

19 December 2014

Dear Shareholder

HARANGA RESOURCES LIMITED – PRO-RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on 8 December 2014 Haranga Resources Limited (ACN 141 128 841) (**Company** or **Haranga**) is undertaking a 1 for 3.26 pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 80,245,399 fully paid ordinary shares (**New Share**) to raise approximately \$1,444,417. The price of New Shares under the Offer is \$0.018 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 17 December 2014.

The Offer is fully underwritten by Golden Rain Holdings Limited (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 5% of the total amount raised pursuant to the Offer. The Company must also reimburse the Underwriter for costs incidental to the Offer up to a maximum of \$25,000.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	(\$)	%
1.	Hydro-geology costs relating to the Selenge Project	170,000	11.77
2.	Mining licence fees	185,000	12.81
3.	Other development costs of the Selenge Project	180,000	12.46
4.	Management and consultant costs	250,000	17.31
5.	Administrative and office costs	250,000	17.31
6.	Expenses of the Offer ¹	97,496	6.75
7.	Working capital ²	311,921	31.63
	Total	1,444,417	100%

Notes:

1. This figure is exclusive of GST.
2. Any reimbursement of the Underwriter's costs in connection with the Offer (together with any GST payable to the Underwriter or any other parties in connection with the Offer) will be paid out of the working capital proceeds.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5.00pm (WST) on 24 December 2014, whose registered address is in Australia, New Zealand, Mongolia or Hong Kong.

Following completion of the Offer, the Company will have issued approximately 80,245,399 New Shares resulting in total Shares on issue of approximately 341,845,401.

Ineligible shareholders

A Shareholder who has a registered address outside Australia, New Zealand, Mongolia or Hong Kong (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

The distribution of the Prospectus in jurisdictions outside Australia, Mongolia, New Zealand and Hong Kong may be restricted by law and persons who come into possession of the Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the New Shares or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia, Mongolia, New Zealand and Hong Kong.

Pursuant to Section 615 of the *Corporations Act 2001* (Cth), the Company will appoint a nominee approved by ASIC (**Nominee**) to sell the Shares to which Ineligible Shareholders who accept the Offer are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Shares will be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Shares will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Shares will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Shares (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee must sell Shares, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the Nominee will not be required to sell Ineligible Shareholders' Shares at a particular price.

If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Jack James, Haranga's Company Secretary, on +61 8 9200 4415.

Yours sincerely

Mr Marshall Cooper
Chairman