

# HANNANS<sub>LTD</sub>

[www.hannans.com](http://www.hannans.com)

ASX:HNR

“There’s potential to find a deposit similar in size and grade to Flying Fox and Spotted Quoll within Hannans tenure.”

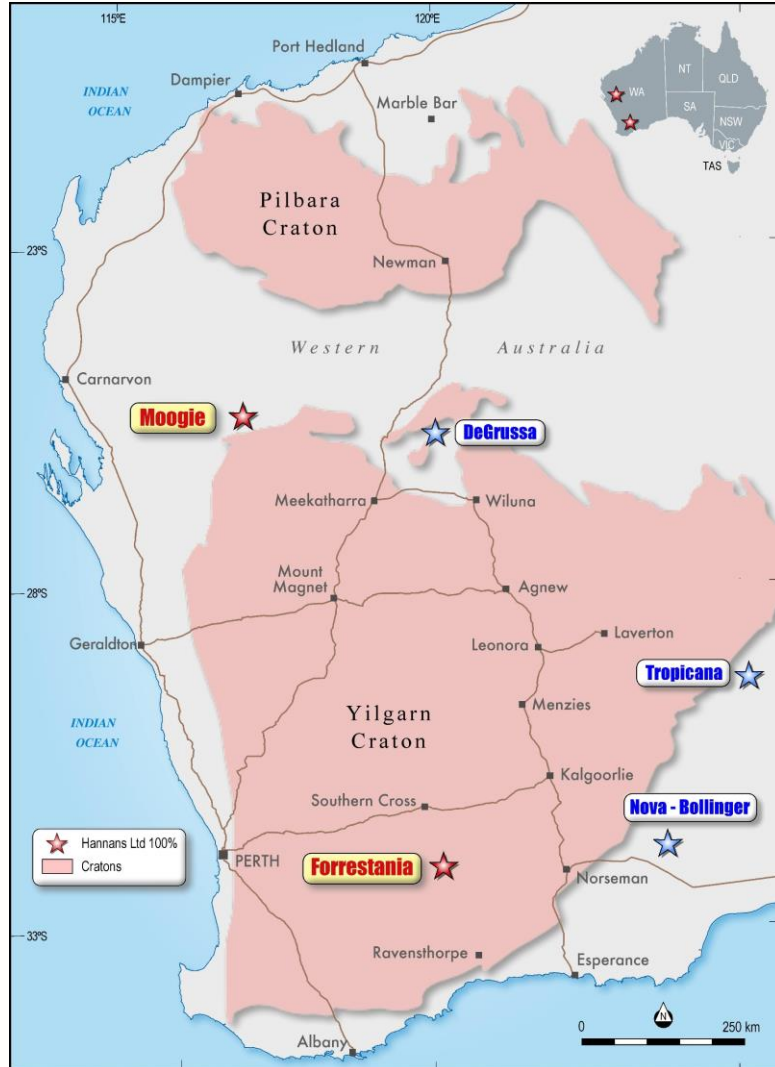
*Adrian Black, Newexco*

## Company Update

January 2020

# Summary

Location map showing Forrestania and Moogie Projects. Moogie is located on the northern margin of the Yilgarn Craton relative to the location of the DeGrussa copper-gold mine (owned by Sandfire Resources NL), Tropicana gold mine (a joint venture between AngloGold Ashanti Australia Ltd (70% and manager) and Independence Group NL (30%)) and the Nova-Bollinger nickel-copper-cobalt mine (owned by Independence Group NL).



