Quarterly Activities Report

26 April 2012

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Issued Capital:
211.75 million shares

ASX Symbol: HAR

March 2012 Quarterly Activities Report

- Highlights -

Exploration Activity

- **The final assay results from the 2011 drill program at the Selenge Iron Ore Project in Mongolia were received.**
- **An initial resource of 32.8Mt of iron ore at 24.4% Fe was defined at Bayantsogt, one of the three primary iron ore targets drilled at Selenge in 2011.**

JORC Code (2004) Inferred Resource for Bayantsogt

Cutoff Grade (% Fe)	*Tonnes (million)*	*Average Grade (% Fe)*
15% Cutoff	32.8	24.4% Fe
25% Cutoff	11.4	32.4% Fe

- **This resource is based on the 35 diamond core holes drilled to date at Bayantsogt. The mineralisation remains open in all directions and the recently discovered high grade zone remains to be properly tested.**
- **An Exploration Target* of 120 to 250Mt of iron ore has been estimated for the Dund Bulag target.**
- **High grade iron intersections were discovered underneath surface outcrops at Huiten Gol, the third Selenge target.**
- **Metallurgical test work program is ongoing, with the results to be input to a pre Scoping Study due mid 2012.**

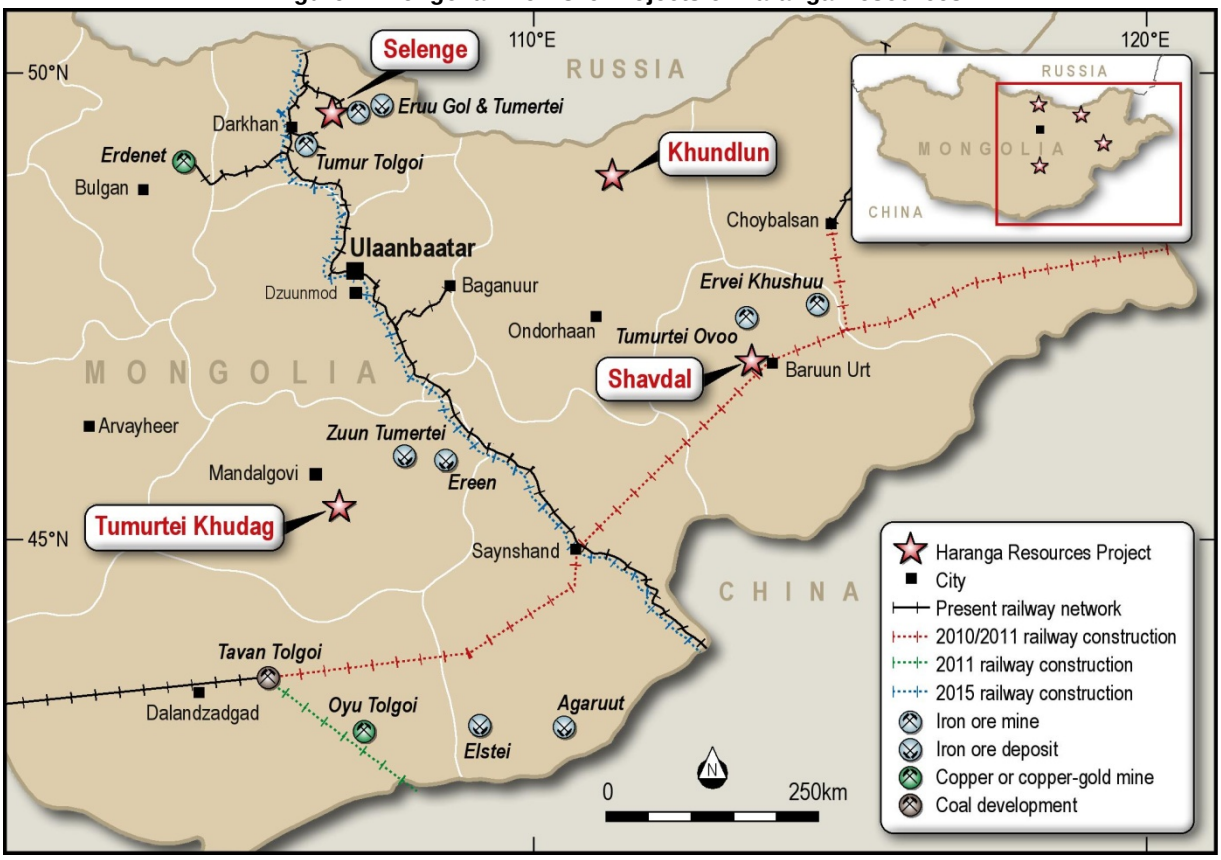
Corporate Activity

- **15m new shares issued to Golden Rain Holdings, part of the Lippo Group, at $0.40 per share to raise $6m and increase Golden Rain's interest in the Company to 13.92%.**
- **Golden Rain have subsequently increased their interest in the Company to 15.05%.**

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 both Mongolia and northern China.

Figure 1: Mongolian Iron Ore Projects of Haranga Resources



The projects are:

1. ***Selenge:*** 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 were drill tested during the 2011 field season resulting in a maiden resource at Bayantsogt and a large Exploration Target* based on the drilling at Dund Bulag. High grade iron mineralisation was also discovered at Huiten Gol.

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 now underway.

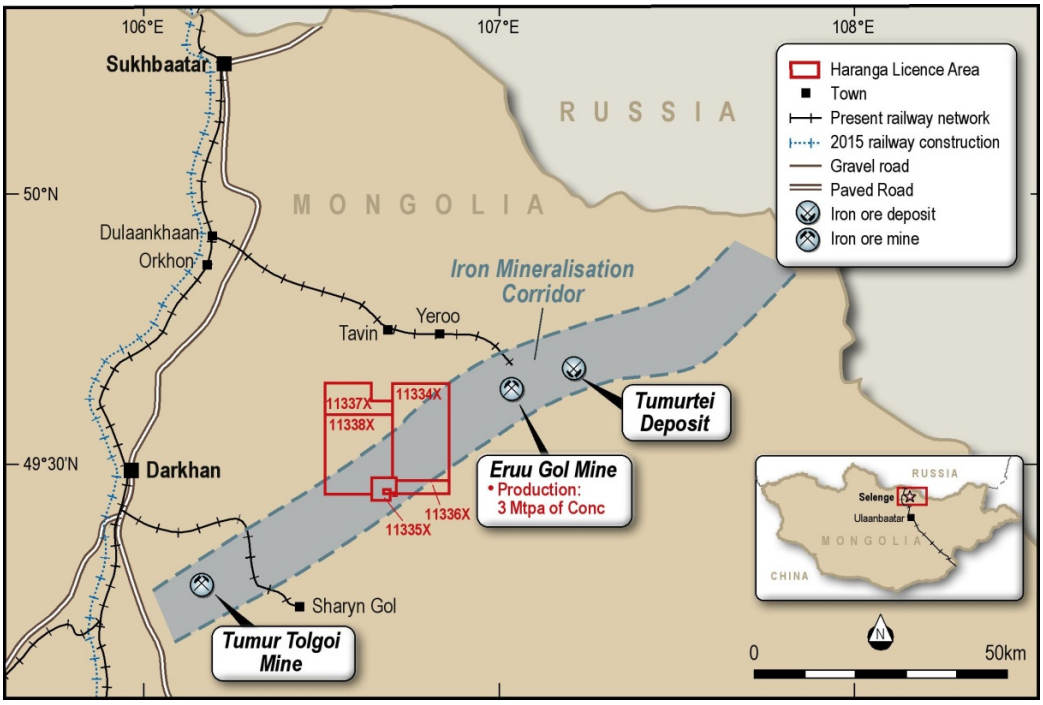
3. ***Tumurtei Khudag:*** Iron ore rights over two large exploration licences covering 577km^2 in the mid Gobi region, 180km from the main line rail terminal at Choyr.

