

ASX & MEDIA ANNOUNCEMENT

Mt Holland Lithium Project Update

- ∅ Aircore drilling has commenced at Mt Holland West – project located adjacent to Earl Grey, one of the most significant hard rock lithium deposits in the world.
- ∅ Spring flora & fauna surveys to commence this weekend clearing access for further rounds of drilling at Mt Holland West and East.

Hannans Ltd (ASX:HNR) provides an update on exploration within its 100% owned Mt Holland Lithium Project located approximately 125kms south of Southern Cross, Western Australia (refer Figure 1 on page 2). The Mt Holland Lithium Project is located adjacent to Earl Grey, one of the most significant hard rock lithium deposits in the world jointly owned by New York Stock Exchange listed SQM and ASX listed Kidman Resources Ltd¹. Hannans' exploration goal is to discover a lithium deposit comparable to Earl Grey.

Aircore Drill Program

Hannans 6th Phase of exploration drilling has commenced at Mt Holland West. The program will comprise approximately 80 holes for a total of 4,000m (estimated average depth of 50m per hole). An update to the ASX will be released once all assays are returned and the detailed interpretation completed. The program is aiming to intersect pegmatites hosting lithium. The targets are within an area identified by the exploration model. The area being drilled has not previously been tested by either aircore or reverse circulation drilling (refer Figure 2 on page 2).

Exploration Model

Hannans' exploration model is based on:

- targets located within a 10 km radius of late stage fertile granitoids.
- reliance on the best geological interpretation of aeromagnetic data for defining granitoids, greenstones and structures; and
- interpretations of data from weathered samples recognizing the high mobility of lithium in the weathered zone.

Spring Flora & Fauna Survey

Flora & fauna surveys will commence this weekend clearing access tracks and drill pads for additional phases of aircore drilling at Mt Holland West and East. These phases of aircore drilling are scheduled for October/November 2019.

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¹ Subject to a takeover by Australia's largest diversified industrial company Wesfarmers Ltd (ASX:WES)

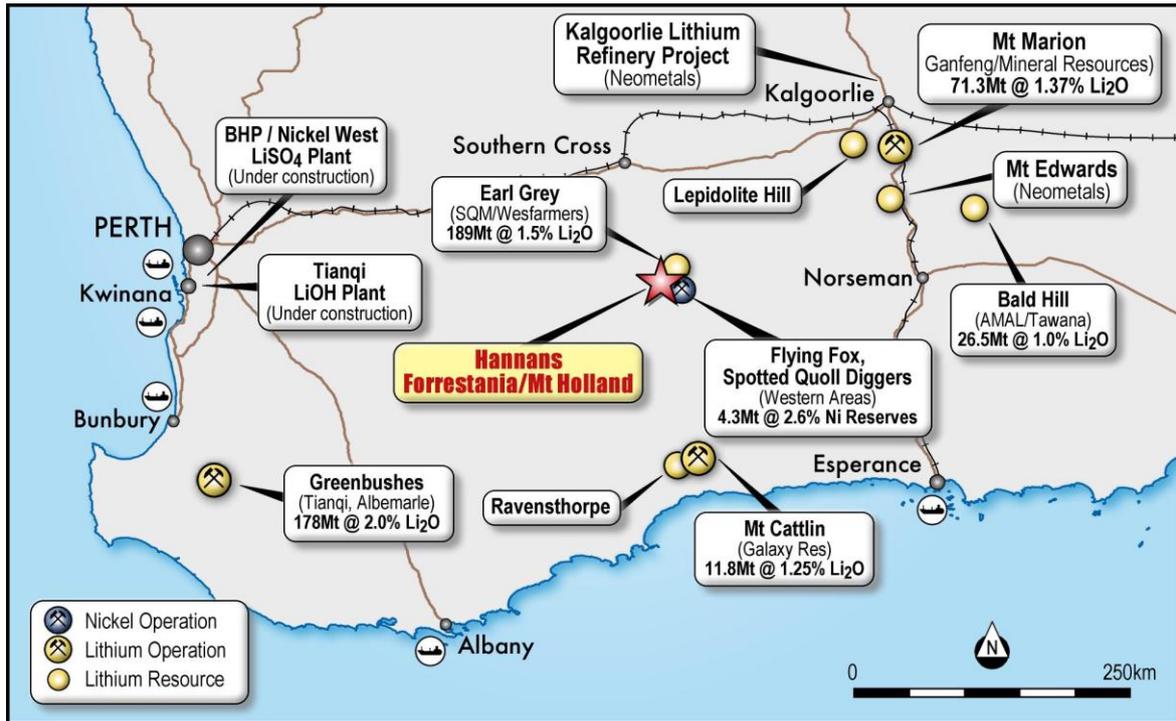


Figure 1: Location Map showing Hannans' Forresteria/Mt Holland Projects and location of major lithium mines and projects in the south-west of Western Australia

