



Haranga
Resources

ABN 83 141 128 841

ANNUAL REPORT
31 DECEMBER 2021

CORPORATE DIRECTORY

Directors

Peter R Youd (Executive Chairman)

John Davis (Non-Executive Director)

Dr Hendrik Schloemann (Non-Executive Director)

Company Secretary

Nerida Schmidt

Principal Register Office in Australia

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West Perth WA 6005

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W: <http://haranga.com>

Stock Exchange Listings

The Company is listed on the **Australian Securities Exchange** under the trading codes **HAR** and **HARO**.

The company is quoted on the **Frankfurt Stock Exchange** under the trading code **FSE:65E0**

Auditor

BDO Audit (WA) Pty Ltd

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Share Registry

Automatic Registry Services

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Westpac Banking Corporation

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Chairman's Report

Dear Shareholder

On behalf of the directors of Haranga Resources Limited, I welcome you as shareholders on this the Company's first reporting period since re-listing on the ASX.

Haranga issued its prospectus on 29 October 2021 and we were pleased when it was significantly oversubscribed within a short time period. The Company raised \$6.5 million and was listed on the Australian Securities Exchange (ASX) on Thursday 27 January 2022.

Since listing we have also been approved for quotation on the Frankfurt Stock Exchange and are finalising our application to the OTC Markets OTQB board in the United States of America.

Going Nuclear: The Future of Uranium

The world is moving towards a cleaner energy future, and nuclear power will play a key role in this transition.

Nuclear power is not only carbon-free, it is also one of the most reliable and safest sources of energy. Countries around the world are beginning to recognise these advantages, including Japan, where all 55 reactors were previously taken offline following the Fukushima accident in 2011.

With more than 54 reactors under construction and 100 reactors planned worldwide, the demand for uranium is set to grow. Unlocking new and existing supplies is critical to meeting this rising demand, and new uranium discoveries will be increasingly valuable in balancing the market.

Gold continues to be a hedge commodity

Gold is playing its age-old role as a safe haven in times of wars and crisis, and people all over the world are piling in.

The soaring demand comes after an already strong year for physical metal buying, particular in western nations. Demand for bars and coins hit 1,124 tons in 2021, according to the World Gold Council, the highest in almost a decade.

Your Company's projects offer the opportunity for optionality on two valuable commodities - the next frontier of uranium demand as a global deficit in supply looms and gold continuing to be a valuable hedge in times of crisis.

Your directors and management are committed to providing shareholders with a superior investment return as we move into an exciting period of development for Haranga.

Peter Youd

Chairman

Haranga Resources Limited

Review of Operations

Since listing on 27 January 2022, the Company has made the following achievements:

Saraya Uranium Project - Senegal

- Exploration camp at the northern end of the company's main uranium prospect has been acquired.
- Total of 1,363 termite mound samples collected in orientation survey covering previously known uranium occurrence.
- Semi-quantitative XRF assaying confirmed uranium mineralisation in underlying epi-syenite.
- 2,000m air core drilling campaign across the uranium mineralisation planned for the second quarter of 2022.

Issia Gold Project - Côte d'Ivoire

- 2,0000 m of air core drilling completed in later 2021, for which assay results are pending.
- 4,249 gold and multi-element XRF assay results received from infill soil sampling program covering portions of the Issia-Buyo permit.
- Noukpoudou – extensive north-south trending shear zone yielded gold in soil values up to 4.9g/t.
- Buyo Lake – extensive shear zone extends from the +3.35 Moz. Abujar gold deposit into the Issia-Buyo permit and yielded gold in soil concentrations of up to 10g/t.

Saraya details

The Company has acquired a 40 person exploration camp on the northern end of the Saraya prospect episyenites. The camp contains a large storage shed for core storage, generators, water bores and core saws.

In an orientation survey the company's technical team collected a total of 1,363 termite mound samples on a 50m x 50m grid covering a previously known uranium occurrence. Termite mounds typically contain material originating from the saprolite below the mound and above the groundwater table. Sampling termite mounds at surface therefore offers a cost-effective way to detect typically bedrock-related geochemical anomalies in the deeper portion of the saprolite. A semi-quantitative handheld XRF analyser was used to determine the concentration of forty elements, including uranium, in the sampled mounds. Results were encouraging and showed anomalous uranium concentrations between 7 ppm and 41 ppm along the extent of the mineralised epi-syenite. Additional orientation work during the second quarter will include air core drilling (2000 m) across the uranium occurrence in order to obtain samples of the mineralised epi-syenite rock. The results of this orientation program will also further add to the understanding of the relationship between the mineralised rock and the overlying saprolite, and will inform the regional termite mound sampling programme planned for the second quarter of 2022. This orientation work is particularly important because historical geochemical surveys during the 1970' and 1980's did not include the sampling of termite mounds and were inconclusive in areas where the thick saprolite cover masks any potential uranium mineralisation in the underlying rock.

Review of Operations

Issia details

To date a total of 8,164 soil samples have been collected at Issia-Buyo. This included 3,915 historical samples collected on a regional 800m by 100m grid and more recently during the first quarter of this year 4,249 infill samples on a follow-up 150m by 150m grid. The recently completed infill grid covered four anomalous gold zones and was designed to further outline gold anomalies initially detected during the regional program. The recent program returned significant gold concentrations, clustered over both the Noukpoudou sheared corridor and Buyo Lake shear zone. Seventy-eight anomalous values (>30 ppb Au) averaged 228 ppb Au and coincided with a sheared contact between granite and basalt near the Noukpoudou village. An additional cluster of anomalous gold values, averaging 255 ppb Au, located along the Buyo Lake shear zone directly along strike of the +3.35 million ounce Abujar gold deposit, 50 km north-east of the Issia-Buyo permit.

Reconnaissance field mapping also confirmed the central Noukpoudou shear system, crossing the permit from north-north-east to south-south-west and the existence of alteration and sulphide mineralisation in the sheared basalts.

Further work in the Issia-Buyo permit area will consist of infill soil sampling and will focus on potential extensions of the Buyo Lake and Noukpoudou shear systems.

Frankfurt Listing

On 3 February 2022 Haranga shares commenced trading on the Frankfurt Stock Exchange ("FSE") under the code 65E0. This cross listing was completed in a non-dilutive manner and is intended to provide added liquidity and strength to existing shareholders.

US Listing

Your Company has made application for admission on the OTC Markets QB level (OTCQB), being the largest alternative trading system in the US. When approved this listing will build our visibility and investor base in the US.

Directors' Report

The directors present their report together with the financial report of Haranga Resources Limited ('Haranga' or 'Company') and the entities it controlled ('Consolidated Entity' or 'Group') for the year ended 31 December 2021.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. The Directors were in office for this entire period unless otherwise stated.

Peter Youd (B.Bus (W.A.I.T) ACA) – Executive Chairman and Chief Financial Officer

Mr Youd is a Chartered Accountant and has extensive experience within the resources and oil and gas services industries. For the last 30 years Mr Youd has held a number of senior management positions and directorships for publicly listed and private companies within Australia and overseas. Mr Youd was previously a director of First Graphene Limited.