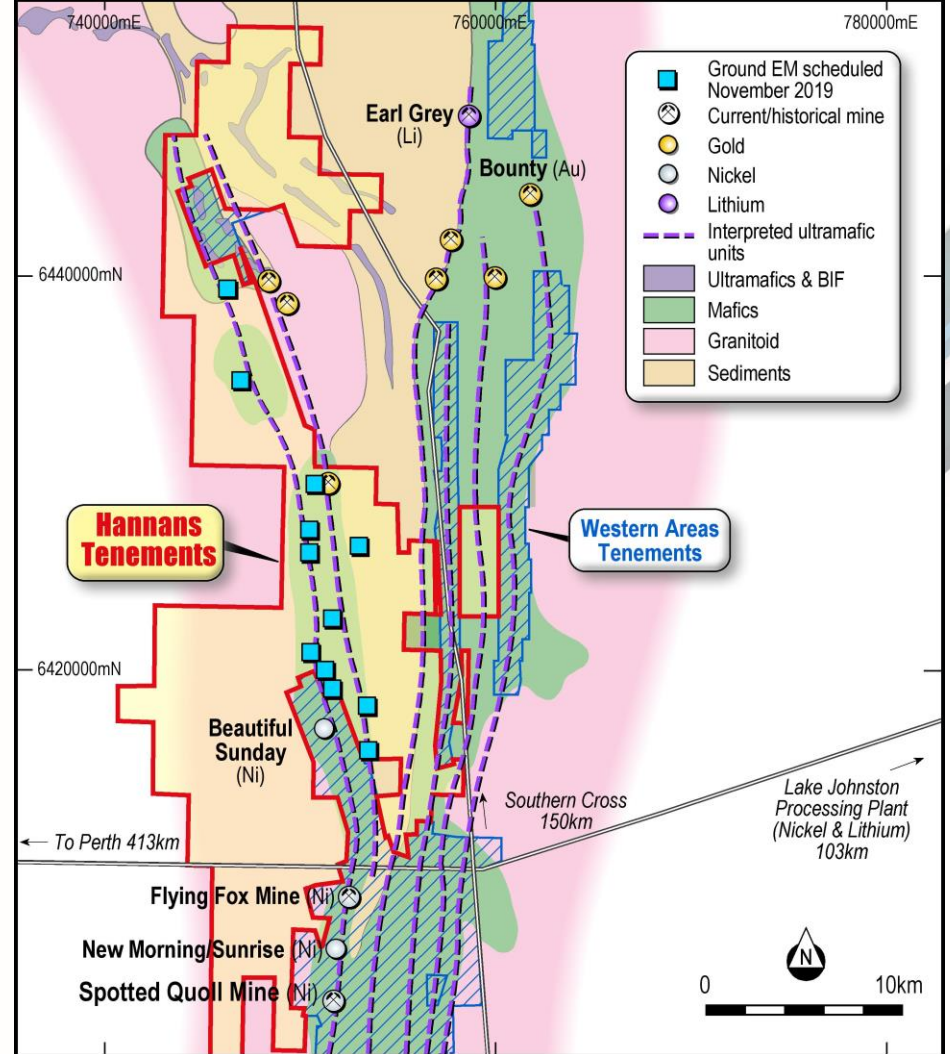
- ❑ News Flow
  - Exploration for nickel, gold and copper in progress across three projects
- ❑ Nickel (Forrestania)
  - Nickel demand rising due to increasing ratio of nickel in lithium ion batteries
  - Hannans exploring along strike from two operating world class nickel sulphide mines
  - Exploration planned and executed by Newexco, a Team with an outstanding discovery track record at Forrestania – RC drilling in progress
- ❑ Gold (Forrestania)
  - AUD gold price at all time high
  - Hannans free-carried to decision to mine on two gold resources at Forrestania, Hannans retains a 20% interest – RC drilling in progress
- ❑ Gold & Copper (Moogie)
  - Hannans exploring Moogie for large, long life, low cost, sustainable gold and or copper deposit – structural interpretation in progress, sampling February 2020
- ❑ Lithium (Mt Holland)
  - Mt Holland Lithium Project located adjacent to the world's 3<sup>rd</sup> largest hard rock lithium deposit
  - Exploration on hold until lithium price rebounds
- ❑ Corporate
  - ~\$1.85 million cash at bank as at 31/12/19, no debt
  - Supportive major shareholders including Neometals Ltd (36% interest in Hannans)

# Forrestania Nickel

Regional location map showing Hannans 100% owned Forrestania Nickel Project outlined in red and major nickel mines (operating and historic) and nickel deposits. Contained within the tenements is the Forrestania Gold Project which hosts the Lady Magdalene and Lady Ada gold deposits. Hannans is free carried through to a decision to mine and owns a 20% interest in the gold deposits.



Tenement map showing the Forrestania Nickel Project. Hannans tenements outlined in red. From west to east the broken lines represent the Western, Mid-Western, Takashi, Central, Mid-Eastern and Eastern Ultramafic Belts. The world class Flying Fox nickel sulphide mine owned by Western Areas Ltd is in the foreground. Distance from Flying Fox to Earl Grey is ~38kms.



# Nickel Exploration by Newexco

## ❑ Introduction

Bill Amann and Adrian Black founded Newexco in 1999, initially to provide nickel exploration services to companies that lacked the necessary expertise or skilled employees. Newexco recognised the need for a rigorous scientific approach, focusing on strong communication between geologists and geophysicists. The skills and motivation of this successful team are applied across a range of commodities for clients with projects in Australia and globally. The success of the Newexco team is demonstrated by numerous awards and accolades.

## ❑ *Discovery of the Year: 2008*

A prestigious award from the Annual Sydney Excellence in Mining conference which recognised the entire Newexco exploration team for their integrated approach to geological and geophysical targeting. The recognition is primarily for the discovery of the Spotted Quoll massive nickel sulphide deposit and also recognises the Flying Fox discoveries for client Western Areas NL. Resources quoted in the WSA 2008 Annual Report were 2.3 Mt @ 4.7% Ni.

