

ASX & MEDIA ANNOUNCEMENT

Forrestania Gold Project – Drilling, Mining & Processing

- ∅ **Reverse circulation and diamond drilling targeting high grade gold extensions to the Lady Ada and Lady Magdalene Mineral Resources, scheduled to commence in May 2017**
- ∅ **Toll treatment of ore secured with the Lakewood Processing Plant in Kalgoorlie**
- ∅ **Hannans owns 20% free-carried interest in the Forrestania Gold Project**

Hannans Ltd (ASX: HNR) notes that joint venture partner Classic Minerals Ltd (ASX:CLZ) has recently provided ASX with two updates¹ in relation to the Forrestania Gold Project (FGP) located approximately 120km south of Southern Cross in the Goldfields region of Western Australia (refer Figure 1 on page 2).

The updates relate to drill plans targeting high grade gold extensions beneath the Lady Ada and Lady Magdalene Mineral Resources and the agreement to toll treat ore from the FGP at the Lakewood Processing Plant in Kalgoorlie. The FGP contains a 216,650 ounce gold resource².

By way of background Hannans holds a 20% interest in the FGP³. Hannans' interest is free-carried, meaning the Company is not required to fund any activities on the FGP until a decision to mine has been made. Hannans shareholders therefore remain exposed to the upside on the FGP without the requirement to fund exploration.

For the avoidance of doubt Hannans Ltd owns a 100% interest in all non-gold rights on the FGP tenements including but not limited to nickel, lithium and other metals.

Hannans takes this opportunity to advise shareholders that the Company's previously announced⁴ 3,000 metre aircore drill program at Forrestania targeting a geological position similar to that hosting the high grade Earl Grey lithium deposit⁵ is now scheduled to commence in May 2017.

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¹ Refer to ASX releases made by Classic Minerals Ltd (ASX:CLZ) dated 10 April 2017 and 11 April 2017 for full details of the planned drill program and toll treatment agreement.

² Refer to the ASX release made by Classic Minerals Ltd dated 14 March 2017 for full details of the mineral resource and compliance with the JORC Code, 2012 Edition.

³ The tenements containing the FGP are registered in the name of Reed Exploration Pty Ltd, a wholly owned subsidiary of Hannans Ltd.

⁴ Refer to ASX release by Hannans Ltd (ASX:HNR) dated 29 March 2017

⁵ Owned by Kidman Resources Ltd (ASX:KDR)

About Hannans Ltd

Hannans Ltd (ASX:HNR) is an exploration company with a focus on nickel, gold and lithium in Western Australia. Hannans' major shareholder is leading Australian specialty minerals company Neometals Ltd. Hannans has a strategic relationship with West Australian based mining services company Australian Contract Mining. Since listing on the ASX in 2003 Hannans has signed agreements with Vale Inco, Rio Tinto, Anglo American, Boliden, Warwick Resources, Cullen Resources, Azure Minerals, Neometals, Tasman Metals, Grängesberg Iron, Lovisagruvan and Montezuma Mining Company. Shareholders at various times since listing have included Rio Tinto, Anglo American, OM Holdings, Craton Capital and BlackRock. For more information, please visit www.hannansreward.com.

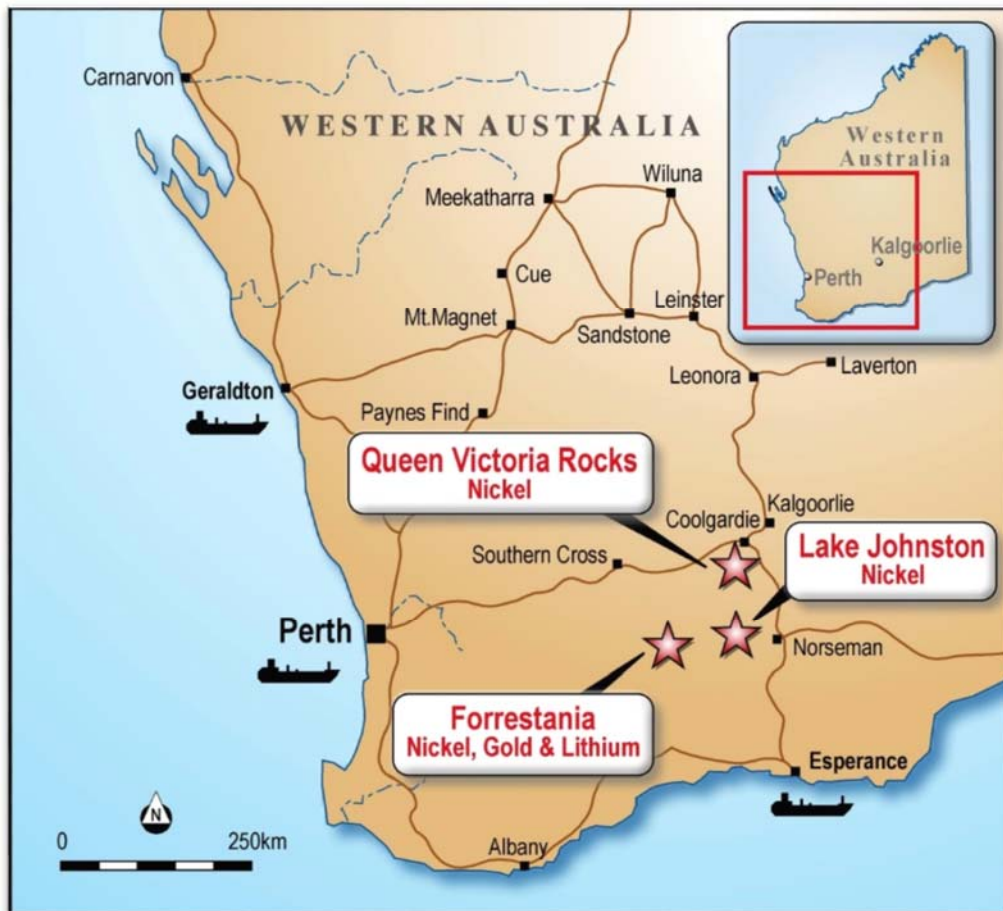


Figure 1: Location Map showing Hannans' Forrestania Project and Queen Victoria Rocks Project and Lake Johnston Joint Venture Project (Hannans free-carried)