

## QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 31 MARCH 2023

### MOUNT ISA COPPER-GOLD PROJECTS

#### Kalman (100% HMX)

- **Broad zones of high-grade copper-gold-molybdenum-rhenium mineralisation intersected**, extending the Kalman deposit to the north of the existing JORC Mineral Resource. Significant intercepts included:
  - **89m<sup>1</sup>** at 0.40% Cu and 0.18g/t Au, 0.14% Mo and 2.9g/t Re (**1.74% CuEq<sup>2</sup>**) from 143m in K-153, including:
    - **24m<sup>1</sup>** at 0.44% Cu and 0.29g/t Au, 0.5% Mo, and 10.2g/t Re (**5.1% CuEq<sup>2</sup>**) from 194m.
  - **107m<sup>1</sup>** at 0.42% Cu, 0.12g/t Au, 0.06% Mo, and 1.8g/t Re (0.97% CuEq<sup>2</sup>) from 98m in K-146, including:
    - **23m<sup>1</sup>** **Error! Bookmark not defined.** at 0.73% Cu, 0.21g/t Au, 0.23% Mo and 7.5g/t Re (**2.88% CuEq<sup>2</sup>**) from 178m, including:
      - **9m<sup>1</sup>** **Error! Bookmark not defined.** at 0.89% Cu, 0.19g/t Au, 0.55% Mo and 17.8g/t Re (**5.97% CuEq<sup>2</sup>**) from 182m.
- **Updated Mineral Resource Estimate for Kalman imminent.**
- Down-Hole ElectroMagnetic (DHEM) survey completed at the northern end of the Kalman Resource in addition to a Fixed-Loop Electro-Magnetic (FLEM) at a target horizon to the north of the deposit.

#### Hardway (100% HMX)

- **High-priority targets** refined, with recent drilling targeting a **potential supergene zone** located beneath the oxide copper. Significant results from HMMWRC001 (see ASX Announcement 6 February 2023) included:
  - **30m at 1.1% Cu from 48m (oxide); and**
  - **26m at 0.14% Total Rare Earth and Yttrium Oxides (TREYO)** from 34m (see ASX Announcement, 6 February 2022)
- **Dominant Heavy Rare Earth Oxide (HREYO) system** with an average HREYO/TREYO ratio of 65% within the interval above.
- **FLEM conductor** identified at Hardway – coincident with historical copper workings on the property.
- **Additional 12-hole (1,765m) Reverse Circulation (RC) drilling program completed at Hardway, with assays expected in May.**

#### Kalman West (100% HMX)

- **Shallow high-grade gold zone intersected at Kalman West** (see ASX Announcement 7 March 2023):
  - **1m at 65.4g/t gold from 9m in HKWRC015**

<sup>1</sup> See ASX Announcement 13 February 2023. True thicknesses are interpreted to be approximately 45-65% of the intersected thicknesses. These percentages vary between holes and true thicknesses are detailed in Table 1.

<sup>2</sup> "Recovered Copper Equivalent" – includes metallurgical recovery factors for each metal. Assumptions and price underpinning the copper equivalent calculations are contained within the ASX Announcement on 13 February 2023..

### ASX RELEASE

28 April 2023

### 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 (27/04/2023) | \$0.081 |
| Shares on Issue          | 821m    |
| Market Cap               | \$67m   |
| Options Unlisted         | 24m     |
| Performance Rights       | 8m      |
| Cash (31/3/2023)         | \$2.6m  |

### **Southern Tenure – Mount Hope, Pilgrim Fault South, Mascotte (100% HMX)**

- FLEM program recently completed across several high-priority drilling targets **including Mascotte and Mascotte Junction in the Mount Hope region.**
- Environmental Authority to commence drilling at South Hope and Mascotte expected to be received in May. Drilling to recommence following receipt of environmental approval.
- On 13 February 2023, Hammer was notified by the Queensland Department of Resources that the Minister of Resources had decided to alter the boundary of the Mount Hope Mining License and Hammer's EPM26777.
- Hammer requested a written statement of reasons for the decision on 10 March 2023. A subsequent request for this decision document was submitted on 21 April 2023. On 26 April 2023, the Department of Resources requested an extension to provide a statement of reasons until 31 May 2023. Hammer has consented to the request for this extension.

### **Others (100% HMX)**

- At Lord Nelson, two holes were drilled to test a new target zone located ~3.5km on-trend from the Trafalgar prospect. Significant results (see ASX announcement 7 March 2023) include:
  - **5m at 1.72% Cu and 1.18g/t Au from 14m within a mineralised envelope of 21m @ 0.59% Cu and 0.33g/t Au** from surface in HMLNRC001.

### **Mount Isa East JV (MIE JV) (SMMO earning 60% interest)**

- Research program with the CSIRO completed with several priority areas identified for potential large-scale IOCG targets – south of Shadow, Jimmy Creek and Even Steven.
- Mount Isa East JV program enters fourth and final year of earn-in period.
- Assays received for Trafalagar, Agamenon, Secret and Shakespeare soil analysis. Interpretation underway.
- Targets to be considered for drilling in the upcoming period include Secret, Shakespeare, Prince of Wales and others.

### **YANDAL GOLD-LITHIUM PROJECT**

- Planning for an air-core drilling program progressing over several high-quality targets within the Yandal Project, including new lithium targets on the eastern side of the Kathleen Valley granite.
- Logged pegmatites from previous air-core and Reverse Circulation drilling at the North Orelia Target 1 have been collected and will be analysed for lithium.
- **Bottom-of-hole rock chips with elevated lithium results (>200ppm) will be sent for petrology to determine the mineralogy of the lithium anomalism.**
- **Drilling currently scheduled to commence in late Q2 2023.**

### **CORPORATE**

- **Cash balance at the end of March is \$2.6 million**, which includes \$0.04 million held on behalf of the Company's Joint Ventures.
- **Research and Development tax refund of \$1.1 million received in March.**

## MOUNT ISA COPPER-GOLD PROJECTS

### Northern Copper Corridor – Ajax, Ajax East, Lakeview, Kalman and Hardway (100% HMX)

#### **Kalman**

Drilling undertaken in early 2022 identified the potential to delineate further shallow Resources at the northern end of the Kalman deposit (refer to ASX announcement dated 15 February 2022).

In light of improving metal prices, Hammer commenced testing this shallow portion of the Resource as a priority. Twelve holes for 2,218m were drilled in late 2022, with assay results reported in early 2023.



**Figure 1.** Kalman – Looking South Along the Kalman Fault

These holes specifically tested a zone of mineralisation referred to as the Eastern Target Zone. This zone, previously intersected in K-145, has the potential to extend the Kalman Resource to the north and east (refer to ASX announcement dated 15 February 2022). Significant intercepts from K145 included:

- 22m1 at 0.82% Cu, 0.03% Mo, 0.37g/t Au, 0.8g/t Ag and 0.63% Re (1.16% CuEq<sup>2</sup>) from 99m in K-145, including:
  - 8m1 at 1.41% Cu, 0.08% Mo, 0.75g/t Au, 1.5g/t Ag and 1.7g/t Re (2.29% CuEq<sup>2</sup>) from 99m; and
- 6m1 at 0.4g/t Au, 1.3g/t Ag, 1.13% Cu, 0.13% Mo and 2.71g/t Re (2.39% CuEq<sup>2</sup>) from 161m in K-145.

The December 2022 program focused on this area of the deposit, with significant intersections including:

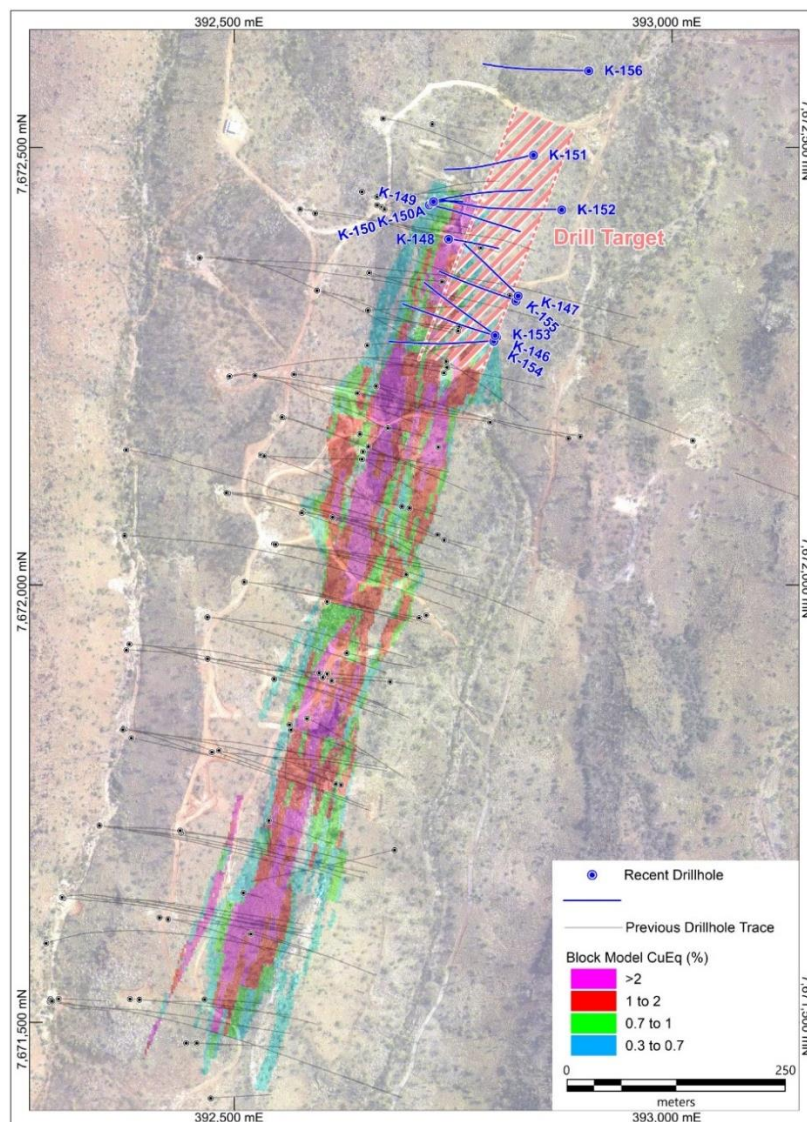
- **89m\* at 0.40% Cu, 0.18g/t Au, 0.14% Mo and 2.9g/t Re (1.74% CuEq<sup>2</sup>)** from 143m in K-153, including:
  - **24m\* at 0.44% Cu, 0.29g/t Au, 0.5% Mo and 10.2g/t Re (5.07% CuEq<sup>2</sup>)** from 194m



