

Quarterly Activities Report

25 October 2011

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Issued Capital:

186.75 million shares

ASX Symbol: HAR

September 2011 Quarterly Activities Report

- Highlights -

Exploration Activity

- 8,500m of diamond drilling completed at the Selenge iron ore project. Three of four primary targets have been drilled.
- Drilling to date has focused on the Bayantsogt target:
 - 24 holes complete, 16 holes reviewed, 7 holes assayed
 - First 16 holes have all intersected significant down hole widths of banded magnetite skarn mineralisation
 - At least five major iron lodes, each ranging in apparent down hole width from 12m to 54m
 - Highlighted intervals from the assayed holes:
 - 26m at 27% Fe from 32m in hole BTDH-1
 - 28m at 30% Fe from 3m in hole BTDH-2
 - 29m at 24% Fe from 34m in hole BTDH-5
 - 39m at 23% Fe from 105m in hole BTDH-6
 - 17m at 28% Fe from 50m in hole BTDH-7
 - Bulk samples from Bayantsogt have been sent for metallurgical testing
- 7 holes completed at the Huiten Gol target, awaiting geological review and laboratory analysis.
- 3 holes completed at the Dund Bulag target, awaiting geological review and laboratory analysis.
- Four diamond drill rigs are now in operation at Selenge. Drill program has been expanded to 13,500m to be completed by end November 2011.

Corporate

- Haranga Resources continues to assess prospective iron ore opportunities in Mongolia.
- \$15.7 million in cash reserves.

Activities Report and Review of Projects

Haranga Resources' five iron ore projects are located in Mongolia, as shown in Figure 1. The Company is targeting large, high grade magnetite skarn deposits common to Mongolia and northern China. Each of the projects has a viable route to market based on favourable location and infrastructure.

Figure 1: Mongolian Iron Ore Projects of Haranga Resources



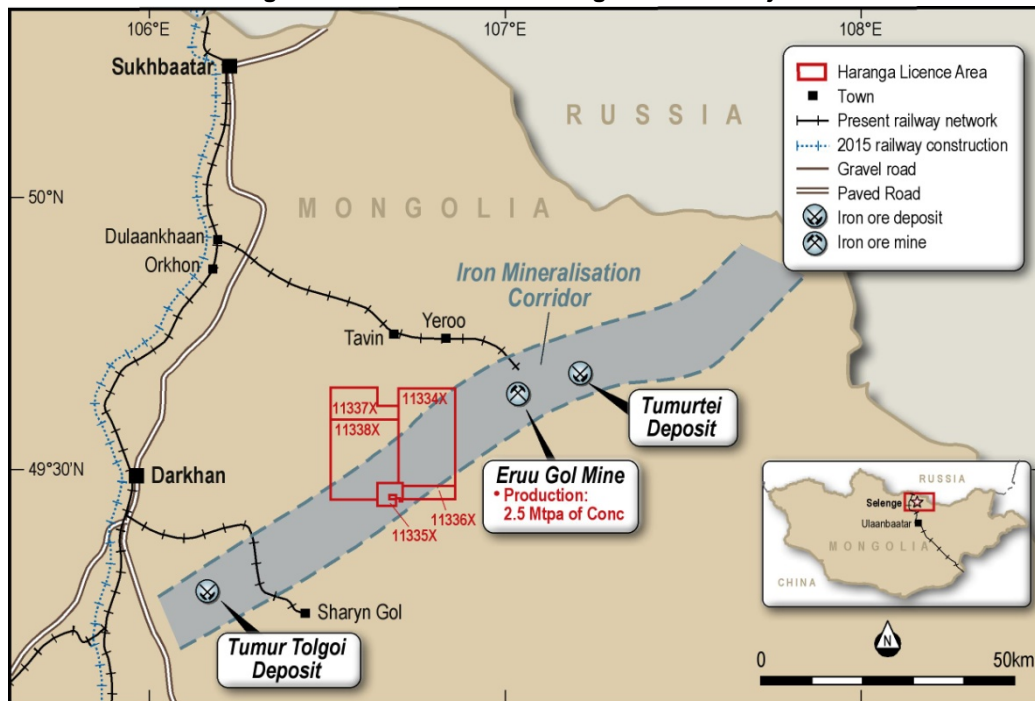
The projects are:

