FINNISS RANGE PROJECT, NT

EL 24774

ANNUAL REPORT

FOR THE PERIOD

24th August 2007 TO 23rd August 2008

Tenement	:	EL24774	
Owner	:	Australian Tantalum Pty Ltd	
Operator	:	Haddington Resources Ltd	
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Date	:	October 2008	
Distribution	:	Haddington Resources Ltd	(1)
		Department of Regional Development Primary Industry, Fisheries and Resources (DRDPIFR)	(1)

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1. SUMMARY

A reconnaissance soil sampling program was carried out during the reporting period on EL 24774 to test for northern extensions of the Mt Finniss tin and tantalum mineralisation beneath cover to the north of the old mine site.

The results for the 2007 regional rock chip sampling program, which were pending at the time of the last reporting period, have been received and are also discussed within this report.

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 (24th August 2007 to 23rd August 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

EL24774 was granted to Australian Tantalum Pty Ltd on 24th August 2006 for a period of six (6) years.

The tenement is part of a project which also includes EL24773 and EL24639 (Figure 1).

Tenement	Holder	Grant Date	Expiry	Area	Rent$	Commitment $
EL24774	Australian Tantalum Pty Ltd	24.08.2006	23.08.2012	8 blocks	$100	$16,200

Table 1. EL24774 – Tenement Details.

