



ABN 83 141 128 841

Half-year Financial Report

30 June 2021

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## **CORPORATE DIRECTORY**

### **Directors**

Mr. Peter Youd (Executive Chairman)  
Mr. John Davis (Non-Executive Director)  
Mr. Hendrik Schloemann (Non-Executive Director)

### **Company Secretary**

Ms. Nerida Schmidt

### **Registered Office**

Unit 1  
72 Kings Park Road  
West Perth WA 6005  
Telephone: 1300 141 491  
Website: [www.haranga.com](http://www.haranga.com)

### **Share Registry**

Automatic Registry Services Pty Ltd  
Level 2  
267 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 288 664  
Facsimile: + 61 8 9321 2337

### **Solicitors**

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000  
Telephone: + 61 8 9321 4000  
Facsimile: + 61 8 9321 4333

### **Auditors**

BDO Audit (WA) Pty Ltd  
38 Station Street  
SUBIACO, WA 6008

### **Stock Exchange**

Australian Securities Exchange  
(Home Exchange: Perth, Western Australia)  
ASX Code: HAR

**DIRECTORS' REPORT**

The Directors of Haranga Resources Limited ('the Company' or 'Haranga') submit the financial report of the consolidated entity consisting of Haranga Resources Limited and the entities it controlled at the end of, or during the half-year ended 30 June 2021. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report as follows:

**Directors**

The names of Directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr. Peter Youd	Executive Chairman
Mr John Davis	Non-Executive Director (appointed 5 July 2021)
Mr Hendrik Schloemann	Non-Executive Director (appointed 5 July 2021)
Mr. Teow Chng	Non-Executive Director (resigned 5 July 2021)
Ms. Nerida Schmidt	Non-Executive Director (resigned 5 July 2021)

**Results**

The profit after tax for the half-year ended 30 June 2021 was \$140,560 (2020: loss of \$174,948).

**Review of Operations**

On 3 February 2020, the ASX removed the Company from the ASX official list after applying Guidance Note 33 (GN33). Since that date, the Company has continued to operate with the intention to re-apply for admission to the official list under Chapters 1 & 2 of the Listing Rules.

In early April 2021, the Company submitted an Application for In-Principle Advice (IPA) to the Australian Securities Exchange (ASX) for their consideration. The IPA included details on the Company acquiring 100% of the issued capital of Loropeni Resources SARL ("LRS") and 70% of the issued capital of Mandinga Resources SARL ("MRS"). The Company would raise between \$6 million and \$6.5 million, seek re-admission to the ASX and commence exploration on the LRS and MRS exploration projects in West Africa. The Company received several emails from the ASX requesting further information, and in mid-May 2021 received advice from the ASX they had no further queries, at which point the Company proceeded to prepare a prospectus document.

On 18 February 2021, the Board of Directors and company secretary agreed to cease invoicing the Company for services until the Company was re-listed. Further, on 28 May 2021, the Board of Directors, the company secretary, and the corporate advisor to the Company agreed to forgive all debts owing to the Company at that date. The Company has recognised a total of \$286,710 as other income during the half year ended 30 June 21 and it relates to fees forgiven by directors, related parties and external third parties.

On 21 May 2021, the Company signed a mandate with CPS Capital Group Pty Ltd to co-ordinate and manage Haranga's proposed IPO capital raising, by placing a minimum 30,000,000 shares to a maximum of 32,500,000 shares at \$0.20 per share to raise between \$6,000,000 and \$6,500,000. Each share will have a free attaching option exercisable at 30c, three years from listing ("Placement").

On 3 June 2021, the Company entered into a Converting Loan Agreement with First Growth Limited (**Loan**) who agreed to loan \$500,000. There is no interest payable on the Loan. If the Company is admitted to the official list of the ASX prior to 3 June 2022 or a date agreed to by both parties (**Conversion Event**), the Loan will automatically convert to fully paid ordinary shares and options to acquire shares in the Company. The Company will issue First Growth (or its nominee/s) fully paid ordinary shares in the Company (**Shares**) equal to the Loan divided by the IPO price with one free attaching option (exercisable at \$0.30 and expiring on the third (3) anniversary of its date of the Company's Admission) for every two (2) Shares issued (**Conversion**). The Company will need to repay the Loan if the Conversion Event does not occur before the [8 June 2022] (**Repayment**). The Loan is non-recourse against the Company unless an insolvency event occurs in relation to the Company prior to the Conversion Event and 8 June 2022

Prior to the settlement of the LRS and MRS Acquisition, Haranga agreed to loan \$250,000 to LRS and \$50,000 to MRS to fund pre settlement activities and expenses such as in-country exploration and general working capital purposes ("Acquisition Loans"). These loans are interest free and will convert to equity in the Company on settlement.

