SOUTH HOPE CONTINUES TO SHINE: 34m @ 2.5% Cu and 0.5g/t Au

ASX RELEASE
4 December 2023

DIRECTORS / MANAGEMENT

Russell Davis
Chairman

Daniel Thomas
Managing Director

James Croser
Non-Executive Director

David Church
Non–Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (1/1122023)	$0.050
Shares on Issue	886m
Market Cap	$44m
Options Unlisted	17.6m
Performance Rights	8m
Cash (30/09/2023)	$3.4m

- Drilling down-dip of previous intercepts at South Hope highlights the continuity of the high-grade mineralised zone, with outstanding new assays including:
  - **14m at 3.34% Cu and 0.72g/t Au from 113m** within:
    - **34m 2.5% Cu and 0.49g/t Au** in HMSHRC010; and
    - **6m at 1.05% Cu and 0.28g/t Au from 114m** in HMHSRC011.
- The high-grade zone of mineralisation was also intersected along strike at Mt Mascotte, with an outstanding intercept of:
  - **4m at 2.82% Cu and 3.84g/t Au from 104m in HMMARC009.**
- The source of the EM conductor at Mascotte West is likely explained by pyrrhotite mineralisation which was observed during drilling at this prospect.

Figure 1. *Chip Trays HMHSRC010, 100-140m. 14m at 3.34% Cu and 0.72g/t Au from 113m is located within a clean quartz vein zone.*

Hammer's Managing Director, Daniel Thomas said:

"These outstanding results cap a highly successful drilling program and offer some great opportunities for further follow-up in early 2024. The high-grade nature of the mineralisation at Mt Mascotte and South Hope provides further evidence of the attractiveness of these prospects, which continue to deliver significant wide high-grade copper intercepts from shallow depths.

"As the copper inventories of the region grow, these prospects offer good grades of mineralisation close to surface and will provide opportunities for future development of the deposits in the region."

T (08) 6369 1195 **E** info@hammermetals.com.au
ABN 87 095 092 158 **P** Unit 1, 28-30 Mayfair Street, West Perth, WA 6005
ASX:HMX
hammermetals.com.au

Hammer Metals Ltd (**ASX: HMX**) ("**Hammer**" or the "**Company**") is pleased to report outstanding new high-grade assay results from Reverse Circulation (RC) drilling completed in September at the Hope South and nearby Mt Mascotte prospects, within its Mt Isa portfolio in North Queensland.

The initial tranche of results covering drilling at the Hardway prospect were reported to the ASX on 31 October 2023. This release documents the remainder of the drilling results from the September program.

Hammer is pleased to see excellent results continuing to be delivered from Hope South and Mt Mascotte, extending the shallow zone of high-grade copper-gold mineralisation. Initial drilling at Mascotte West has downgraded this area.

Table 1. *Prospect drilling details. Hardway drilling has been previously reported.*

Prospect	Holes	Metres	Reported
Hardway	8	952	31-Oct-23
Hope South	3	466	This Release
Mt Mascotte	1	150	This Release
Mascotte West	3	486	This Release
Tourist Zone	2	342	30-Nov-23
Kalman North	2	204	30-Nov-23
Overlander	2	414	30-Nov-23
Bulonga	1	114	30-Nov-23
Pommern	2	402	30-Nov-23
Total	**24**	**3530**	

