Quarterly Activities Report

30 January 2012

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Issued Capital:
196.75 million shares

ASX Symbol: HAR

December 2011 Quarterly Activities Report

- Highlights -

Exploration Activity

- **13,165m of diamond drilling completed at the Selenge Iron Ore Project. Three of four primary targets were drilled. The program will recommence in the second quarter of 2012.**
- **Drilling was focused on the Bayantsogt Prospect:**
  - **30 of 35 holes intersected significant down hole widths of iron mineralisation**
  - **Five major iron lodes discovered, including a large high grade core at the base of the 'magnetite hill'**
  - **Highlighted intervals from the first 20 assayed holes:**
    - **103m at 44% Fe from 274m in BTDH-20**
      (incl 28m at 58% Fe from 258m)
    - **30m at 46% Fe from 307m in BTDH-15**
    - **52m at 32% Fe from 246m in BTDH-15**
    - **20m at 47% Fe from 35m in BTDH-18**
    - **12m at 42% Fe from 113m in BTDH-17**
    - **10m at 42% Fe from 113m in BTDH-8**
  - **Maiden JORC resource for Bayantsogt anticipated in March 2012**
- **Major new discovery made at the Dund Bulag Prospect where four of the five holes intersected extremely wide zones of iron mineralisation. Assays are pending.**
- **Metallurgical test work program has commenced, with the results to be input to a pre Scoping Study due mid 2012.**

