



HANNANS REWARD
Exploring for Gold and Base Metals

ASX Announcement / Media Release
2 November 2010

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 131.6m

Options on issue: 9.4m (ex 20c – 80c)

Market cap: \$24.3m

Financial Position

Cash on hand: \$4.8m (Oct 2010)

Value of ASX Listed
Equity Positions: \$17.8m

Board of Directors

Richard Scallan Chairman

Damian Hicks Managing Director

William Hicks Non-Executive
Director

Jonathan Murray Non-Executive
Director

Projects (Western Australia)

Forrestania Nickel & Gold

QVR Nickel

Lake Johnston Nickel & Gold

Jigalong Manganese

Lake Johnston Gold Project Update

- RC drilling (nine holes for 2,000 metres) at the Ernest Gold Prospect commenced last week
- Four RC holes completed; first batch of assays pending
- RC (eleven holes 2,750 metres) scheduled to commence at the Hardcore Gold Prospect pending drilling approvals anticipated to be received during November
- In-fill gravity survey between Ernest and Hardcore scheduled to commence this week.

Western Australian minerals exploration company Hannans Reward Ltd (ASX:HNR) has commenced RC drilling of gold targets at its Lake Johnston gold project located 100kms west of Norseman in the Goldfields region of Western Australia (refer Regional Location Plan).

Drilling at the Ernest Prospect (nine holes) is planned to test possible extensions to the north of gold mineralisation intersected in previous drilling by Hannans in 2009. The prospect includes a number of high grade gold rock chip samples over a broad shear zone.

Drilling at the Hardcore Prospect (eleven holes) will test potential extensions to the Hardcore mineralisation down dip and along strike and high grade mineralisation intersected by previous explorers (refer Project Location Plan, cross-section and long-section). Approvals to commence this drilling are expected to be received late November.

An in-fill gravity survey is scheduled to commence later this week to provide data in between the Ernest and Hardcore prospects that may identify a major structure joining the two prospects. On grant of a further Hannans tenement, the gravity survey is likely to be extended to the south to cover the Richard Prospect. Gravity surveys completed by Hannans this year over Ernest and Hardcore have been useful in confirming that gold mineralisation is associated with a steep gravity gradient (potentially representing a major structure and fluid pathway for gold bearing fluids). It is likely that future geochemical sampling program will focus on areas showing a steep gravity gradient in between the known gold prospects.

