



HANNANS REWARD

Exploring for Gold and Base Metals

ASX Announcement / Media Release

6 September 2010

Lake Johnston Project – Gold Drilling

- Project review confirms historical high grade gold mineralisation and significant prospectivity within the project area
- Most significant mineralisation includes:
 - 8 metres @ 5.09 g/t Au from 106 m
 - 5.0 metres @ 3.2 g/t Au from 112 metres
 - 3.5m @ 11.06 g/t Au from 127 metres
 - 3m @ 5.08 g/t Au from 127 metres
 - 3m @ 17.69 g/t Au from 124 metres
- Detailed, prospect scale gravity surveys recently completed over the Ernest and Hardcore prospects
- In-fill gravity survey between Ernest and Hardcore prospects to commence this Quarter
- 20 reverse circulation (RC) drill holes for approximately 5,000 metres planned to test significant Ernest and Hardcore gold targets; Government approvals pending

Western Australian minerals exploration company Hannans Reward Ltd (ASX: HNR) believes its Lake Johnston Project (located 100km's west of Norseman, in the Goldfields region of Western Australia) has the potential to host significant narrow, high grade gold mineralisation.

A preliminary review of the exploration data within the Project has identified a number of high grade gold occurrences within the project area. The high grade gold mineralisation is located along a large scale northwest to southeast trending structure on the edge of a regional gravity high.

The structure extends for approximately 15 km's with high grade gold mineralisation identified in rock chip sampling at the Ernest prospect, in RC percussion drilling at the Hardcore prospect and in RAB drilling at the Richard prospect (Figure 1).

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 131.6m

Options on issue: 9.4m (ex 20c – 80c)

Market cap: \$22.3 m

Financial Position

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

Value of ASX Listed

Equity Positions: \$17.3m

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

Exploration bedrock drilling is limited to only three prospects within the 15 km corridor, and Hannans recognise that there is significant potential to identify additional gold mineralisation within the area.

The most significant mineralisation identified to date is located at the Hardcore prospect where previous RC percussion and diamond drilling has intersected gold intervals in excess of 1 g/t gold, using a 1 g/t cut-off the best intervals include;

- 8 metres @ 5.09 g/t Au from 106 m
- 5.0 metres @ 3.2 g/t Au from 112 metres
- 3.5m @ 11.06 g/t Au from 127 metres
- 3m @ 5.08 g/t Au from 127 metres
- 3m @ 17.69 g/t Au from 124 metres

The mineralisation is associated with a flat dipping shear and a felsic porphyry unit sitting immediately above the shear (Figure 2). Previous drilling has been relatively shallow to a maximum of 200 metres below surface, and has not closed off the mineralisation down dip or to the north (Figure 3).

Hannans have recently completed detailed, prospect scale gravity surveys over the Ernest and Hardcore prospects and will complete a more extensive gravity survey covering the corridor between the two prospects over the coming weeks. Hannans have also planned a total of eleven RC percussion drill holes to test potential extensions to the Hardcore mineralisation down dip and along strike; the POW application for the drilling program has been submitted to the DMP and is awaiting approval.

Hannans have also planned a total of nine RC percussion holes at the Ernest prospect, the prospect includes a number of high grade gold rock chip samples over a broad shear zone (Figure 4). The drilling is planned to test possible extensions to the north of the gold mineralisation intersected in the previous drilling. Hannans previously completed RC percussion drilling at the prospect during 2009, with the best intersection returning 4m @ 1.69 g/t Au and 19.3 g/t Ag in LJRC021. The POW application has been submitted to the DMP and is awaiting approval.

Nickel sulphide exploration will continue at Lake Johnson in the form of surface EM surveys, the aim of the surveys will be to complete coverage of the prospective ultramafic corridor; the EM will be completed over the coming two months.

Hannans Reward Limited Summary

Hannans Reward Ltd has developed a suite of prospective exploration projects within Australia covering nickel, gold and manganese. The Company's flagship exploration project is the Forrestania nickel and gold project located in the world class Forrestania nickel belt. Hannans has joint ventures with St Barbara Ltd and Triton Gold Ltd. Hannans' shareholders are exposed to share price appreciation through exploration success at the following projects:

