



Quarterly
Activities Report

31 January 2011

**HARANGA
RESOURCES LIMITED**
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Issued Capital:

186.75 million shares

ASX Symbol: HAR

December 2010 Quarterly Activities Report

- Highlights -

Corporate

- Five highly prospective Mongolian iron ore projects acquired during the quarter.
- Initial Public Offering completed, having successfully raised \$25 million.
- Haranga Resources Limited listed on the ASX on 9 December 2010.
- The Company continues to assess further prospective iron ore and manganese opportunities in Mongolia.

Exploration Activity

- High order magnetic anomalies discovered during magnetic surveys targeting areas of outcropping iron mineralisation within the Shavdal, Khundlun and Tumurtei Khudag Projects.
- Extensive high order magnetic anomaly highlighted during the recently completed magnetic survey over the entire Sumber Project licence area, located near the Chinese border in southern Mongolia.
- Magnetic survey commenced over the entire Selenge Project area, located next to the trans Siberian rail line in northern Mongolia.
- Exploration plans submitted for first pass drilling programs planned for the Shavdal and Sumber Projects.

QUARTERLY REPORT FOR PERIOD ENDED 31 DECEMBER 2010

Summary of Corporate Activity

During the quarter Haranga Resources Limited ("**Haranga Resources**"), via its wholly owned Mongolian subsidiary, entered into agreements to acquire majority interests in five separate and highly prospective iron ore projects in Mongolia. Haranga Resources will manage the exploration and development of these projects.

Haranga Resources finalised its Initial Public Offering (IPO) during the quarter and listed on the Australian Stock Exchange (ASX) on Thursday, 9 December 2010. The IPO successfully raised \$25,000,000 at an initial listing price of \$0.20 per share from over 800 institutional and private investors.

The Company continues to assess iron ore and manganese projects for potential future acquisitions.

Summary of Exploration Activity

During the quarter, as per the Haranga Resources Prospectus lodged 9 November 2010, targeted magnetic surveys were conducted over areas of outcropping iron mineralisation at the Shavdal, Khundlun and Tumurtei Khudag Projects. All three surveys revealed high order magnetic anomalies coincident with surface mineralisation and provide highly prospective targets for further exploration.

Post IPO, a magnetic survey was conducted over the entire area of the Sumber Project licence, which is located less than 50km from the Chinese border crossing at Hangi Mandal in the southern Gobi region of Mongolia. The survey revealed that all three distinct iron outcrop zones previously located at Sumber are associated with one large, intense and previously undiscovered magnetic anomaly with a strike length of approximately 4km.

A large 5,700 line kilometre magnetic survey has commenced over the entire Selenge Project. Selenge is Haranga Resources' largest project consisting of five contiguous exploration licences covering almost 600km² in the heart of the Selenge region, Mongolia's premier iron ore province. This survey will assist with prioritisation of iron ore targets for drilling during the 2011 field season.

Exploration and environmental plans have been submitted to the Mineral Resources Authority of Mongolia (MRAM) and to the responsible local government officials in advance of first pass drill programs planned for the Shavdal and Sumber projects in early 2011.

Activities Report and Review of Projects

Haranga Resources' five iron ore projects are located in Mongolia, as shown in Figure 1. The targets in each case are 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



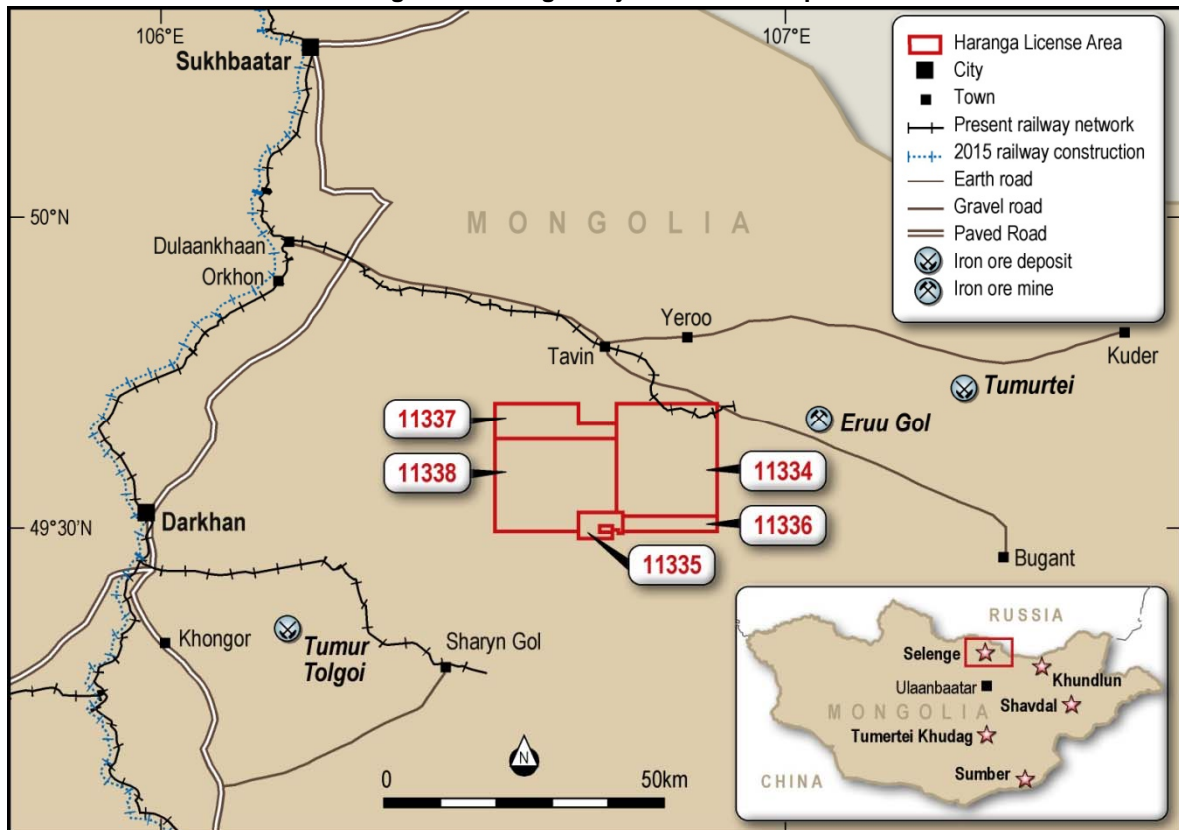
The projects are:

1. **Selenge:** Five contiguous licences covering almost 600km² within the premier iron ore province of Mongolia. Project area is close to the Eruu Gol mine and the large state owned 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.
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:** Sumer is 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 Selenge Project consists of five contiguous licences covering almost 600km² located approximately 230km north of the capital Ulaanbaatar, in the middle of the Selenge province iron ore belt that also contains the Eruu Gol iron ore mine and the magnetite deposits at Tumortei and Tumor Tolgoi. In 2009, the China Investment Corporation (CIC) invested US\$500m to secure a minority stake in Eruu Gol. Eruu Gol currently exports around 1Mtpa of iron ore concentrate, with stated plans to increase production to over 6Mtpa upon completion of the new rail spur. This rail spur passes next to Haranga Resources' Selenge project area. In addition, the project area is only 40km from the rail terminal at Sharyn Gol.

Figure 2: Selenge Project Location Map



Previous exploration companies completed partial magnetic surveys at Selenge yielding numerous magnetic anomalies, but the majority of the project area has yet to be surveyed (please see Figure 3)

Drilling and trenching work was conducted by previous explorers in 2008 at the Bayantsogt iron ore prospect, an area of outcropping iron mineralisation located near a subsurface magnetic anomaly in the southern part of the project area. During the quarter (as detailed in the Haranga Resources Prospectus) the Company resampled and the assays returned average grades that were similar to the historic results. Both the historic and more recent results are summarised in Figure 4. The historic drill intersections included:

- 28m at 30% Fe from 50m depth; and
- 25m at 32% Fe from 90m depth.

Selenge's numerous other (larger) magnetic anomalies remain mostly unexplored. A 5,700 line km magnetic survey has commenced over the entire Selenge area. The results of this magnetic survey will assist in the prioritisation of drill targets in advance of the planned drill program at Selenge during the 2011 field season.