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

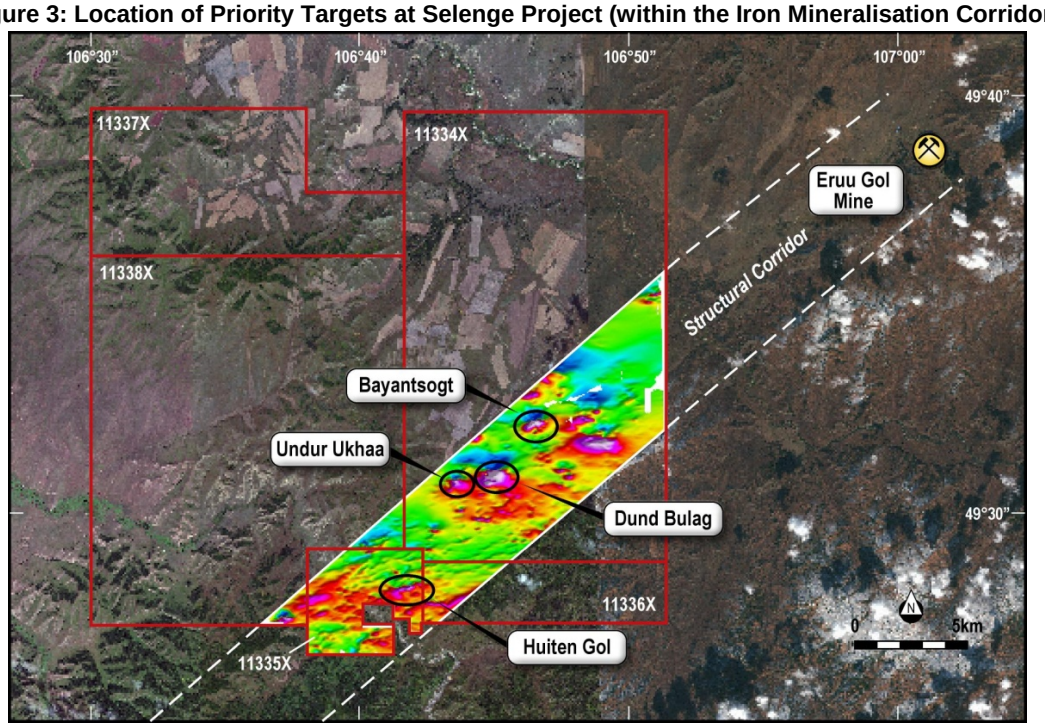
The Company's flagship Selenge iron ore project is located in the heart of Mongolia's premier iron ore development region with excellent access to the main trans-Mongolian rail line and nearby rail spurs.

Figure 2: Location of the Selenge Iron Ore Project



Skarn related iron mineralisation has so far 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 exports approximately 3 million tonnes of magnetite concentrate per annum and rails the product via a newly constructed spur to the main trans-Mongolian rail line. The 2011 drill program was concentrated at the Bayantsogt Deposit, the northernmost of the targets at Selenge, but first pass drilling was also conducted at the Dund Bulag and Huiten Gol Prospects.

