Hammer Metals Limited ABN. 87 095 092 158

Presentation

May 2017

Corporate Summary (May 2017)

Capital Structure	
Share Price (9-May-17)	$0.045
Shares on Issue	198.3m
Market Cap	$8.9m
Options Unlisted	55.2m
Cash (31 March 2017)	$2.0m
Enterprise Value	$6.9m

Significant Shareholders	
Deutsche Rohstoff	17.8%
Resource Capital Fund VI	12.7%
Ziggy Lubieniecki	5.5%
Russell Davis	4.1%

Board of Directors	
Russell Davis	Chairman
Alex Hewlett	CEO & Executive Director
Nader El-Sayed	Non-Executive Director
Simon Bodensteiner	Non-Executive Director

Price and Volume Summary		1Mth	3Mth	6Mth	LTM
Closing Share Price	$	0.053	0.043	0.055	0.055
% Change to Current Share Price	%	17.8%	-4.4%	22.2%	22.2%
VWAP	$	0.049	0.053	0.051	0.060
Average monthly volume	m	2.1	12.5	8.5	7.2
Average monthly liquidity	%	1%	6%	4%	4%

Board & Management

Board of Directors	
Russell Davis BSc (Hons) MBA MAusIMM, AICD	**Chairman** Geologist with +30 years' of exploration and development experience. Previously Exploration Director and NED of Gold Road Resources Limited and MD of Syndicated Metals Limited and a founding Director of both.
Alex Hewlett (BSc) MAusIMM	**CEO & Executive Director** Geologist with significant ASX management experience, other listed company roles including current Chairman of ASX listed Spectrum Rare Earths and former MD of US Nickel Ltd and Chairperson of Groote Resources Ltd (now Northern Manganese Limited). Technical background includes resource geology for CSA Global. Member of the Australasian Institute of Mining and Metallurgy.
Nader El-Sayed B.Comm, MA, CA	**Non-Executive Director** Risk management, corporate governance, strategic and financial background. A member of Australian Institute of Chartered Accountants. Currently Chief Executive Officer of Multiplant Holdings with previously senior management experience with KPMG.
Simon Bodensteiner MSc	**Non-Executive Director** Masters in Mining Engineering, Deutsche Rohstoff representative. Has operational and senior technical experience with Rio Tinto and Consultant role with The Boston Consulting Group
Management & Consultants	
Ziggy Lubieniecki BASc MAusIMM	**Geological Consultant** Co-winner of the AMEC 2015 Prospector Award, and had a leading role in the discovery of the 5.6Moz Gruyere gold deposit (Gold Road Resources Limited). Regional exploration targeting specialist. Mr Lubieniecki is assisting Hammer's geological team to assess the understanding of the important mineralising events within and around Hammer's Mount Isa portfolio .
Mark Whittle MSc MAusIMM, MAIG	**Senior Geologist** Mark, a Geologist with over 30 years' experience holds a Bachelor of Science Degree from the University of Queensland (First class honours from the WH Bryan Mining and Geology Research Unit) and a Master's Degree in Geology from James Cook University. Mark has extensive exploration experience in Queensland, the Northern Territory and Western Australia and internationally on projects in the Philippines and Finland. As a mine geologist, he has worked underground in base metals mines in Western Australia, New South Wales and the Northern Territory.

Mount Isa Project Overview

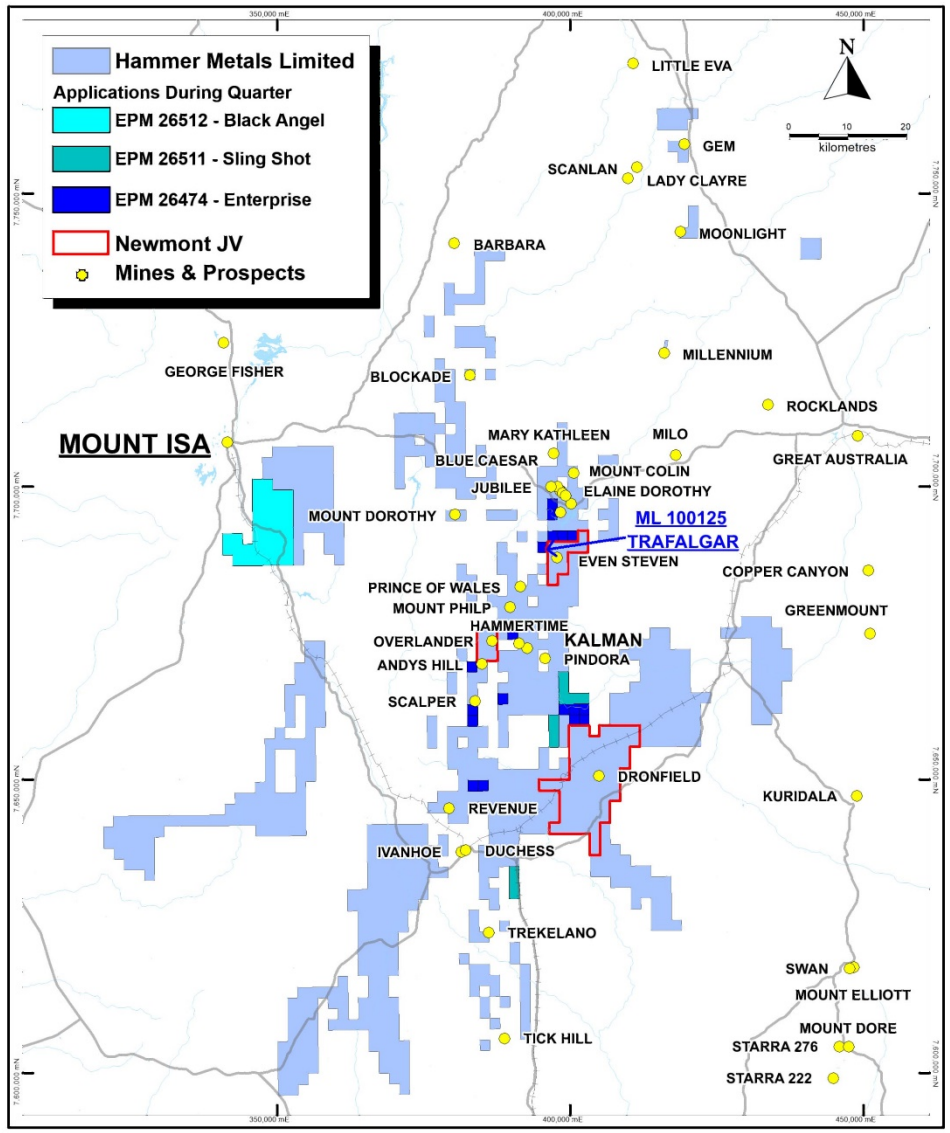
Hammer has a major land position (3200km^2) located in the Mount Isa province

One of the world's most significant iron oxide copper-gold (IOCG) provinces and is Australia's largest lead, zinc and silver producer; hosting almost 30% of the world's lead and zinc reserves

Close to several major players:

- Glencore (Mount Isa, E1, George Fisher, Ernest Henry).
- South 32 (Cannington).
- Chinova Resources (Osborne, Merlin, Mt Elliott, Starra).
- CopperChem (Mt Colin, Cloncurry, Barbara).
- Cudeco (Rocklands).

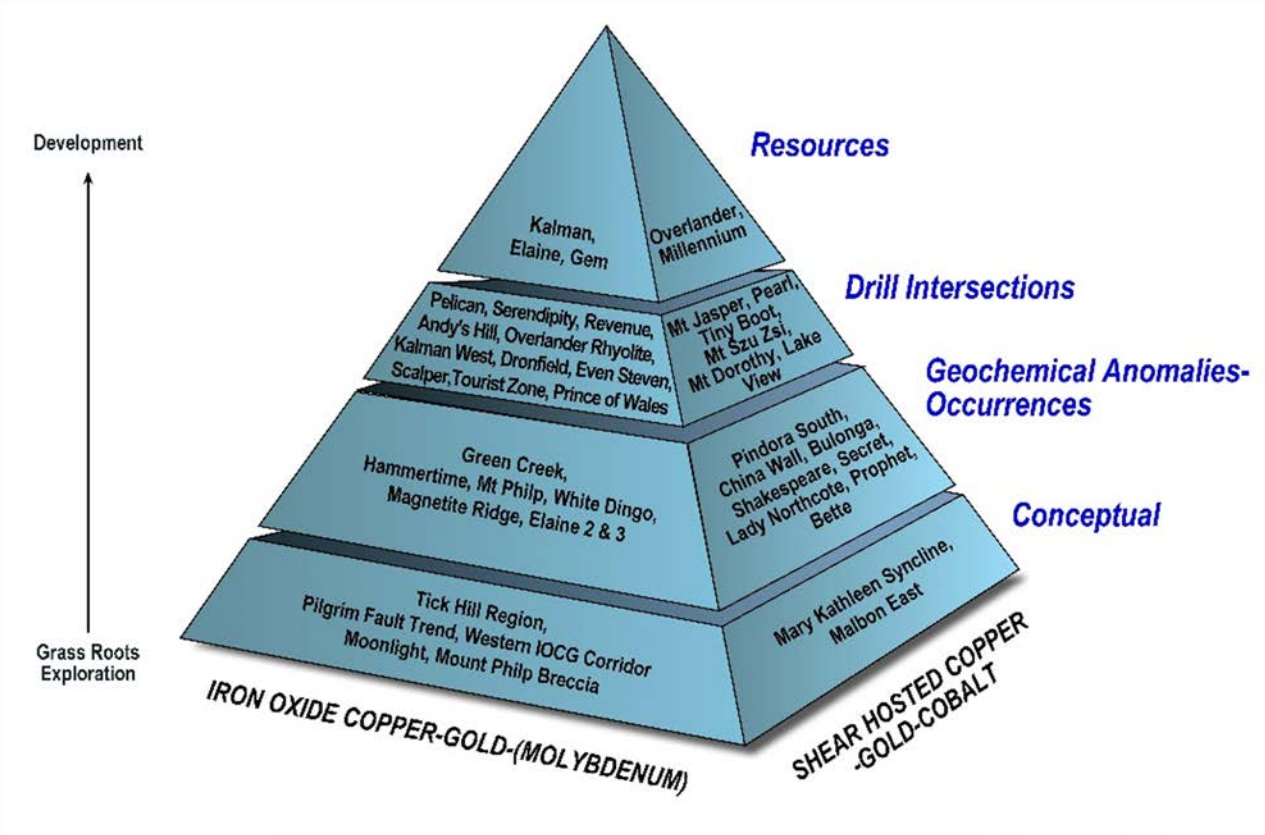
Newmont Farm-in and JV also advances some prospects without any HMX spend – HMX manages exploration



Strong Project Pipeline

Multiple Large Scale Targets

- Substantial and systematic exploration programs planned in a known major copper province.
- Very large ground holding – multiple targets.
- Multiple projects at different stages being progressed
- Drilling over the next few months on both 100% owned projects and JV projects



