



HANNANS REWARD

Exploring for Gold and Base Metals

ASX Announcement / Media Release

9 February 2011

Fast Facts

ASX Code: HNR

Capital Structure

Shares on issue: 131.6m

Options on issue: 7.25m (ex 20c to \$1)

Market cap: \$35.5m (at 27c)

Financial Position (at end of Quarter)

Cash on hand: \$5.58m (Dec 2010)

Value of ASX Listed
Equity Positions: \$25.15m

Board of Directors

Richard Scallan Chairman

Damian Hicks Managing Director

William Hicks Non-Executive Director

Jonathan Murray Non-Executive Director

Projects (Western Australia)

Forrestania Nickel & Gold

QVR Nickel

Lake Johnston Nickel & Gold

Jigalong Manganese and base metals

LAKE JOHNSTON PROJECT

High Grade Gold Mineralisation

- **High grade gold mineralisation intersected in Hannans' RC drilling at Hardcore Prospect**
- **Best RC drilling intersections include:**
 - HCRC009 – 4m @ 6.93 g/t Au (215m)
Including 1m @ 21.3 g/t Au (215m)
 - HCRC009 - 1m @ 6.34 g/t Au (222m)
 - HCRC009 - 3m @ 4.44 g/t Au (237m)
Including 1m @ 11.4 g/t Au (237m)
 - HCRC009 - 1m @ 6.77 g/t Au (261m)
 - HCRC009 - 1m @ 4.61 g/t Au (266m)
 - HCRC005 – 1m @ 14.4 g/t Au (239m)
(previously announced)
- **Significant opportunity for discovery of additional high grade gold, in particular the Mt Gordon Prospect considered a 'stand out' target**
- **Exploration at Mt Gordon to commence this Quarter**

Minerals exploration company Hannans Reward Ltd (**ASX:HNR**) ("**Hannans**" or "**the Company**") is pleased to announce highly encouraging gold results from its 100% owned Hardcore Prospect (Lake Johnston Project) located within the Lake Johnston greenstone belt, west of Norseman, Western Australia (refer Figure 1).

Hannans completed ten reverse circulation (RC) percussion drill holes at the Hardcore Prospect, during January 2011, testing down dip and along strike of historical high grade gold intersections (refer Figure 2).

The high grade gold intercepts are summarised in Table 1 and also include the intersections outlined in Hannans' 2nd Quarter Activities Report.

The gold mineralisation has been intersected within a felsic intrusive unit and is associated with quartz veining, minor pyrite and intense silica alteration.

The drilling remains wide spaced however the high grade shoot is interpreted to have a strike length of ~100m and a steep plunge to the north-west (Figure 3).

Hannans have highlighted a number of high grade gold occurrences within the Lake Johnston Project at Ernest, Hardcore and Mt Gordon. The recent assay results further confirm the highly prospective nature of the project, which now covers a 25 km corridor (Figure 4).

Exploration for gold within the Hannans tenements remains limited and it is considered that there is significant opportunity for the discovery of additional high grade gold mineralisation within the project.

In particular the Mt Gordon prospect area is considered to be a stand out target; the prospect includes a large gold anomaly generated from surface auger sampling which covers an area of ~2.5 x 0.5 km's, the anomaly is significantly larger than the geochemical anomaly associated with the Hardcore gold mineralisation (Figure 5).

Hannans are in the process of planning follow up exploration at the Mt Gordon prospect which will include infill auger sampling and a detailed gravity survey. It is anticipated that the auger sampling and gravity survey will commence this Quarter.

