

### FAST FACTS

ASX Code: HNR

### CAPITAL STRUCTURE

Shares on issue: 2.6 billion

Market cap: \$54.7M (at 2.1c)

Cash: \$3.3M (30 September 2022)

Debt: Nil

### BOARD OF DIRECTORS

Non-Executive Chairman

Jonathan Murray

Executive Director

Damian Hicks (pending – retirement)

Non-Executive Directors

Markus Bachmann (pending – retirement)

Clay Gordon (pending – retirement)

Amanda Scott (pending – retirement)

Andrew Umbers (pending – appointment)

Mark Sumich (pending – appointment)

### LITHIUM-ION BATTERY RECYCLING

Sweden, Norway, Denmark & Finland - JV

UK & Ireland (pending - acquisition)

Italy & Southeast Europe (pending - acquisition)

### MINERAL EXPLORATION

Western Australia

Fraser Range (Ni-Cu)

Forrestania (Ni)

Moogie (Cu-Au & Ni-Cu)

Forrestania (Au) 20% - Free-Carried to DTM

### ABOUT HANNANS LTD

(EST. 2002)

Our vision is to sustainably produce metals for society.

### Prospectus **\*\*Live\*\***

- ∂ Positive response received from Hannans shareholders.
- ∂ Additional applications required to satisfy condition to relist on ASX (232 applications received, 300 non-affiliated applications required).
- ∂ Target reached for funds to be raised (\$1M in applications received).
- ∂ Access the Prospectus [here](#) and latest presentation [here](#).

### 1<sup>st</sup> Quarter (July – September 2022):

#### LITHIUM-ION BATTERY (LiB) RECYCLING

- ∂ Revised agreement with Greenhouse Investments Ltd (Greenhouse) executed. Hannans has acquired Greenhouse technology commercialisation rights and market intelligence believed necessary to underpin economic lithium battery recycling business.
- ∂ Subject to shareholder approval, Hannans commercialisation rights will cover territories incorporating 49% of the population of the EU27 and 38% of all motor vehicles registered in the EU.
- ∂ Director and management succession process completed. Skills and expertise of proposed new appointments aligned with entry into European lithium battery recycling industry<sup>1</sup>.

#### MINERALS EXPLORATION

- ∂ Moogie (Copper-Gold, Nickel-Copper & Gold) – interpretation of regional soil & rock geochemistry confirms priority of current prospects and identifies areas of interest for rare earth element (REE) mineralisation; heritage assessment completed enabling drill testing of previously announced precious and base metals targets.
- ∂ Forrestania (Nickel) – positive outcomes from Ultrafine<sup>+</sup>™ trial including identification of elevated nickel responses “off-trend”, elevated lithium-cesium-tantalum (LCT) responses suggesting the presence of fertile pegmatites, and elevated gold & pathfinder responses.
- ∂ Fraser Range (Nickel-Copper) –geochemistry planning in progress.

### Goals for the 2<sup>nd</sup> Quarter (October – December 2022):

#### LITHIUM-ION BATTERY (LiB) RECYCLING

- ∂ Continue implementation of European lithium battery recycling strategy.
- ∂ Convert strategic partnerships into Letters of Intent / binding Memorandums of Understanding creating pathways to future supply of lithium battery feedstock.
- ∂ Identify and secure site for 1<sup>st</sup> lithium battery facility.

<sup>1</sup> Refer Hannans Ltd ASX release dated 27 July 2022.



## HANNANS 1<sup>ST</sup> QUARTER ACTIVITIES REPORT

### Goals for the 2<sup>nd</sup> Quarter (October – December 2022) (cont'd):

#### CORPORATE

- ∅ Complete capital raising of \$1M to \$2M from more than 300 non-affiliated applicants.
- ∅ Obtain shareholder approval for change in scale and nature of activities to lithium battery recycling.
- ∅ Recommence trading on ASX.
- ∅ Welcome new non-executive directors and executive management.
- ∅ Hold Annual General Meeting.