Figure 3: Composite Magnetic Survey (TMI) Results from Selenge Project Area

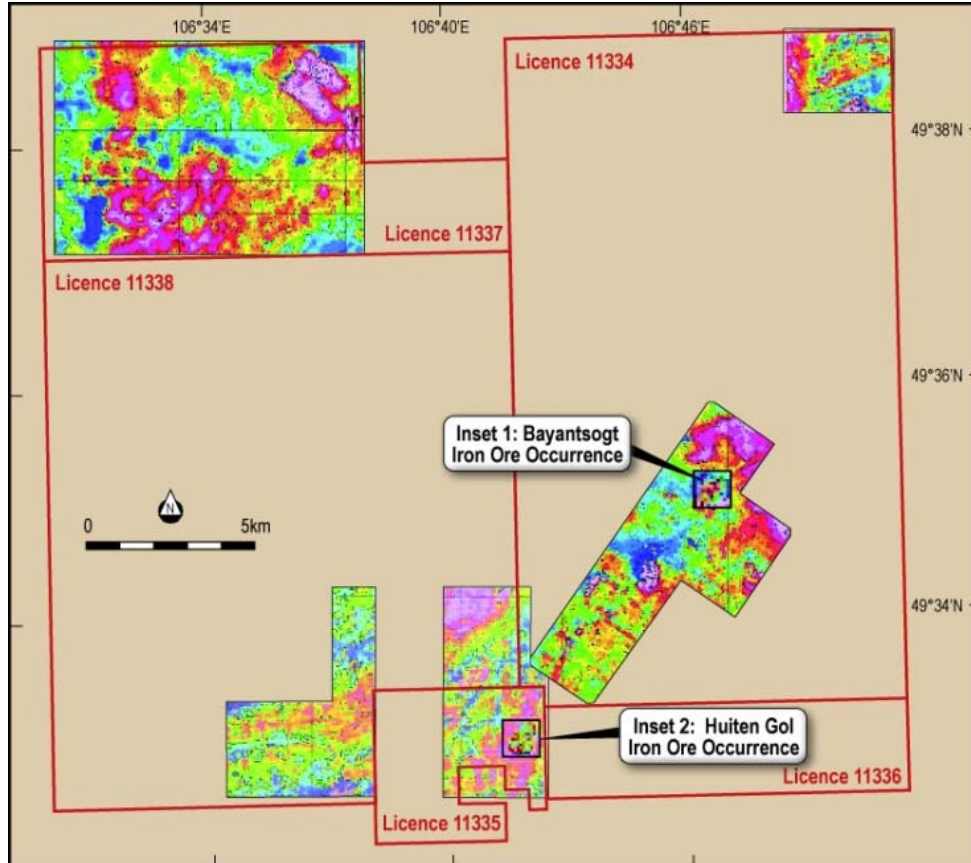
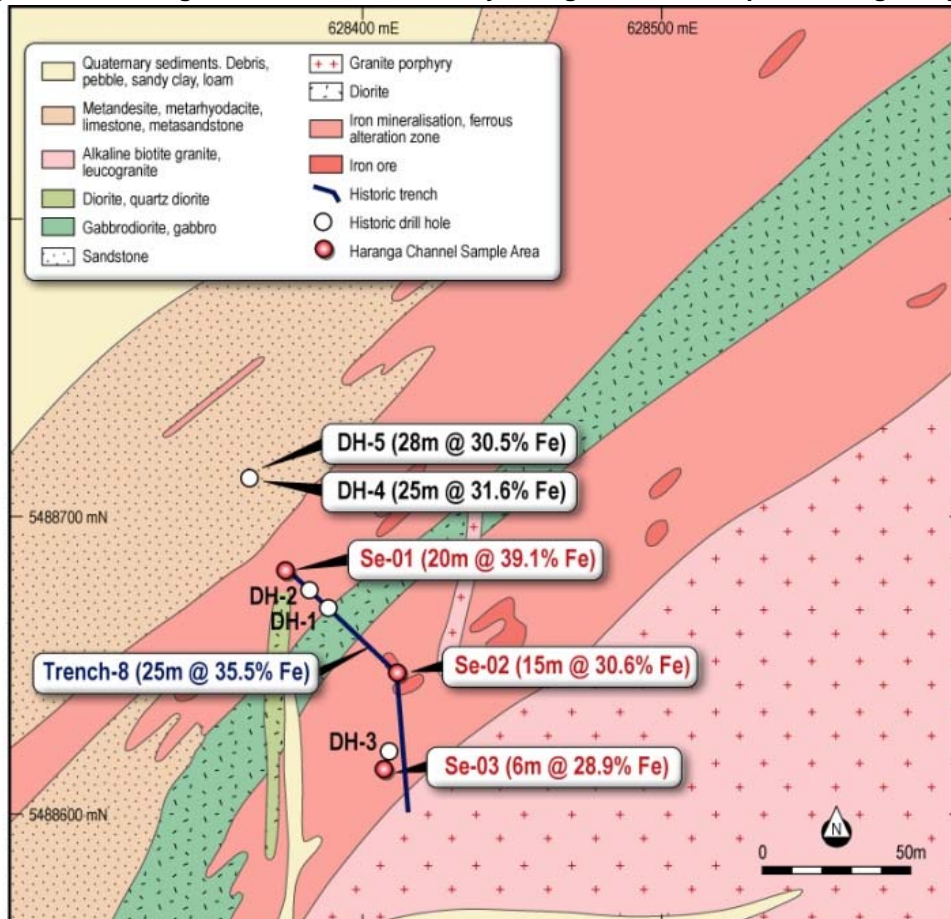


Figure 4: Trenching and Drill Results from Bayantsogt Iron Ore Prospect, Selenge Project



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

The Shavdal Project consists of one exploration licence covering 66km² located 10km from the town of Baruun Urt the administrative centre of Sukhbaatar province in the southeast of Mongolia. Sukhbaatar is already home to two operating iron ore mines. Mongolia's planned new east-west rail line will pass through Baruun Urt, adjacent to the Shavdal project area. The nearby Ervei Khushuu mine currently exports approximately 0.5Mtpa of iron ore concentrate eastwards by truck and rail to a steel mill in the Chinese province of Inner Mongolia.