Former directorships in the last 3 years

First Graphene Limited

Interests in shares and options

Ordinary shares 266,667

Options 1,000,000

John Davis (Appl Geol (WA.I.T.) Mem AIG) – *Non-Executive Director*

Mr Davis is a Geologist with more than 30 years' experience in mineral exploration and development in Australia and Southern Africa, including gold, base metals and rare metals. He has extensive experience in the gold sector, from regional exploration, resource development to production, including as Exploration Manager/Chief Geologist for Metana Minerals NL. Mr Davis was Geological Superintendent at the Greenbushes Lithium/Tantalum/Tin mine

in WA during the delineation of the high-grade lithium (spodumene) resource.

He has experience as a Director of ASX listed Companies including founding Managing Director of Jabiru Metals Ltd (formerly Pilbara Mines Ltd), where he played a key role in the discovery of the Jaguar base metal deposit, a Technical Director of Monarch Gold Mining Co Ltd, founding Managing Director/Executive Chairman of Exterra Resources Ltd and Non-Executive Director of Anova Metals Ltd (Exterra merged with Anova in 2017).

Appointed 5 July 2021

Former directorships in the last 3 years

Anova Metals Limited

Interests in shares and options

Options 1,000,000

Dr Hendrik Schloemann (Ph.D.) – *Non-Executive Director*

Dr Schloemann is a geologist with a track record of more than 20 years of exploration in twenty countries, with particular experience in Africa. He has experience with gold exploration in orogenic and epithermal environments, as well as pegmatite, diamond, uranium and gemstone exploration. He is experienced with the corporate requirements of a public company, including raising of funds, marketing, corporate compliance, staffing and formulation of long-term strategy. Hendrik was previously an Executive Director of AIM listed and West Africa focussed Goldstone Resources Limited.

Appointed 5 July 2021

Former directorships in the last 3 years

None

Interests in shares and options

Options 1,000,000

Directors' Report (continued)

Mr Teow Chng, *Non-Executive Director*

Mr Chng is a qualified accountant with experience in the corporate finance, marketing and resources industry.

Resigned 5 July 2021

Former directorships in the last 3 years

None

Ms Nerida Schmidt, *Non-Executive Director*

Ms Schmidt has 29 years' professional experience as the CFO and company secretary of a number of ASX, TSX and AIM listed companies in a variety of industries and has consulted to a number of listed and unlisted entities providing corporate, company secretarial and financial services. She holds a Bachelor of Commerce from the University of Western Australia, is a Certified Practising Accountant and a Fellow of Finsia. She is also a Chartered Secretary and holds a Graduate Diploma in Company Secretarial Practice. Currently Ms Schmidt is the Company Secretary for ASX listed DiscovEx Resources Limited.

Resigned 5 July 2021

Former directorships in the last 3 years

None

Company Secretary

Nerida Schmidt *B Com, CPA, F Fin (GDipAFin), ACIS (GDip CSP)*

Results and Dividends

The Group result for the year was a loss of \$1,185,290 (2020: loss of \$299,832).

No final dividend has been declared or recommended as at 31 December 2021 or as at the date of this report (2020: \$ Nil).

No interim dividends have been paid (2020: Nil).

Principal Activities

Haranga holds interests in a range of gold projects located in Cote d'Ivoire and Burkina Faso, and a uranium project in Senegal.

Events Since the End of the Financial Year

On 17 January 2022 the Company settled the acquisition of both Loropeni Exploration SARL (LRS) and Mandinga Exploration SARL (MRS).

In settlement of the LRS acquisition the following consideration was issued;

- a) issue of 13,000,000 fully paid ordinary shares;
- b) issue of 6,500,000 options (exercisable at \$0.30 expiring three (3) years from the date of Admission; and
- c) issue of 5,000,000 Performance shares.

The MRS acquisition was settled with the follow consideration;

- a) issue of 5,000,000 fully paid ordinary shares;
- b) issue of 2,500,000 options (exercisable at \$0.30 expiring three (3) years from the date of Admission

On 29 October 2021 the Company lodged a prospectus to raise \$6.5 million (before costs) through the issue of up to 32,500,000 fully paid ordinary shares together with one free attaching Option for every two Shares subscribed for and issued, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission.

Directors' Report (continued)

The offer raised the \$6.5m and the shares and options were issued on 17 January 2022. The Company was subsequently admitted to the Australian Securities Exchange ("ASX") on 25 January 2022 and the securities commenced trading on the ASX on 27 January 2022.

On 3 June 2021, the Company had entered into an interest free, converting loan agreement with First Growth Funds Limited ("FGFL") in the amount of \$500,000 ("Loan") which had been fully drawn down at the end of the period.

On 17 January 2022 the Company issued 2,500,000 fully paid ordinary shares and 1,250,000 options to FGFL in satisfaction of the Loan.

On 3 February 2022 Haranga shares commenced trading on the Frankfurt Stock Exchange ("FSE") under the code 65E0. This cross listing was completed in a non-dilutive manner and is intended to provide added liquidity and strength to existing shareholders.

Exploration has commenced on the Saraya Uranium Project in Senegal and the Issia-Buyo Gold Project in Côte d'Ivoire.

There were no other known significant events from the end of the financial year up to the date of this report.

Significant Changes in State of Affairs

During the financial year the Company successfully completed an Initial Public Offering which raised \$6.5m (before costs) and commenced trading on the Australia Securities Exchange on 27 January 2022.

Likely Developments and expected results of operations

The Directors have excluded from this report any further information on the likely developments in the operations of the Group and the expected results of those

operations in future financial years, other than as mentioned in the Chairman's Statement and Review of Operations, as the Directors have reasonable grounds to believe the nascent nature of the mineral commodities market makes it impractical to forecast future profitability and other material financial events.

Directors' and other officers' emoluments

Details of the remuneration policy for Directors and other officers are included in the Remuneration Report (page9-13) and the Corporate Governance Report lodged separately on ASX on the same day as this report is lodged.

Details of the nature and amounts of emoluments for each Director of the Company and Executive Officers are included in the Remuneration Report.

Environmental Regulations

The Group's operations are subject to the environmental risks associated with the mining industry.

Proceedings on behalf of company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Indemnification and insurance of officers and auditors

Under the Company's constitution and subject to section 199A of the Corporations Act 2001, the Company indemnifies each of the directors, the

Directors' Report (continued)

company secretary and every other person who is an officer of the Company and its wholly owned subsidiaries. The above indemnity is a continuing indemnity and applies in respect of all acts done by a person while an officer of the Company or its wholly owned subsidiaries even though the person is not an officer at the time the claim is made.

The Company has entered into a Deed of Indemnity, Access and Insurance ("Deed") with each current and former officer of the Company and its subsidiaries, including each director and company secretary and persons who previously held those roles.

During the financial year, the Company has paid a premium in respect of insuring the directors and officers of the Company and the Group. The insurance contract prohibits disclosure of the premium or the nature of liabilities insured against under the policy.

No indemnity or insurance is in place in respect of the auditor.

Directors' Report (continued)

Share Options

At the date of this report, Haranga Resources Limited has the following options exercisable into ordinary shares in Haranga Resources Limited.

Listed	Grant Date	Date of Expiry	Exercise Price	Number under Option
Share options	Various	27 January 2025	\$0.30.	36,500,000

Directors' meetings

The number of meetings of Directors held during the year and the number attended by each Director was as follows:

	Number of Meetings Eligible to Attend	Number of Meetings Attended
Peter Youd	1	1
John Davis ¹	1	1
Hendrik Schloemann ¹	1	1
Teow Kim Chng ²	0	0
Nerida Schmidt ²	0	0

¹ Mr Davis and Dr Schloemann were appointed directors on 5 July 2021

² Mr Chng and Ms Schmidt resigned as directors on 5 July 2021

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for directors and executives of Haranga Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group, and includes the executives in the Company receiving the highest remuneration.

