

Hannans Secures Nickel Project at Fraser Range

- Hannans signs agreement to earn 70% interest in granted exploration license E63/1772 (**Tenement**) located approx. 45km south-west of the Nova nickel-copper-PGE mine in the Fraser Range, Western Australia.
- Tenement favourably located within the context of the Fraser Range and remains underexplored.
- Site visit to be completed prior to year-end and maiden ground electromagnetic (EM) survey scheduled to commence early 2021.

Hannans Ltd (**Hannans** or the **Company**) is pleased to announce that it has signed an agreement to earn a 70% interest in granted exploration license E63/1772 located 100km east of Norseman, Western Australia (refer Figure 1 on page 2). Access to the Tenement is excellent, with Highway 1 passing through the Tenement. Fraser Range Homestead is also located within the Tenement.

The Tenement area has prospective rocks and is favourably located in the context of the Fraser Range, being half-way between the Nova -Bollinger mine (owned by IGO Ltd) and the Talbot / Gnama South nickel occurrences. It is on the western 'edge' of the gravity anomaly (area of high gravity gradient) where other nickel sulphide occurrences are noted along strike. There has been a total lack of surface electromagnetic (EM) coverage of the Tenement, despite the presence of historic geochemical and magnetic anomalies of interest, and this represents an opportunity to rapidly progress exploration.

Hannans also believes the tenure is prospective for nickel-copper mineralisation due to:

- the western part of the tenement containing magnetic anomalies that cut the regional trend and are reminiscent in appearance and scale to the magnetic anomalies at and around the Mawson Prospect owned by Legend Mining Ltd (refer Figure 2 on page 2)
- apart from airborne magnetic surveying, and partial coverage by airborne EM using the QUESTEM system in 1997, no other geophysical surveys appear to have been conducted on the Tenement;
- there being very limited historic drilling (only 3 shallow holes) within the Tenement area of circa 50km²; and
- the existence of copper anomalism adjacent to the Tenement's western boundary.

Hannans will immediately commence a detailed historic data review and target generation process over the new Tenement. A site visit will be completed prior to the end of 2020 in preparation for the first ground EM survey scheduled for early 2021. The ground EM survey will target prospective rocks that might represent the host to economic nickel-copper mineralisation. If targets are generated, approvals will be immediately sought to test the targets with deeper drilling.

An updated presentation on Hannans' expanded Fraser Range Nickel Project will be provided to Shareholders when the review is completed.





Figure 1: Exploration License 63/1772 is represented by the yellow outline. This is the tenure Hannans has secured via an earn-in agreement. The Nova-Bollinger nickel-copper-PGE mine (owned by IGO Ltd) is approx. 45km north-east of the Hannans tenure. Norseman is located 100km west of the Tenement. The project is accessible by travelling on Highway 1 (the Eyre Highway).

