

ASX Announcement

STATEMENT OF CONFIRMATION

Hannans Ltd (ASX: HNR) (**Hannans** or the **Company**) provides the following confirmations required to satisfy the conditions for re-admission of its securities to quotation on ASX.

Capitalised terms in this announcement have the same meaning given under the Company's prospectus dated 17 October 2022 (as supplemented by the supplementary prospectus dated 8 November 2022) (**Prospectus**) unless the context requires otherwise.

Completion of Offer

The Company confirms all Offer conditions have been satisfied and the Company has now completed the issue of 100,000,000 Shares at the issue price of \$0.02 per Share to raise \$2,000,000.

Issues of Securities

The Company confirms it has issued 647,500,653 Shares under the Greenhouse Transaction.

Other than 647,500,653 Shares issued to Greenhouse, Hannans confirms that it has not issued any unquoted securities since its application for admission.

Completion of Agreements

Hannans has satisfied conditions' precedent to and completion of the agreements between Hannans and:

- (a) LiB Recycling Pty Ltd dated 30 September 2022; and
- (b) Greenhouse Investments Ltd dated 2 June 2022 (including the issue of 647,500,653 Shares).

No impediments

Hannans confirms there are no legal, regulatory, statutory or contractual impediments to it entering the Fraser Range Project tenements, Forrestania Project tenements or Moogie Project tenements and carrying out exploration activities such that Hannans will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

Capital Structure

Hannans' capital structure, as at the date of re-admission to the Official List of the ASX will be:

Shares

	Maximum Subscription (\$5,500,000)
Shares on issue at date of Prospectus	2,624,604,809
Shares issued pursuant to the Offer	100,000,000
Shares issued pursuant to the Greenhouse Transaction	647,500,653
Total	3,372,105,462



Options

Options	Number
Options on issue at date of Prospectus	165,000,000
Options cancelled upon Board changes*	100,000,000
Options on issue at date of re-admission	65,000,000

Notes:

* 100,000,000 unvested options held by outgoing Directors, Damian Hicks, Markus Bachmann, Clay Gordon and Amanda Scott, were cancelled on 7 December 2022 in connection with their resignations as Directors of Hannans. Refer to the Appendix 3H released on Hannan's ASX market announcements platform on 7 December 2022 for further details.

Restricted securities

Hannans confirms that following quotation of its securities on ASX, the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below.

Class	Number	Restriction Period
Shares	647,500,653	24 months from date of quotation

Updated Statement of Commitments

Hannans confirms it intends to apply the funds available from the Offer, being \$2,000,000 (before costs) plus its existing cash reserves of \$3,500,000 as follows:

Allocation of Funds	Maximum Subscription (\$2,000,000)	Percentage of Funds (%)
LiB recycling activities in the Nordic region*	\$1,250,000	22.52%
LiB recycling activities in the UK, Ireland, Italy and the Southern Europe*	\$1,450,000	26.13%
Mineral Exploration in Western Australia**	\$1,800,000	32.43%
Costs associated with the re-compliance with Chapters 1 and 2 of the ASX Listing Rules	\$200,000	3.60%
Expenses of the Offer***	\$300,000	5.41%
Working capital and corporate administration	\$550,000	9.91%
Total	\$5,550,000	100.00%

Notes:

* The proposed funds allocated to developing the LiB recycling in the Nordic region, UK, Ireland, Italy and South-eastern Europe will be spent on human resources in Europe (sales and marketing), fees associated with securing sites (including agents fees and lease fees) and LiB feedstock supplies, permitting (environmental, building, and chemical permits and associated fees to consultants for completion of studies and documentation), fees associated with reporting in accordance with the Task Force on Climate-Related Financial Disclosures framework and equator principles, deposits on long lead time items for the first shredding and sorting plant, marketing costs associated with establishing a new brand in the relevant jurisdictions, legal, finance, compliance and administration costs associated with operating in multiple jurisdictions.

** The proposed funds allocated to mineral exploration activities in Western Australia will be spent on heritage surveys, mapping and geochemical coverage at Moogie; a review of the historic exploration will be completed prior to recommencing ground EM surveys and drill testing of targets at Fraser Range; and developing a strategy to generate and thereafter test deeper targets (>250m) at Forrestania. Funds will also be allocated to transaction costs associated with divesting existing projects (if any).

*** Actual expenses of the Offer increased from the estimated figure in the Prospectus of \$250,000 to approximately \$300,000 due to the additional costs associated with lodgement of the supplementary prospectus dated 8 November 2022.