## ❑ *AMEC Prospector of the Year 2009*

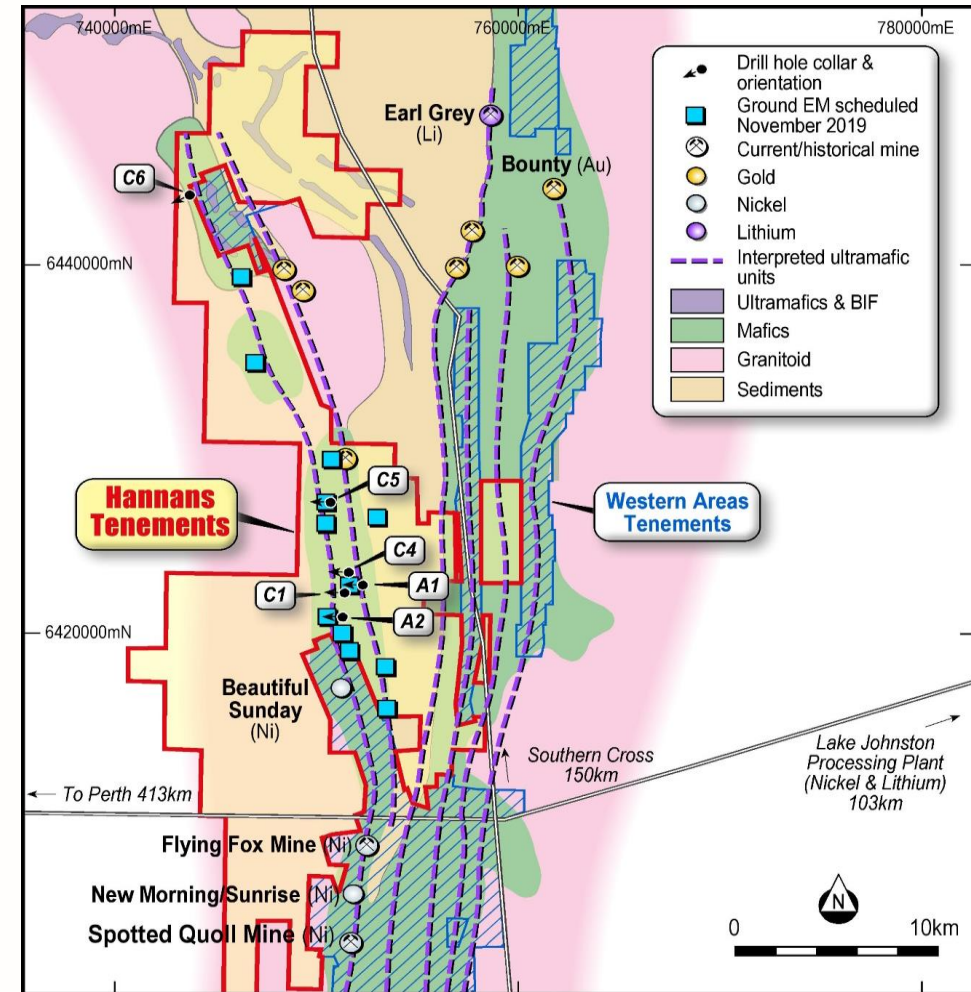
Awarded to Bill Amann, Adrian Black and Kevin Frost for the 'blind' discovery of the Spotted Quoll massive nickel sulphide deposit. This deposit was masked by 30 metres of barren granite cover and laid undiscovered throughout 35 years of active exploration and drilling. The initial resource at Spotted Quoll was in excess of 2 Mt @ 6% Ni; subsequent drilling has increased this resource with reserves to sustain greater than 10 years of open pit and underground mining. The recent updated underground reserves were 3.1 mt @ 4.2% Ni.

## **Discovery Achievements...more to come**

[Emily Ann North Massive Nickel Sulphides](#)  
[Monty Massive Copper Sulphides](#)  
[Savannah North massive Nickel-Copper-Cobalt](#)  
[Nova massive Nickel Sulphide Deposit](#)  
[Mallee Bull 'Cobar Style' Polymetallic discovery](#)  
[Spotted Quoll deposit Forrestania](#)  
[Flying Fox T-0 to T-7 blind deposits at Forrestania](#)  
[Gold and nickel prospects, Blair North](#)  
[Silver Swan Deeps, Kalgoorlie](#)

