



HANNANS REWARD

Exploring for Gold and Base Metals

ASX Announcement / Media Release

14 November 2011

LAKE JOHNSTON PROJECT

Commencement of RC Drilling

by Don Huntly, Exploration Manager

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 131.6m

Options on issue: 5m (ex 20c to \$1)

Market cap: \$16m (at 12c)

Financial Position (at end of Quarter)

Cash on hand,
Value of Equity Positions &
Convertible Notes: \$26.2m

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

LakeJohnston Nickel & Gold

Jigalong Manganese
and base metals

HIGHLIGHTS:

- RC percussion drilling program has commenced at Lake Johnston.
- Four discrete high priority gold anomalies and a nickel anomaly to be targeted at Mt. Gordon.
- A total of 71 holes for 6,500 metres of drilling planned.

Western Australian minerals exploration company Hannans Reward Ltd (ASX:HNR) is pleased to provide a brief update on the status of its drilling program at the Lake Johnston Project, located approximately 150kms to the West of Norseman in WA (Figure 1).

RC drilling has recently commenced at the Lake Johnston project. The drilling has been designed to test four gold anomalies and a nickel anomaly identified within the Mt Gordon Prospect area (Figure 2). The targeted anomalies were identified from a soil sampling program that was conducted earlier in the year, which delineated numerous zones of anomalous gold and nickel, grading as high as 266 ppb gold and 613 ppm nickel.

The drilling program will test the highest priority anomalies including Edward, William, Richard and Charles as well as a high priority nickel anomaly. A total of 71 holes for 6,500 metres of RC drilling has been planned for the program (Figure 3).

The anomalies outlined above cover a combined strike extent of ~4 km's. The area has had very limited RC drilling to date, and 3 of the 4 anomalies being targeted by the current program have not been RC drilled.

It is expected the program will run over a 5-6 week period and should be completed by early-mid December, with corresponding assay results to follow soon after.