Table 1. Summary of Hardcore drilling assay results

HoleID	MGA North	MGA East	Dip	Azi	From (m)	To (m)	Int	Au g/t
HCRC001	6407706	285777	-75	030	NSA			
HCRC002	6408057	285561	-75	030	NSA			
HCRC003	6408711	284881	-75	030	NSA			
HCRC004	6408656	284849	-75	030	NSA			
HCRC005	6408516	285017	-75	030	239	240	1	14.4
HCRC005	6408516	285017	-75	030	249	250	1	1.71
HCRC006	6408410	285100	-65	030	NSA			
HCRC007	6408416	285102	-60	030	281	282	1	1.21
HCRC007	6408416	285102	-60	030	286	287	1	1.52
HCRC008	6408402	285213	-65	030	NSA			
HCRC009	6408517	285024	-60	030	190	191	1	2.31
HCRC009	6408517	285024	-60	030	196	197	1	1.28
HCRC009	6408517	285024	-60	030	203	204	1	1.74
HCRC009	6408517	285024	-60	030	215	219	4	6.93
HCRC009	6408517	285024	-60	030	222	223	1	6.34
HCRC009	6408517	285024	-60	030	229	230	1	1.56
HCRC009	6408517	285024	-60	030	237	240	3	4.44
HCRC009	6408517	285024	-60	030	261	262	1	6.77
HCRC009	6408517	285024	-60	030	266	267	1	4.61
HCRC009	6408517	285024	-60	030	286	287	1	1.24
HCRC010	6408396	285213	-55	030	NSA			

Ongoing Exploration Activity

- Detailed review of the historical drilling data at the Mt Gordon prospect to develop a geological interpretation of the area, to be completed during the 1st quarter of 2011.
- Plan and implement infill auger sampling and gravity surveys at the Mt Gordon prospect during the 1st quarter of 2011.
- Plan and implement follow up RC percussion drilling during the 2nd quarter of 2011.