#### MINERALS EXPLORATION

- ∅ Divestment process – subject to outcome of General Meeting seeking approval to change the scale and nature of Hannans activities, expedite process to sell and or joint venture the minerals exploration portfolio.
- ∅ Moogie (Copper-Gold & Nickel-Copper) – commence next stage of soil & rock geochemistry targeting new tenure and REE prospects.
- ∅ Forrestania (Nickel) – extend coverage of Ultrafine+™ geochemistry trial.

## LITHIUM-ION BATTERY RECYCLING IN EUROPE

### Vision, Strategy, and Implementation

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For a detailed outline please refer to the latest presentation available [here](#)<sup>2</sup> and the Prospectus available [here](#).<sup>3</sup>

### Board and Executive Management

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During the Quarter a Board succession process was completed to align the Board's skills matrix with its planned future business activities. Mr Jonathan Murray will continue as Chairman of the Board. Mr Umbers and Mr Sumich will only join the Board of Directors if shareholders approve the Greenhouse Transaction, and Hannans recommences trading on ASX.<sup>4</sup>

Hannans' largest shareholder Neometals Ltd has nominated Mr Andrew Umbers to be non-executive director. Mr Umbers has over 35 years of experience in Investment Banking and resides in London, UK. He was a Director at Barclays De Zoete Wedd, Managing Director at Credit Suisse, CEO at Evolution plc and a Director of European Equities of Credit Suisse. Mr Umbers has been responsible for advising on the listing and financing of approximately 100 companies on European stock markets. He was formerly Chairman of Leeds United Football Club and is Founder and Managing Partner of Oakwell Sports, the leading sports and sports technology commercial, strategic and financial adviser in Europe.

Hannans' proposed second largest shareholder Greenhouse has nominated Mr Mark Sumich to be non-executive director. Mr Sumich has 30 years of corporate and commercial experience, as an entrepreneur, business consultant, corporate lawyer and corporate finance executive and resides in Perth, Australia. He has held Chair and Managing Director roles in ASX-listed companies in the IT, technology, and resources sectors, raised over A\$100m in C-level roles, co-founded two ASX-listed entities (Globe Metals & Mining Ltd and DMC Mining Ltd) and has significant international business experience in Europe, Africa and China. Mr Sumich was previously employed by Clayton Utz and Price Waterhouse Coopers, has a law degree (Hons) from the University of Western Australia, a Master of Business Administration from the London Business School and holds a Graduate Diploma in Applied Finance & Investment from FINSIA.

Subject to the transaction closing successfully, it is envisaged Mr O'Leary-Collins will serve Hannans in an executive capacity. Mr Michael O'Leary-Collins is executive director and beneficial owner of Greenhouse. Mr O'Leary-Collins is an Australian citizen, residing predominately in Zagreb, Croatia. He holds both a Master of Laws and Business Administration from Bond University, Queensland. Mr O'Leary-Collins will continue to manage carriage of Greenhouse activities until all approvals have been received for the Greenhouse Transaction.

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<sup>2</sup> Lodged with ASX on 12 September 2022

<sup>3</sup> Lodged with ASX on 17 September 2022

<sup>4</sup> A Notice of Meeting and Prospectus to enable consideration of the matters will be lodged with ASX in September 2022.

## HANNANS 1<sup>ST</sup> QUARTER ACTIVITIES REPORT

### Improved Acquisition Agreement

During the Quarter Hannans executed an improved acquisition agreement with Greenhouse to acquire 100% of the non-exclusive rights to commercialise a lithium battery (LiB) recycling technology (**Technology**) in the United Kingdom and Ireland (**Non-Exclusive Territories**) and the sole and exclusive rights to commercialise the Technology in Italy and South Eastern Europe (**Exclusive Territories**). The Technology is the same technology that Hannans will commercialise in the Nordic region. The Greenhouse agreement more than doubles Hannans addressable market for scrap and end-of-life batteries.

