

## Hannans secures Forrestania ground

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**HANNANS Reward has secured new tenements adjoining its flagship Forrestania nickel project, and has settled a deal with St Barbara and Kagara that further expands its landholding in the area.**

The deal Hannans had signed in July with the two miners was settled yesterday afternoon.

The original deal was to see Hannans gain an 85% interest in the ground, located about 7km north of Western Areas' Flying Fox nickel sulfide mine and Kagara's Lounge Lizard deposit.

The ground is also adjacent to Hannans' 80%-owned Stormbreaker project.



The Cosmic Boy portal at Western Areas' Forrestania nickel project.

However, the deal was adjusted and Hannans will take a 100% interest in return for assuming Kagara's obligations in relation to the ground.

The obligations include a 2% gross revenue royalty to Franco-Nevada Australia, 5% net revenue to Murrin Murrin Resources and 1% gross revenue royalty and nickel treatment rights agreement with Norilsk.

Under the terms of the agreement, St Barbara, which is currently the registered holder of the tenements, and Kagara, which owns the nickel rights, will transfer their holdings to Hannans.

Should Hannans sell or seek a joint venture, Kagara and St Barbara will retain pre-emptive rights.

Hannans has also applied for tenure starting close to Western Areas' Beautiful Sunday deposit, continuing north for around 14km, then trending north-northwest towards Westonia.

Hannans managing director Damian Hicks told *MiningNews.net* yesterday that the company was particularly interested in the relatively untested area around Westonia, with Catalpa Resources intersecting nickel sulfides at its Edna May gold project just outside the Wheatbelt town.

Groundwork and aeromagnetic surveying will begin immediately on the newly acquired ground to establish targets for deep drilling next year.

Shares in Hannans remain at A17c this morning.