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

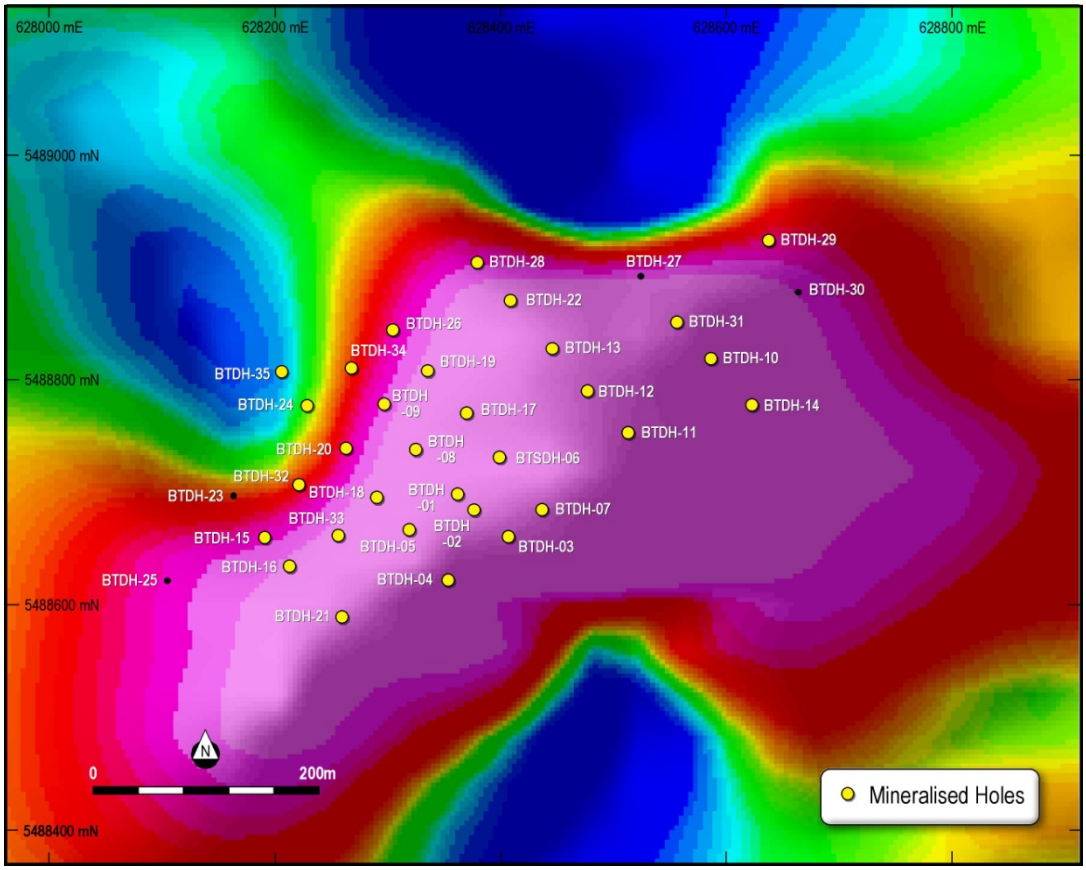


Selenge Target 1 - Bayantsogt:

31 of the 35 diamond core holes drilled at Bayantsogt during the 2011 field season intersected significant widths of iron mineralisation. The final assay results, from holes 21 to 35, were received during the quarter. The full table of significant intersections from holes 21 to 35 was presented in the Company's announcement to the ASX dated 22 February 2012 and included the following selected intersections:

- 18m at 36% Fe from 176m in BTDH-24 *(incl 8m at 48% Fe from 178m)*
- 16m at 36% Fe from 174m in BTDH-28
- 28m at 35% Fe from 155m in BTDH-32
- 97m at 44% Fe from 223m in BTDH-32 *(incl 14m at 58% Fe from 248m; 29m at 54% Fe from 265m)*
- 15m at 33% Fe from 127m in BTDH-33 *(incl 6m at 50% Fe from 128m)*
- 41m at 27% Fe from 181m in BTDH-34 *(incl 3m at 50% Fe from 183m)*

Figure 4: Final 2011 Bayantsogt Drill Plan shown over Magnetic Map



The Company completed an initial mineral resource estimate at the Bayantsogt Deposit based upon the results of these first 35 holes. The resource has been classified as inferred based on the requirements of the 2004 JORC code for reporting mineral resource estimates. The model was independently audited by Mr Peter Ball of DataGeo Geological Consultants who determined the tonnes and grade of the model to be appropriate and supportable based on the underlying data and the interpretation of that data. The results of the resource estimate at 15% Fe, 20% Fe, 25% Fe and 30% Fe cutoffs are presented in Table 1.

