

**ASX RELEASE**

13 March 2025

**DIRECTORS /  
MANAGEMENT****Russell Davis**  
Chairman**Daniel Thomas**  
Managing Director**David Church**  
Non-Executive Director**James Croser**  
Non-Executive Director**Mark Pitts**  
Company Secretary**Mark Whittle**  
Chief Operating Officer**Greg Almaric**  
Manager Exploration & Discovery**CAPITAL STRUCTURE****ASX Code: HMX**

Share Price (12/03/2025)	\$0.028
Shares on Issue	888m
Market Cap	\$24.9m
Options Unlisted	26.5m
Performance Rights	13.5m
Cash (31/12/2024)	\$2.7m

**31 DECEMBER 2024 HALF-YEAR FINANCIAL  
REPORT**

**Hammer Metals Limited** (ASX:HMX) ("Hammer" or the "Company") attaches the Interim Financial Report for the half-year ended 31 December 2024.

*This announcement has been authorised for issue Mark Pitts, Company Secretary, Hammer Metals Limited in accordance with ASX Listing Rule 15.5.*

For further information please contact:

**Daniel Thomas**  
Managing Director

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**HAMMER METALS LIMITED**  
**ABN 87 095 092 158**  
**and its Controlled Entities**

**INTERIM FINANCIAL REPORT**

**6 MONTHS ENDED**

**31 DECEMBER 2024**

**HAMMER METALS LIMITED**  
**and its Controlled Entities**

**CONTENTS**

Directors' Report	2
Auditor's independence declaration	4
Condensed consolidated statement of financial position	5
Condensed consolidated statement of profit or loss and other comprehensive income	6
Condensed consolidated statement of changes in equity	7
Condensed consolidated statement of cash flows	8
Notes to the condensed financial statements	9
Directors' declaration	18
Independent auditor's review report	19

# **HAMMER METALS LIMITED**

## **and its Controlled Entities**

### **BOARD OF DIRECTORS**

Russell Davis (Non-executive Chairman)  
Daniel Thomas (Managing Director)  
David Church (Non-executive Director)  
James Croser (Non-executive Director)

### **COMPANY SECRETARY**

Mark Pitts

### **PRINCIPLE AND REGISTERED OFFICE**

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Website: [www.hammermetals.com.au](http://www.hammermetals.com.au)

### **AUDITORS**

PKF Perth  
Level 8, 905 Hay Street  
Perth WA 6000  
Telephone: +61 8 9426 8999

### **SHARE REGISTRY**

Automic Registry Services  
5/191 St Georges Terrace  
Perth WA 6000  
Telephone: 1300 288 664

### **SECURITIES EXCHANGE**

Australian Securities Exchange Limited  
Company code: HMX

# **HAMMER METALS LIMITED**

## **and its Controlled Entities**

### **DIRECTORS' REPORT**

The directors present their report together with the condensed consolidated financial report for the period ended 31 December 2024 and the review report thereon.

#### **DIRECTORS**

The directors of the Company at any time during or since the end of the half year are:

**Mr Russell Davis**  
Non-Executive Chairman

**Mr Daniel Thomas**  
Managing Director

**Mr David Church**  
Non-Executive Director

**Mr James Croser**  
Non-Executive Director

#### **REVIEW OF OPERATIONS**

The Group incurred an after-tax loss for the half year ended 31 December 2024 of \$1,977,885 (31 December 2023: \$608,975). This amount included a decrease in the fair value of financial assets (investments in listed-company shares) of \$1,349,533 (31 December 2023: \$53,298).

The Group operated during the period as a mineral explorer in Australia.

#### **Exploration Activities**

##### *Mount Isa Project (Queensland)*

- Lady Jenny Prospect: In October 2024, Hammer Metals secured an option to acquire an 80% interest in the Lady Jenny Mining Leases, strategically located near the company's existing JORC Mineral Resources within its broader Mount Isa copper-gold portfolio. An eleven-hole reverse circulation (RC) drilling program was conducted in November and December 2024, targeting sulphide mineralization beneath historical oxide workings. The program successfully intersected significant copper and gold mineralization in all holes, confirming a strike extent of approximately 180 meters.