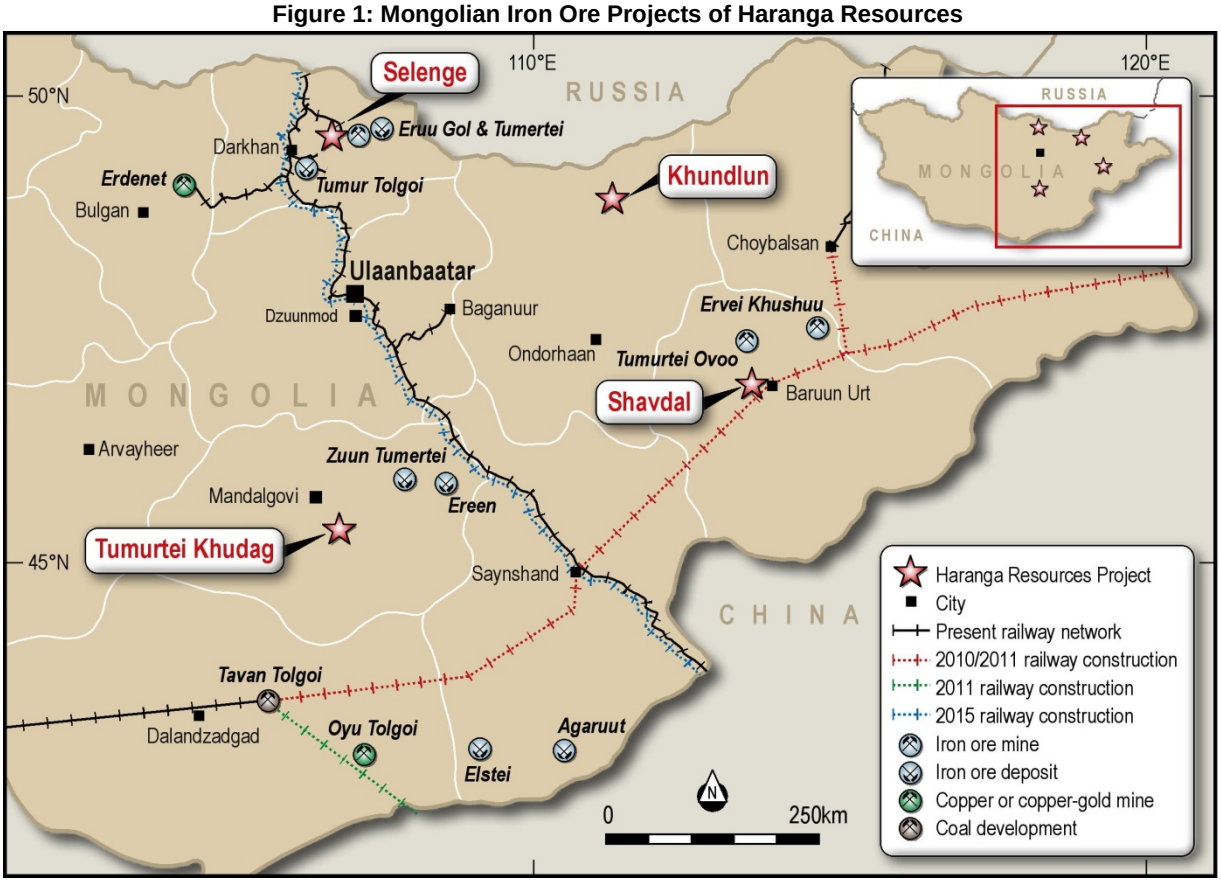
Corporate Activity

- **The Company acquired an additional 20% interest in the Selenge Project to increase its ownership to 80%**
- **A subsidiary of the Lippo Group became the Company's largest shareholder in December 2011**

Activities Report and Review of Projects

Haranga Resources' four 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:*** This is the Company's flagship project. It consists of five contiguous licences covering almost 600km^2 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. Three of the four primary iron ore targets have been drill tested during the past field season and all three have intersected significant widths of iron mineralisation.

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. First pass drilling produced interesting results in early 2011 and follow up drilling is planned for March 2012.

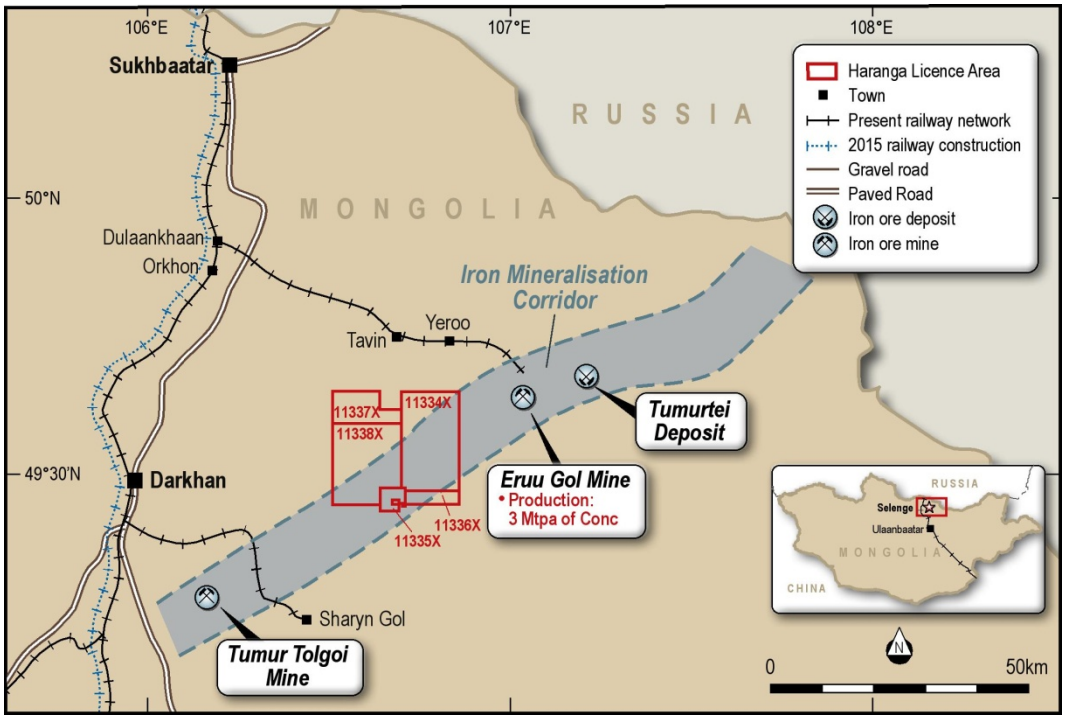
3. ***Tumurtei Khudag:*** Iron ore rights over two large exploration licences covering 577km^2 in the mid Gobi region, 180km from the main line rail terminal at Choyr.

