

HANNANS

3rd Quarter Activities Report 2013/2014

Dear Shareholders,

During the 3rd Quarter (January – March 2014) Hannans:

Exploration & Business Development

- ∅ Pahtohavare (Copper-Gold) – engaged metallurgists to complete first stage of testwork on the oxide ore at the Central Orebody; re-released the maiden JORC Inferred Mineral Resource to comply with Code; received conditional approval for its latest workplan
- ∅ Rakkuri Iron – made the decision to proceed with preparation of exploitation concession applications for both Rakkurijoki and Rakkurijärvi with lodgement anticipated during 2nd Q 2014/2015
- ∅ Lannavaara (Iron) – met with Swedish Transport Authority to discuss infrastructure solutions including extension of heavy gauge rail from Svappavaara to Lannavaara; initiated request for proposals from engineering firms to provide scoping study level analysis of building rail from Lannavaara to Karesuando and then on to Skibotn, Norway
- ∅ Australia (Nickel) – significantly reduced tenement holdings to reduce holding costs and continued nickel divestment process
- ∅ Finland – continued an assessment of Finland as a jurisdiction for future exploration activities with focus on the direct costs of exploration and the legal, environmental and social framework; held meetings with key stakeholders; signed confidentiality agreements to assess projects
- ∅ Exploration Data Quality and Costs – initiated design of purpose-built geochemical drill rig to collect bedrock samples in Scandinavia; initiated discussions with UAV manufacturer to develop sensors for the exploration industry; initiated discussions with ground penetrating radar experts to discuss tools for mapping depth of glacial moraine

Corporate

- ∅ Rakkuri (Iron) – granted a Third Party exclusive right to complete due diligence on the Kiruna Iron Project for \$1MUSD (non-refundable); DD is scheduled for completion 1 September 2014; if the DD is positive Hannans will aim to conclude a sale agreement
- ∅ Discovery Zone – received notification from Avalon Minerals Ltd that it is scheduled to submit updated exploitation concession application during the 4th Quarter; \$3M will become payable to Hannans if the application is granted

During the 4th Quarter (April – June 2014) Hannans aims to:

- ∅ Pahtohavare (copper-gold) – receive final laboratory tenders for metallurgical testwork on oxide ore
- ∅ Sweden and Finland – continue assessment of new opportunities and plan summer field campaigns



Managing Director
30 April 2014

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 721.9m

Market cap: \$3.6m (at 0.5c)

Board of Directors

Managing Director:

Damian Hicks

Non-Executive Directors:

Olof Forslund

Markus Bachmann

Jonathan Murray

Key Projects

Sweden

Pahtohavare (Copper-Gold)

Rakkuri (Iron)

Lannavaara (Iron)

EXPLORATION & BUSINESS DEVELOPMENT

PAHTOHAVARE PROJECT

SUMMARY

Additional value from Pahtohavare can be obtained by completing the metallurgical testwork on the high grade copper-gold oxide material, testing for a continuation of the copper sulphide mineralisation and completing geochemical sampling along the untested contact that hosts the known copper mineralisation.

Subject to satisfactory results of metallurgical testwork including development of an environmentally and socially acceptable processing route, there may be potential for early cash flow from the near surface high grade copper-gold deposit. An alternative option is to assess whether the oxide and sulphide material can be mined and transported by rail to a nearby processing facility.

COMMENT ON JORC MINERAL RESOURCE

On 31 January 2014 Hannans re-released its Maiden JORC Resource for Pahtohavare (originally released to ASX on 20 August 2013). The Competent Person responsible for reporting the JORC Mineral Resource calculation was Mr Ben Parsons, a full time employee of SRK Consulting (SRK). The JORC Code requires mineralisation to have 'reasonable prospects for eventual economic extraction' for it to be classified as a JORC Mineral Resource. To satisfy this criteria SRK optimised the Pahtohavare deposits using Whittle, an industry leading strategic mine planning solution.

By way of background Whittle can help you understand the potential value of the deposit, target areas for future drilling, establish the economic viability of the deposit and options for capital investment and development as well as examine sensitivities and assign resources for future studies. Whittle is very robust and has become one of the industry's most trusted strategic mine planning software solutions.¹

The SRK decision to use Whittle to optimise the Pahtohavare deposits is highly robust, conservative and provides a strong basis from which to plan future investment.

METALLURGICAL TESTWORK TO ASSIST WITH ASSESSING POTENTIAL FOR EARLY CASH FLOW

Hannans engaged Independent Metallurgical Operations Pty Ltd (IMO) to complete Stage 1 of testwork on the oxide ore at the Central Orebody. Stage 1 has comprised a review of historical testwork reports and preparation of a testwork flowsheet for the oxide material. Quotes are being obtained to complete the laboratory testwork as defined in the flowsheet. The laboratory testwork will be split into two stages; Stage 1 will include sample receipt and preparation and initial ore characterisation tests. The results of the ore characterisation testwork will enable IMO to refine a budget for Stage 2 which will include laboratory testwork and reporting on the flotation and leaching performance of the oxide ore.