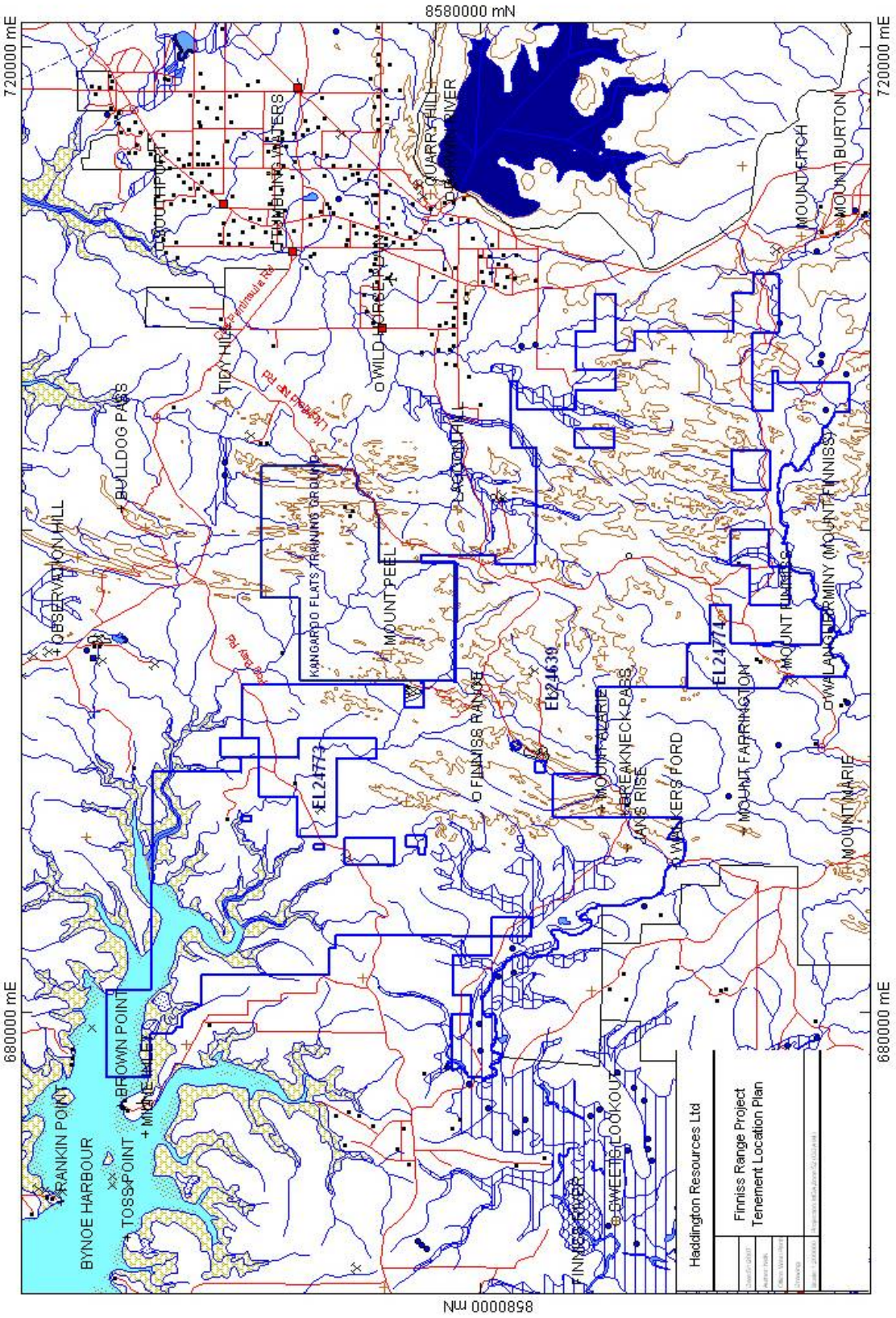

Figure 1. Finniss Range Project - Tenement Location Plan

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).