Figure 5: Shavdal Project Location Map

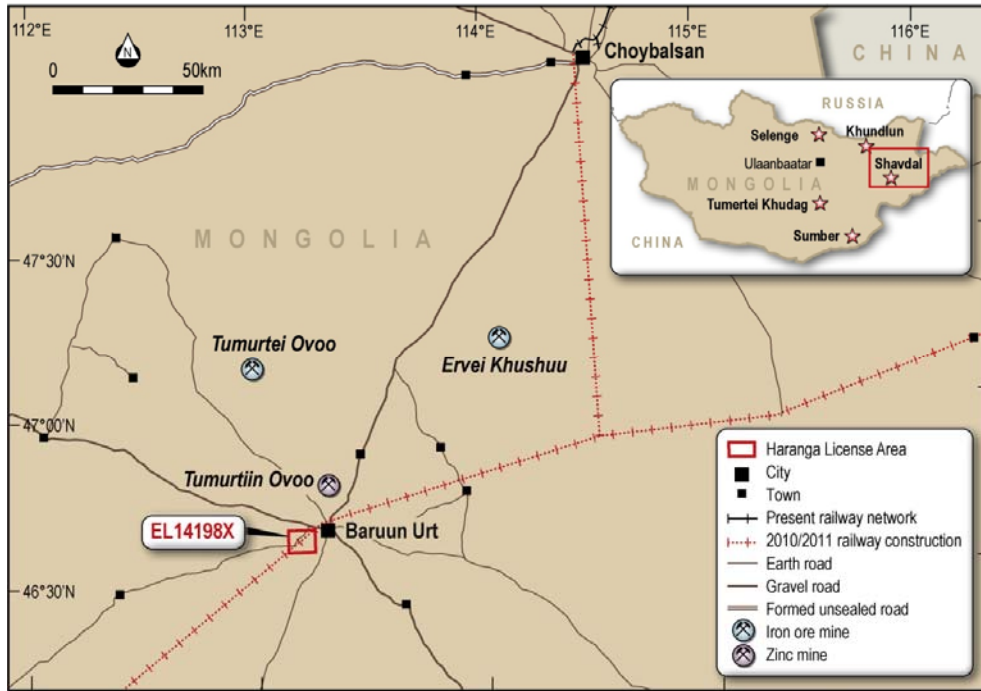
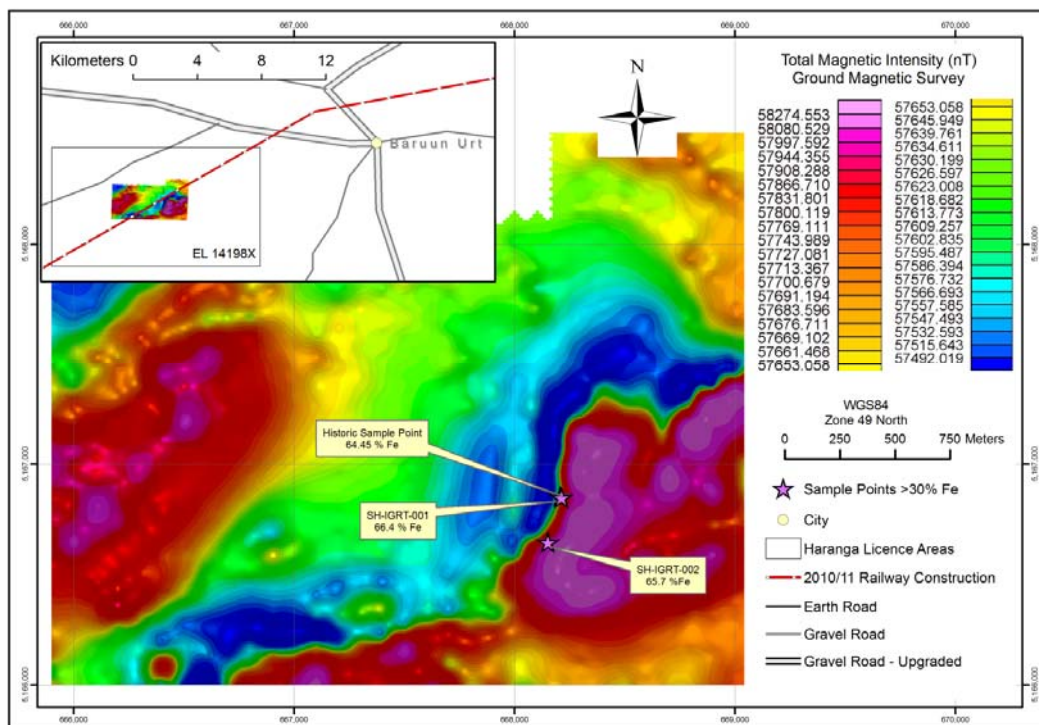


Figure 6: Magnetic Survey Result (TMI) and Rock Chip Sample Assay Results from the Shavdal Project



