Hannans Reward

Exploring for Gold & Base Metals

15 February 2007

Issue of Securities on Completion of Placement

Hannans Reward Ltd (Hannans or the Company) recently completed a $2.5 million placement to clients of Patersons Securities Limited. The Company now has the following capital structure:

Shares	
Fully paid ordinary shares:	76,347,566
Options	
Options exercisable at $0.20 on or before 31 March 2008:	1,000,000
Options exercisable at $0.20 on or before 2 May 2008:	250,000
Options exercisable at $0.20 on or before 31 March 2010:	3,000,000
Options exercisable at $0.20 on or before 30 April 2010:	500,000
Options exercisable at $0.50 on or before 31 December 2010:	500,000

Please find below a list of documents relating to the placement:

- Appendix 3B – Share issue
- Section 708A Confirmation
- Form 604 – Notice of change of interests of substantial holder
- Form 605 – Notice of ceasing to be a substantial holder

If you have any questions please contact Damian Hicks, Executive Director at Hannans Reward Ltd on +61 8 9324 3388.

Background

Hannans Reward is a junior exploration company focused on exploring for gold and base metals. The company has five projects – all located in Western Australia:

- Forrestania JV nickel and gold project which is located about 12km north of Western Area's Flying Fox mine
- Queen Victoria Rocks nickel project which is located about 30km south-west of Coolgardie. Historical results include 3.3m @ 4.12% Ni, 9.15m @ 2.13% Ni and 3.05m @ 1.01% Ni.
- Sunday gold & nickel project which is located about 20km east of Leonora
- Maggie Hays South nickel project which is located about 25km south east of LionOre's Maggie Hays nickel mine.
- Jigalong project which is located about 400km south east of Port Hedland in the Pilbara.

Company contacts:

Telephone: (08) 9324 3388
Fax: (08) 9324 3366
Email: admin@hannansreward.com
Website: www.hannansreward.com
Address: Level 2, 11 Ventnor Ave
West Perth, WA

Board of Directors

Chairman:
Richard Scallan
Executive Directors:
Damian Hicks & Terry Grammer
Non-Executive Directors:
Ernie Dechow, William Hicks & Frank Cannavo

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Hannans Reward Limited

ABN

52 099 862 129

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	8,333,333
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully paid ordinary shares

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	Thirty cents ($0.30)
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To fund exploration and working capital.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	14 February 2007

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	76,347,566	Fully paid ordinary shares.

9 Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)

Number	+Class
1,000,000	Options exercisable at $0.20 each on or before 31 March 2008.
250,000	Options exercisable at $0.20 each on or before 2 May 2008.
3,000,000	Options exercisable at $0.20 each on or before 31 March 2010.
500,000	Options exercisable at $0.20 each on or before 30 April 2010.
500,000	Options exercisable at $0.50 each on or before 31 December 2010.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A

Part 2 - Bonus issue or pro rata issue – Not Applicable

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	

+ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) X Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

37 A copy of any trust deed for the additional +securities – NA

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	Completion of placement

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Damian Hicks
Executive Director
14 February 2007

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Hannans Reward Ltd

Exploring for Gold and Base Metals

14 February 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

Notice under Section 708A

Hannans Reward Ltd (**Company**) issued 8,333,333 shares at an issue price of 30 cents each to sophisticated investor clients of Patersons Securities Limited on 14 February 2007.

The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act.

The shares were issued without disclosure to investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act.

The Company, as at the date of this notice, has complied with:

(a) the provisions of Chapter 2M of the Corporations Act; and

(b) Section 674 of the Corporations Act.

There is no excluded information for the purposes of Sections 708A(7) and (8) of the Corporations Act.

Please don't hesitate to contact me if you have any questions.

Yours faithfully

Damian Hicks
Executive Director

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Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme: Hannans Reward Limited

ACN/ARSN: 099 862 129

1. Details of substantial holder(1)

Name:
William Leeder Hicks
Mossisberg Pty Ltd (ACN 008 950 285)
Marfield Pty Ltd (ACN 008 830 902)

ACN/ARSN (if applicable):

There was a change in the interests of the substantial holder on: 14/02/2007

The previous notice was given to the company on: 15/12/2005

The previous notice was dated: 15/12/2005

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary	11,153,249	16.56%	11,153,249	14.61%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
14/02/2007		Dilution due to placement	NA		

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
William Leeder Hicks	William Leeder Hicks	William Leeder Hicks	Registered and beneficial owner	Ordinary shares – 225,002	0.29%
Mossisberg Pty Ltd	Mossisberg Pty Ltd	Mossisberg Pty Ltd	William Leeder Hicks is a member of the superannuation fund	Ordinary shares – 2,250,000	2.95%
Marfield Pty Ltd	Marfield Pty Ltd	Marfield Pty Ltd	William Leeder Hicks is a beneficiary of the trust	Ordinary shares – 8,678,247	11.37%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
NA	

6. Addresses

The addresses of persons named in this form are:

Name	Address
William Leeder Hicks	9 Riverton Drive, Rossmoyne, WA, 6148
Mossisberg Pty Ltd	9 Riverton Drive, Rossmoyne, WA, 6148
Marfield Pty Ltd	9 Riverton Drive, Rossmoyne, WA, 6148

Signature

print name Damian Peter Hicks for and on behalf of William Leeder Hicks and as secretary for trustee companies

sign here

date 14/02/07

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(6) Include details of:

(a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

(8) If the substantial holder is unable to determine the identify of the person (eg. if the relevant interest arises because of an option) write "unknown".

(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Form 605

Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme: Hannans Reward Ltd

ACN/ARSN: 099 862 129

1. Details of substantial holder (1)

Name: Terrence Ronald Grammer
ACN/ARSN (if applicable):

The holder ceased to be a substantial holder on 14 / 02 / 07
The previous notice was given to the company on 20 / 01 / 06
The previous notice was dated 18 / 01 / 06

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's voted affected
14 / 02/ 07	Terrence Ronald Grammer	Dilution due to placement	NA	3,675,000	4.81%

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Terrence Ronald Grammer	15 Dain Court, Leeming, WA

Signature

print name	Terrence Ronald Grammer	Capacity Shareholder
sign here		date 14 / 02 / 07