

FROM SUCCESSFUL EXPLORATION TO DEVELOPING A MINE



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HIGHLIGHTS

The RESOURCE:

- The largest internationally recognized JORC compliant Resource of 254Mt (Measured and Indicated) in Mongolia.
- Ideally located in the premier iron ore region with power, water and logistics.
- Necessary base for delineating and estimating Proven and Probable Ore Reserves for developing a Mine.
- Resource supports a 5mtpa > production rate.

The COMPANY:

- Transitioning into a Development - Production phase from a successful Exploration phase.
- Raised \$1.8m which will enable the Company to move forward and complete arrangements with traders to fund and develop the deposit.
- Restructure of the Company to move towards an operating mind set that is cost efficient.
- Pre-Mining Agreement with the Mineral Resource Authority of Mongolia is signed.
- The Mining License is expected to be granted within Q2 2015.
- Key milestones towards completing the Project Feasibility Study are being achieved.
- A quality product with specifications suitable for Chinese steel mills is attainable and well tested which supports the project funding.
- Further work to optimize an initial ramp up of mine operation to achieve early production and cash flow is underway.



THE COMPANY

COMPANY SNAPSHOT (22 MAY 2015)

Corporate Directory

Marshall Cooper	Executive Chairman
Erdene Tsengelbayar	Managing Director
Brian McMaster	Non-Executive Director
Matthew Wood	Non-Executive Director
Michael Riady	Non-Executive Director
Bat-Ochir Sukhbaatar	Non-Executive Director
Jack James	Non-Executive Director and Company Secretary

Top 5 Shareholders

Golden Rain Holdings Limited	91.98m	26.91%
Amarbaatar Chultem	43.96m	12.86%
Taycol Nominees Pty Ltd	35.61m	10.42%
JP Morgans Nominees	13.09m	3.83%
Geotrass LLC	13.06m	3.82%

Key Statistics

Ordinary shares on issue	341.85m
Share price (A\$)	\$0.02
Market capitalization (A\$)	\$6.84m

Latest Announcements

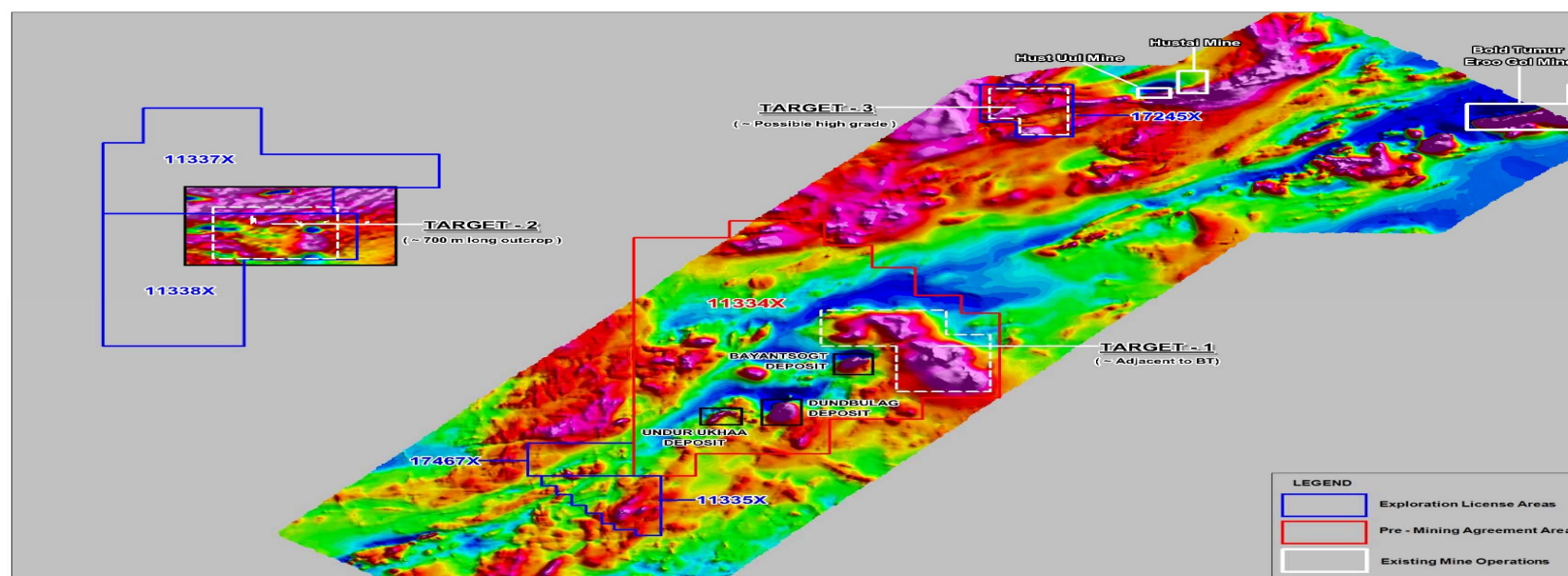
29/04/2015	Expiry of Unlisted Options
29/04/2015	Quarterly Cashflow report
29/04/2015	Quarterly Activities Report
24/04/2015	Notice of AGM/Proxy Form
31/03/2015	Update to the Annual report 2014
30/03/2015	2014 Annual report
27/02/2015	Expiry of Unlisted Option
10/02/2015	Final Director's Interest Notice

