

Haranga Resources Limited

ABN 83 141 128 841

Interim Report - 30 June 2024

Directors	Michael Davy (Non-Executive Chairman) Peter Batten (Managing Director) John Davis (Non-Executive Director) Hendrik Schloemann (Non-Executive Director)
Company secretary	Kyla Garic
Registered and principal place of business	Suite 7, Shepperton Road Victoria Park WA 6100
Share register	Automatic Share Registry Level 5, 191 St Georges Terrace Perth WA 6000
Auditor	BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
Solicitors	Steinepreis Paganin Lawyers and Consultants Level 4, The Read Buildings 16 Milligan Street Perth WA 6000
Stock exchange listing	Haranga Resources Limited shares are listed on the Australian Securities Exchange (ASX code: HAR)

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Haranga Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2024.

Directors

The following persons were Directors of Haranga Resources Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Michael Davy - Non-Executive Chairman
Mr Peter Batten (Managing Director)
Mr John Davis - Non-Executive Director
Dr Hendrik Schloemann - Non- Executive Director

Company Secretary

Ms Kyla Garic

Principal activity

During the half-year ended 30 June 2024, Haranga held interest in a gold project and uranium project located in in Senegal.

Review of operations

During the half-year ended 30 June 2024, the following activities occurred:

Saraya Uranium Project

Background Metallurgical Testwork

As part of the preparation for the maiden Mineral Resource Estimate¹, Haranga completed 22 diamond core drill holes at Saraya² to confirm the validity of the 65,000m drill hole database that existed at Saraya from previous explorers (Cogema and Areva/Orano). The results from this drilling confirmed the presence and tenor of the uranium mineralisation at Saraya.

Given there had been no previous metallurgical testwork for Saraya, Perth based specialist metallurgical services group Independent Metallurgical Operations Pty Ltd (IMO) were engaged by Haranga to conduct first pass sighter leach test work, with the aim of determining first pass uranium recoveries from a composite sample which represented the uranium grade and mineralogy from the resource estimate. Metallurgical testwork was conducted at SGS Lakefield (SGS) in Canada under IMO's guidance^{3,4}.

Acid Leach Test

The initial acid leach test 3 was conducted at an excess sulphuric addition rate (681 kg/t) and elevated temperature (95°C). This test achieved >96% uranium oxide extraction, exceeding other uranium operations. The final leached solids grade was below the ICP U308 detection limit of 24 ppm indicating almost complete extraction with acid.

Two further acid leach tests were conducted at reduced acid consumptions, then reduced acid consumption and reduced temperature.

The test with reduced acid consumption achieved a uranium extraction of 84% though showed that 90% could have been potentially achieved with additional retention time given the leach rate hadn't plateaued as shown below. The acid addition rate significantly dropped to 224 kg/t in this test as well.

The low acid and ambient temperature test uranium extraction result was lower than commercial acid uranium extractions, showing that some temperature is required to achieve a commercially acceptable extraction. Heated acid leaching is common in commercial operations.

Alkaline Leach Test

The alkaline leach test conducted at elevated temperature achieved a similar uranium extraction (84%) to the low acid test. Leach kinetics were lower with extracted uranium oxide values still increasing in the 24 hour sub-sample. Further optimisation testwork is likely to increase alkaline leach uranium extractions by either decreasing the grind size or varying reagent and leach conditions.

RC Drilling

The RC drill program commenced at the Saraya deposit in December 2023 with FTE Drilling Services. Two holes were completed at Saraya and one at Diobi. Following the end of year break drilling recommenced in February 2024 and was completed in March. The program was designed to produce confirmation data for the Mineral Resource Estimate (MRE) upgrade. The MRE upgrade was planned to be completed following the metallurgical testwork on ore characterisation work being undertaken by SGS Lakefield, Canada^{3,4}.

The majority of the drilling has been at Saraya, but some holes have been drilled at Diobi, Mandankoly and Sanela. RC drilling at Diobi and Mandankoly did not return any significant anomalous intercepts, however Mandankoly drilling did intersect a 30 m to 40 m thick surface zone of anomalism (>15 times background) as detected by the Portable XRF (**pXRF**). At present the origin of this anomalism is not clear and will require further exploration. The pXRF analysis, primarily for detecting uranium anomalism in the low detection range, is a semi-quantitative approach. Its results, though reliable, should not be equated with laboratory assays, though regular calibration and expert handling minimize potential errors.

