



HANNANS REWARD
Exploring for Gold and Base Metals

ASX Announcement / Media Release

31 January 2010

Lake Johnston Project Gold Prospects

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 128m

Options on issue: 12m (ex 20c – 80c)

Market cap: \$29 ½ m

Cash & ASX Equities: \$20 ½ m

Financial Position

Cash on hand: \$5m

Value of ASX Listed

Equity Positions: \$15 ½ m

Board of Directors

Richard Scallan Chairman

Damian Hicks Managing Director

William Hicks Non-Executive
Director

Jonathan Murray Non-Executive
Director

Major Shareholdings

Atlas Iron Ltd

Projects (Western Australia)

Forrestania Nickel & Gold

QVR Nickel

Lake Johnston Nickel & Gold

Jigalong Manganese (Sale
process in progress)

- The Lake Johnston Project has the potential to host significant narrow, high grade gold mineralisation along a 25km corridor of prospective ground – refer attached Location Map.
- At the Ernest Prospect, recently returned assays from Hannans' drilling included:
 - 2m @ 6.3g/t gold and 60.3g/t silver from within 8m @ 1.9g/t gold and 20.4g/t silver (LJRC021) and;
 - 84m @ 1.8g/t silver from 4m (LJRC020)
- Gold and silver mineralisation at Ernest remains open to the north.
- At the Mt Gordon Prospect, historical intercepts include 5m @ 7.1g/t gold from 24m and 2m @ 6.9g/t gold from 70m.
- Hannans' is planning additional gold exploration activities at both the Ernest and Mt Gordon Prospects.

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

Recently received 1m split assays from Hannans' reverse circulation (RC) drilling at the Ernest Prospect have returned high grade, coincident gold and silver mineralisation within a narrow (<8m) fine-grained felsic porphyry intrusive unit. Wide (>80m) silver mineralisation was also encountered within a sulphidic quartz-sericite schist unit.

Samples were assayed at ALS, Malaga for Au via Fire Assay/AAS and for Ag, As, Ba, Bi, Co, Cr, Cu, Fe, Mg, Mn, Mo, Ni, Pb, S, Sb, Ti, U, V, W, and Zn via Four Acid Digest/ICP-AES. Ore-grade check assaying on the high gold and silver values produced excellent repeatability. All significant assays (4m composite) from the RC drilling were reported in the 1st Quarter Activities report dated 30 October 2009.

The high grade gold and silver mineralisation within LJRC021 is located on the northern-most drill traverse thus mineralisation remains open to the north (refer attached Interpreted Geology and Drill Section figures).

Desktop studies will also continue into gold anomalism at the recently acquired Mt Gordon Prospect located in the south of the project. A substantial amount of work has been completed at Mt Gordon by previous explorers including soil geochemical surveys and RAB and RC drilling which have produced multiple gold anomalies including the Richard anomaly which has intercepts including 5m @ 7.1g/t gold from 24m, 2m @ 6.9g/t gold from 70m and 2m @ 3.85g/t gold from 92m. Petrology on mineralised lithologies indicates that gold is hosted by a "hydrothermally altered felsic intrusive".

Future exploration work will focus on delineating the extent and nature of the felsic intrusive bodies within the Lake Johnston Project and their apparent genetic association with gold and silver mineralisation.

For further information please contact:

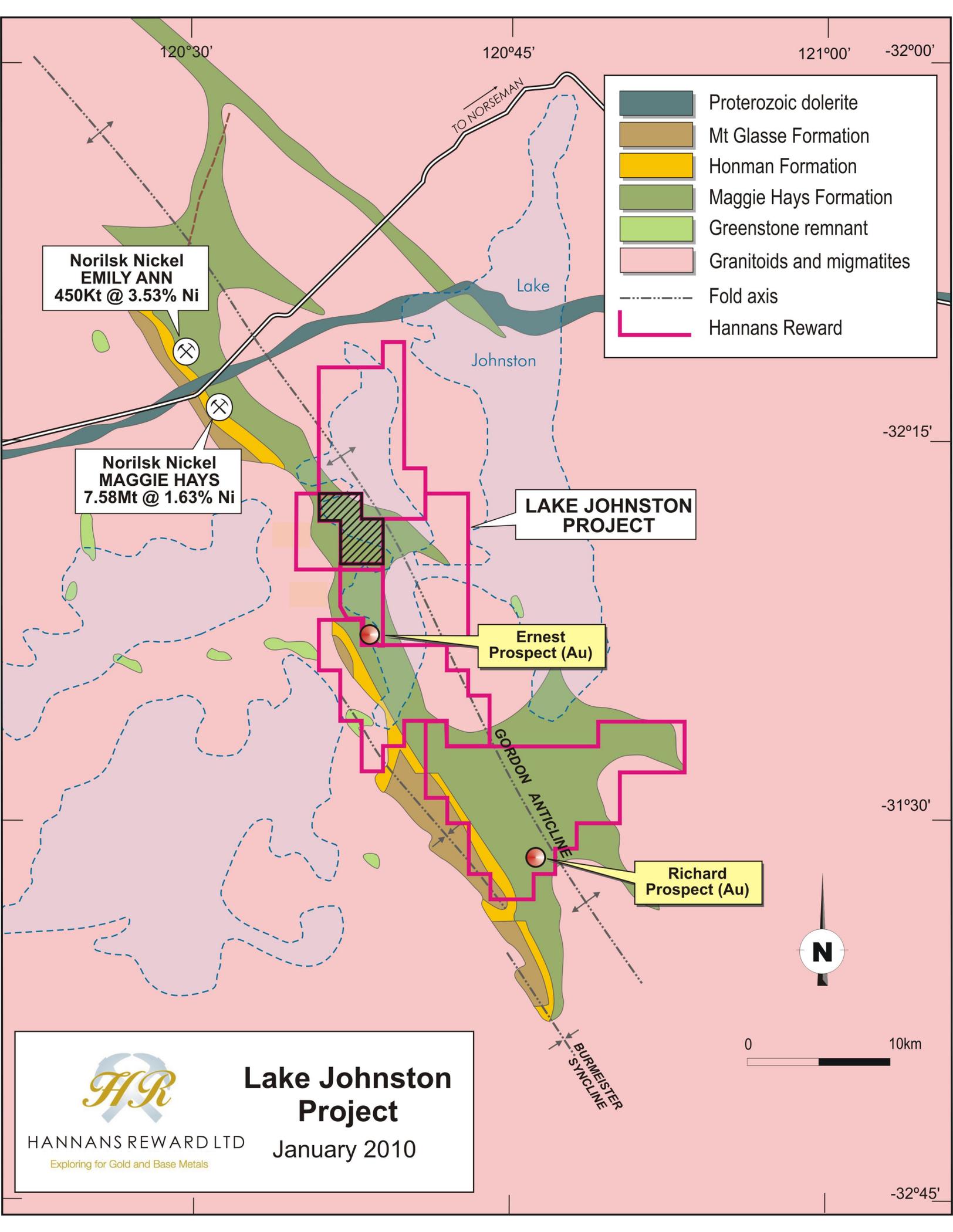
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Hannans Reward Limited Summary

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 Vale, St Barbara Ltd and Triton Gold Ltd. Hannans is the eighth largest 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
- 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 - joint venture with Companhia Vale do Rio Doce (Vale), 30km south-west of Coolgardie, WA
- Sunday – gold joint venture with Triton Gold Ltd, 10kms east of Leonora, WA