1. **Selenge:** Five contiguous licences covering almost 600km² within the premier iron ore province of Mongolia. The project area is close to the Eruu Gol iron ore mine and the large iron ore deposit at Tumurtei. The project area has access to the nearby trans Mongolian rail line, lying only 40km from the rail terminal at Sharyn Gol and adjacent to the Eruu Gol rail spur. Geological surveys have revealed four primary iron ore targets that are currently being drill tested.
2. **Shavdal:** Single exploration licence located 10km from the town of Baruun Urt in Sukhbaatar province, southeast of Mongolia. This province is home to two operating iron ore mines and the planned new east-west rail line will pass adjacent to the Shavdal project area.
3. **Sumer:** Ideally located in Mongolia's south Gobi region, just 50km north of the Chinese border crossing at Hangi Mandal. The licence area borders the new iron ore development at Agaruu.
4. **Tumurtei Khudag:** Iron ore rights over two large exploration licences covering 577km² in the mid Gobi region, 180km from the main line rail terminal at Choyr.
5. **Khundlun:** Located in Hentii province in the northeast of Mongolia, the Khundlun licence is 200km from both the rail terminal at Choybalsan (to the east) and at Baganuur (to the west).

1. Selenge Project (Haranga Resources 60%)
 Manager: Haranga Resources Limited

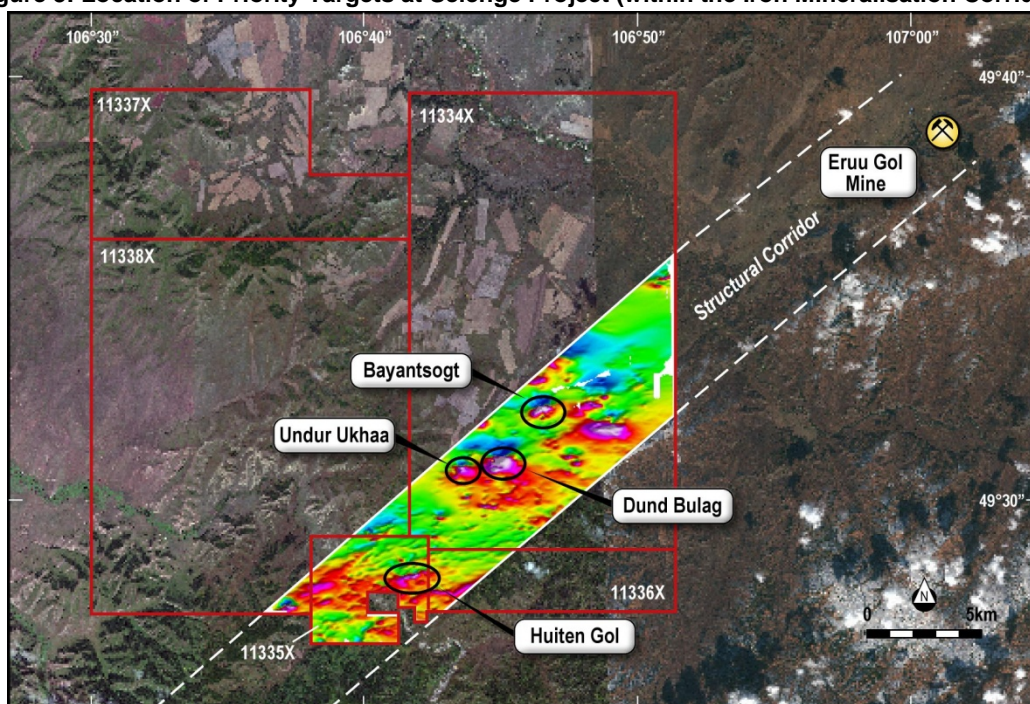
The Company's flagship Selenge iron ore project is located in the heart of Mongolia's premier iron ore development region with excellent access to the main trans-Mongolian rail line and nearby rail spurs.

Figure 2: Location of the Selenge Iron Ore Project



Skarn related iron mineralisation occurs over significant widths in outcrop, subcrop and in some historic trenches at **four primary exploration targets** within the Selenge Project. All of the targets are associated with large magnetic anomalies and lie within a well defined structural corridor (see Figure 3) that contains the known iron ore deposits in Selenge province, including the nearby Eruu Gol mine. Eruu Gol produces approximately 2.5 million tonnes of magnetite concentrate per annum and ships the product via a newly constructed 75km rail spur connecting the mine to the main trans-Mongolian rail line.