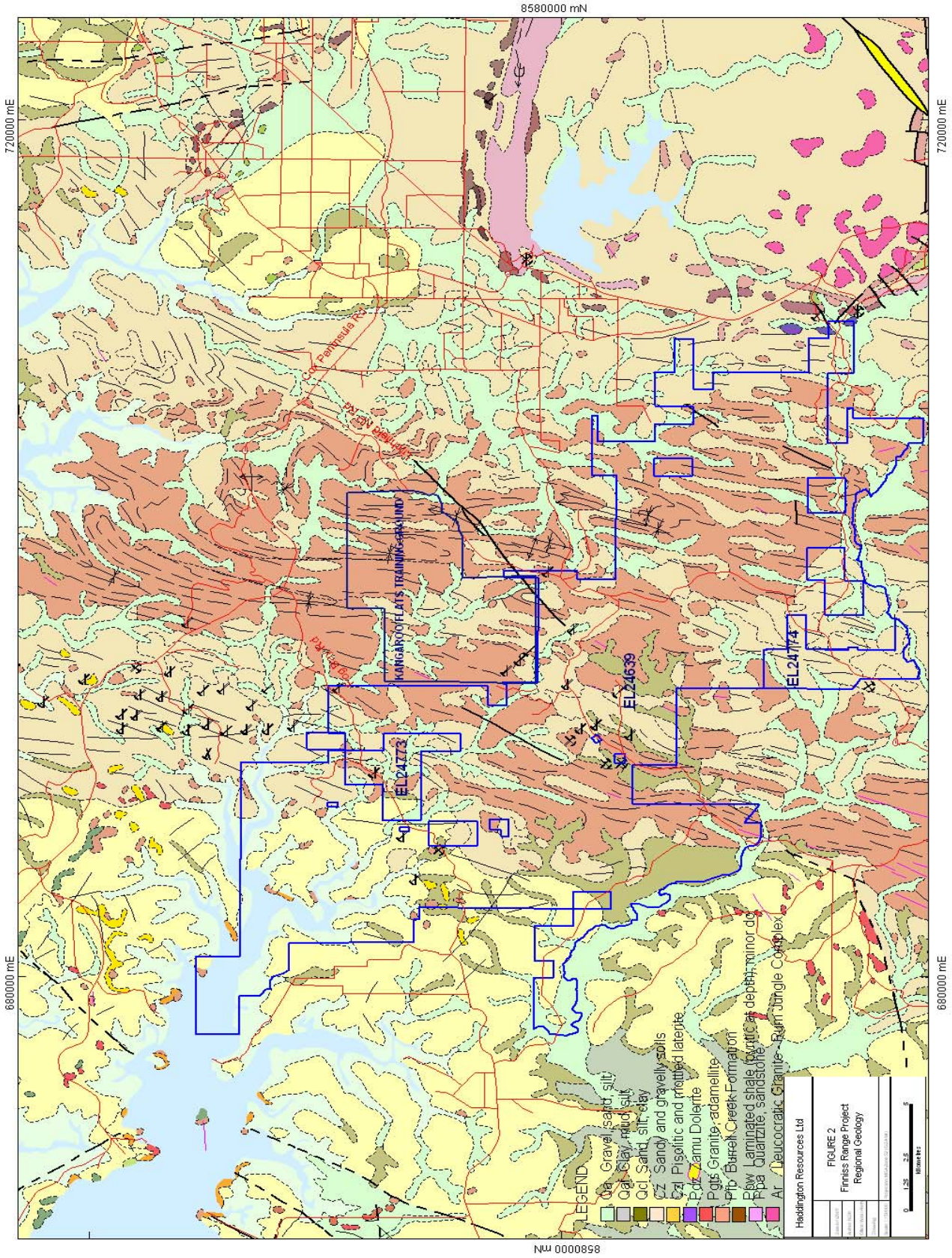

Figure 2. Regional Geology

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 Ta_2O_5, 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 SnO_2. 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.

7. CURRENT EXPLORATION – HADDINGTON RESOURCES LTD

The 2008 soil sampling program was designed to test for northern extensions of mineralised pegmatites associated with Mt Finniss mine.

A total of 52 soil samples were taken on a 100m x 200m grid consisting of four east west lines.

7.1. SURFACE SAMPLING PROCEDURES

A bulk un-sieved soil sample was collected from the B2 horizon from a depth of 30 to 45cm using a crow bar and shovel and placed in a calico bag.

The location, depth, colour, pH and land form were recorded.

The soil sample was sent to KalAssay Laboratories in Perth for analysis. Samples were assayed for a range of rare earth elements including Arsenic (As), Beryllium (Be), Caesium (Cs), Lithium (Li), Niobium (Nb), Phosphorous (P), Potassium (K), Sodium (Na),Rubidium (Rb), Tin (Sn), and Tantalum (Ta).

Laboratory details such as detection limits and analysis methods are set out in table form in Appendix 1. Samples were trucked from Darwin to Perth by Shaw's Darwin Transport.

8. RESULTS

The analytical results for the 2008 soil sampling program have yet to be received from Kalassay Laboratory.

Assay results and other details will be supplied to the Department during the next reporting period for this tenement.

The initial 2007 field program involved reconnaissance mapping across the tenement on approximate 400m spaced east-west traverses with rock chip sampling of prospective targets ie veins, lithologies or structures

The rock chip sampling program collected 45 samples from pegmatites and prospective quartz vein structures identified during the reconnaissance mapping program.

Three pegmatite rock chip samples returned anomalous results for Sn (137ppm to 318ppm) and Ta (118 ppm to 174ppm) mineralization. See Figures 3 and 4 respectively.

Eleven pegmatite rock chip samples returned anomalous results for Sn (119ppm to 280ppm).

One rock chip sample returned anomalous gold results 0.26ppm from gossanous sediments associated with pegmatites.

A summary of these results, sample descriptions and locations are in Table 2.