Three Strategies to Discovery and Production

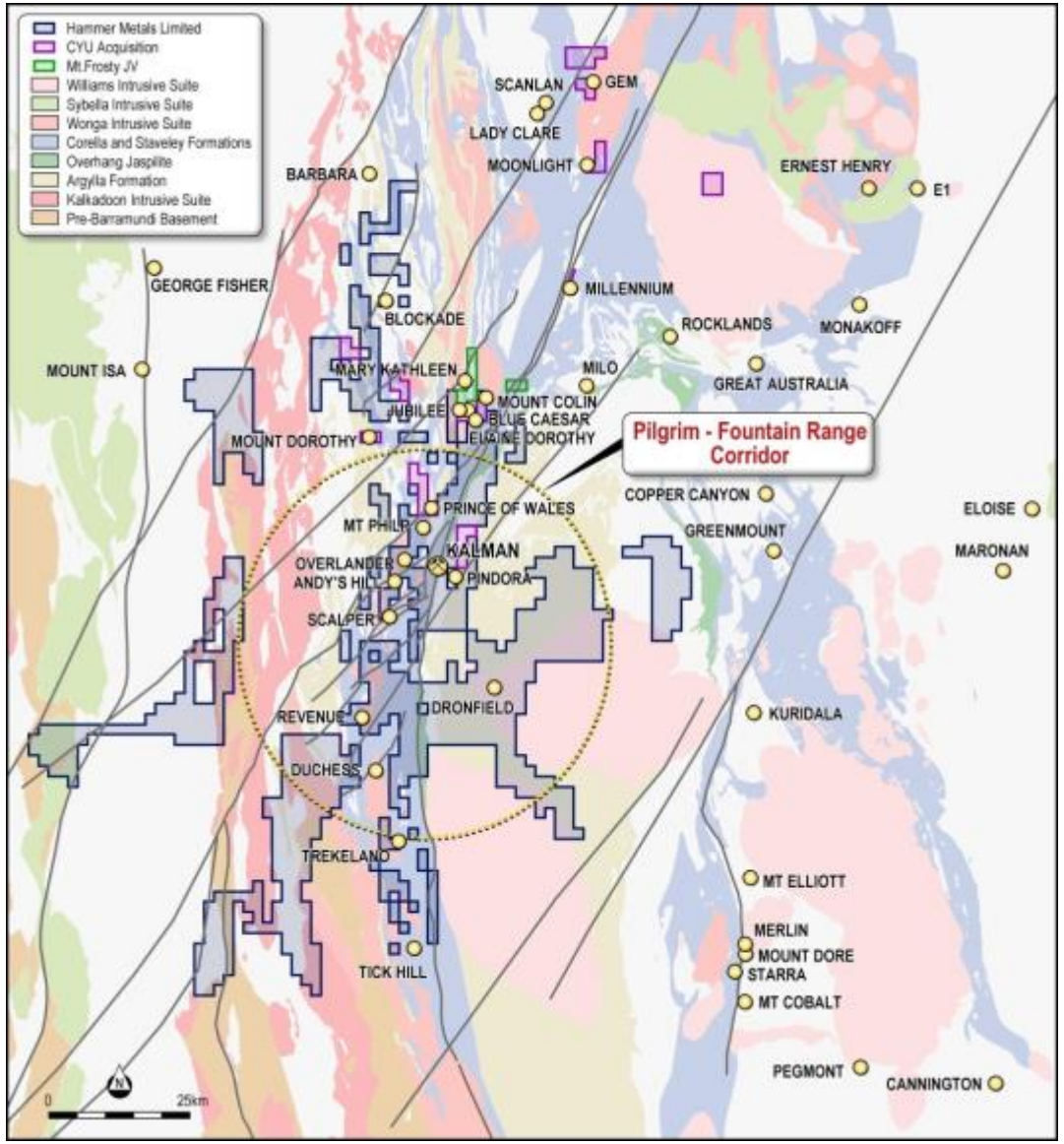
Strategy 1

Explore 100% owned Hammer ground;

- Kalman is our lead deposit with 20mt of Cu/Au/Mo/Re
- Now drill testing multiple targets close to Kalman.
- The goal is to reach a critical mass of copper gold ore tonnes capable of supporting proceeding to production independently.

Targets include:

- Pilgrim Fault VTEM
- Mt Philp Breccia
- Hammertime
- Kalman extensions
- Overlander



Three Strategies to Discovery and Production

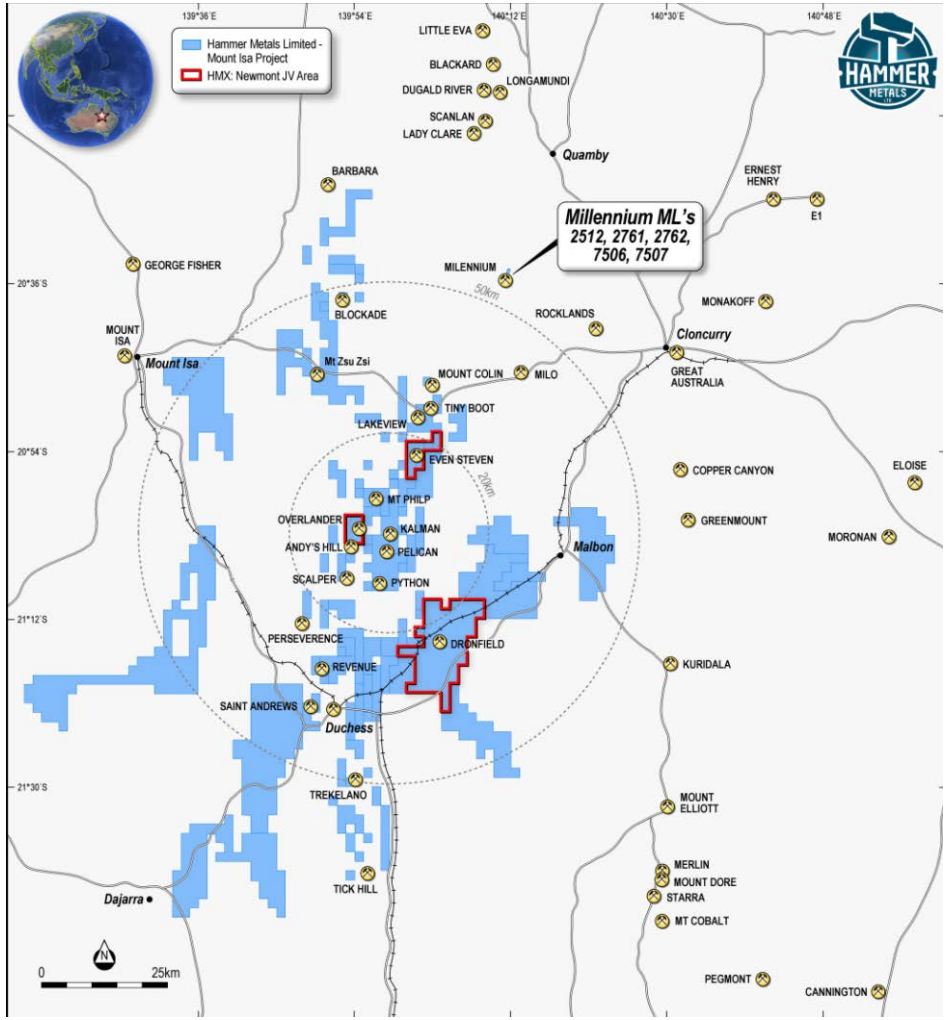
Strategy 2

JV, manage joint ventures where partners finance EXPLORATION;

- Hammer currently has a JVA with Newmont to explore three large IOCG systems within Hammer's portfolio
- Newmont is to spend $10 million USD to earn 75% with Hammer managing the first two stages.
- Newmont has provided Hammer with a financing option to production for a further 5% of the project.

Targets include:

- Dronfield
- Overlander
- Even Stephen

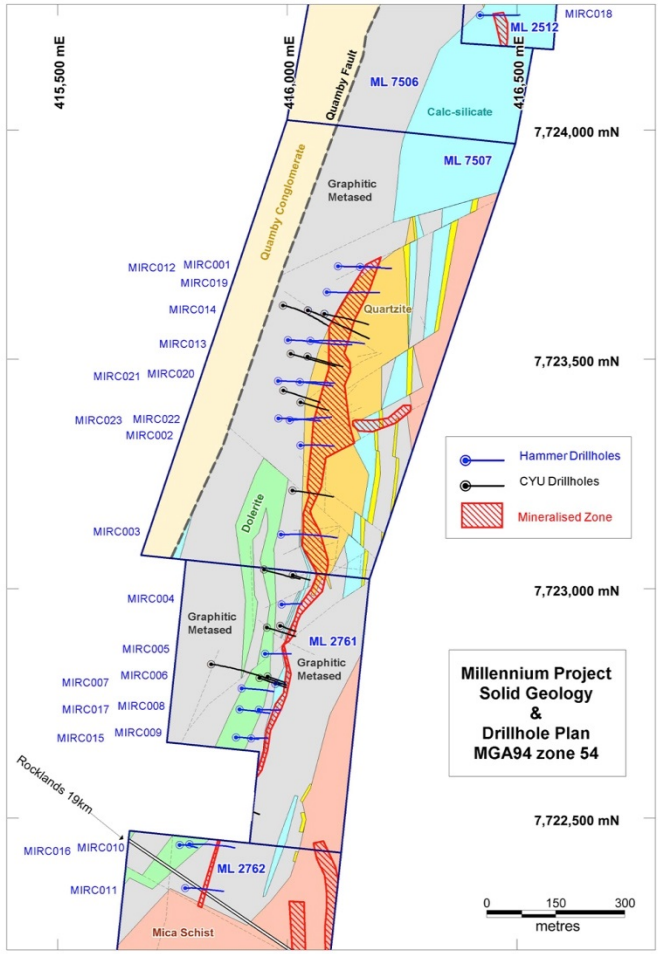


Three Strategies to Discovery and Production

Strategy 3

JV, manage joint ventures where partners finance DEVELOPMENT;

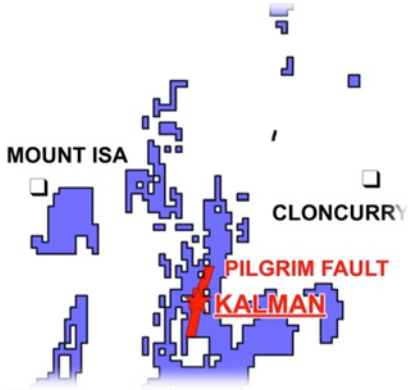
- Canadian Cobalt focused group GEMC has paid an option fee to Hammer to advance the Millennium Co/Cu/Au deposit
- The goal is to advance the existing mineral resource through to a prefeasibility study as well as complete further resource and extensional drilling.