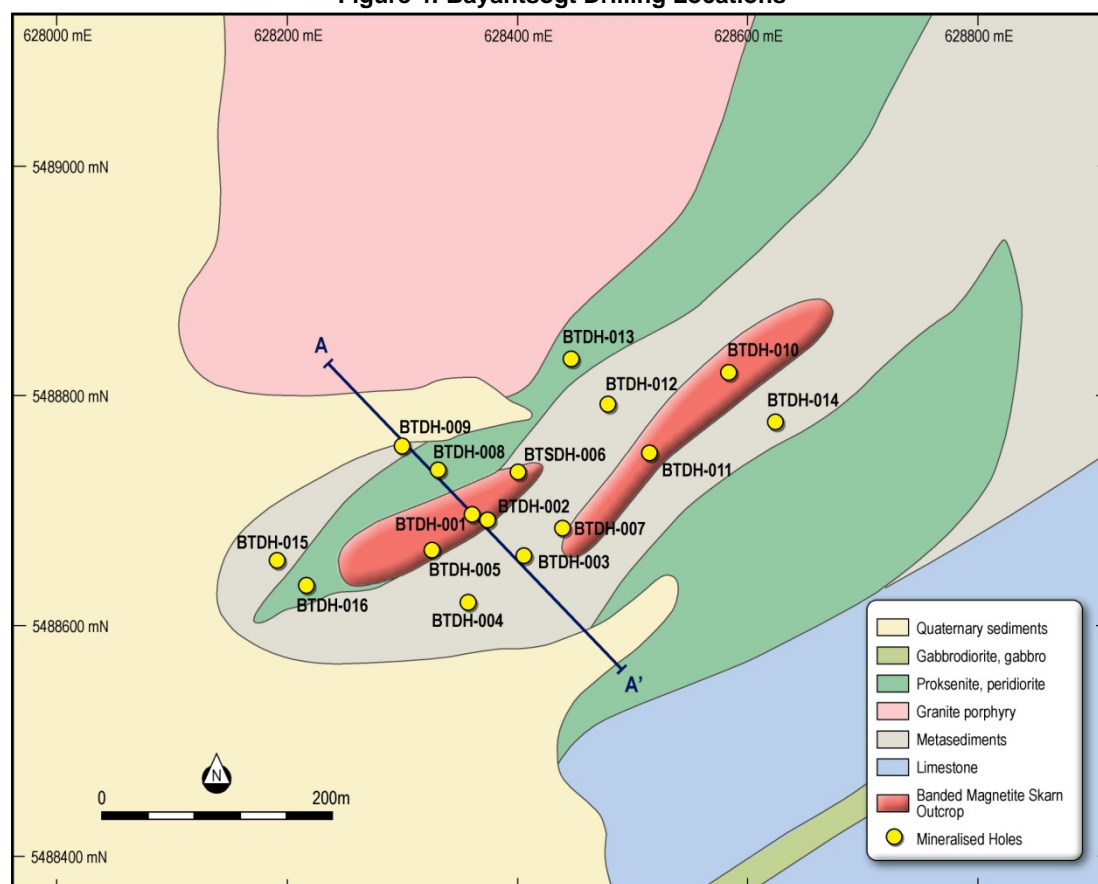
Figure 3: Location of Priority Targets at Selenge Project (within the Iron Mineralisation Corridor)



Selenge Target 1: Bayantsogt:

Drilling during the quarter at the Bayantsogt prospect has successfully identified a large area of iron mineralisation hosted within a previously identified Banded Magnetite Skarn.

Figure 4: Bayantsogt Drilling Locations



Drilling commenced in mid July and thus far a total of twenty-four diamond core holes have been completed. Of these, the first sixteen drill holes (representing 3,890m of drilling and shown in Figure 4) have been carefully reviewed, logged and analysed with a handheld field X-Ray Fluorescence (XRF) meter to provide an estimate of iron (Fe) content. North east trending, steep westerly dipping **mineralisation was intercepted in every one of these sixteen holes** with apparent down hole thicknesses varying from 3 to 54 meters. Please refer to the cross section in Figure 5.

Assays have been received for the first seven holes from Stewart ALS Laboratory in Ulaanbaatar. A summary of assay results is presented in Table 1 at the end of this section.

Drilling with three rigs is continuing at Bayantsogt and the **mineralisation remains open in every direction including at depth**. The Company has a fourth rig drilling at the other Selenge project targets.