Drilling at Sanela comprised six holes for a total of 842m⁵. Five out of the six holes drilled did intercept anomalism. In all, the drilling at Sanela returned 17m of significant anomalous intercepts.

The drilling results from both Mandankoly and Sanela justify further follow-up exploration.

Auger Drilling Program

The Company designed and partially executed a 345-auger-hole program to follow up on the positive RC drilling results at the Sanela prospect. The program commenced in April 2024 and focused on possible extensions to the mineralisation along a sheared contact between sedimentary rock and granite. One hundred and sixty-one (161) holes were completed and reported during the June quarter, with nearly all holes drilled recording uranium anomalism. Post June quarter, a total of 337 auger holes had been drilled, with 234 holes confirming uranium anomalism at 5 to 45 times background and over a 2km length.

Regional Termite Mound Sampling (TMS)

Regional termite mound sampling (1000 m by 100 m) covering the entire accessible portion (97 %) of the Saraya permit area (1,650 km²) has been completed. The final blocks sampled were Blocks 13 and 8, in the south-west of the permit. This program comprised the field sampling, processing and pXRF analysis of 15,845 samples. The results delineated 15 areas⁷ for termite mound infill sampling.

Infill Termite Mound Sampling

The central anomalous areas have been the focus of infill TMS (200 m by 50 m spacings) surveys. Infill TMS continued at Saraya East, Diobi East, Badioula and Mandankoly West. At the end of the June quarter, eight of the fifteen areas identified for infill sampling had been sampled and seven remain unsampled. Anomalism, as determined by **pXRF**, has been reported⁷ for all except Badioula and Mandankoly West.

Mineral Resource Estimate Upgrade

The classified JORC 2012 Resource comprised *an estimated 16.1 Mlbs (7,311 t) of eU₃O₈ at an average grade of 558 ppm eU₃O₈ using a 250ppm eU₃O₈ cut-off. It should be noted that the updated resource included an Indicated portion of 6.0 Mlbs (2,742 t) at a grade of 752 ppm eU₃O₈.*

The reported Mineral Resource Estimate was prepared by A. Gillman of Odessa Resources Pty Ltd and was based primarily on historical diamond and RC drilling, together with recent validation drilling and metallurgical testwork by Haranga.

The uranium mineralisation at Saraya is shear hosted in a NNE-trending structural corridor affected by sodic metasomatism and episyenitisation within the felsic granitic batholith of Saraya. Mineralisation is almost exclusively constrained in the episyenites.

Subsequent Events

Further work was undertaken by Odessa Resources Pty Ltd to incorporate the assays from the completed RC drilling into the Mineral Resource model and update the Mineral Resource Estimate. This work followed on from the upgraded MRE and was completed and reported in August 2024.

Summary of the Mineral Resource Estimation¹

A geological model of the deposit was developed by Odessa Resources Pty Ltd by numerically interpolating the logging codes of both historical and recent drilling.

The Saraya Uranium Deposit predominantly comprises two primary lithologies: Syenite and Granite. The mineralisation is almost exclusively hosted within the syenite formation. A weathering model was also constructed showing a relatively shallow (6-15m) top of the fresh rock.

Mineralised domains were delineated using an indicator radial bias function (RBF) model based on uranium interval grade data (eU3O8 and U3O8) composited to 0.5m. Of a total of 17,327 composites, 866 (5%) were derived from recent RC drilling U3O8 data (Appendix 1). Due to the small percentage of U3O8 values the resource is reported as eU3O8. The resource constraint model is defined by volumes that exceed a 200 ppm eU3O8 cut-off. The model's boundaries have then been visually validated against the 200 ppm grade intervals along the drillhole traces.

A total of 757 bulk density measurements were taken by Haranga on recently drilled and mineralised core at 0.5m intervals: the bulk density measurements remain consistent with depth. An overall bulk density of 2.62t/m³ was used for tonnage computation.