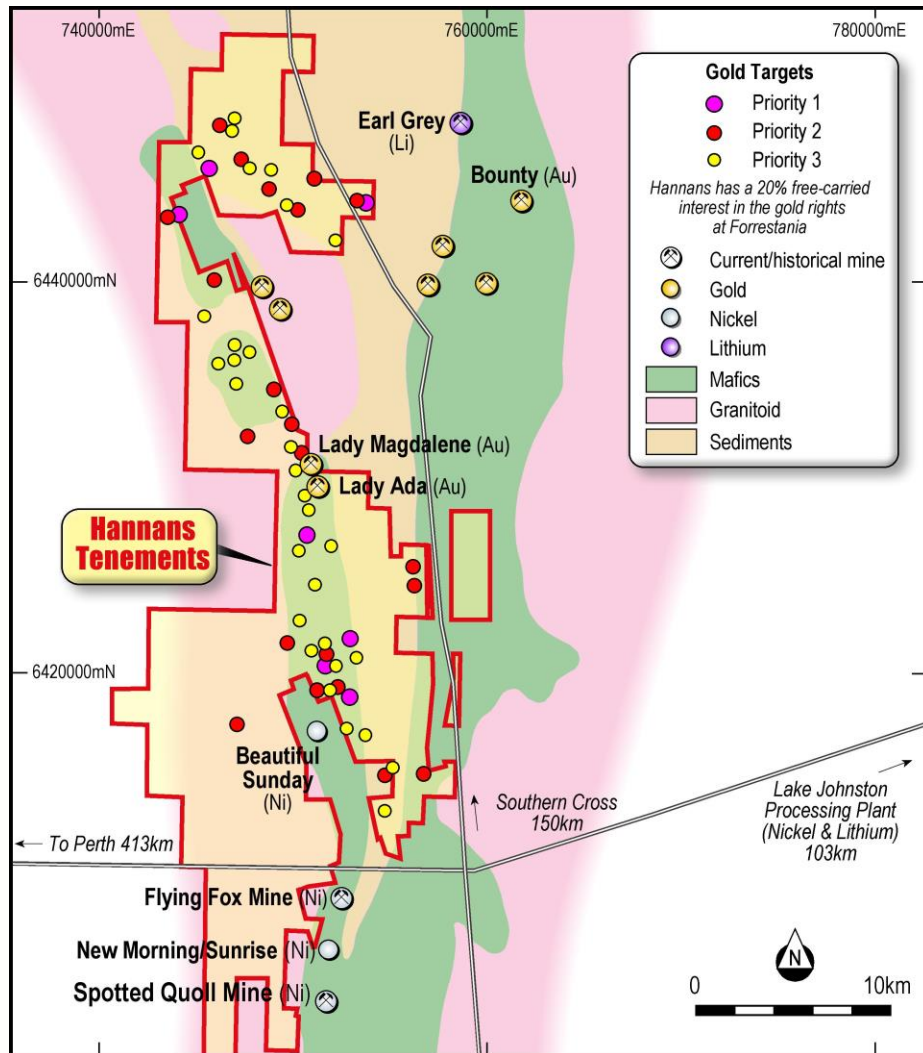
# Forrestania Nickel Targets

- ❑ Newexco
  - Hannans engaged Newexco late in 2018 to apply its targeting and geological concepts to its Forrestania Nickel Project
  - Newexco has completed a data driven review of drill holes, geophysics and surface geochemistry completed by various explorers and concluded, “there’s potential to find a deposit similar in size and grade to Flying Fox and Spotted Quoll within Hannans tenure.”
  
- ❑ Hannans has significant strike lengths of Western Ultramafic Belt (WUB) that host Flying Fox and Spotted Quoll
  - Strong bias in data distribution towards WUB however parts of the WUB inadequately tested
  - 90% of all drilling, 80% of all electromagnetic data and 50% of all surface samples focussed on WUB
  - Hannans also has significant strike lengths of Mid-Western Ultramafic Belt and Takashi Ultramafic Belt plus minor strike length of Central and Mid-Eastern Ultramafic Belts, these Belts have been lightly explored and are also prospective for nickel sulphide mineralisation
  
- ❑ Hannans targets include:
  - Untested coincident geophysical and geochemical anomalies
  - Short strike-length EM anomalies occurring adjacent to large formational conductors
  - Geochemical anomalies not followed up
  - ‘New’ search space outside of the WUB and EUB
  
- ❑ Refer Appendix for additional information



Targets A1, A2, C1, C4, C5 (1 and 2) and C6 are all expected to be RC drill tested in January / February 2020. Holes will be cased with PVC to enable completion of downhole geophysical (EM) surveys looking for conductors “off-hole”.

