

CLEANSING NOTICE

Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (the "Act")

This notice is given by Hannans Ltd (ACN 099 862 129) (ASX: HNR) (**Hannans** or the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

On 11 October 2021, Hannans announced its intention to undertake an equity raising via a pro rata non-renounceable rights issue of ordinary shares (**Shares**) to eligible shareholders of the Company (**Shareholders**) on the basis of four (4) new Shares (**New Share**) for every forty three (43) existing Shares held by Shareholders on the record date of Friday, 15 October 2021 (**Record Date**) at an issue price of \$0.025 per New Share to raise approximately \$5,500,000 (before costs) (**Offer**).

Based on the current capital structure (and assuming no options are exercised prior to the Record Date) a total of 219,532,763 New Shares will be issued if the Offer is fully subscribed.

The Offer is fully underwritten by Euroz Hartleys Limited (AFSL 230052) (**Euroz Hartleys**). The Company has agreed to pay Euroz Hartleys an underwriting fee of 4% (excluding any amount subscribed by Neometals Investments Pty Ltd and exclusive of GST) and a management fee of 1% (exclusive of GST) of the total Offer amount. The Company must also reimburse Euroz Hartleys for costs incidental to the Offer.

Eligible Shareholders may apply for New Shares over and above their entitlements. The directors, in consultation with Euroz Hartleys, reserve the right to issue Shares under the shortfall offer at their absolute discretion. Any shortfall following receipt of applications for New Shares under the Offer will be allocated by the Directors on a mutually agreed basis with the Euroz Hartleys and consistent with the terms of the Underwriting Agreement.

Hannans hereby confirms that in respect of the Offer (as per the requirements of paragraph 708AA(2)(f) of the Corporations Act):

- (a) the Company will offer the New Shares pursuant to the Offer without disclosure to investors under Part 6D.2 of the Corporations Act, however, an Offer Document will be available for the New Shares; and
- (b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Corporations Act;
- (c) as at the date of this notice the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company;
 - (ii) section 674 of the Act as they apply to the Company;



- (d) there is no “excluded information” within the meaning of section 708A(7) and 708A(8) of the Act which is required to be disclosed by Hannans under section 708A(6)(e) of the Act; and
- (e) the potential effect that the issue of the New Shares pursuant to the Offer will have on the control of the Company, and the consequences of that effect, will depend on several factors, including investor demand. If all Shareholders subscribe for their entitlements under the Offer, then all Shareholders will retain their percentage ownership in the Company, and the issue of New Shares under the Offer is not expected to have any material effect on the control of the Company. To the extent that any eligible Shareholder fails to take up their entitlement, that eligible Shareholder’s percentage ownership in the Company will be diluted by those other Shareholders who take up some, all or more than their entitlements and allocation of the shortfall under the underwriting agreement between the Company and Euroz Hartleys.

Having regard to the composition of the Company’s share register and the terms of the Offer, the Company does not expect the issue of New Shares under the Offer to have a material effect on the control of the Company.

This ASX announcement has been authorised for release by the Board of Hannans Ltd.

For further information, please contact:

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