LICENSES

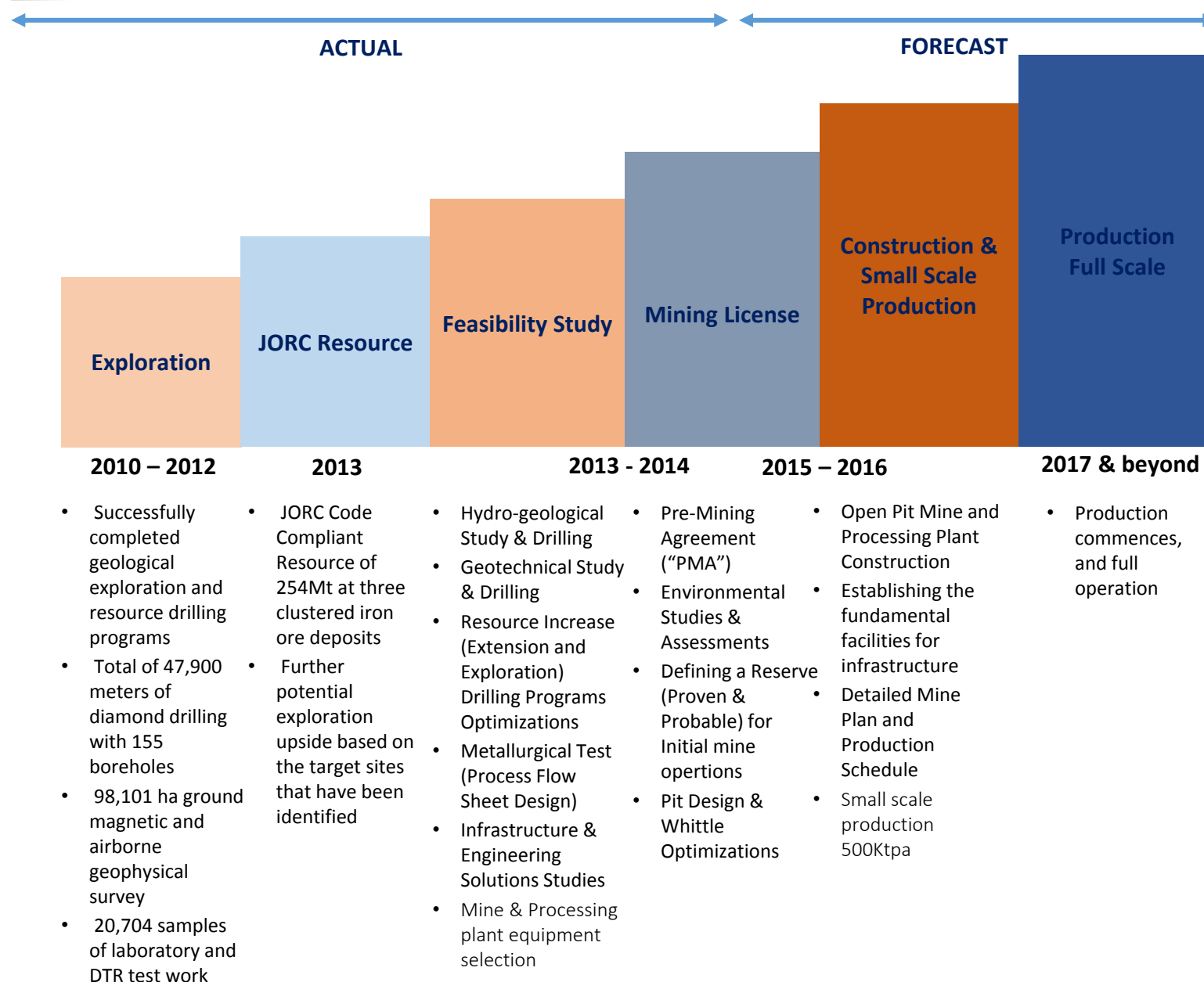
The Status of Mineral Exploration Licenses (MEL)					
License Holder	License No.	Date of issue	License area /ha/	Current year	Valid until
Haranga Huder LLC	XV-011334	10-Feb-06	8940.55	10	2016*
Haranga Huder LLC	XV-011335	10-Feb-06	616.96	10	2018
Haranga Huder LLC	XV-011337	10-Feb-06	3039.41	10	2018
Haranga Huder LLC	XV-011338	10-Feb-06	3171.66	10	2018
Haranga Huder LLC	XV-017245	10-Feb-06	562.63	10	2018
Haranga Huder LLC	XV-017467	10-Feb-06	459.47	10	2018
TOTAL			16,791		