WORKPLAN APPLICATION TO TEST FOR CONTINUATION OF SULPHIDE MINERALISATION

As reported in the 2nd Quarter Hannans has experienced lengthy delays in the approval of its 2nd workplan for drilling at Pahtohavare. The Pahtohavare Project is located at an old mine site, is within an area deemed of National Importance for Mining and is proximal to major roads and railways (refer Figure 1 below).

¹ DS Geovia Whittle Brochure, www.gemcomsoftware.com

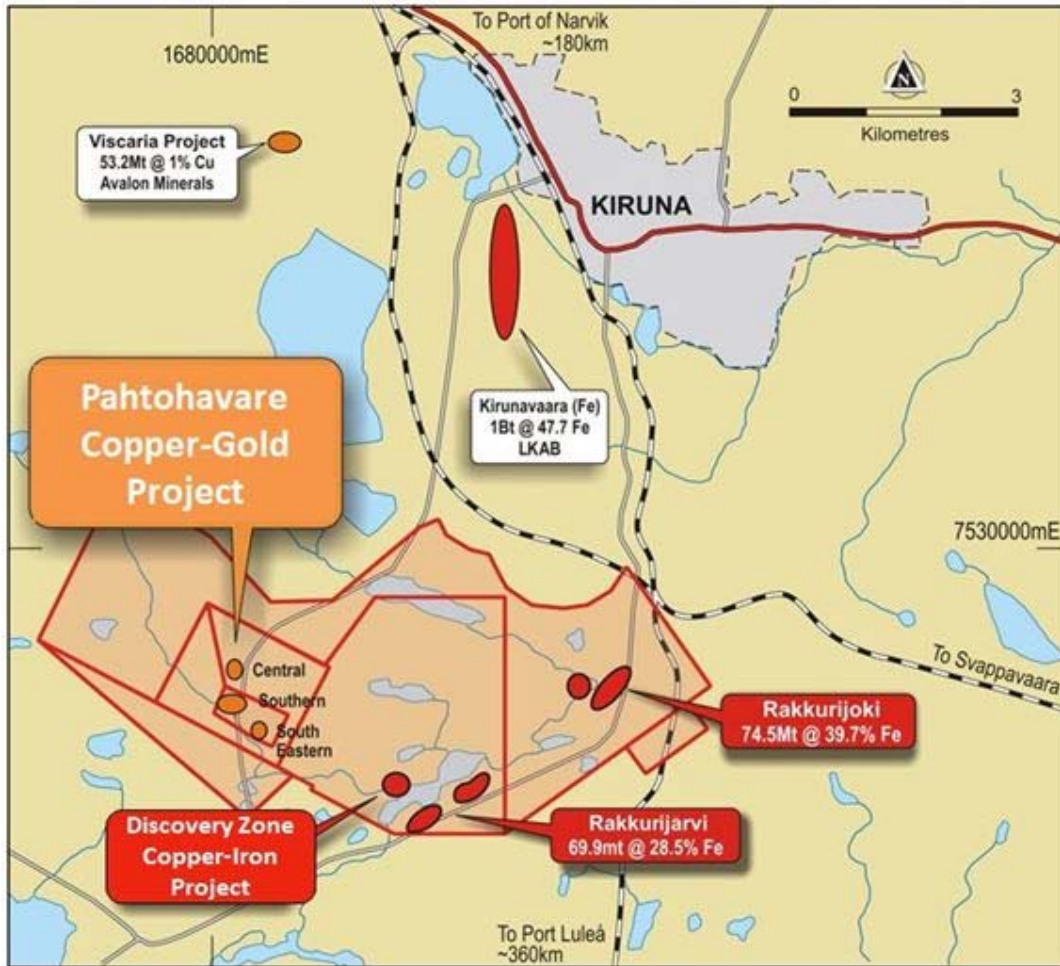


Figure 1: Location Map

The 2nd workplan was lodged with Bergsstaten (Mining Authority) on the 25th of June 2013 whilst reverse circulation drilling was being undertaken pursuant to a previously approved workplan ('the 1st workplan'). The exploration drilling planned to be carried out under the 1st and 2nd workplan was very similar. The 2nd workplan was conditionally approved by Bergsstaten on the 9th of January 2014 (nearly 7 months after lodgement).

Prior to lodging workplans Hannans usually enters into agreements with stakeholders to prevent potential damage from exploration drilling. Hannans' observations and dialogue with stakeholders in the field during the last 24 months have made it clear that it is unnecessary to pay for prevention of damage. Accordingly Hannans has made a policy not to enter into similar agreements for the foreseeable future. The delay in stakeholders approving the 2nd workplan could potentially be attributed to this policy position.

Companies in Sweden have generally been encouraged to submit workplans for short durations (say 3 months) to ensure disruption to stakeholders was minimised. During the past 24 months opposition to workplans has been increasing in Sweden as part of a broader anti-mining campaign. With that in mind Hannans 2nd workplan was drafted to provide sufficient time within which to complete drilling activities without the requirement to lodge a 3rd or 4th workplan. Hannans proposed that its 2nd workplan be valid through to the end of April 2014 (a total of 10 months from lodgement).