Ordinary Kriging (OK) was utilised for grade estimation - a method that employs covariances and a Gaussian process for interpolation between measured data points, rather than relying on inverse distance or nearest neighbor estimates. A two-stage estimation strategy was used. Due to the dataset's skewed nature, a log-normal transformation was used to refine the variogram, and then back-transformed for a better optimized variogram.

Based on the geology and variography, a rotated block model was set up. Estimated grades were validated using visual block grade comparisons to downhole data and swath plots comparing kriged grades to inverse distance squared grades and composite grades. Validations across different axes revealed consistent correlation between the two estimation methods. Both showed no systematic grade over-estimation, indicating a reliable estimation process.

Classification Strategy

The upgraded Saraya mineral resource estimate (MRE) is classified as either Indicated or Inferred. The Indicated classification is supported by the additional drilling carried out by Haranga since November 2023 that was designed to both expand the resource and to provide QA/QC data.

The main aspects that collectively contribute to the resource upgrade are:

- Hole Spacing and Sampling Density – 25m x 25m Indicated, >25m x 25m Inferred
- Geological Continuity – 300⁰ strike, good continuity
- Confirmatory Drilling – strong correlation between historic and recent
- Modifying Factors – shallow depth (open pitable), good metallurgical results

MRE

The updated MRE now stands at 17.6 Mlbs eU₃O₈ and is not confined by the drilling to date (August 2024).

Classification	Tonnage	Grade	Contained eU ₃ O ₈	
	Mt	eU ₃ O ₈ ppm	Mlbs	Tonnes
Indicated	4.1	740	6.7	3,038
Inferred	10.4	475	10.9	4,946
Total	14.5	550	17.6	7,984

Table 1: Saraya Mineral Resource Estimate - 250ppm eU₃O₈ cutoff¹

Future work

Seven regional prospects within the 30 kilometre anomalous uranium corridor are yet to be infilled with additional termite mound sampling. TMS infill areas that return positive results will become subject to auger and/or aircore drilling, and if justified, RC drilling.

At the Company's Saraya uranium resource, the intention is to design a drill program that will test any potential extensions to the existing mineralisation.

The uranium deposit at Saraya and its potential will be the main focus of the next period of exploration for Haranga, as well as to further drill test the potential at Sanela where previous drilling delivered highly encouraging results.

The positive MRE results will be used to prepare studies to aid future development decision the Company intends to make.

Competent Person's and Compliance Statement

The information in this Directors report that is footnoted below (1 – 9) relates to exploration results and mineral resources that have been released previously on the ASX. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that, in the case of mineral resources estimates, all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Saraya - Mineral Resource

The Company confirms it is not aware of any new information or data that materially affects the information included in the Mineral Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 27 August 2024. The Company confirms that the form and context in which the Competent Person's finding is presented have not been materially modified from the original market announcements.

Saraya - Mineral Resource Estimate

The resource as reported at 27 August 2024 is as follows:

Classification	Tonnage	Grade	Contained eU3O8	
	Mt	eU3O8 ppm	Mlbs	tonnes
Indicated	4.1	740	6.7	3,038
Inferred	10.4	475	10.9	4,946
Total	14.5	550	17.6	7,984

Table 1: Saraya Mineral Resource Estimate¹ – 250ppm cutoff, Indicator Kriging

ASX Announcements referenced to directly, or in the commentary of this review of operation.