- **107m\* at 0.42% Cu, 0.12g/t Au, 0.06% Mo and 1.8g/t Re (0.97% CuEq<sup>2</sup>)** from 98m in K-146, including:
  - **23m\* at 0.73% Cu, 0.21g/t Au, 0.23% Mo and 7.5g/t Re (2.88% CuEq<sup>2</sup>)** from 178m, including:
  - 9m\* at 0.89% Cu, 0.19g/t Au, 0.55% Mo and 17.8g/t Re (5.97% CuEq<sup>2</sup>) from 182m.
- **66m\* at 0.40% Cu, 0.17g/t Au and 0.03% Mo (0.69% CuEq<sup>2</sup>)** from 133m in K-147, including:
  - **14m\* at 0.68% Cu, 0.33g/t Au, 0.05% Mo (1.67% CuEq<sup>2</sup>)** from 150m.

Holes K-151 and K-156 (see Figure 2.) failed to intercept this zone, with mineralisation apparently displaced. A recently completed DHEM program was designed to define this dislocation with a view to further extending the deposit to the north (refer ASX announcement 13 February 2023).

Mineralisation intersected in the Eastern Target Zone and at the northern end of the deposit is being modelled with an updated Mineral Resource Estimate to be completed in the coming weeks. The most recent Mineral Resource Estimate for the Kalman deposit, reported to the ASX on 27 September 2016, was 20Mt at 1.8% CuEq based on commodity price assumptions of US\$4,650t for copper, US\$1,250/oz for gold, US\$16/oz for silver, US\$22,040/t for molybdenum and US\$3000/kg for rhenium.



**Figure 2.** Plan view of the Kalman Deposit showing the current Resource model, location of K-146 through K-156 and the eastern target zone.

### Next Steps at Kalman

The recent drilling (refer Figures 2 and 3) has highlighted the exploration potential and upside near Kalman. In addition to the DHEM survey, a number of surface Fixed Loop EM ("FLEM") surveys have been completed within target zones along the Pilgrim Fault.

Additional 'unclassified' mineral zones within the deposit will also be considered for future drilling to further add to the Resources with the Kalman deposit. Several untested geochemical anomalies are also being investigated with additional in-fill geochemical sampling planned for after the wet season.

After the success of the trial ore sorting test work (refer to ASX announcement 1 November 2022 and 13 February 2023), a second more comprehensive program of testing is currently underway in Perth.

Further metallurgical studies across the mineral system are also being considered with the aim of increasing metal recoveries. Subject to the outcomes of the Resource update and metallurgical investigations, Hammer will assess the potential to initiate a Scoping Study and financial evaluation incorporating the Kalman deposit and Hammer's other satellite copper deposits at Overlander, Jubilee and Lake View.

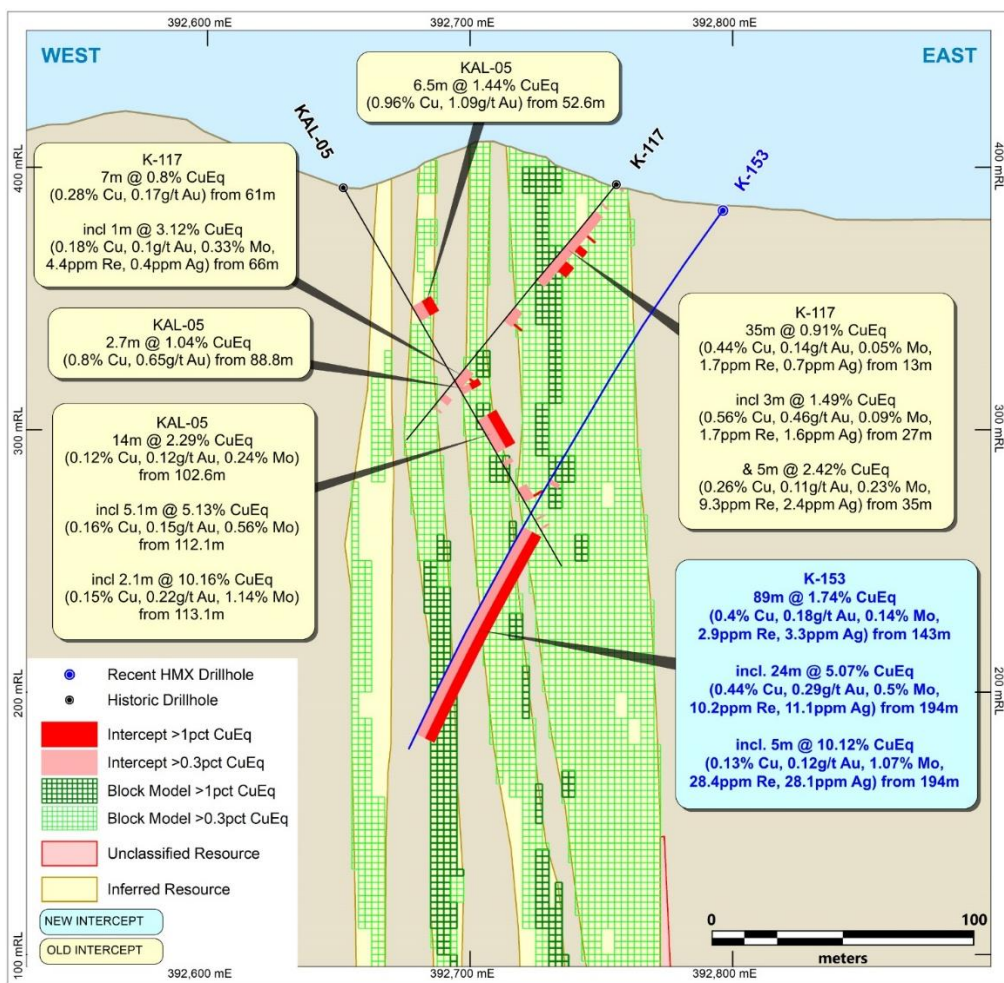


Figure 3. Section through K-153. <sup>3</sup>

<sup>3</sup> The data underlying historical and current intercepts have been validated by Hammer Metals Limited personnel and it is the opinion of Hammer Metals that the historical exploration data are reliable (refer also ASX announcement 27 September 2016).

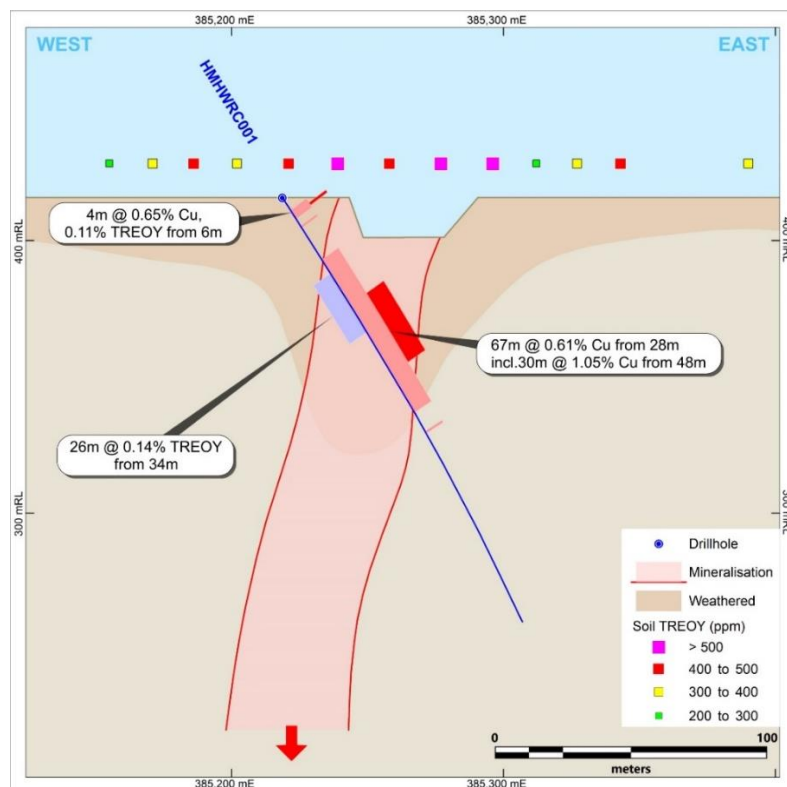
## Hardway

Hardway is situated within Hammer Metals' 100%-owned EPM14022, located between Mount Isa and Cloncurry just 1km north of the Barkly highway. Hardway is located along a north-west trending structure identifiable by outcrops of quartz breccia.