Details of Key Management Personnel

Mr. Peter Youd Executive
Chairman and Chief Financial Officer
(appointed 1 June 2017)

Mr John Davis Non-Executive
Director (Appointed 5 July 2021)

Dr Hendrik Schloemann Non-
Executive Director (appointed 5 July
2021)

Mr. Teow Kim Chng Non-Executive
Director (resigned 5 July 2021)

Ms. Nerida Schmidt Non-Executive
Director (resigned 5 July 2021)

Remuneration Policy

The Board is responsible for determining and reviewing compensation arrangements for the Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive

team. The Company does not link the nature and amount of the emoluments of such officers to the Company's financial or operational performance. The expected outcome of this remuneration structure is to retain and motivate Directors.

As part of its Corporate Governance Policies and Procedures, the board has adopted a formal Remuneration Committee Charter. Due to the current size of the Company and number of directors, the board has elected not to create a separate Remuneration Committee but has instead decided to undertake the function of the Committee as a full Board under the guidance of the formal charter.

The rewards for Directors' generally have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted. The Company has no policy on executives and directors entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

The Company's constitution specifies that the non-executive director fee pool is initially \$500,000 and may be varied by shareholder resolution. There has been no variation to this date.

Details of remuneration for the year ended 31 December 2021

The remuneration of each director and Key Management Executive of the Group during the year was as follows:

Director	Short Term			Options	Post-Employment		Total	Option Related %
	Base Salary	Directors Fees	Consulting Fees	Share Based Payments	Superannuation	Prescribed Benefits		
	\$	\$	\$	\$	\$	\$	\$	
Peter Youd	-	36,663	-	107,000	-	-	143,663	74.48
John Davis ¹	-	20,000	-	107,000	-	-	127,000	84.25
Hendrik Schloemann ¹	-	20,000	-	107,000	-	-	127,000	84.25
Teow Kim Chng ²	-	-	-	107,000	-	-	107,000	100.00
Nerida Schmidt ²	-	-	-	107,000	-	-	107,000	100.00
Total	-	76,663	-	535,000	-	-	611,663	

1 Mr Davis and Dr Schloemann were appointed directors on 5 July 2021

2 Mr Chng and Ms Schmidt resigned as directors on 5 July 2021. Ms Schmidt remained as Company Secretary and received Consulting Fees for this role.

Details of remuneration for the year ended 31 December 2020

The remuneration of each director and Key Management Executive of the Group during the year was as follows:

Director	Short Term			Options	Post-Employment		Total	Option Related %
	Base Salary	Directors Fees	Consulting Fees	Share Based Payments	Superannuation	Prescribed Benefits		
	\$	\$	\$	\$	\$	\$	\$	
Peter Youd	-	36,000	-	-	-	-	36,000	-
Teow Kim Chng	-	36,000	-	-	-	-	36,000	-
Nerida Schmidt	-	36,000	-	-	-	-	36,000	-
Total	-	108,000	-	-	-	-	108,000	-

Amounts payable to directors at the end of the financial year (net of GST) comprised Mr Youd: \$36,667 (2020:\$47,000), Mr Davis \$14,666 (2020:\$Nil), Mr Schloemann \$20,121 (2020 \$Nil) Mr Chng \$Nil (2020: \$43,709) and Ms Schmidt: \$26,259 (2020: \$47,000). These amounts were forgiven after the end of the 2020 financial year. Also refer to Note 3 on Other income in Notes to consolidated financial statements.

Remuneration Report (Audited)

The remuneration policy has been tailored to increase goal congruence between shareholders, directors, and executives. The Group is in the early development phase of its operations, and due consideration is made of developing long term shareholder value. The Board has regard to the following indices in respect of the current financial year to facilitate the long-term growth of the Consolidated Group:

Item	2021	2020	2019	2018	2017
Loss per share (cents)	(16.65)	(4.21)	(4.06)	(1.51)	(8.28)
Share price (\$)	-	-	-	0.09	0.09

Options issued as part of remuneration for the year ended 31 December 2021

Options were issued to directors as part of compensation during the year. All options vested on the issue date.

Using the Black Scholes option pricing model and based on the assumptions set out below, the Director Options were ascribed the following value:

Assumptions:

Valuation date	3 August 2021
Underlying share price	\$0.20
Exercise price	\$0.30
Expiry date (length of time from issue)	3 Years
Risk free interest rate	0.23%
Volatility	100%
Indicative Value of Options (cents)	0.1068
Total Value of Options	\$535,000

Option holdings of Key Management Personnel

The numbers of options over ordinary shares in the Group held during the financial year by each director of Haranga Resources Limited and specified executive of the group, including their personally related parties, are set out below:

2021	Balance at 01.01.21	Granted during the year as compensation	Exercised	Other Changes	Balance 31.12.2021	Vested & Exercisable 31.12.2021
Peter Youd	-	1,000,000	-	-	1,000,000	1,000,000
John Davis	-	1,000,000	-	-	1,000,000	1,000,000
Hendrik Schloemann	-	1,000,000	-	-	1,000,000	1,000,000
Teow Kim Chng	-	1,000,000	-	-	1,000,000	1,000,000
Nerida Schmidt	-	1,000,000	-	-	1,000,000	1,000,000

Shareholdings of Key Management Personnel

The number of shares in the company held during the financial year held by each director of Haranga Resources Limited, including their personally related parties, is set out below. There were no shares granted during the reporting period as compensation.

2021	Balance at 01.01.21	Granted during the year as compensation	On exercise of share options	Other Changes	Effect of consolidation	Balance 31.12.2021
Peter Youd	1,333,334	-	-	-	(1,066,667)	266,667
John Davis	-	-	-	-	-	-
Hendrik Schloemann	-	-	-	-	-	-
Teow Kim Chng	1,338,891	-	-	-	(1,071,112)	267,779
Nerida Schmidt	1,333,334	-	-	-	(1,066,667)	266,667

Remuneration Report (Audited)

Other transactions with Key Management Personnel

Ms Nerida Schmidt provided corporate secretarial services totalling \$26,259 (2020: \$48,000) during the year. Corporate secretarial fees payable to Ms Schmidt at 31 December 2020 totalled \$66,000, inclusive of GST which was forgiven subsequent to the end of the year. At 31 December 2021 \$26,259 was outstanding to Ms Schmidt.

Loans to/from Directors and Executives

There were no loans to directors and executives during the financial year ending 31 December 2021 (2020: Nil).

As at 31 December Mr Peter Youd, through his related entities, had lent \$329,000 to the parent entity. These loans were not secured and did not bear interest. The loans were repaid following admission of the Company to the ASX. (2020: Nil).

Voting and comments made at the Company's 2021 Annual General Meeting

The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

END OF AUDITED REMUNERATION REPORT

Auditor's independence

The Directors received the independence declaration from the auditor of Haranga Resources Limited as stated on page 15.

Non-audit services

During the period BDO Corporate Finance (WA) Pty Ltd was paid \$15,218 for the provision of an Independent Limited Assurance Report (2020: Nil). BDO Corporate Finance (WA) Pty Ltd is an affiliate member of BDO Audit (WA) Pty Ltd. Refer to Note 18 for further details.