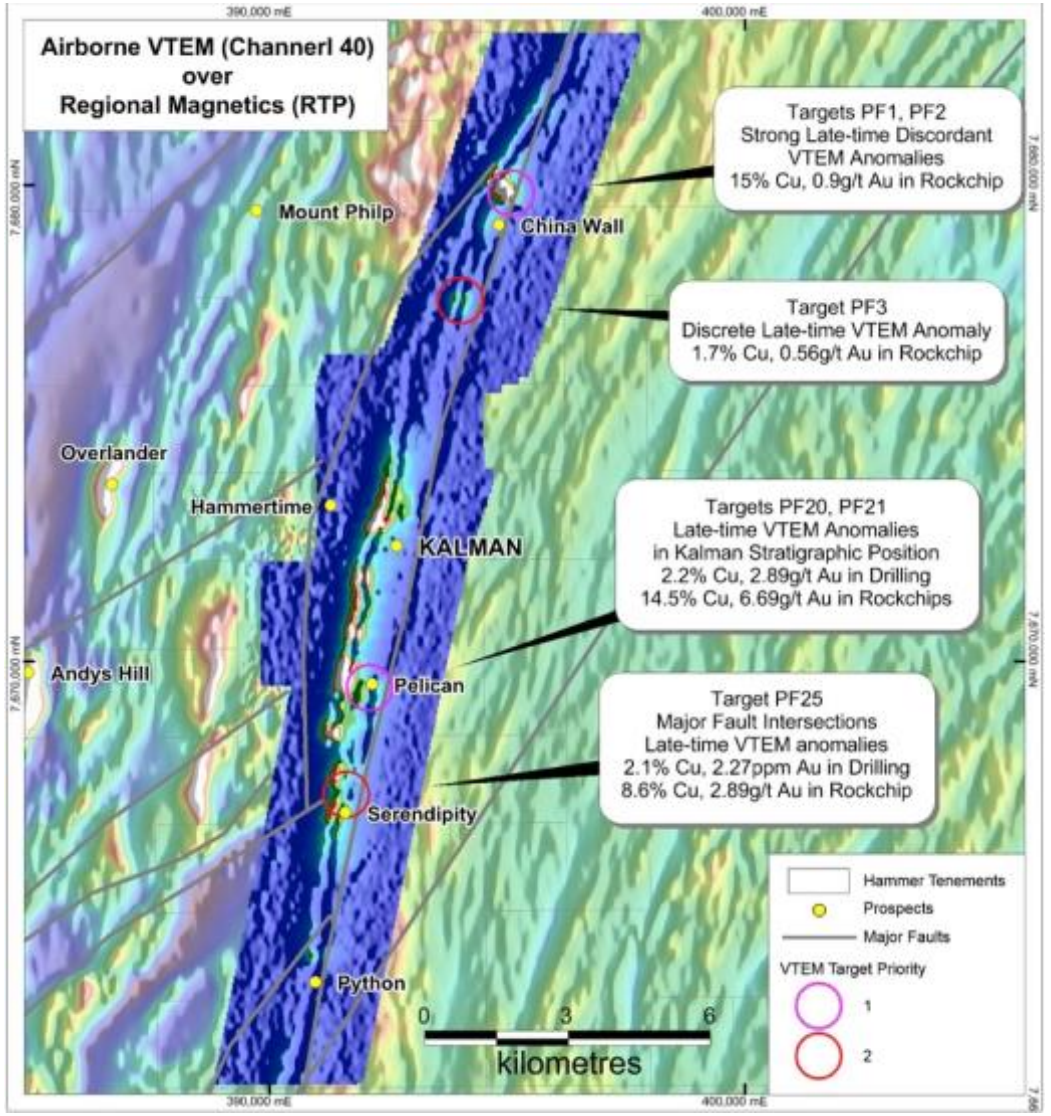
Pilgrim Fault - 100% HMX

Multiple VTEM Targets

- 23km stretch of the Pilgrim Fault was flown by a VTEM survey late 2016 to look for massive sulphide zones such as those seen in Kalman South.
- Several conductors have been identified for drill testing after the Dronfield drilling program, likely late Q2 2017.



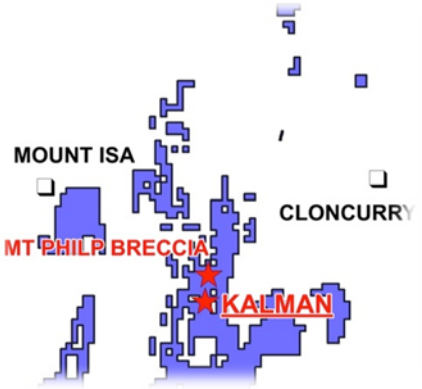

2016 - VTEM Survey in progress over Kalman

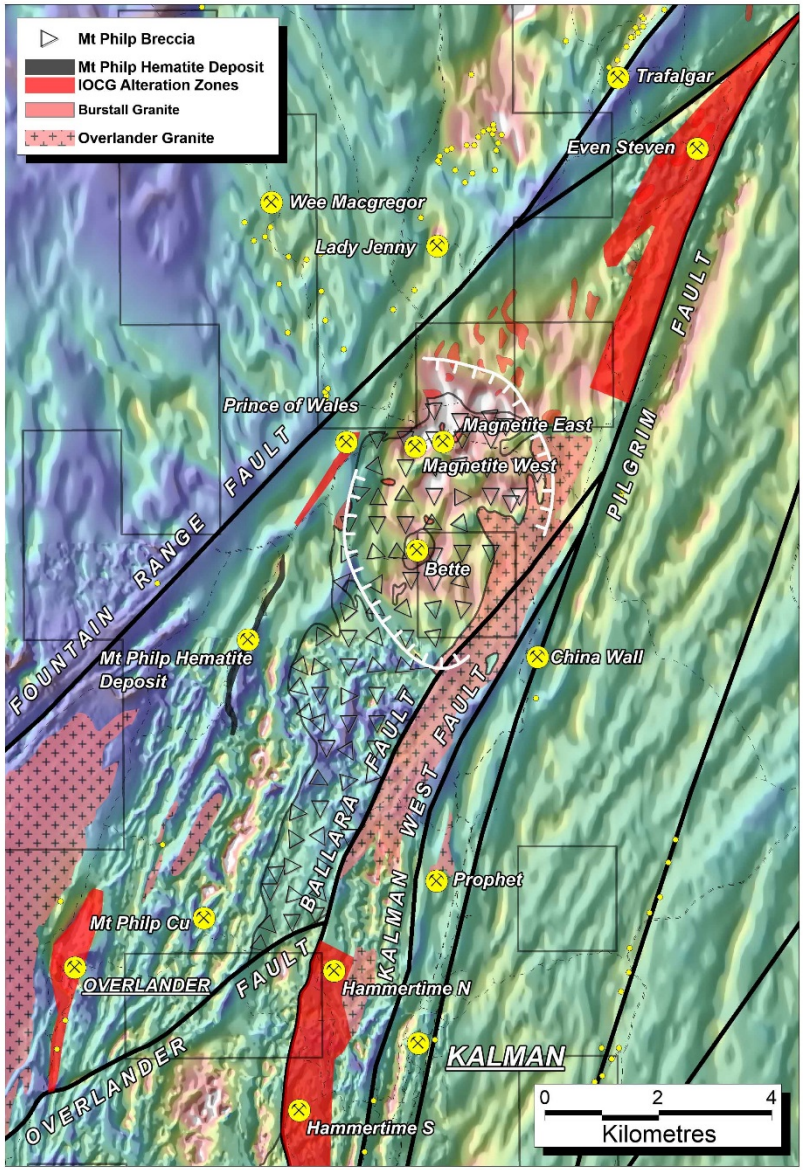


Mt Philp Breccia - 100% HMX

IOCG Target

- Large breccia body located north of Kalman between the Fountain Range and Pilgrim Faults.
- Extensive untested areas of red-rock (magnetite-hematite-potassium feldspar) alteration, brecciation and intrusive activity.
- Target is a large breccia hosted IOCG.
- Hammer potentially looking to partner with a major on this target.

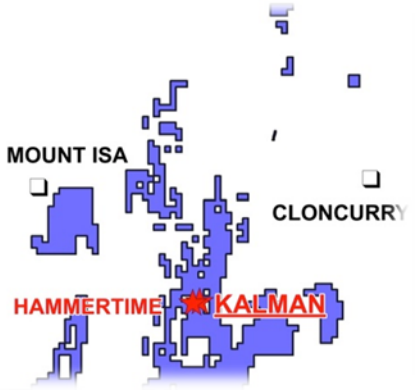


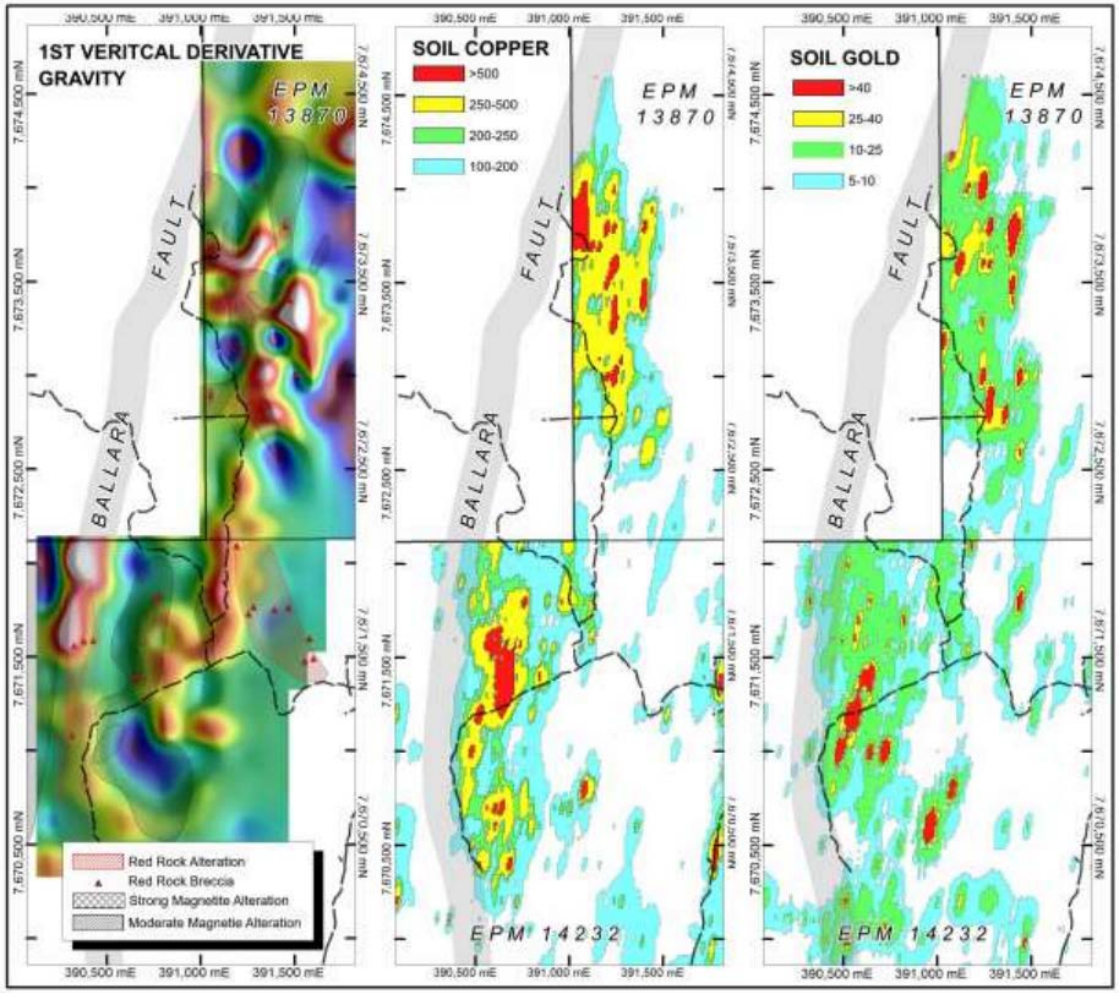


Hammertime - 100% HMX

Larger soil geochemical Anomaly than Kalman

- Coincident soil geochemistry (Cu and Au) and IP anomaly
- Rock chips with grades of +2.4g/t Au and 29.3% Cu[1]
- 3.4km in length and 1km in width
- Prospect crosses the tenement boundary with Glencore Copper.