4. ***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 80%)
   Manager: Haranga Resources Limited

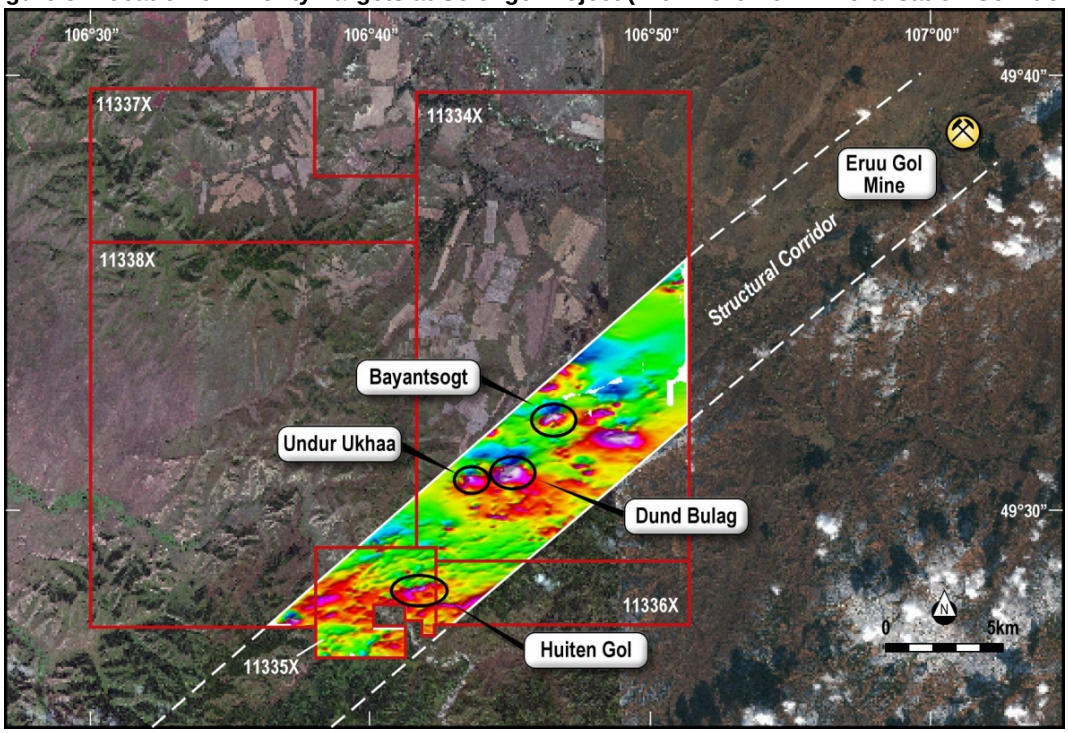
The Company's flagship Selenge iron ore project is located in the heart of Mongolia's premier iron ore development region with excellent access to the main trans-Mongolian rail line and nearby rail spurs.

Figure 2: Location of the Selenge Iron Ore Project



Skarn related iron mineralisation has been identified at ***four primary exploration targets*** at Selenge, all lying within 10km of each other. All four targets are associated with large magnetic hills and lie within a well defined structural corridor that contains the major iron ore deposits in the region, including nearby Eruu Gol. This mine currently produces around 3 million tonnes of magnetite concentrate per annum and ships the product via a newly constructed 75km rail spur to the main trans-Mongolian rail line.

