ASX RELEASE
14 October 2021

DIRECTORS / MANAGEMENT

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Chairman

Daniel Thomas
Managing Director

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Non-Executive Director

David Church
Non–Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (13/10/2021)	$0.061
Shares on Issue	813m
Market Cap	$49m
Options Unlisted	27m
Performance Rights	6.5m

HIGH GRADE COPPER INTERSECTED AT LAKEVIEW

- **Assays received from first three (of nine) drill holes in extensional drilling at Lakeview includes high grade copper intercept of:**
  - **18m at 1.70% Cu and 0.49g/t Au** from 61m in HMLVRC005, including:
    - **5m @ 4.17% Cu and 1.04g/t Au** from 62m
- **Drilling at Overlander has defined a thick copper bearing breccia** over a broad width with significant assay results of **78m @ 0.26% Cu from 75m** in OVRC035
- Field mapping has defined **several prospective zones for copper and gold mineralisation surrounding Lakeview**. **Rock chip results** from these areas **have delivered peak assays of 19% Cu and 24g/t Au**
- **Samples from the Orion target,** 1km to the northwest of Lakeview, have recorded **assays of up to 8.4% Cu and 0.56g/t Au. Orion to form part of an upcoming drilling program**
- Detailed mapping of the Neptune IOCG prospect defines further highly prospective targets. **Peak rock chip assays of 27% Cu, 10g/t Au**
- **New target zones defined in Neptune area** at Sirius, Australian Flag and Lady Kate. New prospects to be targeted in **upcoming drilling program**
- **Downhole EM geophysical review and modelling underway for prospects at Lakeview and Neptune (Lady Rose)**
- **Drill rig secured for the end of October; follow up drilling program to include both Hammer's 100% ground and within the Mount Isa East Joint Venture with Sumitomo Metal Mining Oceania**

Hammer's Managing Director, Daniel Thomas said:

"Our recent drilling program in Mount Isa continues to deliver substantial copper-gold intersections. This program scouted seven different prospects, with significant mineralisation observed at six of the target zones. These results continue to highlight the prospective nature of the Mount Isa region and the opportunity for our assets to contribute to the future copper supply from this region.

The prospective corridor running from Neptune through Trafalgar, Lakeview and up to our JORC compliant copper and gold resources at Elaine and Jubilee is proving to be fertile for further copper and gold mineralisation.

With sustained higher copper prices and a growing copper inventory, Hammer remains well placed to continue its journey from exploration to base metal development company. With results still pending from our most recent program in Mount Isa, upcoming drilling programs in Mount Isa and at our Bronzewing South gold project, Hammer is set for a busy and productive end to 2021."

Hammer Metals Ltd (ASX:HMX) ("**Hammer**" or the "**Company**") is pleased to update the market with the results from its Mount Isa Project drilling program. The following table summarises the status of further drill results from Lakeview, Overlander North, Kalman West, and Serendipity in the Mount Isa region with results for six of the nine Lakeview drill holes still pending.

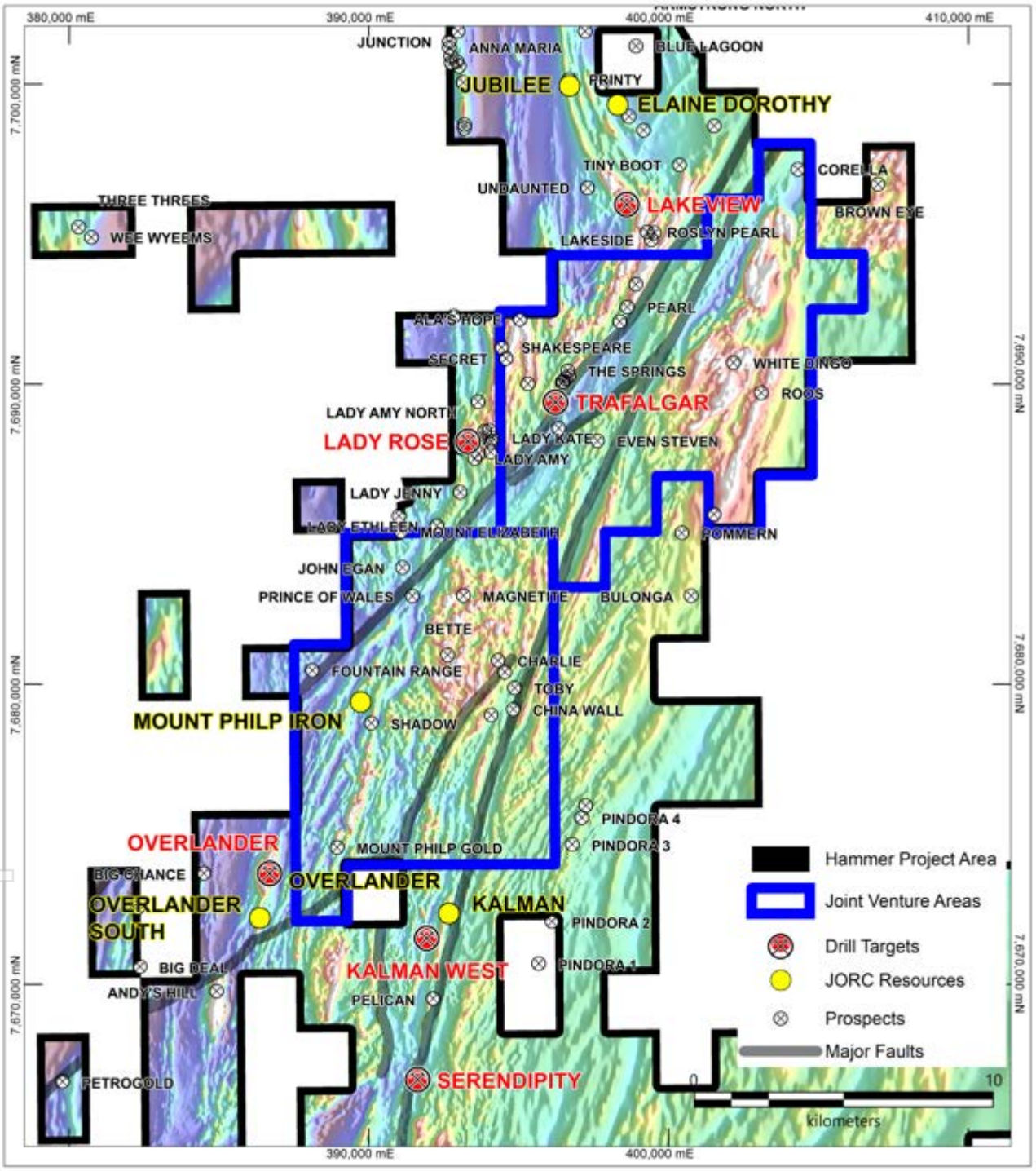

Figure 1. *Project Overview showing areas of activity and reported results*

Table 1. *Mt Isa Project – Drilling Status. For location of prospects see Figure 1*

Mt Isa Project Drilling status of October 12th 2021					
Prospect	**Holes**	**Metres**	**Assays**	**DH EM Conducted**	**Comment**
Kings-Charlotte	6	660	383		Refer to ASX release dated 26 July 2021
Lakeview	4	300	288		Refer to ASX release dated 22 June 2021
Lakeview follow-up	9	1080	570	Yes	Results Partly Reported
Lady Rose	3	728	482	Yes	Refer to ASX release dated 26 July 2021
Trafalgar^	5	970	796	Yes	Refer to ASX release dated 24 September 2021
Serendipity	2	344	139	Pending	Reported Herein
Kalman West	1	299	264	Pending	
Kalman West follow-up	2	188	128		
Overlander	3	734	312	Pending	
Total	**35**	5303	3362		
Note					
^ - Mt Isa East Joint Venture					

Four holes were initially drilled at Lakeview (for 300m) and this drilling was sufficiently encouraging to follow up with a further 9 holes (for 1080m) to determine whether the prospect had mineralisation continuity sufficient to progress to a resource drill-out. To date, assays for the first three holes of this additional drilling have been received.

Three holes for 734m were drilled at Overlander North. Two of these holes were testing the southern margin of the Overlander IOCG target and the remaining hole tested the northern extents of a large tonnage rhyolite breccia target.

At Kalman West, three holes (for 487m) were drilled with a single 300m hole testing an MT and VTEM target and the two remaining holes testing the recent discovery of visible gold. (See ASX announcement dated 26 July 2021).

At Serendipity, two holes (for 244m) were designed to test a quartzite unit with an anomalous Cu and Au soil response close to the Pilgrim Fault zone.

Lakeview Update

The initial three-hole (300m) program was successful in delineating mineralisation and a second nine-hole (1080m) program was completed to further investigate mineralisation at depth (refer to ASX announcement dated 22 June 2021). The aim of this follow-up drilling was to determine whether a Cu-Au resource could be defined at Lakeview to add to Hammer's existing mineral resource inventory.

After considerable delays in receiving results from the assay laboratory, the results for 3 of the 9-hole follow-up program have been received. Significant intercepts from these three holes include:

- **18m at 1.7% Cu and 0.49g/t Au** from 61m in HMLVRC005, including;
  - **5m at 4.17% Cu and 1.04g/t Au** from 61m;
- 13m at 0.59% Cu and 0.15g/t Au from 66m in HMLVRC007, including; and
  - **1m at 1.42% Cu and 0.46g/t Au** from 77m; and
- **3m at 1.73% Cu and 1.42g/t Au** from 147m in HMLVRC007.