It is hosted within the Corella formation, a geological unit which also hosts the mineralisation at Hammer's Kalman Au-Cu-Mo-Re deposit, Jubilee Cu-Au deposit, Elaine Cu-Au deposit and other Hammer prospects such as Ajax, Trafalgar, Overlander and Hammertime.

In late 2022, Hammer Metals conducted an initial drill test at the Hardway prospect. Significant results from Reverse Circulation drill-hole HMHWRC001 (Figure 4) include: (see ASX Announcement, 6 February 2023).

- **30m at 1.1% Cu from 48m (oxide); and**
- 26m at 0.14% Total Rare Earth and Yttrium Oxides (TREYO) from 34m



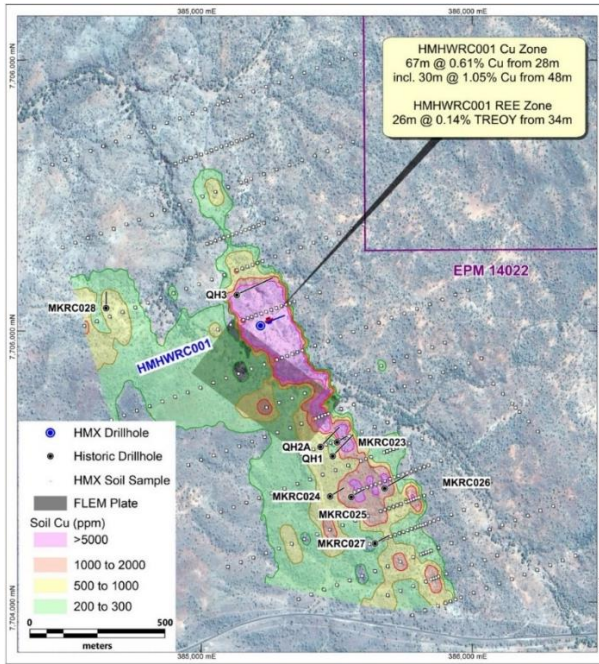
**Figure 4.** Section looking north through HMHWRC001

Geochemical examination of this drilling suggests that there is potential for a supergene zone to be located below the oxidised zone intersected (see Figures 5 and 6). Preliminary modelling of a recently completed fixed-loop EM survey has defined a conductor beneath the Hardway copper workings.

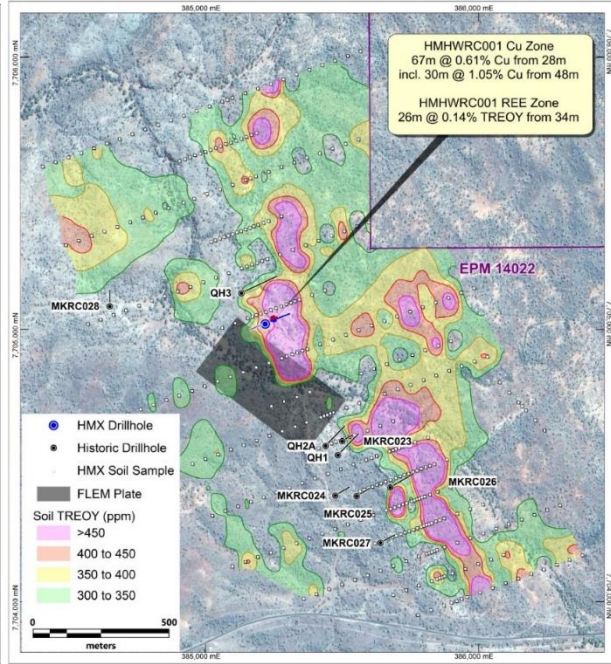
In March 2023, Hammer completed a further 1,765m of drilling across 12 holes, focusing on several geological targets defined in recent geochemical, geophysical and mapping activities.

Results from this drilling program are anticipated to be received during May.





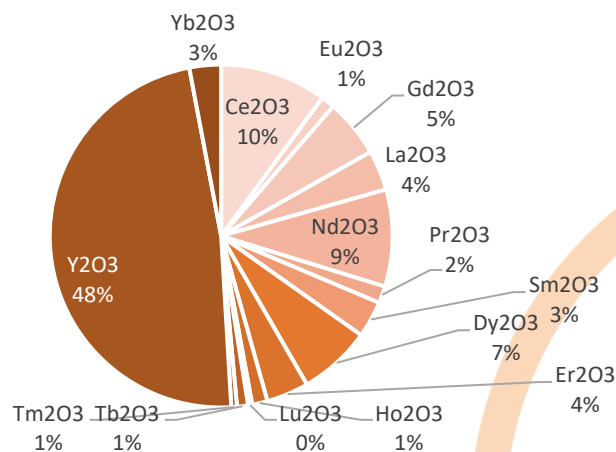
**Figure 5.** Hardway Prospect showing previously reported copper soil geochemical results and the location of the modelled fixed-loop electromagnetic (“FLEM”) plate.



**Figure 6.** Hardway Prospect showing previously reported total rare earth oxides (including Y) or (“TREOY”) soil geochemical results and the location of the modelled fixed-loop electromagnetic (“FLEM”) plate.

Initial drilling confirmed a unique rare earth system with a high proportion of high-value heavy rare earth elements. Within the reported mineralised intervals, the ratio of high value HREOY to TREYO is an average of 65%. The mix of rare earth elements is similar to the results from Hammer’s previous rock chip sampling. Uranium and thorium values are low (see Figure 7).

### Average Rare Earth Element Distribution Average HMHWRC001 34m to 60m



**Figure 7.** Average Rare Earth Element Distribution in HMHWRC001. See Table 2 for average analyses utilised in this figure.

Maximum element grades are as follows: 1,075ppm Yttrium, 190ppm Dysprosium, 263ppm Neodymium and 117ppm Samarium.

Previous analysis of rock chips by Scanning Electron Microscope indicated the Yttrium-bearing mineral within the sample was Xenotime (ASX announcement 26 July 2022 and 6 February 2023).

Further mineral identification work will be conducted to advance Hammer's understanding of this system and assist in refining the rare earth element potential at this prospect. Soil sampling has confirmed that the previously identified Yttrium anomaly extends for approximately 1.9km and is open to the south.

### Kalman West

The Kalman West prospect is located 1km to the west of the Kalman Cu-Au-Mo-Re deposit. The prospect is anomalous in gold, copper, lead and zinc (refer to ASX announcements dated 19 May 2017 and 7 March 2023).

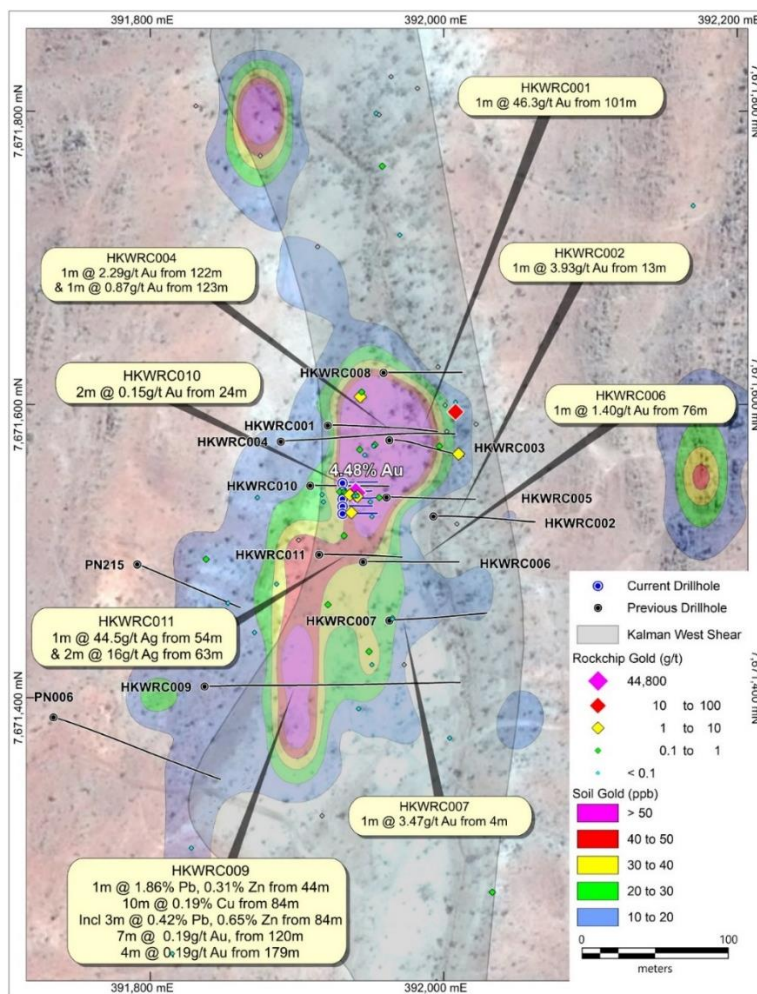
Initial mapping and drilling in the area showed the potential for high-grade gold mineralisation with drill intersections of 1m at 46.3g/t Au and rock chips returning assays of up to 4.48% Au (refer to ASX announcements dated 1 October 2015, 28 August 2017 and 26 July 2021).