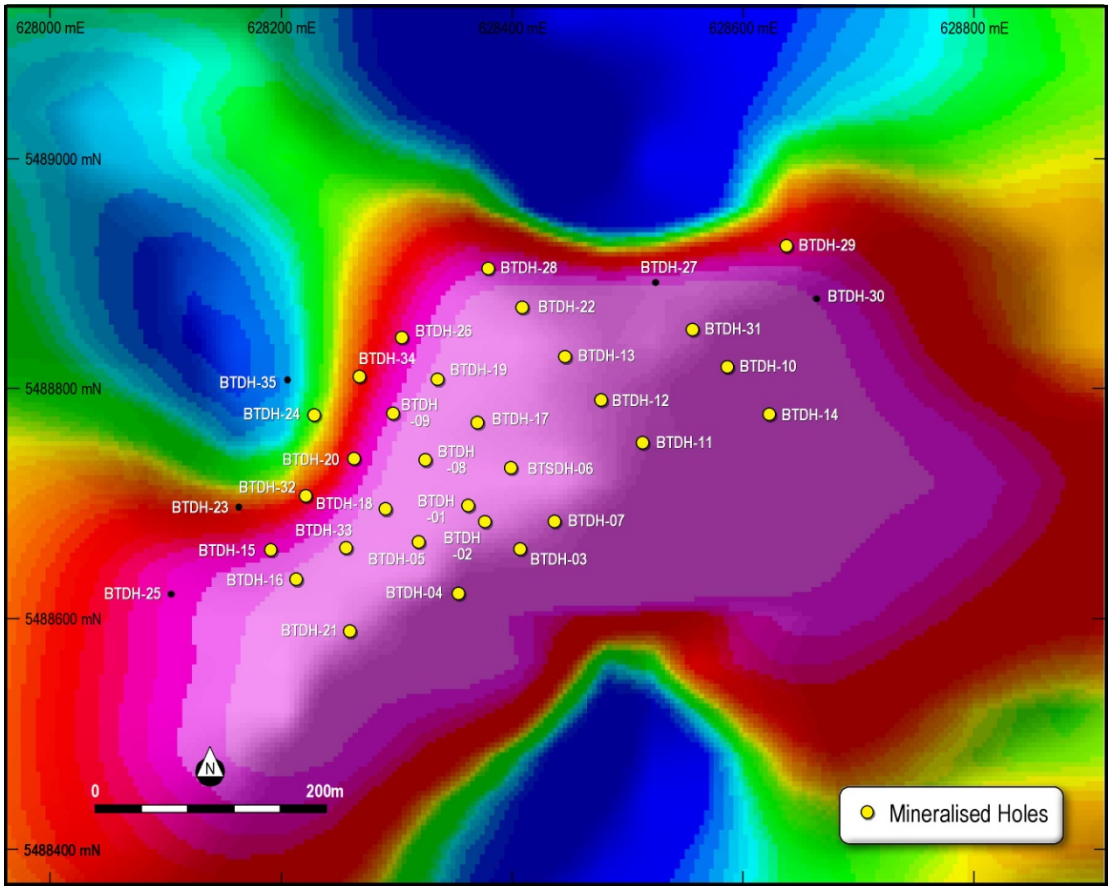
Figure 3: Location of Priority Targets at Selenge Project (within the Iron Mineralisation Corridor)



Selenge Target 1 - Bayantsogt:

Drilling during the quarter concluded in early December with 35 holes completed at the Bayantsogt Prospect, representing 10,308 metres of diamond core drilling.

Figure 4: Bayantsogt Drill Plan over Magnetics



All of the completed holes were 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 of significant width was intercepted in 30 of these 35 holes. The bulk of the mineralisation is located in five major lodes (seams) lying roughly parallel to each other with apparent down hole thicknesses of between 12 to 103 metres, averaging around 20m.