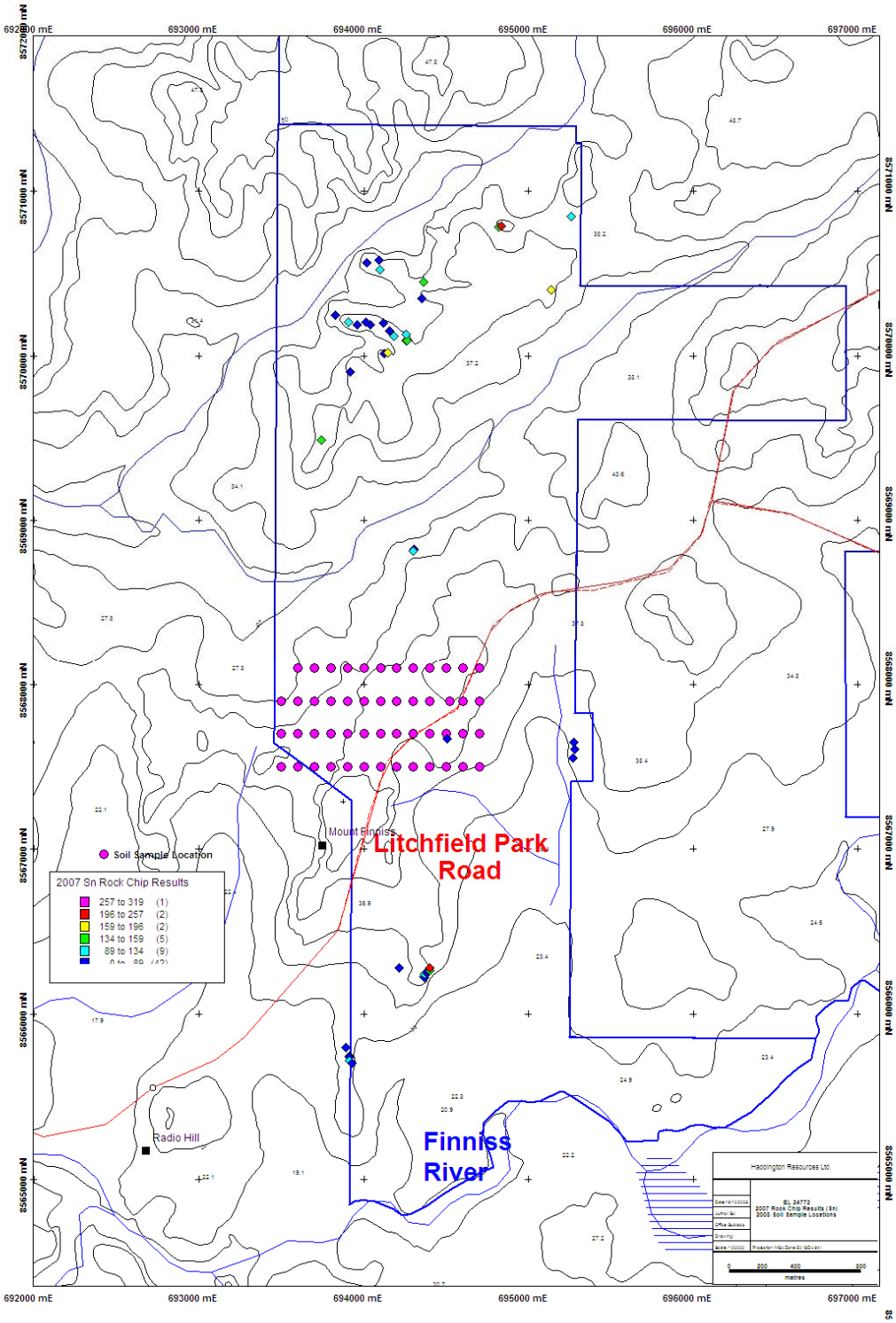

Figure 3. EL 24774 2007 Sn Rock Chip Results and 2008 Soil Sample Locations

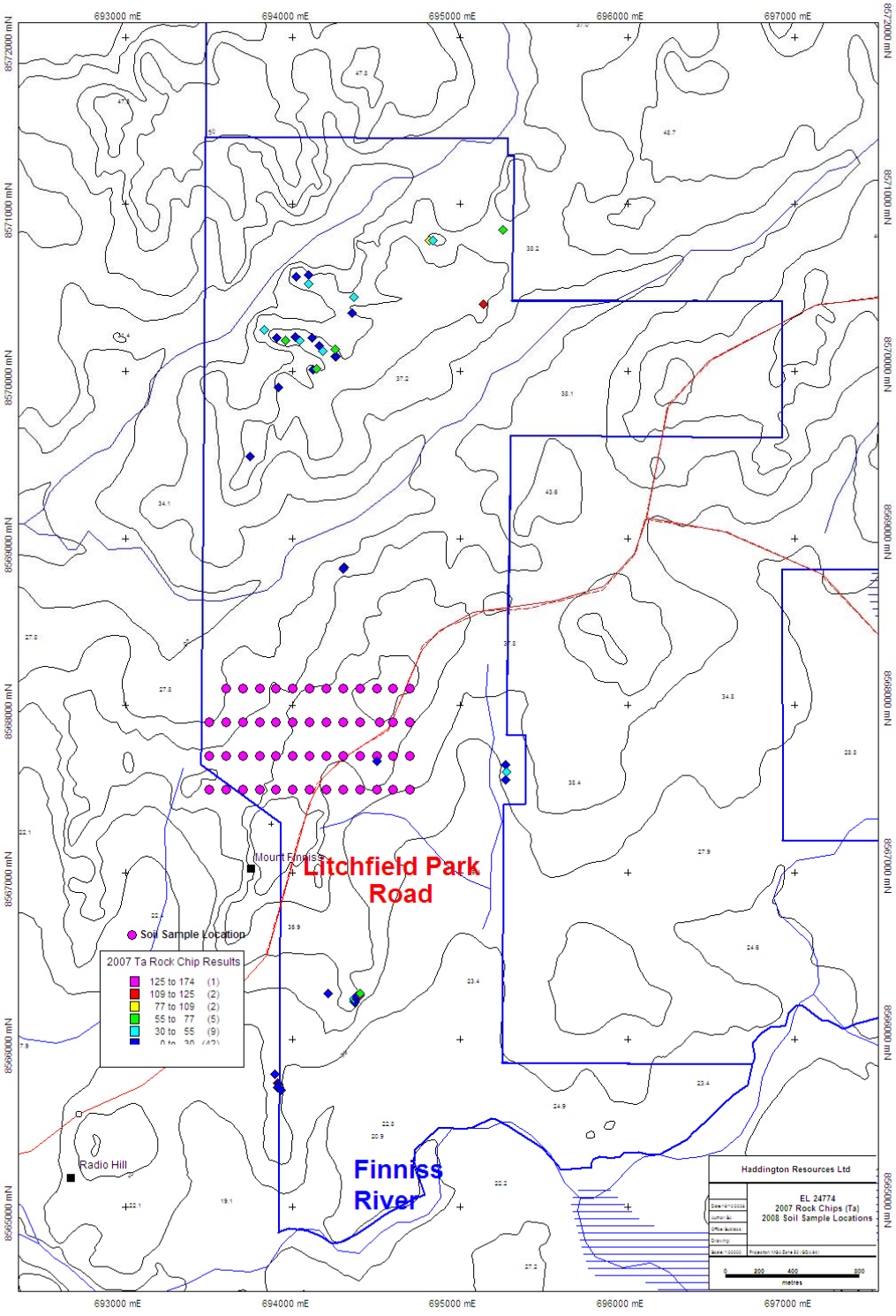

Figure 4. EL 24774 2007 Ta Rock Chip Results and 2008 Soil Sample Locations

WGSN	WGSE	Sample No.	Lith	Comment	Dip/Strike	Au (ppm)	Sn (ppm)	Ta (ppm)
8570402	695136	109389	FP	FP striking NS		<0.01	171	120
8570446	694365	109390	FP	Pegmatite striking 020	20	<0.01	147	40
8570092	694260	109393	FP	Pegmatite, sediments contact, red brown fine grained muscovite		<0.01	147	15
8570130	694255	109394	FP	Pegmatite 5-6m in length, striking 030, 5 cm muscovite books, Fe alteration, epidote?	30	<0.01	131	55
8570120	694180	109395	FP	Pegmatite blow/blob, no real strike extent, qtz rich, minor muscovite component.		<0.01	102	46
8570524	694096	109404	FP	Qtz muscovite alteration - red - Fe?, southern end of ridge, rough NS strike		<0.01	110	41
8570786	694836	109408	FP	Pegmatite core in qtz ridge, light red alteration		<0.01	196	54
8570018	694143	109411	FP	Pegmatite, orange in colour, more qtz rich than previous sample		<0.01	195	64
8569490	693742	109413	FP	Pegmatite float on top of hill, large 2cm muscovite flakes		<0.01	137	28
8568816	694300	109416	FP	Pegmatite from costean		0.01	119	21