Mapping indicated that these high-grade results are sourced from several narrow quartz veins. Further investigation was considered warranted as the Tick Hill Gold Deposit is hosted in a similar geological and structural position relative to the Pilgrim Fault as Kalman West.

In order to better define the gold distribution and potential, Hammer completed a close-spaced five-hole, 200m RC drilling program in the area surrounding the 4.48% Au sample position. Samples were analysed using Photon Assay which was utilised to deliver more accurate results in samples likely to contain nuggety gold (See Figure 8.).

Significant intercepts from this program include:

- **1m at 65.4g/t gold from 9m in HKWRC015**



**Figure 8.** Kalman West Prospect showing existing drilling, gold soil geochemical response and existing drilling.



### **Lord Nelson**

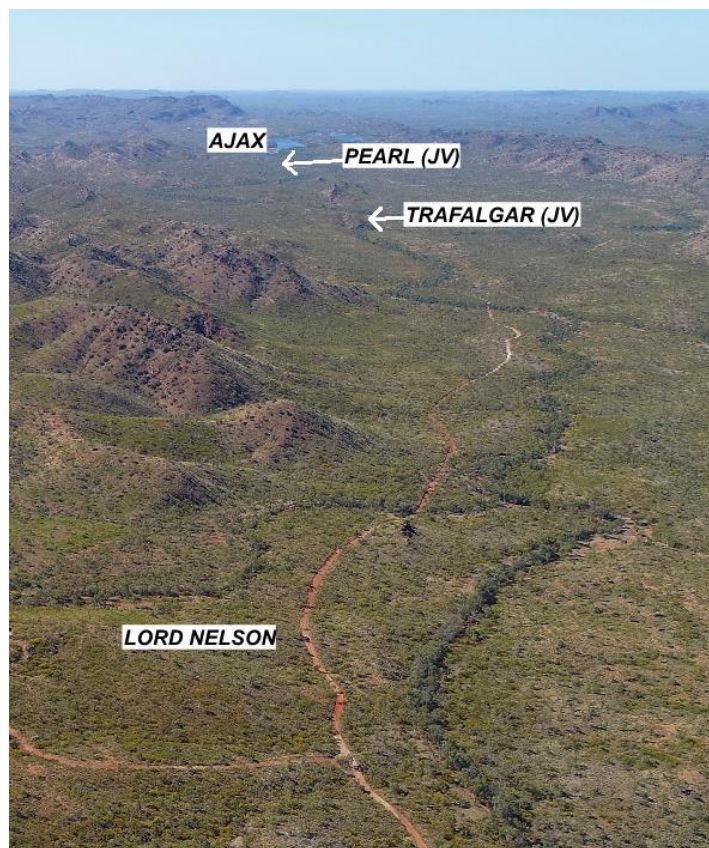
Lord Nelson is a new prospect located at the southern end of the Neptune trend on the northern side of the regional-scale Fountain Range Fault Zone and 3.6km south-west on-trend from Trafalgar (See Figure 9.).

Prospecting at the site in mid-2022 returned several rock chip samples with individual maximum copper and gold grades of copper grades of 8.34% Cu and 0.46g/t Au (refer to ASX announcement dated 26 July 2022 and 7 March 2023).

Two holes were drilled (376m) as an initial test of the area. Significant intersections include:

- **5m at 1.72% Cu and 1.18g/t Au from 14m within a mineralised envelope of 21m @ 0.59% Cu and 0.33g/t Au from surface;** and
- 2m at 0.55% Cu and 0.22g/t Au from 22m within a mineralised envelope of 70m at 0.14% Cu and 0.04g/t Au from 1m.

The ratio of gold to copper in the area is significantly higher than other prospects in the region. Ground review is planned to prioritise zones for further investigation along strike towards Trafalgar.



**Figure 9.** Oblique view looking north-east along the Fountain Range Fault showing the location of Lord Nelson through to Ajax.

### **Ajax**

The Ajax trend was initially discovered in early 2022 with an intercept of 11m at 5% Cu and 2.5g/t Au in HMLVRC014. This drill-hole was followed up along strike with HMLVRC021 (4m at 2.4% Cu and 0.41g/t Au within 48m at 0.43% Cu and 0.12g/t Au) in October 2021 (refer to ASX announcements dated 9 March 2022 and 24 October 2022).

In late 2022, follow-up drilling in the Ajax area tested this trend along strike with copper intercepts including:

- 35m at 0.12% Cu from 66m in HMLVRC027

The Ajax East trend remains a high priority for Hammer given the significant and broad extent of sulphide mineralisation in the region and the regular occurrence of high-grade copper mineralisation (see Figure 10).

The broader extent of the sulphide system delineated at Ajax East remains under-explored, with strike extents of greater than 250m still without any drill coverage. Hammer will look to build upon its geological knowledge of the Ajax area and further test this zone as part of the upcoming 2023 drilling program (refer ASX Announcement 7 March 2023).

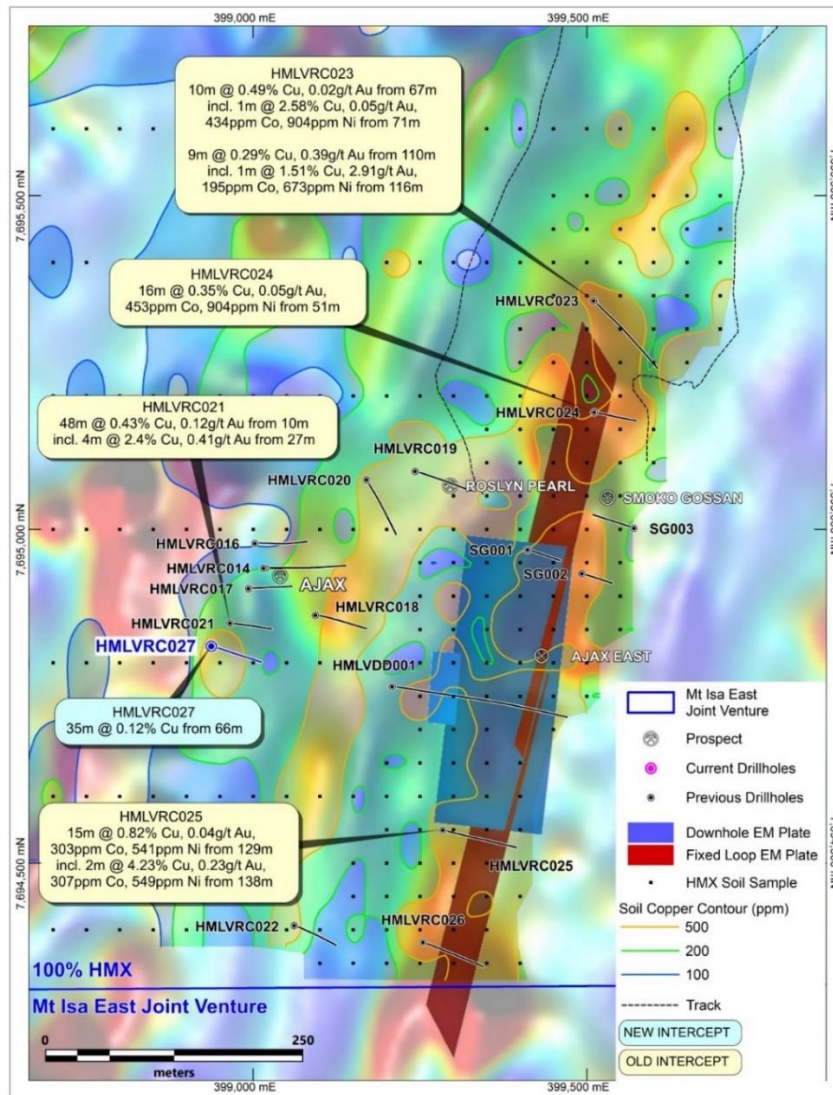


Figure 10. Ajax Prospect showing the location of HMLVRC027 on the Ajax West trend.

### Mount Isa – Ongoing Exploration Activities

Wet weather delayed the commencement of the Electromagnetic (EM) programs and has also resulted in delays to the Hammer’s 2023 drilling program.

FLEM and DHEM surveys have been completed at the Hardway, Mascotte, Pommern and Bulonga prospects.