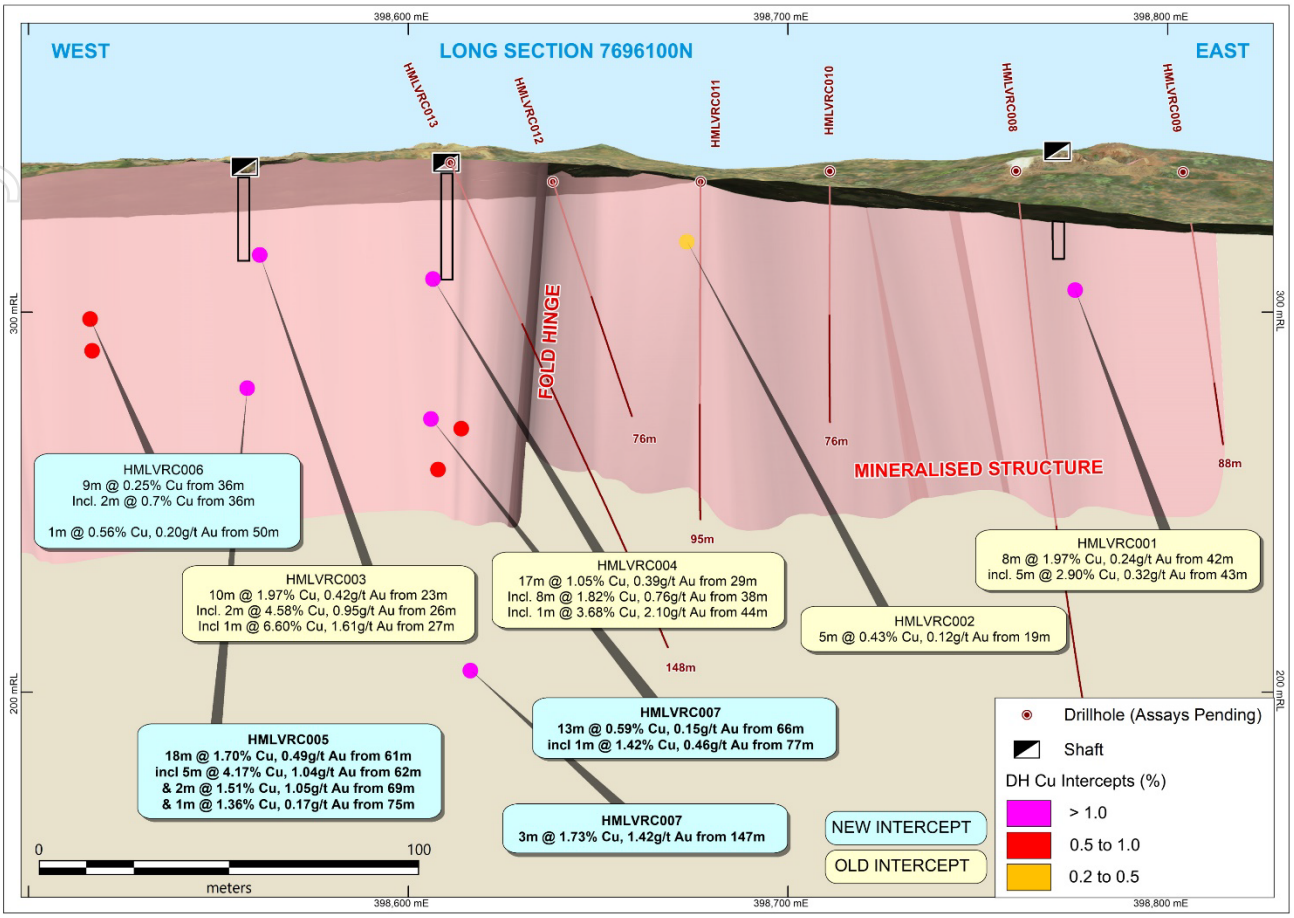

Figure 2. *Lakeview long section looking north.*

Preliminary assessment of the drilling results indicates that the higher-grade zones of mineralisation plunge steeply, and with increasing depth the Cu to Au ratio remains consistent. Two of the holes drilled during this program were subject to a downhole electromagnetic survey to determine whether any off-hole conductors were present, and the data generated from this program is currently being modelled by Hammers' geophysical consultants – Newexco.

In combination with this follow-up drilling, geological mapping and rock chip sampling was conducted to define extensional targets. The mapping indicated that vein mineralogy is consistent with the peripheral expression of an IOCG system and there are two main follow up targets within the general Lakeview area.

Recent field mapping and rock chip sampling undertaken highlighted the relationship between mineralised structures and the margin of zones of magnetite alteration. Maximum individual grades of 18.9% Cu, 23.6g/t Au and 0.17% Co were obtained by this sampling. New target zones at Orion (North) and Ajax (South) have been defined. Both Orion and Ajax have not previously been drilled. Orion, is located on the margin of a magnetite alteration zone in a similar position to Jubilee, Black Rock and the Neptune group of prospects. Carbonate dominant veins are present on the margin of the quartzite over a strike length of 300m and gossanous quartzite has been mapped within the alteration zone.

Based on previous drilling results, downhole electromagnetics, mapping and sampling, Hammer has designed a follow-up drilling program to test this highly prospective area. In addition, an extensive soil sampling program is underway with the aim of improving the geochemical coverage of the Trafalgar to Jubilee trend within the Lakeview region.

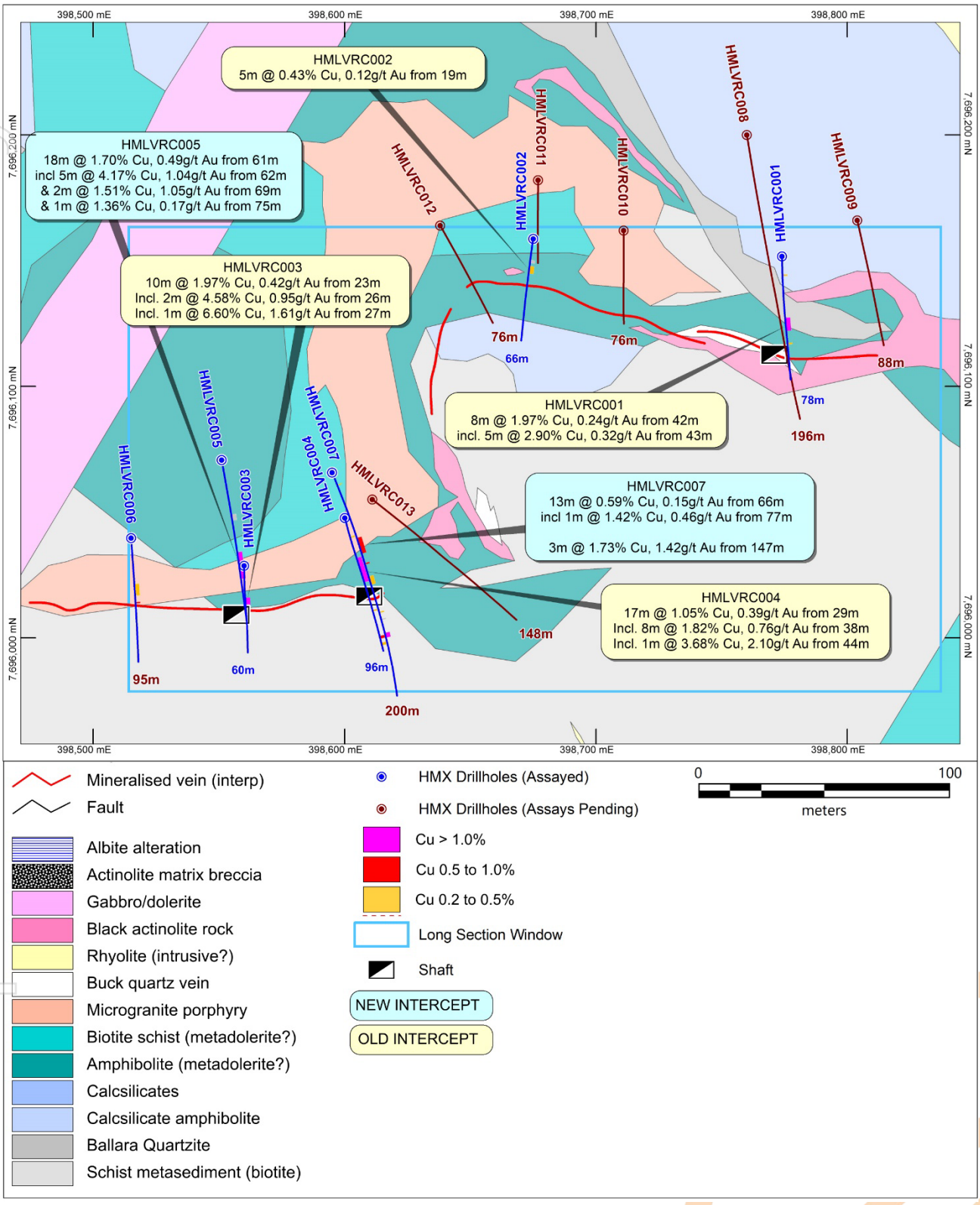

Figure 3. *Lakeview Plan view showing the location of the initial and follow-up drilling program*