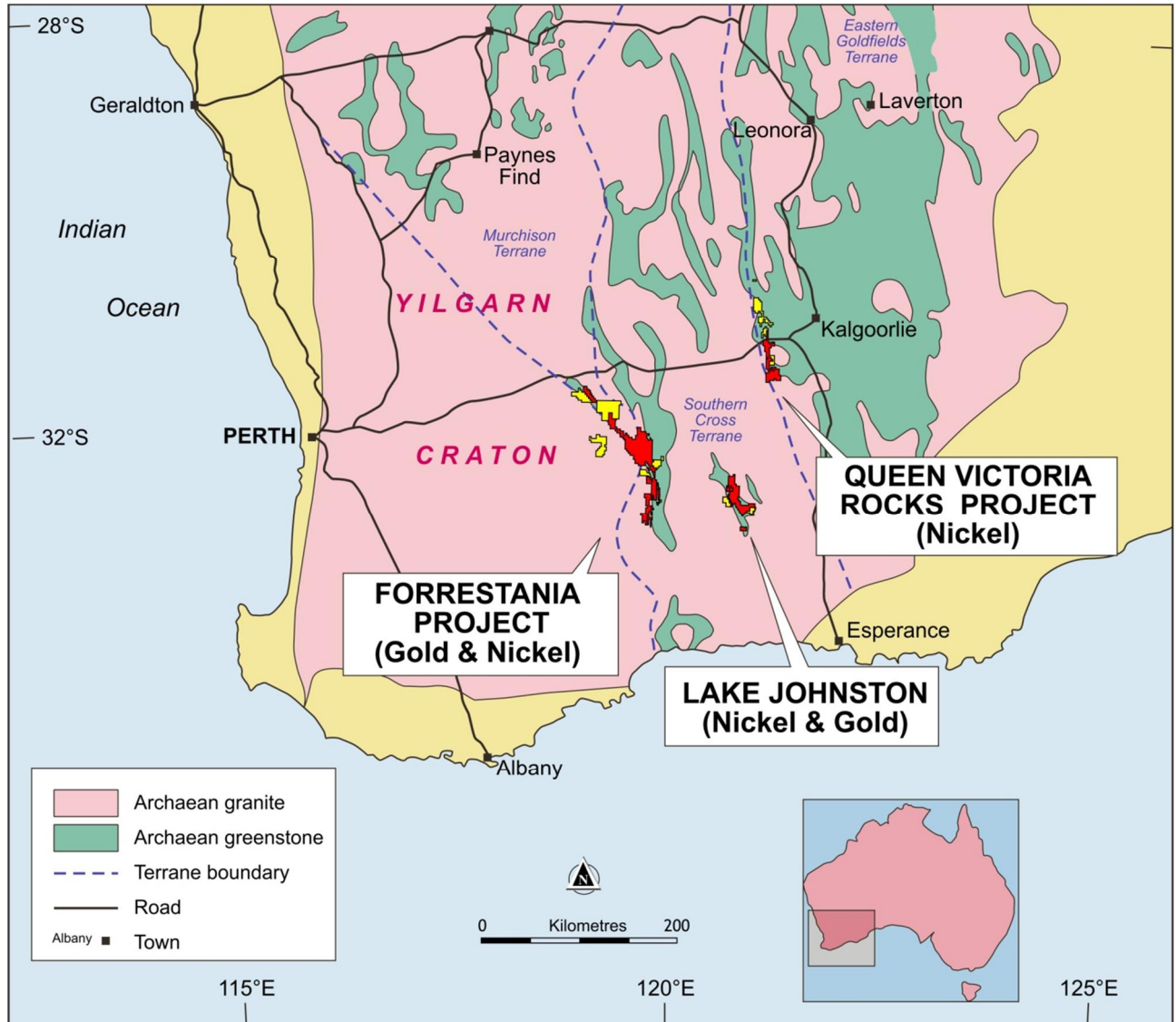


Figure 1. Hannans tenement location in the Yilgarn Region.

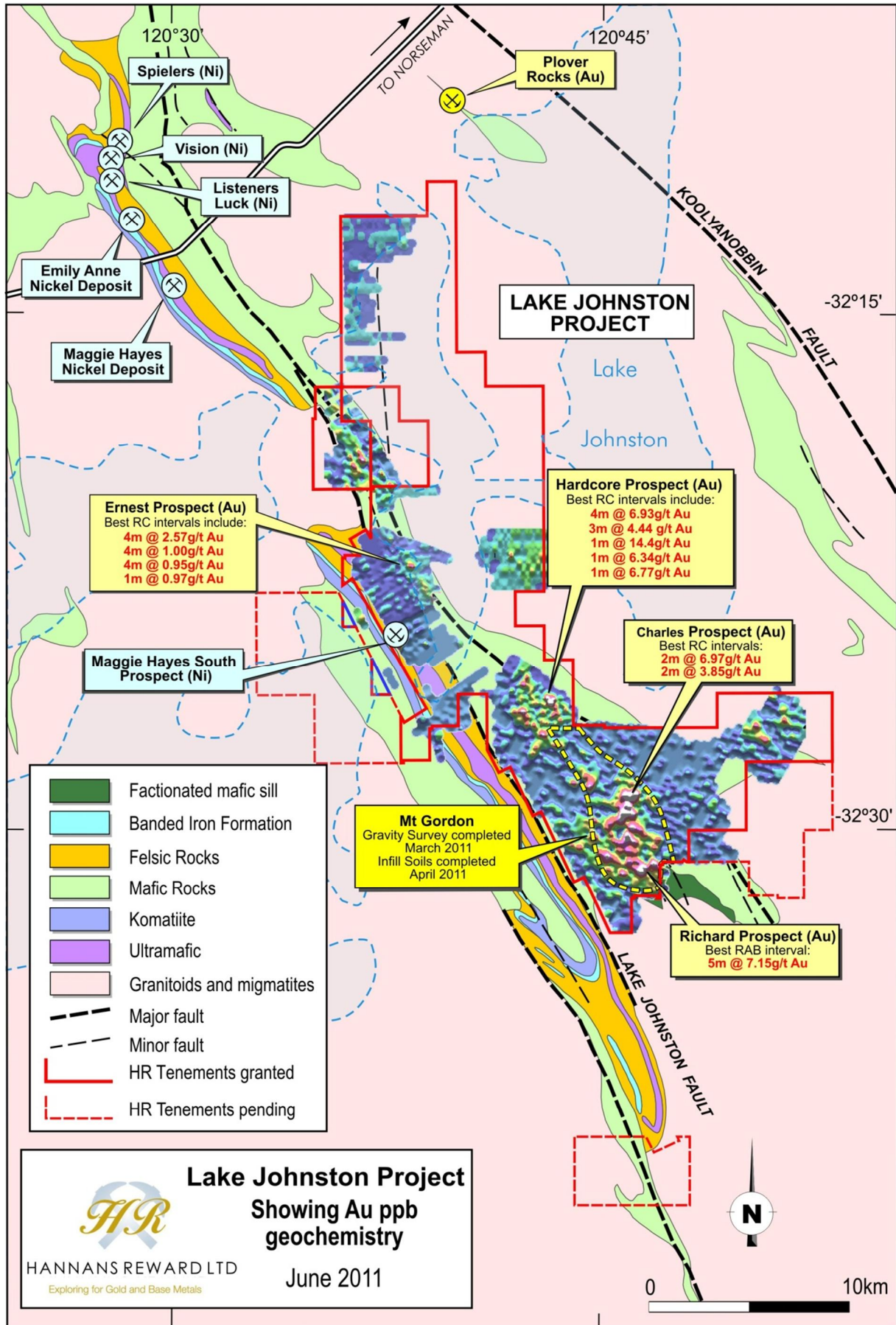


Figure 2. Lake Johnston Leasing Diagram showing regional geology, prospect locations and Au ppb geochemistry image.

