

## **CORPORATE PARTICIPANTS**

**Marek Kreczmer**

*Chief Executive Officer, Chairman & Director*

**James A. Sullivan**

*President, Chief Operating Officer & Director*

## **CONFERENCE CALL PARTICIPANTS**

**Tom Meyer**

*Raymond James*

**David Brooks**

*Union Securities*

**Chris Thompson**

*Haywood Securities*

**Lawrence Curtis**

*Clarus Securities*

**Rod Cooper**

*Dundee Securities*

**Pierre Vaillancourt**

*Macquarie Capital*

**Patrick Donnelly**

*Salman Partners*

## **PRESENTATION**

### **Operator**

Welcome to the Hana Mining Conference Call. Your hosts on the call today are Marek Kreczmer, Chief Executive Officer, and James A. Sullivan, President. They will be discussing recent developments with the Hana Ghanzi Copper-Silver Project in Botswana, Africa.

For audience reference, recent detailed Hana Mining news releases are available on the Company's website at [www.hanamining.com](http://www.hanamining.com). Following an introductory presentation today's conference call will be open to a question and answer session with participants.

I will now turn the call over to Mr. Kreczmer, who will read a disclaimer. Please go ahead, Mr. Kreczmer.

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### **Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Thank you. Good morning ladies and gentlemen. Before we proceed I must read the disclaimer.

As we conduct this call, various remarks that we make about the Company's future plans, expectations and prospects will be forward-looking statements. Our statements are based on management's best judgement as to the date hereof based on information currently available. Actual results may differ materially from those indicated in these forward-looking statements. Some of the important factors that could cause actual results to differ from those indicated in these forward-looking statements are disclosed under the headings "risk factors" and elsewhere in the Company's periodic filings with Canadian securities regulators. These filings can be accessed at [www.sedar.com](http://www.sedar.com). It is not the Company's policy to update forward-looking information and the Company disclaims any intention or obligation to update or revise the information, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities laws.

We have (inaudible) the latest updated resource calculation. In the short eight months we were able to nearly double the resource. Globally the resource stands at 93.2 million tonnes at 1.5 percent copper at 80 percent grams. And we're still using the high-grade cut of 0.75 percent of copper. On the Banana Zone we have 73.5 million tonnes at 1.47 percent copper. That is exactly the same grade that we had in the previous 43-101 announced in June of last year. Silver grade stands at 19.44. I want to stress that no work has been done on Zones 5 and 6 and therefore the resource on those two zones remains at the previous level. The Banana holes or the drill holes on the Banana Zone were spotted not following geochemical surveys or aeromagnetic, they are simply spotted as an extension of previously announced mineralization and it shows that the mineralization has become extremely predictable and we are able to trace it from hole to hole. This resource addresses 50 percent of the overall Banana strike length. We have five drills on the property. Those drills are infilling now and also exploring the areas which have not been tested, the remaining 50 percent of the Banana Zone. So you can do the math but we expect a similar increase in the resource by the end of 2010 when we expect to have a PEA completed.

I also want to draw your attention to the Chalcocite Zone. It is located in an area which we used to refer as the south-western fault of the Banana Zone. That's where the two limbs of the anticline merge and the hinge

plunges very shallow at about 5 to 10 degrees. The grades are—we have a resource of 83.8 million tonnes of 0.46 percent of copper, 3.6 grams of silver, and that is with 0.3 percent cut-off. The mineralization is near surface. The drilling is in the 200 metre spacing, widths up to 70 metres of sulphide mineralization, and mineralization is composed of malachite. We're guessing at this point because we have not done detailed work yet, 30 percent malachite and about 70 percent chalcocite. The mineralization is open at depth and we stopped drill program at arbitrary levels so mineralization still will continue down dip.

So what we have now on the Banana Zone, we have the conventional style mineralization, which is steeper dipping, and a flat line chalcocite/malachite zone in the Chalcocite Zone. Again, the resource meets our expectations and we're very happy with it.

I would like to now turn to Jim Sullivan. Jim?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Thanks, Marek. Good morning everyone.

Yeah, I guess just to add to Marek's comments, I think he's covered the numbers, I guess from our perspective on our development team what's really brought upon is the Chalcocite Zone is really a different mineralogy and disposition to what we were drilling before, so we really now have two styles of mineralization and we're adjusting. We're actually just getting our metallurgy program going and we're certainly going to be very cognizant of the mineralogy and separate the two zones, at least initially, to try and develop a flow sheet and see what the mineralogy and what kind of processing we can apply to the different zones. So really I think that pretty well covers it.