8566280	694213	109422	S	Gossanous sediments with qtz veining, sampled from previous location.		0.26	3	1
8566244	694367	109425	FP	Weathered pegmatite from side of pit wall.		<0.01	129	34
8566266	694399	109428	FP	Weathered pegmatite on side of pit, white, hard, with small abundant tourmaline.		<0.01	137	174
8566280	694400	109429	FP	Red orange pegmatite, from pit wall in contact with sediments.		<0.01	250	60
8565744	693911	109431	FP	Pegmatite red orange in colour sampled from dozer dump.		<0.01	318	118

Table 2. Anomalous 2007 Rock Chip Results

9. CONCLUSIONS / RECOMMENDATIONS

Results for the 2008 field work are pending, however the 2007 reconnaissance rock chip mapping of the tenement on 400m regional traverses identified a number of areas that require follow up work. This will include additional ground reconnaissance, mapping and sampling and if warranted, limited drilling of the anomalies in the 2009 field season.

10. PROPOSED WORK

The budget for next year is based on an extensive rock chip, soil and mapping program over prospects defined by work during 2008.

2008- 9 BUDGET

Field Staff		$2,000
Geological Contractors		$3,000
Exploration Supplies		$500
Assays		$4,000
Tenement Administration		$100
Fuel		$2000
Maps and Plans		$100
Travel		$2,300
Accommodation		$2,000
Vehicle, Equipment, etc		$1,000