The board of directors has considered the position and is satisfied the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied the provision of non-audit services by the auditor, as set out in Note 18, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants

Signed in accordance with a Resolution of the Directors.



Peter R. Youd
Executive Chairman

Dated at Perth this 30 day of March 2022

Corporate Governance Statement

The Company's full Corporate Governance Statement is available on the Company's website, https://haranga.com/images/pdf-documents/20210702_HAR_Corporate_Governance_Statement.pdf.

A completed Appendix 4G and the full Corporate Governance Statement have been lodged with the Australian Securities Exchange as required under Listing Rules 4.7.3 and 4.7.4.

Annual General Meeting

The Company's Annual General Meeting is proposed to be held on 12 May 2022.

The Notice of Meeting will be issued in due course.

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

As lead auditor of Haranga Resources Limited for the year ended 31 December 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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, 30 March 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
Continuing operations			
Other income	3	286,710	-
Interest income		57	9
Total Other income		<u>286,767</u>	<u>9</u>
Expenses			
Exploration expenses	4(a)	(80,510)	-
General & administrative	4(b)	(1,391,547)	(299,841)
Total expenses from continuing operations		<u>(1,472,057)</u>	<u>(299,841)</u>
Loss from continuing operations before income tax		<u>(1,185,290)</u>	<u>(299,832)</u>
Income tax benefit	5	-	-
Loss for the year		<u>(1,185,290)</u>	<u>(299,832)</u>
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation of foreign operations		-	-
Other comprehensive income / (loss) for the year, net of tax		-	-
Total comprehensive loss for the year		<u>(1,185,290)</u>	<u>(299,832)</u>
Loss for the year attributable to:			
Owners of Haranga Resources Limited		<u>(1,185,290)</u>	<u>(299,832)</u>
		<u>(1,185,290)</u>	<u>(299,832)</u>
Total comprehensive income / (loss) for the year attributable to:			
Owners of Haranga Resources Limited		<u>(1,185,290)</u>	<u>(299,832)</u>
		<u>(1,185,290)</u>	<u>(299,832)</u>
Loss per share attributable to owners of Haranga Resources Limited (amounts in cents)			
Basic and diluted loss per share – post consolidation	6	(16.65)	(4.21)

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 31 December 2021

	Notes	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	7	12,442	87,610
Cash and cash equivalents –restricted	7	6,305,053	-
Other receivables	8	25,712	22,284
Other current assets		677	946
Financial assets	9	640,910	-
Total Current Assets		6,984,794	110,840
Total Assets		6,984,794	110,840
Current Liabilities			
Trade and other payables	10	983,031	350,787
Finance liabilities	11	7,354,000	-
Total Current Liabilities		8,337,031	350,787
Net Liabilities		(1,352,237)	(239,947)
Equity			
Issued capital	13	40,372,231	40,834,231
Reserves	14	6,662,871	6,127,871
Accumulated losses		(48,387,339)	(47,202,049)
Total Equity		(1,352,237)	(239,947)

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

Consolidated Statement of Cash Flows for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(483,262)	(84,623)
Interest received		57	9
Net cash outflows from operating activities		<u>(483,205)</u>	<u>(84,614)</u>
Cash flows from financing activities			
Advances to third parties		(640,910)	-
Advances from director related entities and third parties		1,049,000	-
Proceeds received for unissued shares		6,305,000	-
Net cash inflows from financing activities		<u>6,713,090</u>	<u>-</u>
Net increase/(decrease) in cash held		6,229,885	(84,614)
Cash and cash equivalents at beginning of period		87,610	172,224
Cash and cash equivalents at end of the period		<u>6,317,495</u>	<u>87,610</u>

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2021

2021	Issued capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance 1 January 2021	40,834,231	(47,202,049)	6,127,871	(239,947)
Loss for the year	-	(1,185,290)	-	(1,185,290)
<i>Other comprehensive income</i>				
Foreign currency translation	-	-	-	-
Total comprehensive loss for the year		(1,185,290)		(1,185,290)
Transactions with owners in their capacity as owners				
Shares issued	-	-	-	-
Costs of shares to be issued	(462,000)	-	-	(462,000)
Share based payments	-	-	535,000	535,000
Balance at 31 December 2021	40,372,231	(48,387,339)	6,662,871	(1,352,237)
2020	Issued capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance 1 January 2020	40,834,231	(46,902,217)	6,127,871	59,885
Loss for the year	-	(299,832)	-	(299,832)
<i>Other comprehensive income</i>				
Foreign currency translation	-	-	-	-
Total comprehensive loss for the year	-	(299,832)	-	(299,832)
Transactions with owners in their capacity as owners				
Shares issued	-	-	-	-
Costs of issue	-	-	-	-
Balance at 31 December 2020	40,834,231	(47,202,049)	6,127,871	(239,947)

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

Haranga Resources Limited (“Haranga” or the “Company”) is a for-profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. Its registered office and principal place of business is:

1/72 Kings Park Road
West Perth WA 6005

A description of the nature of operations and principal activities of Haranga and its subsidiaries (collectively, the “Group”) is included in the Directors’ Report, which is not part of these financial statements.

The financial statements were authorised for issue in accordance with a resolution of the directors on 30 March 2022.

Basis of Preparation

The financial statements are general-purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting interpretations. The financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (‘IASB’).

The financial statements have also been prepared on a historical cost basis. Haranga Resources Limited is a for profit entity for the purpose of preparing the financial statements. The presentation currency is Australian dollars.

Going Concern

The group has net liabilities of \$1,352,237 as at 31 December 2021 (2020: net liability position of \$239,947).

The financial report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

On 29 October 2021 the Group lodged a prospectus to raise \$6.5 million (before costs) through the issue of up to 32,500,000 fully paid ordinary shares together with one free attaching Option for every two Shares subscribed for and issued, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission. The offer raised the \$6.5m and the shares and options were issued on 17 January 2022.

New standards, interpretation and amendments adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020.

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Notes to the Consolidated Financial Statements

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

2. Significant Accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of Haranga Resources Limited and its subsidiaries as at 31 December 2021 (the Group).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other voting holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Notes to the Consolidated Financial Statements

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained'
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(b) Foreign currency translation

The financial report is presented in Australian dollars, which is Haranga Resources Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Notes to the Consolidated Financial Statements

(c) Other Accounting Policies

Significant and other accounting policies which summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements. Where possible, wording has been simplified to provide clearer commentary on the financial report of the Group. Accounting policies determined non-significant are not included in the financial statements. There have been no changes to the Group's accounting policies which are no longer disclosed in the financial statements.

(d) The Notes To The Financial Statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations and the financial position and performance of the Group. Information is considered relevant and material if, for example:

- the amount is significant due to its size or nature;
- the amount is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business; or
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

- Performance for the year;
- Operating assets and liabilities;
- Capital structure and risk;
- Other disclosures.

A brief explanation is included under each section.

(e) Performance For the Year

This section at Note 6 focuses on the results and performance of the Group. This covers both profitability and the resultant return to shareholders via earnings per share combined with cash generation.

(f) Key Estimates And Judgements

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report relate to Note 13 (c), Note 2(h) Share based payments and Note 11(i) accounting for convertible note.