Selenge Other Targets:

Seven diamond holes have been completed at the Huiten Gol target and three diamond holes have been completed thus far at the large Dund Bulag target. The Company is awaiting complete geological review and assay results from these holes. One diamond drill rig is continuing to drill at the Dund Bulag prospect.

Figure 5: Cross Section A-A' showing Drill holes with Assays and Completed Holes with Field XRF

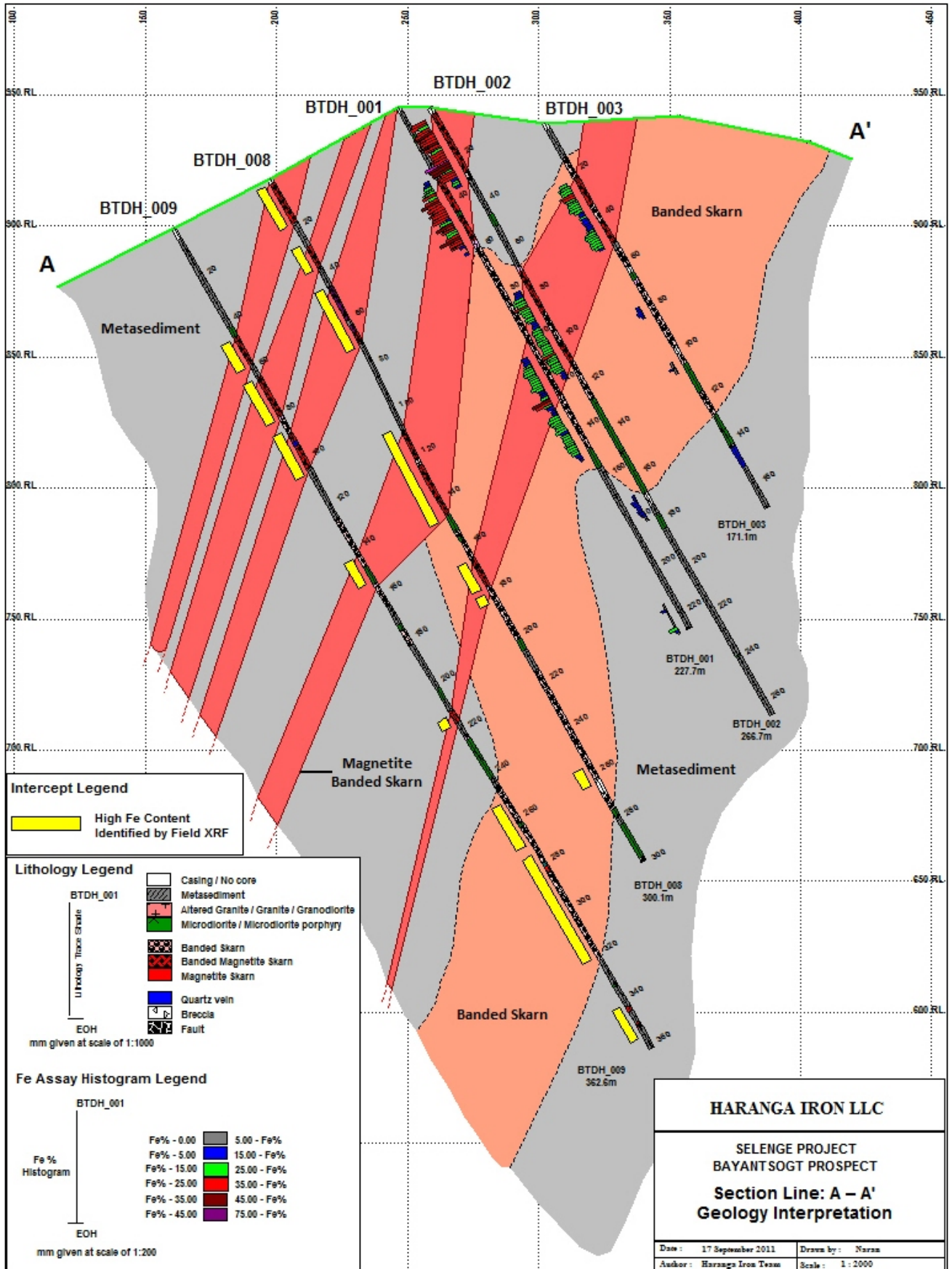


Table 1: Significant Mineralised Intersections at Bayantsogt (Cutoff = 15% Fe)