- Forrestania – nickel and gold project 7km north of Western Area's Flying Fox nickel mine
- Lake Johnston – nickel and gold project located 25km south east of Norilsk's Maggie Hays nickel mine and 100kms west of Norseman
- Jigalong – gold, base metals and manganese 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, Exploration Manager, Hannans Reward Ltd 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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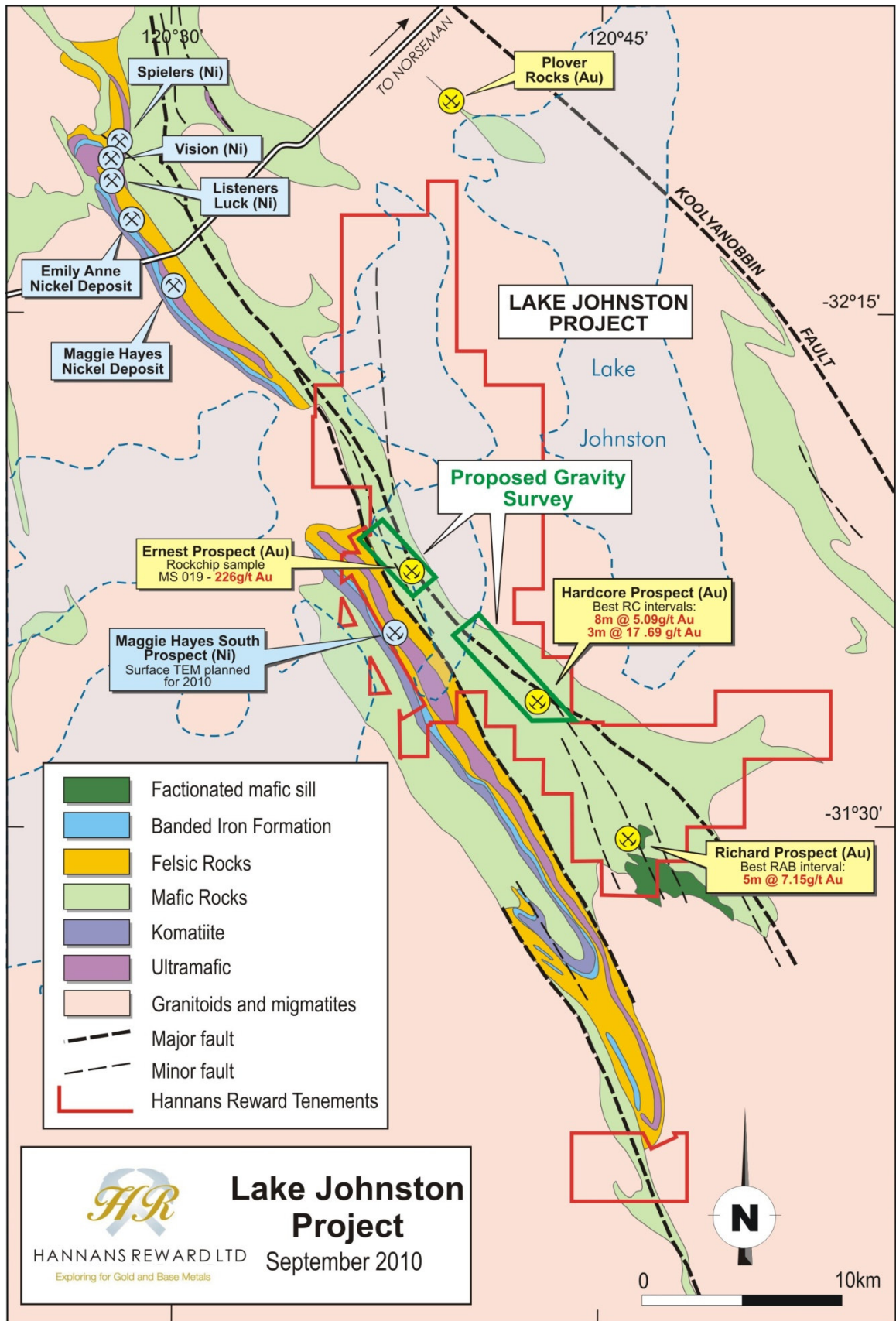