The Company intends to re-apply for admission to the official list under Chapters 1 & 2 of the Listing Rules.

**Events Occurring After the Reporting Period**

On 5 July 2021 Mr John Davis and Mr Hendrik Schloemann were appointed as Non-Executive Directors and Mr Kim Teow Chng and Ms Nerida Schmidt resigned as directors. On 1 August 2021, Mr Peter Youd became the Executive Chairman.

On 30 July 2021, following shareholder approval, the Company completed a consolidation of capital on a 1 for 5 basis with fractional entitlements rounding up to the nearest whole number. Also on this date, a new constitution was adopted and a new class of securities, performance shares, were created.

On 20<sup>th</sup> August 2021, the company has issued 5,000,000 options (1,000,000 options to each of the Non executive directors and Executive chairman totalling to 5,000,000). These options vest immediately, have an exercise price of \$0.30 and a expiry period of 3 years from the date the company is admitted to ASX.

In September 2021, the company negotiated the following binding agreement:

- a share sale agreement with Loropeni Resources SARL (Loropeni) and its shareholders to acquire 100% of the issued share capital of Loropeni (Loropeni Acquisition). Loropeni is the legal and beneficial owner of, or has earn-in and joint venture rights in, the exploration permits comprising the Loropeni Projects.

The company is currently in the process of negotiating the following binding agreement:

- a share sale and joint venture agreement with Mandinga Resources SARL (Mandinga) and its shareholders to acquire 70% of the issued share capital of Mandinga (Mandinga Acquisition) and set out the terms upon which Haranga and the shareholders of Mandinga will form a joint venture for the purpose of exploration and development on the exploration permits comprising the Mandinga Projects.

Each of these acquisitions are conditional on each other and it is intended that they will occur contemporaneously. The acquisitions are also conditional on (among other things) the completion of the offer of up to 32,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$6,500,000 together with one (1) free attaching Option for every two (2) Shares subscribed, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission and the Company receiving conditional approval to list on the ASX.

There were no other significant events subsequent to the reporting date.

**Auditor's Independence Declaration**

Section 307C of the *Corporations Act 2001* requires our auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Group with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 4 and forms part of this Directors' Report for the half-year ended 30 June 2021.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.



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Peter Youd  
Executive Chairman

Perth, Western Australia  
29 September 2021

## DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF HARANGA RESOURCES LIMITED

As lead auditor for the review of Haranga Resources Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Haranga Resources Limited and the entities it controlled during the period.



**Neil Smith**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth, 29 September 2021

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
*for the half-year ended 30 June 2021*

	Note	30 June 2021 \$	30 June 2020 \$
<b>Continuing operations</b>			
Other income	5	286,710	-
Professional and consulting fees		(127,262)	(132,677)
Other expenses		(18,890)	(39,276)
<b>Operating profit/(loss)</b>		<b>140,558</b>	<b>(171,953)</b>
Finance income		2	5
<b>Profit/(loss) from continuing operations before income tax</b>		<b>140,560</b>	<b>(171,948)</b>
Income tax benefit		-	-
<b>Profit/(loss) for the year</b>		<b>140,560</b>	<b>(171,948)</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified to profit or loss:</i>			
Foreign currency translation		-	-
<b>Other comprehensive income for the half-year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the half-year</b>		<b>140,560</b>	<b>(171,948)</b>
Basic and diluted profit/(loss) per share - in cents	4	0.39	(0.48)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**Consolidated Statement of Financial Position**