*Pre-Mining Operation Agreement (PMA) License

MELs are located within a potential geological settings & structural zone for iron ore



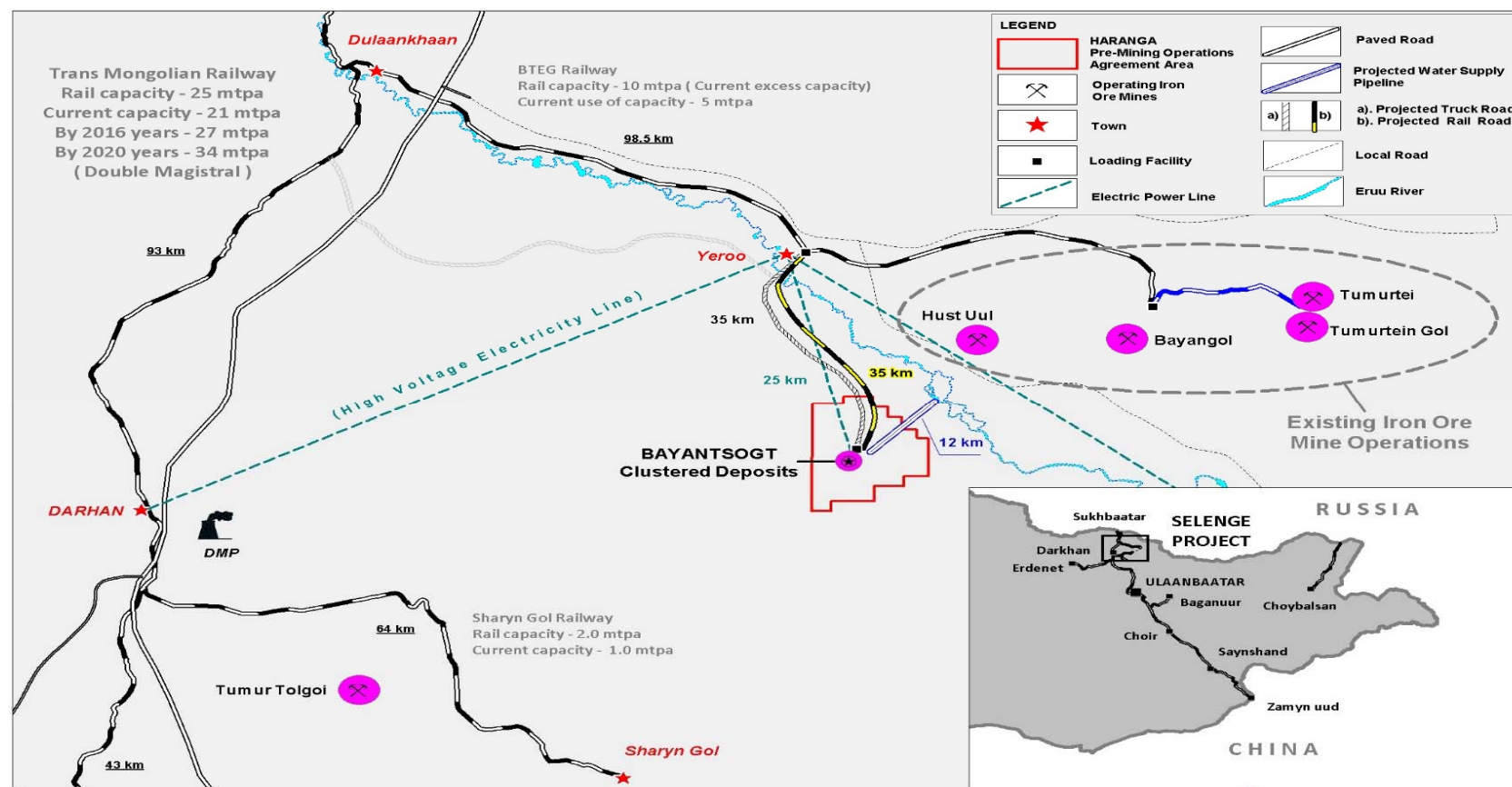
THE PROJECT DEVELOPMENT PATH



MANAGEMENT CRITICAL TASKS- 2015

- Completion of Mongolian standard Feasibility Study to secure a Mining License;
- Ecological and Economical Assessment is required;
- Grant of Mining License;
- Completion of Hydro-Geological and Geotechnical Studies when necessary and required by a turn-key Contractors.