Table 1: Bayantsogt Initial JORC Code (2004) Inferred Resource Estimates

Cutoff Grade	*Volume (m^3)*	*Tonnes (t)*	*Fe (%)*
15% Fe Cutoff	8,681,283	32,808,867	24.4
20% Fe Cutoff	5,656,738	21,632,315	27.5
25% Fe Cutoff	2,921,694	11,386,312	32.4
30% Fe Cutoff	1,307,525	5,284,800	38.5

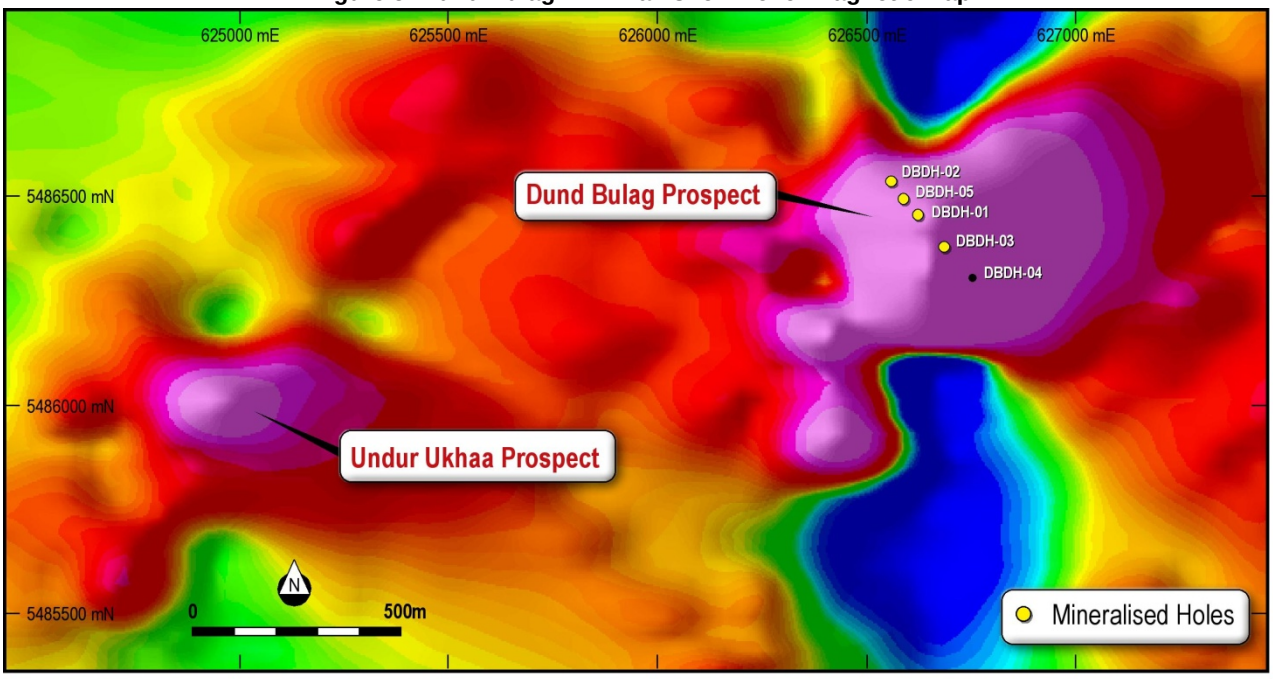
The mineralisation at Bayantsogt remains open in all directions and at depth. The higher grade zone at Bayantsogt that was discovered in the later drill holes has yet to be properly tested and this will be a focus of the 2012 drill program. It is expected that further drilling will both expand the resource and upgrade the resource classification.

Selenge Target 2 - Dund Bulag

Five diamond core drill holes for 1,411 meters were completed in 2011 across one partial cross section at the top of the hill that forms part of the Dund Bulag iron ore prospect. Laboratory assay results received during the quarter confirmed that four of the five holes have intersected significant widths of iron mineralisation. This mineralisation occurs in very wide lodes from surface and is typically between 15% and 30% Fe in grade. The full table of significant intersections at Dund Bulag was presented in the Company's announcement to the ASX dated 29 March 2012 and included the following selected intersections:

- 60m at 20% Fe from 10m in DBDH-1 *(incl 6m at 35% Fe from 63m)*
- 85m at 22% Fe from 121m in DBDH-1
- 20m at 24% Fe from 0m in DBDH-3
- 54m at 22% Fe from 98m in DBDH-5 *(incl 6m at 31% Fe from 145m)*

Figure 5: Dund Bulag Drill Plan shown over Magnetic Map



The mineralisation at Dund Bulag appears to be of a similar nature to the mineralisation observed in the earlier holes drilled at the top of the nearby Bayantsogt iron ore deposit. Dund Bulag is the largest in area of the first four magnetic anomalies that have been prioritised at Selenge and an Exploration Target* of 120 to 250Mt of iron ore has been estimated for this prospect.

