ADDENDUM TO PREVIOUS ANNOUNCEMENTS ON 12 MAY 2022 AND 7 JUNE 2022

ASX RELEASE
14 June 2022

DIRECTORS / MANAGEMENT

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CAPITAL STRUCTURE

ASX Code: HMX

Share Price (11/05/2022)	$0.057
Shares on Issue	815m
Market Cap	$46m
Options Unlisted	28m
Performance Rights	8m
Cash (31/3/2022)	$6.4m

Hammer Metals Ltd (**ASX: HMX**) ("**Hammer**" or the "**Company**") is pleased to provide an addendum to its ASX announcements released on 12 May 2022 and 7 June 2022.

In the ASX announcement released on 12 May 2022 entitled AJAX EAST UPGRADED WITH SULPHIDES INTERSECTED IN INITIAL DRILLING and in the Investor Presentation released on 7 June 2022 Hammer made reference to the presence of sulphides in drill core from an initial diamond drill hole (HMLVDD001).

These references were noted as visual observations and are detailed below.

- **6m interval of stringer sulphide mineralisation (including pyrrhotite and chalcopyrite) intersected within a 30m zone of highly altered metasediments**, corresponding with the modelled EM conductor at ~290m down-hole**.**
- Additional zones (1m from 253m and 1m from 342m down-hole) of stringer sulphide mineralisation also identified in the hanging and footwall of the main target horizon.
- The presence of a significant sulphide horizon at Ajax East has upgraded the target, with this active sulphide system having the potential to **host economic zones of chalcopyrite mineralisation.**

Further to the observations noted above and the details provided in the announcements referred to and in accordance with the Australian Institute of Geoscientists "AIG" guidance, Hammer wishes to advise that visual estimates of sulphide mineral abundance should, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding potential impurities or deleterious physical properties relevant to valuations of some mineral commodities such as graphite and many industrial minerals.

Hammer confirms that as advised in its ASX announcement dated 12 May 2022 it is awaiting assay results, further it anticipates receipt of these results in June 2022.

Ajax East Diamond Drilling – Sulphide Mineral Observations in Drill Hole HMLCDD001

Hammer reiterates that following the initial drilling of HMLVRC0014 at Ajax (refer ASX announcement 9 March 2022), follow-up DHEM and FLEM surveys identified a large conductor to the east of Ajax beneath the historic workings at Smoko Gossan. The orientation of the modelled conductor aligned with the geological interpretation of the area, with the conductor situated immediately below an extensive high-grade copper-in-soil anomaly. As a result, Ajax East was prioritised for diamond drill testing with Hammer recently completing its first test of the prospective horizon.

HMLVDD001 was drilled to a final depth of 417m with assays pending. Drilling encountered multiple shear zone hosted horizons primarily composed of Quartz (±carbonate) with chalcopyrite and pyrrhotite rich sulphide. In the modelled conductor position, the hole encountered a 30m wide zone of highly altered metasediment package including 6m of stringer sulphide mineralisation (dominantly composed of pyrrhotite and chalcopyrite) from 290m down-hole. Zones of sulphide mineralisation, individually up to 2m in downhole thickness were identified in both the hangingwall and footwall of the modelled EM horizon (Figures 3 to 6).

This result is considered to be highly encouraging for the first hole into this system as it confirms that the Ajax East EM response is sulphide-related with chalcopyrite a significant component within the broader sulphide mineral system. This indicates a fertile environment for hosting economic copper mineralisation.

The hole at Ajax East was cased with PVC to enable further down-hole EM surveys to be undertaken which have since confirmed the presence of EM anomalies within the hangingwall and main target horizons. Further surface FLEM surveys have been completed to assist with targeting and establishing potential differentiation between chalcopyrite and pyrrhotite mineralisation. This will enable better targeting for planned further drilling at this highly prospective target.

In accordance with AIG guidance the following details are provided on the nature, mineralogy and relative abundance of sulphide minerals observed.

Nature of sulphide occurrences

Three main sulphide intersections were observed in HMLVDD001. These occurrences consisted of stringer or vein style mineralisation. Core observations suggest that these zones are broadly concordant with the local foliations.

Associated with these veins are zones of disseminated sulphide which are interpreted to be marginal to the vein zones. Stringers can be up to 40cm in thickness.

The location of these zones was broadly in accordance with the location of EM conductors.

Sulphide minerals observed

At a field observation-scale, three sulphide minerals could be discriminated – Chalcopyrite ($CuFeS_2$), Pyrrhotite (FeS) and Pyrite (FeS_2). Commonly in the Mt Isa region other metals such as Co and Ni are associated with increased concentrations of Pyrrhotite and Pyrite. However, in practice visual identification of these minerals at hand specimen scale is not possible.