as at 30 June 2021

	Note	30 June 2021 \$	31 December 2020 \$
<b>Current Assets</b>			
Cash and cash equivalents	6	335,639	87,610
Other receivables	7	154,617	22,284
Other current assets		4,737	946
<b>Total Current Assets</b>		<b>494,993</b>	<b>110,840</b>
<b>Total Assets</b>		<b>494,993</b>	<b>110,840</b>
<b>Current Liabilities</b>			
Trade and other payables		94,380	350,787
Financial liabilities	8	500,000	
<b>Total Current Liabilities</b>		<b>594,380</b>	<b>350,787</b>
<b>Total Liabilities</b>		<b>594,380</b>	<b>350,787</b>
<b>Net liabilities</b>		<b>(99,387)</b>	<b>(239,947)</b>
<b>Equity</b>			
Issued capital	10	40,834,231	40,834,231
Reserves		6,127,871	6,127,871
Accumulated losses		(47,061,489)	(47,202,049)
<b>Total Equity</b>		<b>(99,387)</b>	<b>(239,947)</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**Consolidated Statement of Cash Flows**  
for the half-year ended 30 June 2021

	30 June 2021 \$	30 June 2020 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(112,471)	(80,011)
Interest received	2	5
<b>Net cash outflow for operating activities</b>	<b>(112,469)</b>	<b>(80,006)</b>
<b>Cash flows from financing activities</b>		
Advances to third parties	(139,502)	-
Proceeds from convertible note	500,000	-
<b>Net cash inflow from financing activities</b>	<b>360,498</b>	<b>-</b>
Net increase /(decrease) in cash held	248,029	(80,006)
Cash and cash equivalents at beginning of period	87,610	172,224
<b>Cash and cash equivalents at the end of the period</b>	<b>335,639</b>	<b>92,218</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



**Consolidated Statement of Changes in Equity**  
for the half-year ended 30 June 2021

	Issued Capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
<b>Balance at 1 January 2021</b>	<b>40,834,231</b>	<b>(47,202,049)</b>	<b>6,127,871</b>	<b>(239,947)</b>
Profit for the half-year	-	140,560	-	140,560
<i>Other comprehensive income</i>				
Foreign currency translation	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	-	140,560	-	140,560
<b>Balance at 30 June 2021</b>	<b>40,834,231</b>	<b>(47,061,489)</b>	<b>6,127,871</b>	<b>(99,387)</b>
<b>Balance at 1 January 2020</b>	<b>40,834,231</b>	<b>(46,902,217)</b>	<b>6,127,871</b>	<b>59,885</b>
Loss for the half-year	-	(171,948)	-	(171,948)
<i>Other comprehensive income</i>				
Foreign currency translation	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	-	(171,948)	-	(171,948)
<b>Balance at 30 June 2020</b>	<b>40,834,231</b>	<b>(47,074,165)</b>	<b>6,127,871</b>	<b>(112,063)</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Notes to the Consolidated Financial Statements****1. Corporate Information**

The financial report consists of the consolidated financial statements of Haranga Resources Limited and its subsidiaries for the half-year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 29 September 2021.

Haranga Resources Limited is a company limited by shares incorporated in Australia.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

**2. Basis of Preparation**

These general purpose financial statements for the half-year reporting period ended 30 June 2021 have been prepared in accordance with Australian Accounting Standard *134 Interim Financial Reporting* and the *Corporations Act 2001*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 31 December 2021 and any public announcements made by Haranga Resources Limited during the half-year reporting period and to the date of this report.

The half-year report has been prepared on an accruals basis and is based on historical costs.

*Going Concern*

The Group reported a net profit after tax for the half-year ended 30 June 2021 of \$140,560 (2020: loss of \$171,948) and experienced net cash outflows for operating activities of \$112,469 (2020: \$80,006). At 30 June 2021, the Group reported a net liability position of \$99,387 (31 December 2020: net liabilities of \$239,947) due to trade and other payables totalling \$94,380 and a convertible loan liability of \$500,000 (refer Note 8).

Notwithstanding the above, the ability of the Group to continue as a going concern is dependent upon the Group obtaining funding through various sources, including debt and/or equity issues, to meet its commitments in the next 12 months.

These conditions indicate a material uncertainty that may cause a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the consolidated Group's working capital requirements at the date of this report and that there are reasonable grounds to believe that the Group will continue as a going concern for the following reasons, as reported in Note 13: Events Subsequent to the Reporting Period:

- The Company entered negotiations to acquire 100% of the issued capital of Loropeni Resources SAREL and 70% of the issued capital of Mandinga Resources Limited. Concurrently, the company plans to raises up to \$6.5 million and seek re-admission to ASX. At the date of this report, share sale agreement with Loropeni Resources SARL has been executed and negotiations are currently ongoing in respect of share sale and joint venture agreement with Mandinga Resources SARL.
- The Company signed an interest free, convertible note providing \$500,000 which has been advanced at the date of this report.
- Cash and cash equivalents as at 21 September 2021 is \$57,583. Should the group encounter delays in the IPO process, the Group will have to arrange for other alternative sources of funding for future operating expenses and renegotiate the terms of the existing convertible loan and secure additional funding.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the consolidated entity not continue as a going concern.