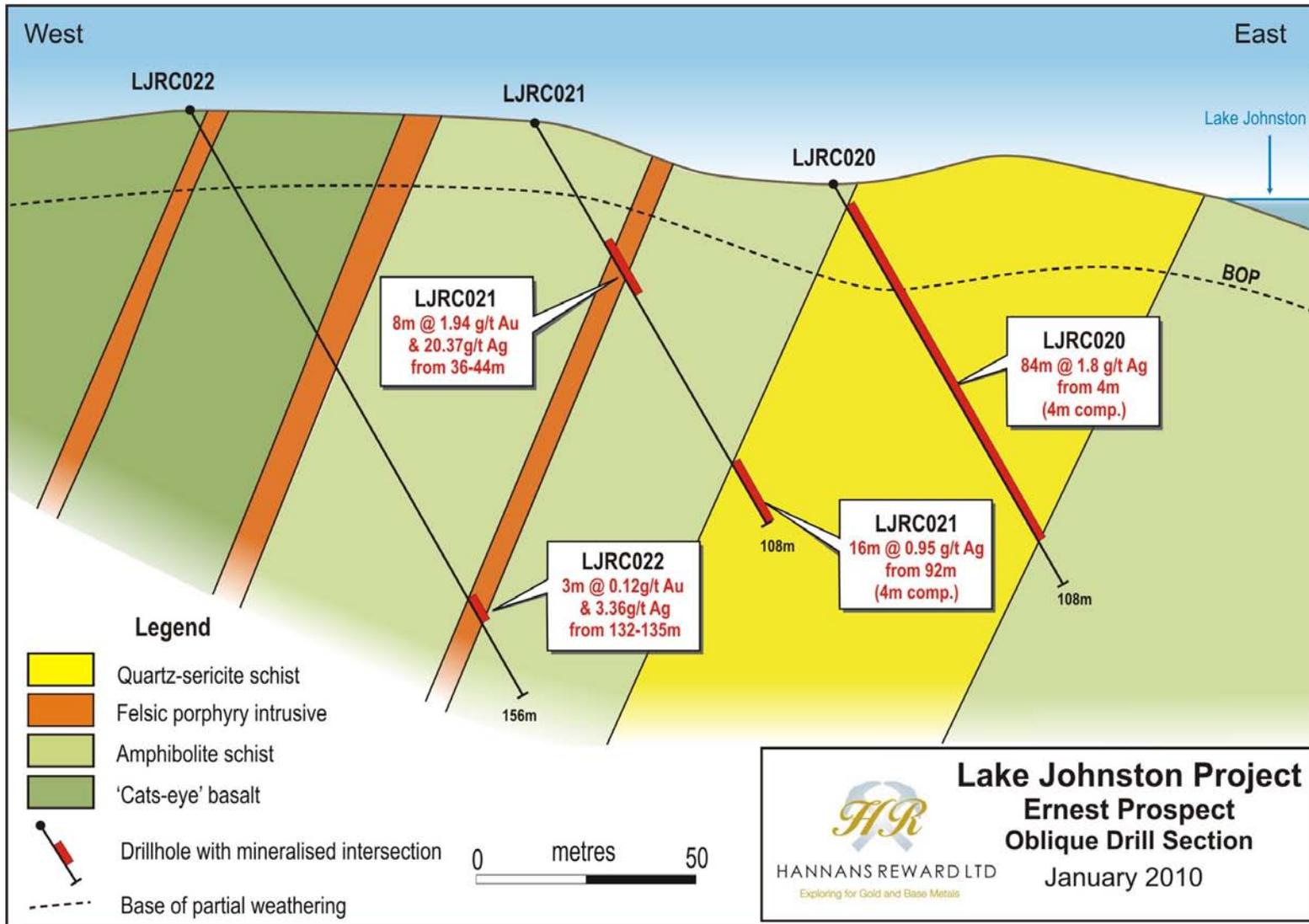
Lake Johnston Project

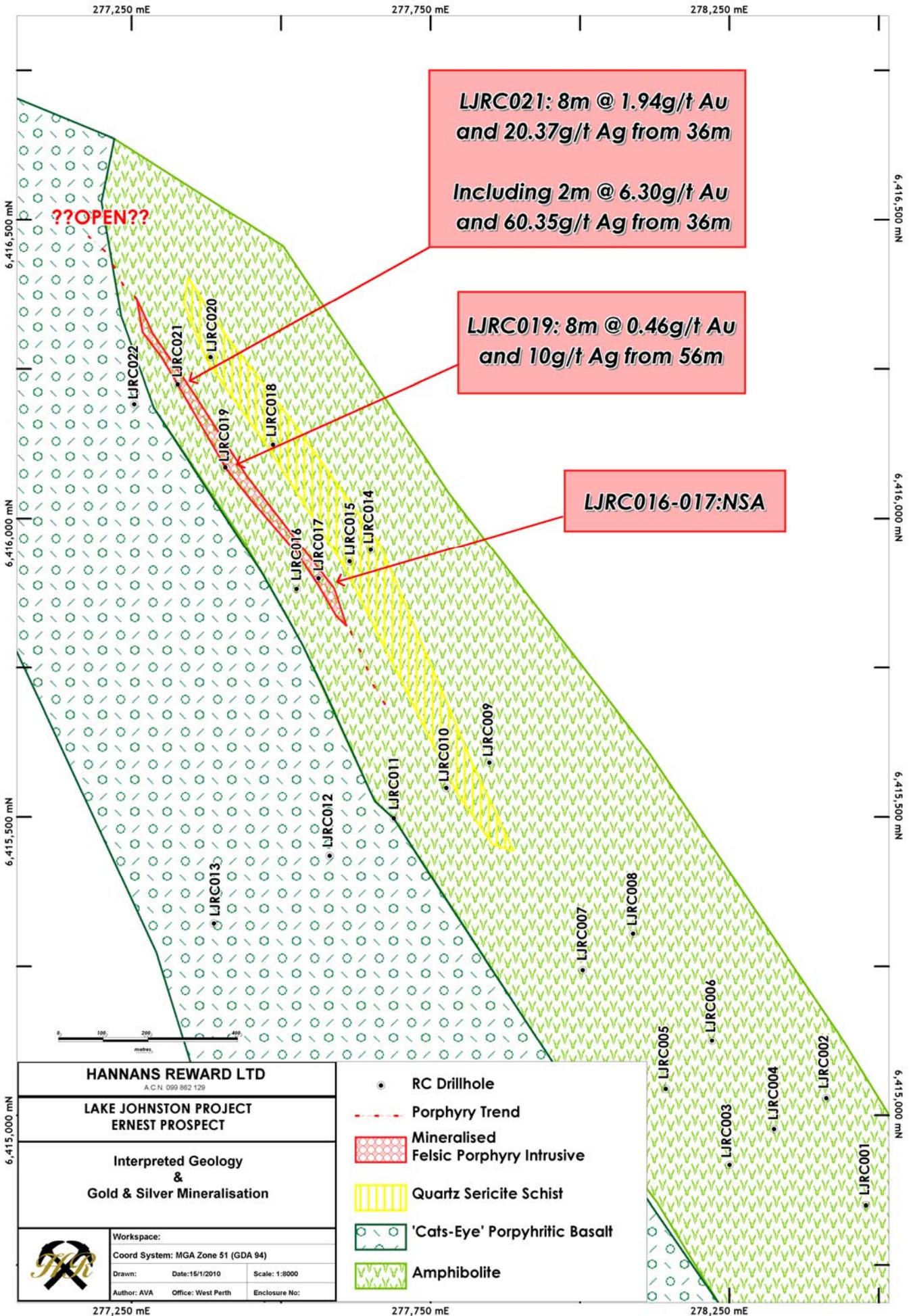
HANNANS REWARD LTD

January 2010

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-32°45'





Competent Persons Statement

The information in this document that relates to exploration results is based on information compiled by Mrs. Amanda Arrowsmith, Exploration Manager, Hannans Reward Ltd who is a Member of the Australian Institute of Mining and Metallurgy. Mrs. Arrowsmith is a full-time employee of Hannans Reward Ltd. Mrs. Arrowsmith 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". Mrs. Arrowsmith consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.