Relative abundance of sulphide minerals observed

When geologically logging a drillhole Hammer Metals geologists attempt to determine the relative abundance of the major sulphide minerals through visual observation. Utilising portable XRF is another option however it can be difficult to establish a mineral concentration over meaningful downhole widths. Typically, the major sulphide minerals can be identified, however in cases where grainsize of these minerals is fine, then a total quantum of sulphide is estimated.

A full sulphide observation table from HMLVDD001 is appended (Table 1).

Table 1: *HMLVDD001 - Sulphide observations – Mineral, Nature and Concentration based on visual observations*

HMLVDD001			Total Sulphide concentration over logged interval (%)	Chalcopyrite or sulphide (if not differentiated)		Pyrite		Pyrrhotite		Comment
From (m)	To (m)	Interval		Nature	Intensity over logged interval (%)	Nature	Intensity over logged interval (%)	Nature	Intensity over logged interval (%)	
9.2	9.4	0.2	0.25	Vein	0.25					
16	18.4	2.4	0.25	Vein	0.25					
18.4	21.4	3	0.1	Vein	0.1					
21.4	21.7	0.3	2	Vein	2					
21.7	26.2	4.5	0.1	Vein	0.1					
31	38	7	0.1	Vein	0.1					
55	55.5	0.5	0.5	Vein	0.5					
59.8	60.1	0.3	1	Vein	1					
62.42	62.7	0.28	0.5	Vein	0.5					
75.1	75.8	0.7	0.1	Vein	0.1					
81.7	83.3	1.6	0.5	Vein	0.5					
83.8	86	2.2	0.5	Vein	0.5					
87	87.4	0.4	0.5	Vein	0.5					
92.85	93	0.15	1	Vein	1					
105.4	106.5	1.1	1	Vein	0.5			Vein	0.5	
107.7	108.4	0.7	3			Vein	3			
110.1	114.1	4	2.1	Vein	0.1			Vein	2	
114.1	120	5.9	0.1	Vein	0.1					
132.7	134	1.3	0.25					Vein	0.25	
135.5	138	2.5	0.5					Vein	0.5	
140	147.15	7.15	0.25			Vein	0.25			
147.15	150	2.85	0.25			Vein	0.25			
165	167	2	0.25	Vein	0.25					
168.8	170	1.2	0.25	Vein	0.25					
172.63	173	0.37	10	Vein	10					
181.65	182.3	0.65	30	Vein	30					**Hangingwall Zone**
183.2	183.3	0.1	3	Vein	1			Vein	2	
184.9	185.2	0.3	0.5	Vein	0.5					
186.35	186.6	0.25	2	Vein	2					
190	192	2	0.5			Vein	0.5			
198	199	1	0.25	Vein	0.25					
209	210.5	1.5	0.25					Vein	0.25	
216	216.6	0.6	0.5			Vein	0.5			
227	229	2	0.5			Vein	0.5			
229	235.2	6.2	1			Vein	1			
235.2	235.8	0.6	2					Vein	2	
235.8	249.5	13.7	1			Vein	1			
249.5	251	1.5	0.25					Fracture	0.25	
253.68	268.5	14.82	3	Vein	1			Fracture	2	
268.5	272.35	3.85	1					Fracture	1	**Main Zone**
272.35	273	0.65	5	Vein	2	Vein	1.5	Vein	1.5	
273.8	274.8	1	4.5	Vein	0.5	Vein	1	Vein	3	
278.3	278.6	0.3	5.5	Vein	0.5	Vein	5			
280.05	280.9	0.85	3	Vein	1			Vein	2	
288.4	288.9	0.5	10			Vein	2	Vein	8	
292.6	294.6	2	4	Vein	1			Vein	3	**Main Zone**
295.3	299.1	3.8	15	Vein	5			Vein	10	
299.55	300.7	1.15	3	Vein	0.5	Vein	2.5			
302.45	302.7	0.25	2	Vein	0.5	Vein	1.5			
305.5	306.2	0.7	1	Vein	0.25	Vein	0.75			
315.6	317.1	1.5	3	Vein	0.5	Vein	2.5			
317.6	318.1	0.5	0.5			Vein	0.5			
320.35	320.8	0.45	6	Vein	1	Vein	5			
322.5	324.35	1.85	2	Vein	0.5	Vein	1.5			
325.2	327.45	2.25	1	Vein	0.2	Vein	0.8			
327.45	327.65	0.2	10					Vein	10	
327.95	328.45	0.5	12			Vein	6	Vein	6	**Footwall Zone**
338.45	338.55	0.1	25					Vein	25	
339.5	339.8	0.3	3			Vein	3			
340.4	342.15	1.75	2	Vein	0.25	Vein	1.75			
342.15	342.85	0.7	60	Massive	10			Massive	50	**Footwall Zone**
344.05	344.3	0.25	1			Vein	1			
345.3	347.25	1.95	1.5	Vein	1			Vein	0.5	**Footwall Zone**
348.3	348.5	0.2	1			Vein	1			
353.55	354.65	1.1	5			Vein	1	Vein	4	
362.9	363	0.1	5			Vein	5			
375.6	375.7	0.1	5			Vein	5			
382.2	382.35	0.15	1			Disseminated	1			
383.8	385	1.2	0.5	Disseminated	0.25	Disseminated	0.25			
398.3	398.4	0.1	1	Vein	1					
411.1	411.25	0.15	2	Vein	1	Vein	1			
414.1	414.6	0.5	0.5	Disseminated	0.5					
415.65	415.75	0.1	4	Vein	2			Vein	2	