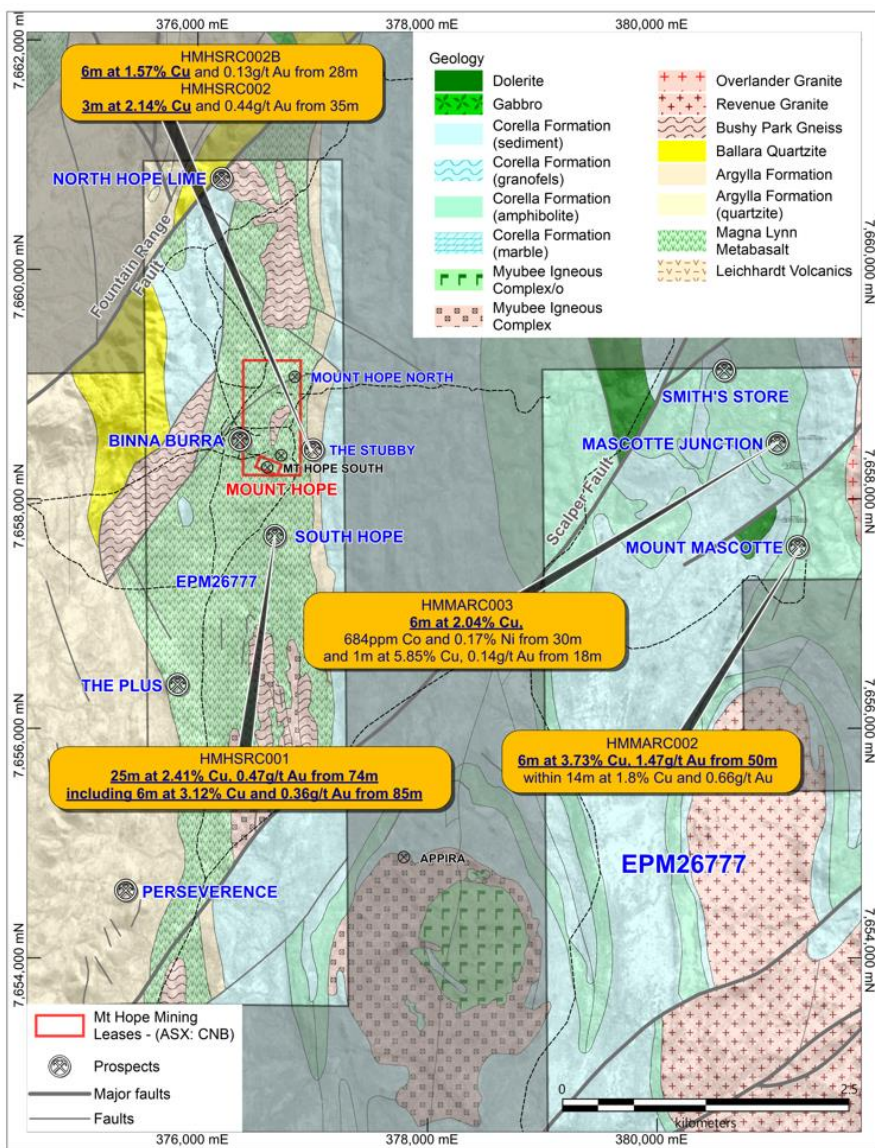
Within Hammer’s 100%-owned tenement areas, planning is underway for further drilling at Hope South, Mascotte, Mascotte Junction, The Stubby, Tourist Zone and new prospects at Bulonga and Pommern. Final environmental approvals to enable drilling at these sites is expected in May with drilling to commence soon thereafter.



**Southern Tenure – Mount Hope, Pilgrim Fault South, Mascotte, Mascotte Junction (100% HMX)**

In the last quarter of 2022, Hammer had defined four prospective target zones across the Mount Hope area with each delivering highly prospective copper intercepts in our initial drilling program:

- **South Hope – 25m at 2.41% Cu and 0.4g/t Au from 74m** in HMHSRC001 including 6m at 3.12% Cu and 0.36g/t Au from 85m.
- **Mt Mascotte – 6m at 3.73% Cu and 1.47g/t Au (from 50m)** and 1m at 1.97% Cu and 0.23g/t Au (from 63m) in HMMARC002. These higher-grade zones occurred within a mineralised envelope of 14m at 1.80% Cu and 0.66g/t Au from 50m.
- **Mascotte Junction – 6m at 2.04% Cu, 0.03g/t Au, 0.07% Co and 0.17% Ni (from 30m)** in HMMARC003 and 1m at 5.85% Cu and 0.14g/t Au (from 18m); and
- **Stubby – 6m at 1.57% Cu and 0.13g/t Au from 28m** in HMHSRC002.



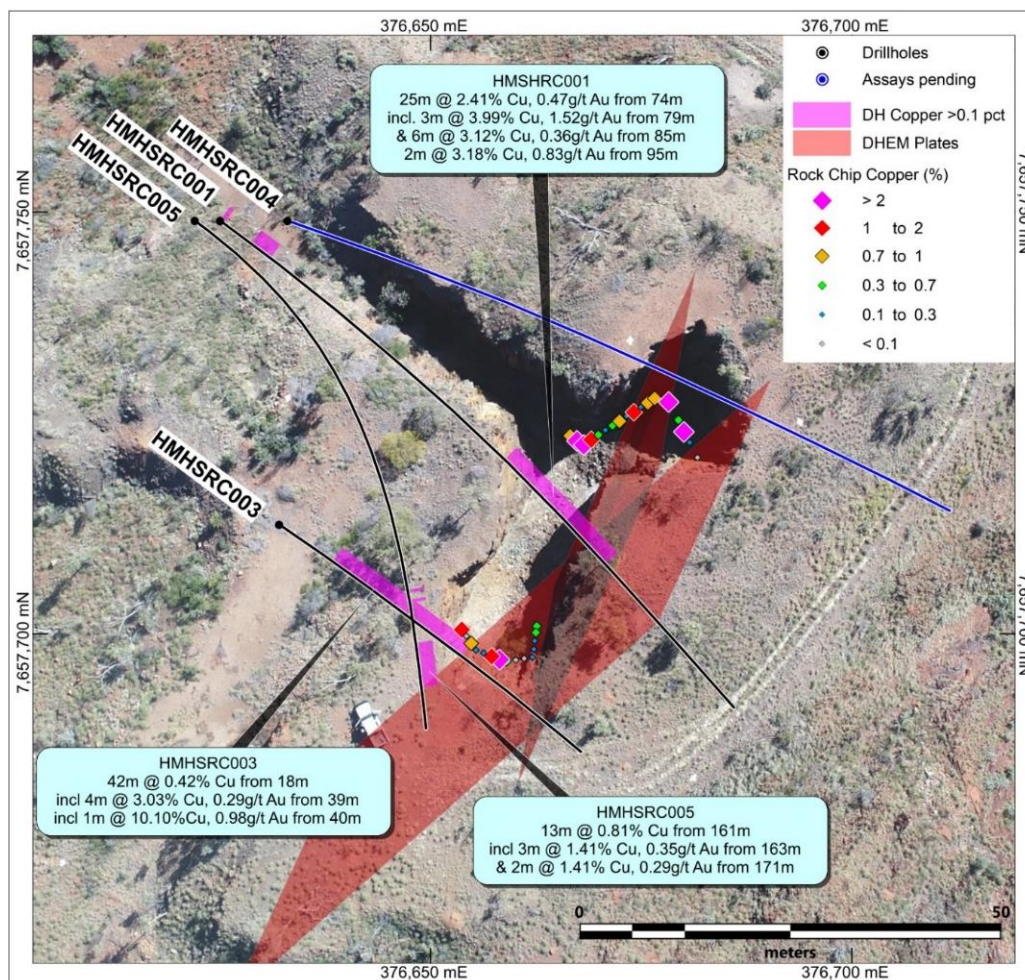
**Figure 11.** Overview plan of the Mascotte region showing the location relative to the Mt Hope area (see ASX Announcement 19 December 2022).

In advance of drilling in 2023, targets at Mascotte and Mascotte Junction (see Figure 11) have been covered by fixed-loop electromagnetic surveys.



These surveys have now been completed with results currently being interpreted by Hammer's geophysical consultants. A DHEM (down-hole electromagnetic) survey was also conducted at HMHSRC005 with initial geophysical modelling indicating the presence of a south-plunging conductor.

Final drill hole planning is underway pending the outputs of the recently complete EM modelling (see Figure 12.). Hammer continues to progress environmental approvals to enable the commencement of drill pad preparation, with final approvals for drilling at South Hope and Mascotte expected to be received in early-mid May.



**Figure 12.** Plan view of drill-holes, with modelled DHEM plates (see ASX announcement 22 November 2022).

### Mount Hope Boundary Dispute

On 6 January 2023, Hammer received correspondence from the Queensland Department of Resources' Mineral Assessment Hub ("The Department") that set out the Department's decision to recommend that the delegate of the Minister of Resources slightly adjust the existing boundary of ML90240, currently owned by Carnaby Resources (ASX: CNB) and thereby changing the internal boundaries within Hammer's EPM26777.