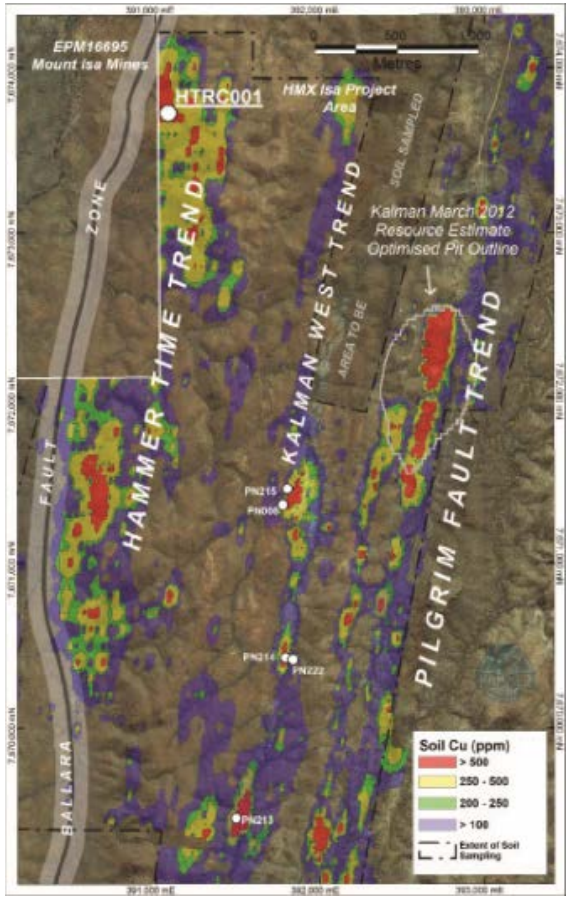


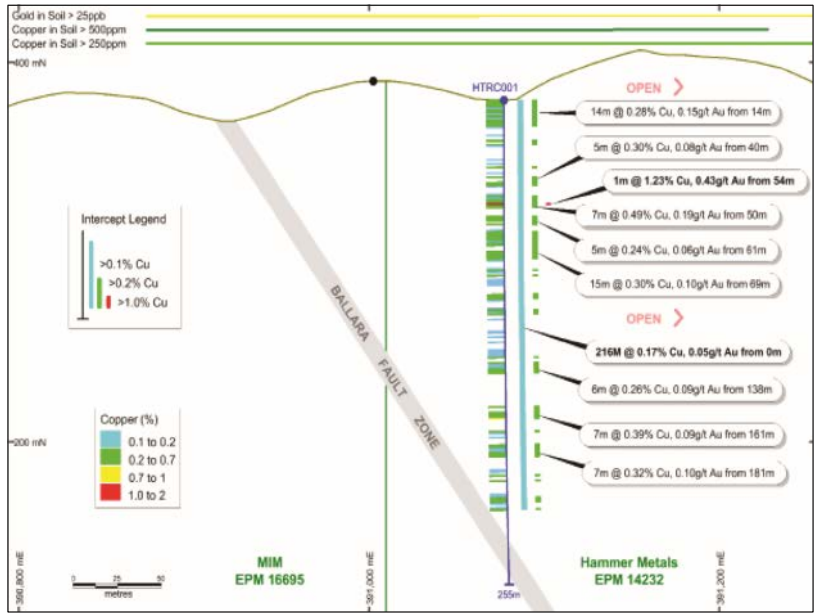
1. Refer to ASX release dated September 1 2015 for details

Hammertime - 100% HMX

Only 1 drillhole to date

- Intersected thick zone of alteration and mineralisation in first RC hole
  - ➢ 216m @ 0.17% Cu & 0.05g/t Au
- Highly encouraging first intersection with favourable rocks, structures and alteration.
- More drilling planned in 2017 Q2 with cultural clearances and pad preparation underway

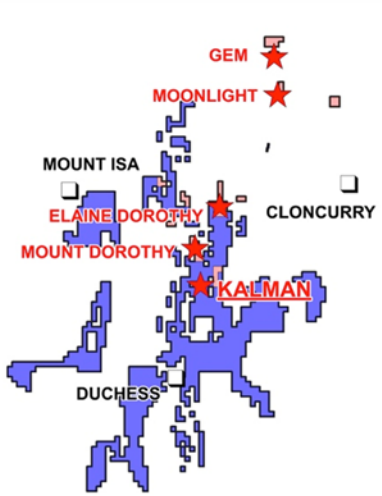


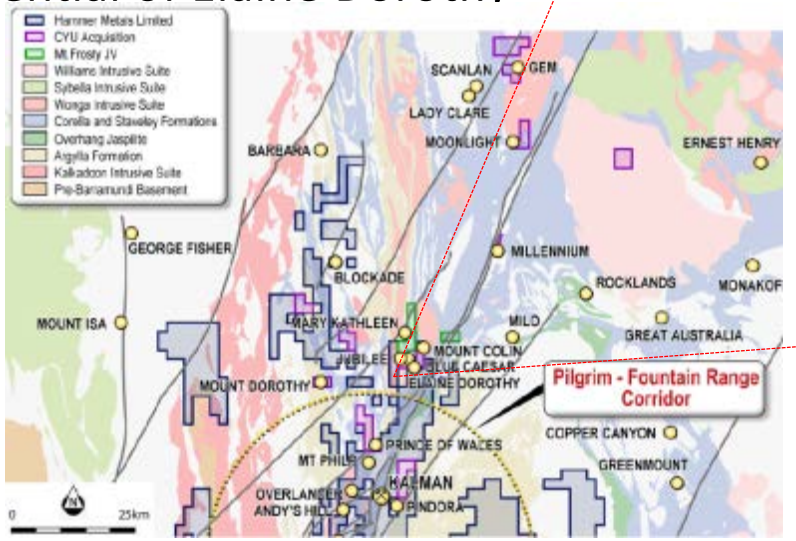


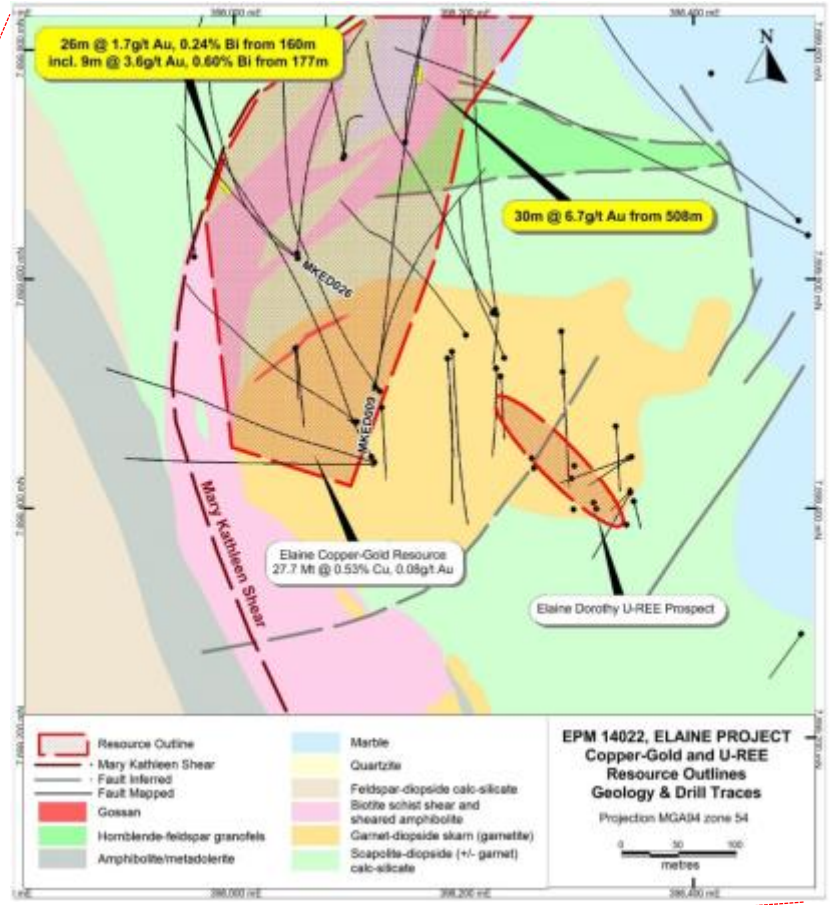
Chinalco Acquisition - 100% HMX

Low cost purchase enhancing ground holding

- Purchase of Chinalco's Mount Isa region tenement interests
- High grade gold – 30m at 6.7g/t Au
- Includes Elaine Dorothy Copper-Gold Deposit, Gem Copper Deposit and several IOCG targets
- Priority is high-grade gold potential of Elaine Dorothy





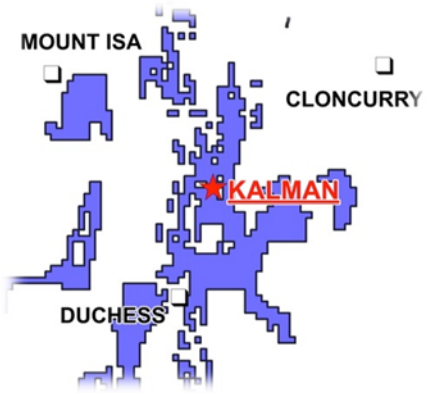


Kalman - 100% HMX

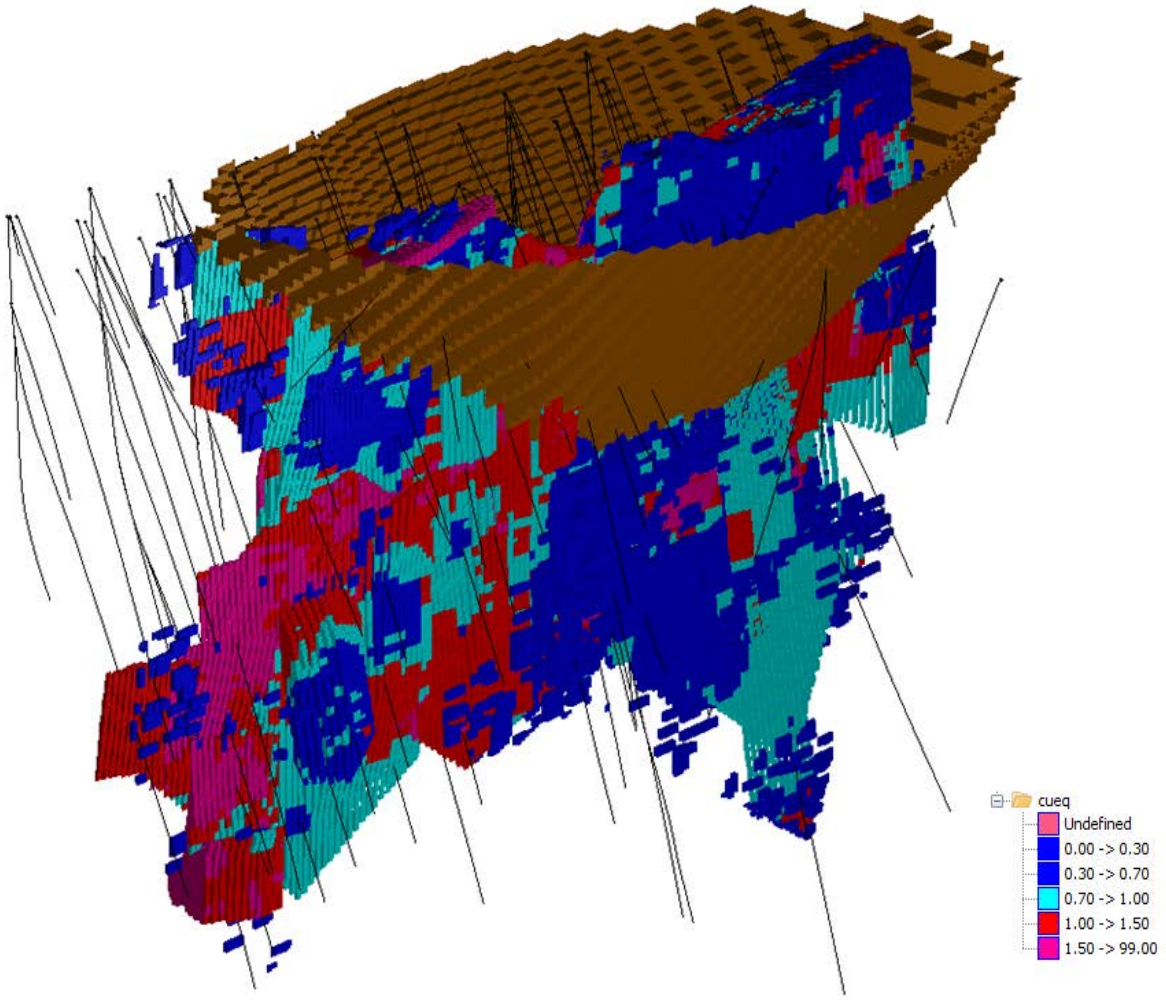
Mineral Resource Estimate

- Open pit and underground potential
- Remains open at depth
- Good potential for base load plant feed