One of the conditions imposed was the requirement to lodge a financial security with Länsstyrelsen (County Administration Board). As an affected stakeholder the local Sameby requested Bergsstaten impose a specific quantum of security and Hannans argued that the quantum was unreasonable. Länsstyrelsen settled the issue of quantum on the 4th of March 2014 (nearly 8 months after lodgement of the 2nd workplan and 7 weeks prior to expiration of the 2nd workplan).

The Swedish mining law has no detailed regulations dealing with how the security quantum is calculated; under what conditions it can be utilised or released, or any evidentiary process with regards to claims for compensation pursuant to the security. In essence Hannans would need to seek direction from a court to determine these issues and may look to do so in the future. Hannans was not prepared to lodge security without a clear understanding of this process.

Due to the delays experienced in having the work plan granted and a change in the company's financial position it was not possible to complete the planned work prior to expiry of the 2nd workplan.

Hannans will lodge a 3rd workplan at Pahtohavare during the Quarter, will start a new approval process and will seek to increase the period of validity of the work plan to 1 – 2 years to avoid additional delays in the future. Practical issues associated with how the security funds are administered still needs clarification however we expect this can be resolved through discussion with Bergsstaten.

RAKKURI IRON PROJECT

UPDATED JORC MINERAL RESOURCE ESTIMATE FOR RAKKURIJOKI

With the Rakkurijoki deposit now the subject of a due diligence review by a Third Party (refer page 9 below) the conversion of the Rakkurijoki mineral resource estimate from 2004 JORC compliant to 2012 JORC compliant has been put on hold. The conversion will proceed subject to the outcomes of the due diligence review.

EXPLOITATION CONCESSION APPLICATIONS FOR RAKKURI

Despite the ongoing due diligence review being conducted by a Third Party Hannans has decided to continue progressing exploitation concession applications for both Rakkurijoki and Rakkurijärvi. As such the resource and mining optimisation for the Rakkurijärvi deposit is likely to proceed during the current quarter. The current goal is to lodge concession applications in the 2nd Quarter 2014/2015. Requests for proposals to complete all required studies, consultations and documentation for the exploitation concession process have been distributed.

LANNAVAARA IRON PROJECT

The Lannavaara Iron Project has the potential to be a large, long life iron project. The concept for the Project involves exploiting a large magnetite iron resource, converting the ore into a high quality iron concentrate product, transporting the product by heavy gauge rail to one of three ports (Narvik-Norway, Luleå-Sweden or Skibotn-Norway) and shipping the product to market.

The Project is at an early stage of development. The iron deposits need to be converted to JORC classification and metallurgy test work updated. The feasibility study on establishing new rail and port must be updated. An economic model must be developed taking into account the anticipated CAPEX and OPEX to develop the project. With this in mind the first phase of the project includes:

1. Converting mineralisation into JORC Inferred Mineral Resources; and
2. Completing a scoping study level assessment of a rail and port solution.

Continued...

INFRASTRUCTURE SOLUTIONS

Hannans met with representatives from Trafikverket (Swedish Transport Authority) in Luleå to discuss possible infrastructure solutions for the Lannavaara Iron Project which is located approximately 80km, by road, to the nearest open access heavy gauge railhead at Svappavaara. It is important to note that the Lannavaara deposits were included in the 'Barents in Minerals' report (updated in February 2014) which explores the transportation needs of the Western Barents region. The meeting concluded with both parties agreeing in principal to form a working group to assess the feasibility of building a heavy gauge rail spur from Svappavaara to the deposits at Lannavaara.

Hannans is also considering alternative transport solutions for the Lannavaara Iron Project including investigating the potential to build a heavy gauge rail from the deposits to Karesuando (25km) and then alongside the existing E8 road highway to the deep water fjord at Skibotn in Norway (145km). This concept of rail from Kolari, Finland to Skibotn, Norway is not new with both the Norwegian and Finnish governments commissioning feasibility studies into the concept.

Of note is that the Swedish Government recently cancelled its plan to investigate a new heavy gauge rail from Svappavaara through to Kaunisvaara (close to Pajala as shown in the Regional Map below), the location of the producing iron mine owned by Northland Resources Inc. This means that there is no short to medium term opportunity for Finland to have access to a deep water port (in Narvik, Norway) and therefore the Finnish Government may look to re-revisit the proposed rail corridor to Skibotn.



Figure 2: Regional Map for Lannavaara Project, northern Sweden

The main deposit within the Lannavaara Project is the Paljasjärvi deposit which is characterised by a 3.5km long magnetic anomaly where magnetite skarn mineralisation was confirmed by historic drilling in 1963 (6 holes). In 2012 Hannans completed initial DTR metallurgical testwork (see ASX announcement 24th October 2012) on the historic core which confirmed the ore upgrades to a +69% Fe product. A workplan to continue drill testing Lannavaara was approved by Bergsstaten in January 2014.