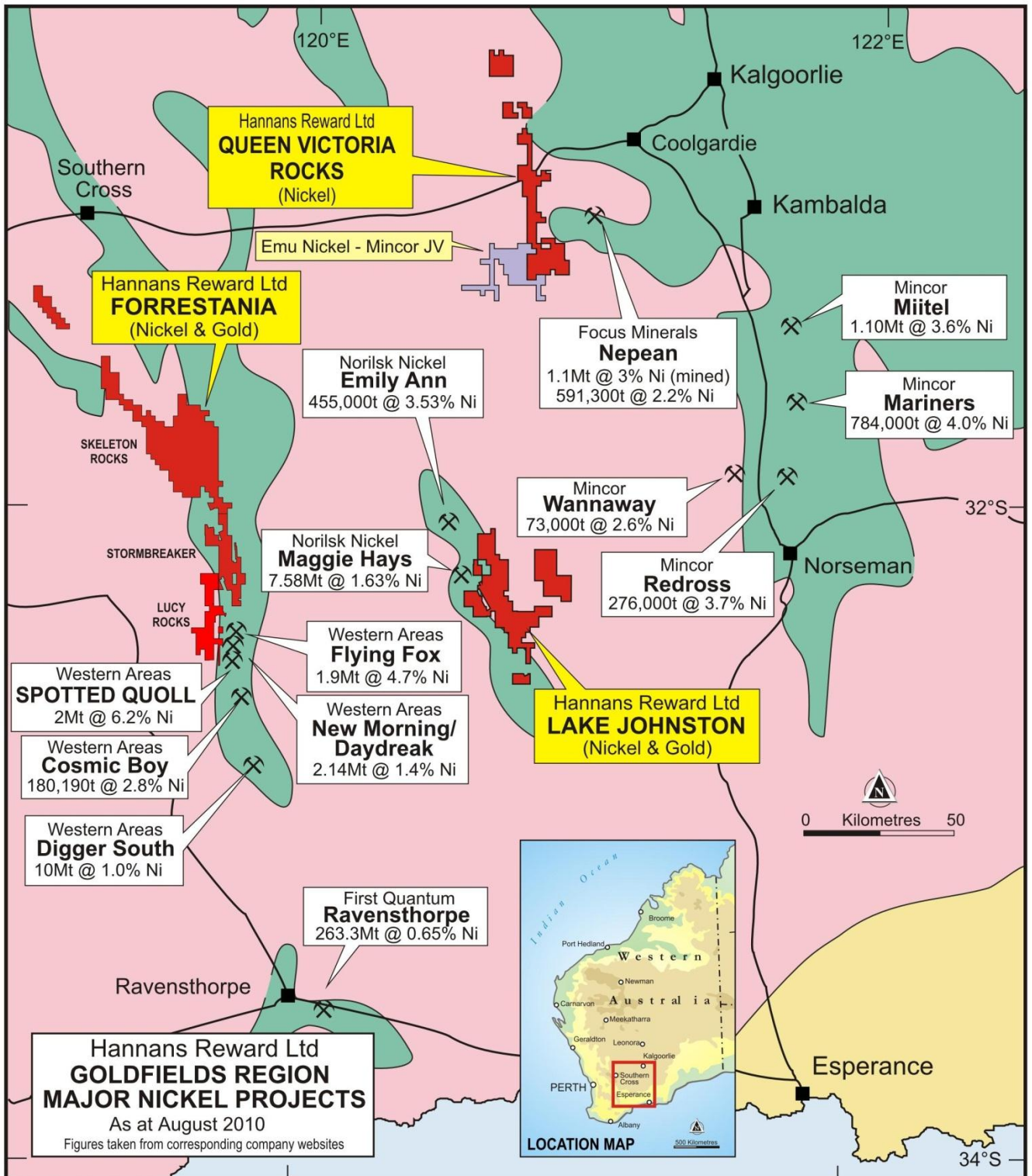


Figure 1. Hannans Reward Regional Location Plan