Classification	Mining Method	Tonnes (t)	CuEq (%)
Indicated	Open Pit	7,100,000	1.5
Inferred	Open Pit	6,200,000	1.6
Inferred	Underground	7,000,000	2.4
TOTAL		**20,000,000**	**1.8**



(Reported at 0.3% CuEq cut-off above 100m RL and 1.0% CuEq cut-off below 100m RL)
Refer to ASX release dated 27/9/16 for details
-Note: (1) Numbers rounded to two significant figures
-Note: (2) Totals may differ due to rounding
-Note: (3) (CuEq = Cu + 0.594464Au + 0.010051Ag + 4.953866Mo + 0.074375Re)
[Refer to Appendix for notes on CuEq grade calculation]



Kalman Conceptual Optimised Pit Shell showing drill traces - looking North West.

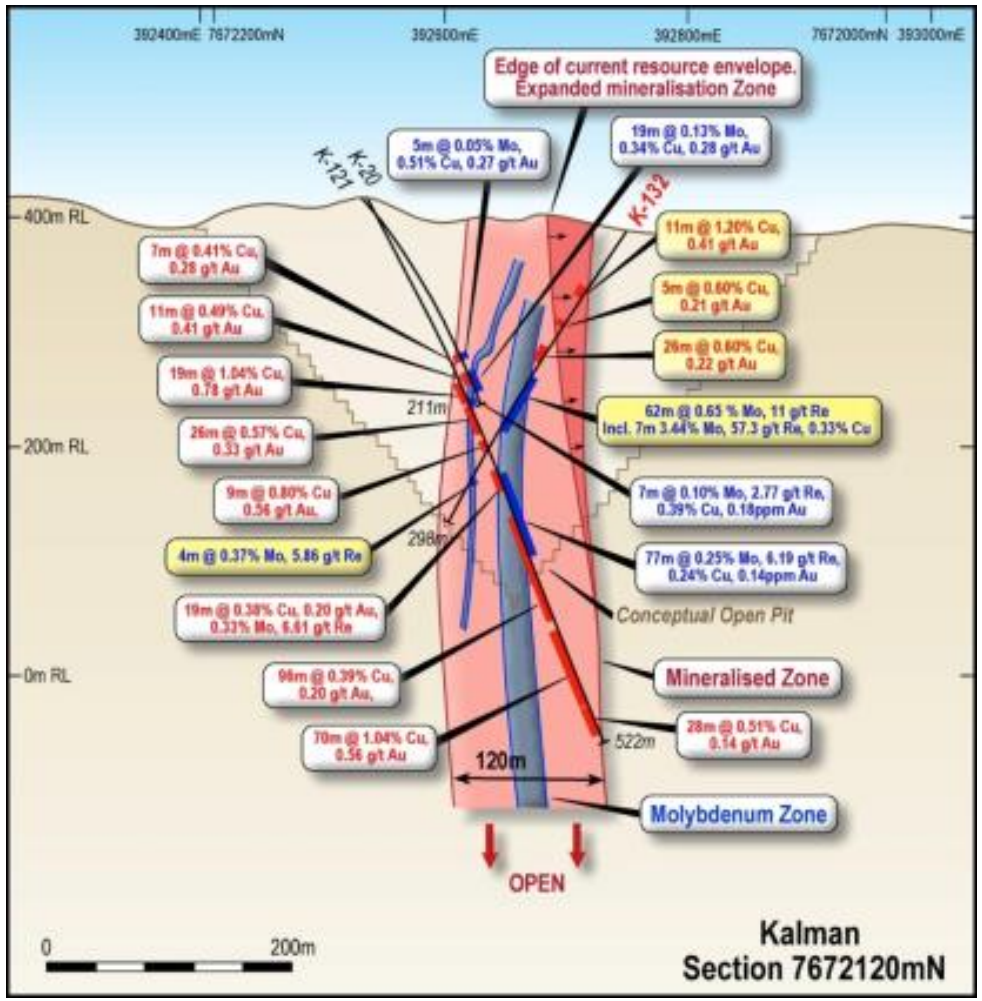
Kalman: High Grade Mo-Re - 100% HMX

High-grade molybdenum and copper-gold zones enhance open pit mining potential

- High grade molybdenum & rhenium intersections:
  - 62m @ 0.65% Mo, 11.4g/t Re, 0.16% Cu, 0.07g/t Au & 1.5g/t Ag (62m at 4.3% CuEq*) from 152m,
  - Incl. 7m @ 3.44% Mo, 57g/t Re, 0.33% Cu, 0.16g/t Au and 5.5g/t Ag (7m at 21.8% CuEq*) from 206m

- New near-surface copper-gold zone outside current resource model in same hole:
  - 11m @ 1.20% Cu & 0.41g/t Au from 55m
  - 26m @ 0.60% Cu & 0.22g/t Au from 112m

*Refer to appendix for notes on CuEq calculation



Kalman: High Grade Copper - 100% HMX

High-grade copper at depth

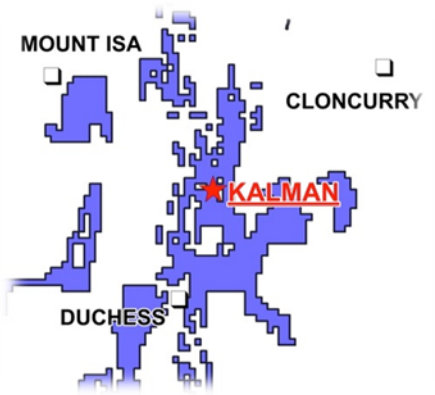
- Multiple zones, needs further work
  - 7.6m @ 23.4% Cu, 0.5g/t Au & 20g/t Ag from 581.65m in K106A
  - 77m @ 1.4% Cu & 1.3g/t Au from 700m in K106A
  - 53m @ 2.1% Cu & 0.52g/t Au including 25m at 3.8% Cu & 0.94g/t Au from 712m in K106C

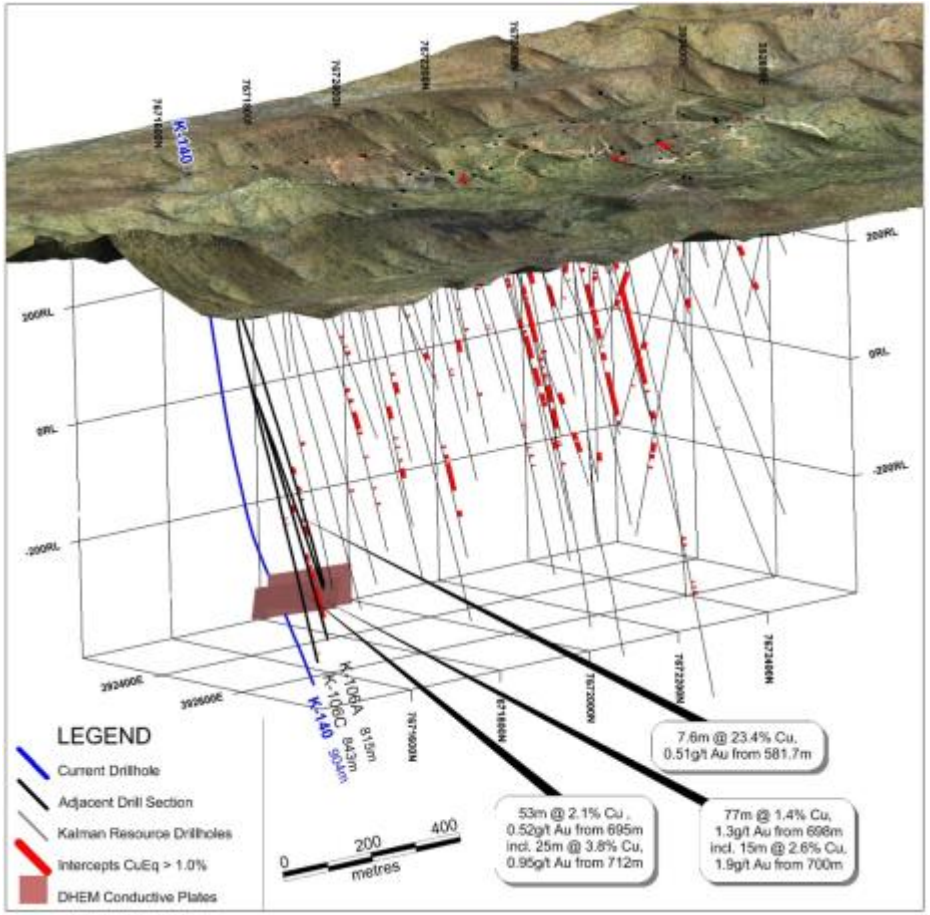
K-106A - High Grade Copper Zone

Kalman South Drilling - 100% HMX

Following up the high-grade copper at depth

- K140 completed at 904 metres depth
- Target was extensions to high grade copper zones in K106
- Down-hole EM indicates drilled below conductive body
- Daughter holes to test DHEM conductor under consideration