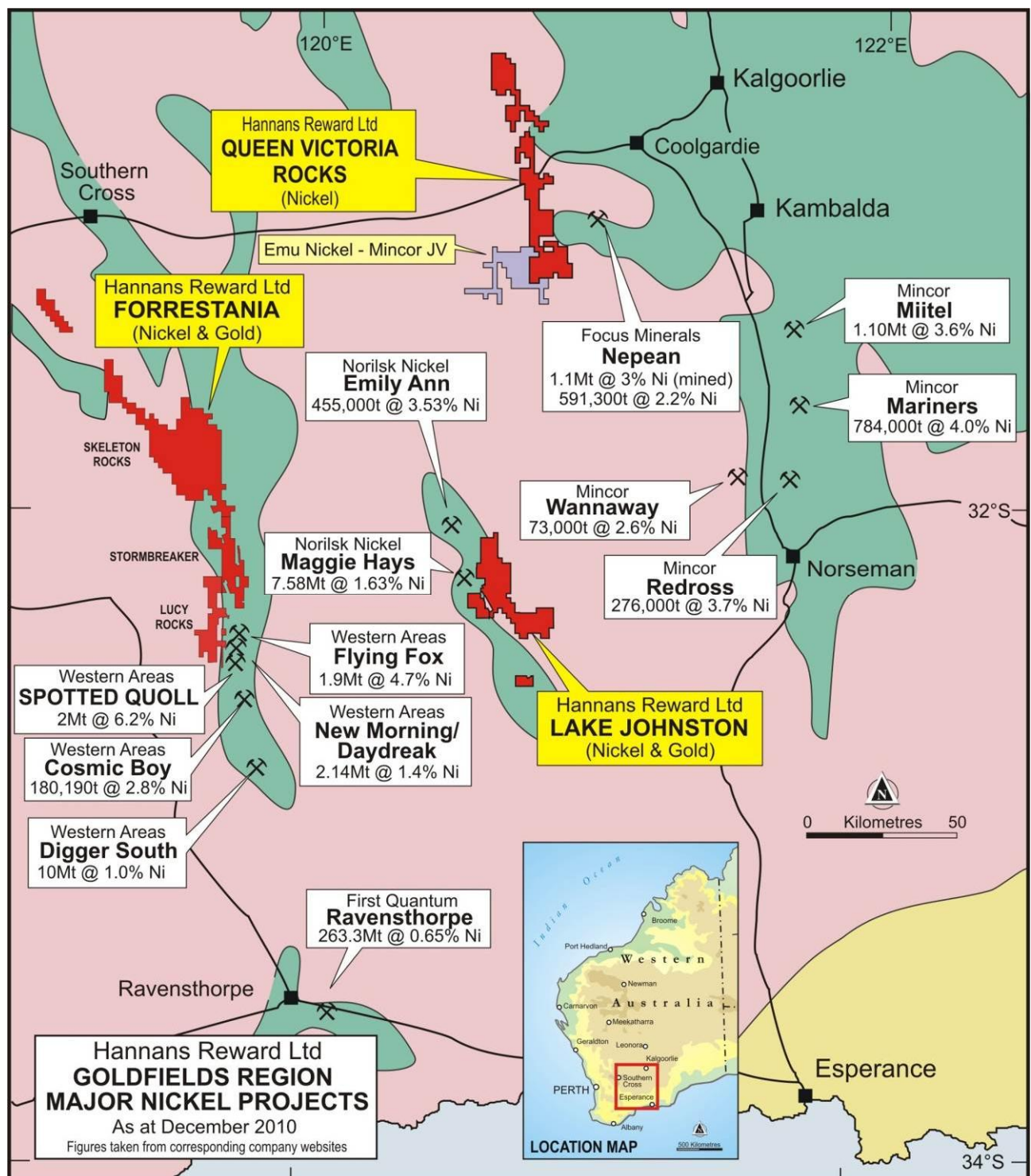


Figure 1. Hannans Reward Regional Location Plan

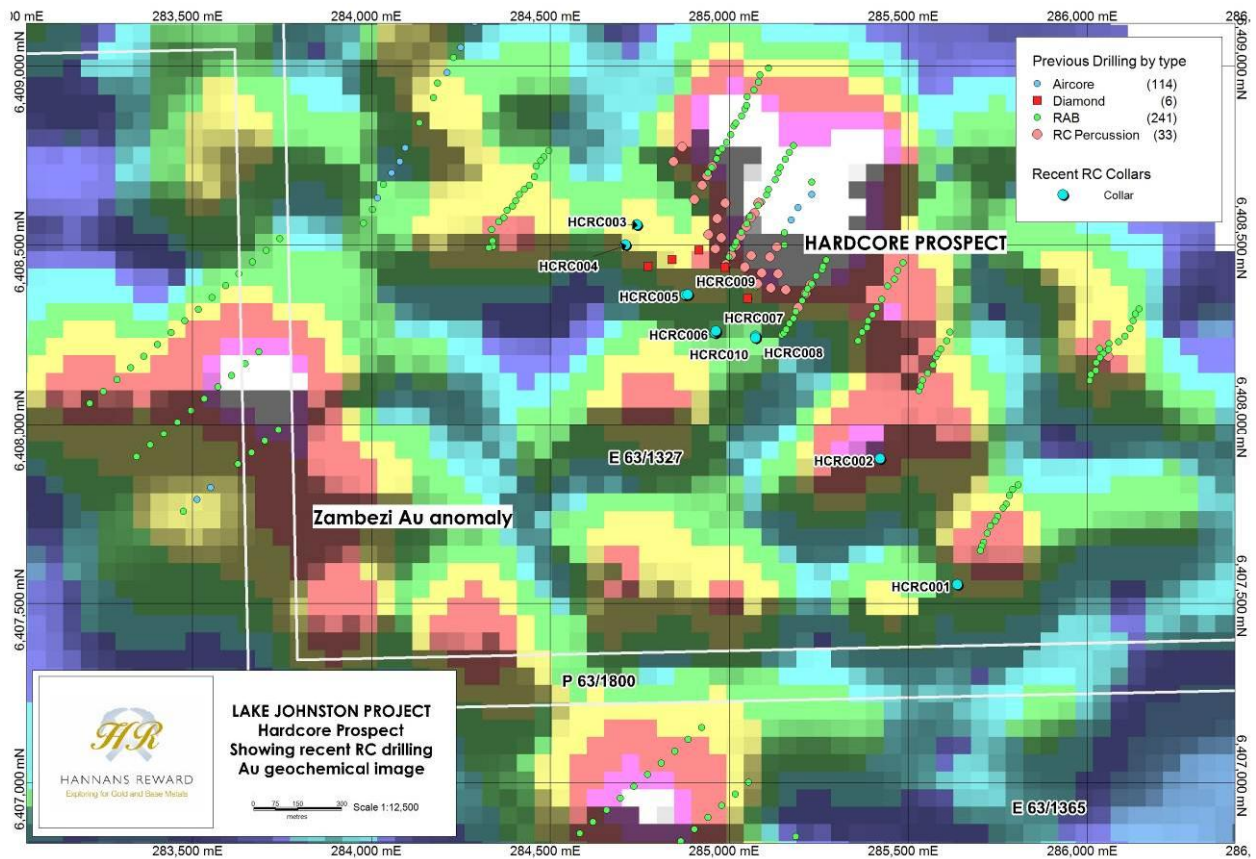


Figure 2. Hardcore drilling