Updated Pro-Forma Statement of Financial Position

The following updated pro-forma statement of financial position for Hannans is based on the actual funds raised of \$2,000,000 under the Prospectus including the cost paid associated with the re-compliance with Chapters 1 and 2 of the ASX Listing Rules and the expenses of the Offer of \$500,000.

	Note	Audited FY2022 \$	Subsequent Event Reviewed FY2022 \$	Maximum	
				Pro Forma adjustments Reviewed FY2022 \$	Pro forma Reviewed FY2022 \$
Current assets					
Cash and cash equivalents	(a)	4,030,952	(501,597)	1,500,000	5,029,355
Trade and other receivables		144,132	–	–	144,132
Other financial assets		140,331	–	–	140,331
Total current assets		4,315,415	(501,597)	1,500,000	5,313,818
Non-current assets					
Other receivables		30,000	–	–	30,000
Property, plant and equipment		15,088	–	–	15,088
Other financial assets at fair value through P&L		115,001	–	–	115,001
Capitalised exploration and evaluation expenditure		2,240,000	–	–	2,240,000
Intangible asset	(b)	–	–	12,950,013	12,950,013
Total non-current assets		2,400,089	–	12,950,013	15,350,102
TOTAL ASSETS		6,715,504	(501,597)	14,450,013	20,663,920
Current liabilities					
Trade and other payables		378,317	–	–	378,317
Provisions		40,536	–	–	40,536
Total current liabilities		418,853	–	–	418,853
Non-current liabilities					
Total non-current liabilities		–	–	–	–
TOTAL LIABILITIES		418,853	–	–	418,853
NET ASSET		6,296,651	(501,597)	14,450,013	20,245,067
Equity					
Issued capital	(c)	48,067,444	–	14,945,605	63,013,049
Reserves		1,506,938	–	–	1,506,938
Accumulated losses	(d)(e)	(43,277,731)	(501,597)	(495,592)	(44,274,920)
TOTAL EQUITY		6,296,651	(501,597)	14,450,013	20,245,067

Notes (a)-(e) – please refer to section 6.9 of the Prospectus.

Waiver Decision

On 25 July 2022, Hannans received a conditional waiver from the requirements of Listing Rule 2.1 (Condition 2) allowing the Company to offer Shares under the Offer with an issue price which is less than 20 cents.

Waiver Decision (Listing Rule 2.1 condition 2)

Based solely on the information provided, ASX Limited (**ASX**) granted Hannans Ltd (the **Company**) in connection with an agreement for the transfer of licences from Greenhouse Investments Ltd (**Greenhouse**) in relation to recovering metals from scrap and end-of-life lithium batteries (**Proposed Transaction**) and a proposed capital raising via a public offer at A\$0.02 per fully paid ordinary share to raise up to \$2,000,000 (the **Capital Raising**), a waiver from listing rule 2.1 condition 2 to the extent necessary to permit the Company to issue ordinary shares at an issue price of \$0.02 (**Capital Raising Shares**). The waiver was subject to the following conditions:

- › the issue price of the Capital Raising Shares being not less than A\$0.02 per share;
- › the terms of the waiver being disclosed to the market and, along with the terms and conditions of the Capital Raising Shares, being clearly disclosed in the notice of meeting pursuant to which the Company sought approval required under Listing Rule 11.1.2 for the Proposed Transaction and in the prospectus to be issued in respect of the Capital Raising; and
- › Hannans shareholders approving the issue price of the Capital Raising Shares in conjunction with the approval obtained under Listing Rule 11.1.2 in respect of the Proposed Transaction.

ASX considered Listing Rule 2.1 condition 2 only and made no statement as to Hannan's compliance with other listing rules.

Basis for Waiver Decision (Listing Rule 2.1 condition 2)

Listing rule 2.1 condition 2 requires that the issue or sale price of all securities that an entity, at the time of its application for admission to the official list, seeks to have quoted must be at least 20 cents. The requirement demonstrates that the entity can raise funds at a price, or that its securities have a minimum value, suitable for a listed entity.

Facts and Reasons for granting the waiver (Listing Rule 2.1 condition 2)

Hannans seeks re-admission to the Official List by re-complying with Chapters 1 and 2 of the ASX Listing Rules and Hannans has obtained shareholder approval for the issue of the Capital Raising Shares at not less than A\$0.02. ASX advised it is otherwise satisfied that Hannans proposed capital structure following the Capital Raising is suitable for a listed entity. As such ASX advised that Hannans circumstances fell within the policy for granting the 2 cent waiver as set out in Guidance Note 12.

This ASX announcement has been authorised for release by Jonathan Murray, Chairman on behalf of the Board of Hannans Ltd.

ENDS

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