

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

HANNANS REWARD LTD

ABN

52 099 862 129

Quarter ended ("current quarter")

30 JUNE 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	–	–
1.2 Payments for		
(a) exploration & evaluation	(119)	(1,624)
(b) development	–	–
(c) production	–	–
(d) administration	(287)	(983)
1.3 Dividends received	–	–
1.4 Interest and other items of a similar nature received	3	38
1.5 Interest and other costs of finance paid	–	(4)
1.6 Income taxes paid	–	(4)
1.7 Other (provide details if material)	–	–
Net Operating Cash Flows	(403)	(2,577)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	–	–
(b) equity investments	–	–
(c) other fixed assets	–	–
1.9 Proceeds from sale of:		
(a) prospects	–	1,557 ^a
(b) equity investments	20	20
(c) other fixed assets	–	4
1.10 Loans to other entities	–	(5)
1.11 Loans repaid by other entities	–	–
1.12 Other (Director Loan)	(29)	(29)
Net investing cash flows	(9)	1,547
1.13 Total operating and investing cash flows (carried forward)	(412)	(1,030)

^a Refer to ASX announcement lodged on 27 February 2014 and 17 March 2014 for further details.

1.13	Total operating and investing cash flows (brought forward)	(412)	(1,030)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	–	–
1.15	Proceeds from sale of forfeited shares	–	–
1.16	Proceeds from borrowings	–	–
1.17	Repayment of borrowings	(1)	(104)
1.18	Dividends paid	–	–
1.19	Other (provide details if material)	–	(2)
	Net financing cash flows	(1)	(106)
	Net increase (decrease) in cash held	(413)	(1,136)
1.20	Cash at beginning of quarter/year to date	1,327	2,049
1.21	Exchange rate adjustments to item 1.20	(3)	(2)
1.22	Cash at end of quarter	911	911

Payments to directors of the entity, associates of the directors, payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	164
1.24	Aggregate amount of loans to the parties included in item 1.12	29
1.25	Explanation necessary for an understanding of the transactions	
1.23	Payment of non-executive director's fees from August to December 2013 and partial executive director's fee. Mr Damian Hicks deferred salary portion since 1 April 2013 totalled to \$175,474 as of 30 June 2014 while the non-executive directors deferred fees from 1 January to 30 June 2014 totalled \$58,275.	
1.24	The loan was made to Mr Damian Hicks for personal reasons.	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
	N/A
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
	N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	–	–
3.2 Credit standby arrangements	–	–

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	113
4.2 Development	–
4.3 Production	–
4.4 Administration - Corporate Administration	294 ^b
Total	407

^b Approximately \$35,324 relate to payment of Swedish withholding tax Damian Hicks from April 2013 to December 2013.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	911	1,327
5.2 Deposits at call	–	–
5.3 Bank overdraft	–	–
5.4 Other (provide details)	–	–
Total: cash at end of quarter (item 1.22)	911	1,327

Continued...

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Saivo nr 2	100%	0%
		Tervakoski nr 3	100%	0%
		E77/1327	100%	0%
		E77/1354-I	100%	0%
		E77/1406-I	100%	0%
		E77/1430-I	100%	0%
		E77/1431	100%	0%
		E77/1568	100%	0%
		E77/1655	100%	0%
		E77/1707	100%	0%
		E77/1715	100%	0%
		E77/1716	100%	0%
		E77/1764	100%	0%
		E77/1950	100%	0%
		E77/1951	100%	0%
		E77/1960	100%	0%
		P77/3582	100%	0%
		P77/3583	100%	0%
		P77/3584	100%	0%
		P77/3585	100%	0%
		P77/3586	100%	0%
		P77/3587	100%	0%
		P77/3588	100%	0%
		P77/3607-I	100%	0%
		P77/3613	100%	0%
		P77/3762	100%	0%
		P77/3763-I	100%	0%
		P77/3848-I	100%	0%
		P77/3849-I	100%	0%
		P77/3850	100%	0%
		P77/3851-I	100%	0%
		P77/3852	100%	0%
		P77/3853	100%	0%
		P77/3854-I	100%	0%
		P77/3855-I	100%	0%
		P77/3856	100%	0%
		P77/3998	100%	0%
		P77/3999	100%	0%
		P77/4000	100%	0%
		P77/4001	100%	0%
		P77/4002	100%	0%
		P77/4003	100%	0%
		P77/4004	100%	0%
		P77/4005	100%	0%
		P77/4006	100%	0%
		P77/4007	100%	0%
		P77/4008	100%	0%
		P77/4009	100%	0%
		P77/4010	100%	0%
		P77/4011	100%	0%
		P77/4014	100%	0%
		P77/4155	100%	0%
		P77/4156	100%	0%

+ See chapter 19 for defined terms.

6.2 Interests in mining tenements and petroleum tenements acquired or increased	Lannavaara nr 101	Application	0%	0%
	Lannavaara nr 102	Application	0%	0%
	Lannavaara nr 103	Application	0%	0%
	Lannavaara nr 104	Application	0%	0%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities (description)	–	–	–	–
7.2 Changes during quarter				
(a) Increases through issues	–	–	–	–
(b) Decreases through returns of capital, buy-backs, redemptions	–	–	–	–
7.3 ⁺ Ordinary securities	721,966,133	721,966,133	–	–
7.4 Changes during quarter				
(a) Increases through issues	–	–	–	–
(b) Decreases through returns of capital, buy-backs	–	–	–	–
7.5 ⁺ Convertible debt securities (description)	–	–	–	–
7.6 Changes during quarter				
(a) Increases through issues	–	–	–	–
(b) Decreases through securities matured, converted	–	–	–	–
7.7 Options (description and conversion factor)	–	–	–	–
7.8 Issued during quarter	–	–	–	–
7.9 Exercised during quarter	–	–	–	–
7.10 Expired during quarter	–	–	–	–
7.11 Debentures (totals only)	–	–		
7.12 Unsecured notes (totals only)	–	–		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Damian Hicks
Managing Director
31 July 2014

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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