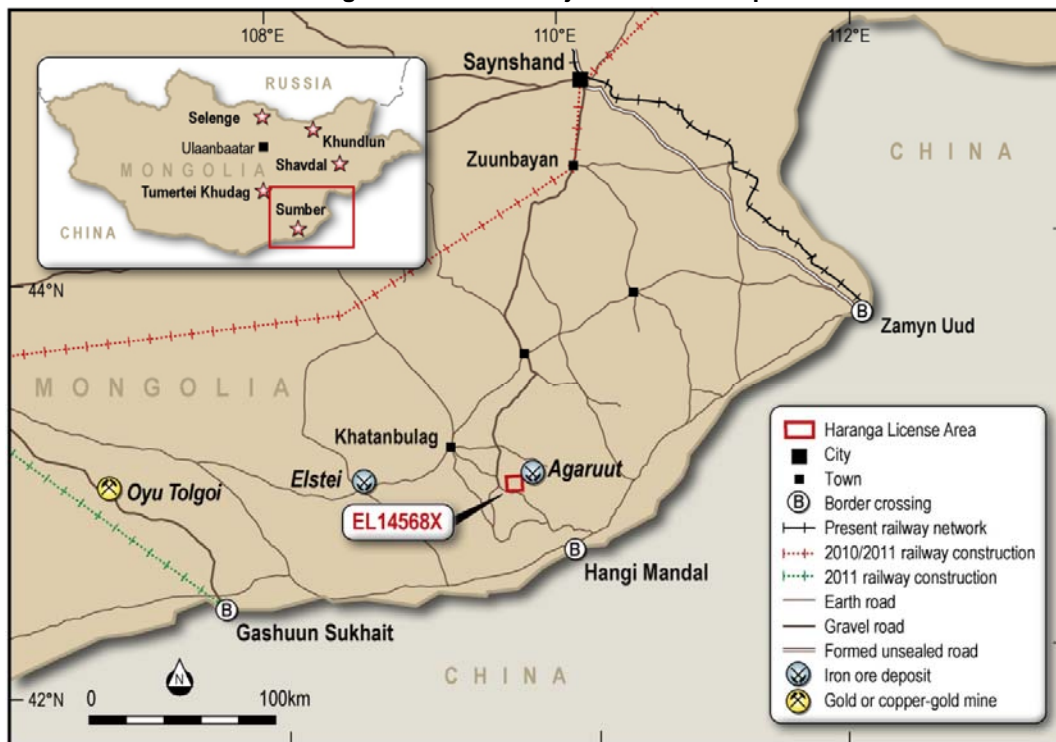
The results of a partial magnetic survey at Shavdal were received during the quarter, revealing a high order magnetic anomaly with associated surface outcrops (Figure 6). Three rock chip samples taken from these outcrops each assayed over 94% magnetite (64% Fe), see Figure 6 for locations and assay results.

The Company believes the magnetic anomaly discovered at Shavdal to be a highly prospective target based on the initial outcrop chip sample grades, its excellent location close to infrastructure and the presence of iron ore export operations in the nearby region. Exploration plans for a first pass reverse circulation (RC) drill program have been submitted and it is planned to commence drilling in February 2011.

3. Sumber Project (Haranga Resources 75%)
Manager: Haranga Resources Limited

The Sumber Project consists of one mineral exploration licence located in Dornogobi province in southeastern Mongolia, less than 50km from the Chinese border crossing at Hangi Mandal. The licence is 65km² in area and lies adjacent to the Agarut iron ore export mine. Agarut is currently transporting iron ore to buyers in nearby China by truck.

Figure 7: Sumber Project Location Map



Haranga Resources discovered three large and distinct magnetite outcrops in the northern part of the tenement spread over a distance of 2km (Figure 8). During the quarter, Haranga Resources completed a magnetic survey over the entire Sumber licence. The survey revealed that the three distinct iron outcrop zones previously located at Sumber are coincidental with an intense and previously undiscovered magnetic anomaly with a strike length of approximately 4km and between 0.5km to 1.0km in interpreted width, as shown in the Total Magnetic Intensity (TMI) map in Figure 9. Additional magnetic anomalism is found further to the west, providing a secondary target area.

Sumber is considered highly prospective due to a) the significant size of the magnetic anomalies and related iron outcrops at surface; b) the excellent location of this project in terms of ease of access to the Chinese market; and c) the existence of an operating export mine directly adjacent to the project area. The Company intends to drill the iron ore targets at Sumber early in 2011 as part of a scout RC drilling program.

