



HANNANS REWARD
Exploring for Gold and Base Metals

ASX Announcement / Media Release

Hannans reaches landmark agreement with Jigalong Community Inc

- Hannans confirmed as 100% legal and beneficial owner of the Jigalong Project, located 110kms east of Newman in the East Pilbara region of Western Australia
- Jigalong Community Inc (JCI) strongly supports Hannans' and future joint venture partners' exploration activities within the Jigalong lands, including providing timely assistance with land access and heritage related matters
- Hannans excellent long-term relationship with JCI ensures the Community has exposure to Hannans' exploration portfolio through the issue of Hannans equity
- JCI becomes major shareholder of Hannans

Western Australian minerals explorer Hannans Reward Ltd (**ASX: HNR**) ("Hannans" or "the Company") has reached a significant milestone by announcing the signing of a landmark agreement with its East Pilbara partner, Jigalong Community Inc (JCI) in relation to the highly prospective Jigalong Project in Western Australia.

Of the landmark agreement with the custodians of the Jigalong Reserve Hannans' Managing Director Damian Hicks said, "The Hannans-Jigalong Community relationship is very unique. Hannans' shareholders exposure to the Jigalong Project is a direct result of a personal invitation extended by the former CEO of the Jigalong Community, Mr Cedric Wyatt to us back in mid 2003. Since then Hannans and JCI have been working together to unlock the value of the Jigalong Project for the benefit of both the Community and Hannans shareholders.

"JCI has received equity in Hannans in acknowledgement of the Jigalong Project's potential to host a major deposit and the important roles that JCI played in bringing this project to our attention, then working with us since that time to advance it.

"I am very pleased that the Jigalong Community is now a shareholder of Hannans and will benefit from future exploration success," Mr Hicks added."



Photo: Hannans Staff and Members of the Jigalong Community in West Perth, June 2009

The long-standing relationship between JCI and Hannans was originally detailed in the 2003 Memorandum of Understanding (MOU) as a standard exploration joint venture; however this understanding was never converted into a legally binding agreement.

As part of the formal agreement signed between the parties, Hannans through its wholly owned subsidiary Errawarra Pty Ltd has been confirmed as having 100% legal and beneficial interest in the Jigalong Project, providing certainty of ownership for Hannans shareholders and future joint venture partners. The issue of Hannans equity to JCI brings to an end and satisfies any mutual obligations that may have arisen from the MOU and all proposals contemplated since that time. Hannans has issued JCI with 2 million listed fully paid shares and 2 million 20 cent options exercisable within 24 months, which makes JCI as major shareholder in the Company.

Shareholders who have any queries regarding this announcement should contact Hannans' Managing Director, Damian Hicks on +61 8 9324 3388.

Hannans Reward Summary

Hannans Reward Ltd has developed a suite of prospective exploration projects within Australia covering iron, manganese, nickel and gold.

Hannans Reward Ltd 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
- Jigalong – iron, manganese, base metals & uranium 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
- Lake Johnston – nickel & gold project located 25km south east of Norilsk's Maggie Hays nickel mine
- Sunday – gold joint venture with Australian Mineral Fields Ltd, 10kms east of Leonora, WA

Board of Directors

Chairman

Richard Scallan

Managing Director

Damian Hicks

Non-Executive Director

William Hicks

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

HANNANS REWARD LTD

ABN

52 099 862 129

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares
Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,000,000 Ordinary Shares
2,000,000 Unlisted Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options exercisable at 20 cents on or before 31 July 2011 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Ordinary Shares will rank equally with existing ordinary shares.</p> <p>Unlisted Options when exercised will rank equally with existing ordinary shares.</p>				
<p>5 Issue price or consideration</p>	<p>Nil</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To satisfy any mutual obligations that may have arise from the 2003 Memorandum of Understanding and all proposals contemplated since that time.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>3 August 2009</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="716 1472 997 1503">Number</th> <th data-bbox="997 1472 1271 1503">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 1503 997 1713">92,324,979</td> <td data-bbox="997 1503 1271 1713">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	92,324,979	Fully paid ordinary shares
Number	+Class				
92,324,979	Fully paid ordinary shares				

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	3,000,000	Options exercisable at \$0.20 each on or before 31 March 2010
	500,000	Options exercisable at \$0.20 each on or before 30 April 2010
	500,000	Options exercisable at \$0.50 each on or before 31 December 2010
	1,717,867	Options exercisable at \$0.40 each on or before 31 December 2010
	2,250,000	Options exercisable at \$0.80 each on or before 30 June 2011
	2,000,000	Options exercisable at \$0.20 each on or before 31 July 2011
	1,000,000	Options exercisable at \$0.80 each on or before 30 June 2012
	100,000	Options exercisable at \$0.40 each on or before 30 June 2012
	1,000,000	Options exercisable at \$0.80 each on or before 30 June 2013
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

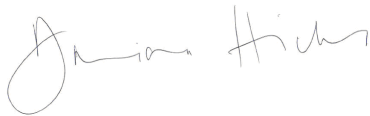
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Damian Hicks
Managing Director
3 August 2009

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+ See chapter 19 for defined terms.