collar location plan and Au geochemical image

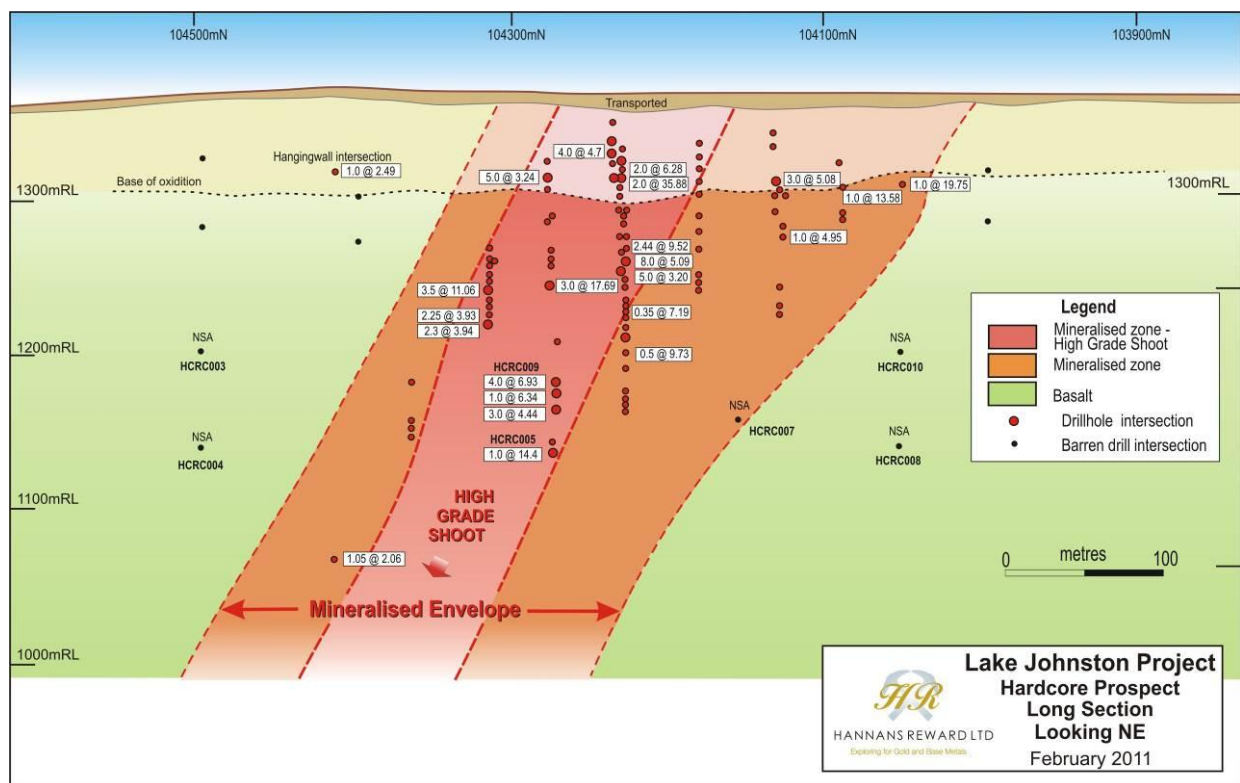


Figure 3. Hardcore diagrammatic long-section looking north-east