THE PROJECT LOCATION AND INFRASTRUCTURE MAP



The Project is ideally located in Mongolia

- Access to established infrastructure such as Railroad, Electricity and Water supply
- Existing iron ore producing mines in close proximity with a proven track record in exporting to China.

The Project is located in Mongolia's premier iron ore development region of Darkhan-Selenge which has existing access to the main Trans-Mongolian Rail Line and nearby spurs as well as the industrial hubs of the Darkhan Uul and Selenge provinces where key infrastructure such as road and communication, electricity and water supply are relatively well developed with excellent access to the existing railway.

EXPLORATION SUMMARY



Drilling programs

	TOTAL (2011-2012)
Exploration & Resource (HQ, NQ - core) meters	45,986
Geotechnical and Metallurgical (PQ - bulk) meters	567
Hydro-geological Study (RC) meters	1,347
TOTAL DRILLING METERS	47,900

Other key exploration works

	TOTAL (2011-2012)
Ground Magnetic & Airborne Geophysical Survey hectares	98,101
Total Sampling & Lab Assay and DTR Test samples	20,704
Topographical Survey hectares	3,865
Preliminary Geotechnical Study meters	1,030

Haranga is aiming to become one of the strategic players in iron ore production and export operations in Mongolia.

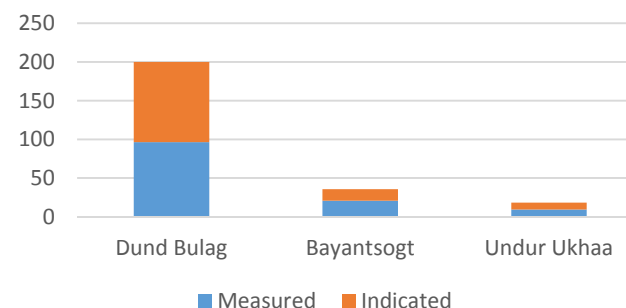
THE LARGEST JORC COMPLIANT RESOURCE IN MONGOLIA

JORC RESOURCE (MEASURED & INDICATED)

/Million tons; Cut-off = 12.5% Fe/

Deposit	Measured	Indicated	Total
Dund Bulag	96.4	103.5	199.9
Bayantsogt	20.7	15	35.7
Undur Ukhaa	9.3	8.9	18.2
TOTAL	126.4	127.4	253.8

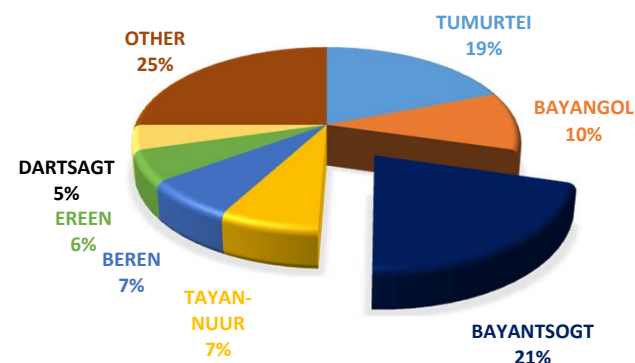
JORC RESOURCE



The delineation of a Resource on the Measured & Indicated categories is sufficient to use as a basis for estimating Proven and Probable Ore Reserves for undertaking the Project Feasibility Study.

THE LARGEST JORC COMPLIANT RESOURCE IN MONGOLIA

RESERVES	Million ton
TUMURTEI	229
BAYANGOL	124
BAYANTSOGT (HARANGA)	254
TAYAN-NUUR	88
BEREN	84
EREEN	67
DARTSAGT	53
OTHER	330
TOTAL	1.2 BILLION TONS



Haranga currently holds about 20% of the total registered iron ore resource in Mongolia.

THE IRON ORE CONCENTRATE MARKET

IRON ORE CONCENTRATE

- ❖ **METALLURGICAL TEST PROVEN**
- ❖ **LOWER IMPURITIES**
- ❖ **SUITABLE FOR CHINA MARKET SPECIFICATIONS FOR STEEL PRODUCERS**

Banded Magnetite Skarn (BMS)



Dundbulag and Bayantsogt deposit iron ore concentrates extracted from metallurgical tests

Product Specifics		
	Dundbulag Deposit (JORC 200Mt)	Bayantsogt Deposit (JORC 35Mt)
Fe (%)	63.1	62.1
SiO ₂ (%)	6.9	6.4
Al ₂ O ₃ (%)	1.3	1.3
P (%)	0.005	0.038
S (%)	0.2	2.8
Moisture (%)	<10% (assumed)	<10% (assumed)
Granularity (mm)	0.075	0.075



The Result of the Metallurgical Test

Metallurgical Test work and Results at the Iron Ore Technical Centre at ALS in Wangara, Western Australia



A total of 400,1 kg of samples including 196,9 kg of samples representing the Bayantsogt Deposit and 203,2 kg of samples representing the Dund Bulag Deposit were prepared and delivered to ALS for testing.