If the transaction is approved and the capital raising completed, there will only be two companies with the rights to commercialise the Technology globally – Primobius GmbH<sup>5</sup> and Hannans Ltd. Hannans commercialisation rights will cover territories incorporating 49% of the population of the EU27 and 38% of all motor vehicles registered in the EU giving our shareholders tremendous leverage to the rapidly growing European LiB recycling sector, and specifically countries with the highest penetration rate of electric vehicles.

Hannans is undertaking a \$1.0 million capital raising (with oversubscriptions available for an additional \$1 million) at a price of 2.0 cents per share to fund its expansion plans and to meet ASX conditions for re-complying with Chapters 1 and 2 of the Listing Rules. The capital raising will be completed by way of a general offer to the public, with existing Hannans shareholders given a priority right to subscribe for new shares under the offer. As at today the minimum subscription has been achieved (\$1M) and the Company is well on the way to receiving 300 non-affiliated applications, as required by ASX as a condition of re-listing.

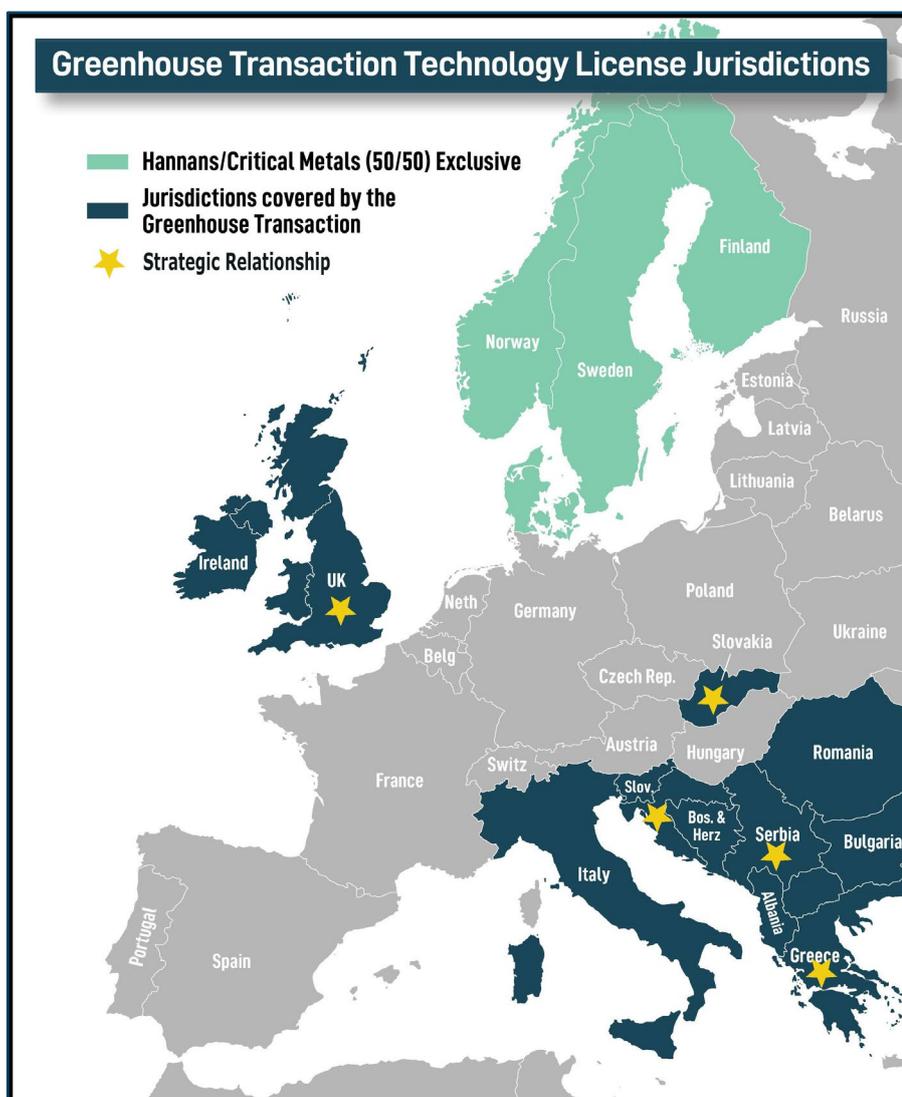


Figure 1. Hannans will have the rights to commercialise the technology in the countries coloured green and blue.