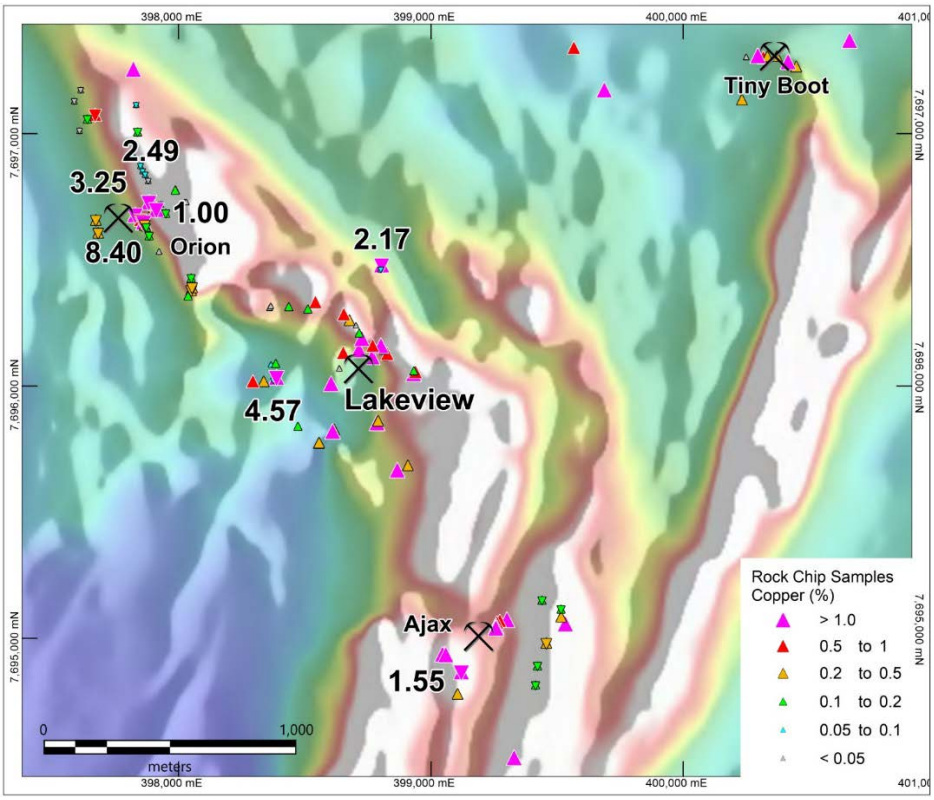

Figure 4. *Lakeview region showing rock chip Copper (%) results*

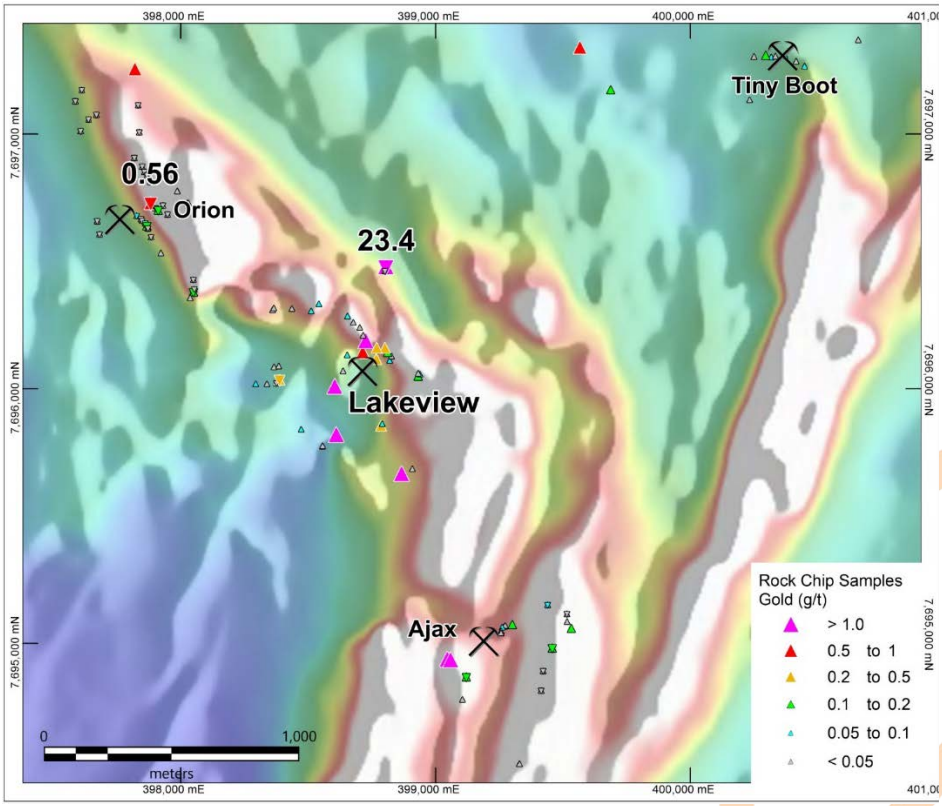

Figure 5. *Lakeview region showing rock chip Gold (g/t) results*

Table 2. *Mt Isa Project – Lakeview Prospect – Significant intercepts*

MT ISA PROJECT - Lakeview - Significant Cu Intercepts (0.2% Cu Cut-Off Grade)													
Target	Hole	E_GDA94	N_GDA94	RL	TD	Dip	Az_GDA		From	To	Width	Cu %^	Au g/t ^^
Lakeview	HMLVRC001	398774	7696152	342.5	78	-55	180		13	14	1	0.24	0.05
								Envelope	**42**	**50**	**8**	**1.97**	**0.24**
								incl.	**43**	**48**	**5**	**2.90**	**0.32**
									57	58	1	0.22	0.08
									73	74	1	0.07	0.11
	HMLVRC002	398675	7696159	336.2	66	-55	188		15	17	2	0.00	0.17
									19	24	5	0.43	0.12
	HMLVRC003	398560	7696029	338.4	60	-55	180	*Envelope*	**23**	**33**	**10**	**1.97**	**0.42**
								incl.	**26**	**28**	**2**	**4.58**	**0.95**
								incl.	**27**	**28**	**1**	**6.60**	**1.61**
	HMLVRC004	398600	7696048	339.5	96	-55	166		14	15	1	0.28	0.01
								Envelope	**29**	**46**	**17**	**1.05**	**0.39**
								incl.	**38**	**46**	**8**	**1.82**	**0.76**
								incl.	**44**	**45**	**1**	**3.68**	**2.10**
									53	54	1	0.22	0.04
									66	67	1	0.24	0.03
									85	87	2	0.62	0.06
									90	92	2	0.44	0.06
	HMLVRC005	398551	7696071	336.0	106	-55	172		36	40	4	0.02	0.11
								Envelope	**61**	**79**	**18**	**1.70**	**0.49**
								incl.	**62**	**67**	**5**	**4.17**	**1.04**
								&	**69**	**71**	**2**	**1.51**	**1.05**
								&	**75**	**76**	**1**	**1.36**	**0.17**
	HMLVRC006	398513	7696039	333.0	95	-57	180	*Envelope*	36	45	9	0.25	0.05
								incl.	36	38	2	0.70	0.06
								&	39	40	1	0.17	0.11
									50	51	1	0.56	0.20
	HMLVRC007	398596	7696066	336.0	200	-65	162		14	15	1	0.36	0.01
								Envelope	66	79	13	0.59	0.15
								incl.	77	78	1	1.42	0.46
									87	88	1	0.59	0.10
									98	105	7	0.48	0.12
									128	129	1	0.33	0.14
									134	135	1	0.15	0.10
									147	**150**	**3**	**1.73**	**1.42**
	HMLVRC008	398761	7696200	337.0	196	-60	170		*Results Pending*				
	HMLVRC009	398803	7696167	336.0	88	-55	172						
	HMLVRC010	398713	7696162	337.0	76	-60	180						
	HMLVRC011	398675	7696174	337.0	95	-72	180						
	HMLVRC012	398638	7696163	337.0	76	-60	150						
	HMLVRC013	398610	7696058	337.0	148	-60	130						

Note

^ - Average analysis utilised where more than one reading conducted.

^^ - Average analysis utilised where more than one reading conducted. High variability in Au repeat analyses indicates the possible presence of coarse Au

Coordinates and azimuth relative to GDA 94 Zone 54. RL Derived from a Drone DTM. Both coordinates and RL to be resurveyed using DGPS at the conclusion of the program

Table 3. *Mt Isa Project - Lakeview Prospect – Rock Chip Sampling*

MT ISA PROJECT - Lakeview - Rock Chip Results														
Sample	E_GDA94	N_GDA94	RL	Cu %	Au g/t	Co_ppm		Sample	E_GDA94	N_GDA94	RL	Cu %	Au g/t	Co_ppm
MJB1070	397832	7697116	327	0.06	0.01	45.5		MJB1110	399056	7694942	323	**18.90**	0.24	146
MJB1071	397837	7697009	329	0.19	0.01	157.5		MJB1111	399105	7694783	315	0.47	0.03	351
MJB1072	397818	7696909	330	0.08	0.01	12.1		MJB1112	398931	7696052	336	**1.62**	0.18	362
MJB1073	398049	7696382	352	0.23	0.19	64.4		MJB1113	398939	7696059	337	**0.67**	0.05	135
MJB1074	398053	7696393	332	0.30	0.01	62.4		MJB1114	398931	7696063	336	0.11	0.02	48.2
MJB1075	398049	7696430	335	0.17	0.01	60.8		MJB1115	398908	7695688	333	0.27	0.01	26.3
MJB1076	397827	7696681	336	**3.25**	0.05	352		MJB1116	398866	7695669	328	**7.71**	**3.02**	184
MJB1077	397844	7696669	336	0.12	0.01	202		MJB1117	398786	7695857	333	**14.00**	0.24	662
MJB1078	397848	7696662	337	0.64	0.02	890		MJB1118	398790	7695865	331	0.33	0.06	598
MJB1079	397860	7696652	344	**8.40**	0.07	469		MJB1119	398779	7695891	327	0.42	0.10	68.9
MJB1080	397866	7696641	345	0.24	0.10	262		MJB1120	398616	7695830	346	0.37	0.03	480
MJB1081	397871	7696632	346	0.19	0.01	617		MJB1121	398610	7695823	346	**1.26**	**4.95**	237
MJB1082	397883	7696598	348	0.12	0.01	149.5		MJB1122	398556	7695777	343	0.23	0.02	34.2
MJB1083	397849	7696875	378	0.06	0.01	18.8		MJB1123	398556	7695778	343	0.26	0.03	64
MJB1084	397857	7696854	377	0.05	0.01	26.7		MJB1124	398472	7695843	336	0.14	0.09	74.9
MJB1085	397867	7696840	379	0.09	0.01	15.1		MJB1125	398338	7696021	331	0.40	0.03	286
MJB1086	397929	7696722	379	0.06	0.03	88.1		MJB1126	398294	7696022	333	0.83	0.06	115.5
MJB1087	397880	7696815	377	0.01	0.01	26.9		MJB1127	398366	7696088	336	0.09	0.03	18
MJB1088	397948	7696687	374	0.14	0.02	301		MJB1128	398384	7696091	335	0.18	0.02	53.5
MJB1089	397901	7696711	356	0.27	0.04	150.5		MJB1129	397987	7696779	356	0.12	0.03	41.9
MJB1090	397882	7696731	377	**2.49**	0.91	277		MJB1130	397986	7696778	356	0.12	0.02	57.7
MJB1091	397911	7696703	378	**1.00**	0.18	283		MJB1131	398024	7696731	355	0.00	0.01	29.3
MJB1092	397681	7696609	378	0.21	0.03	115		MJB1132	398030	7696731	355	0.00	0.01	27.3
MJB1093	397672	7696660	377	0.38	0.01	425		MJB1133	398542	7696335	340	0.52	0.05	334
MJB1094	397586	7697131	377	0.00	0.01	70.3		MJB1134	398511	7696308	344	0.15	0.05	60.3
MJB1095	397612	7697175	377	0.04	0.01	57.2		MJB1135	398436	7696317	327	0.12	0.01	94.6
MJB1096	397669	7697078	378	0.52	0.04	**1695**		MJB1136	398360	7696312	370	0.01	0.01	35
MJB1097	397638	7697060	378	0.11	0.02	42		MJB1137	398365	7696320	368	0.01	0.01	11.9
MJB1098	397607	7697014	378	0.01	0.01	62.1		MJB1138	398859	7696112	350	0.01	0.01	7.6
MJB1099	398375	7696024	378	0.08	0.04	43.1		MJB1139	398827	7696130	341	0.76	0.02	111.5
MJB1100	398387	7696037	327	**4.57**	0.39	134		MJB1140	398811	7696145	322	0.15	0.13	58.3
MJB1101	398804	7696482	340	**2.17**	**23.60**	52		MJB1141	398801	7696163	323	**2.12**	0.41	631
MJB1102	398801	7696465	339	0.08	0.02	142.5		MJB1142	398769	7696163	323	0.53	0.41	398
MJB1103	399439	7695154	320	0.20	0.08	566		MJB1143	398718	7696144	340	0.98	0.20	206
MJB1104	399515	7695119	315	0.19	0.03	49.6		MJB1144	398713	7696146	342	**7.26**	0.56	272
MJB1105	399457	7694984	317	0.46	0.11	27.4		MJB1145	398725	7696191	345	**1.85**	**2.38**	95.9
MJB1106	399422	7694894	318	0.18	0.04	102.5		MJB1146	398715	7696212	345	0.16	0.02	124
MJB1107	399392	7694857	310	**5.04**	0.05	248		MJB1147	398702	7696243	344	0.05	0.01	21.5
MJB1108	399414	7694817	311	0.12	0.01	23.8		MJB1148	398677	7696263	346	0.34	0.01	509
MJB1109	399120	7694871	322	**1.55**	0.13	235		MJB1149	398655	7696287	346	0.65	0.06	534
Note														
^ - Average analysis utilised where more than one reading conducted.														
Coordinates and azimuth relative to GDA 94 Zone 54.														

