

# HANNANS

16 October 2017

Mr Chris Hesford  
ASX Listings Compliance  
Level 40, Central Park  
152/158 St Georges Terrace  
Perth WA 6000

Dear Mr Hesford

We confirm the strong rise in price and volume of trading in Hannans shares on ASX. Hannans is not aware of any information that has not been released to the market that could explain the recent strong trading. Hannans is compliant with the Listing Rules and Listing Rule 3.1. We do believe however it's important to acknowledge the following:

## Forrestania Lithium Project (100%)

Hannans' Forrestania Lithium Project adjoins tenure held by SQM (the world's largest producer of lithium) and Kidman Resources Ltd (ASX:KDR). Hannans has initiated two drilling programs (RAB) targeting lithium at Forrestania and subject to receipt of further encouraging results, anticipates a third drilling program (RC) starting later this Quarter. Drilling will be located approximately 4km west of granite intrusions mapped within Hannans' tenure. The high-grade Earl Grey lithium deposit is located approximately 4km east of the same granite intrusions (refer to Figures 1 and 2 on page 2). This distance (i.e. 4km) appears to be the distance necessary to allow for cooling of the pegmatites sourced from the granite and for differential crystallization of exotic minerals including lithium minerals.

## Forrestania Nickel Project (100%)

Hannans' Forrestania Nickel Project adjoins tenure held by Western Areas Ltd (ASX:WSA), owner of the world class Flying Fox and Spotted Quoll nickel sulphide mines. Hannans tenure covers approximately 10kms of the interpreted northern extension of the western ultramafic unit that hosts Flying Fox and Spotted Quoll. With global investors focus very much on battery metals certain commentators believe that nickel prices stand most to gain from the rapid growth of electric vehicles. Forrestania is a world class nickel province and Hannans is seeking a joint venture partner to unlock the potential of its 100% owned project.

## Forrestania Gold Project (20% free-carried interest to DTM)

Hannans owns a 20% interest in the gold rights on tenements currently the subject of a 13,000m drilling program (RC/diamond) aimed at increasing the existing JORC compliant mineral resource.

## Merger & Acquisition

Hannans announced at the 2016 AGM its aim to develop into a West Australian mining company via exploration success, acquisition or M&A activity – that goal remains unchanged.

My responses to your questions have been authorised and approved in accordance with Hannans published continuous disclosure policy, and as the sole Executive Director of the Company I have authority to respond to ASX on disclosure matters.