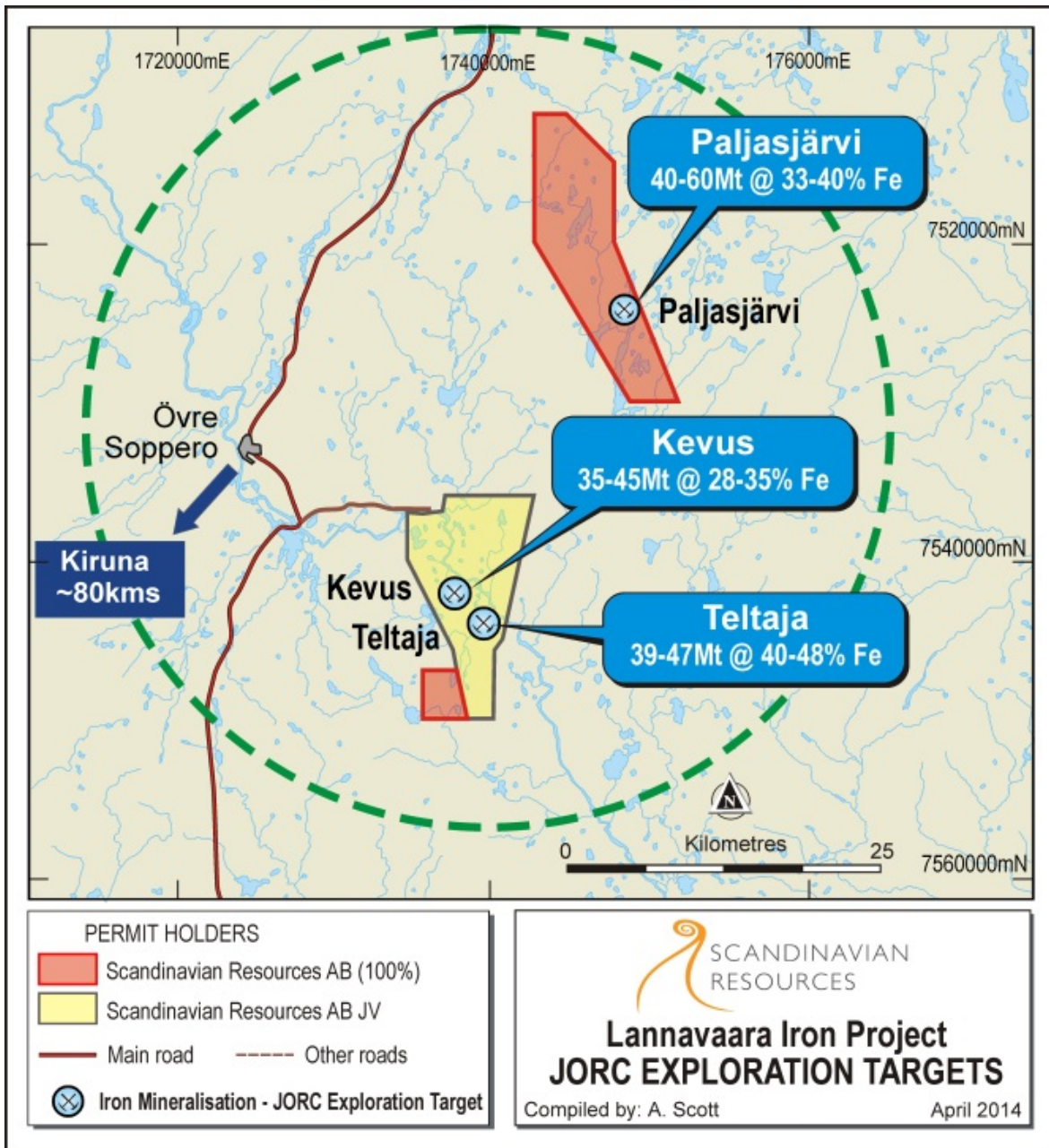


Figure 3: Location Map for Lannavaara Project, northern Sweden

PROJECT PIPELINE & BUSINESS DEVELOPMENT

FINLAND

Hannans continued an assessment of Finland as a potential jurisdiction for future exploration activities. Meetings were held with Tukes (the Finnish Government department with surveillance and permit consideration authority), an experienced Finnish project generation company, a large Finnish engineering firm and a Finnish law firm. The prospectivity of Finland is significant as evidenced by a recent world-class discovery and a long mining history. Hannans' initial focus is on assessing the direct costs of exploring in Finland when combined with the legal, environmental and social framework for the exploration, development and opening of new mines.

Preliminary findings of the assessment suggests that Finland has an excellent publicly available exploration dataset, is pro-mining, is refining its new mining law and is allocating more service-related resources, is environmentally aware and is comparatively more expensive to explore than Sweden. The last point is due to the country's requirement to pay private landowners an annual fee of €20 per hectare fee during the life of a granted permit. This policy means that a significant portion of a company's exploration budget needs to be allocated to payments for the right to explore areas that may have prospectivity and consequently reducing the amount of funds available for direct exploration. Importantly however the Finnish Government is supportive of the mining industry and welcomes new investment.

