

**Quarterly
Activities
Report**

30 January 2015

**HARANGA RESOURCES
LIMITED**
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Marshall Cooper (Chairman)
Matthew Wood
Erdene Tsengelbayar
Brian McMaster
Jack James
Stephen Lo
Bat-Ochir Sukhbaatar
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Issued Capital:

341.8 million shares

ASX Symbol: HAR

**DECEMBER 2014 QUARTERLY
ACTIVITIES REPORT**

Haranga Resources Limited ("the Company") is pleased to report on its activities for the quarter ended 31 December 2014.

HIGHLIGHTS

Project Development

- The Company continues to make significant progress to develop its Selenge Iron Ore project ("the Project") having completed the Development Stage to enable the Project Construction to commence.
- The Company is in the final stages of developing and optimizing a small scale production scenario.

Subsequent to the end of the quarter:

- Results of metallurgical tests demonstrated a magnetite concentrate of marketable specification with high grade iron and low impurities suitable for Chinese steel producers.
- The Company entered in to a Memorandum of Understanding ("MOU") with Ulaanbaatar Railway, a Mongolian-Russian Joint Venture company which owns the Trans - Mongolian Railroad that connects Russia, Mongolia and China. The MOU enables the allocation of up to 1Mtpa export rail capacity for iron concentrate from 2016.

Corporate Matters

- Issue of 19,850,000 shares to Golden Rain Holdings Limited ("Golden Rain"), a wholly owned subsidiary of Lippo China Resources Limited, for a total consideration of AUD357,300 (before costs).
- Mr Marshall Cooper was appointed as Executive Chairman following the resignation of Mr Matthew Wood from this position. Mr Wood remained as a Non Executive Director.

Subsequent to the end of the quarter:

- Completion of a fully underwritten non-renounceable rights issue to raise AUD\$1.4 million (before costs). The rights issue was fully underwritten by Golden Rain.
- Following completion of the Placement and Rights Issue, Golden Rain's ownership of the Company's shares increased to 33.58%.
- The completion of the Placement and Rights Issue puts the Company in a strong cash position (with cash at bank at 27 January 2015 circa \$1.4 million) to continue the development of the Project.
- Mr Lukman Wijaya (Stephen Lo), a director of Lippo Group, and Mr Jack James were appointed Non Executive Directors.
- Mr Daniel Crennan resigned as a Non Executive Director