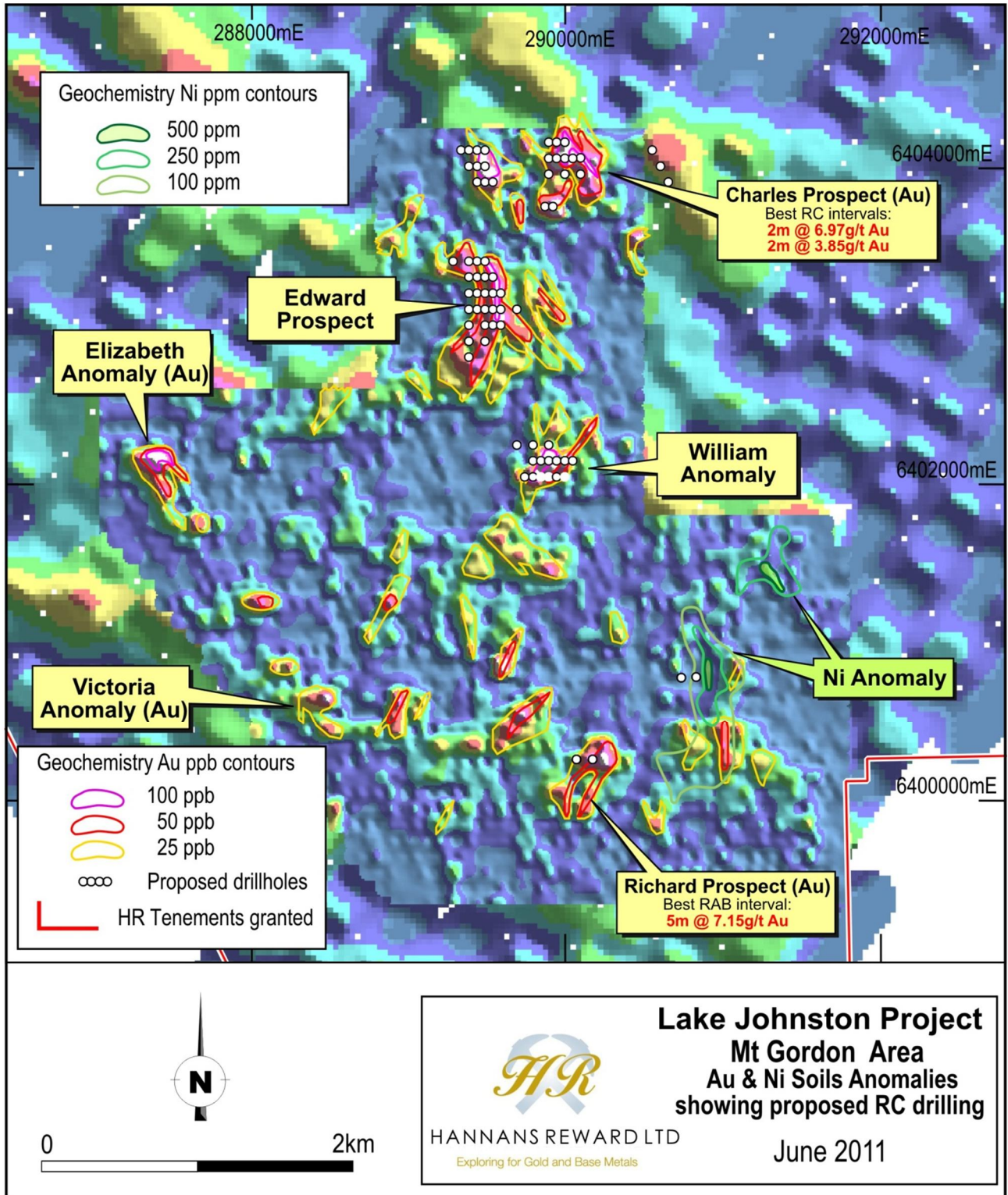


Figure 3. Mt Gordon Prospect showing soil sampling Au ppb image and planned RC drilling.

Hannans Reward Ltd 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. Hannans is a shareholder of Atlas Iron Ltd. Therefore 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%, Cullen – 20% free carry).
- Lake Johnston – nickel & gold project located 25km south east of Norilsk's Maggie Hays nickel mine and 100kms west of Norseman.
- Queen Victoria Rocks – nickel and gold project located 30km south-west of Coolgardie, WA.
- Jigalong – manganese & base metals project located 150km east of Newman, WA (proposed to be separated from the Hannans Group subject to shareholder approval).

Competent Persons Summary

The information in this document that relates to exploration results is based on information compiled by Mr Donald Huntly, Exploration Manager 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.

For further information please contact:

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