Figure 8: Simplified Geological Map of the Sumber Tenement

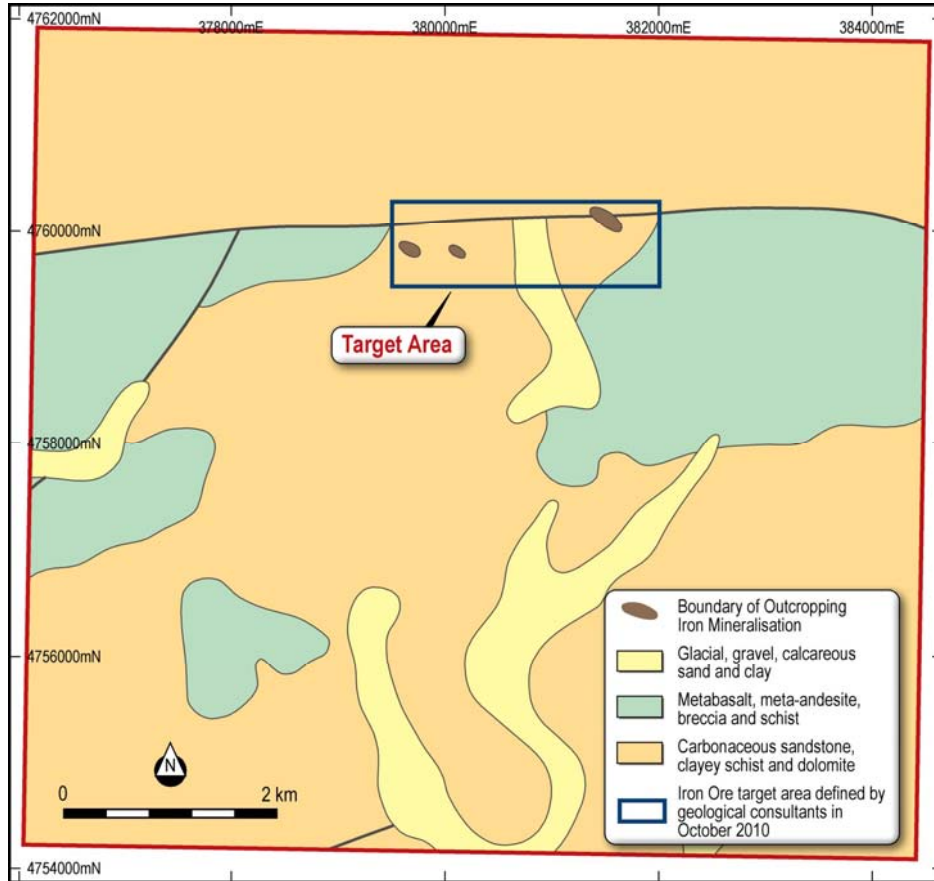
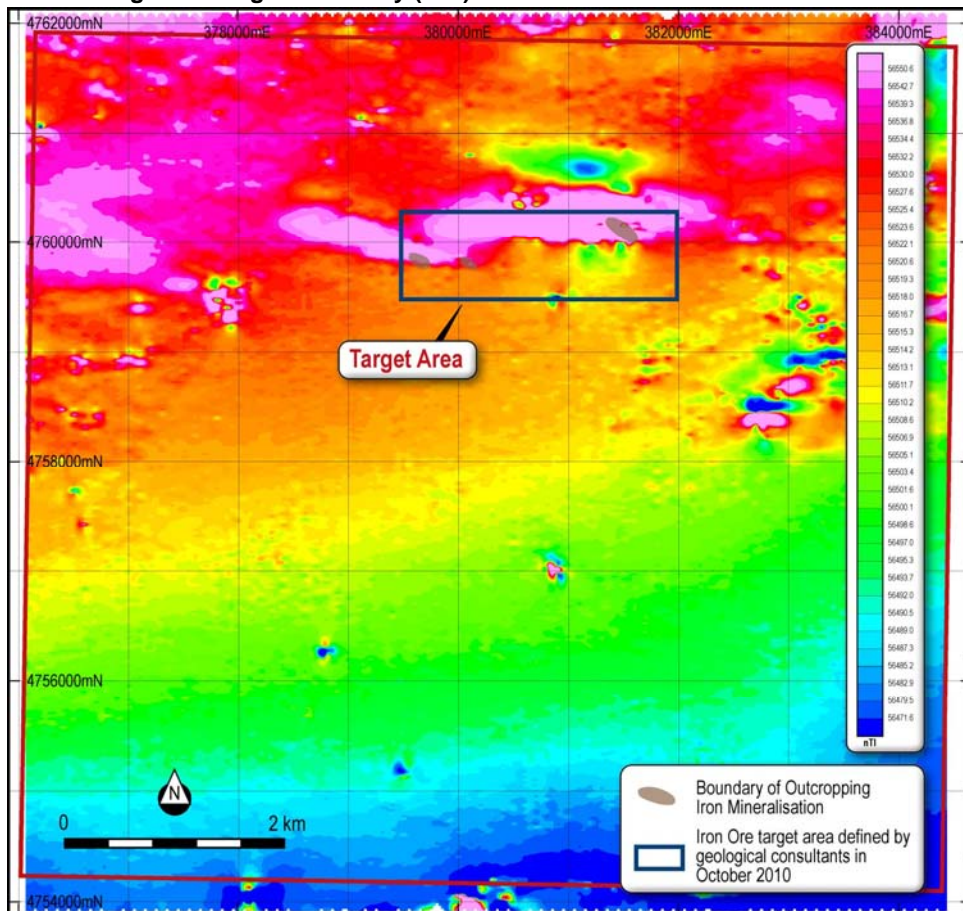


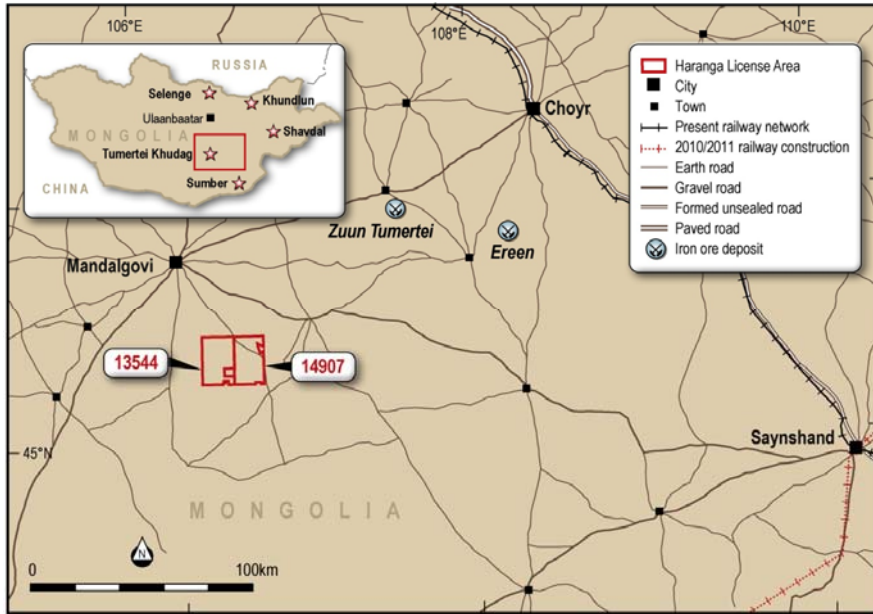
Figure 9: Magnetic Survey (TMI) Result over the Sumber Tenement