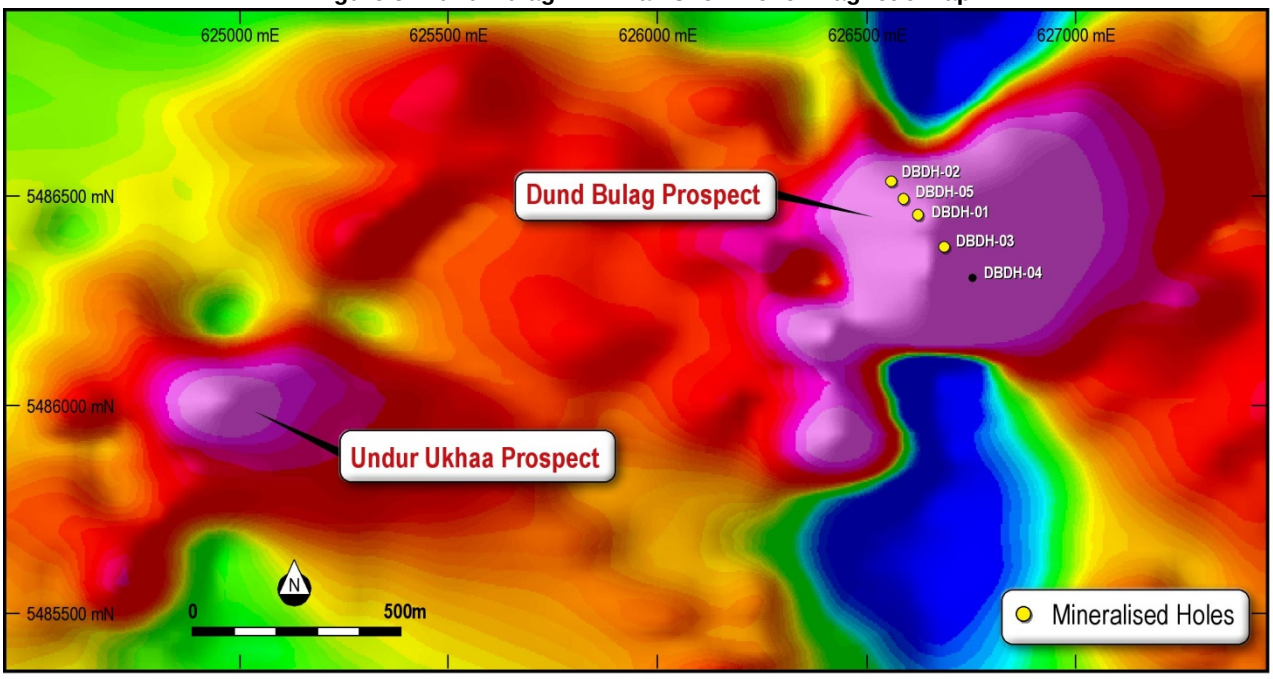
Assays have been received for the first twenty holes from Stewart ALS Laboratory in Ulaanbaatar. The previously announced significant assay results to date are presented in Table 1 at the end of this report.

A large high grade core appears to have been discovered at the base of the hill, intersected at depth in holes BTDH-15 and BTDH-20. The latter hole intersected 28m at 58% Fe from 258m, suggesting this area may contain an amount of direct ship quality ore, i.e. material that does not require beneficiation prior to shipment.

Selenge Target 2 - Dund Bulag

Five diamond core drill holes for 1,590 meters were completed at the Dund Bulag iron ore prospect (see Figure 5). Based on geological logging and handheld XRF measurements, four of the five holes have intersected significant widths of iron mineralisation of a similar nature to that observed in the earlier, shallower Bayantsogt drill holes. Assay results are currently pending. Six parallel iron lodes have been identified, dipping at approximately 60 degrees, and each is between 15m to 100m in apparent width, averaging around 45m. This represents a potentially major discovery given that Dund Bulag is the largest in area of the first four magnetic anomalies targeted at Selenge.

Figure 5: Dund Bulag Drill Plan shown over Magnetic Map



Selenge Target 3 – Huiten Gol

Seven diamond core holes have been drilled at the Huiten Gol iron ore prospect for a total of 1,267 meters. Based on geological logging and handheld XRF measurements, three of the seven holes have intersected significant iron mineralisation. The intersections observed thus far appear to be of a potentially higher grade but significantly thinner in width than those observed at Bayantsogt and Dund Bulag. The company awaits the first assay results from these drill holes.

Selenge Project – Future Work

The Company awaits laboratory assay results from the Bayantsogt (holes 21-35), Dund Bulag (holes 1-5) and Huiten Gol (holes 1-7) Prospects. It is expected that these will be received and reported by February 2011. The Bayantsogt holes have been given priority as they will be used to formulate a maiden JORC Code compliant resource to be released by March 2012.