<sup>5</sup> A German company owned 50:50 by Neometals Ltd and large private German engineering company SMS group GmbH.

# HANNANS 1<sup>ST</sup> QUARTER ACTIVITIES REPORT

## MINERALS EXPLORATION

Hannans commenced exploration activities in Western Australia (the worlds #1 exploration & mining jurisdiction) in 2002. Subject to shareholder approval at a meeting to be held on 15 November 2022 Hannans will change the scale and nature of its activities from minerals exploration to lithium battery recycling. With that in mind Hannans has advised shareholders it has commenced a process to divest its mineral exploration portfolio. Several ASX listed and unlisted parties have expressed interest in accessing the portfolio and are at various stages of due diligence. Hannans is open to additional approaches from well-funded experienced teams with the drive to make an economic discovery within Hannans tenure.



Figure 2. Exploration Project Locations

### Moogie (Nickel-Copper-PGEs, Copper-Gold, and Gold)

Hannans was an early mover into the region and secured a large landbank of under-explored, highly prospective terrane in the Gascoyne Province proximal with the margin of Yilgarn Craton. Such collision belts at the margin of cratons are known to host deep crustal-scale structures, favourable target sites for mineralisation.

Hannans' Moogie Project hosts significant strike lengths of deep-seated structures including the Cardilya, Errabiddy and Deadman Shear Zones, the latter of which hosts the proximal 510,000 ounce Glenburgh Gold

## HANNANS 1<sup>st</sup> QUARTER ACTIVITIES REPORT

Deposit (owned by Gascoyne Resources Limited). Moogie is located 270km east of Carnarvon and comprises eight exploration tenements (5 granted and 3 under application) held 100% by Hannans (total area of 889 km<sup>2</sup>).

During the Quarter, interpretation was completed for recent regional soil geochemical programmes. Outcomes confirmed the status of existing priority targets with pathfinder anomalism, and with numerous other areas identified for follow-up. Preliminary rare earth element (REE) targets have been identified with elevated thorium responses variably supported by magnetic and observed geological features. Subject to contractor availability and satisfactory weather conditions a follow up geochemical program (infill soil sampling and rock-chip sampling) will cover areas of interest identified to date.

The process of attaining heritage clearance required for the purpose drill testing priority electromagnetic (EM) targets commenced with field visits by traditional owners being coordinated by the local aboriginal council.

### Forrestania (Nickel, Lithium & Gold)

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The Forrestania Project is centred on the Forrestania Greenstone Belt which hosts some of the worlds highest-grade nickel mines as well as world-class lithium and gold deposits. The nickel sulphide endowment of the ultramafic belts is remarkable having four mines with two open pits with nickel sulphides persisting beyond 1 km depth.

Located approximately 120km south of Southern Cross and 80km east of Hyden, in the Goldfields region of Western Australia, Hannans' Forrestania Project consists of 10 tenements (9 granted and 1 application) held 100% by Hannans (total area held is approximately 203 km<sup>2</sup>), with Classic Minerals Limited holding an 80% interest in the gold rights on selected tenements.

All the mineralised belts that host the mines, resources, and prospects at Forrestania are represented within the Hannans ground package, particularly the Western Ultramafic Belt that contains the highest-grade nickel deposits.

