



HANNANS REWARD
Exploring for Gold and Base Metals

ASX Announcement / Media Release

18March 2010

Highly Prospective New Ground Position Added at Stormbreaker Prospect

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 128m

Options on issue: 12m (ex 20c – 80c)

Market cap: \$32m

Cash & Equities: \$24 ½ m

Financial Position

Cash on hand: \$5m (Dec '09)

Value of ASX Listed

Equity Positions: \$19 ½ m

Board of Directors

Richard Scallan Chairman

Damian Hicks Managing Director

William Hicks Non-Executive
Director

Jonathan Murray Non-Executive
Director

Major Shareholdings

Atlas Iron Ltd 8.13 m FPO

Projects (Western Australia)

Forrestania Nickel & Gold

QVR Nickel

Lake Johnston Nickel & Gold

Jigalong Manganese

- Highly prospective new ground position secured by prospecting licence applications (100% Hannans) at the Stormbreaker Prospect*
- Detailed review of geology, geophysics and geochemistry has commenced
- Subject to grant of the tenements (estimated within three months) field work to test nickel targets will commence

Western Australian minerals explorer Hannans Reward Ltd (ASX:HNR) advises that highly prospective ground has been secured through prospecting licence applications at the Company's Forrestania Nickel Project located within the world-class Forrestania Nickel Belt.

The prospective ground, which became available upon the expiry of historical tenements, joins the eastern boundary of Hannans 100% owned tenements containing the Phase 1 RC Drill Targets (refer attached figure).

The important point is that Hannans now has control of all prospective stratigraphy (moving from west to east) comprising the interpreted northern extension of the western ultramafic that hosts the high grade nickel mines 7km to the south.

The geological interpretation of the Stormbreaker Prospect suggests a very close interrelationship between highly conductive banded iron formations (BIF) and ultramafic units (the host to nickel sulphide mineralisation in the Forrestania Belt). The attached figure shows the highly conductive BIF through the middle of the new tenement applications however it is the potential for subtle ultramafic units located either side and / or underneath the BIF that will be the focus of future exploration activities.

In relation to the RC drill program planned to test the Phase 1 Targets (refer ASX announcement 4 March 2010), the Department of Mines & Petroleum advised the Company yesterday that a drilling approval decision can be expected by late March 2010. The application for drilling approval was lodged with DMP by the Company on 3 February 2010. Subject to the outcome of DMP's decision, drilling of the Phase 1 Targets will commence as soon as possible thereafter. The Company is not aware of any reason that approvals will not be forthcoming. The delay in the DMP decision making is attributed to the high volume of drilling approval applications currently being handled by DMP (i.e. not Hannans specific).

The Phase 2 RC Drill Targets at the Stormbreaker Prospect (based on the ten recently identified electromagnetic anomalies referred to in the ASX release dated 4 March 2010) are currently be worked-up and DMP related paperwork for drilling approvals will be lodged as soon as possible.

* The Stormbreaker Prospect comprises tenure owned 100% by Hannans and ground in joint venture with Cullen Resources Ltd (80% owned by Hannans with Cullen free-carried at 20% through to a decision to mine). The delineation between the respective ground positions is highlighted on the attached figure.

Hannans remains well funded to complete multiple phases of exploration at Forrestania during the course of the year with cash reserves of \$5 million and an investment in Atlas Iron Ltd valued at approximately \$20 million.

Hannans shareholders have excellent upside exposure to exploration success at Forrestania and limited downside risk at current levels.

For further information please contact:

Damian Hicks
Hannans Reward
Tel: 9324 3388

Karen Oswald
Professional Public Relations
Tel: 9388 0944
Mobile: 0423 602 353

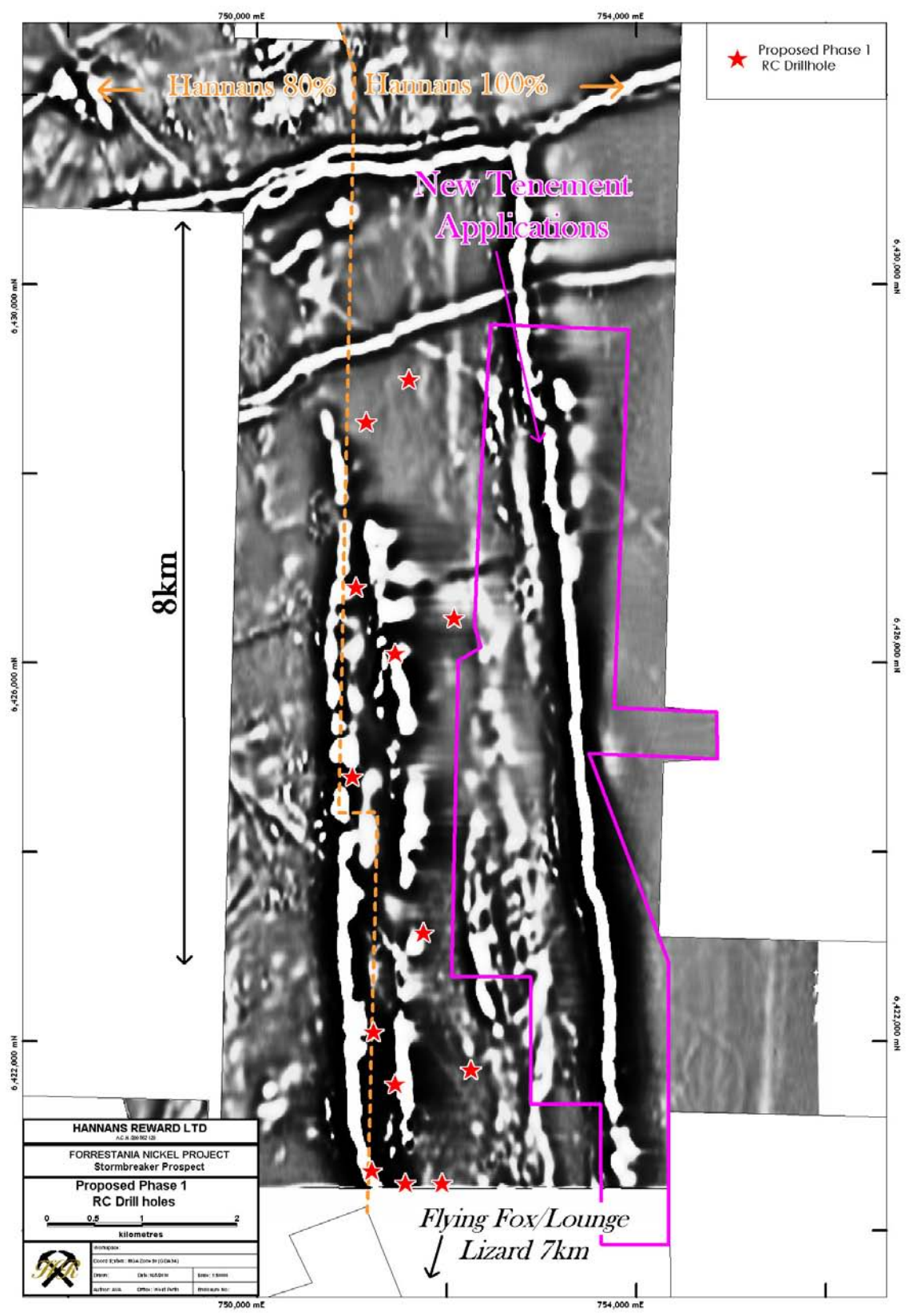
Hannans Reward Limited Summary

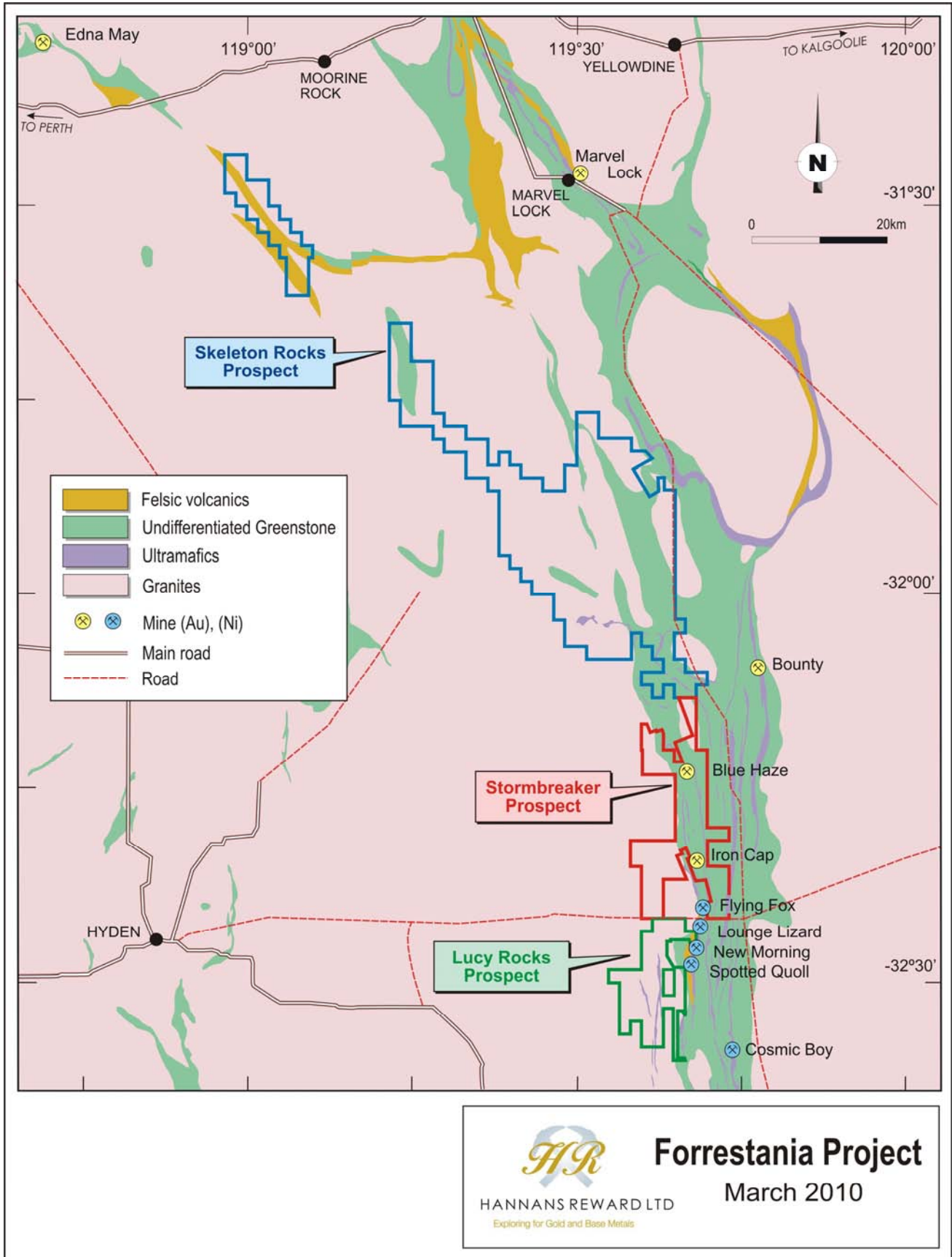
Hannans Reward Ltd has developed a suite of prospective exploration projects within Australia covering nickel, gold and manganese whilst the flagship exploration is the Forrestania nickel project located in the world class Forrestania nickel belt. Hannans has joint ventures with St Barbara Ltd and Triton Gold Ltd. Hannans is the ninth largest shareholder of Atlas Iron Ltd. Hannans' shareholders are exposed to share price appreciation through exploration success at the following projects:

- Forrestania – nickel & gold project 7km north of Western Area's Flying Fox nickel mine
- Lake Johnston – nickel & gold project located 25km south east of Norilsk's Maggie Hays nickel mine and 100kms west of Norseman
- Jigalong – manganese & base metals project located 150km east of Newman, WA
- Queen Victoria Rocks - nickel and gold project located 30km south-west of Coolgardie, WA
- Sunday – gold joint venture with Triton Gold Ltd, 10kms east of Leonora, WA

Competent Persons Statement

The information in this document that relates to exploration results is based on information compiled by Mrs. Amanda Arrowsmith, Exploration Manager, Hannans Reward Ltd who is a Member of the Australian Institute of Mining. Mrs. Arrowsmith is a full-time employee of Hannans Reward Ltd. Mrs Arrowsmith has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2004 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mrs Arrowsmith consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.






Forrestania Project
 March 2010
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