Overlander Update

Three holes for 734 meters were drilled at the Overlander North Prospect. Two of these holes were designed to test the southern margin of the Overlander IOCG alteration zone. Both holes intersected favourable alteration, however failed to intersect significant mineralisation.

The third hole, OVRC035 was designed to test a rhyolitic crackle breccia on the eastern margin of Overlander North. The hole intersected 78m @ 0.26% Cu from 75m. Notably the Cu intersection is accompanied by anomalous Zn levels with an individual maximum grade of 0.21% Zn.

The rhyolitic breccia outcrops sporadically over a 1.6km strike length and is tested by only four holes (including OVRC035). The unit can be up to 100m in true thickness. The other three holes have similar thick copper intersections including:

- **71 metres at 0.31% Cu from 61 metres within a broader envelope of 104 metres at 0.25% Cu** in OVRC024**;**
- **104m at 0.25% Cu from 30m** in OVRC032; and
- **115m at 0.31% Cu from 128m** in K-111**.**

The rhyolitic crackle breccia at Overlander is considered to have the potential to host a large tonnage Cu-Co resource. A review of the previous IP survey completed at Overlander is underway with a view to optimizing future drill targeting of this large target.

OVRC033 and OVRC034 were drilled to test the southern margin of the Overlander IOCG deposit in addition to intersecting the Overlander shear structural position (which hosts the Overlander North Cu resource). Both holes failed to intersect significant mineralisation.

Table 4. *Mt Isa Project – Overlander Prospect – Significant intercepts*

MT ISA PROJECT - OVERLANDER - Significant Cu Intercepts (0.2% Cu or 0.1g/t Au Cut-Off Grade)													
Target	Hole	E_GDA94	N_GDA94	RL	TD	Dip	Az_GDA		From	To	Width	Au g/t ^	Cu % ^
Overlander North	OVRC033	386505	7673429	394	257	-55	90		0	4	4	0.02	0.10
									10	12	2	0.04	0.22
									56	60	4	0.04	0.16
									64	68	4	0.03	0.10
									144	145	1	0.19	0.65
									147	148	1	0.02	0.16
									152	154	2	0.03	0.27
									172	176	4	0.05	0.51
									240	244	4	0.02	0.10
	OVRC034	386392	7673397	409	250	-55	90		115	116	1	0.05	1.31
	OVRC035	386866	7673609	398	227	-55	90		58	60	2	0.01	0.14
								Envelope	75	153	78	0.03	0.26
								incl.	102	103	1	0.02	0.53
								&	125	127	2	0.07	0.99
Note													
^ - Average analysis utilised where more than one reading conducted.													
Coordinates and azimuth relative to GDA 94 Zone 54. Both coordinates and RL to be resurveyed using DGPS at the conclusion of the program													

OCRC033 will be subject to a downhole electromagnetic survey later in 2021. A full geophysical and geological review of the Andy's Hill and Overlander IOCG prospects is currently being undertaken with a view to optimising future drill targeting.

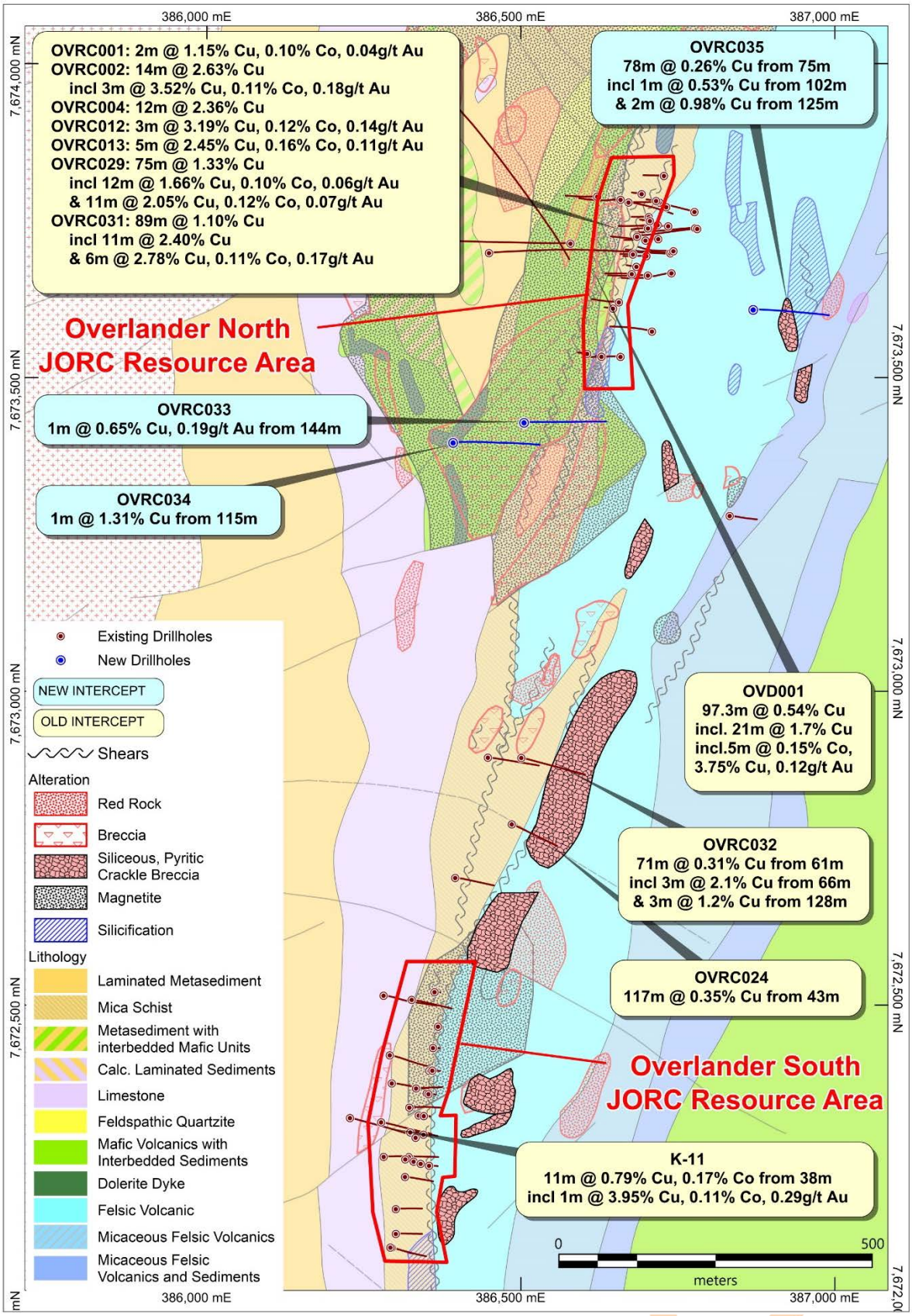

Figure 6. *Overlander North Prospect plan*

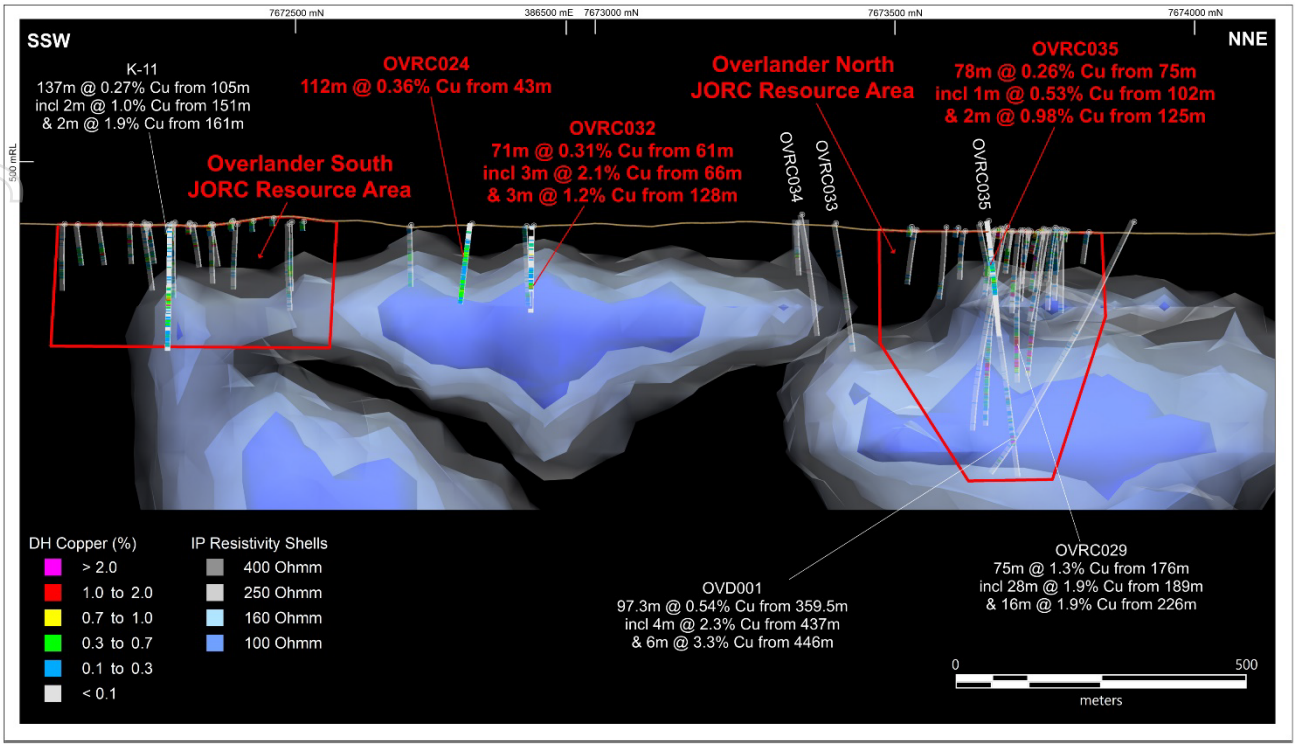

Figure 7. *Long Section of conductivity along the Overlander system showing the location of the Overlander North and South resources. The location of K-11, OVRC024, OVRC032 and OVRC035 have all intersected the Rhyolitic Crackle Breccia)*

Kalman West

Three holes for 487m were drilled at Kalman West targeting both a MT/VTEM anomaly and a zone of surface quartz veining with visible gold.

