

## HAMMER METALS WELCOMES SUMITOMO METAL MINING CO TO THE MOUNT ISA EAST JOINT VENTURE

- **Japan Oil, Gas and Metals National Corporation (“JOGMEC”) and Sumitomo Metal Mining Oceania Pty. Ltd. (“SMMO”) have signed an agreement** to transfer the position of JOGMEC in the Mount Isa East Joint Venture (“JV”)
- **Following multiple unsolicited approaches to JOGMEC**, eligible Japanese companies were invited to submit bids to assume JOGMEC’s position in the JV
- **SMMO, a 100% owned subsidiary of Sumitomo Metal Mining Co. Ltd. (“SMM”), a globally recognised base and precious metal miner**, were selected as the tender winner
- **The original terms of the JV continue, with SMMO/SMM replacing JOGMEC as the earn-in partner.** The original JV terms required total expenditure of \$6 million by 31 March 2024 to earn a 60% interest in the JV area (see ASX Announcement 25 November 2019)
- **SMM’s demonstrated capabilities in exploration, project development and finance** are a significant boost to the JV in its pursuit to delineate and develop a large-scale iron oxide copper-gold project
- **SMM and Hammer have developed a rigorous exploration program for the remainder of 2021** with various activities concentrated on the **further development of the Trafalgar trend**
- **In addition to further drilling, several geophysical, geochemical and mapping activities have been prioritised**
- **Hammer remains as operator** of the JV until at least the completion of the earn-in period

**Hammer Metals Ltd (ASX:HMX) (“Hammer” or the “Company”)** is pleased to announce a new partner in its Mount Isa East Joint Venture. Following early exploration success at the Trafalgar Prospect, JOGMEC has successfully completed a tender process to monetise its interest in the JV to the highly credentialed successful mining company Sumitomo Metal Mining Co Ltd. Completion of the sale remains subject to the execution of a Novation Deed and other related transfer documentation.

Exploration activities including drilling at Trafalgar have continued during the tender process. Results from recent drilling at Trafalgar are still pending and are expected to be available in the coming weeks.

Through recent discussions between SMM and Hammer, several areas within the JV have been prioritised for immediate work. A number of geophysical (including downhole EM) and geochemical programs are planned to commence in the near future. Follow up drilling at Trafalgar and along the Trafalgar trend have also been considered with drilling likely to be initiated towards the end of the third quarter.

### ASX RELEASE

19 August 2021

### DIRECTORS / MANAGEMENT

**Russell Davis**  
Chairman

**Daniel Thomas**  
Managing Director

**Ziggy Lubieniecki**  
Non-Executive Director

**David Church**  
Non-Executive Director

**Mark Pitts**  
Company Secretary

**Mark Whittle**  
Chief Operating Officer

### CAPITAL STRUCTURE

#### ASX Code: HMX

Share Price (18/08/2021)	\$0.077
Shares on Issue	813m
Market Cap	\$63m
Options Unlisted	27m
Performance Rights	6.5m

**Hammer's Managing Director, Daniel Thomas said:**

*"This is an exciting time for Hammer in Mount Isa and we're thrilled to welcome a new partner to the Mount Isa East Joint Venture. Sumitomo Metal Mining Co. Ltd have a prestigious history in the global development of large-scale copper and gold projects and their current operations span several world class operating copper and gold mines. Attracting interest from a successful international mining company is further recognition of the copper potential in the Mount Isa district and the Joint Venture's progress to date.*

*The Joint Venture with JOGMEC was originally signed in November 2019 with field work commencing in early 2020. In less than a year of exploration, the JV made the Trafalgar discovery and have set the scene for the ongoing success of the Joint Venture. We thank JOGMEC for their substantial contribution to the JV and our early exploration success.*

*The immediate plans for the JV are being finalised and we expect a return to the Trafalgar trend before the end of the year. Several high-ranking targets along this trend remain untested with numerous old workings similar in nature to those at Trafalgar and at Hammer's 100% owned prospects at Lakeview and Neptune. Further geophysical and geochemical surveys are also being planned to further aid targeting along these trends. We look forward to working with our new partner Sumitomo Metal Mining and harnessing their expertise in the development of a world class copper and gold operation."*

*This announcement has been authorised for issue by the Board of Hammer Metals Limited in accordance with ASX Listing Rule 15.5.*

For further information please contact:

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Managing Director

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**About Hammer Metals**

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,200km<sup>2</sup> within the Mount Isa mining district, with 100% interests in the Kalman (Cu-Au-Mo-Re) deposit, the Overlander North and Overlander South (Cu-Co) deposits and the Elaine (Cu-Au) deposit. Hammer also has a 51% interest in the Jubilee (Cu-Au) deposit. Hammer is an active mineral explorer, focused on discovering large copper-gold deposits of Ernest Henry style and has a range of prospective targets at various stages of testing.

Hammer also has a 100% interest in the Bronzewing South Gold Project located adjacent to the 2.3 million-ounce Bronzewing gold deposit in the highly endowed Yandal Belt of Western Australia.

**About Sumitomo Metal Mining Co. Ltd.**

Sumitomo Metal Mining Co. Ltd has over 300 years of mine development and operation. Sumitomo Metal Mining runs the Hishikari Mine (The largest gold mine in Japan to continue operating on a commercial scale) while also participating in the development and operation of mines in various locations around the world including; Northparkes (NSW), Sierra Gorda (Chile), Candelaria (Chile), Ojos del Salado (Chile) Quabrada Blanca (Chile), Morenci (USA) and Cerro Verde (Peru).

### **About JOGMEC**

Japan Oil, Gas and Metals National Corporation is a Japanese government Independent Administration Institution tasked to ensure a stable supply of mineral resources for Japan. JOGMEC has a demonstrated track record of participating in the Australian mineral exploration industry. Further details about JOGMEC can be found on the corporation's website: <http://www.jogmec.go.jp/english/index.html>

### **About Mount Isa East Joint Venture**

Sumitomo Metal Mining Co. Ltd ("SMM") has assumed the rights and obligations that Japan Oil, Gas and Metals National Corporation ("JOGMEC") had under the Joint Venture. That is, the right to earn a 60% interest by expending \$6,000,000 by 31 March 2024. Under the terms of the Joint Venture, the SMM/JOGMEC is required to expend a minimum of \$1m in exploration expenditure in the third year of the program. SMM will not earn an interest in the project until SMM (including the previously incurred JOGMEC Expenditure) has incurred \$6 million in exploration expenditure (see ASX announcement 25 November 2019).