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HADDINGTON DOUBLES AFTER TAX PROFIT TO \$1.2 MILLION FOR 2005

Haddington Resources is pleased to announce its audited financial result for the year ending 30th June, 2005.

FINANCIAL RESULT

It has been an excellent year for Haddington Resources. In the shadow of the voluntary administration of its only customer, Sons of Gwalia Limited, and rising fuel, labour and other operational costs, earnings after tax almost doubled to \$1.2 million compared with \$650,000 last year. The earnings result included the write-off of \$275,098 of exploration and other investment expenditure.

SUMMARY OF RESULTS

	2005	2004
Tonnes of Ore Treated	318,000 t	352,000 t
Pounds of Tantalite Sold	205,000 lbs	204,000 lbs
Sales Revenue	13.3 million	\$13.3 million
EBITDA	\$3.7 million	\$3.5 million
EBITDA per share	6.8 cents	8.7 cents
Net Profit after Tax	\$1,214,421	\$650,425

Earnings before interest, tax, depreciation and amortisation (EBITDA) and exploration write downs were \$3.7 million on revenue of \$13.3 million generated from the Bald Hill Tantalite Project.

The Company closed the year with a strong cash position of \$5.6 million enabling it to maintain its debt free position while continuing its mining operations, providing capital for plant upgrade and giving it the scope to expand its exploration activities.

The excellent earnings result has been achieved through improved efficiency in plant performance at Bald Hill, reduced plant maintenance costs, savings in mining costs through company operation of the mining process, savings in power generation through company ownership and operation of the power station at Bald Hill and streamlining of administration and corporate systems.

In addition to excellent earnings from Bald Hill, the 1 for 4 renounceable rights issue, which was completed in March, was oversubscribed and raised approximately \$1.6 million. The Company also placed 3.48 million shares to raise \$522,000 during the year.



OPERATIONS

The Bald Hill mine and processing facility continued its consistent operational performance in 2005 with over 318,000 tonnes of ore processed for production of over 205,000 pounds of tantalite in approximately 1,000 tonnes of concentrate.

The Company is positioning itself to sell tantalite concentrates directly into the global market at the completion of its licence agreement with Sons of Gwalia on 31st March 2006, and will modify the Bald Hill plant to upgrade concentrates to meet export specifications.

EXPLORATION

The Company believes that it is in a unique position to contribute to the tantalum market through development of new supply sources from our extensive portfolio of tantalum exploration areas in Australia.

Haddington has stepped up exploration of its tantalite areas at Bald Hill Extended, the Pilbara region of Western Australia, and the Mt Shoobridge and Finniss Range areas in the Northern Territory. This has resulted in the discovery of the Creekside deposit at Bald Hill Extended where a resource containing 196,000 pounds of tantalite has already been identified, and the identification of numerous additional exploration targets in the area.

The Company has also evaluated a number of mineral projects and prospects during the year in its ongoing quest to find projects that will utilise its corporate, management and operational skills and achieve growth.

The Company's strategy for the coming year is focused primarily on our development as an independent tantalite supplier and we will continue to commit exploration funds to our portfolio of mineral properties, in order to expand our existing resources and to enhance the opportunity for new discoveries, while continuing to examine and evaluate new projects.

The Company is optimistic of that it can successfully apply its tantalite exploration techniques to its exploration portfolio and identify further tantalite resources in the coming year.

Haddington Resources has established itself as a reliable producer of concentrates and a successful explorer for tantalite resources.

We believe that we have developed a knowledge base and expertise that will enable us to participate directly in the tantalum market and we look forward to continuing with consistent operational and financial performance in the coming year.

ON BEHALF OF THE BOARD OF DIRECTORS OF HADDINGTON RESOURCES LIMITED.

A handwritten signature in black ink, appearing to read 'Colin McCavana', written over a light blue background.

Colin McCavana
Managing Director

Note: The information in the statements relating to the Bald Hill Tantalite Mineral Resources is based on the information compiled by Mr A.J.Pearson. Mr. Pearson is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken in the preparation of the Mineral Resource Estimate to qualify as a Competent Person as defined in the JORC Code.