During the Quarter, an interpretation of results from a trial of the Ultrafine<sup>+</sup>™ analysis technique was completed. The Ultrafine<sup>+</sup>™ technique was developed by CSIRO to assist exploration under cover. Interpretation of the initial results suggest the technique is well suited to the Forrestania regolith. It proved to be a very good mapping tool and has assisted in explaining off-trend magnetic features. The Ultrafine<sup>+</sup>™ technique also identified areas with elevated lithium, cesium, rubidium and tin levels), an element suite associated with classic pegmatites known to host lithium mineralisation. A follow up sampling program has been planned.

### Forrestania (Gold)

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Joint venture partner, Classic Minerals Ltd (ASX:CLZ), is funding exploration on the Forrestania Gold Project (**FGP**). Hannans owns a 20% free-carried interest in the FGP meaning Hannans is not required to fund the costs of exploration until a decision to mine gold has been made by the joint venture. Classic did not make any announcements relevant to tenure covering Hannans gold rights during the Quarter. Please refer to the tenement schedule at the end of this report for tenements covered by this agreement.

### Fraser Range (Nickel-Copper)

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Hannans' Fraser Range Project tenements lie mostly within the metamorphosed rocks of the Fraser Range Domain of the Albany-Fraser Orogen, an east to northeast-trending Proterozoic terrane of igneous and high-grade metamorphic rocks flanking the southern and south-eastern margin of the Yilgam Craton.

The Project is located 100 km to the east of Norseman in Western Australia and consists of 10 granted tenements held 100% by Hannans. The tenements are spread over a distance of 75 km along a northeast strike and with the northern tenements only 16 km to the west of the Nova-Bollinger mine operated by IGO Limited.

The Fraser Range Project contains host rocks/stratigraphy considered prospective for nickel-copper sulphide mineralisation related to mafic-ultramafic intrusions, however the effectiveness and coverage of previous exploration is highly variable. Hannans' exploration strategy is therefore to conduct systematic exploration activities to follow on where previous operators have left off to effectively test the mineral potential of the tenure.

During the quarter preparations were advanced to follow-up the recent airborne EM interpretation with combination of mapping, soil and rock geochemistry.

## HANNANS 1<sup>st</sup> QUARTER ACTIVITIES REPORT

### COMPLIANCE AND CORPORATE GOVERNANCE

#### ASX Announcements

**Table 1:** ASX announcements during the period 1 July 2022 to date of report

Date	Announcement		
28/10/2022	Notice of AGM	23/09/2022	2022 Annual Report
26/10/2022	JMEI 2022 Entitlement Statements	23/09/2022	Appendix 4G & 2022 Corporate Governance Statement
17/10/2022	Prospectus for Relisting on ASX		
17/10/2022	Date of AGM & Director Nomination	12/09/2022	Board Succession
17/10/2022	Proposed Issue of Securities	02/09/2022	Updated Transaction Timetable
17/10/2022	Proposed Issue of Securities	29/07/2022	4th Quarter Cashflow Report
12/10/2022	Notice of General Meeting	29/07/2022	4th Quarter Activities Report
12/10/2022	Relisting on ASX & Lithium Battery Recycling in Europe	28/07/2022	Improved Acquisition Agreement
		19/07/2022	Extension of Suspension
6/10/2022	Change of Director's Interest Notice		

### CORPORATE

#### Issued Capital

As at 30 September 2022 the total number of shares on issue was 2,606,271,476.

#### Investments

The value of the Company's investments as of 30 September 2022 was \$354,891.

**Table 2:** Investee company portfolio

Investee Name	Number of Securities	Value
Errawarra Resources Ltd (ASX: ERW)	687,594	\$116,891
Critical Metals Ltd (Unlisted)	575,000	\$230,000
NickelX Limited (ASX: NKL)	50,000	\$8,000

#### Finance

The Company held cash and term deposits on hand as of 30 September 2022 of \$3.4 Million.