HKWRC009 (299m TD) was drilled to test the shallow expression of an MT anomaly beneath the Kalman West Shear Zone. This hole intersected a copper bearing hanging wall zone on the western margin of the Kalman West Shear Zone followed by anomalous Pb-Zn-Ag mineralisation with induvial assays of up to 1.86% Pb, 0.95% Zn and 18.1g/t Ag hosted by graphitic metasediments. Anomalous Au was intersected in structures interpreted to be along strike of several significant gold intersections encountered 200m to the north. (See ASX announcement dated 26 July 2021).

Significantly the anomalous Pb-Zn-Ag mineralisation occurring at Kalman West was associated with anomalous Sb and Cd. This element association displays hallmarks of large sediment-hosted, Mt Isa style, mineralised systems highlighting the prospectivity of the area.

Significant intercepts from HMKWRC009 include:

- 37m at 0.14% Cu from 8m (including 1m @ 1.86% Pb and 0.31% Zn);
- 10m at 0.19% Cu from 84m (including 1m @ 0.42% Pb and 0.65% Zn); and
- 7m at 0.19g/t Au from 120m.

Two further holes were designed to intersect a zone of visible gold (refer to ASX release dated 26 July 2021). HMKWRC010 and HMKWRC011 intersected zones of significant gold and base metals anomalism including:

- 2m at 0.15g/t Au from 24m in HMKWRC010;
- 6m at 0.27g/t Au from 68m including 1m at 0.95g/t Au from 70m in HMKWRC011;

As with HMKWRC009, both HMKWRC010 and HMKWRC011 intersected anomalous zones of Ag, Pb and Zn with individual maximum responses of 44.5g/t Ag, 0.67% Pb and 0.66% Zn respectively.

HMKWRC009 will be subject to a downhole electromagnetic survey late in 2021. Select gold-bearing samples will be subject to screen fire assays as coarse gold associations may not be readily apparent in conventional analyses of reverse circulation drill chips.

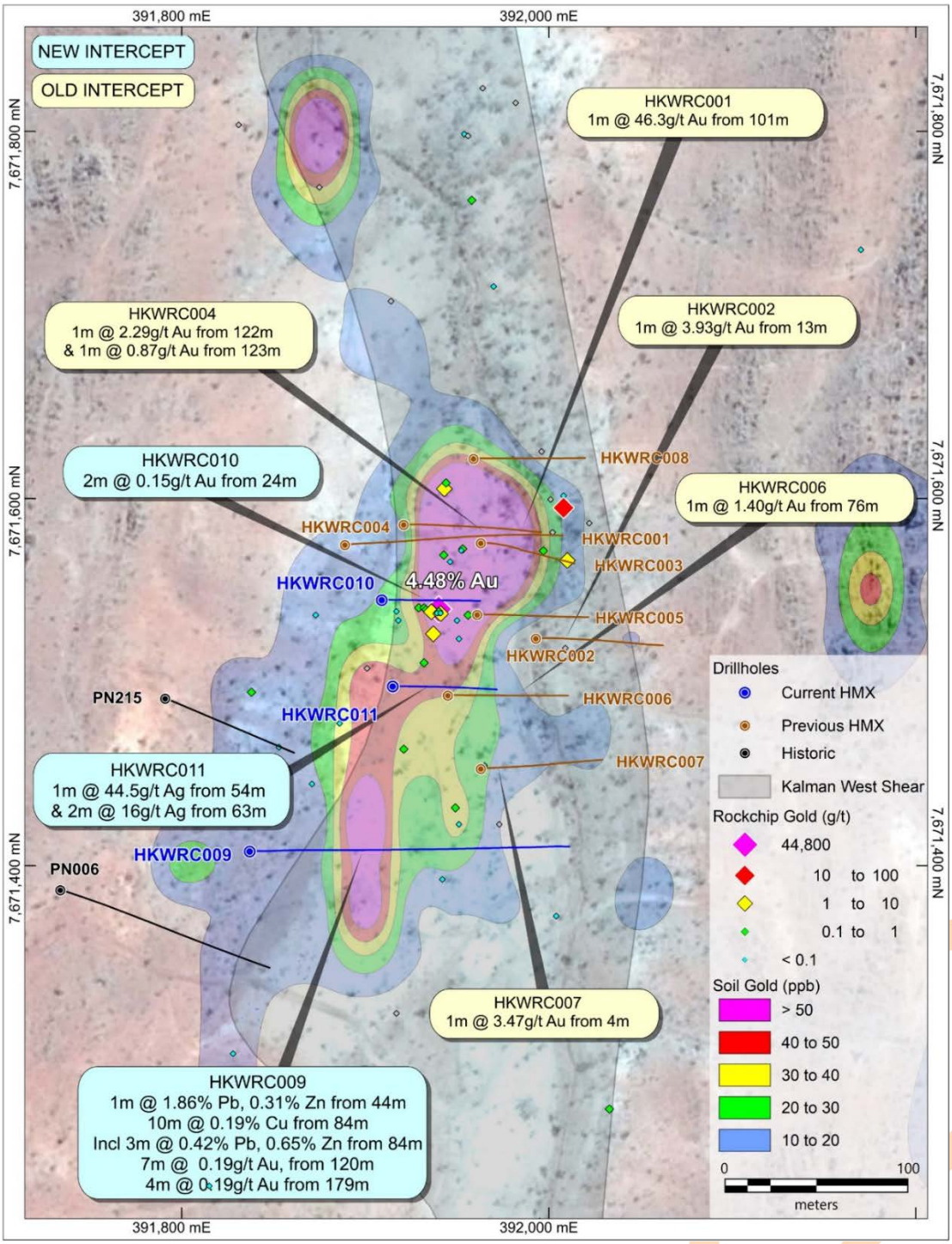

Figure 8. *Plan of the Kalman West Prospect*

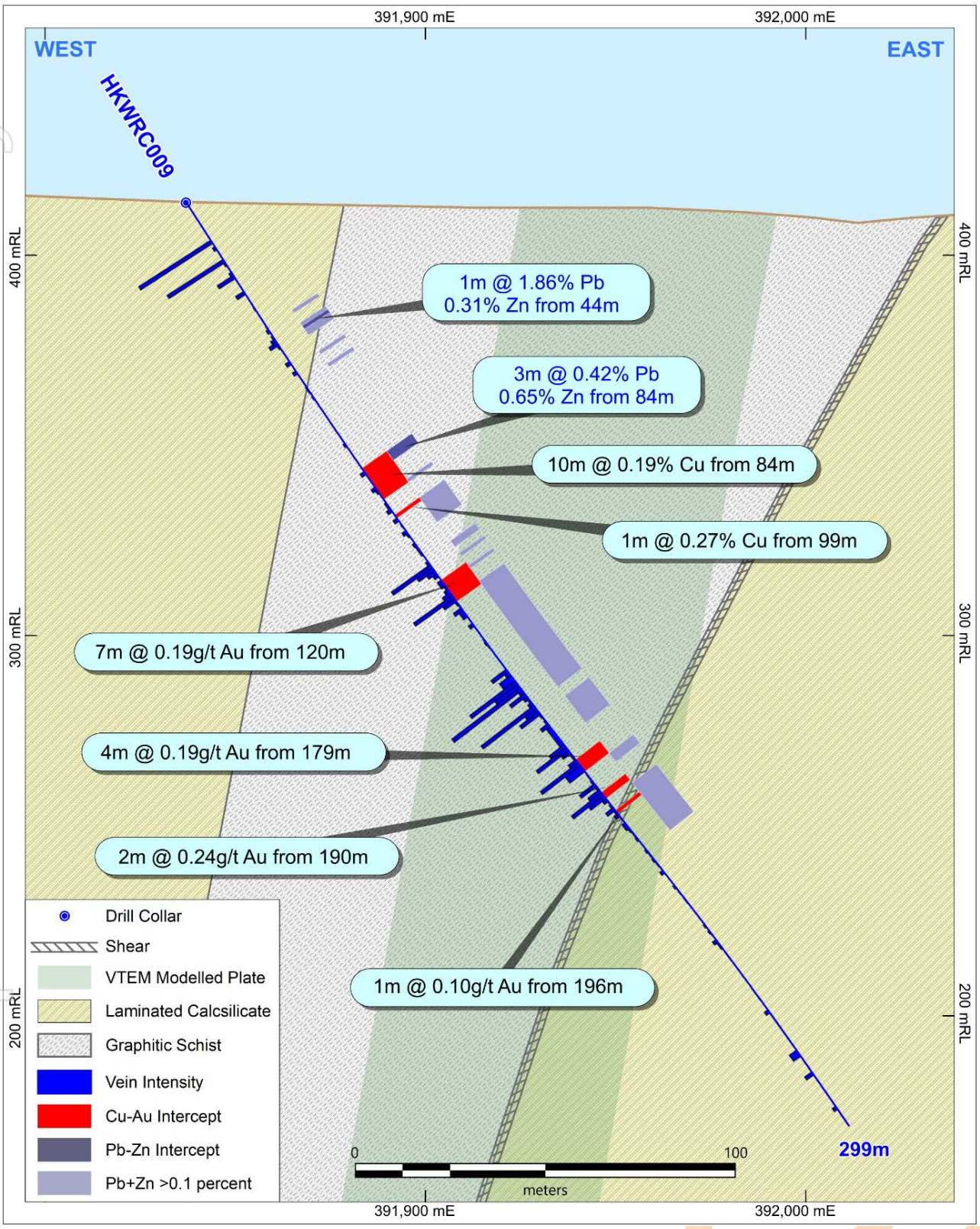

Figure 9. *HKWRC009 Cross section looking north showing the Kalman West shear zone, zones of graphitic metasediment, Pb+Zn >0.1%, zones of quartz veining, significant Au assays and modelled VTEM plates.*