Notable intercepts include (refer ASX announcement 20 February 2025):

- **HMLJRC005**: 32 meters at 1.05% Cu and 0.22 g/t Au from 14m, with an estimated true width of approximately 25m, including 20m at 1.35% Cu and 0.30 g/t Au from 16m.
- **HMLJRC008**: 26 meters at 0.67% Cu and 0.34 g/t Au from 37m, with an estimated true width of approximately 21m, including 1m at 9.08% Cu and 4.4 g/t Au from 42m.
- **HMLJRC003**: 15 meters at 1.10% Cu and 0.11 g/t Au from 11m, with an estimated true width of 10m.
- Greater Mascotte Prospect: During the September 2024 quarter, a Versatile Time Domain Electromagnetic (VTEM) survey over the Greater Mascotte region identified multiple electromagnetic (EM) conductors. These conductors present potential targets for future drilling programs aimed at discovering new copper-gold mineralisation zones.

## HAMMER METALS LIMITED and its Controlled Entities

- Tourist Zone: A high-priority copper-gold soil anomaly extending up to 3 kilometres was identified at the Tourist Zone. This anomaly represents a significant exploration target, with drilling programs planned for early 2025, contingent on weather conditions.

### *Yandal Gold Project (Western Australia)*

- Orelia North Deposit: A maiden Mineral Resource Estimate (MRE) for the Orelia North gold deposit was completed in July 2024 (refer ASX announcement 24 July 2024):

#### **Classification Tonnes (Mt) Au (g/t) Contained Au (koz)**

Inferred	1.48	1.15	54.5
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*Note: Rounding of total tonnage and metal content*

### Joint Ventures

- Mount Isa East Joint Venture (JV): Soil and rock chip sampling programs were undertaken over multiple targets within the JV area to assess the potential of these targets to host significant copper-gold mineralization.
- Bullrush Joint Venture: In December 2024, Hammer Metals announced that the Bullrush JV is set to drill high-priority Iron Oxide Copper-Gold (IOCG) targets in the first quarter of 2025.
- Isa Valley Joint Venture: The Isa Valley JV is progressing towards drilling, following positive preliminary assessments.

### EVENTS AFTER BALANCE DATE

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set on page 4 and forms part of the directors' report for the half year ended 31 December 2024.

Signed in accordance with a resolution of the directors:



R Davis  
Non-Executive Chairman  
Perth  
Dated 13<sup>th</sup> March 2025

### COMPETENT PERSON STATEMENT

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.



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## AUDITOR'S INDEPENDENCE DECLARATION

### TO THE DIRECTORS OF HAMMER METALS LIMITED

In relation to our review of the financial report of Hammer Metals Limited for the half-year ended 31 December 2024, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

A handwritten signature in black ink that reads 'PKF Perth'.

PKF PERTH

A handwritten signature in black ink, appearing to read 'A. Carvalho'.