The Dund Bulag anomaly covers a large area, only part of which is coincident with the large Dund Bulag hill. The partial cross section completed in 2011 consisted of five holes drilled at the top of the hill and targeted the observable magnetite skarn mineralisation at surface. A focus of the 2012 drill program will be to thoroughly drill out the large Dund Bulag anomaly and ascertain whether Dund Bulag and the nearby Undur Ukhaa prospect are part of the same mineralised skarn system.

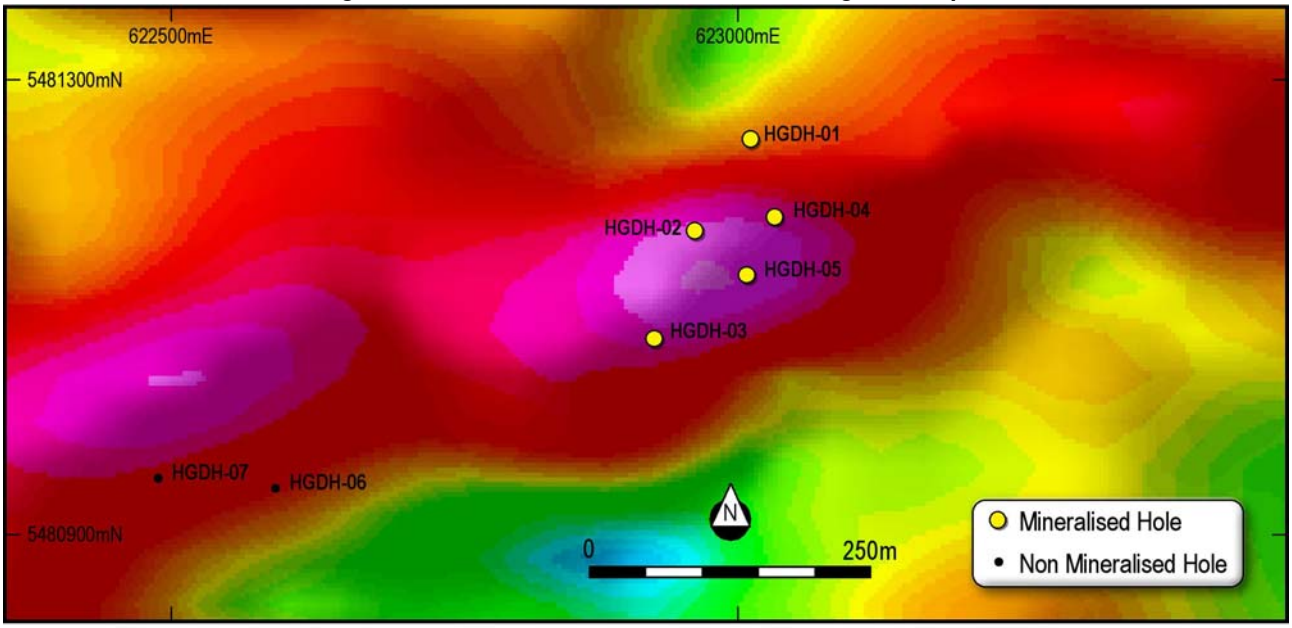
Selenge Target 3 – Huiten Gol

Seven diamond core holes for 1,267 metres were drilled at the Huiten Gol iron ore prospect during the 2011 field season. Laboratory assay results received during the quarter confirmed that five of the seven holes intersected iron mineralisation and two of the holes (HGDH-4 and HGDH-5) provided some high grade iron

intersections. The mineralisation intersected in these two holes occurs in relatively thin lodes (typically 4-8m in apparent width) from surface and is between 25% and 45% Fe in grade. The full table of significant intersections at Dund Bulag was presented in the Company's announcement to the ASX dated 29 March 2012 and included the following selected intersections:

- 6m at 40% Fe from 35m in HGDH-4
- 6m at 41% Fe from 33m in HGDH-5
- 3m at 55% Fe from 146m in HGDH-5

Figure 6: Huiten Gol Drill Plan shown over Magnetic Map



The mineralisation at Huiten Gol appears to be massive magnetite, different in nature to the banded magnetite skarn observed at both Bayantsogt and Dund Bulag. Huiten Gol also looks to be more structurally complex and will require some structural interpretation before further drilling later this year. An exploration target has not yet been estimated for this prospect.

