



HANNANS REWARD
Exploring for Gold and Base Metals

ASX Announcement / Media Release

27 November 2009

Multiple EM anomalies identified at Forrestania Project

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 128m

Options on issue: 12m (ex 20c – 80c)

Market cap: \$22m

Cash & ASX Equities: \$20m

Financial Position

Cash on hand: \$5m

Value of ASX Listed

Equity Positions: \$15m

Board of Directors

Richard Scallan Chairman

Damian Hicks Managing Director

William Hicks Non-Executive
Director

Major Shareholdings

Atlas Iron Ltd

Warwick Resources Ltd

Projects (Western Australia)

Forrestania Nickel & Gold

QVR Nickel

Lake Johnston Nickel & Gold

Jigalong Manganese

Sunday Gold

Highlights:

- Heli-borne geophysics (VTEM) has identified multiple, well defined and well located EM anomalies within the Forrestania Project – refer Figures below
- Majority of the EM anomalies are located within the newly acquired Stormbreaker ground position (refer ASX release of 25 November 2009)
- Anomalies occur over an aggregate strike length of 14km
- Southern-most anomaly is located 7km along strike of the Flying Fox nickel mine
- Newly developed heli-borne geophysics (ZTEM) looking for deeper EM targets currently in progress
- Ground-based geophysics scheduled to commence at the completion of the ZTEM survey to generate drill ready targets

Western Australian minerals explorer Hannans Reward Ltd (ASX: HNR) ("Hannans" or "the Company") is pleased to announce that **multiple, well defined, stratigraphically well located, EM anomalies have been identified** using the heli-borne VTEM system at the Forrestania Project.

Hannans' Managing Director Damian Hicks said, "The recently completed heli-borne survey (VTEM) within the Stormbreaker Prospect has been extremely successful, generating anomalies covering an aggregate strike length of 14km. Hannans can now focus its future ground based exploration activities on these discrete anomalies."

Importantly the majority of the EM anomalies are located within the newly acquired ground position, which has not previously been exposed to any modern nickel exploration. The previous owners were solely focused on gold exploration.

Mr. Hicks also added, "A number of the EM anomalies are located within the interpreted northern extension of the western ultramafic unit which is host to high grade nickel-sulphide mineralisation at Flying Fox and Spotted Quoll (owned by Western Areas NL). The majority of these new EM anomalies remain untested by previous drilling.

We also have a newly developed airborne geophysical technique (ZTEM) being trialled over the Stormbreaker Prospect to determine if any additional deeper EM anomalies can be identified.

Once the current helicopter surveys are finished we'll immediately start ground based geophysical surveys (FLTEM) to further refine the EM anomalies. This will also assist with 3D modelling of the anomalies in preparation for drill testing. With such a large number of EM anomalies, it is anticipated that this ground surveying will continue through December and into January 2010."

A reconnaissance RAB drilling programme is also scheduled to commence early in 2010 to increase the understanding of the geology at the prospect scale. On completion of the RAB drilling the EM anomalies will be tested with deep drilling (Reverse Circulation or Diamond) and subsequently surveyed with down-hole geophysics.

With the recent substantial additions to the Forrestania tenement package the Forrestania Project now represents a substantial exploration package which covers a strike length of over 100km."

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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.

Glossary

Conductor: a mineral body which is conductive relative to a more resistive host rock, i.e. massive nickel-sulphide mineralisation.

Diamond: is a drilling technique which uses a diamond-set drill bit to produce a cylindrical core of rock.

EM: electromagnetics; a geophysical survey whereby the subsurface is energized with time-varying electromagnetic fields to detect subsurface conductors which then generate their own fields which can be detected at surface.