Table 5. *Mt Isa Project – Kalman West Prospect – Significant intercepts*

MT ISA PROJECT - KALMAN WEST - Significant Cu Intercepts (0.2% Cu or 0.1g/t Au Cut-Off Grade)														
Target	Hole	E_GDA94	N_GDA94	RL	TD	Dip	Az_GDA		From	To	Width	Au g/t ^	Cu % ^	Comment
Kalman West	HKWRC009	391837	7671408	397	299	-57	90		2	3	1	0.01	0.18	
									8	45	37	0.01	0.14	44-45m, 1.86% Pb, 0.31% Zn
									84	94	10	0.02	0.19	84-87m, 0.42% Pb and 0.65% Zn
									99	100	1	0.03	0.27	
									120	127	7	0.19	0.02	
									161	164	3	0.09	0.00	
									179	183	4	0.19	0.01	
									190	192	2	0.24	0.00	
									196	197	1	0.10	0.01	
	HKWRC010	391909	7671545	412	91	-60	90		24	26	2	0.15	0.01	
									62	63	1	0.19	0.00	64-78m, 0.3% Pb
									65	66	1	0.14	0.13	
	HKWRC011	391915	7671498	412	97	-60	90		7	8	1	0.17	0.02	
									25	26	1	0.22	0.04	
									28	29	1	0.12	0.03	
									38	42	4	0.11	0.03	54-55m, 44.5g/t Ag and 63-65m, 16g/t Ag
									68	74	6	0.27	0.13	
								incl.	70	71	1	0.95	0.33	
Note														
^ - Average analysis utilised where more than one reading conducted.														
Coordinates and azimuth relative to GDA 94 Zone 54. Both coordinates and RL to be resurveyed using DGPS at the conclusion of the program														

Neptune IOCG Target Area

Lady Rose Drilling

Results from the initial 3-hole program (728m) confirmed the nature of copper-gold mineralisation at Lady Rose and the overall potential of the Neptune region (refer to ASX announcement dated 26 July 2021) for large IOCG deposits. Significant results from this first exploration program were:

- **100m at 0.48% Cu and 0.18g/t Au** from 173m (HMLRRC002) including
  - 3m at 2.23% Cu and 0.2g/t Au from 185m;
  - 3m at 3.09% Cu and 1.4g/t Au from 198m; and
  - 5m at 2.21% Cu and 0.37g/t Au from 234m.
- **66m at 0.32% Cu and 0.07g/t Au** from 33m (HMLRRC003) including
  - 2m at 1.92% Cu and 0.42g/t Au from 33m

Holes HMLRRC002 and HMLRRC003 have been subject to a downhole Electromagnetic Survey and the data from this survey is currently being processed by Hammer Geophysical consultants – Newexco.

Neptune Rock Chip Sampling and Geological Mapping

Geological mapping, three-dimensional gravity modelling, geological modelling, follow-up rock chip sampling and downhole electromagnetic surveying have been conducted over the Neptune region since drilling has been completed. This work has highlighted two follow-on targets within the area for the next drilling phase. Maximum individual rock chip analyses of 27% Cu, 9.95g/t Au and 0.1% Co were obtained from this sampling.

Drill planning is underway to test the Morning Star and Lady Kate trends later this year. These targets are located on the same geological contact but exhibit different styles of alteration.

The Morning Star trend consists of a series of shafts and pits observable over approximately 500m. This trend occurs on the northern margin of the Argylla Formation. Drilling by Placer in the 1980's and Paradigm Metals in the 2000's indicated that mineralization is present at depth however this drilling did not test the entire width of the mineralized system.

The second new target is Lady Kate. This target consists of a 600m long zone of magnetite alteration within the Ballara Quartzite. Soil sampling undertaken by Paradigm Metals outlined a strong Copper anomaly. No historic drilling has tested this target.

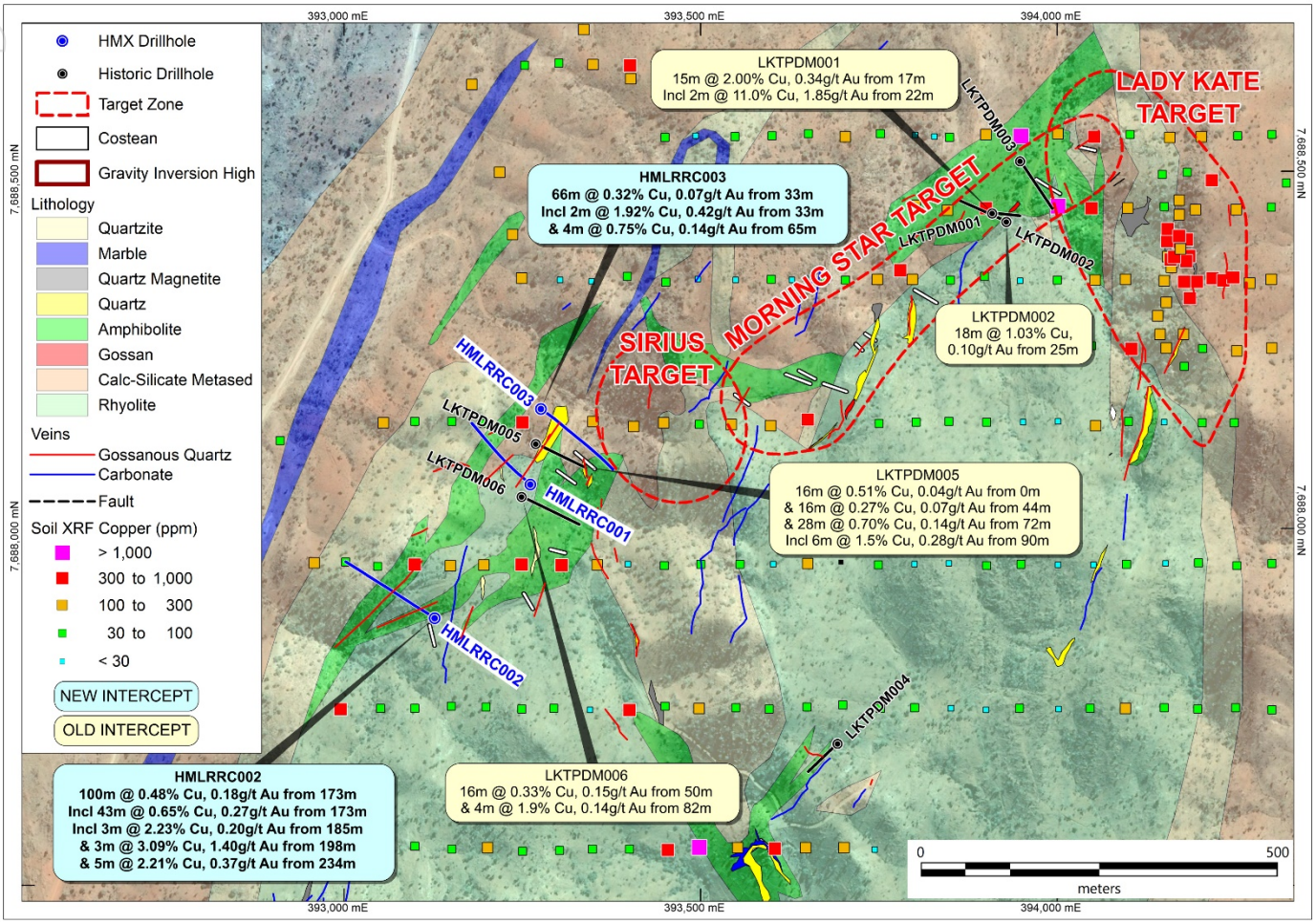

Figure 10. *Plan of the Lady Rose Prospect within the Neptune IOCG target area. Gravity shells and soil sampling conducted by Paradigm Metals Limited is also shown. See ASX release 9 March 2021 and the attaching JORC Table 1 for details the work conducted by Paradigm Metals Limited.*

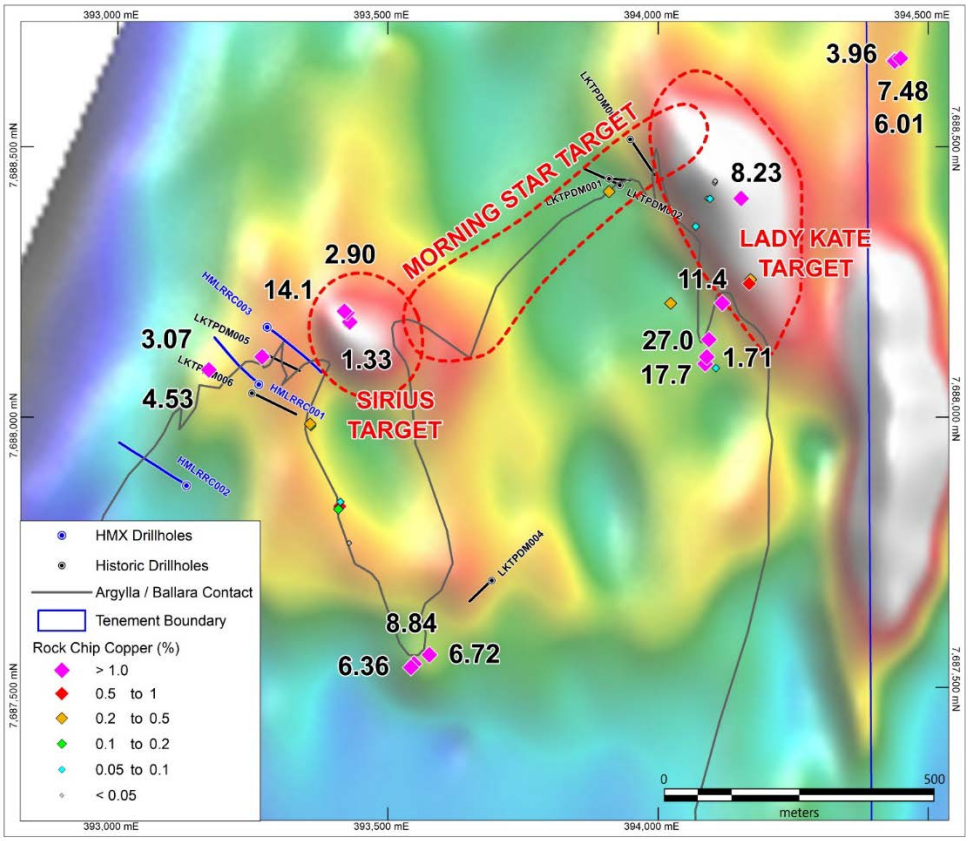

Figure 11. *Neptune IOCG target area overview showing follow-on targets on magnetic image*