Notes to the Consolidated Financial Statements

(g) COVID Impact

Judgement has been exercised in considering the impacts the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain and staffing. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(h) Share Based Payments Estimates

Judgement has been exercised in calculating the value of share-based payments. The closing price of share sales on the day of the award of the share-based payment is used for calculating the fair value of the payment.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions which do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

(i) Exploration and evaluation assets

Exploration and evaluation expenditure is expensed to the profit and loss as incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current, and when existence of a commercially viable mineral reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

(j) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

Financial Assets

On initial recognition, financial assets are classified as measured at:

Amortised cost;

Fair Value through Other Comprehensive Income ("FVOCI") – debt investment;

FVOCI – equity investment; or

Fair Value through Profit or Loss ("FVTPL")

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. For financial assets measured at amortized cost, these assets are subsequently measured at amortized cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

As of 31 December 2021, the Group's financial instruments consist of cash and cash equivalents, trade and other receivables and trade and other payables, advances from third parties and convertible loans.

Cash and cash equivalents and other receivables are classified as amortised cost under AASB 9. The trade and other payables including borrowings/advances from third parties are initially measured at fair value and subsequently measured at amortised cost. Convertible note has been accounted for as a financial liability at fair value through the Profit and Loss account.

The cash and cash equivalents, trade and other receivables, and trade and other payables approximate their fair value due to their short-term nature.

The Group classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

The three levels of the fair value hierarchy are:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values based on inputs, including quoted prices, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

Notes to the Consolidated Financial Statements

Impairment of financial assets

The Group assesses the recoverability of financial assets using an 'expected credit loss' ("ECL") model. This impairment model is applied to financial assets measured at amortised cost, contract assets and debt investments at Fair Value Through Other Comprehensive Income ("FVOCI"), but not to investments in equity instruments.

In accordance with AASB 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECL: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

(k) Segment reporting

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decision.

Notes to the Consolidated Financial Statements

3. Other Income

	2021	2020
	\$	\$
Fees forgiven by directors	155,710	-
Fees forgiven by related parties	68,000	-
Fees forgiven by third parties	63,000	-
	<u>286,710</u>	<u>-</u>

Directors Messrs Youd (\$95,000) and Chng (\$7,710) and Ms Schmidt (\$53,000) agreed to forgive directors fees outstanding as at 28 May 2021. Ms Schmidt also forgave \$68,000 in company secretarial fees at 28 May 2021. Similarly other parties agreed to forgive their outstanding liabilities as at 28 May 2021.

4 Operating expenses

	2021	2020
	\$	\$
a) Exploration expenses		
Consultants	(56,685)	-
Data acquisition	(7,885)	-
Legal fees	(9,479)	-
Travel expenses	(6,461)	-
Total exploration expense	<u>(80,510)</u>	<u>-</u>
b) General & administrative expenses		
Audit and taxation fees	(65,360)	(39,260)
Corporate secretarial services	(39,820)	(48,000)
Corporate advisory fees	(88,619)	(40,000)
Director fees	(94,666)	(108,000)
Insurance	(7,689)	(14,869)
Legal	(294,062)	(13,618)
Listing and share registry fees	(180,809)	(19,294)
Option valuation expense	(535,000)	-
Other	(85,522)	(16,800)
	<u>(1,391,547)</u>	<u>(299,841)</u>

Notes to the Consolidated Financial Statements

5 Income Tax Expense

Accounting Policy

The income tax expense for the period is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates for each jurisdiction that have been enacted or are substantially enacted by the reporting date.

Deferred income tax is provided for on all temporary differences at reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

No deferred income tax liabilities or assets will be recognised in respect of temporary differences between the carrying value and tax bases of investments in controlled entities if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

Current and deferred income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Notes to the Consolidated Financial Statements

5 Income Tax Expense (continued)

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

	2021	2020
	\$	\$
(a) Income tax expense/(benefit)	-	-
Current tax	-	-
Deferred tax	-	-
Total income tax expense	<u>-</u>	<u>-</u>
(b) Reconciliation of income tax expense to prima facie tax payable		
Accounting loss before income tax expense	<u>(1,185,290)</u>	<u>(299,832)</u>
Prima facie income tax benefit on loss before income tax at 26.0% (2020: 27.5%)	(308,175)	(82,454)
Non-deductable expense	211,316	-
Temporary differences – accruals not deductible	(25,220)	26,714
Deductible expenses	(41,781)	<u>(7,792)</u>
	<u>(163,860)</u>	<u>(63,532)</u>
Income tax expense/(benefit)	<u>-</u>	<u>-</u>

The Group has Australian revenue losses from previous years for which no deferred tax assets have been recognised. The availability to utilise these losses in future periods is subject to review in the relevant jurisdictions.

Notes to the Consolidated Financial Statements

5 Income Tax Expense (continued)

The benefit for tax losses will only be obtained if:

- i. the Company derives future assessable income in Australia and overseas of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and
- ii. the Company continues to comply with the conditions for deductibility imposed by tax legislation in Australia, and
- iii. no changes in tax legislation in Australia, adversely affect the Company in realising the benefit from the deductions for the losses.

6 Loss per share

Accounting Policy

Loss per share ("LPS") is the amount of post-tax loss attributable to each share. The group presents basic and diluted LPS data for ordinary shares. Basic LPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted LPS takes into account the dilutive effect of all potential ordinary shares, being share options on issue.

	2021	2020
	\$	\$
Loss attributable to the owners of Haranga used in calculating basic and dilutive loss per share	(1,185,290)	(299,832)
	Number of Shares 2021	Number of Shares 2021
Weighted average number of ordinary shares used in calculating basic loss per share	35,600,036	35,600,036
Less effect of 1:5 consolidation approved by shareholders on 30 July 2021	(28,479,751)	(28,479,751)
Weighted average number of ordinary shares used in calculating basic loss per share	7,120,285	7,120,285
Basic and diluted loss per share-in cents	(16.65)	(4.21)

7 Cash and cash equivalents

Accounting Policy

Cash and cash equivalents in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

Restricted cash and cash equivalents comprise the subscription funds totalling \$6,305,000 which had been received as at 31 December 2021, shares for which have been issued subsequent to the year end on 17 January 2022.

Notes to the Consolidated Financial Statements

7 Cash and cash equivalents (continued)

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at the end of the reporting period:

	2021	2020
	\$	\$
Cash at bank and in hand	12,442	87,610
Cash at bank – restricted-also refer Note 11(ii)	6,305,053	-
	<u>6,317,495</u>	<u>87,610</u>

8 Other receivables

Accounting Policy

Other receivables, which generally have 30-day terms, are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less any provision for impairment.

	2021	2020
	\$	\$
Other receivables	25,712	22,284
	<u>25,712</u>	<u>22,284</u>

9 Financial Assets

Prior to the settlement of the LRS and MRS Acquisition, Haranga agreed to loan the entities funds pre settlement to continue activities and expenses such as in-country exploration and general working capital purposes (“Acquisition Loans”). These loans are interest free, unsecured and contribute toward the exploration commitment expenditures.

These loans were satisfied post acquisition through the issue of shares in LRS and MRS to Haranga.