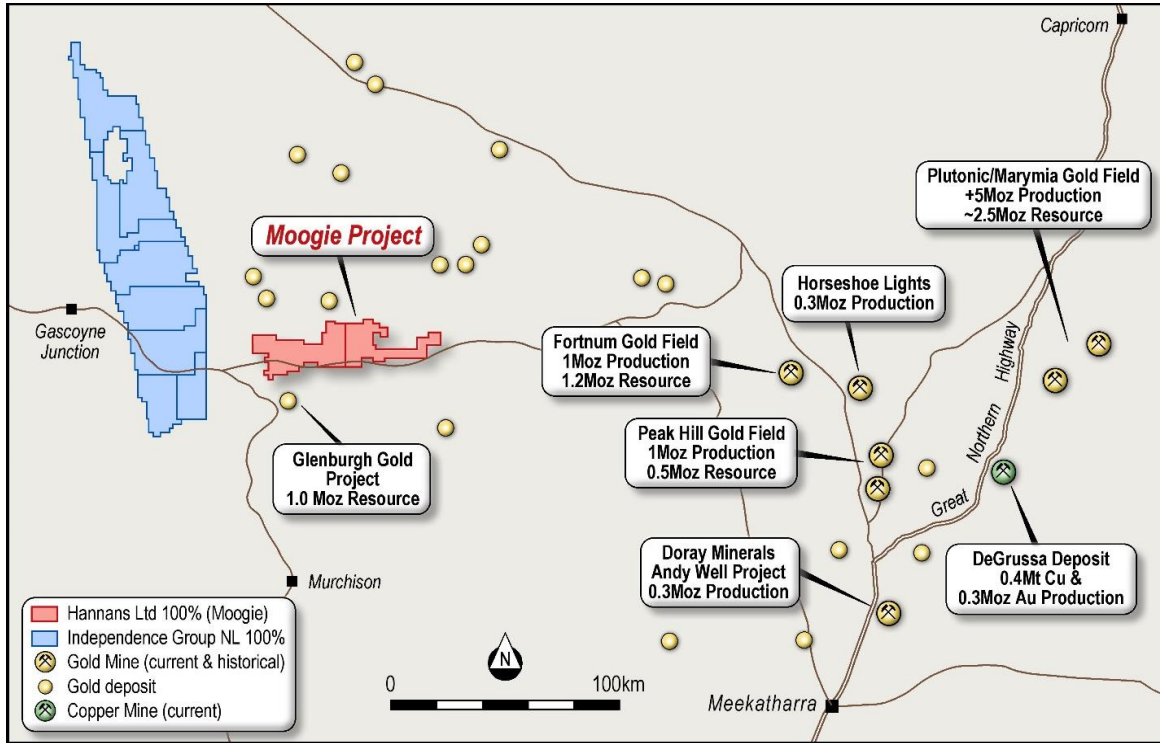
# Forrestania Gold – Free-Carried to Decision to Mine



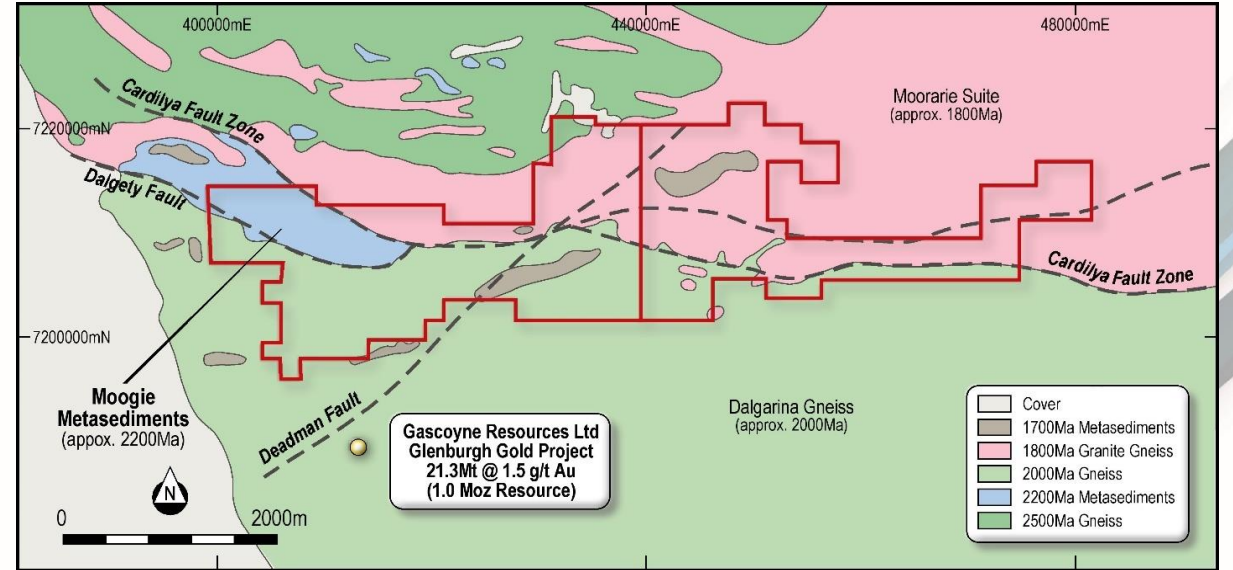
- By way of explanation Hannans Ltd wholly owned subsidiary Reed Exploration Pty Ltd (REX) is the registered holder of the tenements comprising the FGP and REX owns a 100% interest in all non-gold rights on the tenements including but not limited to nickel, lithium and other metals.
- REX owns a 20% free-carried interest in the Forrestania Gold Project. Its joint venture partner is Classic Minerals Ltd (ASX:CLZ). REX is not required to contribute funding until a decision to mine gold has been made by the joint venture. Specifically REX holds a 20% interest in Lady Magdalene, Lady Ada, Van Uden West and numerous other priority gold targets (refer map to the left). REX has no interest in either the Lady Lila or Kat Gap prospects.
- The updated mineral resource estimate for Lady Magdalene is 5.92Mt @ 1.32g/t gold for 251,350 contained ounces. The global mineral resource for Forrestania Gold Project is 6.18 million tonnes grading 1.36g/t gold for 270,100 ounces, including remnant Indicated and Inferred mineral resources at the higher-grade Lady Ada deposit. (Refer ASX release by Classic Minerals Ltd dated 18 December 2019).
- CLZ aim to establish a 1Mtpa onsite processing plant and a 7 year life of mine (refer ASX release by Classic Minerals Ltd dated 18 November 2019).
- Please click [here](#) for detailed information on the FGP.