Summary Results of the Two-stage Grinding Wet Magnetic Separation Test (P80 250µm and P80 75 µm)

Deposit names	Final stage Mass Yield %	Grade, Fe%	Final stage Recovery %
Dund bulag	67.4	63.1	93.9
Bayantsogt	67.6	62.1	88.6

Summary Results on the Quality and Impurities in the Product of Iron Concentrate

Deposit names / JORC Measured & Indicated Resource	Fe, %	SiO ₂ , %	S, %	Al ₂ O ₃ , %	P, %
Dund Bulag (199.9Mln tons)	63.1	6.9	0.2	1.38	0.005
Bayantsogt (35.7Mln tons)	62.1	6.4	2.8*	1.33	0.038

* LIMS/Flotation test result

The metallurgical test results demonstrate a magnetite concentrate of marketable specification with high iron grade and low impurities suitable for Chinese steel producers.

TARGET MARKET & CUSTOMER



Where the steel mills can accept the product with the Specifications the Company can deliver;

TARGET REGIONS IN CHINA:



Where low grade iron ore mines are operating that are similar to the Project in terms of cost structure;



Where the rail transportation distance is preferably within the range of <1000 km from the Mongolian – Chinese border crossing point aiming to reduce the rail cost to inland China.

CHINA MARKET SPECIFICATIONS

China Market Specifications of Iron Ore and Fe Concentrate

Market research shows that the accepted quality of concentrate into the North China steel mills appears to be 62-66% Fe, Sulphur <0.1%, and Silica < 7%. The below table shows in detail the market specifications for iron concentrate traded in China:

	MBIOI-62	MBIOI-58	MBIOI-58P (High specification)
Price	US\$ per dry metric ton, CFR China	US\$ per dry metric ton, CFR China	US\$ per dry metric ton, CFR China
Material Origin	All Origins	All Origins	All Origins
Fe content	Base 62%, Range 56% to 66%	Base 58%, Range 56% to 60%	Base 58%
SiO₂	Base 3.5%, Maximum 8.0%	Base 5.5%, Maximum 9.0%	Base 5.5%
Al₂O₃	Base 2.0%, Maximum 4.0%	Base 3.5%, Maximum 5.0%	Base 1.5%
P	Base 0.05%, Maximum 0.15%	Base 0.08%, Maximum 0.15%	Base 0.05%
S	Base 0.02%, Maximum 0.06%	Base 0.04%, Maximum 0.07%	Base 0.01%
Moisture	Base 8.0%, Maximum 10.0%	Base 8.0%, Maximum 10.0%	Base 8.0%
Granularity	Base size >90% <6,3mm, at least 90% <10mm, at most 40 <0.15mm	Base size >90% <6,3mm, at least 90% <10mm, at most 40 <0.15mm	Base size >90% <10,0mm
Trade size	Minimum 30.000 tons	Minimum 30.000 tons	Minimum 30.000 tons
Payment terms	Payment at sight, other terms normalised to base	Payment at sight, other terms normalized to base	Payment at sight
Delivery port	Base Qinqdao, normalized for any Chinese mainland sea port	Base Qinqdao, normalized for any Chinese mainland sea port	Qinqdao
Delivery period	Within 8 weeks	Within 8 weeks	Within 8 weeks
Publication	Daily at 7pm Singapore time	Daily at 7pm Singapore time	Daily at 7pm Singapore time

The **MBIOI-62 (Metal Bulletin Iron Ore Index)** is a benchmark price representing the iron ore fines market. All transaction data within the specification maximums below, are normalized to the base specification based on the value-in-use implied by the market. The MBIOI-62 is a daily index published at 7pm Singapore time.

The **MBIOI-58** is a price representing a growing part of the iron ore fines market. All prices within the specification maximums below are normalized to the base specification based on the value-in-use implied by the market.

The **MBIOI-58P** is a daily index published at 7pm Singapore time. In Addition to the MBIOI-58, Metal Bulletin publishes a daily differential premium for the 58% Fe high specification; low alumina and phosphorous material (MBIOI-58P). The daily indicators are rounded to two decimal places. the premium is rounded to the nearest \$0.50. The figure representing the combined MBIOI-58 and High Specification Premium is the 58% Fe premium Index.

CHINA MARKET

Iron Ore Mines in China

Cost Structure:

Low Cost

Low cost mines with below RMB350/t (USD55/t) accounting for only 15% of the nations total.