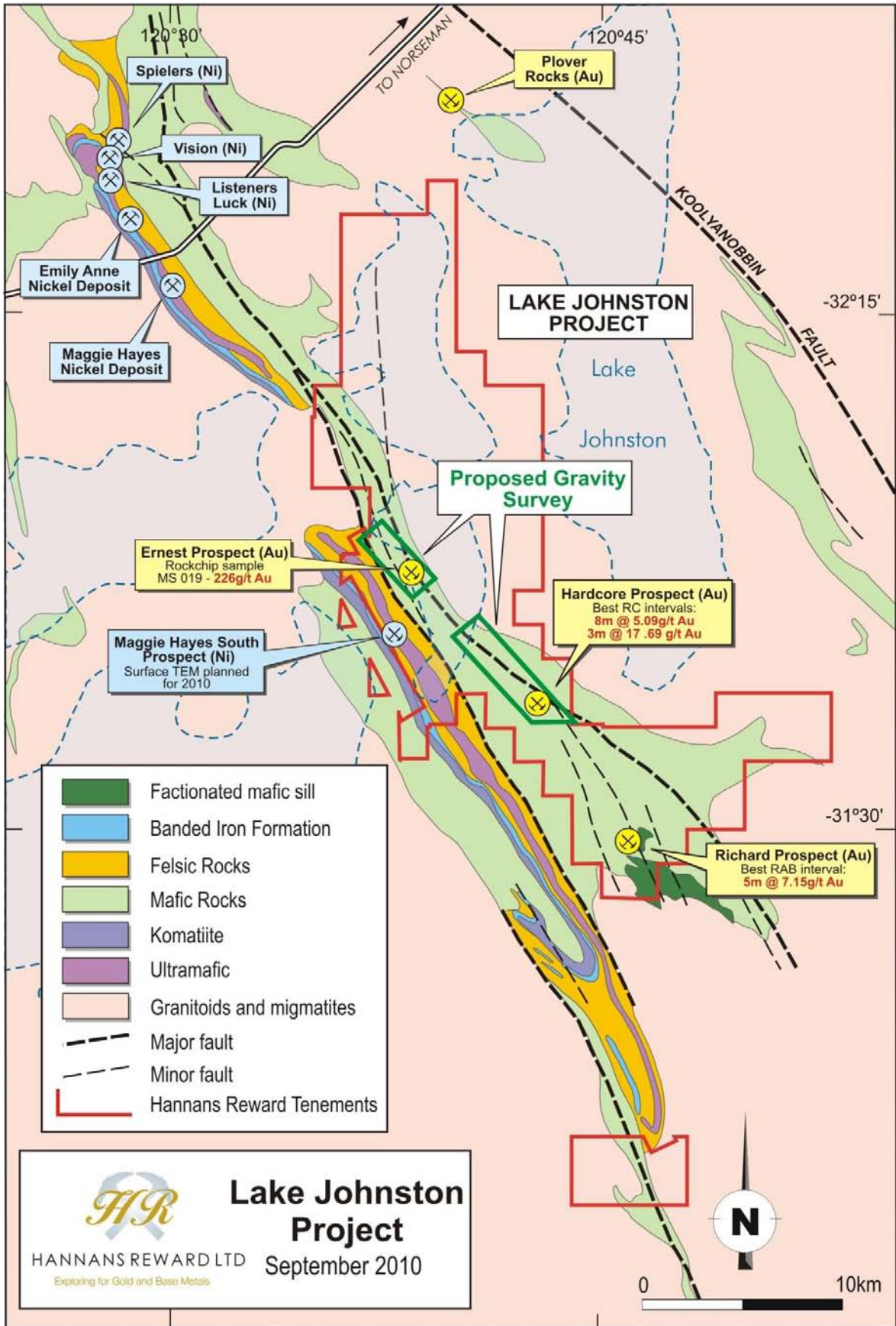


Figure 2. Lake Johnston Leasing Diagram showing regional geology and prospect locations

