

HANNANS

7 November 2017

ASX & MEDIA ANNOUNCEMENT

Capital Raising to Support Growth Strategy

- **Exclusive offer to Hannans Shareholders to purchase new shares at a 20% discount via Share Purchase Plan (SPP) to raise up to \$2.5M**
- **Existing Hannans shareholders who qualify as sophisticated investors may apply for part of any shortfall placement – major shareholder Neometals has indicated its willingness to participate in a shortfall placement**
- **Arlington Group Asset Management and Euroz Securities appointed as Joint Lead Managers to the capital raise and will use best efforts to place any remaining shortfall**
- **Funds will be allocated to exploration for lithium at Forrestania / Mt Holland, due diligence on potential acquisitions and working capital**

Hannans Ltd (ASX:HNR) (Hannans or the Company) is pleased to announce a capital raising to support its growth strategy.

Eligible Hannans shareholders can purchase up to \$15,000 worth of new Hannans shares via a Share Purchase Plan (SPP). The issue price for the SPP shares will be determined at the end of the SPP offer period and be equal to a 20% discount to the volume weighted average share price (VWAP) for the five days prior to the SPP closing (including the day the offer closes). The SPP price and any Shortfall Placement price will be the same.

The SPP is expected to raise approximately \$2.5 million and is only available to Hannans shareholders who are registered as holders of Shares at 5pm (WST) on 6 November 2017 (Record Date) and whose registered address is in Australia or New Zealand (Eligible Shareholders).

Full terms and conditions of the SPP will be lodged with ASX on 10 November 2017 and then posted or emailed to all eligible shareholders. The SPP is scheduled to close on Monday 27 November 2017 but may close early so shareholders are encouraged to act promptly.

Hannans' major shareholders including Neometals Ltd have indicated their strong support for the SPP and have undertaken to subscribe for additional shares in any Shortfall Placement.

Leading financial institutions Arlington Group Asset Management and Euroz Securities have been appointed Joint Lead Managers to the capital raise and will use best efforts to place any additional SPP shortfall.

Funds from the capital raising will be used to:

- (a) continue exploration for lithium at Forrestania in Western Australia near the Earl Grey lithium project which is currently being developed by one of the world's largest producers of lithium, New York Stock Exchange listed SQM and ASX listed Kidman Resources Ltd;
- (b) pay costs associated with due diligence on potential acquisitions; and
- (c) for general working capital purposes.

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About Hannans Ltd

Hannans Ltd (ASX:HNR) is an exploration company with a focus on nickel, gold and lithium in Western Australia. Hannans' flagship is the 'Forrestania Project' where it holds tenure squeezed between world class nickel sulphide mines and a globally significant hard rock lithium deposit. Hannans' major shareholder is leading Australian specialty minerals company Neometals Ltd. Since listing on the ASX in 2003 Hannans has signed agreements with Vale Inco, Rio Tinto, Anglo American, Boliden, Warwick Resources, Cullen Resources, Azure Minerals, Neometals, Tasman Metals, Grängesberg Iron, Lovisagruvan and Montezuma Mining Company. Shareholders at various times since listing have included Rio Tinto, Anglo American, OM Holdings, Craton Capital and BlackRock. For more information, please visit www.hannansreward.com.



Figure 1: Location Map showing Hannans' Forrestania Project and Queen Victoria Rocks Project and Lake Johnston Joint Venture Project (Hannans free-carried)