

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

HANNANS REWARD LTD

ABN

52 099 862 129

Quarter ended ("current quarter")

31 MARCH 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(399)	(1,505)
(b) development	-	-
(c) production	-	-
(d) administration	(253)	(696)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	35
1.5 Interest and other costs of finance paid	-	(4)
1.6 Income taxes paid	(4)	(4)
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(650)	(2,174)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	557 ^a	1,557
(b) equity investments	-	-
(c) other fixed assets	-	4
1.10 Loans to other entities	-	(5)
1.11 Loans repaid by other entities	-	-
1.12 Other (Director Loan)	-	-
Net investing cash flows	557	1,556
1.13 Total operating and investing cash flows (carried forward)	(93)	(618)

^a Refer to ASX announcement lodged on 27 February 2014 and 17 March 2014 for further details.

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(93)	(618)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(1)	(103)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	(2)
	Net financing cash flows	(1)	(105)
	Net increase (decrease) in cash held	(94)	(723)
1.20	Cash at beginning of quarter/year to date	1,424	2,049
1.21	Exchange rate adjustments to item 1.20	(3)	1
1.22	Cash at end of quarter	1,327	1,327

Payments to directors of the entity, associates of the directors, payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	18
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
1.23	Payment of director's fees. In an effort to assist the Company with managing its cash flow, Mr D Hicks has been deferring a portion of his salary since 1 April 2013, which to 31 March 2014 totalled \$201,725 while the non-executive directors have been deferring their fees since 1 August 2013, which to 31 March 2014 totalled \$77,700. In the beginning of the 4 th quarter, a portion of the non-executive director's fees were paid.	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	N/A
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	278
4.2 Development	-
4.3 Production	-
4.4 Administration - Corporate Administration	234 ^b
Total	512

^b Approximately \$122,717 relate to payments of deferred non-executive director's fees for the period August to December 2013 payment of Australian withholding tax and superannuation obligations for D Hicks from April 2013 to June 2014.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,327	1,424
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,327	1,424

Continued...

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Daningen nr 3	Surrendered	100%	0%
	Eustillako	Surrendered	100%	0%
	Eustilvaras	Surrendered	100%	0%
	Honkavaara	Surrendered	100%	0%
	Puoltsa nr 6	Surrendered	100%	0%
	Unna Gaisartjåkko nr 2	Surrendered	100%	0%
	Birtavarre 9-10	Surrendered	100%	0%
	Brennfjellmyra	Surrendered	100%	0%
	Famnvatnet 25-29	Surrendered	100%	0%
	Famnvatnet 34-41	Surrendered	100%	0%
	Famnvatnet 48-55	Surrendered	100%	0%
	Famnvatnet 174-175	Surrendered	100%	0%
	Famnvatnet 187-188	Surrendered	100%	0%
	Famnvatnet 210-211	Surrendered	100%	0%
	Famnvatnet 224-225	Surrendered	100%	0%
	Famnvatnet 443-444	Surrendered	100%	0%
	Famnvatnet 447-449	Surrendered	100%	0%
	Famnvatnet 462-463	Surrendered	100%	0%
	Famnvatnet 466-468	Surrendered	100%	0%
	Famnvatnet 479-480	Surrendered	100%	0%
	Fiskarfjellet 1-9	Surrendered	100%	0%
	Flintfjellet 1-7	Surrendered	100%	0%
	Geassámaras 1	Surrendered	100%	0%
	Gjeddevann 1	Surrendered	100%	0%
	Gjeddevann 4-11	Surrendered	100%	0%
	Gjetarfjellet	Surrendered	100%	0%
	Gorvvesjávri 1	Surrendered	100%	0%
	Kálfjord 1-7	Surrendered	100%	0%
	Luovosvárrí 1	Surrendered	100%	0%
	Njivlojávri 1-5	Surrendered	100%	0%
	Ragatmaras 1-2	Surrendered	100%	0%
	Raipas 1-3	Surrendered	100%	0%
	Rietnjajávri 1-3	Surrendered	100%	0%
	Ringvassøja 1-4	Surrendered	100%	0%
	Uhcavuovddás 1-3	Surrendered	100%	0%
	Vaddas 1-11	Surrendered	100%	0%
	E15/755	Surrendered	100%	0%
	E15/971	Surrendered	100%	0%
	P15/4964	Surrendered	100%	0%
	P15/4965	Surrendered	100%	0%
	P15/4966	Surrendered	100%	0%
P15/4967	Surrendered	100%	0%	
E63/1091	Surrendered	100%	0%	
E63/1327	Surrendered	100%	0%	
E77/1725	Surrendered	100%	0%	
E77/1783	Surrendered	100%	0%	
P77/3943	Surrendered	100%	0%	
P77/3944	Surrendered	100%	0%	
P77/3945	Surrendered	100%	0%	
6.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil	Nil	Nil	Nil

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 ⁺ Ordinary securities	721,966,133	721,966,133	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 ⁺ Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	-	-	-	-
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Damian Hicks
Managing Director
30 April 2014

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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