ALEXANDRA SOFIA BALDEIRA PEREIRA CARVALHO  
PARTNER

13 March 2025  
PERTH,  
WESTERN AUSTRALIA

**HAMMER METALS LIMITED**  
**and its Controlled Entities**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

		31 December 2024 \$	30 June 2024 \$
	Note		
<b>Current assets</b>			
Cash and cash equivalents		2,725,937	5,228,612
Trade and other receivables	8	740,678	172,227
<b>Total current assets</b>		<u>3,466,615</u>	<u>5,400,839</u>
<b>Non-current assets</b>			
Other financial assets	12	3,262,009	4,615,933
Plant & Equipment		5,618	3,006
Right-of-use assets		126,340	177,663
Exploration and evaluation expenditure	9	28,105,215	26,540,119
<b>Total non-current assets</b>		<u>31,499,182</u>	<u>31,336,721</u>
<b>Total Assets</b>		<u>34,965,797</u>	<u>36,737,560</u>
<b>Current liabilities</b>			
Trade and other payables		493,824	556,245
Employee leave liabilities		116,575	104,432
Lease liability		93,118	108,892
<b>Total current liabilities</b>		<u>703,517</u>	<u>769,569</u>
<b>Non-current liabilities</b>			
Lease liability		29,300	68,696
<b>Total non-current liabilities</b>		<u>29,300</u>	<u>68,696</u>
<b>Total Liabilities</b>		<u>732,817</u>	<u>838,265</u>
<b>Net Assets</b>		<u>34,232,980</u>	<u>35,899,295</u>
<b>Equity</b>			
Share capital	10	66,859,386	66,810,197
Reserves	10	744,649	787,618
Accumulated losses		(33,371,055)	(31,698,520)
<b>Total Equity</b>		<u>34,232,980</u>	<u>25,899,295</u>

This condensed consolidated statement of financial position is to be read in conjunction with the accompanying notes.



**HAMMER METALS LIMITED**  
**and its Controlled Entities**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

		<b>31 December 2024</b>	<b>31 December 2023</b>
		<b>\$</b>	<b>\$</b>
Other income		70,514	132,966
Marketing expenses		(92,823)	(47,631)
Administrative expenses		(239,910)	(277,855)
Employee benefits expenses		(126,431)	(137,173)
Share based payments	13	(262,381)	(218,846)
Occupancy expenses		(10,933)	(22,100)
Depreciation		(51,814)	(33,554)
Fair value movement on financial assets	12	(1,349,533)	(53,298)
<b>Results from operating activities</b>		<u>(2,063,311)</u>	<u>(657,491)</u>
Financial income		89,221	51,288
Financial expenses		(3,795)	(2,772)
<b>Net financing income</b>		<u>85,426</u>	<u>48,516</u>
<b>(Loss) before tax</b>		(1,977,885)	(608,975)
Income tax benefit		-	-
<b>(Loss) for the period</b>		<u>(1,977,885)</u>	<u>(608,975)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive (loss) for the period</b>		<u><u>(1,977,885)</u></u>	<u><u>(608,975)</u></u>
Basic and diluted gain/(loss) per share		(0.22) cents	(0.07) cents

This condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

# HAMMER METALS LIMITED

## and its Controlled Entities

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Share capital	Share based payment reserve	Accumulated losses	Total
	\$	\$	\$	\$
Balance at 1 July 2023	66,593,958	1,382,293	(38,903,136)	29,073,115
Profit/(Loss) for period	-	-	(608,975)	(608,975)
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) for the period</b>	-	-	<b>(608,975)</b>	<b>(608,975)</b>
Shares issued for cash	220,000	-	-	220,000
Lapse of options	-	(75,440)	75,440	-
Reallocation of historical balances in share-based payment reserve	-	(852,592)	858,592	-
Share based payments	-	218,846	-	218,846
Costs of equity issues	(3,761)	-	-	(3,761)
<b>Balance at 31 December 2023</b>	<b>66,810,197</b>	<b>667,107</b>	<b>(38,578,079)</b>	<b>28,899,225</b>
Balance at 1 July 2024	66,810,197	787,618	(31,698,520)	35,899,295
Profit/(Loss) for period	-	-	(1,977,885)	(1,977,885)
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) for the period</b>	-	-	<b>(1,977,885)</b>	<b>(1,977,885)</b>
Shares issued for the purchase of option over tenements	50,000	-	-	50,000
Lapse of options	-	(173,350)	173,350	-
Lapse of performance rights	-	(132,000)	132,000	-
Share based payments	-	262,381	-	262,381
Costs of equity issues	(811)	-	-	(811)
<b>Balance at 31 December 2024</b>	<b>66,859,386</b>	<b>744,649</b>	<b>(33,371,055)</b>	<b>34,232,980</b>

This condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

# HAMMER METALS LIMITED

## and its Controlled Entities

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	31 December 2024 \$	31 December 2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	89,221	51,228
Fuel rebate received	6,843	5,673
Payments to suppliers and employees	(697,796)	(408,226)
<b>Net cash used in operating activities</b>	<u>(601,732)</u>	<u>(351,325)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation expenditure	(1,903,536)	(1,981,284)
Payments for the purchase of option over tenements	(100,000)	-
Management fees from farm-in and joint venture partners	55,223	74,514
Exploration incurred on behalf of JV partners	(407,596)	(1,048,623)
Reimbursement of exploration costs incurred on behalf of JV partners	425,296	592,358
Proceeds on sale of investments	4,391	-
Farm-in fees received	100,000	-
Bonds paid	(11,842)	-
<b>Net cash used in investing activities</b>	<u>(1,838,064)</u>	<u>(2,363,035)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	220,000
Lease payments made	(62,068)	(34,454)
Transaction costs from issue of shares	(811)	(3,761)
<b>Net cash provided by/(used in) financing activities</b>	<u>(62,879)</u>	<u>181,785</u>
<b>Net decrease in cash and cash equivalents</b>	(2,502,675)	(2,532,575)
<b>Cash at the beginning of the financial period</b>	<u>5,228,612</u>	<u>4,357,140</u>
<b>Cash at the end of the financial period</b>	<u><u>2,725,937</u></u>	<u><u>1,824,565</u></u>

This condensed consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

# HAMMER METALS LIMITED and its Controlled Entities

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

### 1. Reporting entity

Hammer Metals Limited (the “Company”) is a company domiciled in Australia. These condensed consolidated interim financial statements (“interim financial statements”) as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is primarily involved in mineral exploration in Western Australia and Queensland.

### 2. Statement of compliance

The interim financial statements are general purpose financial statements prepared in accordance with AASB 134: *Interim Financial Reporting* and the Corporations Act 2001.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2024. This report does not include all of the information required for full annual financial report and should be read in conjunction with the consolidated financial report of the Group as at and for the year ended 30 June 2024.

This consolidated interim financial report was approved by the Board of Directors on 13 March 2025.

### 3. Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2024.

#### *Adoption of new and revised standards*

#### *New Standards and Interpretations applicable for the half year ended 31 December 2024*

In the period ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

#### *Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2024. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

### 4. Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. During the half-year ended 31 December 2024, the Group incurred a loss before tax of \$1,977,885, which included a significant decrease in the value of listed investments of \$1,349,553, and net cash outflows from operating and investing activities of \$2,439,796. As at 31 December 2024, the Group had \$2,725,937 in cash and cash equivalents and net current assets of \$2,763,098. In addition, in January 2025 the Group received an R&D tax incentive of \$933,755.

# **HAMMER METALS LIMITED**

## **and its Controlled Entities**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

#### **4. Going Concern (continued)**

Whilst not immediately required, the Group may need to raise additional funds to meet its planned and budgeted exploration expenditure as well as regular corporate overheads. The Group's capacity to raise additional funds will be impacted by the success of the ongoing exploration activities and market conditions.

Additional sources of funding available to the Group include a capital raising via preferential issues to existing shareholders or placements to new and existing investors. If necessary, the Group can delay exploration expenditure and the directors can also institute cost saving measures to further reduce corporate and administrative costs.

Furthermore, the Group has \$3,262,009 in Financial Assets, representing shares held in other listed Companies, which are available to the Group to provide working capital should it prove necessary.

#### **5. Use of judgements and estimates**

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2024.

#### **6. Financial risk management**

During the half-year ended 31 December 2024, the Group's financial risk management objectives and policies were consistent with that disclosed in the consolidated financial report for the year ended 30 June 2024.