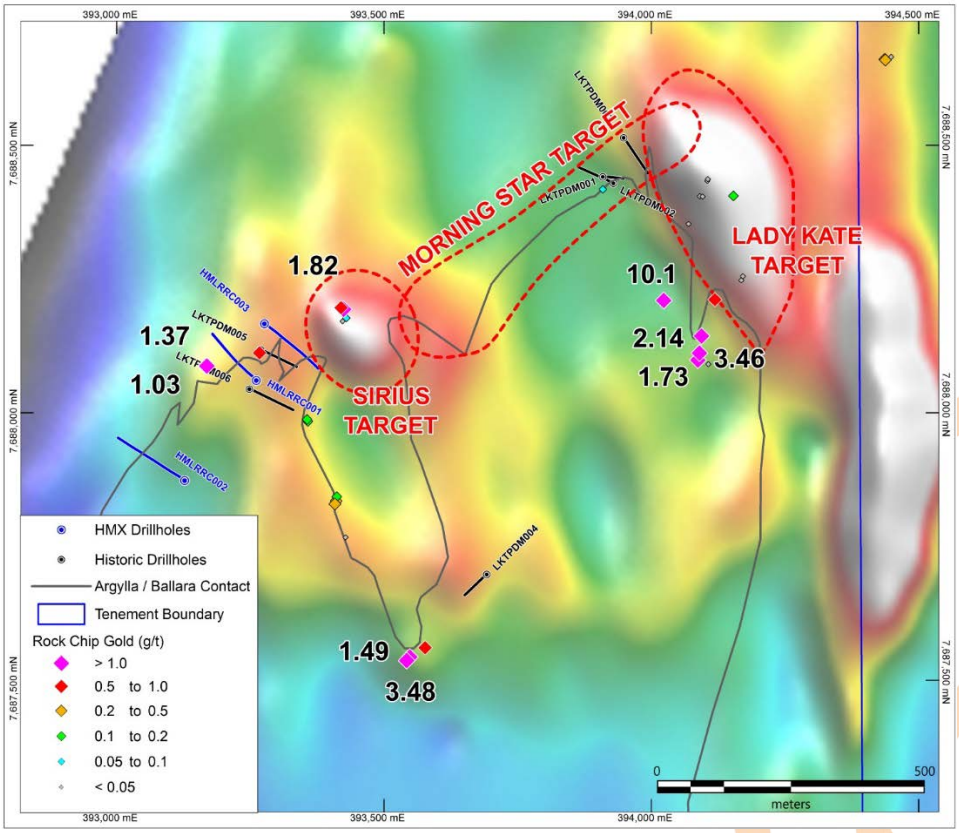

Figure 12. *Neptune IOCG target area overview showing follow-on targets on magnetic image*

Table 6. *Mt Isa Project – Neptune Region – Rock Chip Sampling*

MT ISA PROJECT - Neptune Region - Rock Chip Results								
Prospect	Sample	E_GDA94	N_GDA94	RL	Cu %	Au g/t	Ag g/t	Co_ppm
Neptune	MJB1150	392619	7686682	411	0.01	0.01	0.04	28
	MJB1151	392689	7686864	445	8.65	0.37	3.12	145
	MJB1152	392628	7686878	429	0.01	0.01	0.01	10
	MJB1153	392742	7686862	469	0.40	0.09	0.31	243
	MJB1154	392739	7686849	464	0.09	0.01	0.10	25
	MJB1155	392753	7686899	444	0.30	0.65	0.19	399
	MJB1156	392770	7686915	478	12.80	0.75	3.62	449
	MJB1157	392780	7686965	444	0.10	0.65	0.10	303
	MJB1158	392827	7687141	442	0.35	0.05	0.04	152
	MJB1159	392967	7687181	496	0.08	0.34	0.21	65
	MJB1160	392988	7687207	499	0.00	0.01	0.01	10
	MJB1161	393003	7687223	502	0.07	0.47	1.75	26
	MJB1162	393041	7687273	505	0.02	0.01	0.04	19
	MJB1163	393031	7687256	505	0.02	0.01	0.14	12
	MJB1164	392843	7687152	400	0.34	0.78	0.72	42
	MJB1165	392532	7685639	389	0.06	0.02	0.19	27
	MJB1166	392558	7685689	397	0.01	0.01	0.07	13
	MJB1167	392795	7687443	442	1.26	7.26	0.83	73
	MJB1168	392804	7687443	443	7.20	1.22	2.88	230
	MJB1169	392808	7687424	443	0.31	0.01	0.05	59
	MJB1170	392815	7687396	432	0.04	0.06	0.18	2
	MJB1171	393577	7687563	425	6.72	0.60	1.44	600
	MJB1172	393548	7687546	423	8.84	1.13	2.39	212
	MJB1173	393542	7687539	422	6.36	3.98	1.35	90
	MJB1174	393410	7687837	441	0.71	0.27	0.18	1090
	MJB1175	393412	7687845	443	0.09	0.16	0.27	89
	MJB1176	393408	7687832	441	0.15	0.39	0.61	249
	MJB1177	393428	7687769	430	0.01	0.01	0.02	32
	MJB1178	393358	7687986	404	0.17	0.15	0.17	46
	MJB1179	393356	7687989	404	0.21	0.10	0.90	42
	MJB1180	393167	7688090	414	0.95	1.09	0.57	134
	MJB1181	393169	7688090	414	4.53	1.41	0.76	330
	MJB1182	393422	7688172	454	0.03	0.01	0.07	13
	MJB1183	393429	7688179	458	1.33	0.05	0.22	38
	MJB1184	393424	7688196	463	14.05	2.17	0.61	813
	MJB1185	393419	7688199	464	2.90	0.80	0.63	285
	MJB1186	394090	7688406	455	0.04	0.01	0.04	15
	MJB1187	394096	7688405	456	0.07	0.01	0.01	25
	MJB1188	394104	7688435	468	0.03	0.01	0.04	10
	MJB1189	394106	7688438	470	0.02	0.01	0.07	10
	MJB1190	394152	7688408	488	0.02	0.01	0.01	23
	MJB1191	394154	7688407	491	8.23	0.10	0.12	522
	MJB1192	394070	7688354	432	0.08	0.02	0.06	16
	MJB1193	394171	7688257	480	0.27	0.01	0.12	693
	MJB1194	394168	7688249	420	0.74	0.04	0.46	221
	MJB1195	394118	7688214	454	11.40	0.65	0.25	210
	MJB1196	394087	7688101	448	1.71	1.74	1.95	36
	MJB1197	394090	7688114	449	17.65	3.72	0.86	91
	MJB1198	394094	7688146	456	27.00	2.27	2.67	296
	MJB1199	394107	7688092	459	0.09	0.02	0.02	19
	MJB1200	394023	7688212	432	0.37	9.95	1.46	3
	MJB1201	393909	7688419	402	0.20	0.05	0.02	54
	MJB1227	392657	7687113	442	0.43	0.31	0.65	12
	MJB1228	392640	7687115	436	0.02	0.01	0.01	34
	MJB1229	394196	7688799	435	3.99	0.48	4.38	216
	MJB1230	394198	7688800	436	3.64	1.41	1.22	117
	MJB1231	394204	7688794	434	2.31	0.01	0.18	16
	MJB1232	394226	7688794	430	0.02	0.01	0.01	4
	MJB1239	394179	7688928	403	1.45	1.25	0.65	215
	MJB1240	394069	7691565	369	8.00	0.99	0.84	42
	MJB1241	394072	7691565	369	1.34	0.02	0.15	72
Note								
^ - Average analysis utilised where more than one reading conducted.								
Coordinates and azimuth relative to GDA 94 Zone 54.								

Serendipity

Two holes for 244m were drilled into a silica alteration zone with anomalous surface Cu and Au anomalism. The drilling indicated that the area has the potential to host Au mineralization however the low gold values returned downgrade the prospect.

Table 7. *Mt Isa Project – Serendipity Prospect – Significant intercepts*

MT ISA PROJECT - SERENDIPITY - Significant Cu Intercepts (0.2% Cu or 0.1g/t Au Cut-Off Grade)													
Target	**Hole**	**E_GDA94**	**N_GDA94**	**RL**	**TD**	**Dip**	**Az_GDA**		**From**	**To**	**Width**	**Au g/t ^**	**Cu % ^**
Serendipity	HSRC005	391286	7665675	500	196	-55	90		44	48	4	0.01	0.00
									52	53	1	0.05	0.10
									56	57	1	0.02	0.11
									60	61	1	0.01	0.00
									61	62	1	0.01	0.17
									129	133	4	0.16	0.00
	HSRC006	391295	7665539	500	148	-55	90		76	82	6	0.02	0.16
									85	86	1	0.06	0.43
Note													
^ - Average analysis utilised where more than one reading conducted.													
Coordinates and azimuth relative to GDA 94 Zone 54. Both coordinates and RL to be resurveyed using DGPS at the conclusion of the program													