4. Tumurtei Khudag Project (Haranga Resources 51%)
 Manager: Haranga Resources Limited

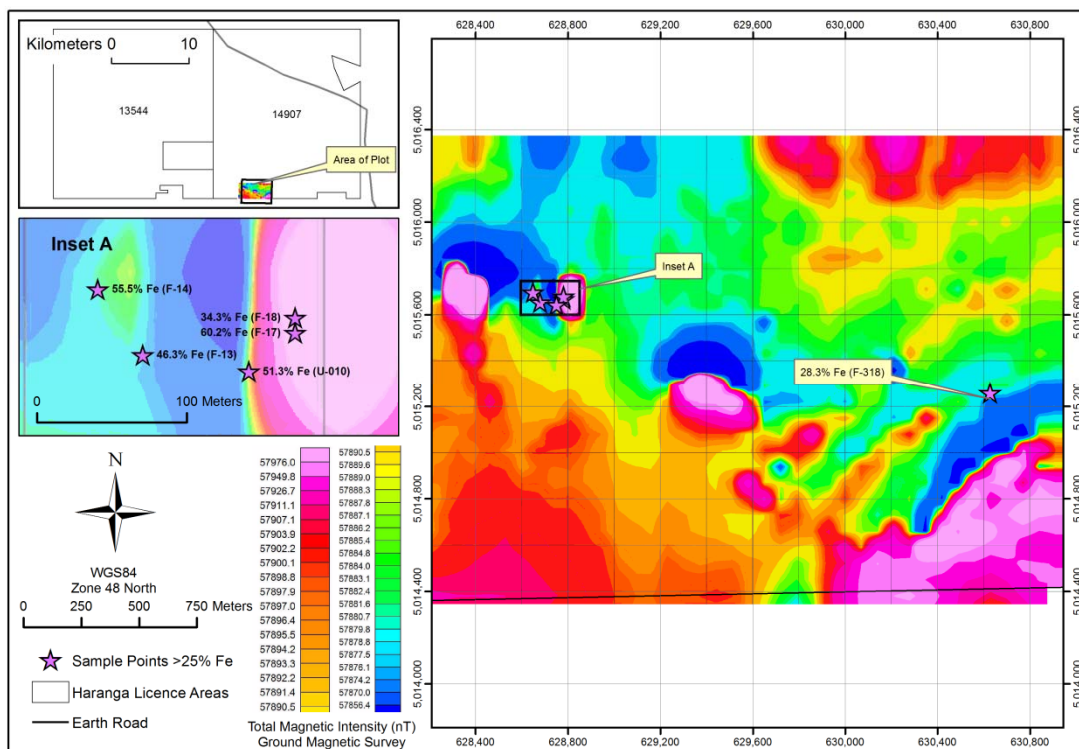
The Tumurtei Khudag Project consists of the iron ore rights over two large exploration licences in Dundgobi province covering 577km² in the mid Gobi region of southern Mongolia. The project location has access to infrastructure from the nearby town of Mandalgovi and lies 180km from the main line rail terminal at Choyr.

Figure 10: Tumurtei Khudag Project Location Map



A number of magnetite outcrops were discovered in the southern part of tenement 14907X, with rock chip results assaying up to 86% magnetite (60% Fe). A targeted magnetic survey over this small part of the project area revealed that the outcrops are coincident with some smaller magnetic anomalies and also revealed some much larger potential targets to the southeast (see Figure 11).

Figure 11: Magnetic Survey (TMI) and Rock Chip Sample Assay Results from the Tumurtei Khudag Project



The Company now intends to conduct further geological and magnetic surveys over the very large Tumurtei Khudag project area in order to better delineate some priority drill targets for later in the 2011 field season.

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

The Khundlun Project consists of one exploration licence covering 26km² in Hentii province in northeastern Mongolia. Previous geological surveys had discovered a significant magnetite outcrop with associated rock chip samples assaying up to 66% magnetite (51.5% Fe) as shown in Figure 13.