#### **7. Operating Segments**

The Group has three reportable segments, being mineral exploration in Queensland and Western Australia, and corporate activities. The Group's operating segments have been determined with reference to the monthly management accounts, program budgets and cash flow forecasts used by the chief operating decision maker to make decisions regarding the Group's operations and allocation of working capital.

##### *Segment information*

The following tables represent revenue and profit information and certain asset and liability information regarding geographical segments:

# HAMMER METALS LIMITED and its Controlled Entities

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

### 7. Operating segments (continued)

	QLD Exploration \$	WA Exploration \$	Corporate \$	Total \$
<i>31 December 2024</i>				
Segment income	-	-	70,514	<b>70,514</b>
Segment loss before income tax expense	(766,607)	-	(1,211,278)	<b>(1,977,885)</b>
<i>31 December 2023</i>				
Segment income	-	-	132,966	<b>132,966</b>
Segment loss before income tax expense	(1,000)	-	(607,975)	<b>(608,975)</b>
<i>31 December 2024</i>				
Segment assets	20,272,486	7,832,729	6,860,582	<b>34,965,797</b>
Segment liabilities	(12,605)	(15,803)	(704,409)	<b>(732,817)</b>
<i>30 June 2024</i>				
Segment assets	19,333,058	7,207,061	10,197,441	<b>36,737,560</b>
Segment liabilities	(2,545)	(8,153)	(827,567)	<b>(838,265)</b>

### 8. Trade and other receivables

	31 December 2024 \$	30 June 2024 \$
<i>Current</i>		
GST receivable	2,025	35,421
Security deposit	54,182	119,932
Exploration grant receivable	330,000	-
Other receivables – including amounts due from JV partner for reimbursement of exploration expenditure, administration and other recharges	354,471	17,414
	<u>740,678</u>	<u>172,227</u>

Trade and other receivables are non-interest bearing.

### 9. Exploration and evaluation expenditure

	31 December 2024 \$	30 June 2024 \$
Balance at the beginning of the period	26,540,119	24,678,290
Exploration and evaluation expenditure incurred	1,815,096	3,719,371
Tenements acquired	150,000	-
Government grants	(300,000)	-
Farm-in fee received	(100,000)	-
Exploration written-off	-	(599,610)
Research and Development incentive credit	-	(1,257,932)
Balance at the end of the period	<u>28,105,215</u>	<u>26,540,119</u>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest at an amount greater or equal to the carrying value.

**HAMMER METALS LIMITED**  
**and its Controlled Entities**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

**10. Capital and reserves**

The following table summarises the shares issued during the six months ended 31 December 2024.

	<b>31 December 2024 \$</b>	<b>30 June 2024 \$</b>
<b>Issued capital</b>		
887,758,700 (30 June 2024: 886,407,349) ordinary fully paid shares	<u>66,859,386</u>	<u>66,810,197</u>
	<b>Number of shares</b>	<b>\$</b>
Movements for Ordinary shares:		
Balance at 30 June 2024	886,407,349	66,810,197
Issue of shares to acquire option over tenements	1,351,351	50,000
Cost of shares issued	-	(811)
Balance at 31 December 2024	<u>887,758,700</u>	<u>66,859,386</u>
	<b>Number of options</b>	<b>\$</b>
<b>Unlisted options (Share based payment reserve)</b>		
Unlisted options on issue	<u>26,500,000</u>	<u>576,901</u>

A total of 7,100,000 unlisted options expired unexercised during the period. The previously recognised value of \$173,350 was reversed through accumulated losses upon their expiry.

The following options were issued to directors during the period (refer Note 13):

	<b>Number of options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Vesting Date</b>
Employee Incentive Options – 2024	7,000,000	\$0.06	25/10/2028	Immediate
Related Party Options – Tranche 1	2,000,000	\$0.07	2/12/2028	Immediate
Related Party Options – Tranche 2	1,500,000	\$0.08	2/12/2028	Immediate

# HAMMER METALS LIMITED and its Controlled Entities

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

### 10. Capital and reserves (continued)

Performance rights (Share based payment reserve)	Number of rights	\$
Performance rights on issue	13,500,000	167,748

A total of 3,000,000 performance rights lapsed during the period. The previously recognised value of \$132,000 was reversed through accumulated losses upon their expiry.