	TOTAL	**$18,000**

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.

Chrisp, G.M., and Earthrowl, J.A., 1992. Finniss range project, Northern Territory. Annual and supplementary annual reports, SEL7439. Corporate Developments Pty Ltd. *Northern Territory Geological Survey, Open File Company Report* CR1993-0533.

Frater, K.M., 2005, Tin-tantalum pegmatite mineralisation in the Northern Territory. *Northern Territory Geological Survey*, Report 16.

APPENDIX 1

LABORATORY AND ANALYSIS DETAILS 2007 Rock Chips

Tenement	No. of Samples	Sample Type	Element (Analysis Technique)	Det Lmt	Unit	Lab	Location
EL24774	109389 - 109434	Rock Chip	Au (FA)	0.01	ppm	KalAssay	Perth
			Be (ICPMS)	1	ppm		
			Cs (ICPMS)	1	ppm		
			Li (ICPMS)	1	ppm		
			K (ICPMS)	10	ppm		
			Na (ICPMS)	10	ppm		
			Nb (ICPMS)	1	ppm		
			Rb (ICPMS)	1	ppm		
			Sn (ICPMS)	1	ppm		
			Ta (ICPMS)	0.05	ppm		

APPENDIX 2

LABORATORY AND ANALYSIS DETAILS 2008 Soil Samples

Tenement	No. of Samples	Sample Type	Element (Analysis Technique)	Det Lmt	Unit	Lab	Location
EL24774	164401 - 164451	Soils	Be (ICPMS)	1	ppm	KalAssay	Perth
			Cs (ICPMS)	1	ppm		
			Li (ICPMS)	1	ppm		
			K (ICPMS)	10	ppm		
			Na (ICPMS)	10	ppm		
			Nb (ICPMS)	1	ppm		
			Rb (ICPMS)	1	ppm		
			Sn (ICPMS)	1	ppm		
			Ta (ICPMS)	0.05	ppm		