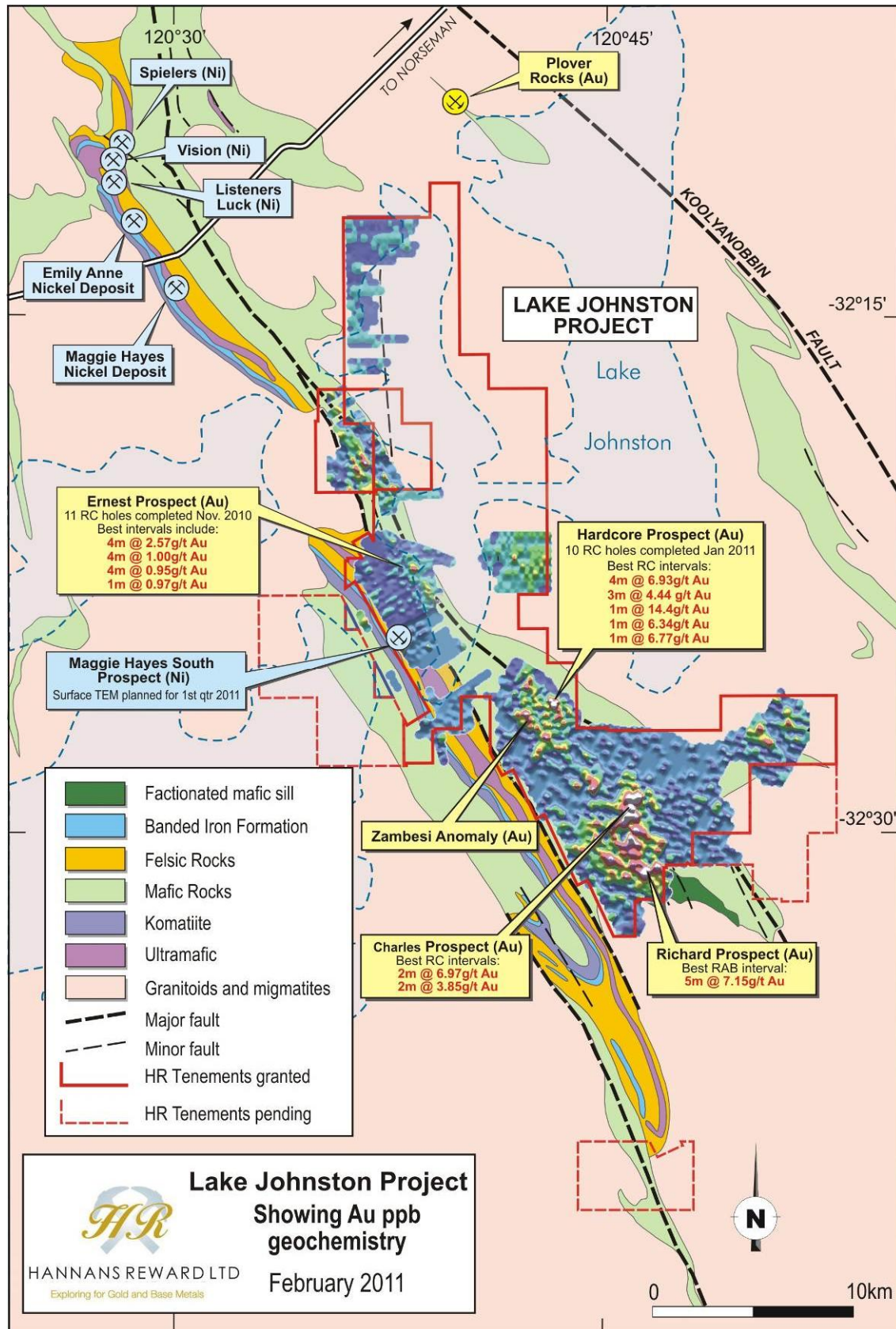


Figure 4. Lake Johnston Leasing Diagram showing regional geology, prospect locations and Au ppb geochemistry image.