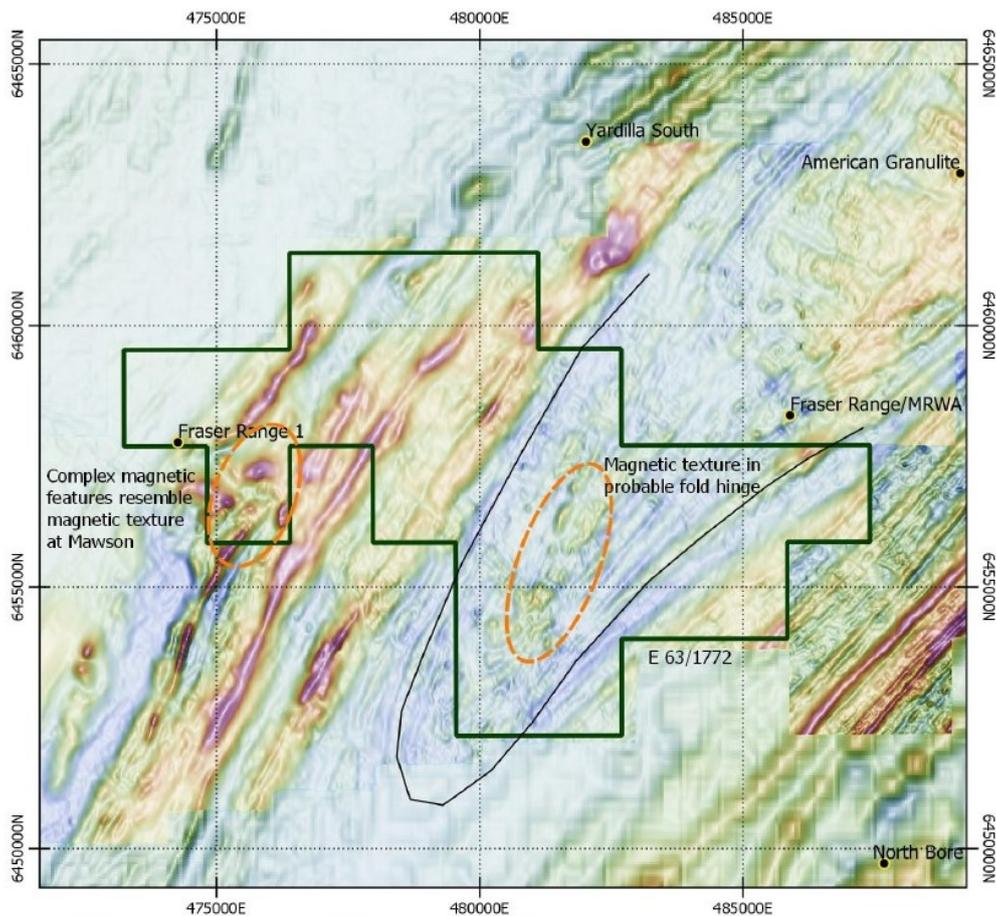


Figure 2: Plan of E63/1772 showing magnetics. Features of interest are annotated on the image. The complex magnetic response in the west of the tenement corresponds well with copper anomalism in surface sampling.

Transaction Terms

The terms of the earn-in agreement signed on 29 November 2020 are as follows:

- The registered holder of E63/1772 (Tenement) is Kingmaker Metals Pty Ltd (Kingmaker);
- Hannans may earn a 70% interest in the Tenement by incurring exploration expenditure of \$1 Million in accordance with the following schedule:
 - Initial commitment – Hannans must incur a minimum \$100,000 of exploration expenditure by 30 June 2021, following which it shall have the right to withdraw from this agreement or proceed to the next stage;
 - Hannans may elect to incur an additional \$200,000 of exploration expenditure by 30 June 2022 to earn a 33% interest in the Tenement (Stage 1 Interest);
 - Hannans may elect to incur an additional \$300,000 of exploration expenditure by 30 June 2023 to earn a 51% interest in the Tenement (Stage 2 Interest); and
 - Hannans may incur an additional \$400,000 of exploration expenditure by 30 June 2024 to earn a 70% interest in the Tenement (Stage 3 Interest).
- Hannans will be the manager of exploration on the Tenement and be solely responsible for all exploration decisions, pay all rates and rents and maintain the Tenement in good standing.
- Hannans will free-carry Kingmaker through to a Decision to Mine (DTM). If a DTM is made, Kingmaker may elect to fund their share of costs, or dilute to a 1.5% net smelter return royalty on all minerals produced and sold from the Tenement.
- Hannans has agreed to pay Sorrento (UK) Ltd, broker to the transaction, a fee of 7.25 million fully paid ordinary shares in the capital of Hannans Ltd.
- The Tenement is currently the subject of two applications for forfeiture (Applications 587915 and 589583) alleging that Kingmaker has failed to meet the annual expenditure commitments on the Tenements. Hannans has reviewed the West Australian Government's Department of Mines, Industry, Regulation & Safety web site. The site indicates that the minimum expenditure conditions have been met by Kingmaker each year since grant. Pursuant to the earn-in agreement Kingmaker will exclusively manage resolution of the Applications and bear all costs associated with the process and settlement (if any). Hannans acknowledges and agrees that it has entered into the earn-in agreement notwithstanding the Applications and does so at its own risk.

This ASX announcement has been authorised for release by Mr Damian Hicks, Executive Director.

Damian Hicks
Executive Director

COMPLIANCE STATEMENT

The information in this document that relates to exploration results at the Fraser Range Nickel Project is based on information compiled by Adrian Black, a Competent Person who is a Member of the AIG (1364). Adrian Black is a consultant to Hannans Ltd and its subsidiary companies. Adrian Black 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 in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).