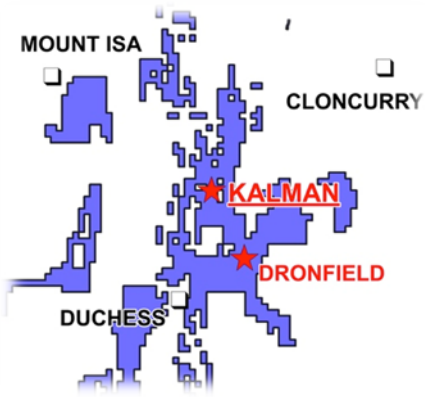


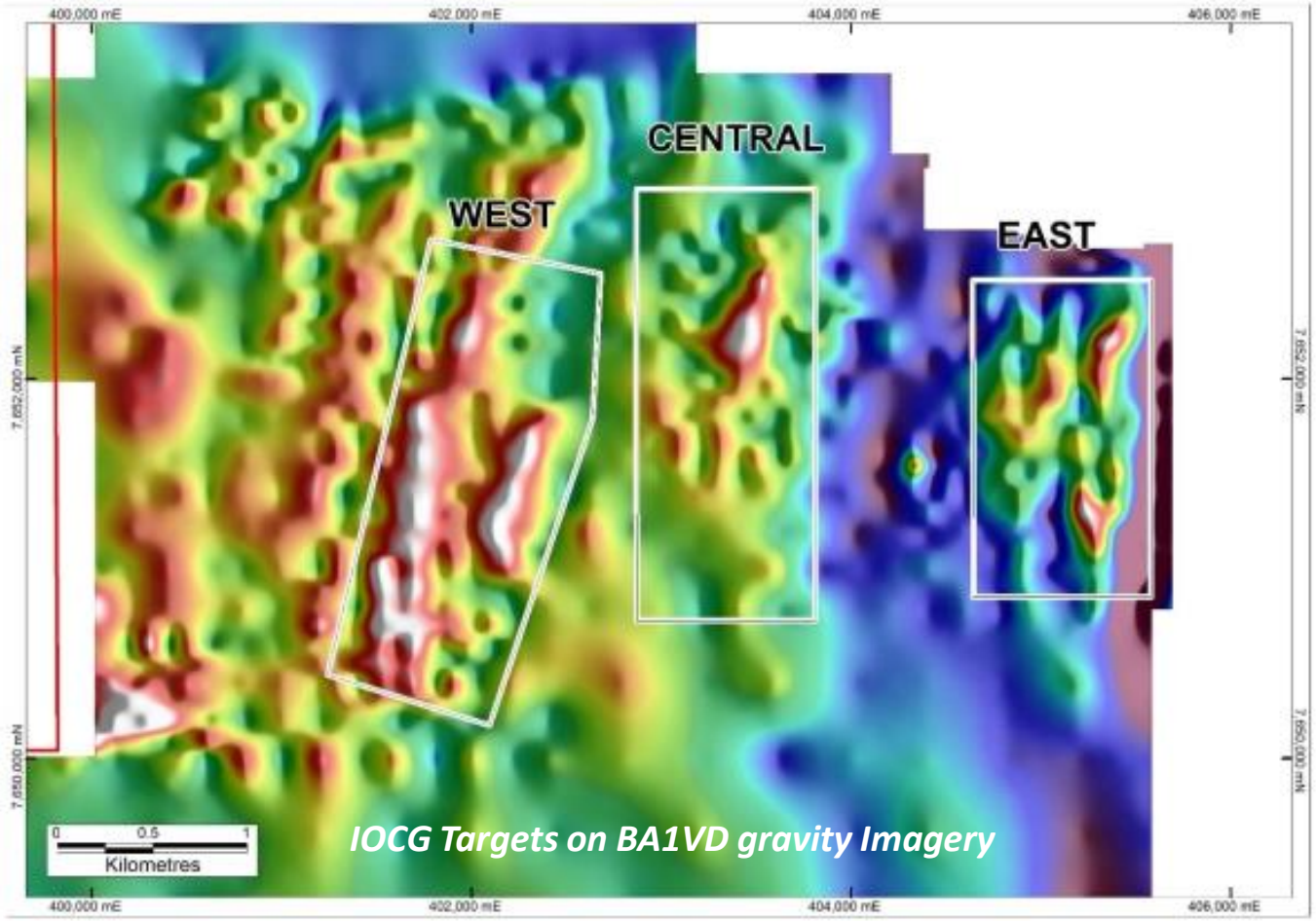


Dronfield - Newmont JV

Drilling now

- Williams granite suite.
- Widespread alteration
- Coincident gravity – magnetic, gravity and IP anomalies with geochemical anomalism.
- Copper - gold anomalism.
  - 2m @ 6.1% Cu + 1.54g/t Au from 37m in HDRC001

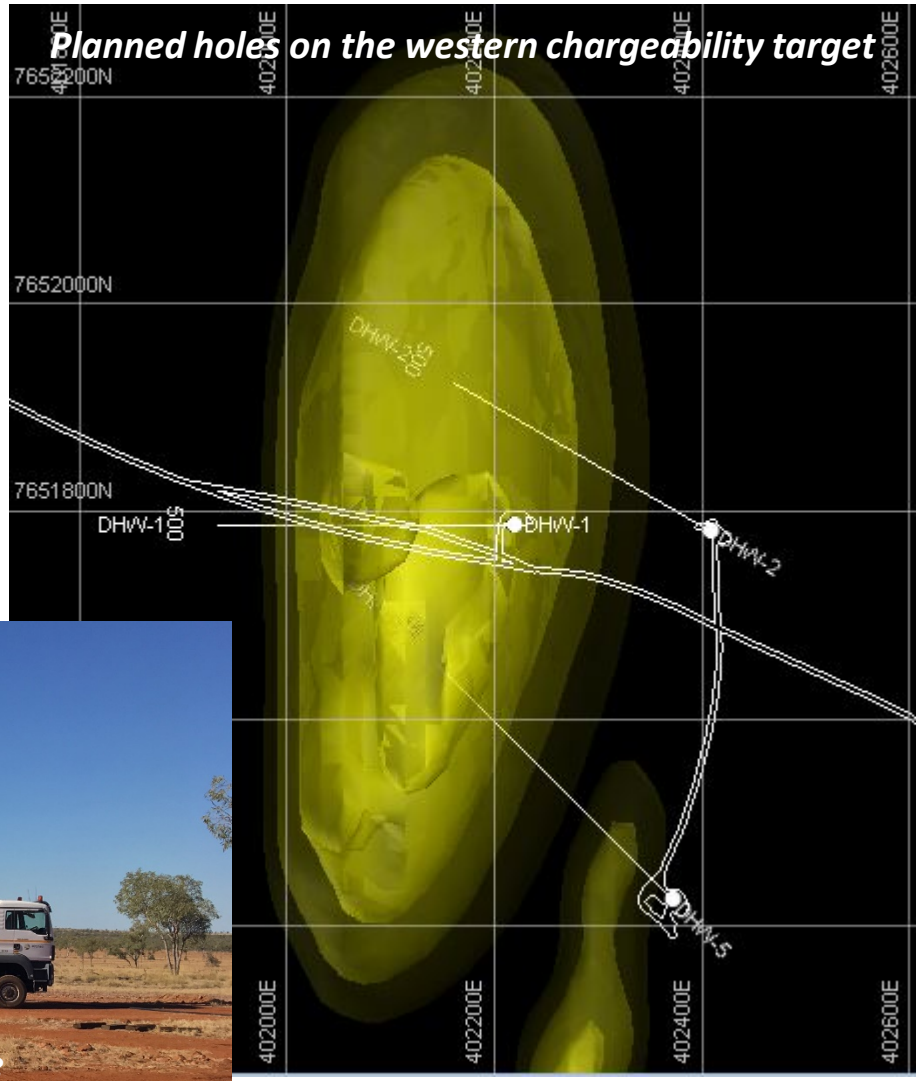




Dronfield - Newmont JV

Large scale target

- Geochemical, Gravity, Magnetic and NEWDAS (IP) Surveys completed
- Drilling target outlined at Dronfield West
- Drilling partly funded by CDI Funding grant



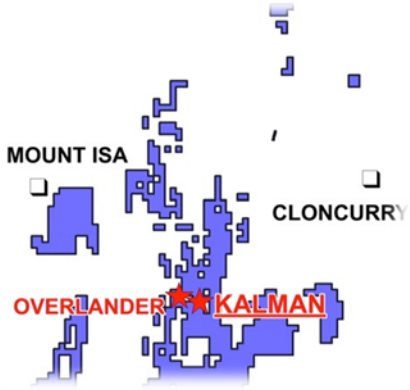
Planned holes on the western chargeability target


April 30th 2017 – First day of Dronfield Drilling on site DHW-5

Overlander - Newmont JV

IOCG Target

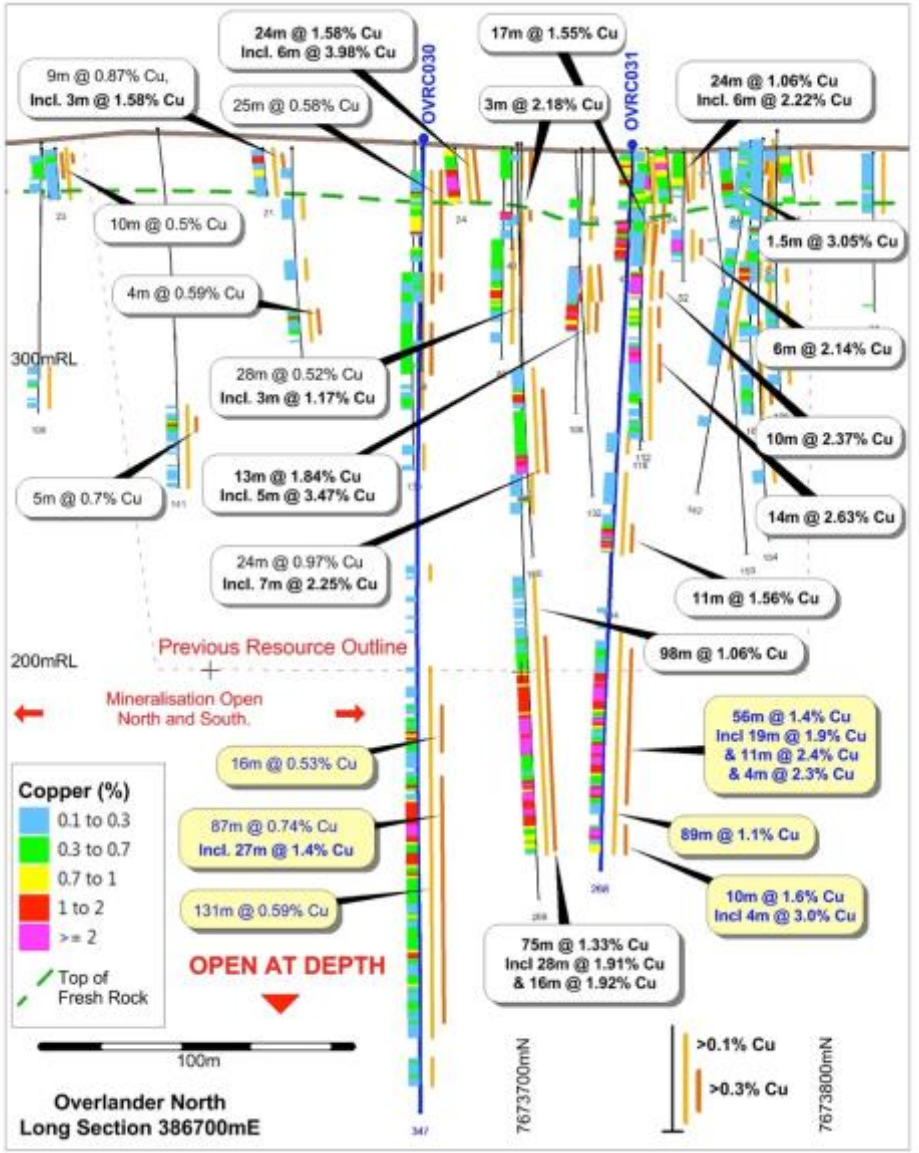
- Mineralised rhyolite: RC and diamond drilling has hit high grade Cu with Co zones from surface at Overlander North
- Large system - 6km of strike, 6km west of Kalman
- Strong IOCG alteration intersected in diamond drill holes OVD001 – OVD003 with coincident geochemistry, magnetic, gravity and IP anomalies breccias to east



