



HANNANS REWARD  
Exploring for Gold and Base Metals

ASX Announcement / Media Release

## Vale to Drill Test QVR Nickel Project

22 October 2009

- Vale to drill test Queen Victoria Rocks (QVR) nickel project during October
- A review of historical data by Vale identifies a number of untested targets prospective for nickel that will be drill tested in October (3 holes)
- A recent geophysical survey (MLEM) completed by Vale identifies targets prospective for nickel that will also be drill tested in October (3 holes)

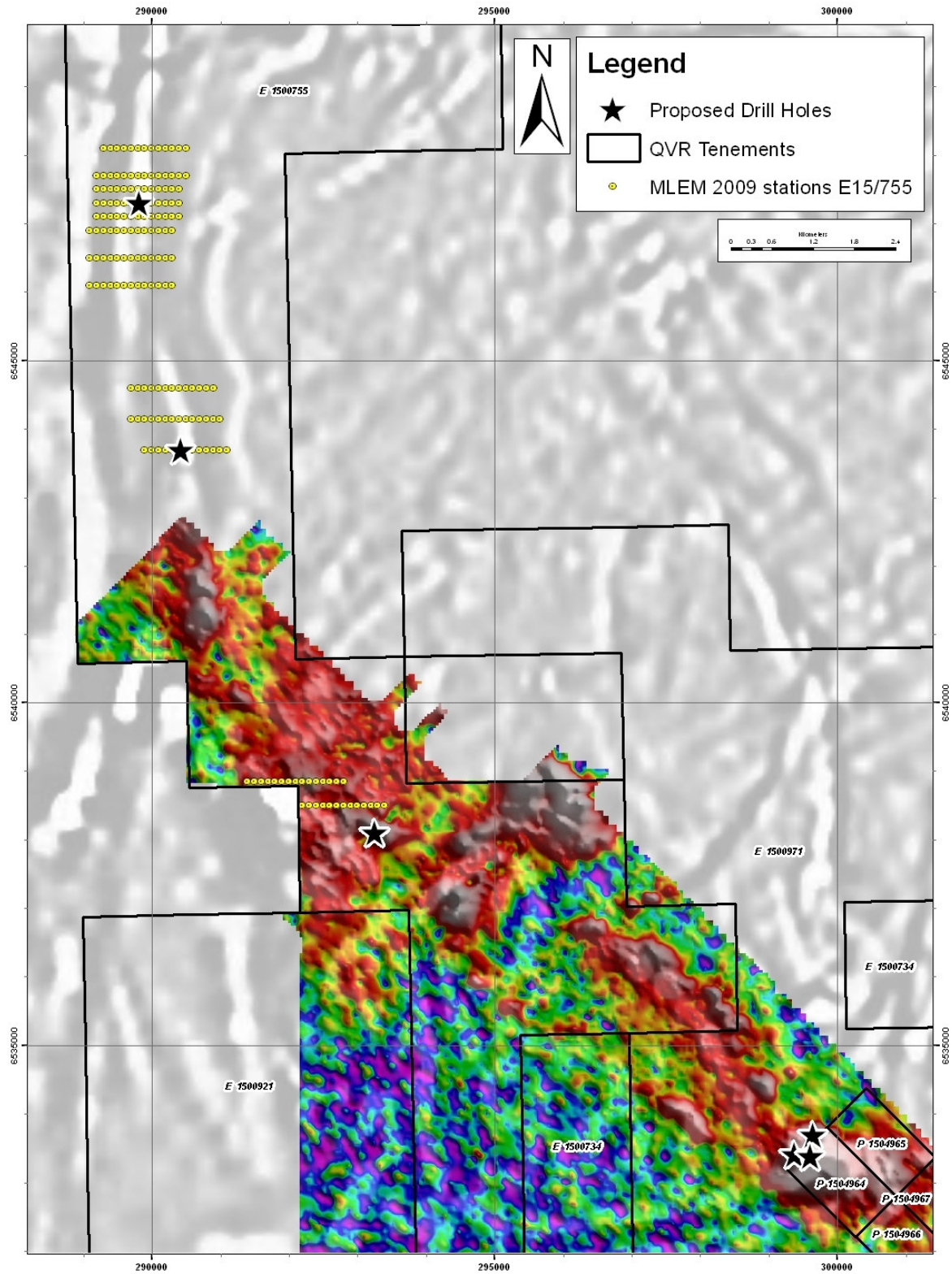
Western Australian minerals explorer Hannans Reward Ltd (ASX: HNR) is pleased to confirm that Vale Inco, a wholly owned subsidiary of Vale S.A. (Vale), will commence deep drilling at the Queen Victoria Rocks nickel project, located 50km southwest of Coolgardie in the Goldfields region of Western Australia, during October 2009.

A re-interpretation by Vale of the historical geophysical data within the vicinity of the Spargos prospect suggests that:

- There were significant conductive targets which had not been tested during previous exploration at the prospect;
- It is possible that previous drilling to test some of these targets underestimated the depth of the targets;
- A number of the previously drilled holes appear to have been drilled above the modeled targets;
- There are two main zones of high conductivity apparent in the ground geophysical data; and therefore
- A total of 3 drill-holes (each hole approximately 350m deep) will be drilled to test the targets.

Furthermore a ground geophysical survey (MLEM) survey was completed by Vale to follow up stratigraphic magnetic features some of which are coincident with a number of geophysical anomalies (generated through Hannans' VTEM). The MLEM survey identified two additional targets which will be tested with reverse circulation drilling in October.

Shareholders are directed to the ASX release dated 22 October 2008 for the terms of the Vale joint venture. Any questions in relation to this announcement can be directed to Hannans' Managing Director, Damian Hicks on +61 8 9324 3388.



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**Competent Persons Statement**

The information in this document that relates to exploration results, mineral resource or ore reserves is based on information compiled by Merle Newton, who is a Member of the Australian Institute of Geoscientists. Ms Newton is a full-time employee of Vale and 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". Ms Newton consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.