I think, you know, Marek has discussed the numbers. I mean it's really confirmed the consistency and the continuity of the Banana Zone. I mean it's tremendous the fact that the grade hasn't changed. We've doubled, we've basically, more or less, we've doubled the strike length tested from our last 43-101 and we more or less, you know, very close to doubled the reserve, and on the south side, the main zone of Banana it's certainly very consistent.

I guess the other point too is, as Marek has also emphasized, is we've just drilled half of the Banana Zone. So we're continuing to infill or fill in the gaps and as well as we've begun our infill drilling program to try and

develop these higher-grade areas that we're hoping to put into a mine plan.

I think that's all I have to say now. I think we can open it up to questions.

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Yes, can we have questions please?

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**Operator**

Thank you. If you have a question and you are using a speakerphone, please lift your handset before making your selection. To register, please press star one on your telephone keypad. To cancel your question, please press the pound sign. Please press star one at this time if you have a question. There will be a brief pause while participants register. Thank you for your patience.

The first question is from Tom Meyer from Raymond James. Please go ahead.

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**Tom Meyer, Raymond James**

Thank you. Good morning, Marek and Jim. I've got a question on the Chalcocite Zone: Are you at the point where you can see the gradation from the, I guess, the normal Banana Zone mineralization into the Chalcocite Zone? Has that been defined yet?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Well we're working (inaudible). We actually went out and started drilling on the Chalcocite Zone. So we haven't really tied it into the other mineralization. And as we're drilling, right now we're drilling on both limbs as we extend the mineralization out to the normal limbs. So we haven't tied it all together but it's sort of, it does present itself somewhat similar to what we saw on the northern nose where the beds flatten as you get into where the fold closure is.

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**Tom Meyer, Raymond James**

And what about—within the Chalcocite Zone, of what you've drilled so far, is there a gradation like at the top

would we see more percentage of malachite and then at grades higher into the chalcocite as you go deeper?

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**James A. Sullivan, President, Chief Operating Officer & Director**

We've talked to our geos on that and they're still sort of trying to develop the model. What we see is, again, I think there's a tendency for more malachite near surface, although, again, other geos have said that no there's sometimes some transition zone or there's mixed, you'll see chalcocite and then all of a sudden even a little deeper you'll see some malachite. So we haven't really mapped it out completely but it looks like it's not straight, you know, straightforward with a straight line. It seems to be a transition zone in there for sure.

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**Tom Meyer, Raymond James**

And this mineralization in the Chalcocite Zone is distinctly—is it distinct from what you've seen in the northern limb and that fold closure?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Yes, so far my understanding of the northern, and, again, the northern limb hasn't been drilled further out, we've just actually got there because it's over by the park boundary, but my understanding is no, the north limb, the part that we drilled was it flattens out but the mineralization was again similar to, ah, it was more bornite chalcopyrite. More typical of what we see on the limbs. But there again we didn't go out as far on the hinge in the north as we did in the Chalcocite Zone.

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**Tom Meyer, Raymond James**

Okay. And one final question. The focus of the drill program from here, is it more work on the Chalcocite Zone? Or where is the focus going to be?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Right now our focus is we're infilling on the higher-grade portions on the Banana Zone. I think right now we're on the north limb on the new discovery area. And also we have two drills actually filling in the gaps on the resource

development side. We are not, at this point we're sort of just digesting, because the Chalcocite Zone, because it's something that's just really, you know, we just put it together in this model and the significance of it was really a pleasant surprise to us. We didn't expect that the tonnage would be that high. But it's something we're going to sit down and really decide in the coming weeks whether we want to go back and do some more infill or extend the resource, because it's a resource that's wide open.

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**Tom Meyer, Raymond James**

Okay, perfect. Thank you very much. I'll pass it on.

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**Operator**

Thank you. The next question is from David Brooks from Union Securities. Please go ahead.

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**David Brooks, Union Securities**

Good morning. I just, ah, this is a little off topic. I was just wondering how or when you're going to be doing the New Hana that you announced a few months ago.

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Yeah, well we're still—I can't give you the exact date. There's still process (inaudible). We've been preoccupied for the last several weeks with this 43-101.

The New Hana probably will go as a mail out to our shareholders in the next two weeks or so and then the rules and regulators will take over the timeline from then.

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**David Brooks, Union Securities**

Thank you.

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**Operator**

Thank you. The next question is from Chris Thompson from Haywood Securities. Please go ahead.