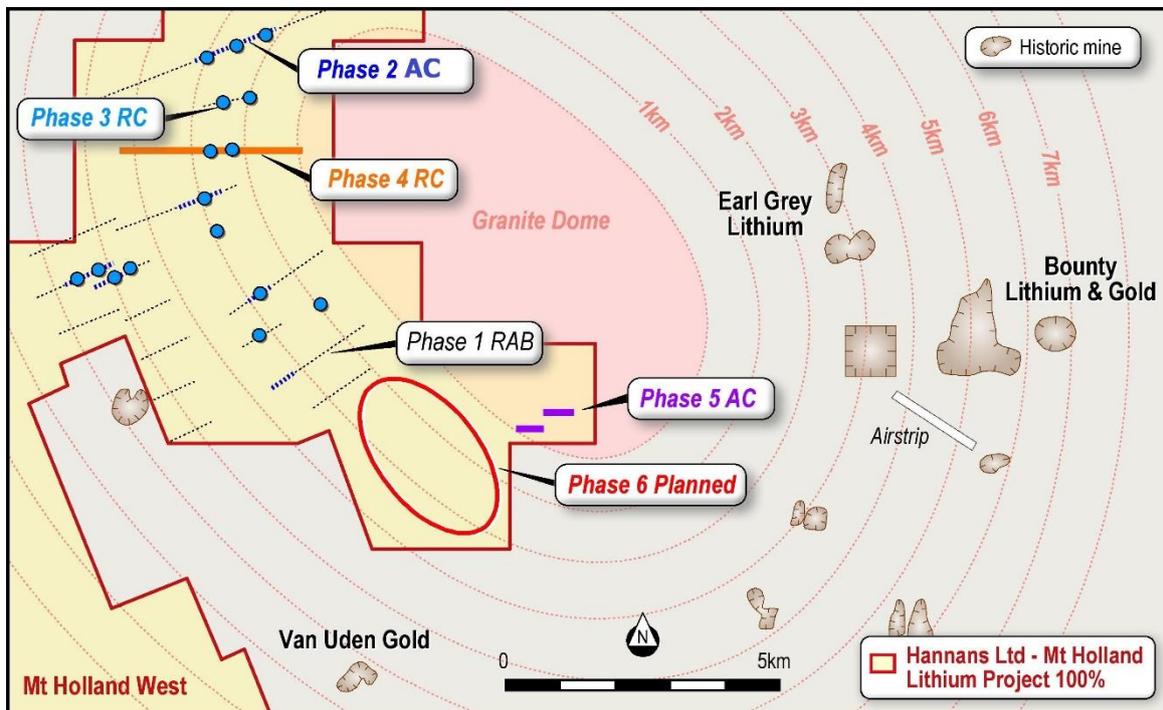


Figure 2: Location Map showing Hannans' Mt Holland West Lithium Project (in yellow) and its proximity to Earl Grey, the 3rd largest hard rock lithium deposit in the world. The Phase 6 aircore drill traverses are contained within the red ellipse. The targets are well located according to Hannans' exploration model. Phase 1 RAB depth of drilling ~12m. Phases 2 and 5 AC depth of drilling was ~50m. Phases 3 and 4 RC depth of drilling was ~150m. Phase 6 AC depth of drilling will be ~50m.

About Hannans Ltd (Est. 2002)

Hannans Ltd (ASX:HNR) is an Australia resources company with a focus on nickel, lithium, cobalt and gold in Western Australia. Hannans' major shareholder is leading Australian specialty minerals company Neometals Ltd. Since listing on the ASX in 2003 Hannans has signed agreements with Vale Exploration, Rio Tinto Exploration, Anglo American, Boliden, Scandinavian Resources, 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.hannans.com.

Competent Person

The information in this document that relates to exploration results at Forrestania is based on information compiled by Dr Bryan Smith, a Competent Person who is a Member of AusIMM and AIG. Dr Smith is a consultant to Hannans Ltd and its subsidiary companies. Dr Smith 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).