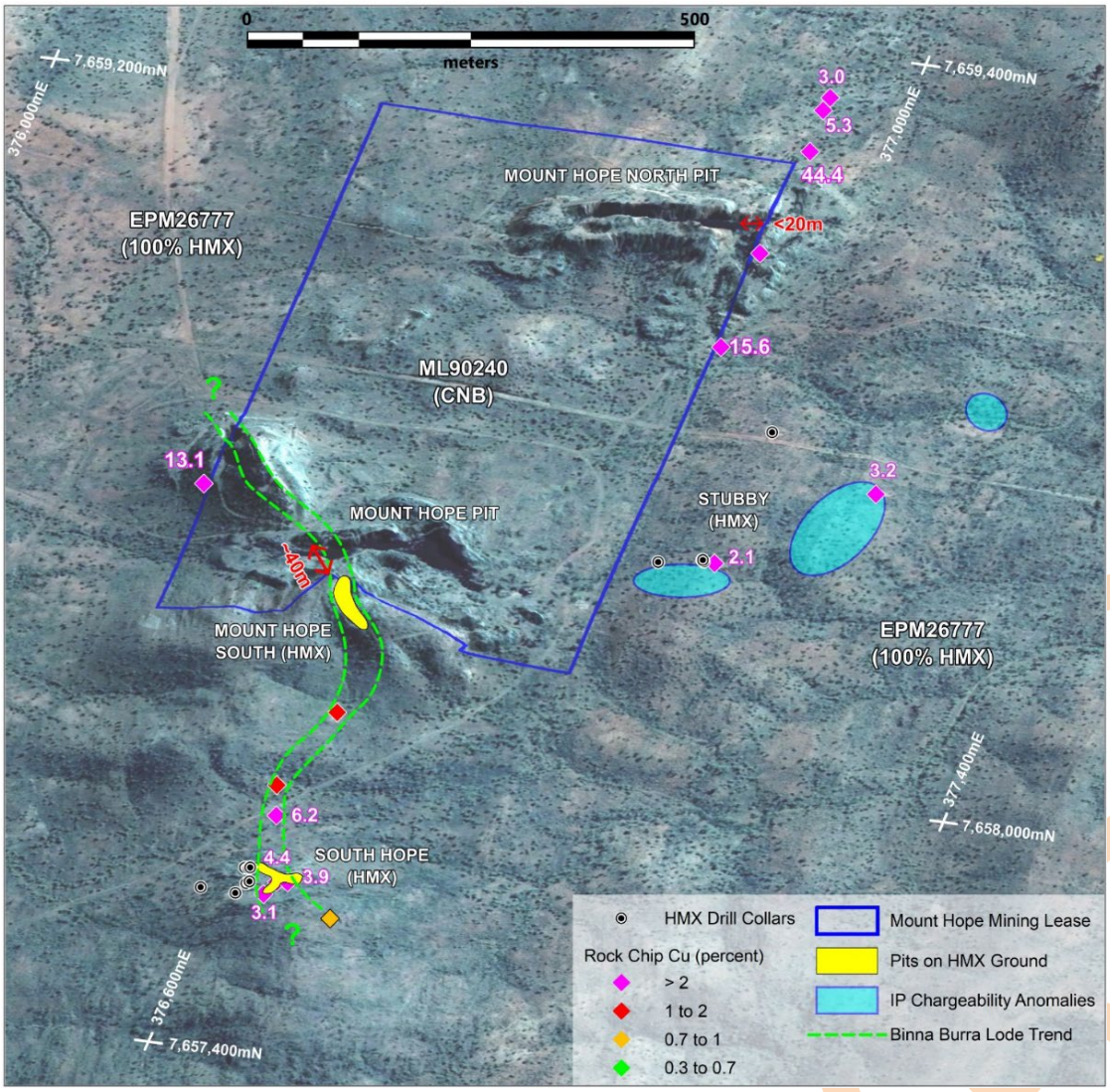

Figure 2. *Mount Hope to South Hope trend.*

Table 2. *Drilling intersections calculated from laboratory assays at a 0.1% Cu cut-off*

Area	Hole	East	North	RL	Dip	Az_GDA	TD		From	To	Interval	Cu(%)	Au(g/t)	Comment
Mt Hope South	HMHSRC010	376583	7657705	461	-55	81.6	190		4	5	1	0.16	0.06	
									111	**145**	**34**	**2.50**	**0.49**	
								incl.	**113**	**127**	**14**	**3.34**	**0.72**	
								&	**141**	**145**	**4**	**4.26**	**0.61**	
									178	179	1	0.26	0.01	
									185	186	1	0.12	0.01	
	HMHSRC011	376583	7657696	461	-72	111.6	198		10	11	1	0.12	0.05	
									77	79	2	0.14	0.01	
									97	108	11	0.24	0.04	
								incl.	98	99	1	0.54	0.11	
									113	122	9	0.65	0.12	
								incl.	**114**	**120**	**6**	**1.05**	**0.28**	
									128	129	1	0.13	0.03	
									138	140	2	0.22	0.09	
									173	174	1	0.18	0.02	
	HMHSRC012	376620	7657684	471	-55	129.6	78		0	8	8	0.70	0.14	
								incl.	6	8	2	2.43	0.09	
Mt Mascotte	HMMARC009	381245	7657531	419	-55	297.6	150		83	84	1	0.18	0.03	
									104	**108**	**4**	**4.82**	**3.84**	
Mascotte West	HMMARC010	380803	7657604	419	-54	314.6	150		72	75	3	0.33	0.03	
									143	144	1	0.11	0.01	
	HMMARC011	380962	7657747	421	-55	314.6	180		49	64	15	0.10	0.05	
									88	100	12	0.20	0.01	
								incl.	89	90	1	0.66	0.02	
									121	123	2	0.35	0.02	
	HMMARC012	380869	7657686	419	-55	304.6	156		7	9	2	0.11	0.01	
									32	35	3	0.17	0.05	
									38	39	1	0.41	0.01	
									42	43	1	0.12	0.02	
									46	50	4	0.19	0.03	
									129	131	2	0.11	0.05	