**Table 3:** Proportion of expenditure incurred on exploration and the recycling project during the Quarter

Project	Current Quarter Expenditure (A\$'000)	Cumulative since 4 <sup>th</sup> Quarter 2021/2022 (A\$'000)	Percentage (%)
Exploration	276	957	63.4%
Recycling	150	552	36.6%
<b>Total</b>	<b>426</b>	<b>1,509</b>	<b>100.0%</b>

Related Party payments for the quarter outlined in the Quarterly Cashflow Report (Appendix 5B) at section 6.1 of \$214,000 include amounts paid to directors including salary, directors' fees, geological consulting fees and statutory superannuation.

# HANNANS 1<sup>ST</sup> QUARTER ACTIVITIES REPORT

## TENEMENT SUMMARY

### Granted Tenements

Tenement number	Interest 1 <sup>st</sup> Quarter 2022/2023		Note	Tenement number	Interest 1 <sup>st</sup> Quarter 2022/2023		Note
	Start	End			Start	End	
<b>HR FORRESTANIA PTY LTD / HANNANS LIB PTY LTD <sup>1</sup></b>							
<b>Location: Fraser Range, Australia</b>							
E28/3167	100%	100%	1				
E28/3168	100%	100%	1				
E63/2143	100%	100%	1				
<b>REED EXPLORATION PTY LTD <sup>2</sup></b>							
<b>Location: Forrestania, Western Australia</b>				<b>Location: Fraser Range, Western Australia</b>			
E77/2207-I	100%	100%	3	E63/2020	100%	100%	
E77/2219-I	100%	100%	3	E63/2021	100%	100%	
E77/2220-I	100%	100%	3	E63/2022	100%	100%	
E77/2239-I	100%	100%	3,4	E63/2023	100%	100%	
P77/4290	100%	100%	3	E63/2024	100%	100%	
P77/4291	100%	100%		E63/2025	100%	100%	
E77/2546	100%	100%		E63/2026	100%	100%	
P77/4534	100%	100%					
E77/2460	100%	100%	5				
<b>Location: Moogie, Western Australia</b>							
E09/2373	100%	100%					
E09/2374	100%	100%					
E09/2417	100%	100%					
E09/2460	100%	100%					
E09/2461	100%	100%					

**Note:**

- 1 HR Forrestania Pty Ltd (**HRF**) a wholly owned subsidiary of Hannans Ltd changed its name to Hannans LiB Pty Ltd (**HLB**) on the 27 May 2022. HLB is the registered holder of the tenements.
- 2 Reed Exploration Pty Ltd (**REX**) is a wholly owned subsidiary of Hannans Ltd. REX is the registered holder of the tenements unless indicated otherwise.
- 3 REX holds a 100% interest in all minerals excluding gold. REX holds a 20% free-carried interest in the gold rights.
- 4 REX voluntary partial surrendered 6 sub-blocks during the period.
- 5 Tenement previously registered under HRF and HLB after the change of name, was transferred to REX on the 10 August 2022.

### Tenement Applications

Tenement number	Note	
<b>REED EXPLORATION PTY LTD</b>		
<b>Location: Moogie, Western Australia</b>		<b>Location: Forrestania, Western Australia</b>
E09/2640 / E09/2717	6	E77/2711 / E77/3002
E09/2662 / E09/2718	6	
E09/2697 / E09/2719	6	

**Note:**

- 6 Re-application of existing exploration licences pending grant following changes in Warden's decision published on the 24 August 2022.

### Relinquished or Lapsed Tenements

NIL

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

-End-

## COMPLIANCE STATEMENT

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The information in this document that relates to exploration results at Forrestania, and Fraser Range 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).

The information in this document that relates to exploration results at Moogie is based on information compiled by Amanda Scott, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (Membership No.990895). Amanda Scott is a full-time employee of Scott Geological AB. Amanda Scott is also a non-executive director of Hannans and holds both shares and options in Hannans. Amanda Scott 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). Amanda Scott consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.