1. Mineral Resource Estimate results taken from the report titled “Saraya Uranium Mineral Resource Approaches 20Mlb eU₃O₈” released on the ASX on 27th of August 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
2. Drill samples and drilling referred to as the source of the Metallurgical composited sample were previously reported in a release titled “Drilling Results Confirm Wide Shallow High Grade Uranium” released on the ASX on 28th of February 2023 and available to view on <https://haranga.com/investors/asx-announcements/>
3. The composite metallurgical sample and previous leach work referred to were previously reported in a release titled “Initial Leach Results Confirm >96% Uranium Extraction” released on the ASX on 4th of April 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
4. The composite metallurgical sample and previous leach work referred to were previously reported in a release titled “Industry Comparable Uranium Extraction Achieved with Acid Reduction” released on the ASX on 22nd of May 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
5. [Previous RC drilling references taken from the report titled “RC Drill Results from Saraya Confirms Further Uranium Mineralisation – Sanela Drilling Intersects Mineralisation” released on the ASX on 11th of April 2024 and available to view on https://haranga.com/investors/asx-announcements/](https://haranga.com/investors/asx-announcements/)
6. Anomalous prospects references taken from the report titled “Sanela’s Discovery Potential Firms Up as Auger Drilling Confirms Anomalies” released on the ASX on 21st of May 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
7. Anomalous regional prospects references taken from the report titled “Completion of the Regional Termite Mound Sampling – Saraya Uranium” released on the ASX on 11th of July 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
8. “Sanela Prospect Shaping for New Uranium Discovery” released on the ASX on 30th of July 2024 and available to view on <https://haranga.com/investors/asx-announcements/>
9. “Significant Uranium Exploration Target Defined at Saraya” released on the ASX on 5th of September 2022 and available to view on <https://haranga.com/investors/asx-announcements/>

Financial performance

The consolidated entity incurred a loss for the half year ended 30 June 2024 of \$1,983,270 (30 June 2023: \$1,431,802) and had net assets of \$2,311,939 at 30 June 2024 (31 December 2023: \$4,317,307).

As at 30 June 2024, the Group's cash and cash equivalents balance was \$323,188 (31 December 2023: \$1,960,608) and the Group had positive working capital of \$173,662 (31 December 2023: \$2,167,367).

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rounding of amounts to nearest dollars

In accordance with *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Michael Davy
Non-Executive Chairman

11 September 2024



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DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF HARANGA RESOURCES LIMITED

As lead auditor for the review of Haranga Resources Limited for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Haranga Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'JW', is written over a horizontal line.

Jackson Wheeler
Director

BDO Audit Pty Ltd
Perth
11 September 2024

Consolidated statement of profit or loss and other comprehensive income	10
Consolidated statement of financial position	11
Consolidated statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the consolidated financial statements	14
Directors' declaration	23
Independent auditor's review report to the members of Haranga Resources Limited	24

General information

The financial statements cover Haranga Resources Limited as a consolidated entity consisting of Haranga Resources Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Haranga Resources Limited's functional and presentation currency.

Haranga Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

7/63 Shepperton Road
Victoria Park WA 6100

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 11 September 2024.

Haranga Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2024



	Note	30 June 2024 \$	30 June 2023 \$
Other income		6,254	3,550
Corporate costs	7	(232,205)	(159,169)
Exploration expenditure	6	(1,153,322)	(762,172)
General and administrative expenses		(62,157)	(6,259)
Share based payment expense	15	(384,366)	(423,752)
Executive salaries and director fees	8	(157,474)	(84,000)
Loss before income tax expense		(1,983,270)	(1,431,802)
Income tax expense		-	-
Loss after income tax expense for the half-year		(1,983,270)	(1,431,802)
Other comprehensive income profit/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(73,999)	103,189
Other comprehensive income profit/(loss) for the half-year, net of tax		(73,999)	103,189
Total comprehensive income (loss) for the half-year		(2,057,269)	(1,328,613)
Loss for the half-year is attributable to:			
Non-controlling interest		(237,078)	(110,240)
Owners of Haranga Resources Limited		(1,746,192)	(1,321,562)
Total Profit/(loss) for the half-year		(1,983,270)	(1,431,802)
Total comprehensive income (loss) for the half-year is attributable to:			
Non-controlling interest		(299,376)	(1,254,546)
Owners of Haranga Resources Limited		(1,757,893)	(74,067)
Total comprehensive income for the half year		(2,057,269)	(1,328,613)
		Cents	Cents
Basic earnings per share loss	14	(1.95)	(2.38)
Diluted earnings per share loss	14	(1.95)	(2.38)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