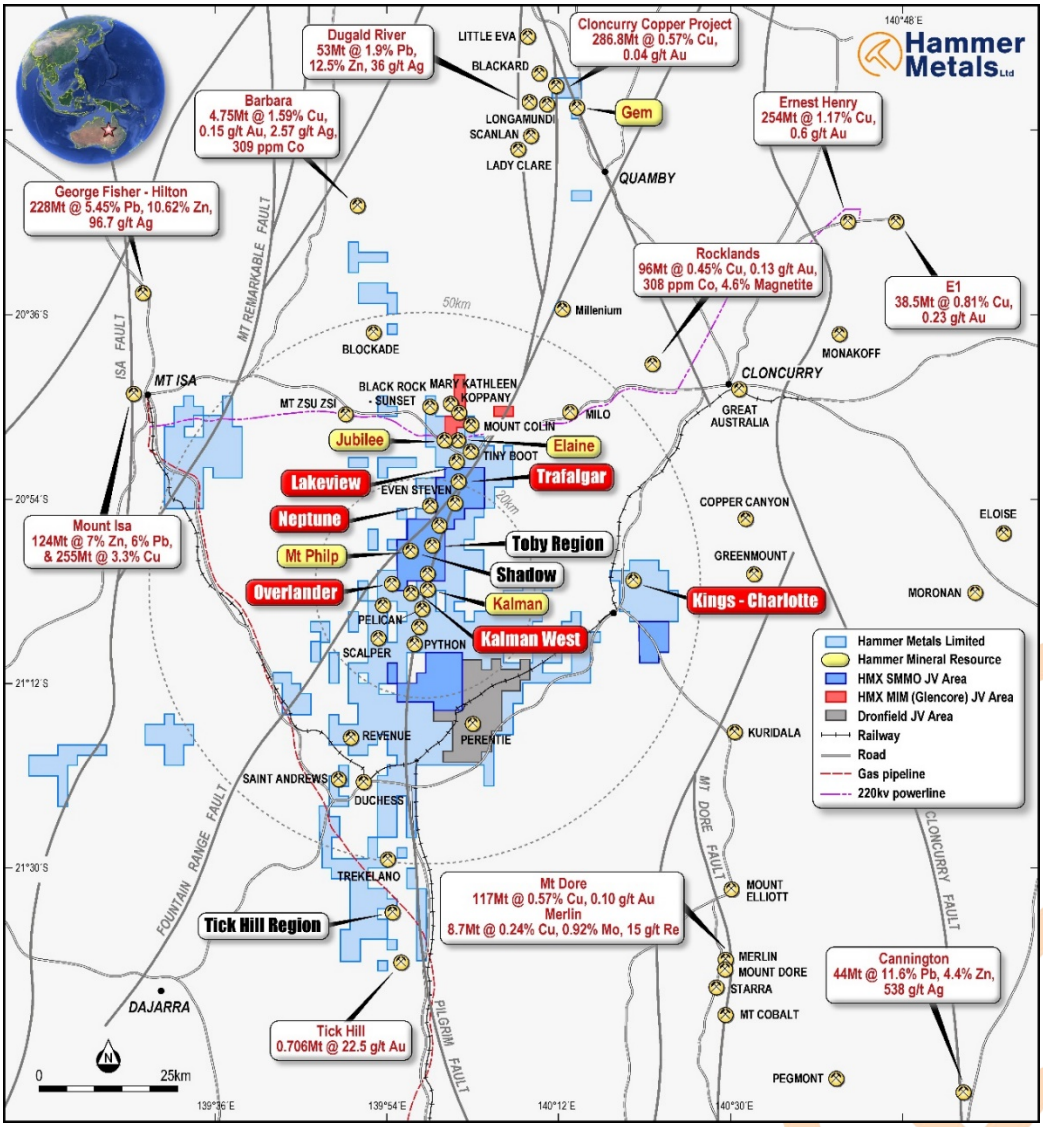

Figure 13. *Hammer's Mount Isa Project Areas*

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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E info@hammermetals.com.au

- END -

About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,200km^2 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 emerging 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 has recently acquired 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.

Competent Person Statements

The information in this report as it relates to exploration results and geology was compiled by Mr. Mark Whittle, who is a Fellow of the AusIMM and an employee of the Company. Mr. Whittle, who is a shareholder and option-holder, has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking 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'. Mr. Whittle consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Where the Company references Mineral Resource Estimates previously announced, it confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the resource estimates with those announcements continue to apply and have not materially changed.

JORC Table 1 report – Mount Isa Project Exploration Update

- This table is to accompany an ASX release updating the market with rock chip sample results and drilling results from the Lakeview, Overlander, Kalman West and Serendipity Prospects located within the Mt Isa Project Area.
- The drilling reported herein was conducted on EPM13870, EPM26904 and EPM26776.
- All ancillary information presented in figures herein has previously been reported to the ASX.
- Historic exploration data noted in this, and previous releases has been compiled and validated. It is the opinion of Hammer Metals that the exploration data are reliable.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections in this information release.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc).* *These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Drill chip samples were taken at dominantly 1m intervals. When multiple metre intervals were sampled, a riffle split of each metre interval was conducted with the split portions then being combined to produce a composite sample. Where mineralisation was anticipated or encountered, the sample length was reduced to 1m with lab submission of the 1m samples. The average sample length and weight for the assays reported herein is 1.2m and 3.51kg respectively. All samples submitted for assay underwent fine crush with 1kg riffled off for pulverising to 75 microns. Samples were submitted to SGS in Townsville for: • Fire Assay with AAS finish for gold. • 4 acid digest followed by ICP-MS and ICP-OES for a 49 element suite. Portable XRF analysis was conducted in the field on each 1m interval. Re-analyses will be conducted as required to investigate element repeatability. Reconnaissance rock chip sampling is reported in this release. The nature of sampling is termed grab sampling. Samples are collected across the strike of the zone of mineralisation, but sampling is not via the continuous chip method. This style of sampling enables general grade

Criteria	JORC Code explanation	Commentary
		and metal content to be established however it is not as representative as continuous chip sampling, costean sampling or drilling to establish grade across a structure. Samples tabulated in this release have been taken from both mineralised and unmineralised material. This is a common practice to determine background element concentrations in an area.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Holes were drilled by DDH1 drilling using a Sandvik DE840 (UDR1200) drilling rig. The holes were drilled by the reverse circulation method. The reverse circulation technique which uses a face sampling hammer to reduce contamination.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Sample recoveries were generally in excess of 80%. Recoveries are typically low in the first 5m of each hole. In holes where recovery or significant sampling bias was observed, the hole was terminated. No sample recovery bias has been noted.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	All drilling was geologically logged by Hammer Metals Limited Geologists. Quantitative portable XRF analyses were conducted on metre intervals on site. All metres were drilled were analysed by the lab methods listed above.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Samples consist of RC drill chips. Samples from the hole were collected by a three-way splitter with A and B duplicates taken for every sample. Samples were taken at dominantly one metre intervals however when 2 or 4 metre composites were created, samples were

Criteria	JORC Code explanation	Commentary
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. *Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	composited by riffle splitting material from each one metre sample bag. Where evidence of mineralisation was encountered or anticipated, the sample length was reduced to 1m. Sample collection methodology and sample size is considered appropriate to the target-style and drill method, and appropriate laboratory analytical methods were employed. Standard reference samples and blanks were each inserted into the laboratory submissions at a rate of 1 per 25 samples. Rock chip sample weight was between 3 and 5kg per site. No standard samples were submitted with the rock chip samples.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Each metre drilled was subject to site portable XRF analysis. All samples were analysed for gold by flame AAS using a 30gm charge. Each sample was also analysed by 4-acid multielement ICP OES and MS. Standard reference samples and blanks were inserted at 20 sample intervals. SGS also maintained a comprehensive QAQC regime, including check samples, duplicates, standard reference samples, blanks and calibration standards. Rock Chip Samples were analysed by ALS for a range of elements by ICP (OES) after an aqua regia digest. Gold was analysed via flame AAS. The analytical method is appropriate for reconnaissance rock chip sampling.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	All assays have been verified by alternate company personnel. Assay files were received electronically from the laboratory.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other*	Datum used is GDA 94 Zone 54. Rock Chip sample locations are captured via

Criteria	JORC Code explanation	Commentary
	locations used in Mineral Resource estimation. *Specification of the grid system used.* *Quality and adequacy of topographic control.*	GPS. RL information will be merged at a later date utilising the most accurately available elevation data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	The drill density is not sufficient to establish grade continuity. The average grade has been utilised where multiple repeat analyses have been conducted on a single sample.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes were oriented as close to perpendicular as possible to the orientation of the targets based on interpretation of previous exploration, however true width estimations will not be conducted until there are two drill hole intersections present on each section. With Rock Chip samples, sampling was conducted at right angles to the strike of the host structure.
Sample security	*The measures taken to ensure sample security.*	Pre-numbered bags were used, and samples were transported to SGS in Townsville by a commercial carrier. Samples were packed within sealed bulka bags. With Rock Chip samples, Pre-numbered bags were used, and samples were transported to ALS laboratory in Mt Isa by company personnel.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The dataset associated with this reported exploration has been subject to data import validation. All assay data has been reviewed by two company personnel. No external audits have been conducted.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint*	The Mt Isa Project consists of 28 tenements.

Criteria	JORC Code explanation	Commentary
land tenure status	*ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The drilling reported herein was conducted on EPM13870, EPM26904 and EPM26776. These tenements are held by Mt Dockerell Mining Pty Ltd, a 100% owned subsidiary of Hammer Metals Limited.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous holders held title either covering the tenement in part or entirely and previous results are contained in Mines Department records.
Geology	*Deposit type, geological setting and style of mineralisation.*	**Overlander Prospect** Overlander is composed of three major elements: A shear zone hosted style of mineralisation which comprises the Overlander North and South JORC resources; A IOCG alteration zone abutting the shear on its western side; and an eastern breccia hosted mineralisation which is has the potential to host a large tonnage deposit. **Kalman West Prospect** Kalman West is located 500m to the west of the Kalman Au-Cu-Mo-Re deposit. Mineralisation is hosted within a graphitic shear zone and consists of a western Cu domain and an eastern Lead-Zinc domain. Gold bearing Quartz veins occur in both domains. **Serendipity Prospect** Serendipity is located approximately 10km to the south of Kalman on the Pilgrim Fault Zone. **Neptune group of prospects** Mineralisation in this region is hosted by the Ballara Quartzite in close proximity to the Corella Formation contact. Exploration by Hammer Metals and other parties has identified widespread mineralisation along this contact in the northern portion of the Mary Kathleen Fold Belt. The mineralisation style is consistent with possible proterozoic shear hosted mineralisation or Iron Oxide copper gold (IOCG) association. **Lakeview Prospect** The Lakeview Prospect is located on the Trafalgar to Jubilee trend approximately halfway between the two prospects.

Criteria	JORC Code explanation	Commentary
		Mineralisation along this trend is associated with magnetic highs and is located close to the boundary between the Ballara Quartzite and the Corella Formation. Copper is present as Chalcopyrite. There is a Cu-Au association at Lakeview and this is also seen at the Jubilee Cu-Au deposit located along this trend to the north.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	See the attached tables.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Intercepts are quoted at a 0.2% Cu and/or 0.1g/t Au cut-off with included intercepts highlighting zones of increased copper and/or gold and cobalt grade.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The relationship between intersected and true widths for both prospects drilled is not known with certainty until further drilling has been conducted. Surface rock chip sampling cannot be utilised to determine the geometry of any possible mineralisation at depth. The sampling methodology can only be used to determine a range of possible grades and is commonly used at a reconnaissance stage.

Criteria	JORC Code explanation	Commentary
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See attached figures.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	Intercepts are quoted at a 0.2% Cu and/or 0.1g/t Au cut-off with included intercepts highlighting zones of increased copper and/or gold and cobalt grade. Portions of a drillhole that are not quoted in the intercept table contain grades less that the quoted cut-off.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All relevant information is disclosed in the attached release and/or is set out in this JORC Table 1.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Hammer Metals Limited is awaiting further drill results from the Lab. There has been serious turnaround time delays due to both COVID and current industry activity.