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

Kind regards,

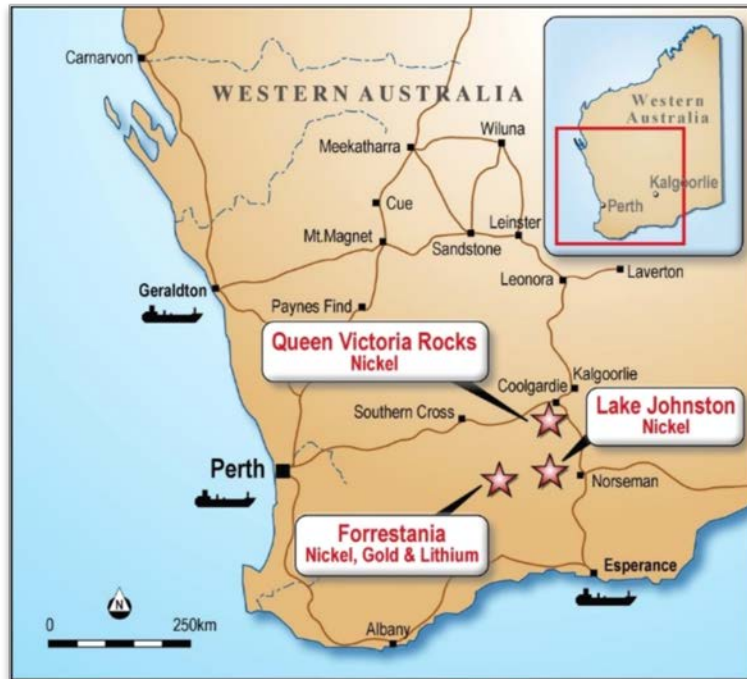


Damian Hicks  
Executive Director

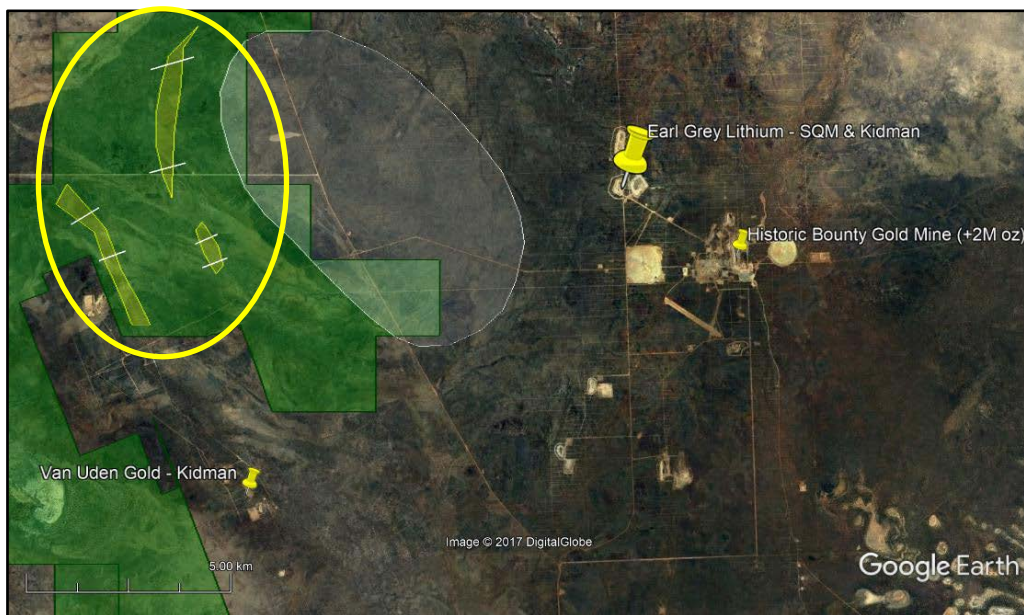
**HANNANS LTD**  
ASX:HNR ABN:52 099 862 129

Level 11, London House  
216 St Georges Tce  
Perth WA 6000  
Postal address: PO Box 1227  
West Perth WA 6872

T: +61 (8) 9324 3388  
E: [info@hannansreward.com](mailto:info@hannansreward.com)  
W: [www.hannansreward.com](http://www.hannansreward.com)  
Twitter: [@hannansreward](https://twitter.com/hannansreward)  
Facebook: Hannans



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



**Figure 2:** The green tenements are owned 100% by Hannans. SQM and Kidman Resources are developing a lithium mine and concentrator at Earl Grey. The white shaded ellipse is interpreted to be the granite source for the pegmatites hosting the high-grade lithium at Earl Grey. Within the bright yellow oval shape, the yellow polygons are the surface geochemical anomalies generated by Hannans in its 1st phase of exploration (two of these are ~ 5kms long) and the white lines that cross the anomalies represent the six traverses that Hannans drilled in its 2nd phase of exploration.

**About Hannans Ltd (Est. 2002)**

Hannans Ltd (ASX:HNR) is an Australia resources company with a focus on nickel, lithium and gold in Western Australia. 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, Scandinavian Resources, Warwick Resources, Cullen Resources, Azure Minerals, Neometals, Tasman Metals, Grängesberg Iron, Lovisagravan 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](http://www.hannansreward.com).

**Competent Person**

The information in this document that relates to exploration results at Forrestania is based on information compiled by Dr Bryan Smith, a Competent Person who is a Member of the Australian Institute of Geoscientists. Dr Smith is a consultant to Hannans Ltd and its subsidiary companies. Dr Smith 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 in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Smith consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.



13 October 2017

Mr Ian Gregory  
Company Secretary  
Hannans Limited

*By email:* [ian@hannansreward.com](mailto:ian@hannansreward.com)

Dear Mr Gregory

**Hannans Limited (HNR): ASX Price and Volume Query**

We have noted a change in the price of HNR's securities from a closing price of \$0.012 on Thursday, 12 October 2017, to an intraday high of \$0.018 at the time of writing today, 13 October 2017.

We also note the significant increase in the volume of HNR's securities traded today.

In light of the price and volume increase, ASX asks you to respond separately to each of the following questions:

1. Is HNR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
  - a) Is HNR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in HNR's securities would suggest to ASX that such information may have ceased to be confidential and therefore HNR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that HNR may have for the recent trading in its securities?
4. Please confirm that HNR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.



### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **6:30 am (WST) Monday, 16 October 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in HNR's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, HNR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [chris.hesford@asx.com.au](mailto:chris.hesford@asx.com.au) and [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in HNR's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.



We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[sent electronically without signature]*

Chris Hesford  
**Geologist, ASX Listings Compliance**