*New and Amending Accounting Standards and Interpretations*

In the half-year ended 30 June 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 30 June 2021. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no is change necessary to the Group accounting policies.

Notes to the Consolidated Financial Statements (continued)

3. **Segment Reporting**

The Group predominantly operated in one geographical segment for the 2021 and 2020 financial years.

The Group operates in the mineral exploration industry. For management purposes, the Group is organised into one main operating segment which involves the exploration for minerals. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment which is equivalent to the financial statements of the Group as a whole. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

4. **Earning/(Loss) per Share**

Net profit/(loss) attributable to ordinary shareholders for basic and diluted earnings per share

30 June 2021 \$	30 June 2020 \$
140,560	(171,948)

Weighted average number of ordinary shares used in calculating basic loss per share

35,600,036	35,600,036
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Basic and diluted profit/(loss) per share- in cents

0.39	(0.48)
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5. **Other income**

Fees forgiven by directors

Fees forgiven by other related parties

Fees forgiven by third parties

30 June 2021 \$	30 June 2020 \$
155,710	-
68,000	-
63,000	-
<b>286,710</b>	<b>-</b>

During the period, the current directors and other parties agreed to forgive liabilities outstanding as at 28 May 2021.

6. **Cash and Cash Equivalents**

Cash at bank

30 June 2021 \$	31 December 2020 \$
335,639	87,610
<b>335,639</b>	<b>87,610</b>

7. **Other receivables**

Loans receivable from third parties (1)

Other receivables

30 June 2021 \$	31 December 2020 \$
139,502	-
15,115	22,284
<b>154,617</b>	<b>22,284</b>

(1) Prior to the settlement of the LRS and MRS Acquisition, Haranga agreed to loan \$250,000 to LRS and \$50,000 to MRS to fund pre settlement activities and expenses such as in-country exploration and general working capital purposes ("Acquisition Loans"). These loans are interest free, unsecured and are expected to be settled against the future shares that the company will be getting from these third parties in relation to the respective acquisitions.

8. **Financial liabilities**

Convertible loan- at fair value through profit and loss

30 June 2021 \$	31 December 2020 \$
500,000	-
<b>500,000</b>	<b>-</b>

On 3 June 2021, the Company entered into an interest free, converting loan agreement with First Growth Funds Limited ("FGFL") in the amount of \$500,000 ("Loan") which has been fully drawn down at the date of this report. The Loan is repayable within 12 months, subject to Haranga completing an Initial Public Offer ("IPO") and being re-admitted to the official list of the ASX by 3 June 2022. Within 5 days of re-listing, the Company will issue FGFL with shares at the IPO price, plus one free attaching option for every 2 shares issued. The Company has chosen to designate the convertible note as a financial liability at fair value through the Profit and Loss account. The loan is secured against all of company's present and future acquired property including any assets in respect of which the company has a right to grant a security interest under the Personal Property Securities Act 2009.

## Notes to the Consolidated Financial Statements (continued)

	30 June 2021 \$	31 December 2020 \$
<b>9. Financial assets and liabilities</b>		
Set out below is an overview of financial assets (other than cash and short term deposits) and financial liabilities held by the Group as at 30 June 2021 and 31 December 2020:		
<b>Financial assets</b>		
Other receivables	154,617	22,284
	<b>154,617</b>	<b>22,284</b>
<i>Current</i>	154,617	22,284
Total Financial assets	<b>154,617</b>	<b>22,284</b>
<b>Financial liabilities</b>		
Trade and other payables	94,380	350,787
Convertible loans	500,000	-
	<b>594,380</b>	<b>350,787</b>
<i>Current</i>	594,380	350,787
Total Financial liabilities	<b>594,380</b>	<b>350,787</b>
	30 June 2021 \$	31 December 2020 \$
<b>10. Issued Capital</b>		
<b>(a) Issued and paid up capital</b>		
Ordinary shares fully paid	<b>40,834,231</b>	<b>40,834,231</b>
	Number of shares	\$
<b>(b) Movements in shares on issue</b>		
Opening balance	35,600,036	40,834,231
Closing balance	<b>35,600,036</b>	<b>40,834,231</b>

- 11. Dividends**  
No dividends have been paid or provided for during the half-year.