	2021	2020
	\$	\$
Loan – Loropeni Resources Limited	542,642	-
Loan - Mandinga Resources Limited	98,268	-
	<u>640,910</u>	<u>-</u>

10 Trade and other payables

Accounting Policy

Trade creditors and other payables are recognised at amortised cost and not discounted due to their short-term nature. They represent liabilities for good and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

	2021	2020
	\$	\$
Trade and other payables	948,031	350,787
Accrued expenses	35,000	-
	<u>983,031</u>	<u>350,787</u>

Notes to the Consolidated Financial Statements

11 Financial liabilities

	2021	2020
	\$	\$
Convertible loan- at fair value through profit and loss ⁱ	500,000	-
Unissued shares ⁱⁱ	6,305,000	-
Advances from director related entities and third parties ⁱⁱⁱ	549,000	-
	<u>7,354,000</u>	<u>-</u>

I. Convertible Loan

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 carrying value of the convertible note approximates the fair value as at 31 December 2021. 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. The converting note liability is removed from the statement of financial position when the obligations specified in the contract are discharged. This can occur upon the option holder exercising their option or the option period lapses requiring the Company to discharge the obligation.

On 17 January 2022 the Company issued 2,500,000 fully paid ordinary shares and 1,250,000 options to FGFL in satisfaction of the Loan.

II. Unissued shares

On 29 October 2021 the Company lodged a prospectus with the Australian Securities and Investment Commission ("ASIC") which offered up to 32,500,000 shares at an issue price \$0.20 per Share to raise up to \$6,500,000 together with one (1) free attaching option for every two (2) Shares subscribed for and issued, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission. The offer was closed fully subscribed and as at the period end the Company was awaiting completion of the Pre-Quotation Disclosure ("PQD") requirements for admission of the Company's shares to trading on the Australian Securities Exchange ("ASX"). As noted elsewhere in this report approval for admission was received on 25 January 2022 and the Company's shares commenced trading on the ASX on 27 January 2022.

At 31 December 2021 subscription funds totalling \$6,305,000 had been received. No shares had been issued at 31 December 2021. Shares were issued on 17 January 2022 and the Company's shares commenced trading on the ASX on 27 January 2022.

III. Advances from director related entities and third parties

Notes to the Consolidated Financial Statements

At the end of the financial year \$549,000 had been advanced from third parties. A total of \$220,000 had been advanced by third parties and \$329,000 by entities related to director Peter Youd. These advances were repaid in January 2022. The advances were to fund ongoing work with the exploration projects in Senegal and Côte d'Ivoire. The advances were not secured and carried no interest payment.

12 Financial assets and liabilities

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 31 December 2021 and 31 December 2020:

	2021 \$	2020 \$
Financial assets		
Other receivables ^I	25,712	22,284
Loans to third parties	640,910	-
	<u>666,622</u>	<u>22,284</u>
Current	666,622	22,284
Total financial assets	<u>666,622</u>	<u>22,284</u>
Financial liabilities		
Trade and other payables ^{II}	983,031	350,787
Convertible loan- at fair value through profit and loss	500,000	-
Unissued shares-refer note 11ii	6,305,000	-
Advances from third parties	220,000	-
Advances from related parties	329,000	-
	<u>8,337,031</u>	<u>350,787</u>
Current	8,337,031	350,787
Non-current	-	-
Total financial liabilities	<u>8,337,031</u>	<u>350,787</u>

- I. Debtors, other debtors and goods and services tax are non-interest bearing and generally receivable on 30-day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.
- II. Trade creditors and other payables and funds received related to unissued shares are non-interest bearing and generally payable on 30-day terms. Due to the short-term nature of these payable, their carrying value is assumed to approximate their fair value.

Notes to the Consolidated Financial Statements

13 Issued Capital

Accounting Policy

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of shares or options are recognised as a deduction from equity, net of any related income tax effects.

a) Ordinary shares	2021	2020	2021	2020
	\$	\$	Number	Number
Issued and fully paid	40,372,231	40,834,231	7,120,285	35,600,036
Opening balance	40,834,231	40,834,231	35,600,036	35,600,036
Director Shortfall Shares bought back 5 March 2020 ⁽ⁱ⁾	-	(120,000)	-	(4,000,002)
Director Shortfall Shares issued 5 March 2020 ⁽ⁱ⁾	-	120,000	-	4,000,002
Consolidation approved by shareholders 30 July 2021	-	-	(28,479,751)	-
Share issue costs ⁽ⁱⁱ⁾	(462,000)	-	-	-
Closing balance	40,372,231	40,834,231	7,120,285	35,600,036

- I. The Company bought back the Director Shortfall Shares at the Annual General Meeting on 5 March 2020. The Company also received shareholder approval on 5 March 2020 to allow each of the directors to re-subscribe for the Shortfall Shares at \$0.03 per share.
- II. Share issue costs relate to the IPO raising of \$6.5million. Refer to Note 19 – Events subsequent to balance date for further information.

b) Share Options	2021	2020
<i>Unlisted share options</i>		
At the beginning of the period	-	-
Options issued	5,000,000	-
Options exercised	-	-
At the end of the period	5,000,000	-

Refer to Note 13(c) for further details of the share options issued

Capital risk management

The Group's capital comprises share capital, reserves less accumulated losses amounting to a net liability position of \$1,352,237 at 31 December 2021 (2020: net liability position of \$239,947). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders. The Group was ungeared at year end and not subject to any externally imposed capital requirements. Refer to note 15 for further information on the Group's financial risk management policies.

c Share based payments

Accounting Policy

The value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options (the vesting period), ending on the date on which the relevant employees become fully entitled to the option (the vesting date).

Notes to the Consolidated Financial Statements

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

- The grant date fair value of the option;
- The current best estimate of the number of options that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and
- The expired portion of the vesting period.

Until an option has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so.

The Company recognised total share-based payment expenses as follows:

	2021	2020
	\$	\$
Options issued to directors and key management personnel	535,000	-
Total	<u>535,000</u>	<u>-</u>

Share Option Plan

The Company provides directors, certain employees and advisors with share options. The options are exercisable at set prices and the vesting and exercisable terms varied to suit each grant of options.

	2021		2020	
	Number of options	Weighted average exercise price (cents)	Number of options	Weighted average exercise price (cents)
Outstanding 1 January	-	-	-	-
Issued	5,000,000	30	-	-
Exercised	-	-	-	-
Outstanding 31 December	<u>5,000,000</u>	<u>30</u>	-	-

Share-based payments – Options issued

The table below summarises options granted to directors and key management personnel under the Share Option Plan:

Grant date	Expiry Date	Exercise Price	Balance at start of the year	Granted during the year	Exercised during the year	Balance at the end of the year	Vested and exercisable during the year
			Number	Number	Number	Number	Number
Unlisted Options							
3 August 2021	27 January 2025	\$0.30	-	5,000,000	-	5,000,000	5,000,000

The issue of these unlisted options was approved by the Board in August 2021.

Notes to the Consolidated Financial Statements

Using the Black Scholes option pricing model and based on the assumptions set out below, the Options were ascribed the following value:

Assumptions

Valuation date	3 August 2021
Underlying share price	\$0.20
Exercise price	\$0.30
Expiry date (length of time from issue)	3 Years
Risk free interest rate	0.23%
Volatility	100%
Indicative Value of Options (cents)	0.1068
Total Value of Options	\$535,000

All options vested at the issue date.

14 Reserves and accumulated losses

Accounting Policy

The share-based payments reserve holds the directly attributable cost of services provided pursuant to the options issued to corporate advisors, directors, employees and past directors of the Group.

