prominent quartz ridges and old workings. According to Frater (2005), one 25m section of pegmatite averaged approximately 666g/t Ta₂O₅, the highest individual sample assaying 2360g/t.

Further exploration work including auger drilling and trenching, and pegmatite was intersected over a strike length of 325m and a width of up to 35m. Auger drilling indicated a resource in the order of 0.098Mt at 156g/t SnO₂. Exploration continued until 1988, when Corporate Developments acquired the Annie lease. Softwood Plantations Pty Ltd, acting for Corporate Development, mined the Annie pegmatite in the period 1995 to 1999. 11t of tantalite and 28t of tin were produced between 1995 and 1997, and a further 69t of combined tantalum-tin concentrate was parcelled in 1997-1999.
Figure 3. Finniss Range Radiometrics Anomalies

7.0 CURRENT EXPLORATION – HADDINGTON RESOURCES
Field mapping and field checking radiometrics anomalies commenced in September with additional follow up work taking place in October 2007.

Work was focused on locating radiometric anomalies and mapping lithologies prospective for uranium mineralization.

The Litchfield radiometrics Survey, available from the DPIFM was downloaded and reprocessed by Southern Geoscience Consultants in Perth.

Four weak anomalies (FR-1 to FR-4) were identified and field checked.

8.0 RESULTS

Based on field work carried out to date EL 24773 does not appear to be prospective for uranium mineralization. A number of traverses were carried out and results were extremely disappointing.

The tenement does not appear to host any significant uranium mineralization.

9.0 CONCLUSION

EL 24774 does not appear to be prospective for uranium mineralization. The exploration strategy for this tenement in the 2008 field season is to focus on the Sn and Ta anomalies (A4, A5, A6 and A28) previously identified last year.

Exploration in the 2008 field season will consist of follow up rock chipping and soil sampling of Sn and Ta anomalies in a bid to identify suitable targets for drilling.
The budget for next year is based on an extensive rock chip, soil and mapping program over various prospects defined by work during 2007.

**2008 BUDGET**

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<td><strong>TOTAL</strong></td>
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**11. REFERENCES**

Ahmad, M., 1995, Genesis of tin and tantalum mineralisation in pegmatites from the Bynoe area, Pine Creek Geosyncline, Northern Territory. Economic Geology 42, 519-534.


APPENDIX 3

HDN Geological Logging Codes