The following performance rights were granted during the period and will be expensed over the expected vesting period for each tranche:

	Number of rights	Fair value per security on grant date	Vesting Condition	Expiry Date
Employee Incentives 2024				
- Tranche 1	500,000	\$0.034 <sup>(a)</sup>	(c)	25/10/2027
- Tranche 2	500,000	\$0.034 <sup>(a)</sup>	(d)	25/10/2027
- Tranche 3	500,000	\$0.034 <sup>(a)</sup>	(e)	25/10/2027
Related Party Performance Rights				
- Tranche 1	1,000,000	\$0.035 <sup>(b)</sup>	(f)	15/11/2027
- Tranche 2	1,000,000	\$0.035 <sup>(b)</sup>	(g)	15/11/2027
- Tranche 3	1,000,000	\$0.035 <sup>(b)</sup>	(h)	15/11/2027

Notes:

- a) The fair value has been determined by reference to the underlying market price of the Company's ordinary shares on the date of grant, being \$0.0340.
- b) The fair value has been determined by reference to the underlying market price of the Company's ordinary shares on the date of grant, being \$0.0350.
- c) Tranche 1 Employee Incentive Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- d) Tranche 2 Employee Incentive Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- e) Tranche 3 Employee Incentive Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- f) Tranche 1 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- g) Tranche 2 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- h) Tranche 3 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

No performance rights were exercised during the period.



# HAMMER METALS LIMITED and its Controlled Entities

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

### 10. Capital and reserves (continued)

Reserves	31 December 2024 \$	30 June 2024 \$
Share based payment reserve <sup>(1)</sup>		
Balance at beginning of period	787,618	1,382,293
Options issued to Directors and Executives	51,200	195,680
Performance Rights issued to Managing Director	4,410	99,596
Options issued to Employees	107,800	
Performance Rights issued to Employees	2,988	
Expiry of Options	(173,350)	(75,440)
Lapse of Performance Rights	(132,000)	
Reversal of previously recognised fair value relating to historic options which expired in previous financial periods	-	(858,592)
Further vesting expense of options and rights issued in previous periods	95,983	44,081
	744,649	787,618

<sup>(1)</sup> The share-based payment reserve is used to record the fair value of options and rights issued to Directors, employees and consultants under various share-based payment schemes and options issued for the acquisition of assets. Amounts relating to options expired during the prior period have been recycled from the reserves to accumulated losses in that period.

#### Dividends

No dividends were declared or paid during the six months ended 31 December 2024 (31 December 2023: NIL).

### 11. Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements the Group is required to perform exploration work to meet the minimum expenditure requirements specified by various State Governments within Australia. These obligations may be reset when application for a mining lease is made and at other times. The Group has a minimum expenditure commitment on tenure under its control.

The Group can apply for exemption from compliance with the minimum exploration expenditure requirements. Due to the nature and scale of the Group's exploration activities the Group is unable to estimate its likely tenement holdings and therefore minimum expenditure requirements more than 1 year ahead. The commitment for minimum exploration expenditure payable as at 31 December 2024, payable within one year, is \$4,193,707 (30 June 2024: \$4,197,111). These obligations are not provided for in the financial report.