Hole Number	From (m)	To (m)	Downhole Interval (m)	Fe%
BTDH-001	32.00	58.00	26.00	26.86
and	110.00	128.00	18.00	19.56
<i>including</i>	<i>125.00</i>	<i>127.00</i>	<i>2.00</i>	<i>34.95</i>
and	132.00	149.00	17.00	18.49
BTDH-002	2.60	31.00	28.40	30.36
<i>including</i>	<i>20.00</i>	<i>24.00</i>	<i>4.00</i>	<i>44.48</i>
and	81.00	113.00	32.00	19.44
BTDH-003	24.00	36.00	12.00	22.00
and	44.00	52.00	8.00	20.84
BTDH-004	31.00	46.00	15.00	21.64
and	51.00	53.00	2.00	17.56
and	59.00	71.00	12.00	17.18
and	114.00	117.00	3.00	33.10
BTDH-005	34.00	63.00	29.00	24.40
<i>including</i>	<i>41.00</i>	<i>50.00</i>	<i>9.00</i>	<i>35.38</i>
and	128.00	133.00	5.00	18.47
and	147.00	201.00	54.00	16.69
and	209.00	212.00	3.00	17.61
BTDH-006	28.00	56.00	28.00	21.00
and	105.00	144.00	39.00	22.71
and	169.00	172.00	3.00	23.98
and	204.00	206.00	2.00	35.94
BTDH-007	13.00	29.00	16.00	26.11
<i>including</i>	<i>20.00</i>	<i>23.00</i>	<i>3.00</i>	<i>40.86</i>
and	50.00	67.00	17.00	27.59
<i>including</i>	<i>51.00</i>	<i>58.00</i>	<i>7.00</i>	<i>36.12</i>
and	108.00	112.00	4.00	32.33

Selenge Project – Resource Drilling and Metallurgical Test Work

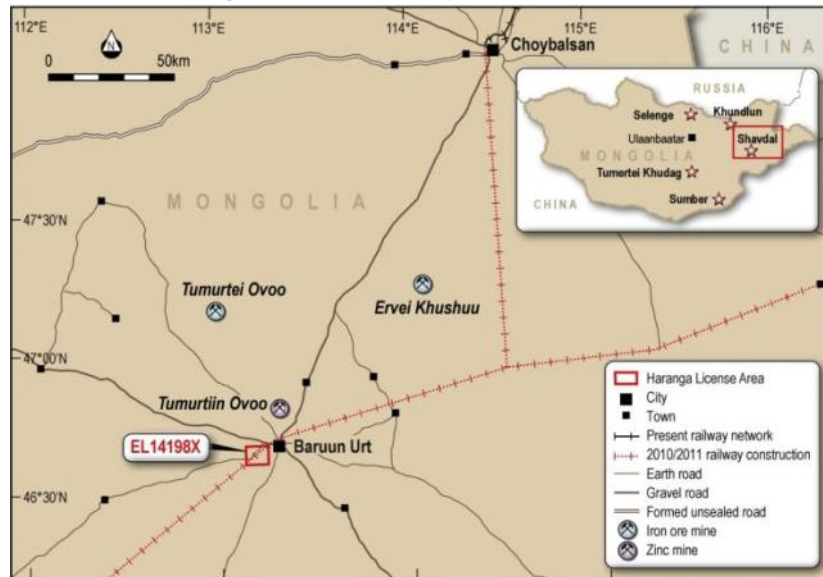
It is intended to continue to focus drilling efforts at the Bayantsogt (Target 1) prospect in order to generate enough information to define a maiden JORC Code compliant resource as soon as possible. In addition, five meter composite samples from Bayantsogt have been prepared and sent for laboratory test work to be conducted by AMTEC in Perth to determine beneficiation and other characteristics including mineralogy, grindability, and magnetic separation properties for both crushing and grinding.

The operations at the nearby Eruu Gol mine give encouragement as to the suitability of the Bayantsogt banded magnetite skarn mineralisation to upgrade to a saleable concentrate. The Eruu Gol deposit is a similar banded magnetite skarn formation that, due to the nature of this type of mineralisation, upgrades to a 60-62% Fe concentrate via a simple crushing/screening process followed by dry magnetic separation. This process requires relatively low capital expenditure and low operating costs.