# Moogie Gold & Copper

- Exploration targeting discovery of a large, long life, low cost gold and or copper deposit.



Regional location map showing Moogie ~ 260kms north-west of Meekatharra, the proximity of a number of current and historical mines and a major tenement position established by a wholly owned subsidiary of Independence Group NL (ASX:IGO) considered prospective for lithium.



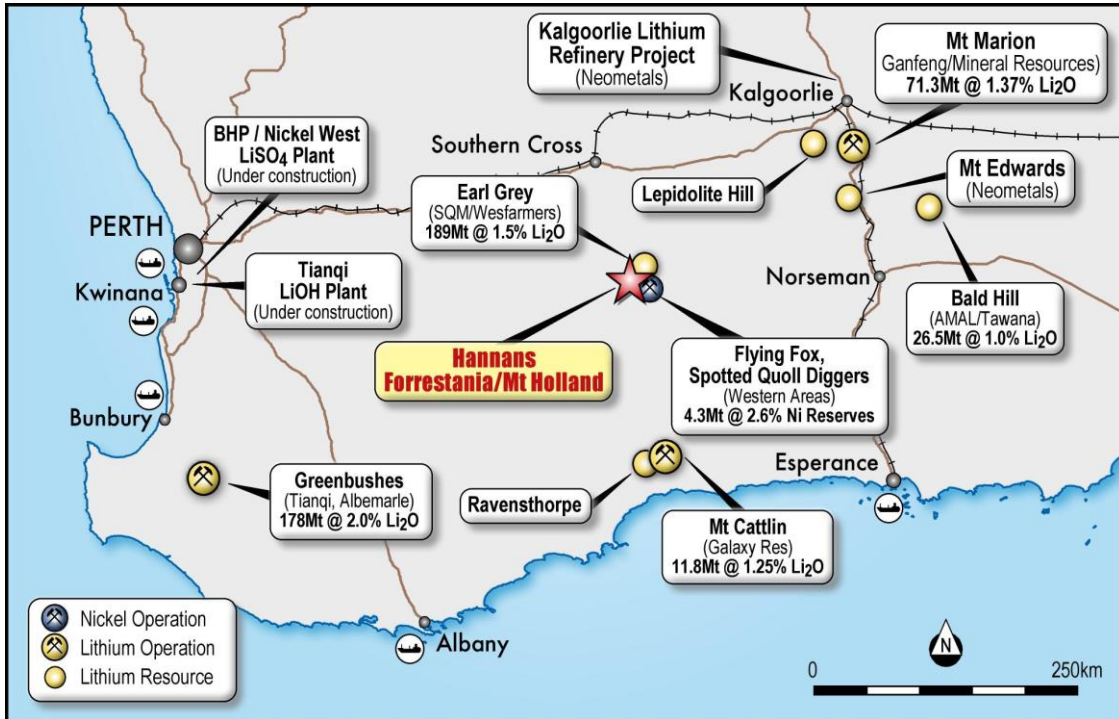
Project location map showing Hannans new tenement applications E09/2373 and E09/2374 (outlined in red) and the intersection of the crustal scale Cardilya Fault with the Deadman Fault considered prospective for orogenic gold and or copper mineralisation and intrusion-related Ni-Cu-PGE mineralisation.