Early assessments indicate there are several compelling reasons to become active in Finland, although through a modified corporate strategy and to that end Hannans has expressed its interest in certain projects to the relevant owners. Hannans aims to partner with experienced Finnish companies, stakeholders and investors in relation to any potential future activities in Finland.

AUSTRALIA

During the Quarter Hannans relinquished a number of mature exploration licenses in Western Australia in an effort to reduce costs. No exploration work was undertaken at the Forrestania Nickel Project during the Quarter and the Nickel Divestment Process remains in progress. Hannans will prepare a work program for its Skeleton Rocks gold and nickel prospect during the Quarter.

GEOCHEMISTRY, BEDROCK & DRILL RIGS

In Scandinavia the ability to use reliable bedrock geochemistry is severely restricted by the thick glacial moraine (i.e. till) that blankets more than 95% of the land mass. This is a major problem because the geochemistry of the bedrock is one of the main tools for discovering economic mineralisation.

Hannans has combined its experience of exploring in Western Australia and Scandinavia to initiate designing a light weight percussion rig adapted to suit the local Scandinavian terrain and weather conditions. The aim of the rig is to efficiently and cost effectively sample the bedrock beneath the glacial moraine.

In Western Australia where residual soils are common, early-phase exploration frequently involves soil and auger geochemistry to screen large areas quickly and cheaply to identify anomalous areas to then investigate more thoroughly. These techniques are not possible to use in Scandinavia because of the glacial moraine. Traditionally boulder sampling, boulder tracing and till sampling have been utilised to explore for ore deposits however these methods are time consuming, resource intensive, expensive and largely unreliable due to the ambiguity in interpreting till provenance which reflects the complexities of ice flow and sub-glacial processes.

As a case in point, the proposed rig would be immediately useful at Hannans' Altavaara project located 15km south of Kiruna close to the E10 highway. Historically Altavaara was always considered a magnetite iron target as diamond drilling was initially targeted on a very pronounced geophysical (magnetic) anomaly. Drilling completed by Hannans intersected very wide intersections of low grade iron with many holes ending in iron mineralisation. In one hole however Hannans intersected a shallow, high-grade gold-copper intercept of 3m @ 1.3% Cu and 5.2g/t Au from 15m down hole (ALT11006). A 100-sample geochemistry programme was initiated in January 2013 to obtain a vector on the orientation of the copper-gold mineralisation. The programme was completed with a man portable Cobra drill rig however it was largely unsuccessful in reaching bedrock or providing a reliable source of geochemical data from the moraine horizons.

The failure of the geochemical programme meant that the only remaining option to obtain a vector the target would have been to complete a number of shallow diamond drill holes to penetrate the moraine and collect bedrock samples for geochemical analysis. An infill diamond drill program might then have been required to tighten the anomaly prior to testing. This process of early stage exploration using a diamond drill rig was deemed too expensive to justify advancing the target.

GEOPHYSICS, RADAR & UAVs

Hannans has also made high-level investigations into the collection of geophysical, remote sensing and LIDAR² data using unmanned aerial vehicles (UAVs)³. Some sensors are currently available for integrations onto UAVs however a number of key sensors important for exploration purposes are still in either the concept or pre-development stage. Having access to a UAV platform with the ability to interchange various sensors in the field will enable exploration companies to complete project or prospect scale airborne surveys quickly and cost effectively.

One of the world's leading ground penetrating radar (GPR) companies is based in Malå, Sweden (as is Hannans subsidiary company Scandinavian Resources AB). The GPR company was co-founded by Mr Olof Forslund, a Hannans non-executive director. Hannans has initiated contact with this company and an expert in interpretation of radar responses using proprietary software to discuss how radar can be used to accurately map the depth of moraine cover. By accurately mapping the depth of the glacial moraine, exploration drill programs can be planned to test the bedrock geochemistry cost effectively. Hannans is contributing the geoscience knowledge to this discussion group.

EXPLORE SWEDEN

After due enquiry Hannans has received expressions of interest from a number of experienced individuals and organisations for the concept of starting an organisation (hereafter referred to as 'Explore Sweden') aimed towards:

- ∂ effectively communicating the benefits of exploration and mining to the Swedish public; and
- ∂ representing the interests of those active in the exploration and mining industry in Sweden.

Hannans has therefore initiated the Explore Sweden concept to encourage all stakeholders – individuals, companies, organisations, municipalities, kommuns and government departments – to support each other by sharing their resources, experiences and knowledge.

Explore Sweden will encourage proactive, open, transparent and balanced debate in the public arena of all issues relevant to the exploration and mining industry in Sweden. Its aim is to bring many of the issues that are currently considered 'too hard to discuss' into the public arena thereby encouraging open and informed debate.

In the first instance Explore Sweden is expected to be provided online by way of an open forum on specific topics, complimented with contributions from invited guests.

It is very important for Hannans to be an active member of a strong organisation which effectively represents the interests of exploration, development and mining stakeholders.