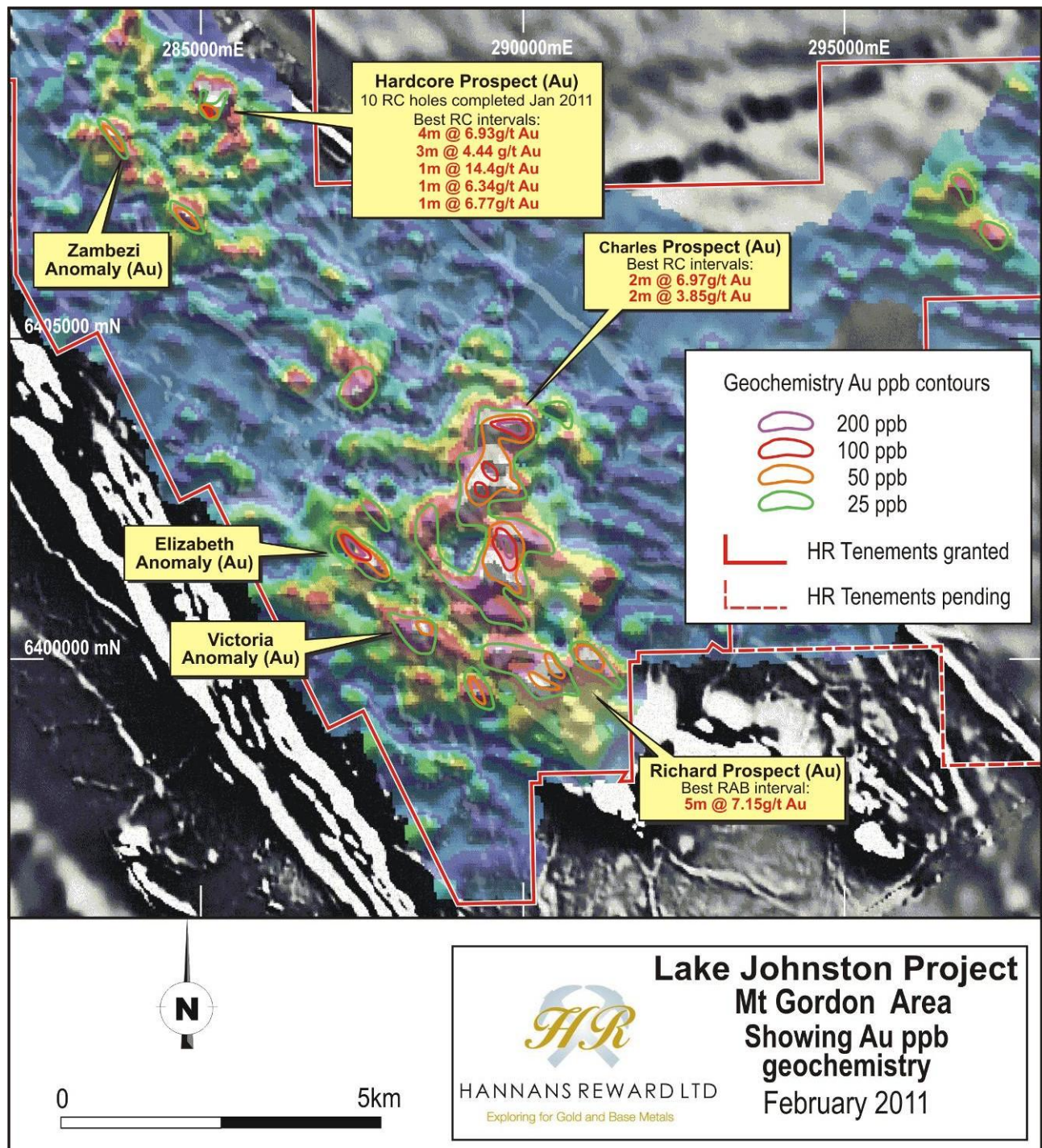


Figure 5. Mt Gordon Prospect area showing Au ppb in auger sampling anomalies and prospect locations

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 is a 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, a portion of the Stormbreaker Prospect includes a Joint Venture with Cullen Resources Ltd (Hannans – 80%, Cullen – 20% free carry).
- 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 - nickel and gold project located 30km south-west of Coolgardie, WA

Competent Persons Summary

The information in this document that relates to exploration results is based on information compiled by Mr Donald Huntly, Exploration Manager who is a Full Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist. Mr Huntly is a full-time employee with Hannans Reward Ltd. Mr Huntly 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". Mr Huntly consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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