# HAMMER METALS LIMITED and its Controlled Entities

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

### 12. Financial instruments

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their fair value hierarchy for financial instruments at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	31 December 2024 \$	30 June 2024 \$
<b>Financial assets carried at fair value through profit or loss</b>		
Equity securities – listed on ASX and TSXV at quoted prices (level 1 fair value hierarchy)	3,262,009	4,615,933
<b>Financial assets carried at amortised cost</b>		
Cash and cash equivalents	2,725,937	5,228,612
Trade and other receivables	740,678	172,227
<b>Financial liabilities carried at amortised cost</b>		
Trade and other payables	(493,824)	(556,245)
Lease liabilities	(122,418)	(177,588)

### 13. Share based payments

The following options were granted during the period:

	Number of options granted	Date granted	% Vested	% Forfeited / Lapsed	Date which grant vested / will vest
Employee Incentive Options – 2024	7,000,000	28/10/2024	100%	-	N/A
Related Party Options – Tranche 1	2,000,000	15/11/2024	100%	-	N/A
Related Party Options – Tranche 2	1,500,000	15/11/2024	100%	-	N/A

The fair value of the options issued during the period to Key Management Personnel was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

## HAMMER METALS LIMITED and its Controlled Entities

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

#### 13. Share based payments (continued)

	Employee Incentive Options – 2024	Related Party Options – Tranche 1	Related Party Options – Tranche 2
Underlying security spot price on grant date	\$0.034	\$0.035	\$0.035
Exercise price	\$0.06	\$0.07	\$0.08
Grant date	28/10/2024	15/11/2024	15/11/2024
Expiration date	25/10/2028	2/12/2028	2/12/2028
Vesting date	Immediate	Immediate	Immediate
Life (years)	4	4	4
Volatility	75%	75%	75%
Risk free rate	3.976%	4.214%	4.214%
Dividend Yield	Nil	Nil	Nil
Number of options	7,000,000	2,000,000	1,500,000
Valuation per option	\$0.0154	\$0.0151	\$0.0140
Remaining life (years)	3.8	3.9	3.9

In addition to the above options issued during the period, the Company also issued 4,500,000 performance rights to Employees as set out in Note 10 to these Financial Statements. These securities have been valued by reference to the underlying share price on grant date, and are being expensed over the expected vesting period.

During prior financial years the Group issued a number of equity instruments which were classified as share-based payments that have continued to be recognised in the loss for the period over their vesting period. An expense of \$95,983 has been recognised during the period with respect to these share-based payments.

The total amount expended in the statement of profit and loss and other comprehensive income for the period was \$262,381 (31 December 2023: \$218,846).

#### Incentive Option Plan

The Hammer Metals Incentive Option Plan was approved by shareholders on 17 November 2023.

The key features of this plan are:

- a) The plan will be available to directors, employees and other permitted persons of the Company and its subsidiaries.
- b) Options are granted for no consideration.
- c) The options are issued at an exercise price as determined by the Board from time to time.
- d) The number of shares the subject of options issued under this plan and other similar plans will not exceed 5% of the Company's issued capital from time to time.
- e) If a holder ceases to be an eligible participant of the plan during the exercise period of a vested option, the holder may exercise the options within 30 days of ceasing to be an eligible participant and thereafter the options will lapse.
- f) The options issued under this plan shall not be quoted on ASX.
- g) The options' terms are at the discretion of the Directors.

**HAMMER METALS LIMITED**  
**and its Controlled Entities**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

**14. Subsequent events**

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

**HAMMER METALS LIMITED  
and its Controlled Entities**

**DIRECTORS' DECLARATION**

In the opinion of the directors of Hammer Metals Limited ("the Company"):

- a) the condensed consolidated financial statements and notes set out on pages 5 to 17, are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six-month period ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



R Davis  
Non-executive Chairman

Perth

Dated 13<sup>th</sup> March 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF HAMMER METALS LIMITED

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Hammer Metals Limited (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, and notes to the financial statements, including material accounting policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2024, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Hammer Metals Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

#### Independence

We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



#### Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads "PKF Perth".

PKF PERTH

A handwritten signature in black ink that reads "Alexandra Sofia Baldeira Pereira Carvalho".

ALEXANDRA SOFIA BALDEIRA PEREIRA CARVALHO  
PARTNER

13 MARCH 2025  
PERTH,  
WESTERN AUSTRALIA