Continued....

² LIDAR: stands for Light Detection and Ranging, it is a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth.

³ UAV: An unmanned aerial vehicle commonly known as drone, is an aircraft without a human pilot aboard.

CORPORATE

KIRUNA IRON PROJECT – EXCLUSIVE DUE DILIGENCE PERIOD

In February 2014 Hannans announced that its wholly owned subsidiary company Kiruna Iron AB (Kiruna Iron) granted a Third Party the exclusive right to complete due diligence on its Rakkuri Iron Project (Rakkuri), located 5 kilometres south of Kiruna, a full service mining town in northern Sweden.

Kiruna Iron has received expressions of interest from a number of parties regarding exploration, development and extraction of the iron deposits at Rakkuri. Kiruna Iron has now granted a Third Party the exclusive right to conduct a detailed due diligence on Rakkuri. The period of exclusivity ends on the 1st of September 2014. In consideration for the grant of the exclusive right, the Third Party will pay Kiruna Iron a non-refundable signing bonus of USD One Million (USD1,000,000). Half of the signing bonus has been received and the remaining half shall be paid no later than the 1st of September 2014. Kiruna Iron is not permitted to disclose the identity of the Third Party.

DISCOVERY ZONE SALE PROCESS

Hannans and Avalon Minerals are continuing discussions in relation to settling the terms and conditions of the substantive sale agreement in relation to the sale of the Discovery Zone Deposit from Hannans to Avalon. As the agreement currently stands, Avalon is required to pay Hannans a further AUD3 Million within five business days of the exploitation concession application being granted. Hannans anticipates that the updated exploitation concession application for the Discovery Zone will be lodged by Avalon with the Bergsstaten during May 2014.

ASX ANNOUNCEMENTS FOR 3rd QUARTER 2013/2014

Date	Announcement
March 17, 2014	First USD500,000 Received for Rakkuri Iron Project, Sweden
March 14, 2014	Financial Report for Half Year
February 27, 2014	USD1 Million Signing Bonus for Rakkuri Iron Project
January 31, 2014	2nd Quarter Activities Report
January 31, 2014	2nd Quarter Cashflow Report
January 31, 2014	Re-release of Maiden JORC Resource at Pahtohavare

Table I. ASX Announcements for 3rd Quarter 2013/2014

CONTACTS

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Twitter: @hannansreward

Facebook: Hannans Reward

COMPLIANCE STATEMENTS

The information in this document that relates to exploration results is based on information compiled by Amanda Scott, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (Membership No.990895). Amanda Scott is a full-time employee of Hannans Reward Ltd. Amanda Scott 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 in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Amanda Scott consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this document that related to Exploration Target Estimates for the Lannavaara Iron Project is extracted from the report entitled "Kiruna Iron Project JORC Resource Update" created on the 17th January 2012 and is available to view on (www.hannansreward.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this document that relates to Mineral Resource and Exploration Target Estimates for Pahtohavare is extracted from the report entitled "Maiden JORC Resource at Pahtohavare" created on 20 August 2013 and is available to view on the Company's website (www.hannansreward.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and in the case of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this document that relates to Mineral Resource Estimates for Rakkurijoki and Rakkurijärvi is extracted from the report entitled "Kiruna Iron Project JORC Resource Update" created on 17 January 2012 and is available to view on the Company's website (www.hannansreward.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and in the case of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

TENEMENT STATUS FOR 3RD QUARTER 2013/2014

CURRENT TENEMENTS

Tenement number	Interest 3 rd Quarter 2013/2014		Note	Tenement number	Interest 3 rd Quarter 2013/2014		Note
	Start	End			Start	End	
KIRUNA IRON AB				Location: Norrbotten, Sweden (cont'd)			
Altavaara	100%	100%		Piedjastjokko nr 5	100%	100%	
Altavaara Norra	100%	100%		Pirttivuopio nr 1	100%	100%	
Gäddmyr nr 1	100%	100%		Puoltsa nr 4	100%	100%	
Gäddmyr nr 2	100%	100%		Rakkurijärvi nr 2	100%	100%	
Gäddmyr nr 3	100%	100%		Rakkurijärvi nr 3	100%	100%	
Gäddmyr nr 4	100%	100%		Saivo nr 2	100%	100%	
Kaalasjärvi nr 1	100%	100%		Salmijärvi nr 1	100%	100%	
Lannavaara nr 8	100%	100%		Tervakoski nr 3	100%	100%	
Luppovare nr 1	100%	100%		Tornefors nr 1	100%	100%	
Pahtohavare nr 2	100%	100%		Villenjävi nr 1	100%	100%	1
Pahtohavare nr 4	100%	100%		Harrejaure nr 1	75%	75%	1
Paljasjärvi nr 2	100%	100%		Laukujärvi nr 3	75%	75%	1
Piedjastjåkko nr 1	100%	100%		Sautusvaara nr 1	75%	75%	1
Piedjastjåkko nr 6	100%	100%		Vieto nr 1	75%	75%	
Piedjastjokko nr 4	100%	100%					