Overlander North Deposit - Newmont JV

Very promising results to date

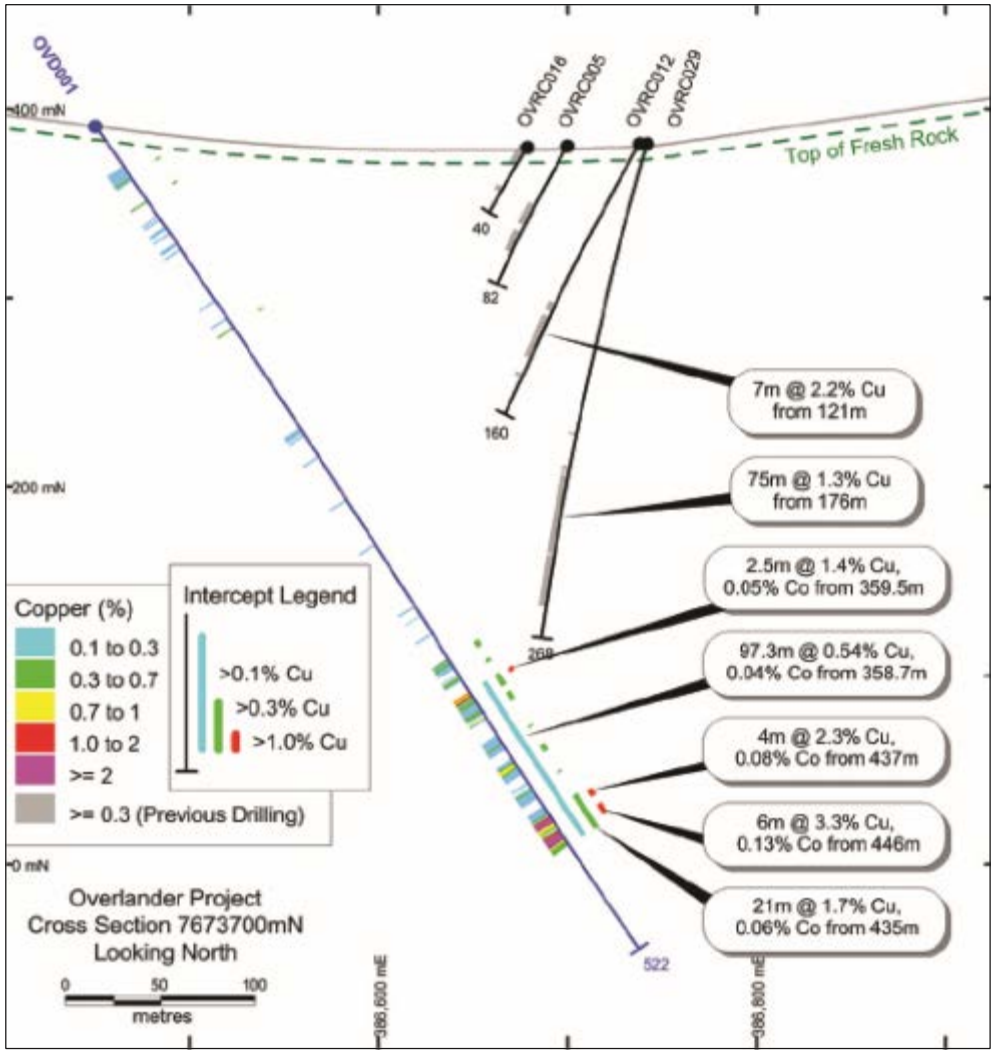
- Last 3 RC holes intersected:
  - 75m @ 1.33% Cu incl. 28m @ 1.91% Cu & 16m @ 1.92% Cu in OVRC29
  - 87m @ 0.74% Cu incl. 27m @ 1.4% Cu in OVRC30
  - 89m @ 1.1% Cu incl. 56m @ 1.4% Cu & 11m @ 2.4% Cu & 10m @ 1.6% Cu in OVRC31
- Open to the north and south and at depth



Overlander North Deposit - Newmont JV

Requires follow up drilling

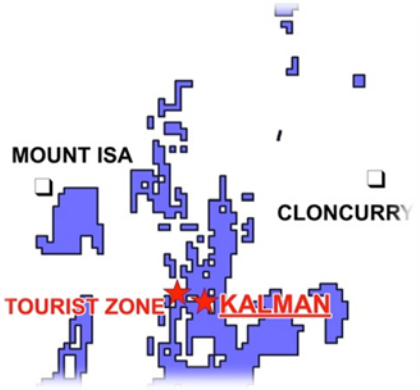
- Vertical zone on eastern edge of magnetic – gravity anomaly.
- OVD001
  - Intersects IOCG target
  - 21m @ 1.7% Cu from 435m
  - 97.3m @ .54 Cu from 359.5m

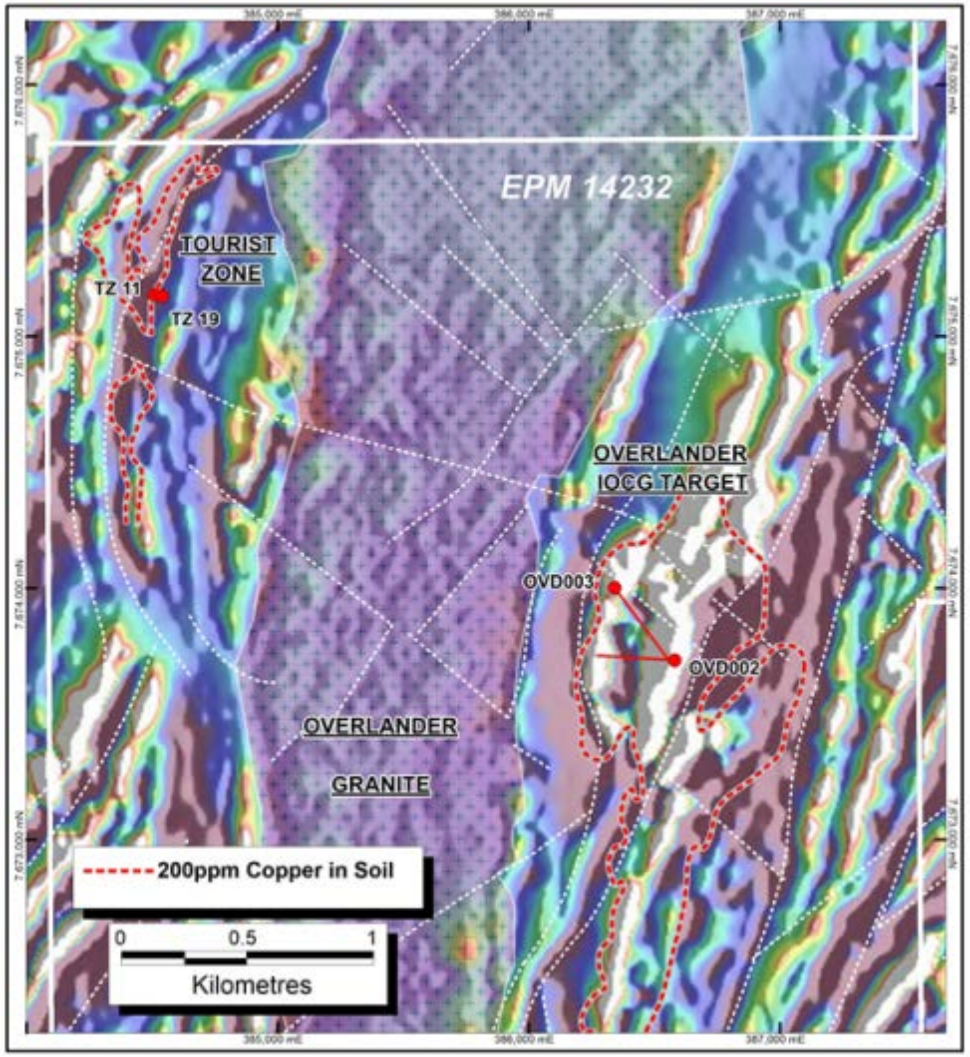


Tourist Zone - Newmont JV

Encouraging first pass results

- Similar geological position to Overlander and 2km to west
- Mineralised breccias, silicification and ‘red rock’ alteration
- Previous drilling returned:
  - 26m at 1.04% Cu and 0.24g/t Au in TRC-11 and
  - 35m at 1% Cu and 0.18g/t Au in TRC-19