**12. Contingent Liabilities**

In the year ended 31 December 2018 the current Board made a re-assessment of certain payables and accruals in respect of previous Directors fees and expenses totalling \$222,235. Management re-estimated the associated liabilities and reversed this liability in that financial year, of which a credit of \$214,236 was recorded in the year ended 31 December 2018. This re-estimation was due to the lack of evidence of any contracted service that would ordinarily be expected in the role of a Director and that no service agreement was in place that would outline any fees payable for any service rendered. The current Directors' made a judgement over the likelihood of any claim over these amounts and expected the likelihood that the prior directors would claim an amount for services rendered to be unlikely. This assessment was extended to a further \$18,000 of directors' fees during the current half year. There has been no demand or other claim for any of these amounts. In the unlikely event of such a claim it will be rigorously defended by the Group and the current directors believe it would not be probable that there would be an amount payable.

There are no other contingent liabilities or contingent assets.

**13. Events Occurring After the Reporting Period**

On 5 July 2021 Mr John Davis and Mr Hendrik Schloemann were appointed as Non-Executive Directors and Mr Kim Teow Chng and Ms Nerida Schmidt resigned as directors. On 1 August 2021, Mr Peter Youd became the Executive Chairman.

On 30 July 2021, following shareholder approval, the Company completed a consolidation of capital on a 1 for 5 basis with fractional entitlements rounding up to the nearest whole number. Also on this date, a new constitution was adopted and a new class of securities, performance shares, were created.

On 20<sup>th</sup> August 2021, the company has issued 5,000,000 options (1,000,000 options to each of the Non executive directors and Executive chairman totalling to 5,000,000). These options vest immediately, have an exercise price of \$0.30 and a expiry period of 3 years from the date the company is admitted to ASX.

**Notes to the Consolidated Financial Statements (continued)**

In September 2021, the company negotiated the following binding agreement:

- a share sale agreement with Loropeni Resources SARL (Loropeni) and its shareholders to acquire 100% of the issued share capital of Loropeni (Loropeni Acquisition). Loropeni is the legal and beneficial owner of, or has earn-in and joint venture rights in, the exploration permits comprising the Loropeni Projects.

The company is currently in the process of negotiating the following binding agreement:

- a share sale and joint venture agreement with Mandinga Resources SARL (Mandinga) and its shareholders to acquire 70% of the issued share capital of Mandinga (Mandinga Acquisition) and set out the terms upon which Haranga and the shareholders of Mandinga will form a joint venture for the purpose of exploration and development on the exploration permits comprising the Mandinga Projects.

Each of these acquisitions are conditional on each other and it is intended that they will occur contemporaneously. The acquisitions are also conditional on (among other things) the completion of the offer of up to 32,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$6,500,000 together with one (1) free attaching Option for every two (2) Shares subscribed, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission and the Company receiving conditional approval to list on the ASX.

There were no other significant events subsequent to the reporting date.

**14. Commitments**

There are no commitments to report.

**15. Related Party**

*(i) Related party services*

Ms Nerida Schmidt provided corporate secretarial services totalling \$8,000 (31 December 2020: \$48,000) during the half year. Corporate secretarial fees payable to Ms Schmidt at 30 June 2021 totalled \$5,291, inclusive of GST (31 December 2020: \$66,000). Corporate secretarial fees incurred and outstanding up to 28 February 2021 totalling \$68,000, exclusive of GST, were forgiven and included as Other income in Note 5.

**DIRECTORS' DECLARATION**

In the opinion of the Directors of Haranga Resources Limited ('the Group'):

1. The financial statements and notes thereto, as set out on pages 5 to 12, are in accordance with the *Corporations Act 2001* including:
  - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
2. There are reasonable grounds to believe that Haranga Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Peter Youd  
Executive Chairman

Perth, Western Australia  
29 September 2021

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Haranga Resources Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Haranga Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

### **Responsibility of the directors for the financial report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2021 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit (WA) Pty Ltd**



**Neil Smith**

**Director**

Perth, 29 September 2021