2. Shavdal Project (Haranga Resources 75%)
Manager: Haranga Resources Limited

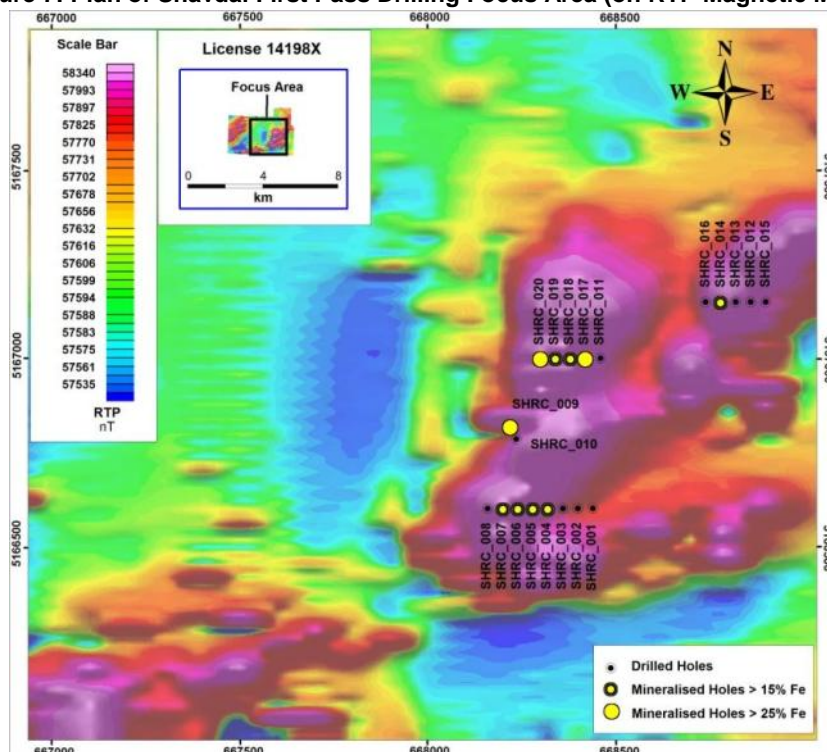
The Shavdal licence is located 10km from the town of Baruun Urt, the capital of Sukhbaatar province in the southeast of Mongolia. Sukhbaatar already hosts two operating iron ore export mines and Mongolia's planned east-west rail line will pass through Baruun Urt, adjacent to the Shavdal project area.

Figure 6: Shavdal Project Location Map



During the March quarter, twenty holes were drilled to test a magnetic anomaly in the central part of the licence area where coincident high grade magnetite outcrops have been mapped. Ten of the twenty holes intersected significant iron mineralisation (over 15% Fe). A peak result of 6m at 36.2% Fe from 34m was obtained from hole SHRC-020. This intersection was contained within a wider intersection of 24m at 26.0% Fe from 32m in quartz magnetite rock. SHRC-009 also intersected this higher grade area 200m to the south, an area where outcrops have returned rock chip samples over 60% Fe. Both holes are located at the western edge of the drill program and the mineralisation remains open to the west.

Figure 7: Plan of Shavdal First Pass Drilling Focus Area (on RTP Magnetic Map)



This first pass drilling at Shavdal has located magnetite skarn formations and discovered iron mineralisation of potentially economic grade. During the quarter the Company continued to assess the results of a recently completed full magnetic survey of the licence area and has identified at least two more prospective targets within the licence area. It is currently planned to drill test these new targets and the western extent of the main anomaly in order to follow up on the first pass drilling later this year or early in 2012.

3. Khundlun Project (Haranga Resources 100%)
Manager: Haranga Resources Limited

A field geological survey was completed at Khundlun during the quarter in order to assess the potential size, grade and prospectivity of the known iron outcrops and associated large magnetic anomaly on this licence. This analysis is ongoing.

4. Other Projects

No further exploration work was conducted at the Sumber or Tumurtei Khudag Projects during the quarter.

CORPORATE AND GENERATIVE

The Company continues to assess both iron ore and some manganese projects for potential future acquisitions that will upgrade the overall project portfolio.

Dr Robert Wrixon
Managing Director
Haranga Resources Limited

The information in this report that relates to Exploration Results is based on information compiled by Mr Kerry Griffin, who is a Member of the Australian Institute of Geoscientists. Mr Griffin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Griffin is the Technical Manager of Haranga Resources Limited and 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.