On 13 February 2023, HMX received further correspondence from the Department advising that the Minister approved the variation of the boundary of ML 90240 in accordance with the Department's recommendation (Refer ASX Announcement 14 February 2023) (See Figure 13.).

Hammer requested a written statement of reasons for the decision on 10 March 2023 and is yet to receive a reply from the Department of Resources. A subsequent request for this decision document was submitted on 21 April 2023.

On 26 April 2023, the Department requested an extension of time until 31 May 2023 to provide a statement of reasons. Hammer has consented to the request for extension. Upon receipt of the statement of reasons, Hammer will consider all appropriate avenues to appeal the current boundary decision.

Hammer's submissions to the Department on the matter contend that the initial application for ML90240 contained several critical errors which are potentially unable to be rectified through the Minister's decision. Hammer has a strong view that given the longevity of these inaccuracies and that the errors contained within the original application for ML90240 and its award should not be rectified in a manner that results in a decrease in Hammer's tenure.

Upon receipt of the decision document, Hammer's Board of Directors will appropriately consider any potential avenues to review the decision or any other action available to it.



**Figure 13.** EPM 26777 and ML90240 historical boundaries and New Boundary Decision.

The decision to move the boundary by ~80metres to the south-east does not impact on any of Hammer's current exploration targets or focus.

Hammer's South Hope prospect (25m at 2.41% Cu and 0.5g/t Au from 85m in HMSRC001 – see ASX announcement 22 November 2022) is located ~600m to the south of the disputed tenure. This target will be drilled as part of Hammer's upcoming drilling program.

**Mount Isa East JV (MIE JV) (SMMO earning 60% interest)**

The MIE JV enters the final year of the 4-year earn-in phase, concluding March 31 2024. Ongoing geophysical and geochemical programs within the MIE JV continue with drilling schedule to commence in the coming months (refer ASX Announcement 13 February 2023).

The CSIRO research program has been completed with several priority large-scale IOCG targets identified – south of Shadow, Jimmy Creek and Even Steven.



Copper-gold targets considered for drilling in the upcoming period include Secret, Shakespeare, Prince of Wales and Even Steven.

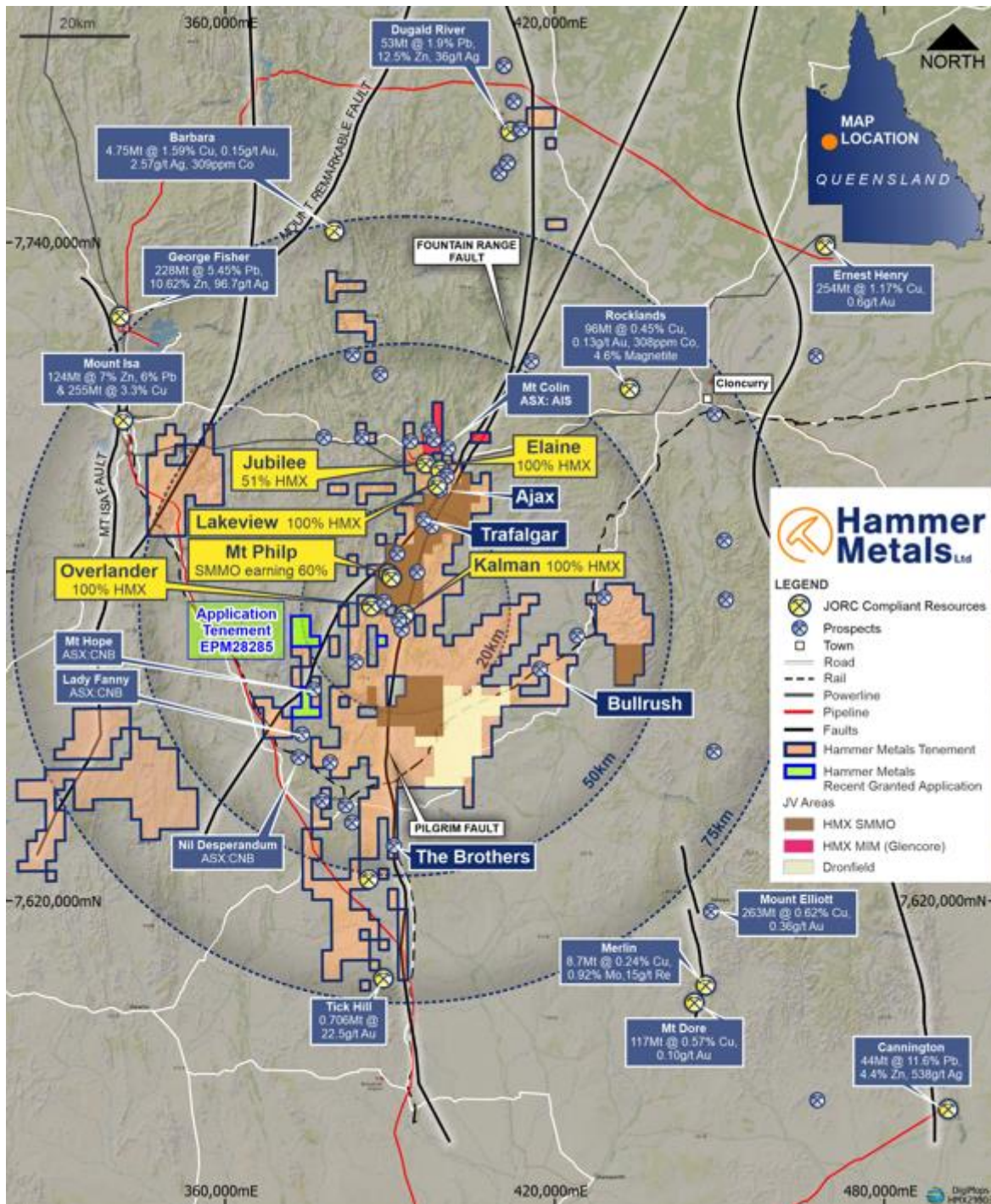


Figure 14. Mt Isa Project Area

### YANDAL GOLD PROJECTS (100% Hammer)

Following an extensive soil geochemical program during the second quarter of 2022, Hammer completed a follow-up field program reviewing the various geochemical anomalies. This work identified several lithium and gold targets that will be subject to an air-core drilling program currently scheduled for the end of the second quarter of this year.

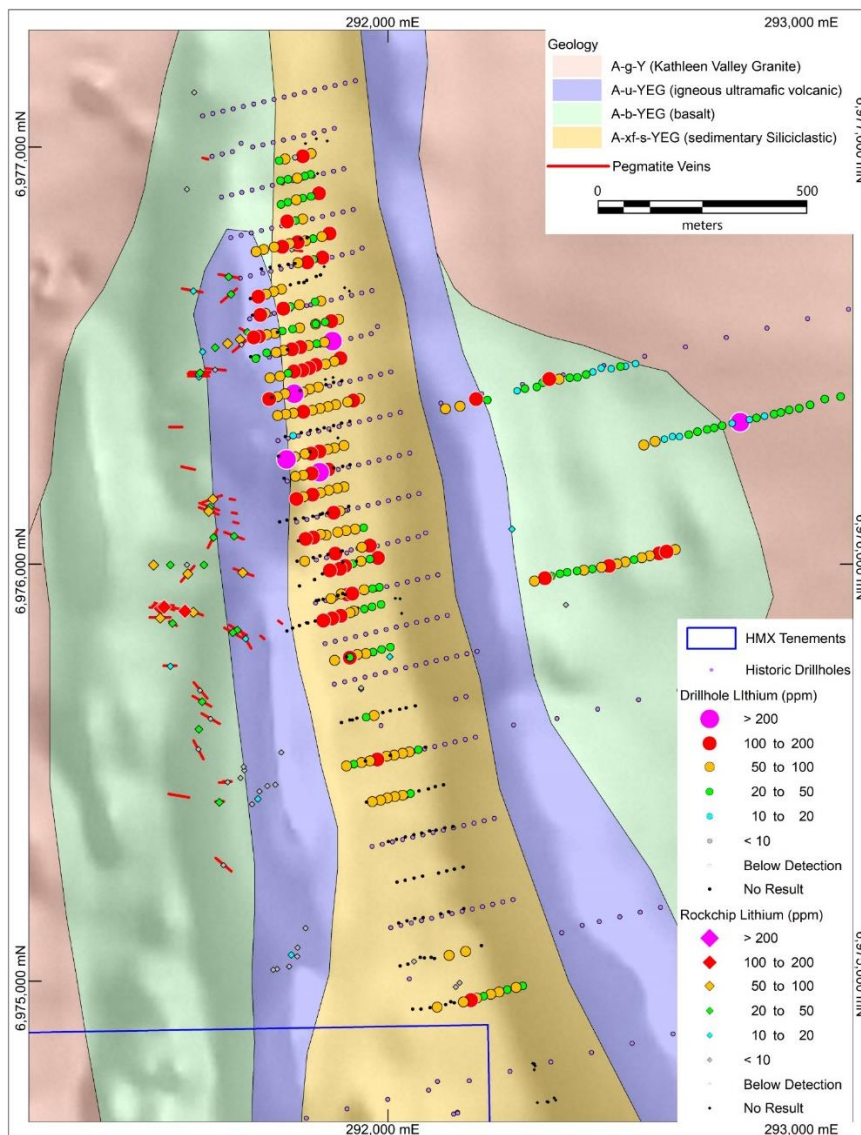
Hammer's geologists subsequently undertook an extensive surface rock chip sampling campaign across areas considered prospective for pegmatite occurrences within the Bronzewing Project area. This sampling was the



first of its type in the area and its success opens a new search space within Hammer's Yandal Greenstone Belt tenements.