The Company is planning a 32,000m drill program at Selenge to be conducted during the 2012 field season (May to November inclusive). This drilling will use a combination of diamond core and reverse circulation (RC) drill rigs and it is intended to drill all four primary targets at the Selenge project to the extent necessary to compile and/or upgrade a JORC Code compliant resource for each prospect as appropriate.

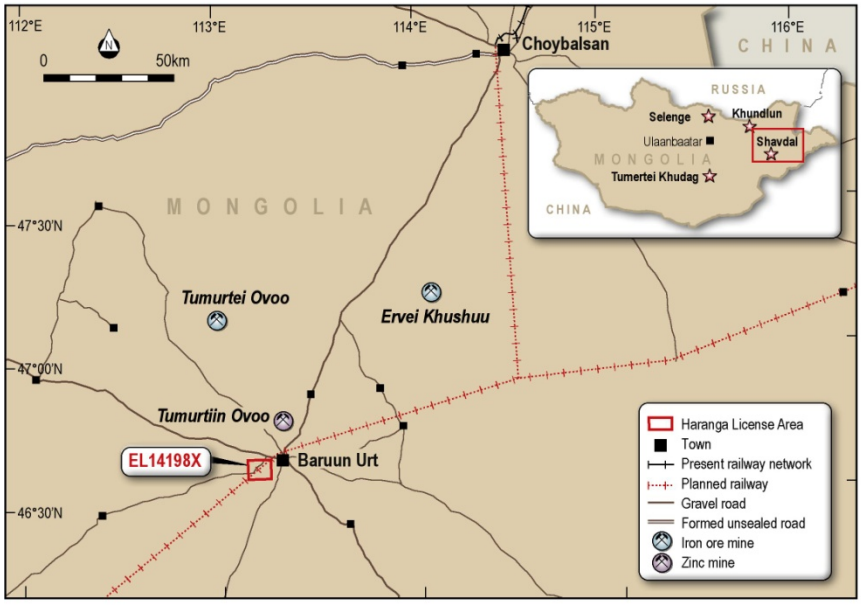
A large metallurgical test work program has been initiated that will test a thorough cross section of the current samples from Bayantsogt and Dund Bulag in order to ascertain the likely beneficiation characteristics of the iron mineralisation discovered thus far. This test program should be completed during the second quarter of 2012 and the results will feed into a developmental pre scoping study for the project that should be completed by mid 2012.

The operations at the nearby Eruu Gol mine give encouragement as to the suitability of the Bayantsogt and Dund Bulag banded magnetite skarn mineralisation to upgrade to a saleable concentrate. The Eruu Gol deposit is a similar banded magnetite skarn formation that upgrades to a 60% Fe concentrate via a coarse crushing/screening process followed by dry magnetic separation. This process involves relatively low capital expenditure and low operating costs.