**Chris Thompson, Haywood Securities**

Hi guys. Congratulations on the resource update. A couple of questions here. The first one is what's the sulphide mix in the Banana Zone?

**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Jim, are you going to take it?

**James A. Sullivan, President, Chief Operating Officer & Director**

What do you mean, Chris? Just how extensive is the oxide?

**Chris Thompson, Haywood Securities**

Sorry, the sulphide mix. What sort of sulphides are you seeing percentage wise in the Banana Zone?

**James A. Sullivan, President, Chief Operating Officer & Director**

I think the, ah, we're saying I think it's roughly 30 percent chalcopyrite, 70 percent bornite. The odd trace of, well there's the odd trace of chalcocite but predominately that is really the mix.

**Chris Thompson, Haywood Securities**

Also, you know, was there any drilling done, any results that were recognized in the previous resource update from the Chalcocite Zone or is this just brand new drilling?

**James A. Sullivan, President, Chief Operating Officer & Director**

This is brand new drilling. There was no drilling at all in that area.

**Chris Thompson, Haywood Securities**

Okay. Met results, are you—obviously you're planning this. Are you currently compiling and testing as far as

metallurgy is concerned? And when do we expect to see some results from this?

**James A. Sullivan, President, Chief Operating Officer & Director**

Well the samples are currently at the lab and our metallurgist is really looking and we're looking over the results because we just got all the assays and we're really putting together our samples. So we expect results, I would say, in a couple of months, because the testing really would probably get going, I would say, in the next ten days.

**Chris Thompson, Haywood Securities**

Great, guys. Congratulations again. Thanks.

**Operator**

Thank you. The next question is from Lawrence Curtis from Clarus Securities. Please go ahead.

**Lawrence Curtis, Clarus Securities**

Hey, Marek and Jim. Again, congratulations. Good results. I guess I'm following on from a previous question. When you look at the Chalcocite Zone there I see you've got 0.3 percent cut-off; the mineralogy suggests that this could be soluble, more SX/EW. Is that a possibility? Is that something you're considering now because of the different cut-offs and given that it's imminently mineable?

**James A. Sullivan, President, Chief Operating Officer & Director**

Yes, absolutely. That's one of the focuses that we've sort of switched in our thinking. Seeing that grade, we're definitely going to see how it leaches. It might be a bio-assist but we're going to be testing the leach characteristics of it as a potential heap leach.

**Lawrence Curtis, Clarus Securities**

I would imagine that's going to have some impact on your CapEx, so it actually is quite a significant development in some way vis-à-vis the plant and the metallurgy.

**James A. Sullivan, President, Chief Operating Officer & Director**

Yeah, on that account, just certainly on the economics, yes, it's potentially leachable. It also is the tonnage potential is quite large and so it affects, yeah, it is something that's significant really.

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**Lawrence Curtis, Clarus Securities**

Could I ask is it something, Marek, that is unusual? I mean I understand that being on the actual plane that perhaps it was more disrupted and hence more leached. Is it something you've seen elsewhere on the property? Is it something the discovery (inaudible)? Or is this unique?

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

I think this is unique. We have not seen that elsewhere on our property but we've focused almost entirely on the Banana Zone except for the Zones 5 and 6, and I haven't seen it described from the discovery people. But I'll probably have a chat with the discovery people later in the day just to compare results, as we often do.

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**Lawrence Curtis, Clarus Securities**

Good. Thanks guys. Excellent update.

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**Operator**

Thank you. The next question is from Rod Cooper from Dundee Securities. Please go ahead.

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**Rod Cooper, Dundee Securities**

Marek and Jim, congratulations. Great news. I've got three questions. The first is could you give us a sense of your priorities now for infill and expanding the inferred resource? What sort of split for the rest of the drill program in 2010 would you see?

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Go ahead, Jim.

**James A. Sullivan, President, Chief Operating Officer & Director**

Yeah, our initial plan was always to, was roughly a 50-50 split, that half was to be devoted to infill, and I think we're still looking at that. I think part of any change is going to be driven I guess by the metallurgy and the economics. We're about a month or two away. We're going to absorb this model, we're going to be starting to do some mine modelling, and that's, I think as we develop our engineering numbers we'll react to them I guess. At this point I think we're going to stick with that plan.

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

I'd like to remind you that we'll be drilling about 86,000 metres this year.