Hammer has also identified several instances of pegmatites recorded in historical drilling (see Figure 15). These historical samples have been submitted for multi-elemental analysis.

The Company is also collecting bottom-of-hole samples from Target 1 at North Orelia which have assayed in excess of 200ppm lithium. These sample will be submitted for petrological analysis to aid in the identification of the lithium dominant mineral species.



**Figure 15.** Orelia Target 1 showing the anomalous bottom-of-hole lithium responses, mapped pegmatites and rock chip sample locations (see ASX announcement 6 December 2022 and Quarterly Activities Report 31 January 2023).

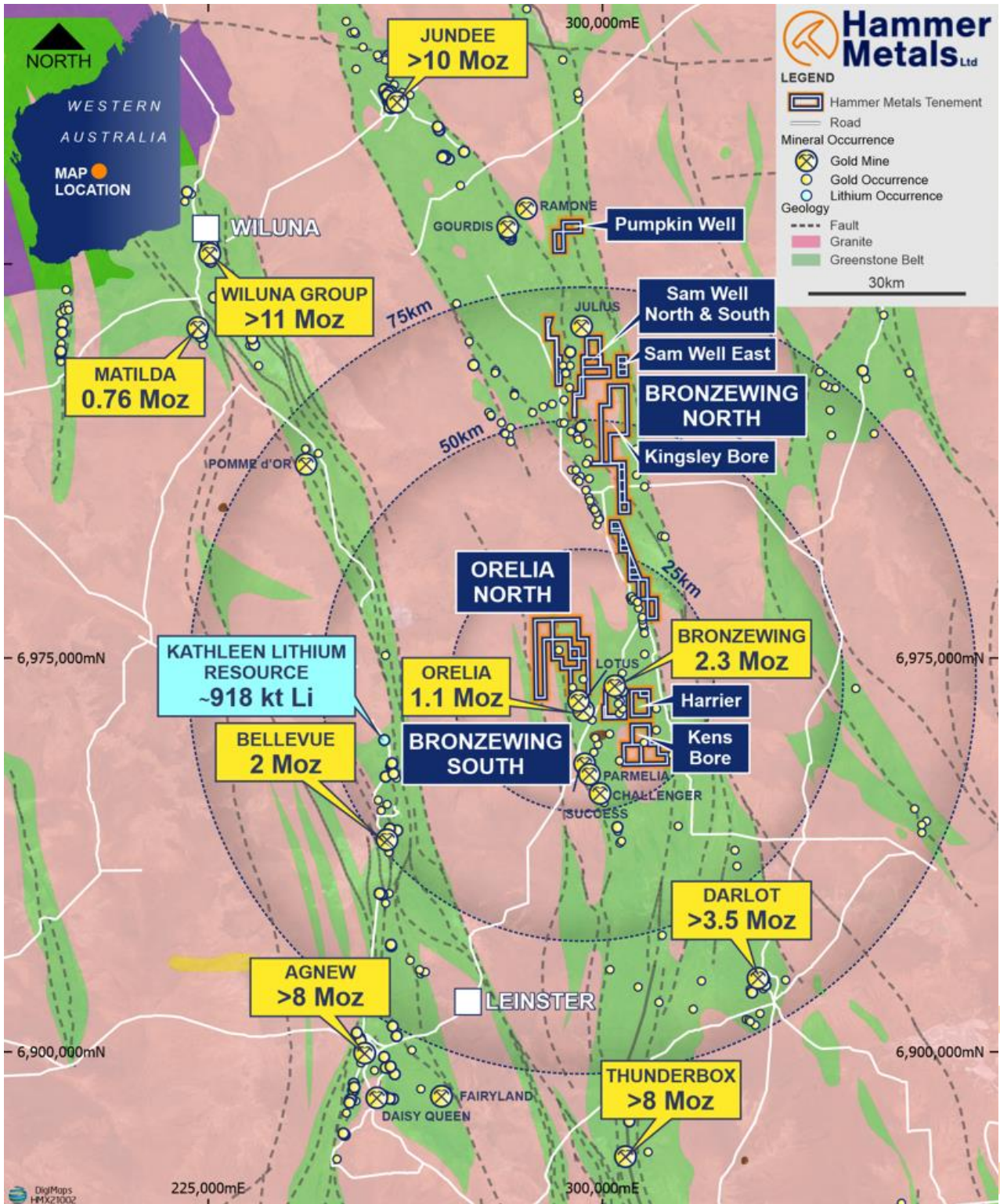


Figure 16. Overview of the greater Bronzewing Project showing the location of soil sampling areas.

## CORPORATE

Hammer's cash balance as at 31 March 2023 was \$2.6 million including \$0.04 million held in Joint Venture expenditure accounts.

In accordance with the reporting requirements of ASX Listing Rule 5.3, the Company incurred \$758,000 on exploration and evaluation activities during the quarter. There was no mining development or production activities conducted during the quarter.

Expenditure was on activities as described in this report and predominantly related to:

- Exploration Drilling within the Mt Isa project area;
- Geophysical and geochemical surveys within the Mt Isa project area;
- Technical consulting services; and
- General fieldwork including rehabilitation work.

In addition, during the quarter, related party payments totalling \$111,000 were paid to the Directors of the company, representing Directors' salary and fees for the period.

### **Upcoming Events and Newsflow:**

- **Early May – Kalman Mineral Resource Update**
- **May – EM results and interpretation**
- **May – Resources Rising Stars Conference Presentation**
- **May – Hardway Drilling Results**
- **May – Mount Hope region drilling commencement.**
- **June/July– Yandal lithium-nickel-gold air-core drilling program**
- **June/July – Hardway, South Hope, Mascotte, Mascotte Junction and Stubby drilling results**

*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:

**Daniel Thomas**  
Managing Director

T +61 8 6369 1195  
E [info@hammermetals.com.au](mailto:info@hammermetals.com.au)

**Media Enquiries:**  
Nicholas Read – Read Corporate

T +61 9 9388 1474  
E [info@readcorporate.com.au](mailto:info@readcorporate.com.au)

- END -



## **About Hammer Metals**

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,600km<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 51% interest in the Jubilee (Cu-Au) deposit. Hammer is an active mineral explorer, focused on discovering large copper-gold deposits of the Ernest Henry style and has a range of prospective targets at various stages of testing. Hammer also 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 type of deposits under consideration and to the activity 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 reference is made to previous releases of exploration results and mineral resource estimates in this announcement, the Company 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 exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous exploration results was prepared and first disclosed under a pre-2012 edition of the JORC code, the data has been compiled and validated. It is the opinion of Hammer Metals that the exploration data is reliable. Nothing has come to the attention of Hammer Metals that causes it to question the accuracy or reliability of the historic exploration results. In the case of the pre-2012 JORC Code exploration results, they have not been updated to comply with 2012 JORC Code on the basis that the information has not materially changed since it was last reported.