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

	2021	2020
	\$	\$
Share based payment reserve	6,717,565	6,182,565
Foreign currency translation reserve	(54,694)	(54,694)
	<u>6,662,871</u>	<u>6,127,871</u>

15 Statement of cash flow reconciliation

	2021	2020
	\$	\$
1. Reconciliation of net loss after tax to net cash flows from operations		
Net Loss	(1,185,290)	(299,832)
Other income – forgiveness of debt	(286,710)	-
Option valuation expense	535,000	-
Changes in assets/liabilities		
Trade and other receivables	(3,429)	(10,784)
Other assets	269	12,607
Trade and other payables	456,955	213,395
Net cash outflow from operation activities	<u>(483,205)</u>	<u>(84,614)</u>

b) Non-cash transactions

There were no non-cash investing and financing activities during the reporting period

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Notes to the Consolidated Financial Statements

15. Financial Risk Management

Exposure to liquidity, interest rate, credit and foreign currency risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments.

The Group uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

(a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments. The responsibility for liquidity risk management rests with the Board of Directors.

Alternatives for sourcing our future capital needs include our cash position and the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity along with future capital raising will be adequate to meet our expected capital needs.

Maturity analysis for financial liabilities

Financial liabilities of the Group comprise trade and other payables. As at 31 December 2021 and 31 December 2020 all financial liabilities are contractually matured within 30 days.

(b) Interest Rate Risk

Interest rate risk arises from the possibility changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	2021	2020
	\$	\$
Cash at bank and in hand-also refer Note 11(ii)	<u>6,317,495</u>	<u>87,610</u>

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's statement of profit or loss and other comprehensive income to a reasonably possible change in interest rates, with all other variables constant.

Notes to the Consolidated Financial Statements

15. Financial Risk Management (continued)

Judgement of reasonable possible movements

	Effect on Post Tax Losses	
	2021	2020
	\$	\$
Increase 1 basis point	632	9
Decrease 1 basis point	(632)	(9)

A sensitivity of 10 basis points has been used as this is considered reasonable given the current level of both short term and long-term Australian Dollar interest rates. The change in basis points is derived from a review of historical movements and management's judgement of future trends.

(c) Credit Risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's maximum credit exposure is the carrying amounts on the statement of financial position. The Group holds financial instruments with credit worthy third parties.

At 31 December 2021, the Group held cash at bank. These were held with financial institution with a rating from S&P Global Ratings of -AA or above (long term). The Group has no past due or impaired debtors as at 31 December 2021.

(d) Foreign Currency Risk

Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The Group does not have any material exposure to foreign currency risk.

Notes to the Consolidated Financial Statements

16. Parent Entity Information

The following details information related to the parent entity, Haranga Resources Limited, at 31 December 2021. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	Notes	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents-including restricted cash	7	6,317,495	87,610
Other receivables	8	25,712	22,284
Other current assets		677	946
Financial assets	9	640,910	-
Total Current Assets		6,984,794	110,840
Total Assets		6,984,794	110,840
Current Liabilities			
Trade and other payables	10	983,031	350,787
Finance liabilities	11	7,354,000	-
Total Current Liabilities		8,337,031	350,787
Net Assets/(Liabilities)		(1,352,237)	(239,947)
Equity			
Issued capital		40,372,231	40,834,231
Reserves		6,662,871	6,127,871
Accumulated losses		(48,387,339)	(47,202,049)
Total Equity		(1,352,237)	(239,947)

17. Related Party Disclosures

(a) Ultimate parent

The ultimate parent entity is Haranga Resources Limited

(b) Subsidiaries

The consolidated financial statements include the financial statements of Haranga Resources Limited and the subsidiaries listed in the following table:

	Principal activity in the year	Place of Incorporation	Equity Holdings 2021	Equity Holdings 2020
Nomad Mining Limited	Dormant	Australia	100%	100%
Nomad Manganese LLC	Dormant	Mongolia	100%	100%

Notes to the Consolidated Financial Statements

(c) Compensation for key management personnel

The key management personnel compensation included in employee benefits expense (note 4) and share-based payments (note 13), is as follows:

	2021	2020
	\$	\$
Short term employee benefits	76,663	108,000
Share based payments	535,000	-
	<u>611,663</u>	<u>108,000</u>

(d) Other transactions

As at 31 December Mr Peter Youd, through his related entities, had lent \$329,000 to the parent entity. These loans were not secured and did not bear interest. The loans were repaid following admission of the Company to the ASX. (2020: Nil).

18. Auditors' remuneration

Services provided by the Group's auditor (in tenure as auditor) and associated firms

During the year, the Group obtained the following services from BDO Audit (W.A.) Pty Ltd as detailed below:

	2021	2020
	\$	\$
Auditors' remuneration		
Audit services – BDO Audit (WA) Pty Ltd	55,620	39,260
Other services – BDO Corporate Finance (WA) Pty Ltd	15,218	-
	<u>70,838</u>	<u>39,260</u>

19. Events subsequent to reporting date

On 17 January 2022 the Company settled the acquisition of both Loropeni Exploration SARL (LRS) and Mandinga Exploration SARL (MRS).

In settlement of the LRS acquisition the following consideration was issued;

- d) issue of 13,000,000 fully paid ordinary shares;
- e) issue of 6,500,000 options (exercisable at \$0.30 expiring three (3) years from the date of Admission; and
- f) issue of 5,000,000 Performance shares.

The MRS acquisition was settled with the follow consideration;

- c) issue of 5,000,000 fully paid ordinary shares;
- d) issue of 2,500,000 options (exercisable at \$0.30 expiring three (3) years from the date of Admission

On 29 October 2021 the Company lodged a prospectus to raise \$6.5 million (before costs) through the issue of up to 32,500,000 fully paid ordinary shares together with one free attaching Option for every two Shares subscribed for and issued, exercisable at \$0.30 per Option expiring three (3) years from the date of Admission.

The offer raised the \$6.5m and the shares and options were issued on 17 January 2022. The Company was subsequently admitted to the Australian Securities Exchange ("ASX") on 25 January 2022 and the securities commenced trading on the ASX on 27 January 2022.

Notes to the Consolidated Financial Statements

On 3 June 2021, the Company had entered into an interest free, converting loan agreement with First Growth Funds Limited (“FGFL”) in the amount of \$500,000 (“Loan”) which had been fully drawn down at the end of the period.

On 17 January 2022 the Company issued 2,500,000 fully paid ordinary shares and 1,250,000 options to FGFL in satisfaction of the Loan.

On 17 January 2022 the Company issued the 5,000,000 Lead Manager Options.

On 3 February 2022 Haranga shares commenced trading on the Frankfurt Stock Exchange (“FSE”) under the code 65E0. This cross listing was completed in a non-dilutive manner and is intended to provide added liquidity and strength to existing shareholders.

Exploration has commenced on the Saraya Uranium Project in Senegal and the Issia-Buyo Gold Project in Côte d'Ivoire.

Under the MRS agreement a royalty is payable as follows;

- (i) 2% royalty in respect of the gross product sale proceeds for uranium produced from the Tenement; and
- (ii) 2% Net Smelter Royalty for any other precious metals produced from the Tenement.

Under the LRS agreement Haranga agrees to pay the Majority Shareholders a 1% net smelter royalty (Royalty) on minerals recovered from the Mangodara, Dembeledougou and Kaouraden.