Selenge Project – Future Work

Drill hole planning for the Selenge Project for the 2012 field season is ongoing. The focus will be to expand the drilled resource at Bayantsogt and to thoroughly drill the large Dund Bulag prospect area. Exploration will also continue at Huiten Gol and other prospects on the property such as Undur Ukhaa. Further exploration is planned in 2012 to locate additional magnetite targets on the large exploration tenement holding at Selenge, areas of which remain highly prospective but unexplored. Drilling at Selenge will likely recommence in June 2012. This is later than planned due to slower than expected snow melt in the region, however it is still planned to drill approximately 30,000m meters at Selenge before the end of November 2012.

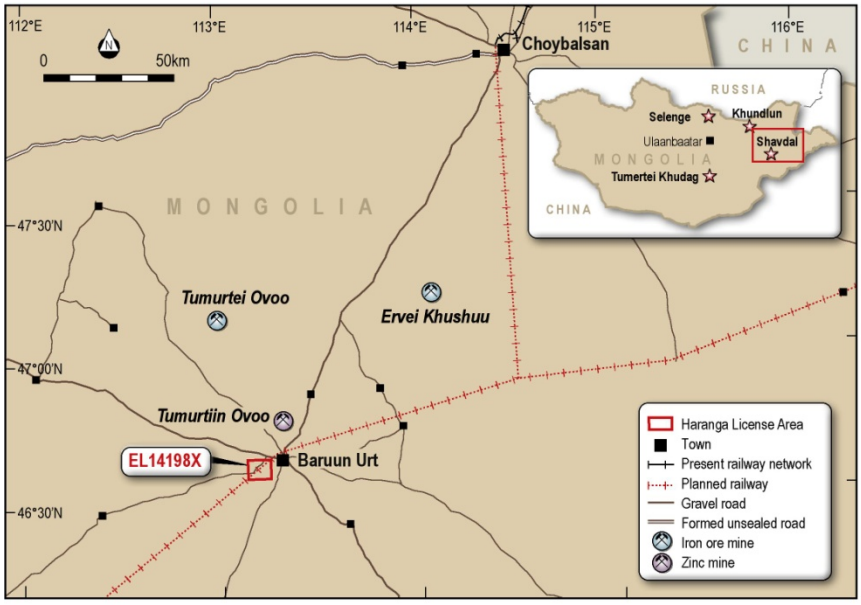
Metallurgical test work is underway on a comprehensive set of 5m composites from all the mineralised zones at Bayantsogt to obtain the beneficiation and other characteristics including mineralogy, grindability, and magnetic separation properties for both crushing and grinding. This test work will also be conducted on the Dund Bulag and Huiten Gol samples. The work will feed into the preliminary scoping study planned for mid 2012. The Company has also commenced the process of applying for a Mongolian Mining Licence.

The initial resource at Bayantsogt is already reporting a higher grade than average Chinese grades. In 2010 over 800Mt of raw iron ore (primarily magnetite) was mined in China at an average grade of approximately 19% Fe and the average grade of Chinese iron ore is expected to decline further in the coming years. Encouragingly, the type of banded magnetite skarn mineralisation found at Bayantsogt and Dund Bulag has proven amenable to low cost beneficiation at nearby Eruu Gol. The Eruu Gol deposit is also hosted within a large magnetite skarn hill and is Mongolia's largest iron ore export mine.