Figure 12: Khundlun Project Location Map

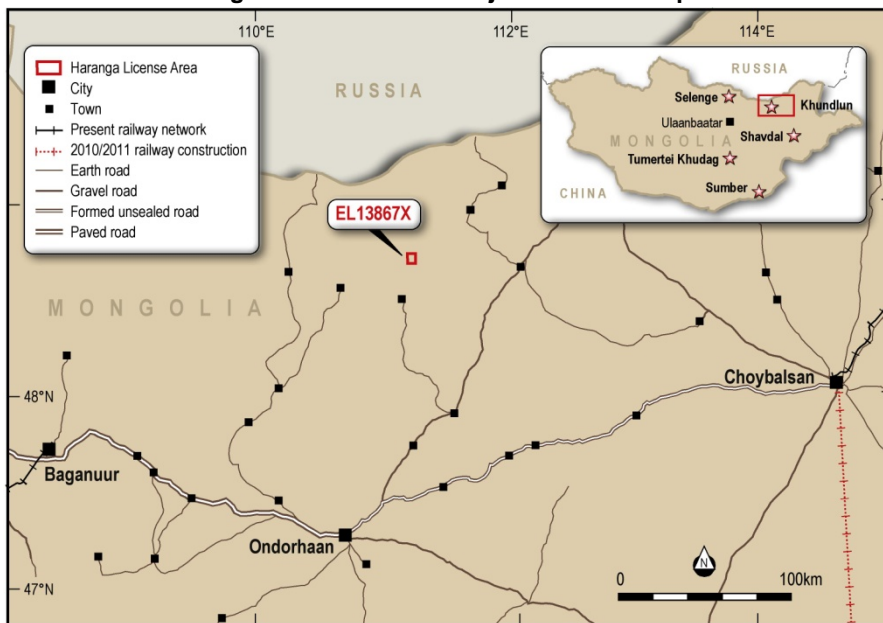
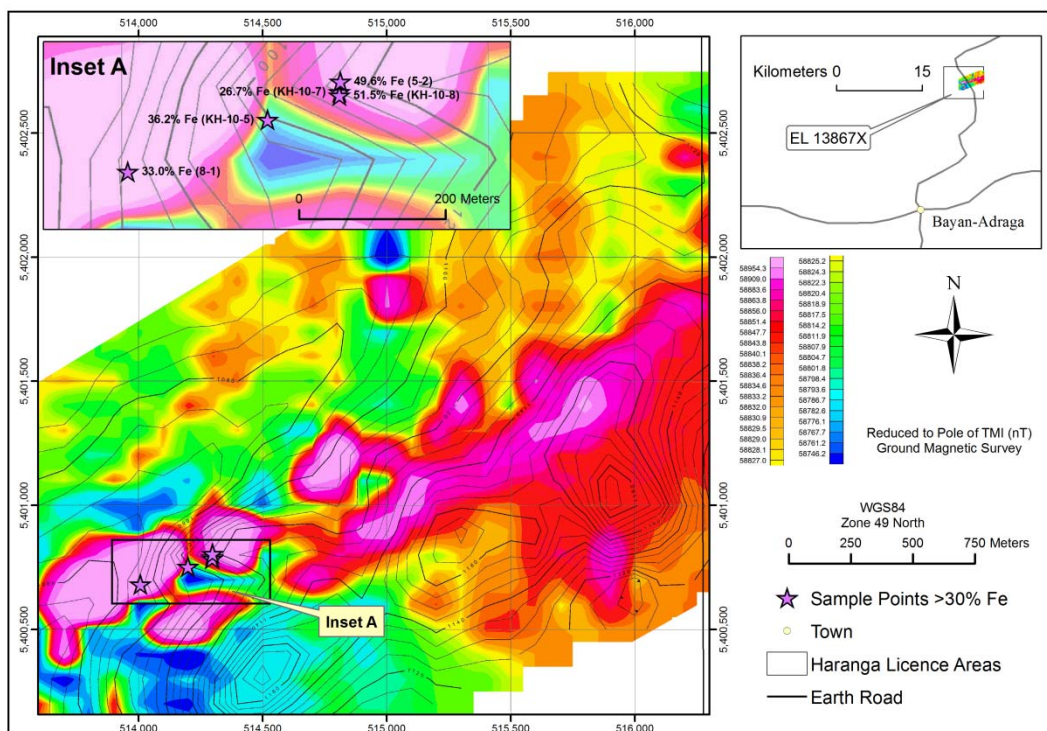


Figure 13: Magnetic Survey (TMI) and Rock Chip Sample Assay Results from the Khundlun Project



A targeted magnetic survey conducted over the area of outcropping mineralisation revealed an associated magnetic anomaly with a cumulative strike length of over 4km (Figure 13). This survey confirmed that Khundlun contains a highly prospective iron ore target and the Company intends to conduct a first pass drill program to test this anomaly later in 2011.

CORPORATE AND GENERATIVE

1. Project Acquisitions

During the quarter the Company, via its wholly owned Mongolian subsidiary, entered into agreements to acquire majority interests in the five Mongolian iron ore projects reviewed above. Haranga Resources will continue to manage the exploration and development of these projects. The Company continues to assess iron ore and manganese projects for potential future acquisitions that will upgrade the overall project portfolio.

2. IPO and ASX Listing

Haranga Resources finalised its Initial Public Offering (IPO) during the quarter and listed on the Australian Stock Exchange (ASX) on Thursday, 9 December 2010. The IPO successfully raised \$25,000,000 at an initial listing price of \$0.20 per share from over 800 institutional and private investors. The Company believes it holds enough cash to conduct its planned exploration programs and pursue any potentially attractive acquisitions as they present themselves.

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 Kell Nielsen, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Nielsen 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 Nielsen is an Executive 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.