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**Rod Cooper, Dundee Securities**

Right. Thanks. My next question refers to the preliminary economic assessment. Are you considering now both a milling and a leaching option in that PEA or have you got your thinking that far along yet?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Well we certainly identified that as an option, Rod. You know, we're certainly looking at it. That's what we're—we're actually looking at the whole, you know, the Chalcocite Zone has sort of created something that's different and we're really talking with different people about where to get a test and we want to really get leach people, real experts involved in it to advise us. But it's certainly identified as an option and we're going to develop that as we move along with the engineering this year.

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**Rod Cooper, Dundee Securities**

Okay, thanks. One final question, a little bit off topic; you mentioned in one of your press releases here this World Bank feasibility study on the rail length between Namibia and Botswana and I just wonder if you have any sense of the timing for when that study might be completed.

**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

No we don't. It's an ongoing process but, no, we don't have a timeline on that.

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**Rod Cooper, Dundee Securities**

Okay, thanks. Well, once again, guys, congratulations. Great job.

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**Operator**

Thank you. Once again, if you have a question, please press star one on your telephone keypad.

The next question is from Pierre Vaillancourt from Macquarie Capital. Please go ahead.

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**Pierre Vaillancourt, Macquarie Capital**

Hi, Jim. Hi, Marek. Just wanted to follow up on the PEA scenario. What would be at this point a reasonable scope for the operations in terms of size? And based on where the resource is heading, you know, do you have any sense of the scale on this thing?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Well I think it's a bit premature, Pierre. I mean, you know, we just got these results recently and so sort of the importance and the significance of the Chalcocite Zone is sort of something new to us and we really have to, you know, we're developing that. So it could be very large.

So I think that's where we're—we're really not prepared to pronounce on that but we certainly identify. We know we have to do that and it could change significantly because of the size of this Chalcocite Zone and the potential, the potential size of it.

I mean we've just basically gone through our routine drilling to develop 85 million tonnes and we certainly know that it's wide open to the north and to the northwest. So there's certainly the potential to add tonnes very easily in the zone and so the significance of it is quite relevant.

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**Pierre Vaillancourt, Macquarie Capital**

So the Chalcocite Zone will definitely be part of the PEA.

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**James A. Sullivan, President, Chief Operating Officer & Director**

We certainly intend, yes. We are thinking that way right now. We want to evaluate that Chalcocite Zone and see what it means.

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**Pierre Vaillancourt, Macquarie Capital**

Now the other thing, just is there anything more you can say about the power situation and just how that's evolving? I mean if you are considering having production from the Chalcocite obviously power needs would only increase, so how do you envision that evolving?

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**James A. Sullivan, President, Chief Operating Officer & Director**

Well we're actually meeting or we have our—our VP Engineering is actually in Botswana this week and will be meeting with the ministry and the powers that be to really get an update on the power situation, but our understanding is that this one new plant is going ahead and that it should be available to us in 2014. So, you know, we're assuming that there will be adequate power.

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**Pierre Vaillancourt, Macquarie Capital**

Okay, that's fine. Thanks very much.

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**Operator**

Thank you. The next question is from Patrick Donnelly from Salman Partners. Please go ahead.

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**Patrick Donnelly, Salman Partners**

Hi, Marek and Jim. Great news. Looks fantastic.

Just a quick question: On page three you guys mentioned that the grades and shapes of the Chalcocite Zone is comparable to other deposits in Southern Africa. Could

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Wednesday, April 21, 2010 – 11:30 AM ET**

you, offhand do you recall which deposits you're referring to?

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

The morphology of the deposits resembles the Lumwana(sp.).

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**Patrick Donnelly, Salman Partners**

Okay. Okay. Well I guess the mineralogy is not comparable though is it?

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

No it's not.

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**Patrick Donnelly, Salman Partners**

Okay. I was just curious. That's it for me. I think everyone else has addressed the other questions, so thank you.

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**Operator**

Thank you. There are no further questions registered at this time. I'd like to turn the meeting back over to Mr. Kreczmer.

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**Marek Kreczmer, Chief Executive Officer, Chairman & Director**

Okay. Well thank you everyone for attending. Jim mentioned we have five drills on the property and you can look forward to a steady news release, but from now on you also not only drill results from us but also a lot more engineering work. So, again, thank you everyone for your time. Bye-bye.

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**Operator**

Thank you. The conference has now ended. Hana Mining thanks you for your participation.

Please note, for more information you may contact Hana Mining Investor Relations at 1-604-676-0824 or email at [info@hanamining.com](mailto:info@hanamining.com). Extensive information is also available on the Company's website at [www.hanamining.com](http://www.hanamining.com).

We thank you for your participation.

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