# Moogie Gold & Copper

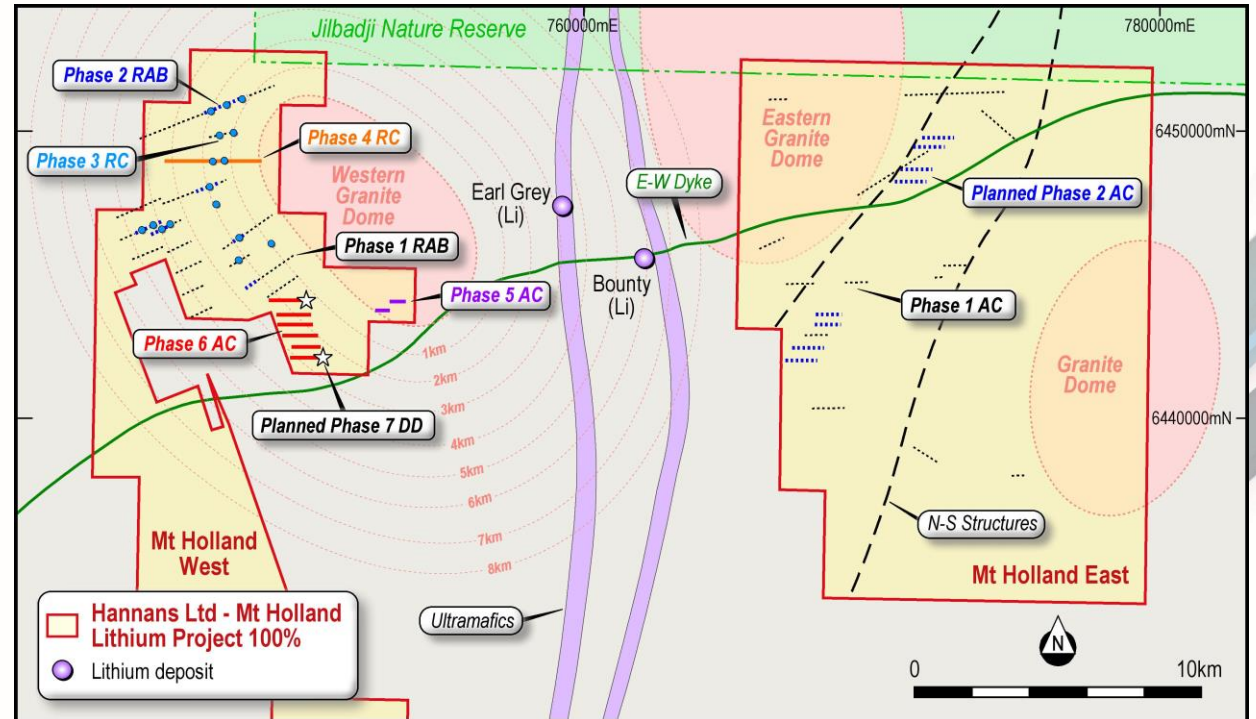
- ❑ Major new tenement position, comprising two large exploration licence applications (~ 1,100km<sup>2</sup> in area) located ~ 260kms north-west of Meekatharra and 270kms east of Carnarvon in the Gascoyne Province, Western Australia.
- ❑ The project tenure covers the intersection of the crustal scale Cardilya Fault with the northeast trending Deadman Fault. The project is considered prospective for orogenic gold and or copper mineralisation and intrusion-related Ni-Cu-PGE mineralisation. Moogie is located within the Glenburgh Terrane of the Gascoyne Province, a Proterozoic metamorphic belt located at the northern margin of the Yilgarn Craton.
- ❑ The known gold and copper mineralisation in the area is primarily structurally controlled so it is important to have a good understanding of the structural architecture of the project. A detailed airborne magnetic survey was completed by Hannans in December 2019. The survey comprised a 100m-spaced gradiometer airborne magnetic survey over Moogie (~11,500 line kms in total) to obtain detailed magnetic data across the tenure.
- ❑ The Glenburgh Gold Project, owned by Gascoyne Resources Ltd (ASX:GCY), is located ~7km due south of Hannans' new applications and contains a Measured, Indicated and Inferred mineral resource of 21.3 Mt @ 1.5 g/t Au for 1.0M ounces of gold. The gold mineralisation at Glenburgh is hosted within silica altered quartz-feldspar-biotite-garnet-gneiss and is located along the northeast trending Deadman Fault which continues along strike into Hannans' applications.
- ❑ The Deadman Fault zone is a sinistral transcurrent fault hosting not only gold but also copper mineralisation (Dalgety Downs). The Deadman Fault zone forms a 14km low ridge on Hannans' E09/2373 tenement application and Aster satellite imagery shows argillic alteration along its length; the ridge has not previously been drill tested nor subject to systematic surface geochemical sampling.
- ❑ A structural interpretation of the project using the recently acquired magnetic data and an initial field reconnaissance program will commence this Quarter. Mapping and sampling will commence next Quarter.



# Mt Holland Lithium



Regional location map showing Hannans Mt Holland Lithium Project and major lithium deposits, mines and processing facilities.



Hannans 100% Mt Holland Lithium Project located adjacent to the world's 3<sup>rd</sup> largest hard rock lithium deposit, the Earl Grey owned by SQM and Wesfarmers Ltd. Figure shows location of all phases of Hannans drilling completed and planned. The planned Phase 7 diamond drill (DD) holes at Mt Holland West will test the pegmatite in fresh rock that sits beneath the anomalous lithium results received in the Phase 6 aircore (AC) drilling. The planned Phase 2 AC drilling at Mt Holland East will test the validity of geochemical anomalism identified in the Phase 1 AC drilling.

# Directors & Management



**Jonathan Murray, Independent Non-Executive Chairman**

- ❑ Director of Hannans Ltd (2010).
- ❑ Partner of Steinepreis Paganin
- ❑ Principal legal practice areas include equity capital markets, takeovers, project acquisitions and divestments, corporate governance, commercial law and strategy.



**Markus Bachmann, Non-Executive Director**

- ❑ Director of Hannans Ltd (2012).
- ❑ Corporate finance professional
- ❑ Founding partner of Craton Capital (cratoncapital.com)
- ❑ Craton Capital awarded Fund Manager of the Year at the Mining Journal's "Outstanding Achievement Awards" during December 2010.