Medium Cost

Medium cost mines with RMB350 - 630/t (USD55-100/t) taking up 60% of the nations total.

High Cost

High cost mines with over RMB630/t (USD>100/t) occupying 25% of the total iron ore production.

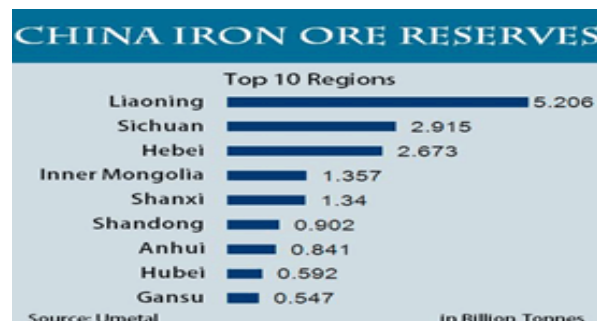
Grade Structure:

High Grade

High grade iron ore mines account for only about 20% of the nations total iron ore production.

Low Grade

Low grade iron ore mines account for about 80% of nations total; and a low level of development whereas production costs are high, and need for improving the technology and upgrading the equipment of processing; “blending” is required in order to improve the efficiency of using a low grade material.



Steel Mills and Iron Ore Ports in China



RAIL & LOGISTICS – INLAND CHINA

The following 3 steel mills in China are within the approximate 1000 km distance radius from the Mongolian – Chinese border crossing point of Zamiin Uud with estimated rail costs per ton as follows:

1. Baotou (Inner Mongolia) 635 km	
60 ton wagon, (RMB)	USD per ton
6623.9	17.78








2. Taiyuan (Shanxi) 760 km	
60 ton wagon, (RMB)	USD per ton
7791.0	20.91

3. Tangshan (Hebei) 830 km	
60 ton wagon, (RMB)	USD per ton
11300.0	30.33



POTENTIAL TARGET STEEL MILLS

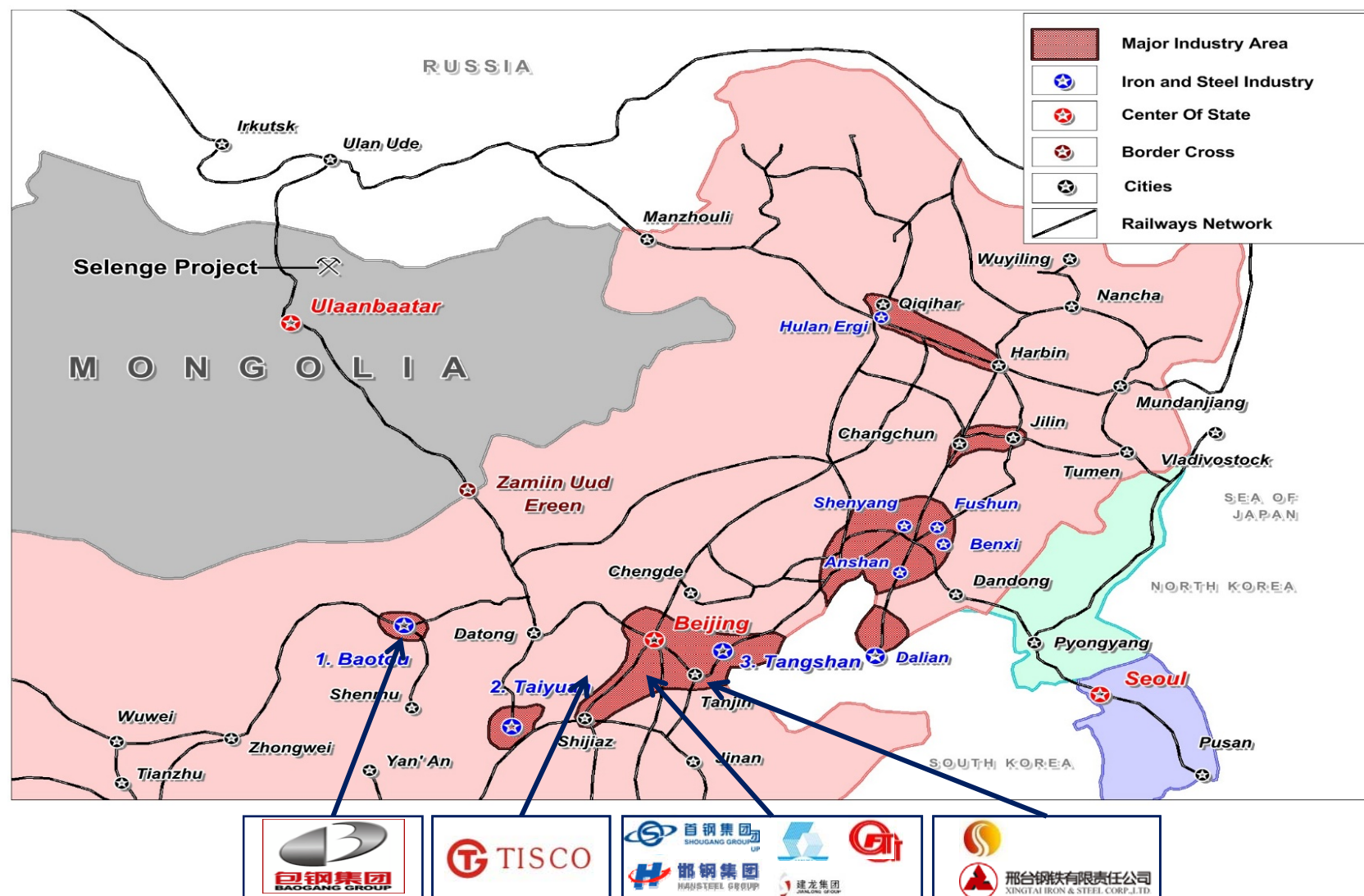
Potential customer steel mills identified in Northern China region:

Potential Customer	Province	Approx Output Mtpa
 Shougang Group	Hebei	15
 TISCO Talyuan Iron & Steel (TISCO)	Shanxi	10
 Tangsteel/ Hansteel Group (TISCO)	Hebei	8
 HebeiJinxi Steel	Hebei	-
 Tianjin Iron & Steel	Tianjin	10
 Baotou Iron & Steel	Inner Mongolia	-
 Jianlong Steel	Hebei	6.5
 Xingtai Iron & Steel (XINGTAI IRON & STEEL CORP., LTD.)	Xingtai	-
 Tangshan Guofeng Iron & Steel	Hebei	11



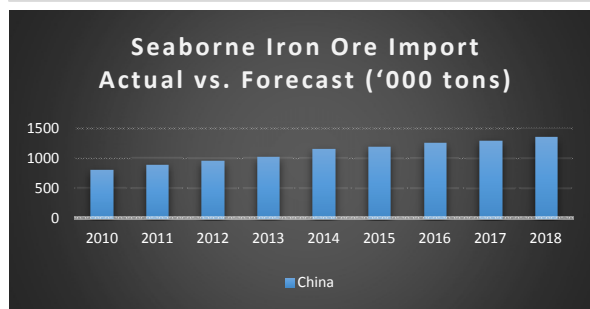
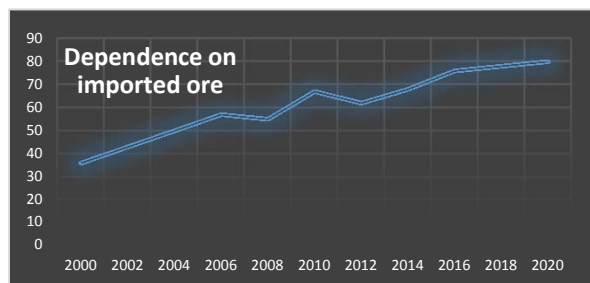
LOCATIONS OF POTENTIAL TARGET STEEL MILLS

Below map shows the location of Chinese steel mills (highlighted in blue color) within <1000 km from the Mongolian-Chinese border.



Dependence on Imported Iron Ore

Dependence on Imported Iron Ore



The domestic mines with operation cost of USD 80 – 100/t account for ever 80% of the total domestic market.

It is forecasted that the iron ore price shall be stabilized within the next 2-3 years and 2017 onward will range within USD 80 -100/t averaging at 90\$/t.

Total domestic iron raw ore ROM production is about 1.45 billion tons. However, due to a low grade and poor cost competitiveness to seaborne ore and given the weak iron ore price, the domestic ore to be forced out.

Total seaborne imported iron ore reached 790 million tons. Land transported imported ore 30 million tons. International iron ore supplies have been increasing gradually.

The domestic iron ore production in Fe concentrate shall be about 300 million tons and the imported ore is approximately 1 billion tons. The dependence on imported iron ore is not likely to be changed in a short term. Chinese steel mills will likely to continue to “go abroad” to secure industrial raw material sources.