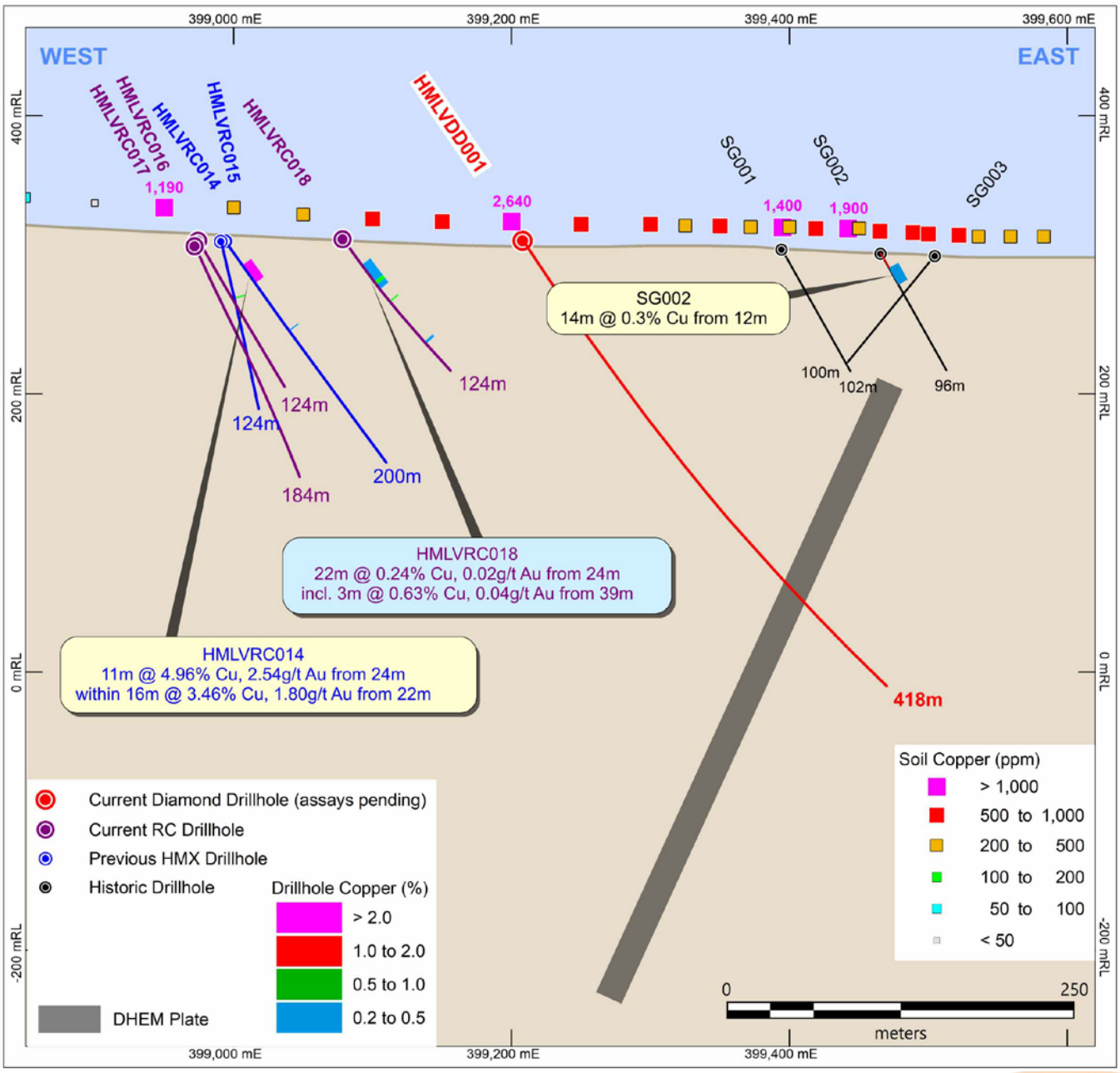

Figure 1. *Section through HMLVDD001 showing the relationship between observed sulphidic intervals and the modelled EM plate (refer also ASX announcement 9 March 2022).*