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

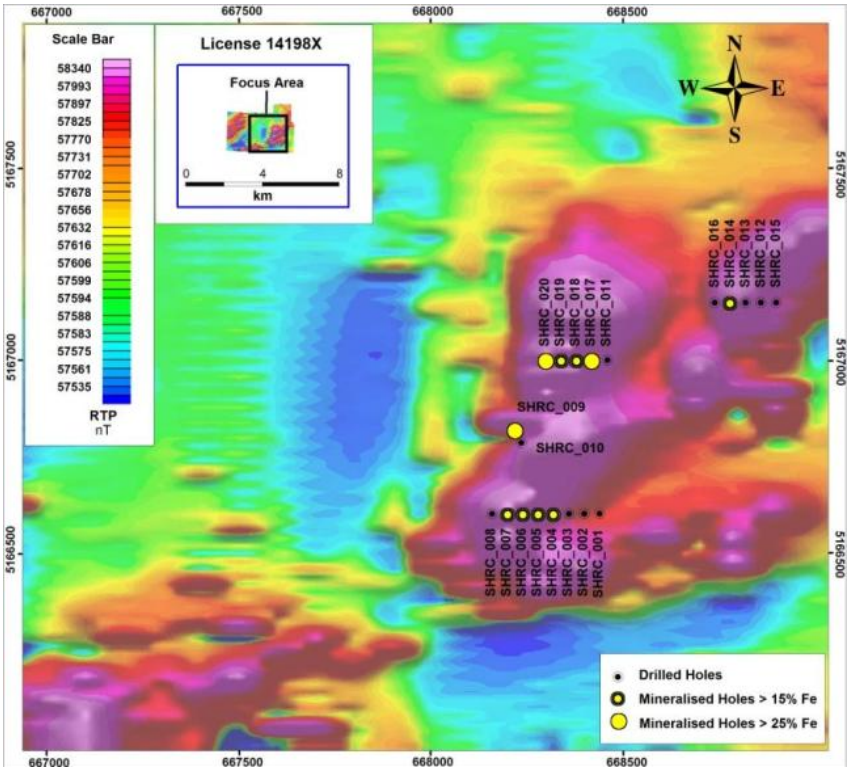
The Shavdal licence is located 10km from the town of Baruun Urt, the capital of Sukhbaatar province in the east of Mongolia. Sukhbaatar already hosts two operating iron ore export mines and Mongolia's planned east-west rail line will pass through Baruun Urt, adjacent to the Shavdal project area.

Figure 6: Shavdal Project Location Map



Twenty holes were drilled to test a magnetic anomaly at Shavdal with ten of the twenty holes intersecting iron mineralisation. A peak result of 6m at 36% Fe from 34m was obtained from hole SHRC-020. This intersection was contained within a wider intersection of 24m at 26% 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 was encouraging because it located a magnetite skarn formation and discovered iron mineralisation of potentially economic grade. It is planned to drill test other areas of magnetic anomalism at Shavdal, and to further drill test the western extent of the main anomaly and other associated magnetic anomalies revealed during 3D magnetic interpretation, in March/April 2012.

3. Other Projects

No further exploration work was conducted at the Khundlun or Tumurtei Khudag Projects during the quarter. It is planned to drill test the large magnetic anomaly and associated iron outcrops at Khundlun during the 2012 field season.

CORPORATE AND GENERATIVE

1. Acquisition of an Additional 20% of the Selenge Project

On 9 November 2011 the Company announced that it had acquired an additional 20% interest in the joint venture company that holds the five exploration licences that make up the Selenge iron ore project. This acquisition increased the Company's effective interest in the Selenge Project to 80%.

2. New Significant Shareholder

On 22 December 2011 it was announced that Golden Rain Holdings Limited had acquired 14.47m shares in Haranga Resources, representing 7.35% of the issued capital of the Company. Golden Rain is a subsidiary of Lippo Capital, part of the Lippo Group of companies.

3. Generative Activity

The Company continues to assess iron ore and 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 Director 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.

Table 1: Significant Mineralised Intersections at Bayantsogt Holes 1 to 20 (Cutoff = 15% Fe)

