HANNANS

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Forrestania Nickel Update

- **Hannans 2nd phase of nickel exploration progresses to geophysics and drilling, immediately along strike of two world class operating nickel sulphide mines**
  - **Surface and downhole geophysical surveys to commence shortly and continue for 4 – 5 weeks**
  - **Reverse circulation and diamond drill testing of nickel sulphide targets scheduled to commence as soon as practical after completion of the geophysical surveys – majority of drilling approvals received**
- **Hannans' mission at Forrestania is to make the first major nickel sulphide discovery at Forrestania in the last 13 years**

Hannans Ltd (ASX:HNR) advises shareholders that the 2nd phase of nickel exploration at the 100% owned Forrestania Nickel Project ("FNP"), located approximately 120km south of Southern Cross and 80km east of Hyden, in the Goldfields region of Western Australia has commenced.

Please refer to Figure 1 on Page 2 for a regional location map, Figure 2 on Page 3 for a project location map and Table 1 on page 4 for a summary of the planned surveys and drill targets.

Exploration is focussed on testing targets refined by consultants Newexco Exploration Pty Ltd following completion of the 1st phase of exploration in March 2020.[1] The targets comprise geological, geochemical and geophysical anomalies located along the interpreted western and mid-western ultramafic belt within Hannans tenure. The western ultramafic belt is host to two world class operating nickel sulphide mines[2].

The 2nd phase of exploration will incorporate 4 – 5 weeks of geophysical surveys (MLEM and DHEM) followed by reverse circulation and diamond drilling of nickel targets. Contracts are being finalised with geophysical and drill crews with the aim of commencing the surveys as soon as practical. Geophysical surveys will be completed and interpreted prior to drilling to reduce mobilisation and field costs.

For further information, please contact:

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[1] Refer ASX releases by Hannans Ltd dated 20 February 2019 and 18 March 2020.
[2] Flying Fox and Spotted Quoll owned by Western Areas Ltd (ASX:WSA).

Figure 1: Regional location map showing major nickel mines and nickel deposits. Hannans Forrestania Nickel Project shaded in red.