Note

Locations are relative to GDA94 Zone54

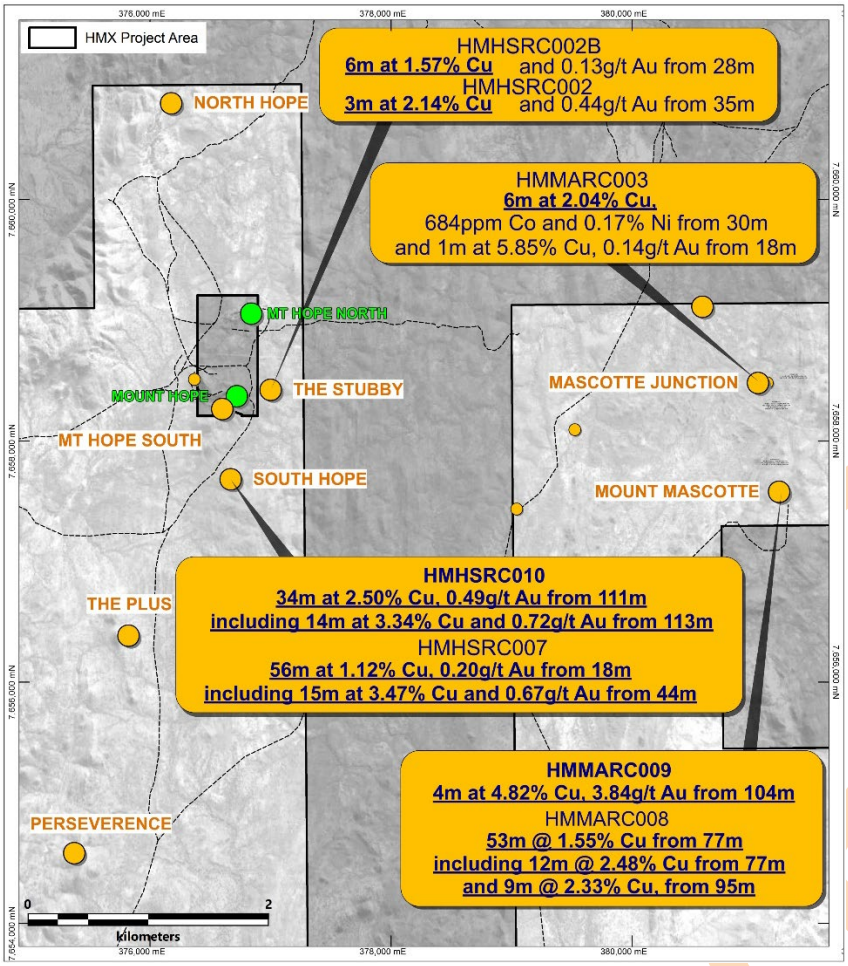

Figure 3. *Mt Hope region with significant Hammer Metals drilling intercepts*

South Hope

Three holes for 466m were drilled at the ***South Hope*** prospect. The aim of the drilling was to test beneath existing high-grade intercepts and also test the down-plunge continuation of the South Hope shoot. Follow-up down-hole EM was conducted on HMSHRC011.

The following significant intercepts have been returned:

- **14m at 3.34% Cu and 0.72g/t Au from 113m** within a broader envelope of
    - **34m at 2.5% Cu and 0.49g/t Au** in HMSHRC010; and
- **6m at 1.05% Cu and 0.28g/t Au from 114m** in HMHSRC011.

The Company has received a preliminary interpretation of down-hole EM conducted on HMHSRC011.The EM indicates a continuation of a steeply south-plunging conductor at the prospect.