The Royalty Deed will provide Haranga the option to purchase the Royalty for USD\$1.5 million (**Option Fee**). At the election of Haranga, the consideration for the Option Fee may be payable:

- (i) in cash;
- (ii) in fully paid ordinary shares in the capital of Haranga (at an issue price of 15 day volume weighted average price); or

in a combination of clause (i) and (ii) above.

There were no other known significant events from the end of the financial year up to the date of this report.

Directors' Declaration

In accordance with a resolution of the Directors' of Haranga Resources Limited, I state that:

1. In the opinion of the directors:
 - a) the financial statements and notes of Haranga Resources Limited for the year ended 31 December 2021 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated financial position as at 31 December 2021 and of its performance for the year ended on that date; and
 - ii. Complying with Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. This declaration has been made after receiving the declarations required to be made by the Director's in accordance with sections of 295A of the Corporations Act 2001 for the financial year ended 31 December 2021.

On behalf of the Board



Peter R Youd
Executive Chairman
30 March 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Haranga Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Haranga Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for Share based payments

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 13 to the Financial Report, the Group issued options to Directors and key management personnel for services provided during the period.</p> <p>Refer to note 13(c) and Note 2(h) of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transactions.</p> <p>In accordance with AASB 2 <i>Share-based payment</i>, the valuation of the share-based payments require use of significant judgments and estimates by the management in arriving at these valuations.</p> <p>We consider the accounting for the share-based payment expense to be a key audit matter.</p>	<p>Our audit procedures in respect of this area included but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewing the share-based payment arrangements to understand the key terms; • Assessing the valuation model and assumptions used to measure and value the share-based payments relating to the options; • Validating the key assumptions used in the Group's calculation being the valuation methodology, share price of the underlying equity, risk free rate and volatility; • Considering the vesting conditions of the options; and • Assessing the adequacy of the disclosure in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 13 of the directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of Haranga Resources Limited, for the year ended 31 December 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd



Neil Smith

Director

Perth, 30 March 2022

Additional Securities Information

(Note, this information does not form part of the audited financial statements)

Additional information is complete as at 29 March 2022.

a) Distribution of Shareholdings – Fully Paid Ordinary Shares:

Size of Holding	Number of Shareholders	Number of Shares
1 – 1,000	624	130,197
1,001 – 5,000	153	381,209
5,001 – 10,000	106	964,579
10,001 – 100,000	265	11,476,573
100,001 and over	87	47,167,727
Totals	1,235	60,120,285

Equity Security	Quoted	Unquoted
Fully paid ordinary shares	41,814,020	18,306,265
Options	17,500,000	19,000,000
Performance Shares	0	5,000,000

b) Top 20 Security Holders – Fully Paid Ordinary Shares

	Name of Holder	Number of Shares	%
1	MARTIN JOACHIM PAWLITSCHKE	4,500,000	7.49%
2	DUSKO LJUBOJEVIC	4,500,000	7.49%
3	FIRST GROWTH FUNDS LIMITED	3,650,000	6.07%
4	BLUE OLIVE CAPITAL PTY LTD <BLUE OLIVE FUND A/C>	2,740,000	4.56%
5	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	1,600,835	2.66%
6	AEGIAN PAL PTY LTD <ELPIDA SUPER FUND A/C>	1,586,098	2.64%
7	RED AND WHITE HOLDINGS PTY LTD <BLOOD SUPER FUND A/C>	1,455,441	2.42%
8	FOTIOS LEKKAS	1,370,000	2.28%
9	MANZOORI PTY LTD <MANZOORI FAMILY A/C>	1,370,000	2.28%
10	MC EQUITY PARTNERS PTY LTD	1,200,000	2.00%
11	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	1,096,000	1.82%
12	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	1,062,669	1.77%
13	DIRECT UNION LIMITED	1,014,428	1.69%
14	ADZL PTY LTD	1,000,000	1.66%
15	SHAPE CAPITAL PTY LTD <EQ CAPITAL MARKETS PL F A/C>	880,000	1.46%
16	GEORGE MICHAELIDES	600,000	1.00%
17	MOHAMED NIARE	600,000	1.00%
18	EL HADJI PAPA MACOUMBA DIOP	600,000	1.00%
19	MR SUFIAN AHMAD <SIXTY TWO CAPITAL A/C>	550,000	0.91%
20	RED AND WHITE HOLDINGS PTY LTD <BLOOD SUPER FUND A/C>	533,334	0.89%
	Total	31,908,805	53.07
	Total issued capital	60,120,285	100.00

Shareholders with less than a marketable parcel

At 29 March 2022, there were 698 shareholders holding less than a marketable parcel of shares (\$0.235 cents on this date) in the Company totalling 242,267 ordinary shares. This represented 0.4% of the issued capital.

Additional Securities Information

c) Top 20 Security Holders – Options

	Name of Holder	Number of Options	%
1	DUSKO LJUBOJEVIC	2,250,000	6.16%
2	MARTIN JOACHIM PAWLITSCHKEK	2,250,000	6.16%
3	FIRST GROWTH FUNDS LIMITED	1,750,000	4.79%
4	RED AND WHITE HOLDINGS PTY LTD <BLOOD SUPER FUND A/C>	1,458,333	4.00%
5	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	1,399,668	3.83%
6	BLUE OLIVE CAPITAL PTY LTD <BLUE OLIVE FUND A/C>	1,370,000	3.75%
7	MS NERIDA LEE SCHMIDT	1,000,000	2.74%
8	MR HENDRIK SCHLOEMANN	1,000,000	2.74%
9	INTERVIEW HOLDINGS PTY LTD <KIM CHNG FAMILY A/C>	1,000,000	2.74%
10	KINGSTON VALE PTY LTD <YOUD FAMILY A/C>	1,000,000	2.74%
11	MR JOHN DAVIS	1,000,000	2.74%
12	SHAPE CAPITAL PTY LTD	833,333	2.28%
13	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	750,418	2.06%
14	FOTIOS LEKKAS	685,000	1.88%
15	MANZOORI PTY LTD <MANZOORI FAMILY A/C>	685,000	1.88%
16	AEGIAN PAL PTY LTD <ELPIDA SUPER FUND A/C>	625,000	1.71%
17	MS ELAINE YOUNG FORTMANN	595,834	1.63%
18	MR RAYMOND TANTI	550,000	1.51%
19	GODIN CORP PTY LTD <SEVEN A/C>	545,833	1.50%
20	MC EQUITY PARTNERS PTY LTD	535,000	1.47%
	Total	21,283,419	58.31
	Total issued options	36,500,000	100.00

d) Top 20 Security Holders – Performance Shares

	Name of Holder	Number of Performance Shares	%
1	DUSKO LJUBOJEVIC	2,500,000	50.00%
2	MARTIN JOACHIM PAWLITSCHKEK	2,500,000	50.00%
	Total	5,000,000	100.00
	Total issued options	5,000,000	100.00

e) Licence Position as at 30 March 2022

All granted licences are in good standing and comply with the reporting requirements of the relevant licence.

Licence Number	Haranga Interest	Status	General Location
PR 02208	70%	Granted	Saraya Uranium Project – Senegal
PR 805	Joint venture	Granted	Issia Gold Project - Cote d'Ivoire
PR 783	Joint venture	Granted	Ouangolo Gold Project – Burkina Faso
PR 2829	100%	Granted	Mangodara Gold Project – Burkina Faso
PR 3369	100%	Granted	Danbeledougou Gold Project – Burkina Faso
PR 3312	100%	Granted	Kaouradeni Gold Project – Burkina Faso