



HANNANS REWARD

Exploring for Gold and Base Metals

ASX Announcement / Media Release

Hannans adds new tenure to its highly prospective Forrestania Project

25 November 2009

Quick Facts

ASX: HNR

Capital Structure

Shares on issue: 128m

Options on issue: 12m

(Ex 20c-80c)

Market Cap: \$21.1m

Cash & ASX Equities: \$20.6m

Financial Position

Cash: \$5.2m

Value of ASX Listed Equity

Positions: \$15.4m

Atlas Iron Ltd (ASX:AGO)

Warwick Resources Ltd

(ASX:WRK)

Board of Directors

Richard Scallan

(Chairman)

Damian Hicks

(Managing Director)

William Hicks

(Non-Executive Director)

Projects

Forrestania, WA

(Nickel & Gold)

Queen Victoria Rocks, WA

(Nickel)

Lake Johnston, WA

(Nickel & Gold)

Jigalong, WA – Manganese

Highlights

- Hannans secures further prospective ground adjoining its Forrestania Project creating a contiguous tenement package exceeding 100kms in strike length – refer attached Figure
- Forrestania Agreement with St Barbara Ltd and Kagara Ltd varied to provide Hannans with 100% interest in nickel rights - up from 85% - in return for Hannans' assuming Kagara royalty and nickel treatment obligations.
- 100% ownership of nickel rights provides Hannans with various options to accelerate exploration activities over consolidated Forrestania project.
- Hannans confirmed as controlling landholder of interpreted northern extension of the western ultramafic that hosts the Forrestania belt's high grade nickel sulphide mines and deposits.

Western Australian minerals explorer Hannans Reward Ltd (ASX: HNR) ("Hannans" or "the Company") has secured new tenure adjoining its flagship Forrestania Project which is considered to be highly prospective for nickel sulphide mineralisation.

Hannans' Managing Director Damian Hicks said, "This newly applied for tenure at our Forrestania Project increases the prospective strike length for nickel sulphides to more than 100km. It starts close to the Beautiful Sunday nickel sulphide resource owned by Western Areas Ltd, continues north for 14km and then trends north, north-west towards the known nickel sulphide occurrences at Westonia.

Hannans also confirms settlement of the Forrestania Agreement announced on 30 July 2009 with St Barbara Ltd and Kagara Ltd. The original agreement has however been varied. The variation has resulted in Hannans' interest in the relevant ground increasing to 100% (up from 85%) in returning for Hannans assuming various Kagara Ltd obligations attached to the ground. These historical obligations negotiated by previous explorers include royalties to Franco-Nevada Australia Pty Ltd (2% gross revenue), Murrin Murrin Resources Pty Ltd (5% net revenue), Norilsk (1% gross revenue) and a nickel treatment rights agreement with Norilsk.

Importantly increasing Hannans' interest to 100% provides us with various options to advance exploration activities within the whole project.

Mr Hicks commented, "Hannans can, for the first time, effectively explore some of the most prospective parts of its expanded Forrestania project which are now owned 100% by Hannans."

Mr Hicks added, Hannans' market capitalisation is \$21m and we have cash and listed securities worth \$20m.

"At this point in time, Hannans shareholders are highly leveraged to exploration success with limited downside risk. It's an exciting time to be a Hannans Reward shareholder."

Summary

Hannans has secured additional contiguous ground prospective for nickel sulphide mineralisation. The newly applied for ground covers mapped greenstone stratigraphy including ultramafic units, north north-west of the existing Forrestania project trending towards Westonia.

Minimal historical exploration has been completed within this 'corridor of interest' extending from Forrestania in a north north-west direction towards Westonia. Hannans will continue historical data review and upon grant of the tenements (anticipated mid 2010) complete soil sampling and airborne geophysics prior to testing targets with deep drilling. Historical drilling by Catalpa Resources Ltd (previously known as Westonia Mines Ltd) at its Edna May Gold Project, located 1km north of the township of Westonia, has previously intersected nickel sulphides (including 16m @ 1.77% from 44m) hosted in ultramafics.

End

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Hannans Reward Limited Summary

Hannans Reward Ltd has developed a suite of prospective exploration projects within Australia covering nickel, gold and manganese. Hannans has joint ventures with Vale, Kagara Ltd, St Barbara Ltd and Triton Gold Ltd. Hannans is the second largest shareholder in Warwick Resources Ltd and holds equity in 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
- Jigalong – manganese & base metals project located 150km east of Newman, WA
- Queen Victoria Rocks - joint venture with Companhia Vale do Rio Doce (Vale), 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 and Metallurgy. 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.

675,000 mE

725,000 mE

775,000 mE

WESTONIA

SOUTHERN CROSS

YELLOWDINE

Marvel Loch (Au)

Edwards Find (Au)

Felsteads Reward (Au)

Dulcie (Au)

Hollerton (Au)

140 kilometres

Bounty (Au)

Flying Fox (Ni)

Spotted Quoll (Ni)

Cosmic Boy (Ni)

HYDEN

6,525,000 mN

6,475,000 mN

6,425,000 mN

6,375,000 mN

6,525,000 mN

6,475,000 mN

6,425,000 mN

6,375,000 mN



Hannans Reward Ltd
Forrestania Project

0 5 10 20 kilometres Scale 1:800,000

675,000 mE

725,000 mE

775,000 mE