Tenement number	Interest 3 rd Quarter 2013/2014		Note	Tenement number	Interest 3 rd Quarter 2013/2014		Note
	Start	End			Start	End	
SCANDINAVIAN IRON AB							
Location: Norrbotten, Sweden				Location: Norrbotten, Sweden (cont'd)			
Årosjokk nr 1	100%	100%		Kajpak nr 1	100%	100%	
Ekströmsberg nr 4	100%	100%		Ratek nr 1	100%	100%	
Ekströmsberg nr 5	100%	100%		Tjärrojåkka nr 104	100%	100%	
Eustiljåkk nr 1	100%	100%					
SCANDINAVIAN RESOURCES AB							
Location: Västerbotten, Sweden				Location: Norrbotten, Sweden			
Daningen nr 2	100%	100%		Korpilombolo nr 1	100%	100%	
Särksjön nr 2	100%	100%					
Våtmyrberget nr 1	100%	100%					
Våtmyrberget nr 6	100%	100%					
HANNANS REWARD LTD							
Location: Lake Johnston, Australia							
E63/1365	100%	100%					
HR FORRESTANIA PTY LTD							
Location: Forresteria, Australia				Location: Forresteria, Australia (cont'd)			
E77/1327	80%	80%	2	P77/3763-1	80%	80%	2
E77/1354-1	80%	80%	2	P77/3848-1	100%	100%	
E77/1406-1	80%	80%	2	P77/3849-1	100%	100%	
E77/1430-1	100%	100%		P77/3850	100%	100%	
E77/1431	100%	100%		P77/3851-1	100%	100%	
E77/1568	100%	100%		P77/3852	100%	100%	
E77/1655	100%	100%		P77/3853	100%	100%	
E77/1707	100%	100%		P77/3854-1	100%	100%	
E77/1715	100%	100%		P77/3855-1	100%	100%	
E77/1716	100%	100%		P77/3856	100%	100%	
E77/1719	100%	100%		P77/3998	100%	100%	
E77/1764	100%	100%		P77/3999	100%	100%	
E77/1784	100%	100%		P77/4000	100%	100%	
E77/1785	100%	100%		P77/4001	100%	100%	
E77/1950	100%	100%		P77/4002	100%	100%	
E77/1951	100%	100%		P77/4003	100%	100%	
E77/1960	100%	100%		P77/4004	100%	100%	
M77/544	0%	0%	3	P77/4005	100%	100%	
M77/693	100%	100%	4	P77/4006	100%	100%	
M77/812-1	0%	0%	4	P77/4007	100%	100%	
P77/3582	80%	80%	2	P77/4008	100%	100%	
P77/3583	80%	80%	2	P77/4009	100%	100%	
P77/3584	80%	80%	2	P77/4010	100%	100%	
P77/3585	80%	80%	2	P77/4011	100%	100%	
P77/3586	80%	80%	2	P77/4012	100%	100%	
P77/3587	80%	80%	2	P77/4013	100%	100%	
P77/3588	80%	80%	2	P77/4014	100%	100%	
P77/3607-1	80%	80%	2	P77/4155	100%	100%	
P77/3613	80%	80%	2	P77/4156	100%	100%	
P77/3762	80%	80%	2				

Note:

1 Tasman AB holds 25% interest.

2 Cullen Exploration Pty Ltd holds 20% interest.

3 HR Forresteria holds 100% gold rights.

4 HR Forresteria holds 100% all mineral rights excluding gold.

RELINQUISHED, REDUCED OR LAPSED TENEMENTS

Tenement number	Interest 3 rd Quarter 2013/2014		Note	Tenement number	Interest 3 rd Quarter 2013/2014		Note
	Start	End			Start	End	
KIRUNA IRON AB							
Location: Norrbotten, Sweden				Location: Norrbotten, Sweden			
Eustillako	100%	0%		Honkavaara	100%	0%	
Eustilvaras	100%	0%		Puoltsa nr 6	100%	0%	
SCANDINAVIAN RESOURCES AB							
Location: Finnmark, Norway				Location: Finnmark, Norway (cont'd)			
Fiskarfjellet 1	100%	0%		Rietnjåvri 1	100%	0%	
Fiskarfjellet 2	100%	0%		Rietnjåvri 2	100%	0%	
Fiskarfjellet 3	100%	0%		Rietnjåvri 3	100%	0%	
Fiskarfjellet 4	100%	0%		Uhcavuovddás 1	100%	0%	
Fiskarfjellet 5	100%	0%		Uhcavuovddás 2	100%	0%	
Fiskarfjellet 6	100%	0%		Uhcavuovddás 3	100%	0%	
Fiskarfjellet 7	100%	0%		Location: Nordland, Norway			
Fiskarfjellet 8	100%	0%		Gjetarfjellet 1	100%	0%	
Fiskarfjellet 9	100%	0%		Location: Troms, Norway			
Geassamáras 1	100%	0%		Birtavarre 9	100%	0%	
Gjeddevann 1	100%	0%		Birtavarre 10	100%	0%	
Gjeddevann 4	100%	0%		Brennfjellmyra	100%	0%	
Gjeddevann 5	100%	0%		Flintfjellet 1	100%	0%	
Gjeddevann 6	100%	0%		Flintfjellet 2	100%	0%	
Gjeddevann 7	100%	0%		Flintfjellet 3	100%	0%	
Gjeddevann 8	100%	0%		Flintfjellet 4	100%	0%	
Gjeddevann 9	100%	0%		Flintfjellet 5	100%	0%	
Gjeddevann 10	100%	0%		Flintfjellet 6	100%	0%	
Gjeddevann 11	100%	0%		Flintfjellet 7	100%	0%	
Gorwesjåvri 1	100%	0%		Ringvassøya 1	100%	0%	
Kåfjord 1	100%	0%		Ringvassøya 2	100%	0%	
Kåfjord 2	100%	0%		Ringvassøya 3	100%	0%	
Kåfjord 3	100%	0%		Ringvassøya 4	100%	0%	
Kåfjord 4	100%	0%		Vaddas 1	100%	0%	
Kåfjord 5	100%	0%		Vaddas 2	100%	0%	
Kåfjord 6	100%	0%		Vaddas 3	100%	0%	
Kåfjord 7	100%	0%		Vaddas 4	100%	0%	
Luovosvárri 1	100%	0%		Vaddas 5	100%	0%	
Njivlojåvri 1	100%	0%		Vaddas 6	100%	0%	
Njivlojåvri 2	100%	0%		Vaddas 7	100%	0%	
Njivlojåvri 3	100%	0%		Vaddas 8	100%	0%	
Njivlojåvri 4	100%	0%		Vaddas 9	100%	0%	
Njivlojåvri 5	100%	0%		Vaddas 10	100%	0%	
Ragatmaras 1	100%	0%		Vaddas 11	100%	0%	
Ragatmaras 2	100%	0%		Location: Västerbotten, Sweden			
Raipas 1	100%	0%		Daningen nr 3	100%	0%	
Raipas 2	100%	0%		Unna Gaisartjåkkko nr 2	100%	0%	
Raipas 3	100%	0%					

Tenement number	Interest 3 rd Quarter 2013/2014		Note	Tenement number	Interest 3 rd Quarter 2013/2014		Note
	Start	End			Start	End	
HANNANS SCANDINAVIAN AB							
Location: Nordland, Norway				Location: Nordland, Norway (cont'd)			
Famnvatnet 25	100%	0%		Famnvatnet 174	100%	0%	
Famnvatnet 26	100%	0%		Famnvatnet 175	100%	0%	
Famnvatnet 27	100%	0%		Famnvatnet 187	100%	0%	
Famnvatnet 28	100%	0%		Famnvatnet 188	100%	0%	
Famnvatnet 29	100%	0%		Famnvatnet 210	100%	0%	
Famnvatnet 34	100%	0%		Famnvatnet 211	100%	0%	
Famnvatnet 35	100%	0%		Famnvatnet 224	100%	0%	
Famnvatnet 36	100%	0%		Famnvatnet 225	100%	0%	
Famnvatnet 37	100%	0%		Famnvatnet 443	100%	0%	
Famnvatnet 38	100%	0%		Famnvatnet 444	100%	0%	
Famnvatnet 39	100%	0%		Famnvatnet 447	100%	0%	
Famnvatnet 40	100%	0%		Famnvatnet 448	100%	0%	
Famnvatnet 41	100%	0%		Famnvatnet 449	100%	0%	
Famnvatnet 48	100%	0%		Famnvatnet 462	100%	0%	
Famnvatnet 49	100%	0%		Famnvatnet 463	100%	0%	
Famnvatnet 50	100%	0%		Famnvatnet 466	100%	0%	
Famnvatnet 51	100%	0%		Famnvatnet 467	100%	0%	
Famnvatnet 52	100%	0%		Famnvatnet 468	100%	0%	
Famnvatnet 53	100%	0%		Famnvatnet 479	100%	0%	
Famnvatnet 54	100%	0%		Famnvatnet 480	100%	0%	
Famnvatnet 55	100%	0%					
HANNANS REWARD LTD							
Location: Queen Victoria Rocks, Australia				Location: Lake Johnston, Australia			
E15/755	100%	0%		E63/1091	100%	0%	
E15/971	100%	0%		E63/1327	100%	0%	
P15/4964	100%	0%					
P15/4965	100%	0%					
P15/4966	100%	0%					
P15/4967	100%	0%					
HR FORRESTANIA PTY LTD							
Location: Forresteria, Australia							
E77/1725	100%	0%					
E77/1783	100%	0%					
P77/3943	100%	0%					
P77/3944	100%	0%					
P77/3945	100%	0%					

Table 2. Tenement Status for 3rd Quarter 2013/2014. Note the some Australian tenements in the Forresteria region are still shown as being held but they were transferred or relinquished subsequent to the beginning of the 3rd Quarter 2013/2014.