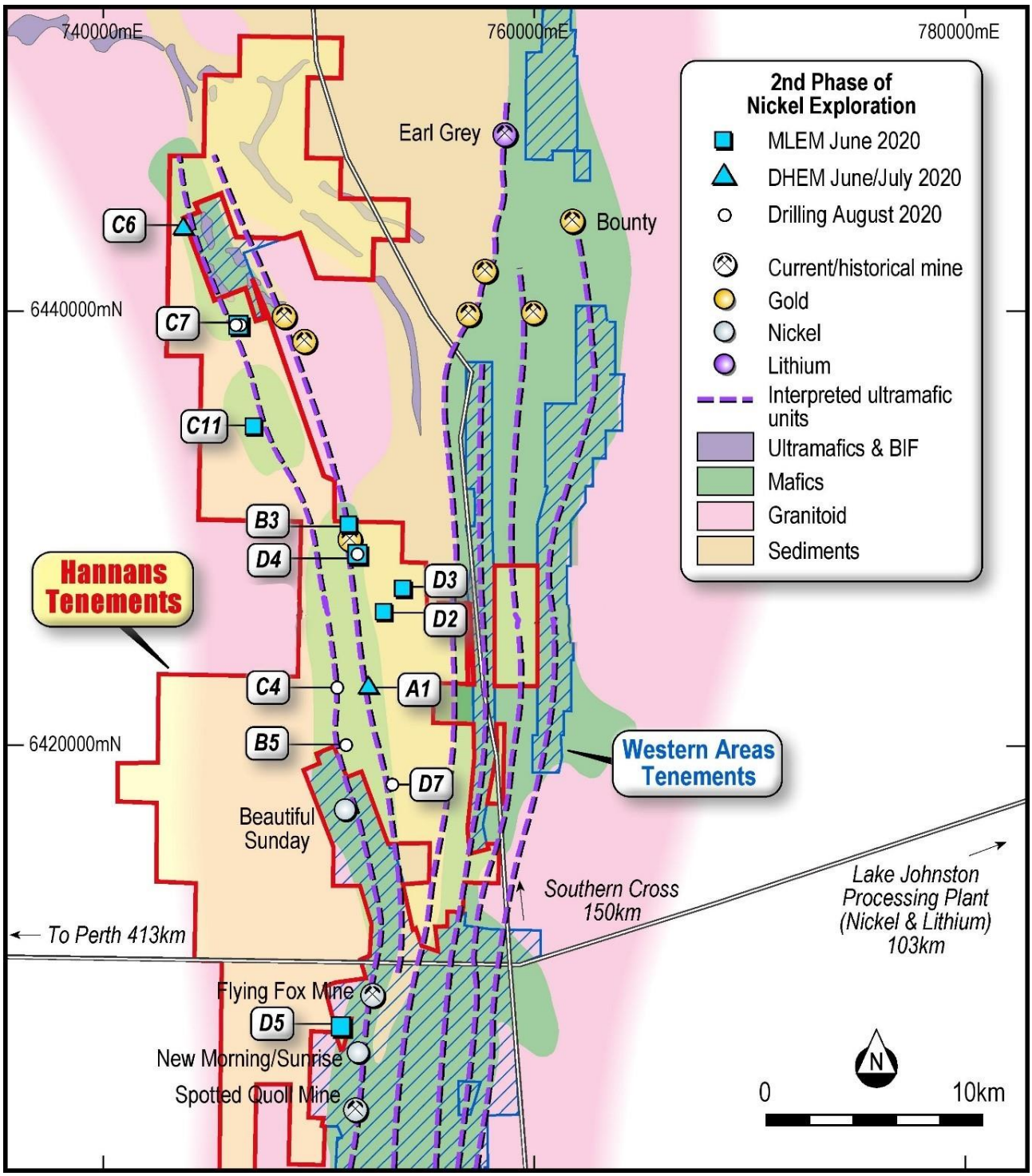

Figure 2: Tenement map showing the Forrestania Nickel Project. Refer to the key in the right hand corner of the map for an explanation of the symbols. Refer to the Table on page 4 for a summary of each of the target IDs. From west to east the broken lines represent the Western, Mid-Western, Takashi, Central, Mid-Eastern and Eastern Ultramafic Belts. The world class Flying Fox nickel sulphide mine owned by Western Areas Ltd is in the foreground. Distance from Flying Fox to Earl Grey is ~38kms.

ID	Target Type	Technique	Comment		Scheduled
C11	Geophysical	MLEM	~20 days of surveying	Geophysical surveys may generate additional targets for drilling in August	June
B3 / D4	Geophysical	MLEM	~6 days of surveying		June
D5	Geophysical	MLEM	~1 day of surveying		June
D2	Geophysical	MLEM	~1 day of surveying		June
D3	Geophysical	MLEM	~1 day of surveying		June
A1	Geophysical	DHEM	Drill hole FSRC061 returned anomalous values of nickel, chrome, and magnesium suggestive of more cumulative rocks. DHEM will search beyond the hole for possible sulphide accumulations containing nickel.[3]		June/July
C6	Geophysical	DHEM	Drill hole FSRC066 did not intersect the source of the geophysical anomaly and therefore a DHEM survey is planned to confirm the validity of the anomaly before more drilling is undertaken.[3]		June/July
C4	Geophysical	DD drilling	Drill hole FSRC062 did not reach its planned depth. A diamond tail will be required to test the EM conductor and reach the planned end of hole depth. POW approved.[3]		August
D4	Geophysical	RC / DD drilling	MLEM survey (refer above comment for D4) will assist with modelling target before drilling. POW granted.		August
B5	Geophysical	RC drilling	A mid-time anomaly possibly represents a conductor modelled on the ultramafic contact. POW granted.		August
D7	Geological	RC drilling	Shallow drill holes planned to test the western contact beneath the sub crop and the ultramafic stratigraphy where anomalous nickel assays intersected in historical auger sampling, and the recent identification of gossanous sub crop in surface reconnaissance. POW granted.		August
C7	Geophysical	RC drilling – 2 holes to test 2 plates	There is coincident anomalous copper geochemistry in soil samples. Interpretation of the 2019 MLEM resulted in two steeply dipping conductors. The location of these anomalies with respect to the Western Ultramafic Belt warrant follow up. POW granted.		August

2nd Phase of Nickel Exploration – Summary Table. Refer to Figure 2 on page 3 to see where the target ID's are located with the project tenure. Abbreviations: MLEM – moving loop electromagnetic survey; DHEM – down-hole electromagnetic survey; RC – reverse circulation drilling; DD – diamond drilling; POW – program of works (approval from the State Government to drill)

[3] Refer ASX release by Hannans dated 18 March 2020

Competent Person

The information in this document that relates to exploration results at Forrestania 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).