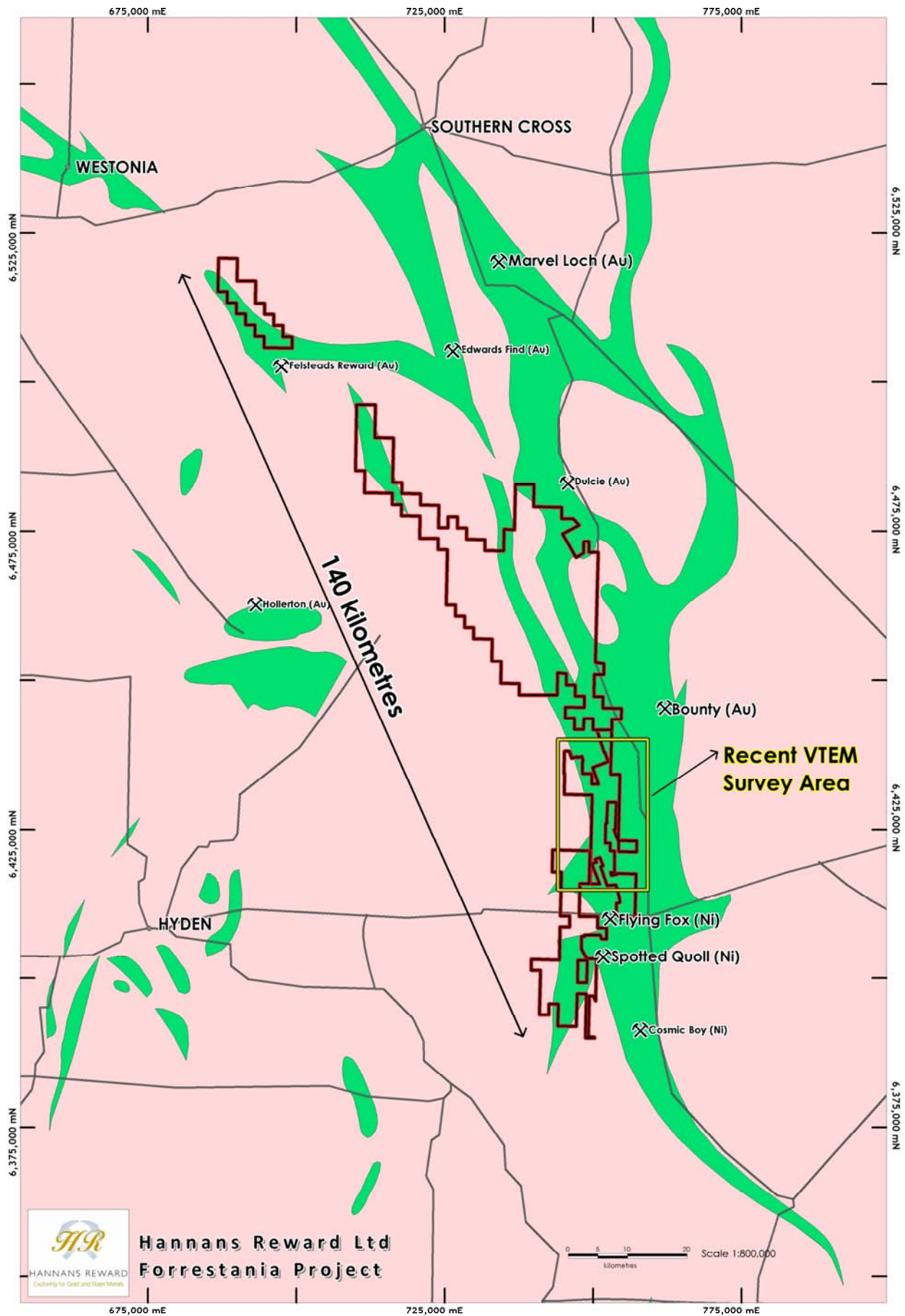
FLTEM: fixed-loop transient electro-magnetics; a ground-based geophysical survey technique used to accurately define the physical properties of a conductive body located beneath the Earth's surface.

RAB: rotary air blast; a cost-effective drilling technique used to geochemically sample weathered rock.

RC: reverse circulation; a drilling technique that is used to return uncontaminated pulverised rock samples through a central annulus inside the drill pipes.

