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(*Mesa Minerals Limited* is alternatively referred to in this document as "*Mesa*" or "*the Company*")



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ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2009

KEY MILESTONES

This is the Company's first quarterly activities report under the name Mesa Minerals Limited, which name was adopted at the AGM on 24 September 2009 to replace its former name, HiTec Energy Limited. Mesa now trades on the ASX resources board under the code **MAS**.

During the quarter under review the key milestones achieved by the Company were as follows:

- The successful completion of a share placement and rights issue which raised approximately \$3m in additional equity to boost the Company's working capital during the development phase of the mining operations planned for Ant Hill.
- A decision to undertake a trial shipment of ore from Ant Hill that resulted in our first manganese ore cargo departing Port Hedland enroute to China on 24 October 2009. (Achieving this milestone has required a big effort from all involved in overcoming the numerous hurdles encountered along the way and the many lessons learned will be invaluable as we move into regular production in 2010.)
- The commencement of planning for regular production from Ant Hill and potentially for additional drilling to define a sizeable near term mineable ore reserve at that site, whilst extending our overall ore resources.
- The finalisation of port access agreements with the Port Hedland Port Authority that will allow Mesa to stockpile the ores produced at Ant Hill and Sunday Hill at the new Utah Point ore export stockyard facilities, and to load out up to 300,000 tonnes per annum on a preferential basis during the early years of the project.



The new Utah Point berth and stockyard under construction at Port Hedland showing the existing No.1 berth and manganese loader in the background. The new berth, stockyard and loader are currently scheduled for completion towards the end of the third quarter of 2009.

(Photograph: circa July 2009)

MESA MINING JOINT VENTURE

Activities at the Ant Hill trial mining site remained suspended pending receipt of final mining approvals and formal decisions to proceed by participants. The only site activities during the quarter under review, and the period subsequent to it, have been the load out of ore for the first shipment discussed above and the 'refreshing' of the flora and fauna survey as part of the approvals process. Given the delays experience to date in attaining approvals, the earliest date for regular ore production start-up would now move back into Q1/2010.

Auvex Resources Limited, the manager of the production joint venture, has recently informed Mesa that previously advised ore stock tonnages generated from the trial mining now appear to be overstated, in part at least due to errors in the independent surveys that were undertaken. Mesa has requested a full explanation for the errors and of the implications for the resource/production reconciliations previously prepared and tendered by the manager.

Whilst Mesa's 50% interest in these ore stock is carried on its books at nil value (having been acquired as part of the Auvex farm-in exercise) any reduction in ore tonnes that is ultimately determined will impact adversely on Mesa's cash flow achieved from the sale of the two trial shipments. At the date of writing, neither the full extent of actions that have contributed to the error, nor the size of the adverse financial impact resulting from it, has been determined. Suffice to say that the latter will be significant, albeit marginal from a corporate perspective. Mesa is also seeking assurances from the joint venture manager that lessons are learned and that such basic errors in production recording and reporting will not be repeated.

Trucking of the second trial shipment to the port is planned to begin once reviews of ore stock position and road conditions have been completed; the latter in consultation with the various interested parties. These tasks will likely push the second shipment backwards to a date early in the New Year. Interest in purchasing ore from this second shipment remains high despite some softening of ferroalloy prices and despite the medium grade nature of the cargo. Negotiations with prospective purchasers will resume in November and these are likely to conclude in a sale at a price that will further add to the Company's cash reserves.

COMMERCIALISATION OF PATENTS

The heavy demands on staff time during the quarter, which were necessary to make sure the first ore sale was a success, restricted our ability to advance markedly the patent commercialisation opportunities that are before us. This situation was exacerbated by mounting pressure from potential technology licencees to provide them with additional information and consulting support for their various projects.

Accordingly, a decision was taken during the quarter to hire an appropriately qualified individual who could be dedicated to this very important business focus for Mesa. As it has transpired, we have been fortunate to again secure the services of Dr Chris Ward, who returns to us after a couple of years in a senior technical role with BHP Billiton and a short period as a process consultant. Chris recommences with Mesa next week and, given his intimate knowledge of our patented processes, he will undoubtedly make a positive impact from day one.

CASH POSITION

As at 30 September 2009, Mesa had cash balances of approximately \$1.6m. (A detailed analysis of cash flows for the quarter was set out in the Appendix 5B lodged on 14 October.) Subsequent to the end of the quarter Mesa has announced the successful completion of its first manganese ore sale that will further boost its cash position.



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Alan Scott
Managing Director