Hole Number	From (m)	To (m)	Interval (m)	Fe (%)
BTDH-001	32	58	26.0	26.9
and	110	128	18.0	19.6
including	*125*	*127*	*2.0*	*35.0*
and	132	149	17.0	18.5
BTDH-002	2.6	31	28.4	30.4
including	*20*	*24*	*4.0*	*44.5*
and	81	113	32.0	19.4
BTDH-003	24	36	12.0	22.0
and	44	52	8.0	20.8
BTDH-004	31	46	15.0	21.6
and	51	53	2.0	17.6
and	59	71	12.0	17.2
and	114	117	3.0	33.1
BTDH-005	34	63	29.0	24.4
including	*41*	*50*	*9.0*	*35.4*
and	128	133	5.0	18.5
and	147	201	54.0	16.7
and	209	212	3.0	17.6
BTDH-006	28	56	28.0	21.0
and	105	144	39.0	22.7
and	169	172	3.0	24.0
and	204	206	2.0	35.9
BTDH-007	13	29	16.0	26.1
including	*20*	*23*	*3.0*	*40.9*
and	50	67	17.0	27.6
including	*51*	*58*	*7.0*	*36.1*
and	108	112	4.0	32.3
BTDH-008	8.0	17.0	9.0	16.2
and	30.0	39.0	9.0	19.5
and	47.0	75.0	28.0	23.3
including	*68.0*	*70.0*	*2.0*	*41.9*
and	107.0	148.0	41.0	26.1
including	*113.0*	*123.0*	*10.0*	*42.4*
and	167.0	185.0	18.0	16.4
and	257.0	264.0	7.0	18.8
BTDH-009	48.0	60.0	12.0	24.5
including	*57.0*	*60.0*	*3.0*	*38.8*
and	65.0	83.0	18.0	31.4
including	*68.0*	*74.0*	*6.0*	*35.8*
and	90.0	107.0	17.0	27.0
and	214.0	218.0	4.0	22.1
and	303.0	310.0	7.0	25.2
and	314.0	323.0	9.0	21.6
BTDH-010	20.0	49.0	29.0	18.3
and	112.0	126.0	14.0	18.6
BTDH-011	43.0	60.0	17.0	16.3
and	65.0	68.0	3.0	21.0
and	106.0	111.0	5.0	40.0
BTDH-012	5.0	17.0	12.0	26.6
and	21.0	37.0	16.0	16.4
and	82.0	98.0	16.0	20.7
and	113.0	118.0	5.0	21.8

Hole Number	From (m)	To (m)	Interval (m)	Fe (%)
BTDH-013	3.0	11.0	8.0	31.5
including	*6.0*	*8.0*	*2.0*	*36.9*
and	13.0	22.0	9.0	38.6
including	*14.0*	*19.0*	*5.0*	*46.8*
and	24.0	39.0	15.0	20.9
and	68.0	106.0	38.0	24.0
BTDH-014	50.0	52.0	2.0	20.1
and	139.0	141.0	2.0	44.0
and	160.0	166.0	6.0	30.3
BTDH-015	22.0	40.0	18.0	33.9
including	*23.0*	*25.0*	*2.0*	*50.6*
and	155.0	158.0	3.0	17.3
and	162.0	166.0	4.0	15.7
and	214.0	223.0	9.0	18.2
and	232.0	237.0	5.0	15.7
and	246.0	298.0	52.0	31.9
including	*274.0*	*277.0*	*3.0*	*48.2*
and including	*284.0*	*290.0*	*6.0*	*51.3*
and	307.0	337.0	30.0	45.8
and	343.0	345.0	2.0	22.9
and	351.0	356.0	5.0	17.15
BTDH-016	3.0	24.0	21.0	19.1
and	28.0	39.0	11.0	15.7
BTDH-017	19.0	26.0	7.0	27.4
and	37.0	47.0	10.0	24.7
and	62.0	72.0	10.0	18.1
and	82.0	136.0	54.0	28.9
including	*120.0*	*125.0*	*5.0*	*56.5*
BTDH-018	5.0	23.0	18.0	24.1
and	35.0	55.0	20.0	47.2
including	*44.0*	*51.0*	*7.0*	*58.5*
and	76.0	110.0	34.0	31.8
including	*91.0*	*98.0*	*7.0*	*50.2*
and	114.0	131.0	17.0	24.7
and	228.0	233.0	5.0	22.5
and	244.0	268.0	24.0	26.1
and	271.0	306.0	35.0	16.9
BTDH-019	39.0	44.0	5.0	15.5
and	48.0	56.0	8.0	24.3
BTDH-020	26.0	33.0	7.0	23.8
and	37.0	39.0	2.0	45.2
and	123.0	126.0	3.0	16.1
and	153.0	161.0	8.0	23.5
and	165.0	189.0	24.0	36.4
and	203.0	207.0	4.0	28.9
and	225.0	328.0	103.0	43.8
including	*258.0*	*286.0*	*28.0*	*58.0*