		30 June 2024	31 December 2023
	Note	\$	(Restated) \$
Assets			
Current assets			
Cash and cash equivalents		323,188	1,960,608
Trade and other receivables		11,729	30,463
Other current assets		31,228	351,945
Total current assets		<u>366,145</u>	<u>2,343,016</u>
Non-current assets			
Property, plant and equipment		98,523	93,470
Exploration and evaluation	9	2,039,754	2,056,470
Total non-current assets		<u>2,138,277</u>	<u>2,149,940</u>
Total assets		<u>2,504,422</u>	<u>4,492,956</u>
Liabilities			
Current liabilities			
Trade and other payables	10	191,895	175,649
Provisions		588	-
Total current liabilities		<u>192,483</u>	<u>175,649</u>
Total liabilities		<u>192,483</u>	<u>175,649</u>
Net assets		<u>2,311,939</u>	<u>4,317,307</u>
Equity			
Issued capital	11	53,827,579	53,827,579
Reserves	12	9,483,977	9,443,777
Accumulated losses		(60,623,487)	(58,877,295)
Equity attributable to the owners of Haranga Resources Limited		2,688,069	4,394,061
Non-controlling interest		(376,130)	(76,754)
Total equity		<u>2,311,939</u>	<u>4,317,307</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Haranga Resources Limited
Consolidated statement of changes in equity
For the half-year ended 30 June 2024



	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 January 2023	51,003,731	8,230,595	(55,975,665)	137,627	3,396,288
Loss after income tax expense for the half-year	-	-	(1,321,562)	(110,240)	(1,431,802)
Other comprehensive income for the half-year, net of tax	-	67,017	-	36,172	103,189
Total comprehensive income profit/(loss) for the half-year	-	67,017	(1,321,562)	(74,068)	(1,328,613)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of listed options	-	200	-	-	200
Share based payments (note 15)	-	423,752	-	-	423,752
Balance at 30 June 2023	<u>51,003,731</u>	<u>8,721,564</u>	<u>(57,297,227)</u>	<u>63,559</u>	<u>2,491,627</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 January 2024 (Restated)	53,827,579	9,443,777	(58,877,295)	(76,754)	4,317,307
Loss after income tax expense for the half-year	-	-	(1,746,192)	(237,078)	(1,983,270)
Other comprehensive income (loss) for the half-year, net of tax	-	(11,701)	-	(62,298)	(73,999)
Total comprehensive income (loss) for the half-year	-	(11,701)	(1,746,192)	(299,376)	(2,057,269)
<i>Transactions with owners in their capacity as owners:</i>					
Share based payments (note 15)	-	51,901	-	-	51,901
Balance at 30 June 2024	<u>53,827,579</u>	<u>9,483,977</u>	<u>(60,623,487)</u>	<u>(376,130)</u>	<u>2,311,939</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Haranga Resources Limited
Consolidated statement of cash flows
For the half-year ended 30 June 2024



	30 June 2024	30 June 2023
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(427,766)	(338,447)
Payments for exploration and evaluation	(1,208,044)	(1,303,317)
Interest received	6,254	3,550
	<u>(1,629,556)</u>	<u>(1,638,214)</u>
Net cash used in operating activities		
Net decrease in cash and cash equivalents	(1,629,556)	(1,638,214)
Cash and cash equivalents at the beginning of the financial half-year	1,960,608	2,289,553
Effects of exchange rate changes on cash and cash equivalents	(7,864)	-
	<u>(7,864)</u>	<u>-</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>323,188</u></u>	<u><u>651,339</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Corporate information

The financial report consists of the consolidated financial statements of Haranga Resources Limited and its subsidiaries for the half-year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Directors on 11 September 2024.

Haranga Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the consolidated entity are described in the Directors' Report.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

Basis of preparation

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The consolidated financial statements have been prepared using the same accounting policies and methods of computation as disclosed in the Company's annual report for the financial year ended 31 December 2023. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going concern

The interim financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated entity incurred a loss for the half year ended 30 June 2024 of \$1,983,270 (30 June 2023: \$1,431,802) and net cash outflows from operating activities of \$1,629,556 (30 June 2023 : \$1,638,214). The Consolidated Statement of Financial Position shows that the Group had cash and cash equivalents of \$323,188 (31 December 2023: \$1,960,608), and net assets of \$2,311,939 as at 30 June 2024 (31 December 2023 : \$4,317,307).

