



HANNANS REWARD
Exploring for Gold and Base Metals

8 September 2009

Ms Elizabeth Harris
Australian Stock Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000

Urgent

Dear Ms Harris

Atlas Iron Ltd & Warwick Resources Ltd merger agreement an excellent outcome for Hannans Reward Ltd

This morning Atlas Iron Ltd (ASX: AGO) and Warwick Resources Ltd (ASX: WRK) announced a transaction that will, subject to Warwick shareholder approval, result in Atlas Iron Ltd becoming an increasingly significant Pilbara focused iron mining, development and exploration company ("the Transaction").

As a result of the Transaction Hannans Reward Ltd ("Hannans") now holds cash and listed equities to the value of approximately \$20 million.

This comprises cash of approximately \$6 million (subject to shareholders approving a placement at a general meeting to be held on 14 September 2009 and completion of the share purchase plan), 22.3 million Warwick shares and 700,000 Atlas shares.

The increase in price of Hannans shares today has essentially increased Hannans' market capitalisation to the approximate value of Hannans cash and listed equities.

Even after today's price increase, the market does not appear to have ascribed any value to Hannans' exploration portfolio comprising the Forrestania nickel and gold project, the Lake Johnston nickel and gold project, the Queen Victoria Rock nickel project (in joint venture with Vale), the Sunday gold project (in joint venture with Triton Gold Ltd) or the Jigalong multi-commodity project. Accordingly Hannans proposes conducting investor presentations in the future to outline the current and planned exploration activities for this excellent portfolio.

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In conclusion, Hannans proposed making a full announcement in relation to the Transaction later in the week once the full detail has been considered by the Hannans Board.

It is noted however that Atlas will be prohibited from voting at the proposed Warwick shareholder meeting planned for November meaning that Hannans holds approximately 23% of the total Warwick voting shares and hence has an important role in supporting the Transaction.

In relation to your specific questions my answers are as follows:

1. No
2. Not applicable
3. Please refer to commentary above
4. Yes, Hannans is in compliance with the ASX Listing Rules

If you have any further questions please don't hesitate to contact me.

Kind regards,

Damian Hicks
Managing Director