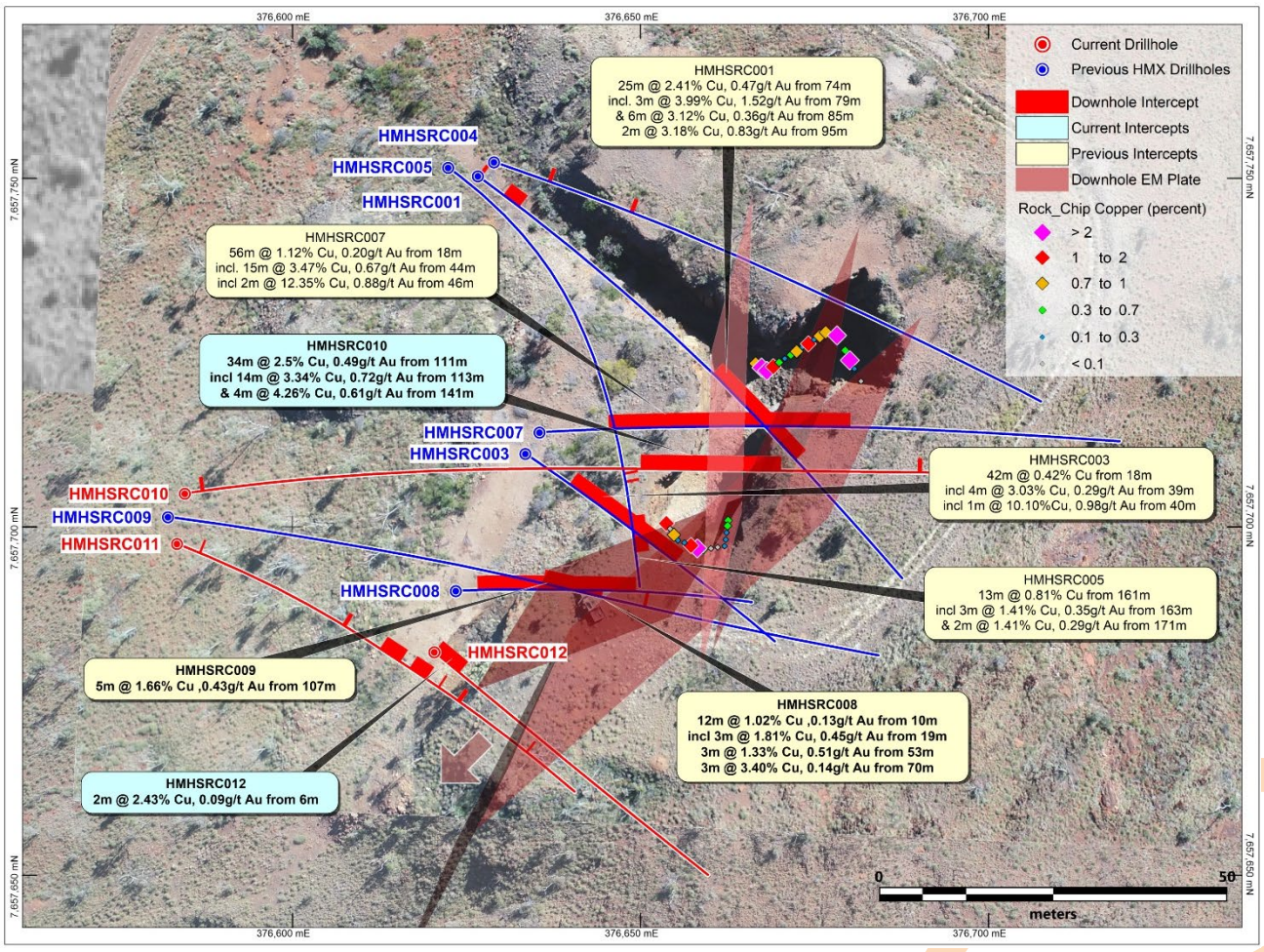

Figure 4. *Hope South plan showing the continuation of the DHEM plate to depth.*

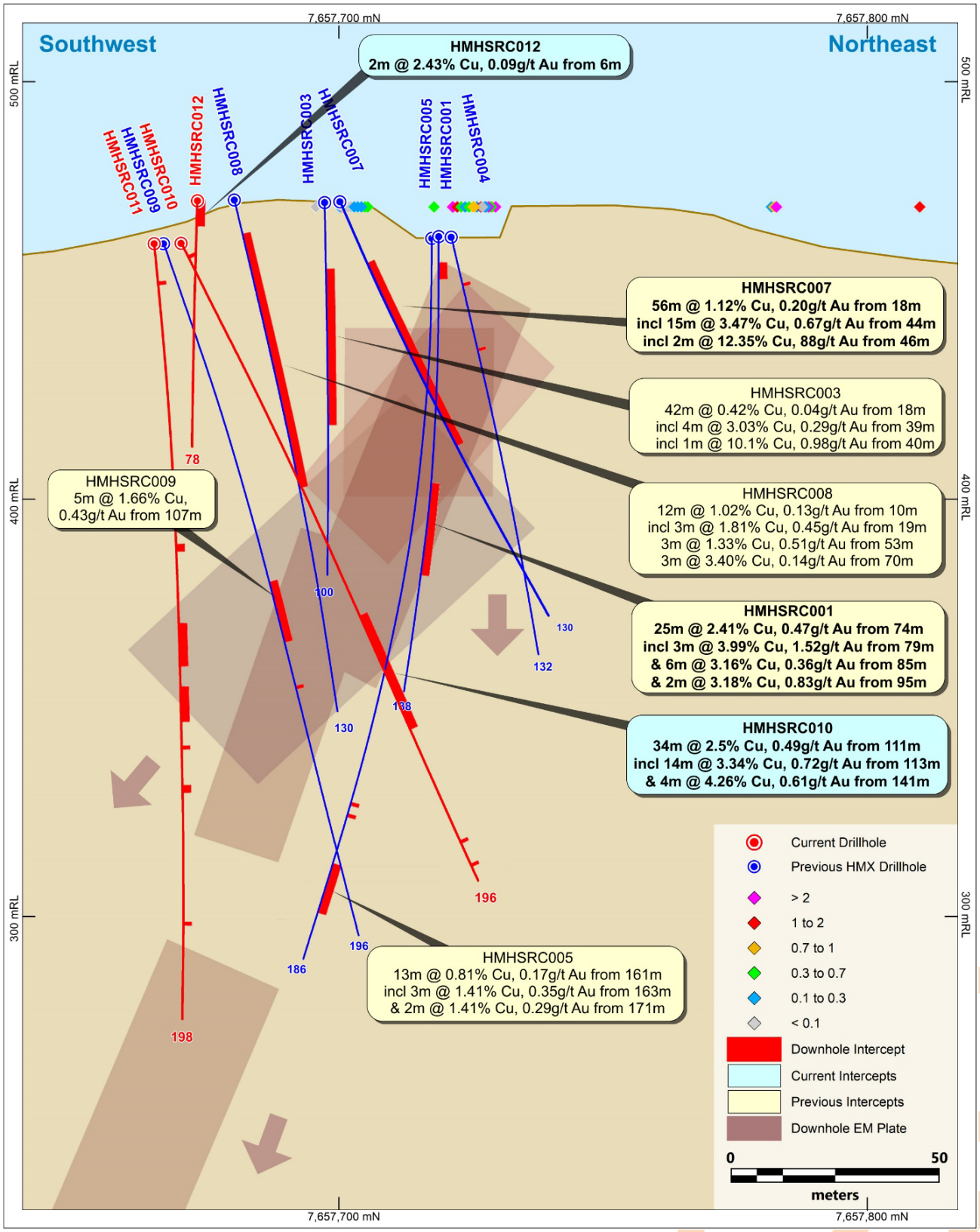

Figure 5. *Hope South long section looking west showing the continuation of the conductive zone.*

Mt Mascotte and Mascotte West

At ***Mt Mascotte***, a single follow-up hole was drilled to the south of the previously reported intercept in HMMARC008 (53m at 1.55% Cu from 77m including 12m at 2.48% Cu from 77m).

HMMARC009 was drilled approximately 40m to the south from HMMARC008 and intersected:

- **4m at 2.82% Cu and 3.84g/t Au from 104m in HMMARC009.**

The Mt Mascotte intersection has potential along strike to the south and the Company anticipates that further extensional drilling will be planned.

At ***Mascotte West***, follow up of a fixed-loop EM plate delineated a sulphidic zone with only weak copper tenor. Notably there was a deep weathering profile in HMMARC010 which is uncommon within the Mt Isa Project.

This exploration will be evaluated further but the Mascotte West prospect has been downgraded as a result of this initial drill test.

Significant intercepts at Mascotte West include:

- 12m at 0.2% Cu from 88m in HMMARC011.