**Appendix A. Tenement Interests at the end of March 2023 as per Listing Rule 5.3.3**

| PROJECT                     | TENEMENT    | STATUS      | INTEREST % | Acquired during quarter | COMMENT   |
|-----------------------------|-------------|-------------|------------|-------------------------|---|
| Mt Isa Project - QLD        | EPM 11919   | Granted     | 100%       | No                      | Subject to 1.5% NSR   |
|                             | EPM 12205   | Granted     | 100%       | No                      |   |
|                             | EPM 13870   | Granted     | 100%       | No                      | Subject to 2% NSR   |
|                             | EPM 14019   | Granted     | 100%       | No                      | 25% of tenement area held in trust to Global Energy Metals Corporation  |
|                             | EPM 14022   | Granted     | 100%       | No                      |   |
|                             | EPM 14467   | Granted     | 51%        | No                      |   |
|                             | EPM 18084   | Granted     | 80%        | No                      |   |
|                             | EPM 25145   | Granted     | 100%       | No                      |   |
|                             | EPM 25165   | Granted     | 100%       | No                      | Subject to 1.5% NSR   |
|                             | EPM 25866   | Granted     | 100%       | No                      |   |
|                             | EPM 25867   | Granted     | 100%       | No                      |   |
|                             | EPM 26126   | Granted     | 100%       | No                      |   |
|                             | EPM 26127   | Granted     | 100%       | No                      |   |
|                             | EPM 26130   | Granted     | 100%       | No                      |   |
|                             | EPM 26474   | Granted     | 100%       | No                      |   |
|                             | EPM 26511   | Granted     | 100%       | No                      |   |
|                             | EPM 26512   | Granted     | 100%       | No                      |   |
|                             | EPM 26628   | Granted     | 100%       | No                      |   |
|                             | EPM 26694   | Granted     | 100%       | No                      |   |
|                             | EPM 26775   | Granted     | 100%       | No                      | 6.2% of tenement area held in trust to Global Energy Metals Corporation |
|                             | EPM 26776   | Granted     | 100%       | No                      |   |
|                             | EPM 26777   | Granted     | 100%       | No                      |   |
|                             | EPM 26902   | Granted     | 100%       | No                      |   |
|                             | EPM 26904   | Granted     | 100%       | No                      |   |
|                             | EPM 27018   | Granted     | 100%       | No                      |   |
|                             | EPM 27355   | Granted     | 100%       | No                      |   |
|                             | EPM 27469   | Granted     | 100%       | No                      |   |
|                             | EPM 27470   | Granted     | 100%       | No                      |   |
|                             | EPM 27806   | Granted     | 100%       | No                      |   |
|                             | EPM 27815   | Granted     | 100%       | No                      |   |
| EPM 27861                   | Granted     | 100%        | No         |                         |   |
| EPM 28189                   | Granted     | 100%        | Yes        |                         |   |
| EPM 28285                   | Application | 100%        | No         |                         |   |
| Bronzewing Sth Project - WA | E36/854     | Granted     | 100%       | No                      |   |
|                             | E36/855     | Granted     | 100%       | No                      | Subject to 1.5% NSR   |
|                             | E36/868     | Granted     | 100%       | No                      |   |
|                             | E36/869     | Granted     | 100%       | No                      |   |
|                             | E36/870     | Granted     | 100%       | No                      |   |
|                             | E36/882     | Granted     | 100%       | No                      | Subject to 1.5% NSR   |
|                             | E36/916     | Granted     | 100%       | No                      |   |
|                             | E36/996     | Granted     | 100%       | No                      |   |
|                             | E36/1006    | Application | 100%       | No                      |   |
|                             | E53/1989    | Granted     | 100%       | No                      |   |
|                             | E53/1996    | Granted     | 100%       | No                      |   |
|                             | E53/2030    | Granted     | 100%       | No                      |   |
|                             | E53/2085    | Granted     | 100%       | No                      |   |
|                             | E53/2112    | Granted     | 100%       | No                      |   |
|                             | E53/2113    | Granted     | 100%       | No                      |   |
|                             | E53/2114    | Granted     | 100%       | No                      |   |
|                             | E53/2115    | Granted     | 100%       | No                      |   |
|                             | E53/2116    | Granted     | 100%       | No                      |   |
|                             | E53/2117    | Granted     | 100%       | No                      |   |
|                             | E53/2118    | Granted     | 100%       | No                      |   |
|                             | E53/2127    | Granted     | 100%       | No                      |   |
|                             | E53/2128    | Granted     | 100%       | No                      |   |
|                             | P36/1857    | Granted     | 100%       | No                      |   |
|                             | P36/1858    | Granted     | 100%       | No                      |   |
|                             | P53/1682    | Granted     | 100%       | No                      |   |
|                             | P53/1683    | Granted     | 100%       | No                      |   |
|                             | P53/1684    | Granted     | 100%       | No                      |   |
|                             | P53/1685    | Granted     | 100%       | No                      |   |
|                             | P53/1686    | Granted     | 100%       | No                      |   |
|                             | P53/1687    | Granted     | 100%       | No                      |   |
|                             | P53/1688    | Granted     | 100%       | No                      |   |
|                             | P53/1689    | Granted     | 100%       | No                      |   |
|                             | P53/1690    | Granted     | 100%       | No                      |   |
|                             | P53/1691    | Granted     | 100%       | No                      |   |
|                             | P53/1692    | Granted     | 100%       | No                      |   |
|                             | P53/1693    | Granted     | 100%       | No                      |   |
|                             | P53/1694    | Granted     | 100%       | No                      |   |
|                             | P53/1695    | Granted     | 100%       | No                      |   |
|                             | P53/1696    | Granted     | 100%       | No                      |   |
|                             | P53/1697    | Granted     | 100%       | No                      |   |



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Hammer Metals Limited

ABN

87 095 092 158

Quarter ended ("current quarter")

31 March 2023

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               |                            |                                       |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              |                            |                                       |
| (b) development   |                            |                                       |
| (c) production  |                            |                                       |
| (d) staff costs   | (77)                       | (263)                                 |
| (e) administration and corporate costs                    | (220)                      | (615)                                 |
| 1.3 Dividends received (see note 3)                       |                            |                                       |
| 1.4 Interest received                                     | 5                          | 15                                    |
| 1.5 Interest and other costs of finance paid              |                            |                                       |
| 1.6 Income taxes paid                                     |                            |                                       |
| 1.7 Government grants and tax incentives                  |                            |                                       |
| 1.8 Other (provide details if material)                   |                            |                                       |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(292)</b>               | <b>(863)</b>                          |
| <b>2. Cash flows from investing activities</b>            |                            |                                       |
| 2.1 Payments to acquire or for:                           |                            |                                       |
| (a) entities  |                            |                                       |
| (b) tenements   |                            |                                       |
| (c) property, plant and equipment                         | -                          | (18)                                  |
| (d) exploration & evaluation                              | (758)                      | (2,796)                               |
| (e) investments   |                            |                                       |
| (f) other non-current assets                              |                            |                                       |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |  | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|--------------------------------------|--|----------------------------|---------------------------------------|
| 2.2                                  | Proceeds from the disposal of:   |                            |                                       |
|                                      | (a) entities   |                            |                                       |
|                                      | (b) tenements  |                            |                                       |
|                                      | (c) property, plant and equipment                                      |                            |                                       |
|                                      | (d) investments  |                            |                                       |
|                                      | (e) other non-current assets   |                            |                                       |
| 2.3                                  | Cash flows from loans to other entities                                |                            |                                       |
| 2.4                                  | Dividends received (see note 3)  |                            |                                       |
| 2.5                                  | Other (provide details if material)                                    |                            |                                       |
|                                      | - R&D grant received   | 1,081                      | 1,081                                 |
|                                      | - Recovery of exploration and<br>administration costs from JV partners | 8                          | 50                                    |
|                                      | - Exploration expenditure on behalf of JV<br>partners                  | (2)                        | (11)                                  |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing<br/>activities</b>              | <b>329</b>                 | <b>(1,694)</b>                        |

|             |  |             |             |
|-------------|--|-------------|-------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>  |             |             |
| 3.1         | Proceeds from issues of equity securities<br>(excluding convertible debt securities)       |             |             |
| 3.2         | Proceeds from issue of convertible debt<br>securities                                      |             |             |
| 3.3         | Proceeds from exercise of options  | -           | 35          |
| 3.4         | Transaction costs related to issues of equity<br>securities or convertible debt securities |             |             |
| 3.5         | Proceeds from borrowings   |             |             |
| 3.6         | Repayment of borrowings  |             |             |
| 3.7         | Transaction costs related to loans and<br>borrowings                                       |             |             |
| 3.8         | Dividends paid   |             |             |
| 3.9         | Other (provide details if material)  |             |             |
|             | - Lease payments made  | (27)        | (104)       |
| <b>3.10</b> | <b>Net cash from / (used in) financing<br/>activities</b>                                  | <b>(27)</b> | <b>(69)</b> |



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| <b>4.</b>                                   | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |                                    |  |
| 4.1   | Cash and cash equivalents at beginning of period                             | 2,558                              | 5,194  |
| 4.2   | Net cash from / (used in) operating activities (item 1.9 above)              | (292)                              | (863)  |
| 4.3   | Net cash from / (used in) investing activities (item 2.6 above)              | 329                                | (1,694)  |
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above)             | (27)                               | (69)   |
| 4.5   | Effect of movement in exchange rates on cash held                            | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                            | <b>2,568</b>                       | <b>2,568</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 2,505                              | 2,493                               |
| 5.2        | Call deposits   | 22                                 | 22                                  |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other – Balance of JV bank accounts   | 41                                 | 43                                  |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>2,568</b>                       | <b>2,558</b>                        |

| <b>6.</b>   | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|---|---|------------------------------------|
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 67                                 |
| 6.2   | Aggregate amount of payments to related parties and their associates included in item 2 | 44                                 |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> |   |                                    |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>7. Financing facilities</b>   | <b>Total facility amount at quarter end \$A'000</b>   | <b>Amount drawn at quarter end \$A'000</b> |
|--|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> |   |  |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  |   |  |
| 7.1  | -   | -  |
| 7.2  | -   | -  |
| 7.3  | -   | -  |
| 7.4  | -   | -  |
| 7.5  | <b>Unused financing facilities available at quarter end</b>   |  |
|  |   | -  |
| 7.6  | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. |  |
|  |   |  |

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$A'000</b>   |
|---|--|
| 8.1   | (292)  |
| 8.2   | (758)  |
| 8.3   | (1,050)  |
| 8.4   | 2,568  |
| 8.5   | -  |
| 8.6   | 2,568  |
| 8.7   | 2.45   |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |  |
| 8.8   | If item 8.7 is less than 2 quarters, please provide answers to the following questions:  |
| 8.8.1   | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  |
| Answer: Not applicable  |  |
| 8.8.2   | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? |
| Answer: Not applicable  |  |



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....28 April 2023.....

Authorised by: .....The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.