**Clay Gordon, Non-Executive Director**

- ❑ Director of Hannans (2016).
- ❑ Bachelor of Applied Science (Geology) and a Master of Science (Mineral Economics). Member of the AusIMM and AIG.
- ❑ +25 years' experience in senior roles (operational, management and corporate) within large and small resource companies active in a range of commodities within Australia, Africa and South East Asia.



**Damian Hicks, Executive Director**

- ❑ Director of Hannans Ltd (2002).
- ❑ Financial, legal and compliance qualifications.
- ❑ Principal responsibilities includes strategy formulation, team development, deal origination & execution, stakeholder relationships and capital raising



**Amanda Scott, Non-Executive Director**

- ❑ Director of Hannans (2016).
- ❑ Exploration Manager for Hannans Group (2008-2016).
- ❑ Consulting Geologist with 13 years experience.
- ❑ Extensive experience in the Yilgarn and Pilbara regions of Western Australia and the Caledonides and Kiruna regions of Scandinavia exploring for gold, copper, nickel, PGEs, iron and manganese.
- ❑ Responsible for generating all of Hannans projects since 2008.

# Corporate Overview

<b>Fully paid ordinary shares</b>	<b>~ 1.98 billion</b>
Options (ex 1.5 – 2.7c)	~ 0.1 billion
Share price	0.9 cents
Market capitalisation	~ \$18 million
Top 20 holding	63%
Neometals Ltd shareholding	36%
Cash (31 Dec. 2019)	~ \$1.85 M
Debt	Nil



Chart: Hannans Ltd share price chart for the last 5 years.

# Contact Details

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# Competent Persons Statement

The information in this document that relates to exploration results at Mt Holland 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 his information in the form and context to which it appears.

The information in this document that relates to exploration results at Forrestania is based on information compiled by Adrian Black, a Competent Person who is a Member of the AIG (1364). Adrian Black is a consultant to Hannans Ltd and its subsidiary companies. Adrian Black 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). Mr Black consents to the inclusion in the report of the matters based on his information in the form and context to which it appears.

The information in this document that relates to exploration results is based on information compiled by Amanda Scott, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (Membership No.990895). Amanda Scott is a full-time employee of Scott Geological AB. Amanda Scott is a Non-Executive director of Hannans Ltd and holds shares and options in the company. Amanda Scott 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). Amanda Scott consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this document that relates to exploration results at Forrestania, Moogie and Mt Holland has been extracted from ASX releases made by the Company and joint venture partner Classic Minerals Ltd prior to the date of this presentation. Hannans confirms that it's not aware of any new information or data that materially affects the information included in the ASX releases previously made by the Company.

# Appendix: Forresterania – Flying Fox and Spotted Quoll Discoveries

- ❑ The Forresterania region contains several different mineralisation settings and styles: basal massive sulphide, disseminated sulphides in cumulates and remobilised massive and matrix sulphides, exhibiting a range of geophysical responses, occurring in a range of rock types / settings and therefore you need to keep an open mind.
- ❑ Two major nickel sulphide deposits (Flying Fox and Spotted Quoll) are along strike from Hannans' tenure plus a planned nickel mine (New Morning) and significant prospect (Beautiful Sunday) abut Hannans' tenure.
- ❑ Previous explorers (mainly Outokumpu and others) believed they had tested all the targets and there was nothing left to find at Forresterania. At Flying Fox the initial discovery hole of the "new" orebody was almost identical in set-up to three other deep holes (3 x 700m) that Outokumpu had drilled. The "new" discovery hole was targeted at the same basal ultramafic / metasediment footwall of the Western Ultramafic Belt supported by a newly interpreted downhole electromagnetic (DHEM) conductor plate model designed by Newexco.
- ❑ History shows explorers had driven over Spotted Quoll for 34 years and had downgraded the area because it had already been "tested" by an old AMAX drillhole WBD12, however that hole had stopped 10 metres short of the orebody.
- ❑ Western Areas Ltd, owners of Flying Fox and Spotted Quoll have yet to define the deposit limits and are still drilling extensions to both deposits today.
- ❑ The footprints of these deposits are also significant. Flying Fox strike length measures about 300m on surface and over 600m at depth with a plunge extent of roughly 1,600m – 2,000m. The thickest ore at Flying Fox was approximately 18m true thickness and this was hit early on when targeting the kernel of the DHEM anomaly. Spotted Quoll strike length measures 350m on surface and plunges to greater than 1,600m at depth. The thickest ore intersected by surface drilling at Spotted Quoll was approximately 18m (10-12m true thickness) at a grade of 10% Ni.
- ❑ Flying Fox and Spotted Quoll deposits were found by the use of "conventional" geological concepts and geophysical technology that was new but readily available at the time. Newexco played key roles in the discovery of the "new" Flying Fox and Spotted Quoll - their targeting and geological concepts were slightly different along with the belief, will and determination to find new deposits.