The Directors have prepared a cash flow forecast, which indicates that the entity will be required to raise funds to provide additional working capital and to continue to fund its business activities. The ability of the consolidated entity to continue as a going concern is dependent on securing additional funding by capital raise or other means.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that there will be sufficient funds available to continue to meet the consolidated entity's working capital requirements as at the date of this report the Directors expect the consolidated entity to be successful in securing additional funds through debt or equity issues, when required, further:

- The consolidated entity has the ability to reduce its expenditure to conserve cash.
- The consolidated entity has historically demonstrated its ability to raise funds and is expected to be successful in the future.

Should the consolidated entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements or raise additional capital through equity or debts raisings and that the interim financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the consolidated entity not continue as a going concern and meet its debts as and when they become due and payable. The directors plan to continue the consolidated entity's operations on the basis as outlined above and believe there will be sufficient funds for the consolidated entity to meet its obligations and liabilities for at least twelve months from the date of this report.

Note 2. Material accounting policy information (continued)

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

Judgement has been exercised in calculating the value of share-based payments. The closing price of share sales on the day of the award of the share-based payment is used for calculating the fair value of the payment.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is determined using either the Trinomial options pricing model or the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, employee exit % (for Trinomial only) together with non-vesting conditions which do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Exploration and evaluation costs

Certain exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Restatement of comparatives

Correction of prior period error

During the period ended 30 June 2024 there was discovered to be error in the recognition of share based payments expense where the full amount was expensed instead of share based payment being expensed over the five year vesting period as the terms require the Executive Director to remain employed by the Company. The error relates to the 4,000,000 performance rights granted on 21 December 2023 and recognised in the financial year ended 31 December 2023. The error has been adjusted retrospectively and the impact of the restatement is noted below. Refer to Note 15.

Statement of profit or loss and other comprehensive income

When there is a restatement of comparatives, it is mandatory to provide a statement of profit or loss and other comprehensive income for the half-year ended 30 June 2023. However, as there were no adjustments made as the performance rights were granted in December 2023 there was no adjustment required the half-year profit or loss, the consolidated entity has elected not to show the statement of profit or loss and other comprehensive income.

Note 4. Restatement of comparatives (continued)

Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 January 2023. However, as there were no adjustments made as at 1 January 2023, the consolidated entity has elected not to show the 1 January 2023 statement of financial position.

The impact of the error on statement of financial position at the end of the earliest comparative period is presented below.

	31 December 2023 \$ Reported	Correction of prior period error \$	31 December 2023 \$ Restated
Assets			
Cash and cash equivalents	1,960,608	-	1,960,608
Trade and other receivables	30,463	-	30,463
Other current assets	351,945	-	351,945
Total current assets	2,343,016	-	2,343,016
Non-current assets			
Property, plant and equipment	93,470	-	93,470
Exploration and evaluation	2,056,470	-	2,056,470
Total non-current assets	2,149,940	-	2,149,940
Total assets	4,492,956	-	4,492,956
Liabilities			
Current liabilities			
Trade and other payables	175,649	-	175,649
Total current liabilities	175,649	-	175,649
Total liabilities	175,649	-	175,649
Net assets	4,317,307	-	4,317,307
Equity			
Issued capital	53,827,579	-	53,827,579
Reserves	9,961,931	(518,154)	9,443,777
Accumulated losses	(59,395,449)	518,154	(58,877,295)
Equity attributable to the owners of Haranga Resources Limited	4,394,061	-	4,394,061
Non-controlling interest	(76,754)	-	(76,754)
Total equity	4,317,307	-	4,317,307

Note 5. Operating segments

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decision.

Note 5. Operating segments (continued)

The nature of operations and principal activities of the consolidated entity are exploration in Senegal. Given, the nature of the consolidated entity, its size and current operations, management does not treat any part of the consolidated entity as a separate operating segment.

Internal financial information used by the consolidated entity's chief operating decision maker is presented as a consolidated entity without dissemination to any separate identifiable segment.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environment in which it operates.