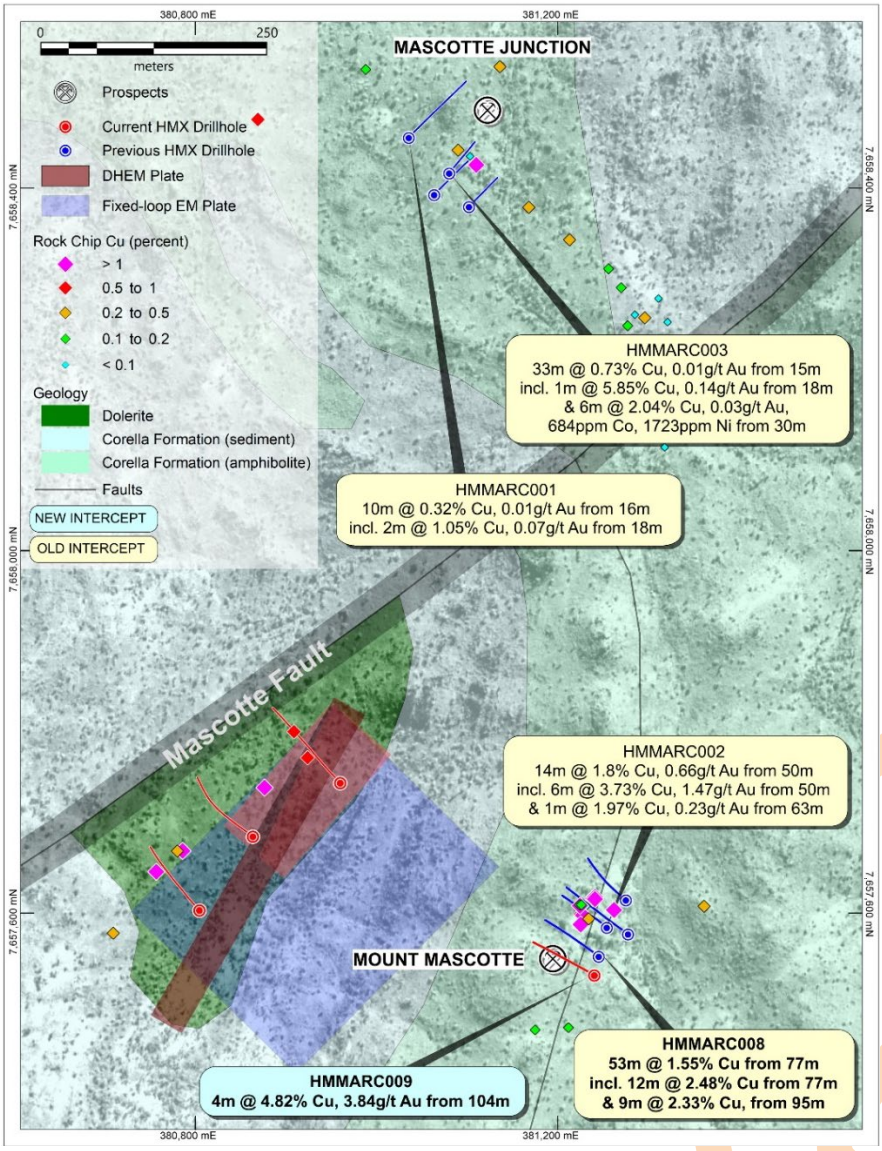

Figure 6. *Mascotte region showing the location of drilling, significant intercepts, fixed loop and down-hole EM conductive plates.*

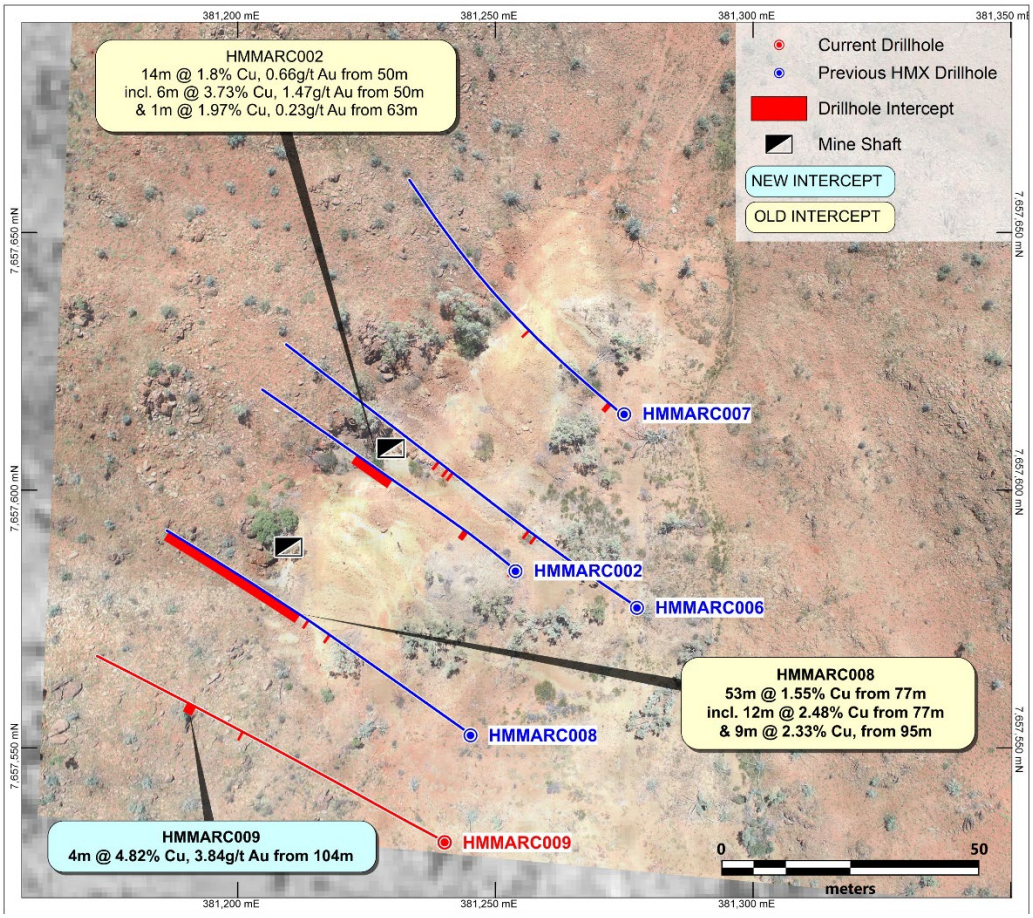

Figure 7. *Mt Mascotte plan*

Expected Newsflow

- **December/January** – Mount Isa East Joint Venture drilling program and results.
- **Q1 2024** – Mount Isa Drilling Program – Hardway, South Hope and Mascotte.
- **Q1 2024 –** Yandal Lithium Project – Reverse Circulation drilling program.