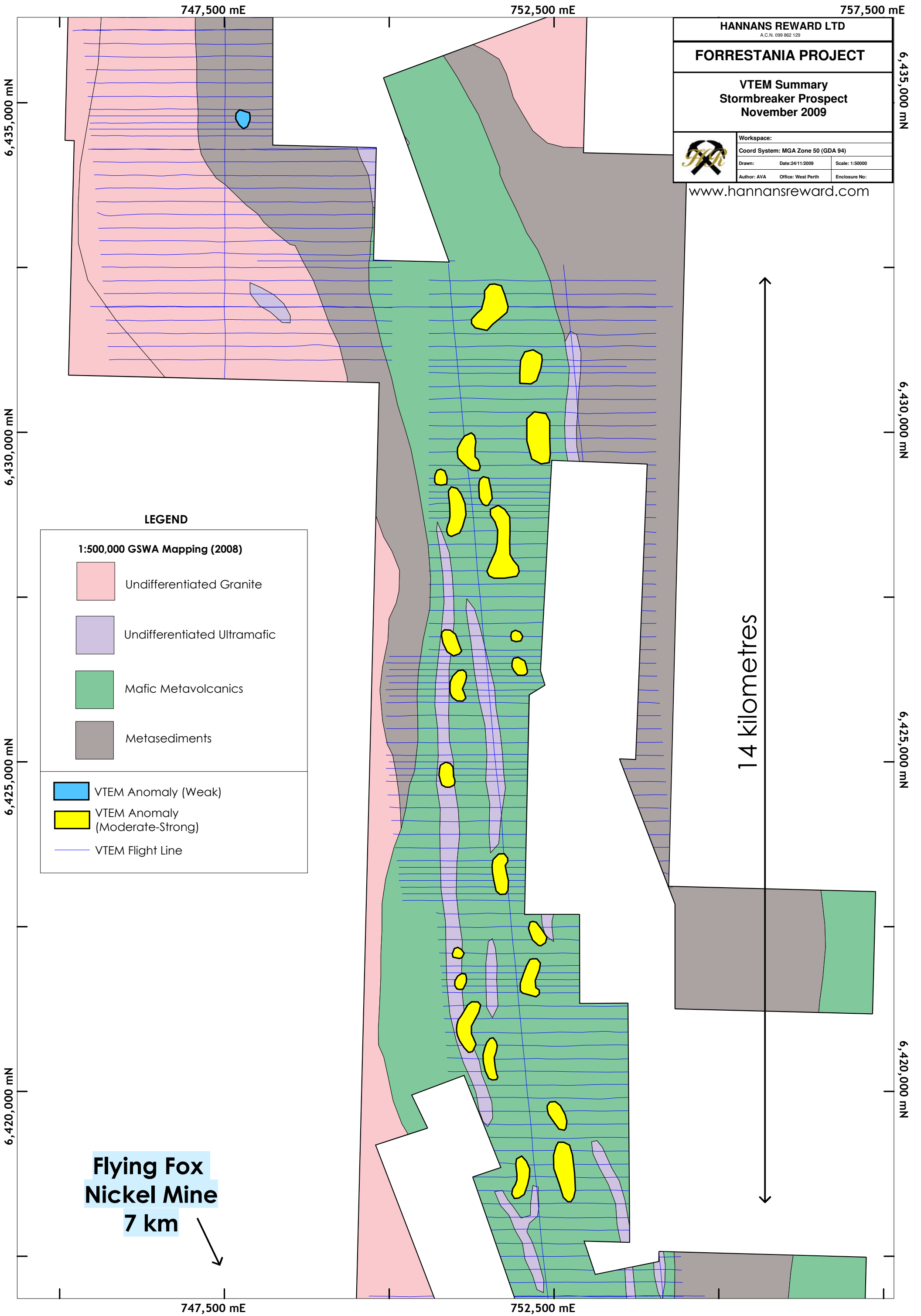
VTEM: versatile-time domain electro-magnetics; an airborne geophysical survey technique designed to detect conductors at depth beneath the Earth's surface.

ZTEM: Z-axis tipper electromagnetics; an airborne geophysical survey technique designed to detect conductors at depth beneath the Earth's surface. The ZTEM system differs from the VTEM system in that it is a passive system using the natural or passive fields of the Earth as the source of transmitted energy rather than a man-made transmitter.



Hannans Reward Ltd
Forrestania Project

0 5 10 20
 kilometres Scale 1:800,000



HANNANS REWARD LTD
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FORRESTANIA PROJECT

VTEM Summary
Stormbreaker Prospect
November 2009

Workspace:
Coord System: MGA Zone 50 (GDA 94)

Drawn:	Date: 24/11/2009	Scale: 1:50000
Author: AVA	Office: West Perth	Enclosure No:

www.hannansreward.com

LEGEND

1:500,000 GSWA Mapping (2008)

- Undifferentiated Granite
- Undifferentiated Ultramafic
- Mafic Metavolcanics
- Metasediments

- VTEM Anomaly (Weak)
- VTEM Anomaly (Moderate-Strong)
- VTEM Flight Line

**Flying Fox
Nickel Mine**
7 km

↘

14 kilometres