Figure 1. Lake Johnston Project showing tenement outline and prospect locations

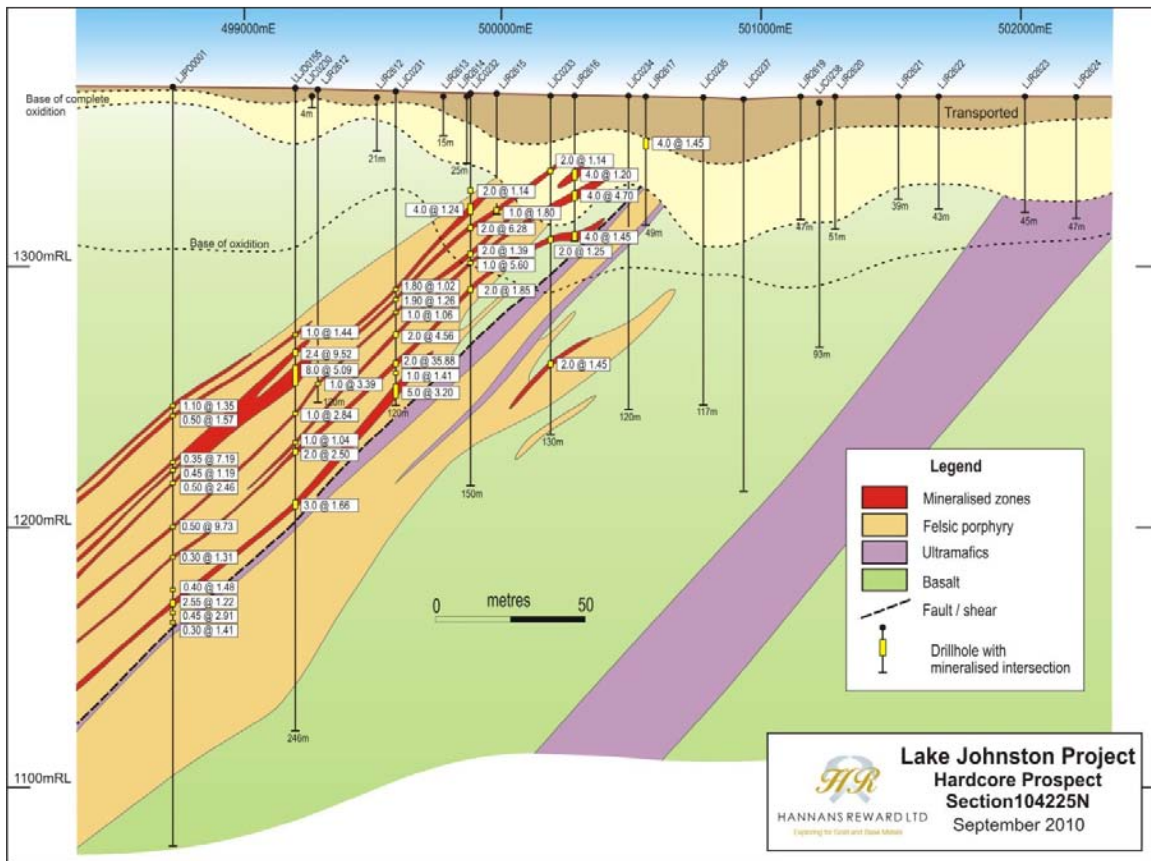


Figure 2. Hardcore Prospect schematic cross-section 104225N (local grid)