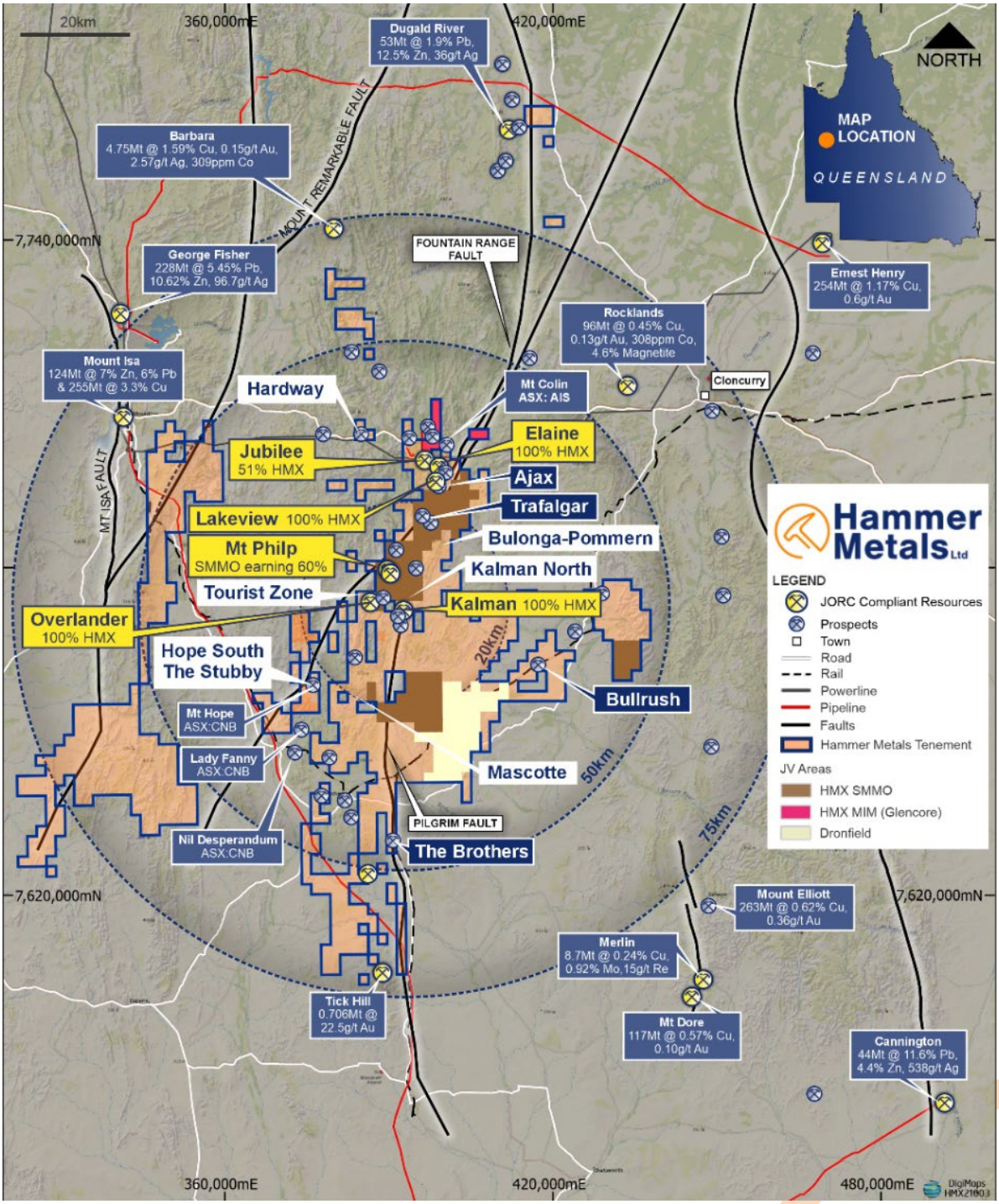

Figure 8. *Mount Isa project area showing the prospects drilled during the current program.*

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

Media Inquiries:
Nicholas Read – Read Corporate

T +61 9 9388 1474
E info@readcorporate.com.au

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About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 3,000km^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, the Lakeview (Cu-Au) deposit 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.

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.

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 drill results from the Mt Hope South, Mt Mascotte and Mascotte West Prospects.

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.

The samples reported in this release relate to HMHSRC010 to HMHSRC012 and HMMARC009 to HMMARC012 (7 holes, 1102m).

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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	The drilling was conducted using reverse circulation. **Drilling** 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 samples reported in this release relate to HMHSRC010 to HMHSRC012 and HMMARC009 to HMMARC012 (7 holes, 1102m). For these samples, the average interval was 2.5m and the average sample weight submitted to the lab was 2.76kg. **Drilling Analysis** All samples reported underwent fine crush with 1kg riffled off for pulverising to 75 microns. Samples were submitted to ALS for: • Fire assay with AAS finish for gold. • 4 acid digest followed by ICP-MS for a comprehensive element suite. Portable XRF analysis was conducted in the field on each 1m interval to provide guidance on sampling. Re-analyses will be conducted as required to investigate element repeatability.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether*	**Drilling** Holes were drilled by Remote drilling using a Hydco 70 drilling rig using the reverse circulation drilling method.