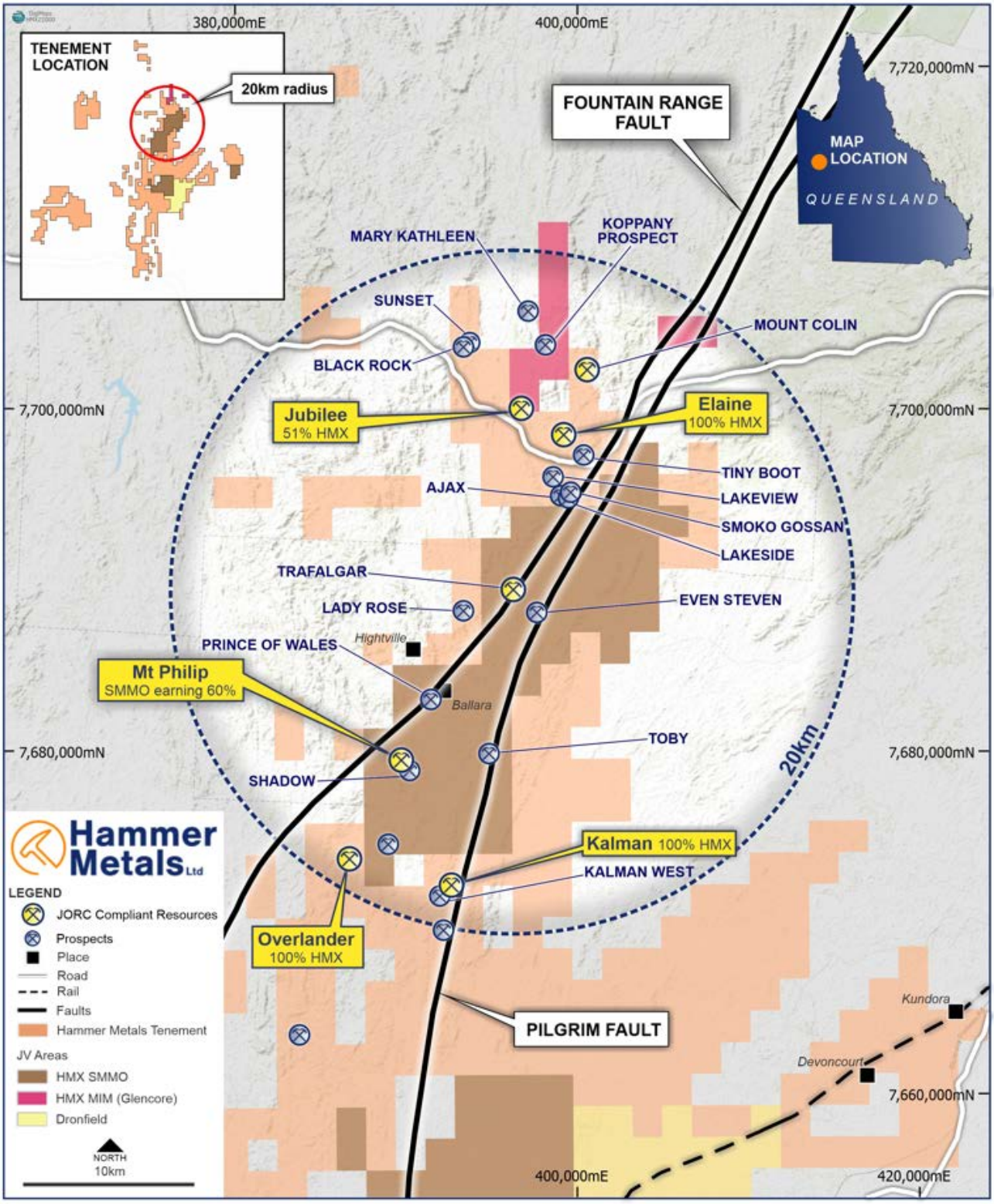

Figure 2: *Hammer's northern tenement area*

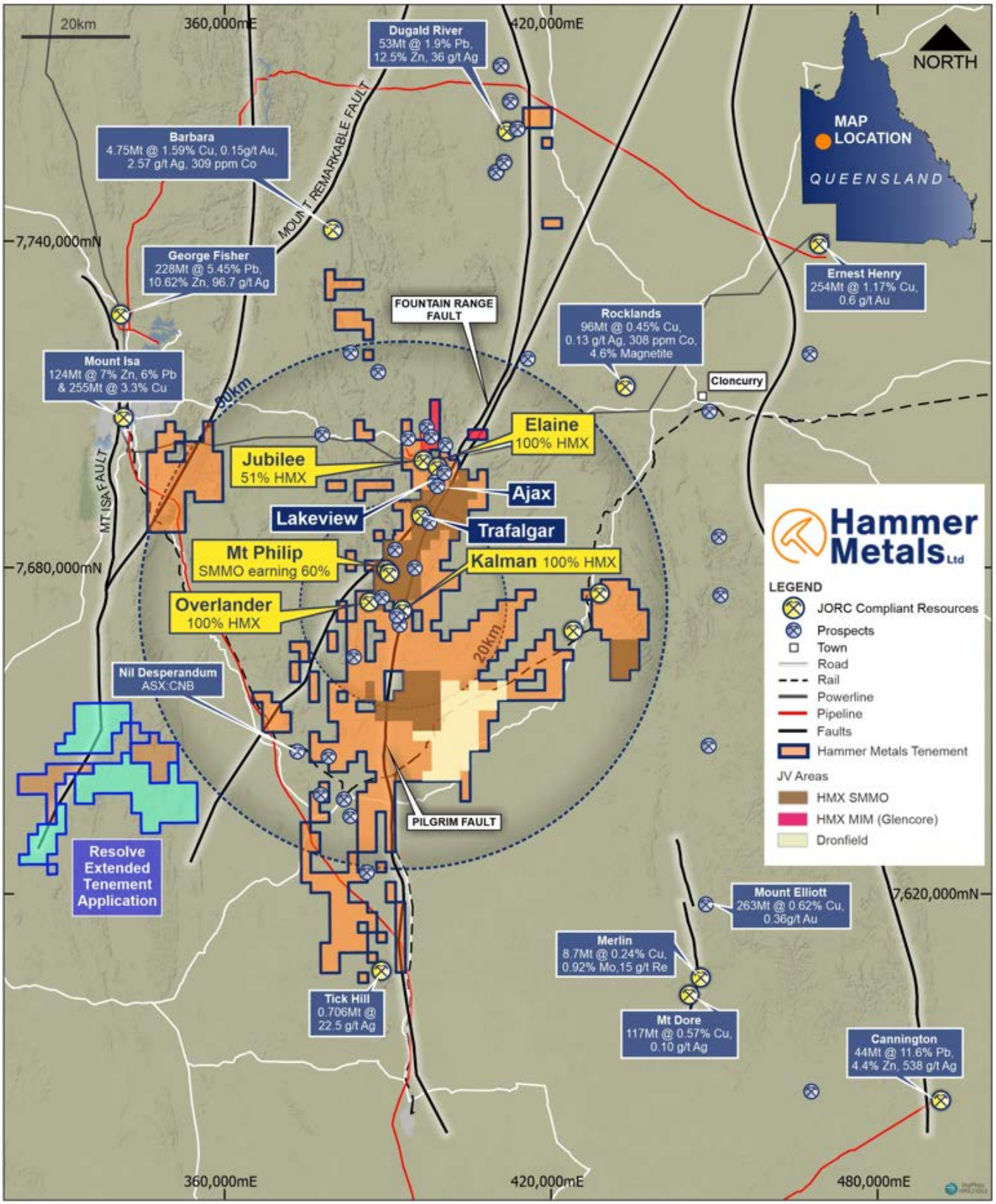

Figure 3: *Mt Isa Project Area*

Next Steps for the area

The initial diamond drill test of the Ajax East EM zone has confirmed that the geophysical response is sulphide-related and that chalcopyrite is a significant component of the sulphide assemblage.

The width of the alteration zone related to these sulphide-bearing structures gives Hammer significant encouragement to conduct further drill testing on the prospect. Further geophysics is underway to de-risk future drilling. A follow up drilling program is currently being planned and is likely to commence in mid-July.

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

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About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,600km^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 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 holds 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.