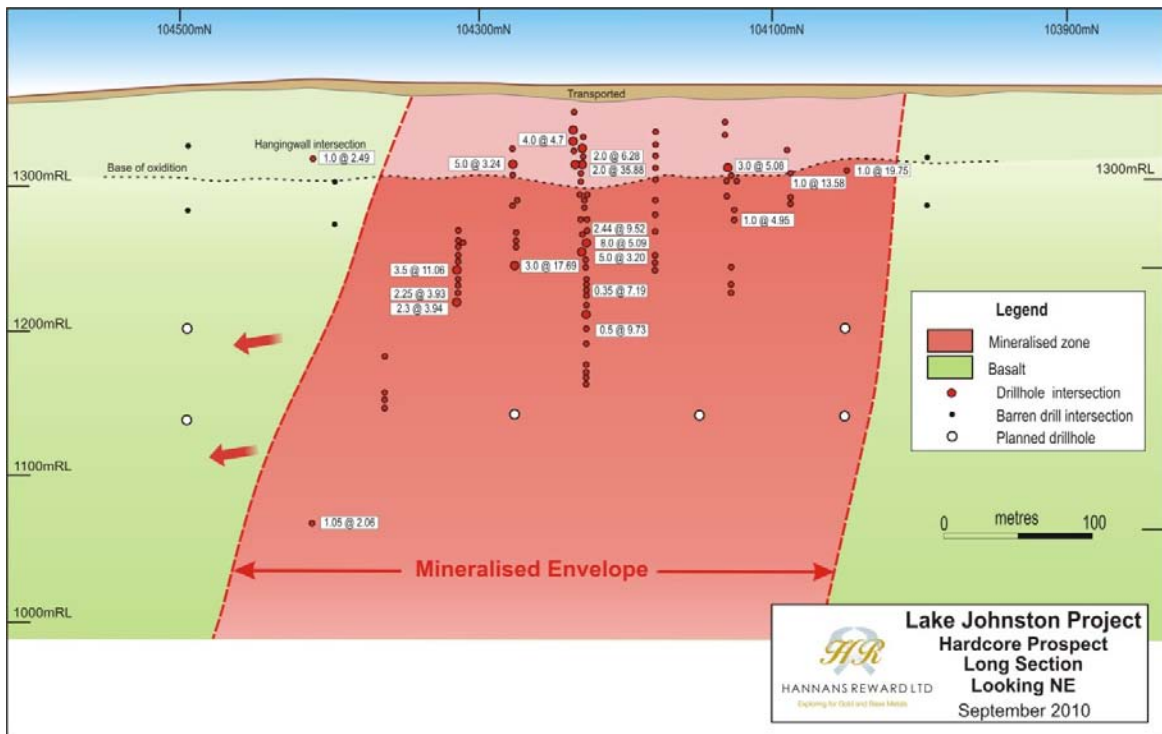


Figure 3. Hardcore Prospect schematic long-section looking NW

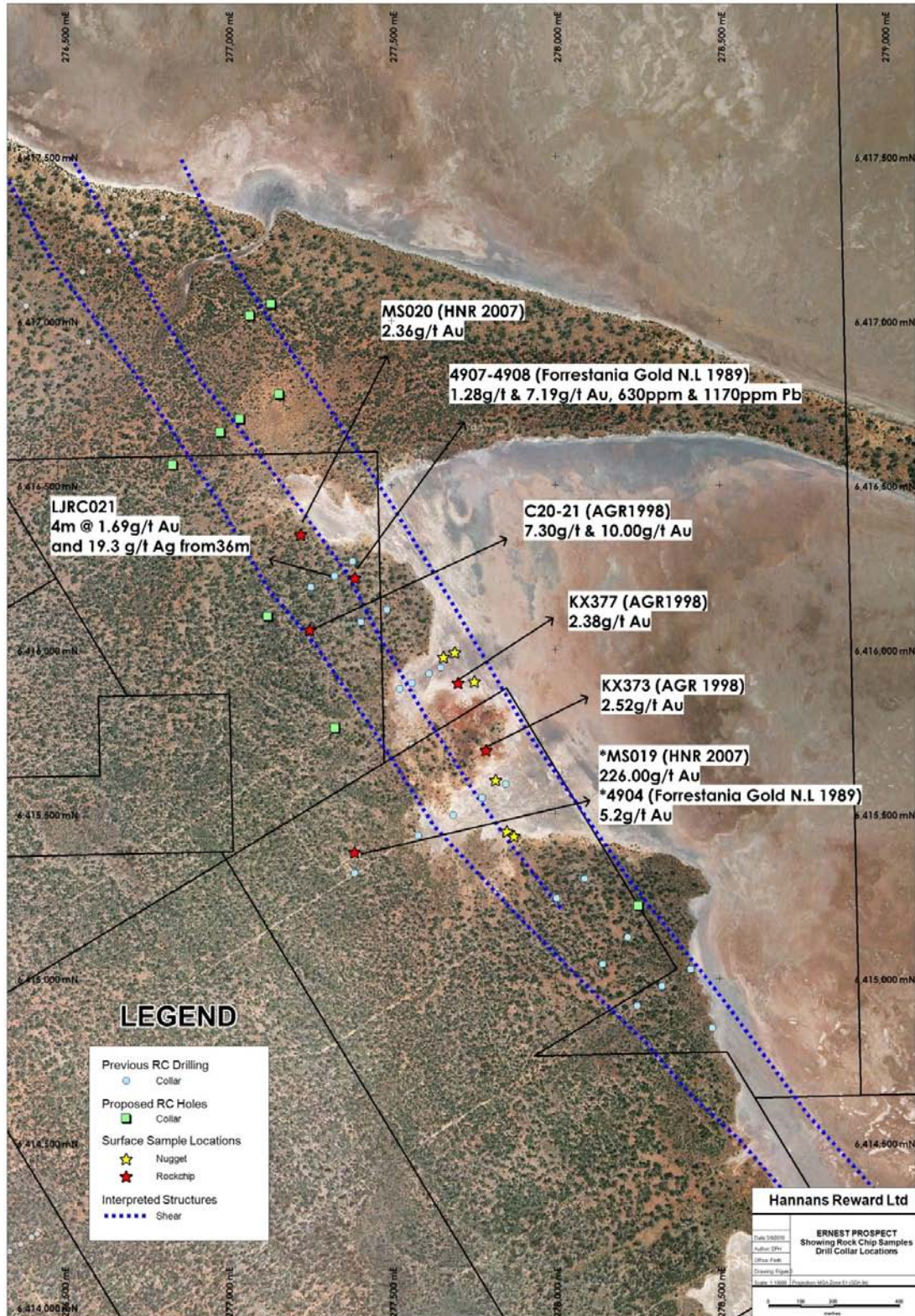


Figure 4. Ernest Prospect showing proposed RC drill collars and rockchip sample locations