Criteria	JORC Code explanation	Commentary
	core is oriented and if so, by what method, etc).	
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.*	**Drilling** Sample recoveries were generally in excess of 80%. Recoveries are typically low in the first 5m of each hole and in areas of strong water inflow. In holes where recovery issues, excessive water, or significant sampling bias occurred, 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.*	**Drilling** All drilling was geologically logged by Hammer Metals Limited Geologists. Quantitative portable XRF analyses were conducted on metre intervals on site. . All metres drilled were analysed by the lab methods listed above and lab assays are reported herein.
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.* *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.*	**Drilling** 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 where 2 or 4 metre composites were created, samples were 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. **Drilling QA/QC** Standard reference samples and blanks were each inserted into the laboratory submissions at a rate of 1 per 25 samples. Duplicate samples were taken at an interval of approximately 1 in 50 samples.

Criteria	JORC Code explanation	Commentary
		Sampling Comment The sample collection methodology and sample size are considered appropriate to the target-style and drill method, and appropriate laboratory analytical methods were employed.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	**Drilling Analysis** All samples were analysed for gold by flame AAS using a 50gm charge in addition to 4-acid multielement ICP MS. In addition to the Hammer in-house certified reference materials, the assay laboratory maintains a comprehensive QAQC regime, including check samples, duplicates, standard reference samples, blanks, and calibration standards.
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.*	**Drilling and Rock Chip Sampling** All lab analyses were 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 locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	**Drilling and Rock Chip Sampling** Datum used is GDA 94 Zone 54. RL information was derived from a LIDAR DTM. Drillholes will also be surveyed by DGPS prior to rehabilitation.
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.*	**Drilling** This release documents results from the Hope South, Mt Mascotte and Mascotte West Prospects. The drill density is not sufficient to establish mineralisation continuity. Sample compositing has been applied to calculate intercepts.
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.*	**Drilling** Drill holes and sample sites are generally oriented as close to perpendicular as possible to the orientation of the targets based on interpretation of previous exploration.

Criteria	JORC Code explanation	Commentary
	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.	
Sample security	*The measures taken to ensure sample security.*	**Samples** Pre-numbered bags were used, and samples were transported to ALS by company personnel. Samples were packed within sealed polywoven sacks.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	**Drilling** 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 land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint 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 Mt Isa Project consists of 34 tenements. Drilling has been undertaken over multiple prospects all located within EPM26777. EPM26777 is held by Mt Dockerell Mining Pty Ltd. Mt Dockerell Mining Pty is a 100% held subsidiary of Hammer Metals Limited. The areas reported herein are **not** part of the Mt Isa East Joint Venture with Sumitomo Metal Mining Oceania ("SMMO"). See ASX announcement dated 25 November 2019, for details of the Joint Venture.
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.*	**South Hope Prospect** The current understanding of the style of mineralisation at Mt Hope is that it is shear zone hosted and located on the margins of the Magna Lyn Metabasalt and the Bushy Park Gneiss. Commonly in the Mt Isa region major lithological contacts become the focus of shearing and this can be accompanied to

Criteria	JORC Code explanation	Commentary
		varying extents by hydrothermal fluid flow. An example of this style of mineralisation is the Mt Colin Cu deposit currently being mined by Round Oak Limited. Mineralisation occurs in association with Quartz Vein Breccias and sulphide species identified were pyrrhotite, pyrite and chalcopyrite. **The Mascotte Prospects** are located on EPM26777. Mineralisation is structurally emplaced in a foliation parallel shear zone and is associated with Quartz veining. At Mt Hope the style of mineralisation is similar to that of Mt Mascotte with mineralisation occurring in structurally controlled positions associated with Quartz and calcite gangue material.
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 (e.g. 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.*	**Drilling** Drillhole intercepts with a Cu focus are quoted at a 0.1% Cu cut-off with included intercepts quoted to highlight zones of increased width or grade.
Relationship between mineralisation widths and	*These relationships are particularly important in the reporting of Exploration Results.*	**Drilling** As few holes have been drilled at each prospect it is not possible at this time to determine true widths with confidence.

Criteria	JORC Code explanation	Commentary
intercept lengths	*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 (e.g. 'down hole length, true width not known').*	
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.*	**Drilling** Drillhole intercepts with a Cu focus are quoted at a 0.1% Cu cut-off with included intercepts quoted to highlight zones of increased width or grade. The reader should assume that there are no other grades encountered in the hole apart from those quoted in the body of this report.
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 (e.g. 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.*	The company will review these results to determine whether further drilling