Note 6. Exploration expenditure

	30 June 2024	30 June 2023
	\$	\$
Wages and consulting fees	249,809	209,685
Expenditure on Saraya Uranium Project	880,073	444,630
Other	23,440	107,857
	<u>1,153,322</u>	<u>762,172</u>

Note 7. Corporate costs

	30 June 2024	30 June 2023
	\$	\$
Accounting and corporate fee	44,809	39,941
Auditor's rem - audit fees	23,091	17,990
Corporate advisory fees	60,000	24,610
Corporate secretarial services	24,000	24,000
Legal fees	32,092	4,927
Listing & CHES fees	31,152	31,836
Other	17,061	15,865
	<u>232,205</u>	<u>159,169</u>

Note 8. Executive salaries and director fees

	30 June 2024	30 June 2023
	\$	\$
Executive salaries	69,838	-
Director fees	87,636	84,000
	<u>157,474</u>	<u>84,000</u>

Note 9. Exploration and evaluation

	30 June 2024	31 December 2023
	\$	\$
<i>Non-current assets</i>		
Exploration asset - Saraya Project	<u>2,039,754</u>	<u>2,056,470</u>

Note 9. Exploration and evaluation (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	\$
Balance at 1 January 2024	2,056,470
Exchange differences	<u>(16,716)</u>
Balance at 30 June 2024	<u><u>2,039,754</u></u>

Note 10. Trade and other payables

	30 June 2024	31 December 2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	121,994	93,121
Accruals and other payables	40,979	45,000
Other payables	<u>28,922</u>	<u>37,528</u>
	<u><u>191,895</u></u>	<u><u>175,649</u></u>

Note 11. Issued capital

	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Shares	Shares	\$	\$
Issued capital	<u>89,529,376</u>	<u>89,529,376</u>	<u>53,827,579</u>	<u>53,827,579</u>

Details	Date	Shares	Issue price	\$
Opening Balance	1 January 2023	60,120,285		51,003,731
Issue of shares under Placement (Tranche 1)	6 October 2023	15,000,000	\$0.11	1,650,000
Issue of shares under Placement (Tranche 2)	7 December 2023	11,000,000	\$0.11	1,210,000
Issue of shares to Supplier	7 December 2023	3,409,091	\$0.11	664,931
Capital raising costs		-	\$0.00	<u>(701,083)</u>
Closing Balance	31 December 2023	<u>89,529,376</u>		<u>53,827,579</u>

Details	Date	Shares	Issue price	\$
Opening Balance	1 January 2024	<u>89,529,376</u>		<u>53,527,579</u>
Balance	30 June 2024	<u><u>89,529,376</u></u>		<u><u>53,527,579</u></u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Note 11. Issued capital (continued)

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 12. Reserves

	30 June 2024	31 December 2023 (Restated)
	\$	\$
Foreign currency reserve (a)	(29,198)	44,803
Share-based payments reserve (b)	8,909,962	8,909,962
Options reserve (c)	540,913	489,012
	<u>9,483,977</u>	<u>9,443,777</u>
		31 December 2023
	30 June 2023	
(a) Foreign currency reserve		
Opening balance	44,803	3,662
Movement during the period	(74,001)	41,141
Closing balance	<u>(29,198)</u>	<u>44,803</u>
	Number	\$
(b) Share-based payments and Option reserves		
Opening balance on 1 January 2023	36,500,000	8,236,950
Issue of broker options	2,000,000	164,472
Issue of broker options	4,000,000	507,940
Issue of listed options	-	600
Closing balance on 31 December 2023	<u>42,500,000</u>	<u>8,909,962</u>
Opening balance on 1 January 2024	42,500,000	8,909,962
Closing balance on 30 June 2024	<u>42,500,000</u>	<u>8,909,962</u>
	Number	\$
(c) Performance rights reserve		
Opening balance on 1 January 2023	-	-
Issue of performance rights	5,250,000	486,160
Issue of performance rights	4,000,000	2,852
Closing balance at 31 December 2023 *	<u>9,250,000</u>	<u>489,012</u>

* The reconciliation relating to the period ended 31 December 2023 has been restated , refer to Note 4.

Note 12. Reserves (continued)

Opening balance on 1 January 2024	9,250,000	489,012
Vesting of Performance Rights	-	51,901
Closing balance at 30 June 2024	<u>9,250,000</u>	<u>540,913</u>

Note 13. Commitments

There have been no material changes to commitments from audited accounts at 31 December 2023.