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

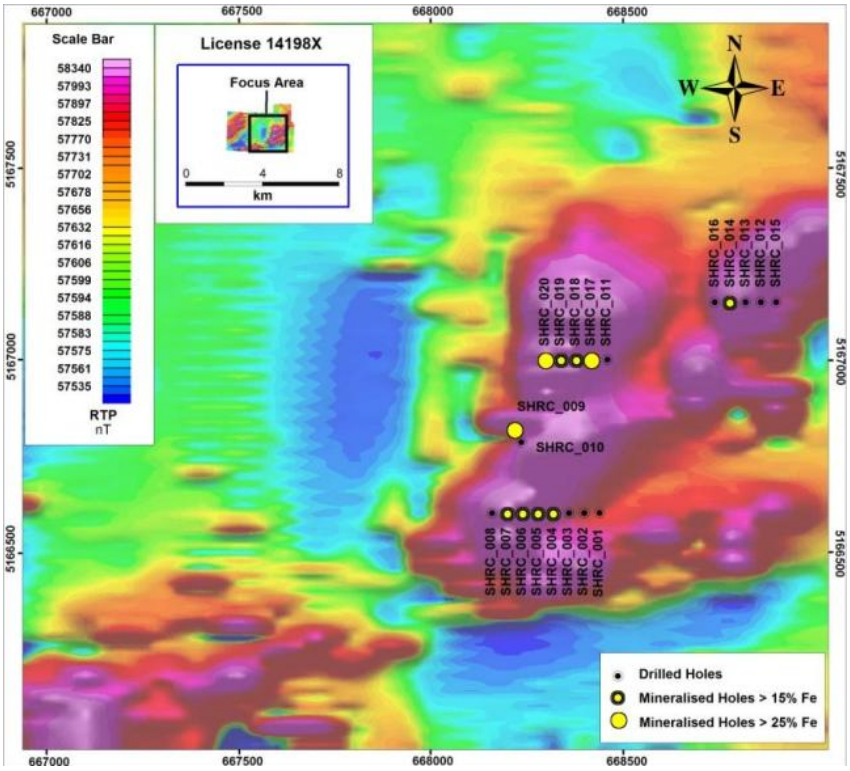
The Shavdal licence is located 10km west of the town of Baruun Urt, the capital of Sukhbaatar province in the east of Mongolia. Sukhbaatar already hosts two operating iron ore export mines and Mongolia's planned east-west rail line will pass through Baruun Urt, adjacent to the Shavdal project area.

Figure 7: Shavdal Project Location Map



In 2011, 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.

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. A follow up 4,000m reverse circulation (RC) drill program has recently commenced at Shavdal to further drill test the western extent of the main anomaly and other associated magnetic anomalies revealed during 3D magnetic interpretation.

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. $6m Placement to the Lippo Group

The Company issued 15 million new shares to Golden Rain Holdings Limited, a subsidiary of the Lippo Group, during the quarter. This placement was made at a price of $0.40 per share, raising an additional $6 million in cash. As a result, Golden Rain Holdings increased its ownership of the company from 7.35% to 13.92% and strengthened its position as the Company's largest shareholder.

Golden Rain Holdings and the Lippo Group agreed to enter into a voluntary lock up period of 12 months for this entire 13.92% shareholding.

The funds raised should enable the Company to complete the drilling required to define the full mineral inventory at its Selenge iron ore asset, to complete the Selenge Project Scoping Study, to complete the process of obtaining a Mining Licence at Selenge and to pursue some potentially significant additional iron ore acquisitions in Mongolia without need for further funding.

2. Change in Substantial Holding of the Company's Largest Shareholder

On 12 April 2012 Golden Rain Holdings Limited announced to the ASX that they had acquired a further 2,396,940 shares in Haranga Resources Limited, thereby increasing their effective interest in the undiluted share capital of the Company from 13.92% to 15.05%.

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

* Exploration Targets are conceptual in nature and should not be construed as indicating the existence of a JORC Code compliant mineral resource. There is insufficient information to establish whether further exploration will result in the determination of a mineral resource within the meaning of the JORC Code.

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.

The technical information contained in this announcement in relation to the JORC Compliant Resource for the Bayantsogt Deposit 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 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 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.