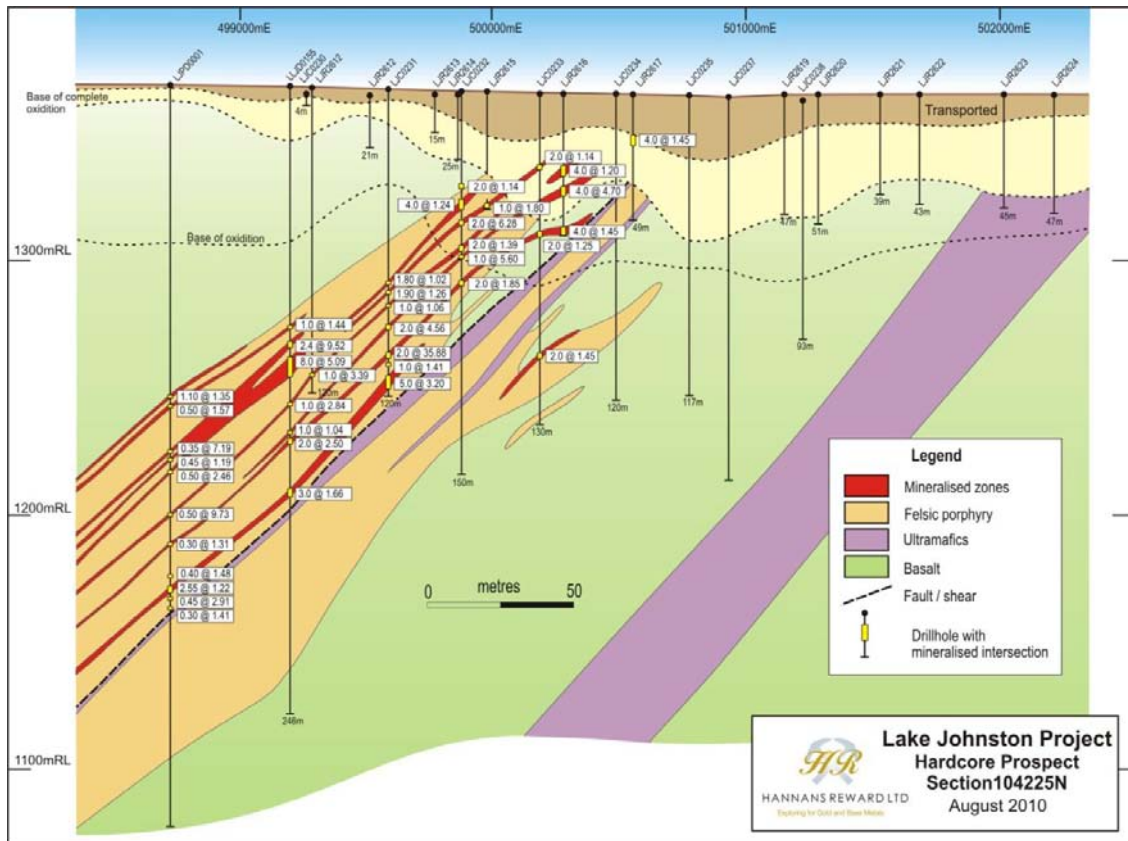


Figure 3. Hardcore schematic cross-section looking north-east

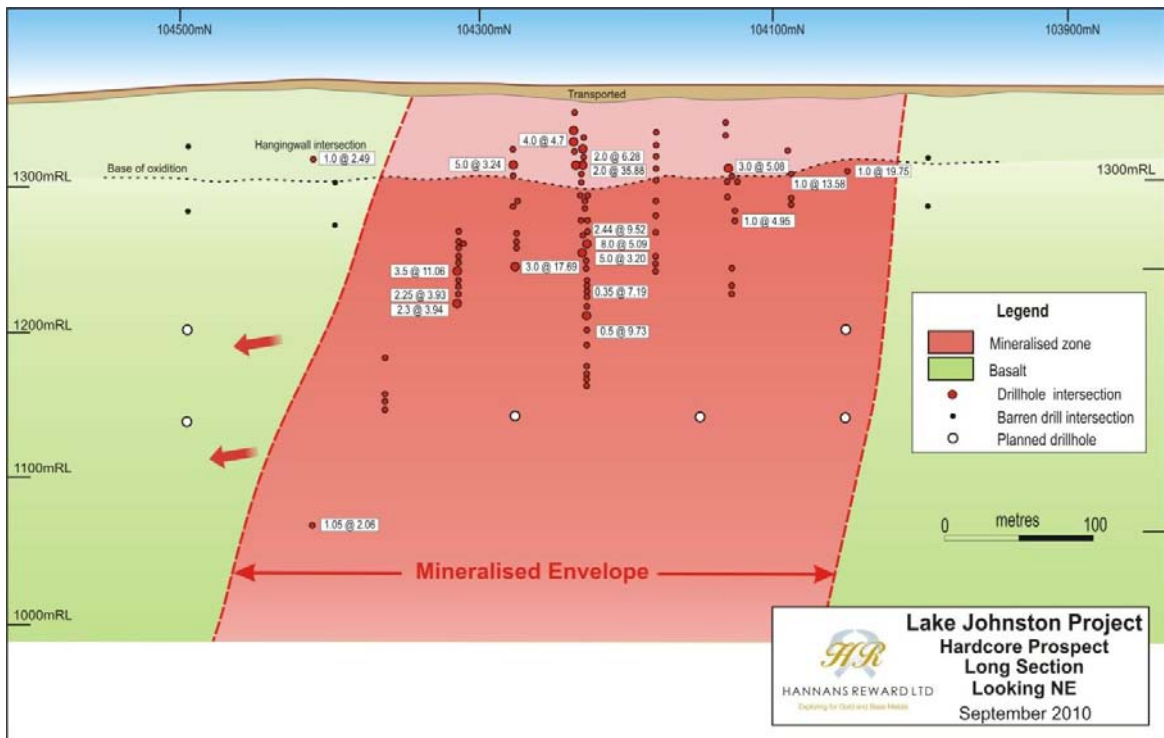


Figure 4. Hardcore schematic long-section looking north-west

Hannans Reward Limited Summary

Hannans Reward Ltd has developed a suite of prospective exploration projects within Australia covering nickel, gold and manganese whilst the flagship exploration is the Forrestania nickel project located in the world class Forrestania nickel belt. Hannans has joint ventures with St Barbara Ltd and Triton Gold Ltd. Hannans is a major shareholder of 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, a portion of the Stormbreaker Prospect includes a Joint Venture with Cullen Resources Ltd (Hannans – 80%, Cullens – 20% free carry).
- Lake Johnston – nickel & gold project located 25km south east of Norilsk's Maggie Hays nickel mine and 100kms west of Norseman
- Jigalong – manganese & base metals project located 150km east of Newman, WA
- Queen Victoria Rocks - nickel and gold project located 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 Mr Donald Huntly, Consulting Geologist who is a Full Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist. Mr Huntly is a full-time employee with Hannans Reward Ltd. Mr Huntly 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". Mr Huntly consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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