PROJECT KEY ELEMENTS

PROJECT KEY ELEMENTS:



SECURING THE MINING LICENSE



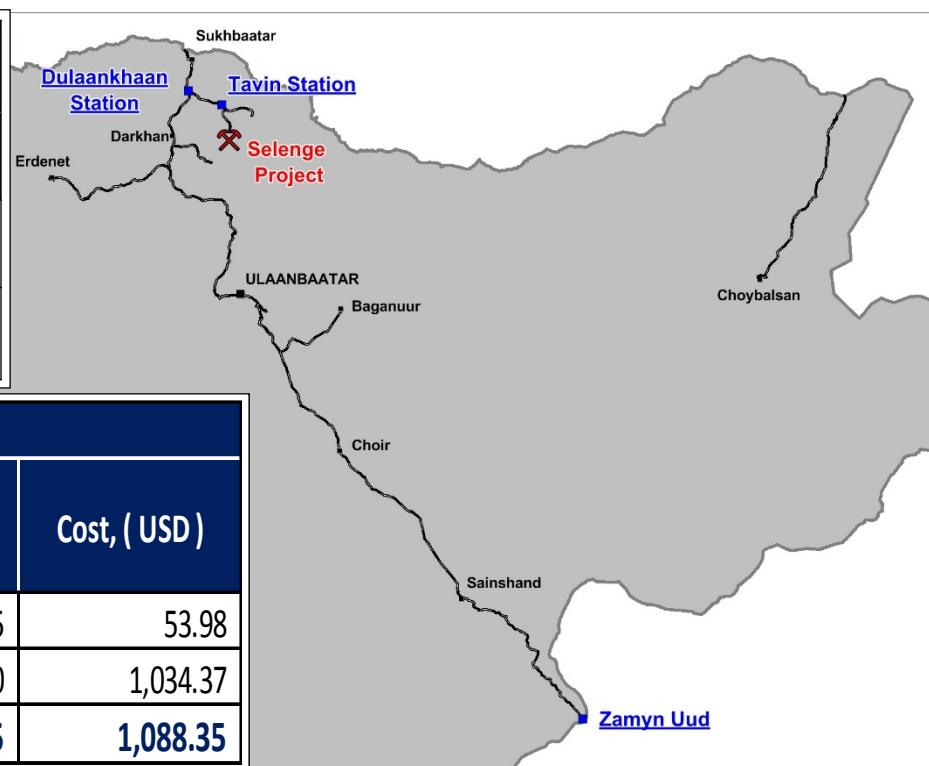
SECURING RAIL CAPACITY & LOGISTICS



**SECURING THE APPROPRIATE ORE BLEND VIA
AMALGAMATIONS WITH OTHER IRON ORE OPERATORS IN
MONGOLIA**

SECURING THE RAIL & LOGISTICS – IN LAND MONGOLIA

Year	2013	2014	2015
USD Average Rate	1,523.93	1,817.94	1,960.22
Dulaankhaan - Zamyn Uud - 1054km	22.18	18.59	17.24
Tavin – Zamyn Uud – 1109km	23.33	19.56	18.14



UBTZ railway cost - per wagon - 60 ton			
Station	The total length of railway /km/	Cost, (MNT)	Cost, (USD)
Tavin - Dulaankhaan	55	105,804.55	53.98
Dulaankhaan - Zamyn Uud	1054	2,027,600.00	1,034.37
Summary	1109	2,133,404.55	1,088.35

Preliminary Discussions with the
Government Authorities

Preliminary Discussions with the
Logistics Provider and Railway Owner

In August 2012, the Company's 80% owned Mongolian subsidiary, Haranga Khuder LLC (HH), signed a Memorandum of Understanding (MOU) with the relevant government authorities to enable the allocation of up to 5Mtpa of export rail capacity for iron ore and concentrate produced from the Project from 2015 onwards.

In addition, in January 2015, the Company reached another MOU with Ulaanbaatar Railway, the Mongolian – Russian JVC, which owns the Trans – Mongolian Railroad that connects Russia, Mongolia and China. Recent discussions with UB Railway proved that it can commit in supporting to provide locomotives and wagons for HAR iron concentrate export operations.

COMPETENT PERSONS' STATEMENTS AND DISCLAIMER

The technical information contained in this presentation in relation to the JORC Code 2012 Compliant Resource for the Selenge Project has been reviewed by Mr Peter Ball of Data Geo Ltd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Ball has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr Ball consents to the inclusion of the matters based on his information, and information presented to him, in the form and context in which it appears. Refer to the HAR ASX announcement dated 7 May 2013 for further details.

Mr. Aden Ta, who represents the ALS Iron Ore Technical Centre in Wangara in Western Australia, consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.

This presentation includes certain 'forward looking statements'. All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual result and future events could differ materially from those anticipated in such statements. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The company does not assume the obligation to update any forward-looking statement.

HARANGA RESOURCES LIMITED CONTACTS:

ASX CODE : HAR

MANAGING DIRECTOR

Erdene Tsengelbayar
erdene@haranga.com
www.haranga.com

AUSTRALIA OFFICE

Level 1, 330 Churchill Avenue
SUBIACO, WA, AUSTRALIA, 6008
Tel: +61 8 9200 4428
Fax: +61 8 9200 4469

MONGOLIA OFFICE

DB Building 5th floor
Sukhbaatar District 1
Tel: + 976 77077711