Note 14. Earnings per share

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	89,529,376	60,120,285
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>89,529,376</u>	<u>60,120,285</u>
	30 June 2024	30 June 2023
	\$	\$
Loss after income tax	(1,983,270)	(1,431,802)
Non-controlling interest	237,078	110,240
Loss after income tax attributable to the owners of Haranga Resources Limited	<u>(1,746,192)</u>	<u>(1,321,563)</u>
	Cents	Cents
Basic earnings per share loss	(1.95)	(2.38)
Diluted earnings per share loss	(1.95)	(2.38)

Note 15. Share-based payments

During the half year ended 30 June 2024 the consolidated equity did not record new share based arrangements however the following share-based payment expenses were booked to the profit and loss:

On 7 December 2023, the Company issued 3,409,091 ordinary shares to a supplier in lieu of cash settlement, the shares were valued using closing share price of \$0.195, totalling to \$664,931. The service provided by the supplier was for a period of 6 months from October 2023.

At 31 December 2023 \$332,466 (50%) was recognised as expense with the remaining \$332,466 being recorded as a prepayment at 31 December 2023.

During the half year ended 30 June 2024, the remaining \$332,466 was recognised as share based payment expense.

On 21 December 2023, the Company issued 4,000,000 Performance Rights in various classes to Executive Director, terms of the performance rights are summarised below.

Note 15. Share-based payments (continued)

Grant Date	Class	Vesting Conditions	Expiry Date	Fair Value
21/12/2023	Class 1 Performance Rights (1,000,000)	The Company either (a) achieving a 20-day VWAP of A\$0.25 or more based on the days the Company's Shares have traded; or (b) a strategic investment by a single investor of not less than \$2,000,000 into the Company.	21 December 2028 (5 years from issued date)	\$182,862
21/12/2023	Class 2 Performance Rights (1,000,000)	The Company achieving a 20-day VWAP of A\$0.40 or more based on days the Company's Shares have traded.	21 December 2028 (5 years from issued date)	\$174,012
21/12/2023	Class 3 Performance Rights (1,000,000)	The Company achieving a 20-day VWAP of A\$0.60 or more based on days the Company's Shares have traded.	21 December 2028 (5 years from issued date)	\$164,133
21/12/2023	Class 4 Performance Rights (1,000,000)	The Company announcing a JORC Mineral Resource, as defined in the JORC Code: (a) a minimum inferred JORC compliant Mineral Resource of 500,000 oz Au at $\geq 1\text{g/t}$; or (b) a minimum inferred JORC compliant Mineral Resource of 11,000t of eU3O8, at any of the Projects, as verified by an independent competent person under JORC Code 2012.	21 December 2028 (5 years from issued date)	\$190,000

As described in Note 4, during the period ended 30 June 2024 there was discovered to be error in the recognition of share based payments expense where the full amount was expensed instead of share based payment being expensed over the vesting period.

The error relates to the 4,000,000 performance rights granted on 21 December 2023 for which an expense of \$518,154 was recognised which relates to future periods as the terms of the performance rights require the Executive Director to remain employed by the Company. The error has been adjusted retrospectively and the impact of the restatement is to recognise \$51,901 as share based expense in the current period with the balance of \$466,253 to be recognised over the period to the expiry date of the rights.

Note 15. Share-based payments (continued)

The performance rights granted were valued using the trinomial valuation model. The key inputs used in the valuations as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
21/12/2023	21/12/2028	\$0.19	\$0.00	100.00%	-	3.74%	\$0.183
21/12/2023	21/12/2028	\$0.19	\$0.00	100.00%	-	3.74%	\$0.174
21/12/2023	21/12/2028	\$0.19	\$0.00	100.00%	-	3.74%	\$0.164
21/12/2023	21/12/2028	\$0.19	\$0.00	100.00%	-	3.74%	\$0.190

Note 16. Related party transactions

All transactions were made on normal commercial terms and conditions and at market rates.

(a) Transactions with related parties

The director fees and managing director salary incurred during the half year ended 30 June 2024 totalled to \$157,474 (30 June 2023: \$84,000).

No other significant related party transactions movements during the half-year period other than disclosed above.

Note 17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Michael Davy", written over a horizontal line.

Michael Davy
Non-Executive Chairman

11 September 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Haranga Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Haranga Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO


Jackson Wheeler

Director

Perth, 11 September 2024