DEVELOPMENT ACTIVITIES

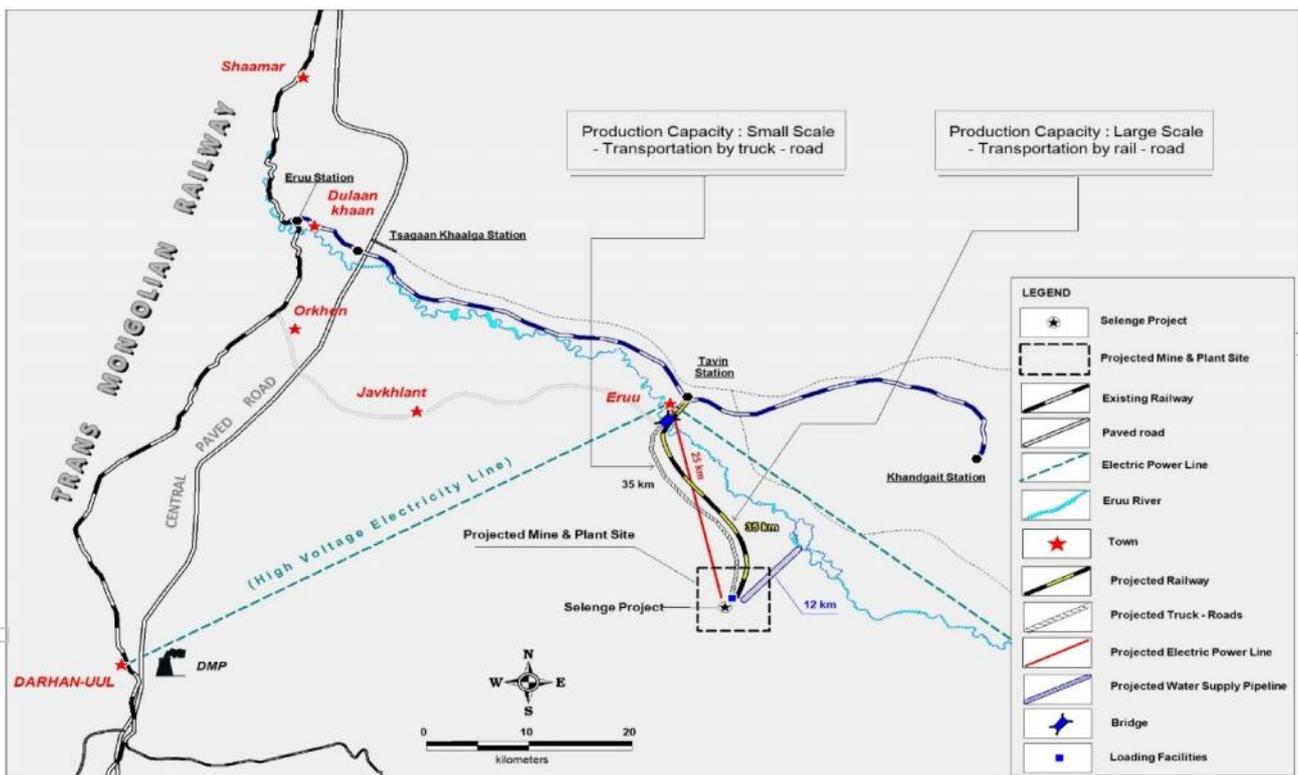
During the quarter, the Company's activities focused on the successful completion the Development stage works for its flagship Selenge iron ore project ("the Project") to enable the Project Construction commences as soon as possible.

Pre-mining (operations) agreement

In December 2013, the Company's 80% owned Mongolian subsidiary "Haranga Huder" LLC, which currently holds total of 6 mineral exploration licenses (MEL), signed the Pre-Mining (Operations) Agreement (PMA) with the Mineral Resources Authority (MRAM) of Mongolia. The PMA covers the entire license area of MEL#11334X where the JORC Code compliant Resource* was estimated.

Under the PMA, the Company is allowed to build open pit mine and processing plant complex after completion and submittal of the Feasibility Study Report together with an Open Pit Mine Design.

In addition, the Company is examining possible infrastructure solutions for truck-road and railway for transportation for iron concentrate, as well as power and water supply, for a potential open pit mine and ore processing plant. Please see the location map below.



Metallurgical test results and potential processing plant

The metallurgical test was completed at the ALS Iron Ore Technical Centre** in Wangara, Western Australia. The test works were carried out in two phases as described in detail in the attachments to this report.

A total of 400.1 kg of samples, including 196.9 kg of samples representing Bayantsogt deposit and 203.2 kg of samples representing Dundbulag deposit, were prepared and delivered to ALS for testing.

The metallurgical test results demonstrated a magnetite concentrate of marketable specification with high iron grade and low impurities suitable for Chinese steel producers.

**Summary Results of the Two-stage Grinding
Wet Magnetic Separation Test (P80 250µm and P80 75 µm)**

Deposit names	Final stage Mass Yield, %	Grade, Fe%	Final stage Recovery, %
Dund Bulag	67.4	63.1	93.9
Bayantsogt	67.6	62.1	88.6

**Summary Results on the Quality and Impurities
in the Product of Iron Concentrate**

Deposit names / JORC Measured & Indicated Resource	Fe, %	SiO ₂ , %	S, %	Al ₂ O ₃ , %	P, %
Dund Bulag (199.9M In tons)	63.1	6.9	0.2	1.38	0.005
Bayantsogt (35.7M In tons)	62.1	6.45	2.8*	1.33	0.038

* LIMS/Flotation test result

As a result of the tests, it was demonstrated that an iron concentrate containing >62% Fe can be produced from both Dundbulag and Bayantsogt deposits. Overall, the magnetite range metallurgical test works showed excellent processing attributes of iron ore from Dundbulag deposit.

The Company is further assessing the results of this metallurgical test program to generate a nominal flowsheet for the designing purpose of a potential beneficiation plant at the Selenge Iron Ore Project site.

Logistics and rail transportation

The Company, through its 80% owned Mongolian subsidiary, Haranga Khuder LLC, entered into a Memorandum of Understanding (MOU) with Ulaanbaatar Railway (“UB Railway”), a Mongolian-Russian Joint Venture company which owns the Trans - Mongolian Railroad that connects Russia, Mongolia and China.

Importantly, the MOU demonstrates UB Railway’s support of the Company through the allocation of up to 1Mtpa of export rail capacity for iron concentrate from 2016 as the Company plans to commence mine operations at its Selenge Iron Ore Project (“the Project”).

UB Railway will also support the Company in obtaining the necessary permits to build and operate new rail infrastructure including any rail spur track and loading and unloading facilities that will need to be constructed for the Project.

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The MOU serves as a necessary step along the development path for the Project as it also secures export rail capacity of more than 1Mtpa from 2020 as the Company's mine operations are forecast to ramp up.

Corporate Activities

Placement, Fully Underwritten Rights Issue and Cash Balance

As announced on 8 December 2014, the Company issued 19,850,000 shares to Golden Rain Holdings Limited ("Golden Rain"), a wholly owned subsidiary of Lippo China Resources Limited, for a total consideration of AUD357,300 (before costs).

Subsequent to the end of the quarter, the Company completed a fully underwritten non-renounceable rights issue to raise AUD\$1.4 million (before costs). The rights issue was fully underwritten by Golden Rain.

Following completion of the Placement and Rights Issue, Golden Rain's ownership of the Company's shares increased to 33.58%.

The completion of the Placement and Rights Issue puts the Company in a strong cash position (with cash at bank at 27 January 2015 circa \$1.4 million) to continue the development of the Project

Board Changes

During the Quarter, Mr. Marshall Cooper was appointed as Executive Chairman of the Company following the resignation of Mr. Matthew Wood from this position. Mr. Wood will remain on the Board as a Non-Executive Director of the Company.

Subsequent to the end of the quarter, Mr. Lukman Wijaya (Stephen Lo), a director of Lippo Group, and Mr Jack James were appointed as Non-Executive Directors of the Company. Mr. Daniel Crennan resigned as a Director of the Company.

Erdene Tsengelbayar

Managing Director

Haranga Resources Limited

** The technical information contained in this announcement in relation to the JORC Code (2012) Compliant Resource for the Selenge Project Deposits has been reviewed by Mr Peter Ball of DataGeo Ltd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Ball has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr Ball consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears. Refer to the HAR ASX announcement dated 7 May 2013 for further details.*

JORC Resource Estimates Split by Deposit (Cutoff = 12.5% Fe)

Deposit	Measured		Indicated		Inferred		TOTAL	
	Mt	Fe Grade	Mt	Fe Grade	Mt	Fe Grade	Mt	Fe Grade
Dund Bulag	96.4	16.6	103.5	16.1			199.9	16.4
Bayantsogt	20.7	23.0	15.0	22.8	0.55	16.6	36.3	22.8
Undur Ukhaa	9.3	15.8	8.9	15.1			18.2	15.4
TOTAL	126.4	17.6	127.4	16.8	0.55	16.7	254.4	17.2

*** Mr. Aden Tan, who represents the ALS Iron Ore Technical Centre in Wangara in Western Australia, consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.*

Appendix 1 – Interests in mining tenements held

Tenement table

Project	Location	Tenement	Interest (%) at beginning of quarter	Interest (%) at end of quarter	Acquired during the quarter	Disposed of during the quarter
SELENGE	Mongolia	11334X	80	80		
		11335X				
		11337X				
		11338X				
		17245X				
		17467X				