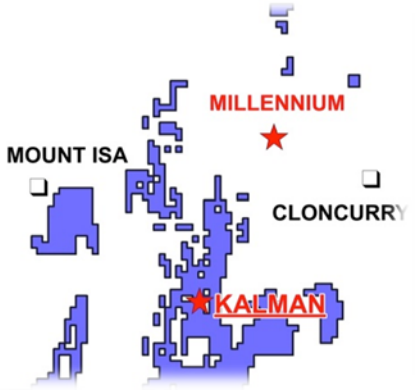


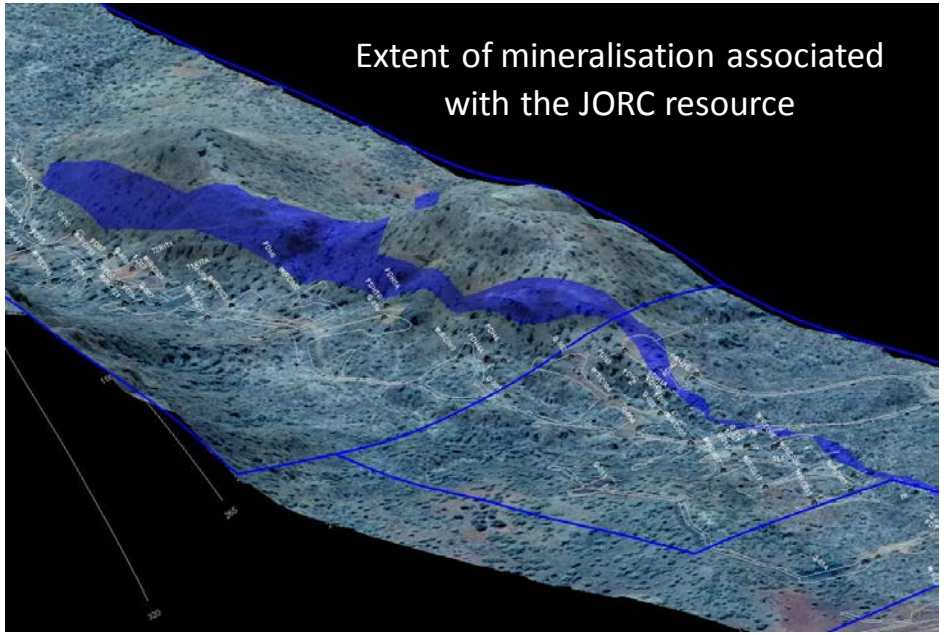


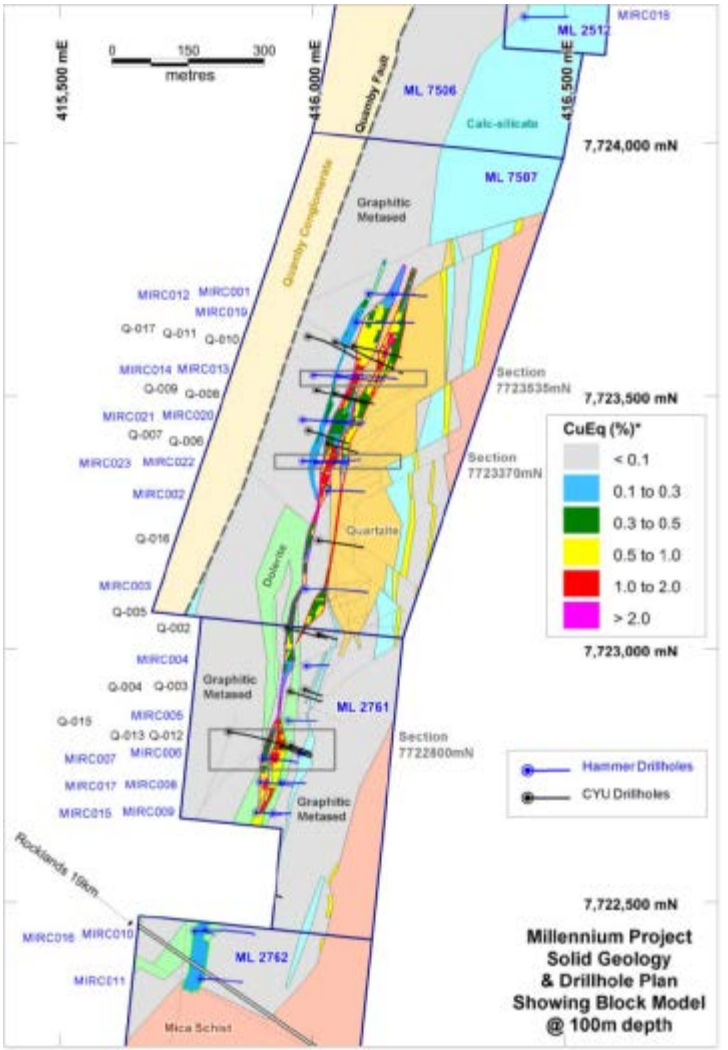
Millennium - GEMC JV Option

A New Cobalt Deposit

- Deal announced with GEMC to develop Millennium in May 2017 with Hammer managing next 2 phases of exploration and further resource definition.
- Adjacent to the major Pilgrim Fault zone and just 19km from Rocklands copper-cobalt plant
- Granted Mining Leases



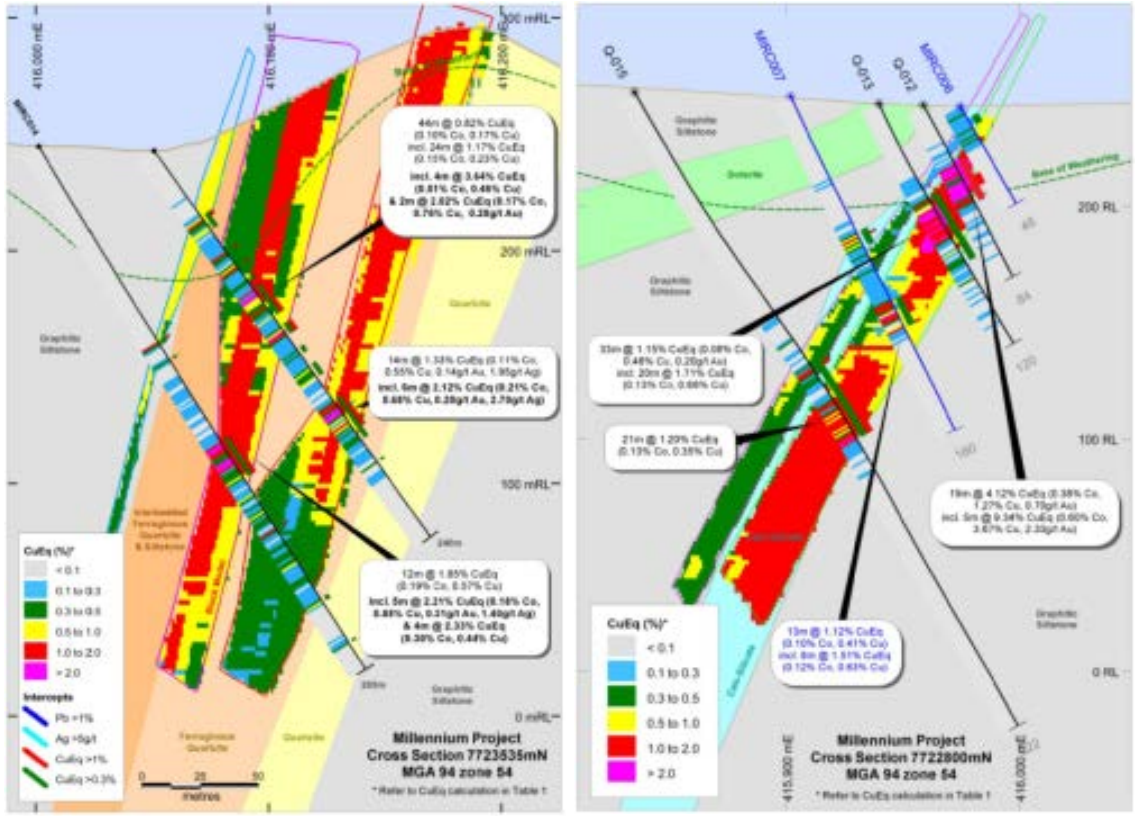




Millennium - GEMC JV Option

Maiden Resource

- 23 RC holes since May 2016 acquisition to deliver a cobalt-copper-gold resource in December 2016
- Open at depth and to the north with high grade extensions (+ 0.5% Co) to be tested
- Parallel structure to the east at Federal untested
- Term Sheet signed to advance exploration



CuEq Cut-Off	Tonnes	CuEq %	Co %	Cu %	Au ppm
1.0%	3,070,000	1.29	0.14	0.35	0.12
0.7%	5,890,000	1.08	0.11	0.32	0.11

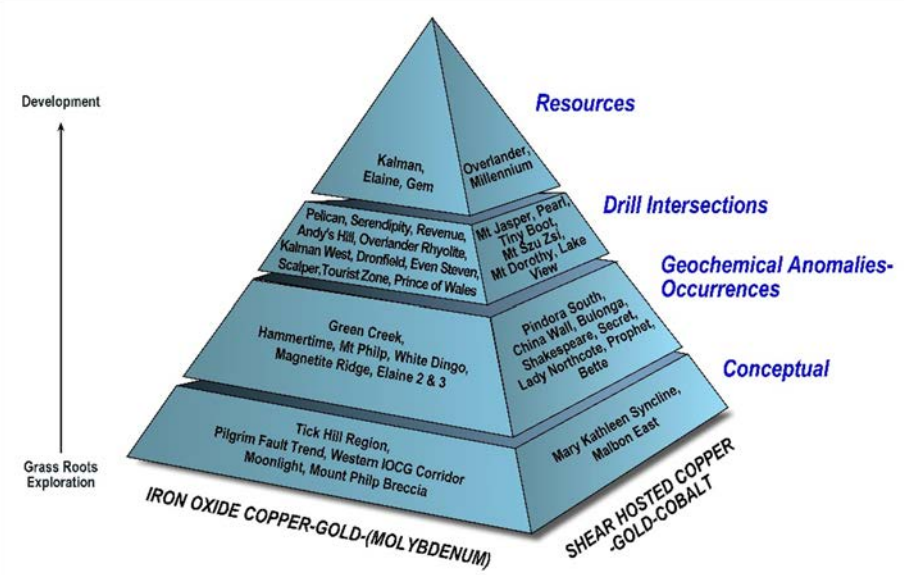
Table 1 Millennium November 2016 Mineral Resource - Inferred

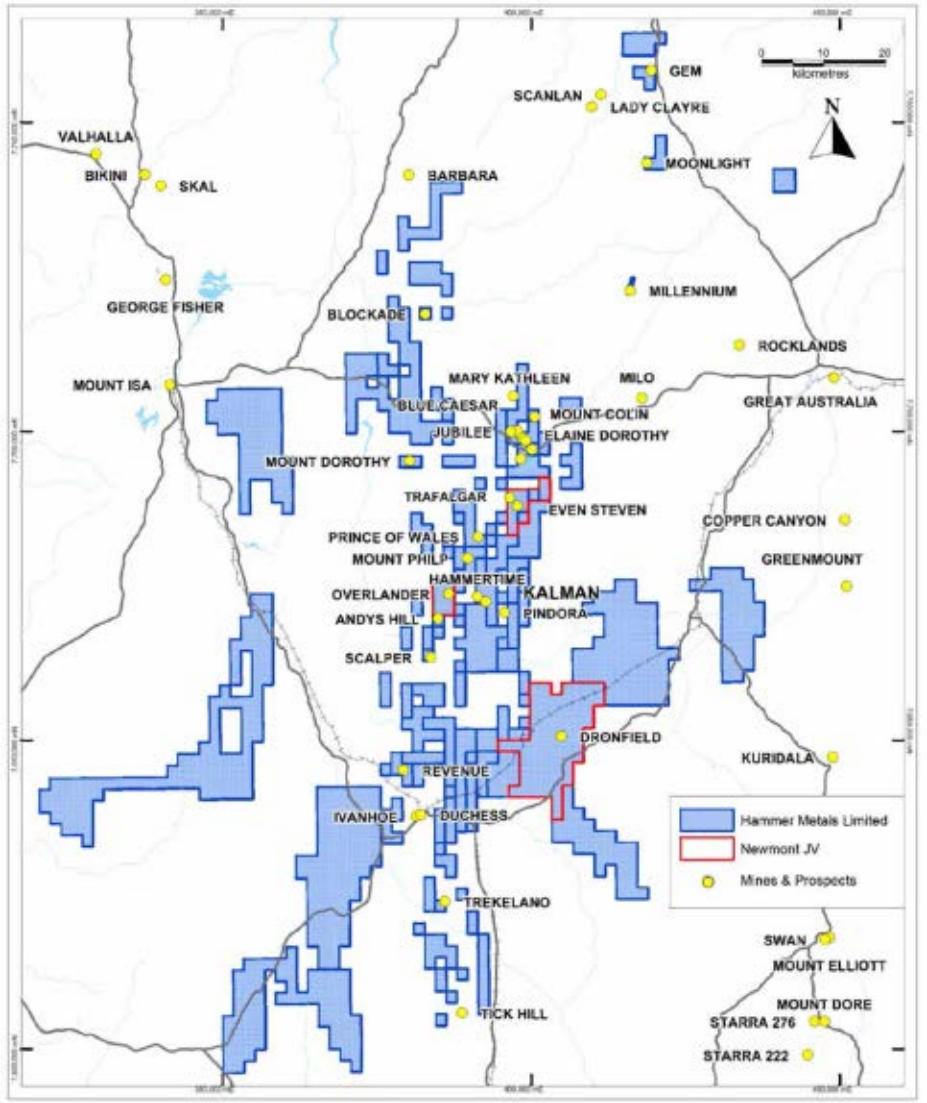
- *Note: (1) Totals may differ due to rounding*
- *Note: (2) CuEq= Cu_pct+(Co_pct*5.9)+(Au_ppm*0.9)+(Ag_ppm*0.01)*

Summary

Multiple Large Scale Targets

- Substantial and systematic exploration programs planned in a known major copper province.
- Very large ground holding – lots of targets.
- Dronfield Joint Venture drilling started on April 30th.
- Hammer drilling is planned to flow on from the JV drilling with holes planned at Hammertime and then Pilgrim Fault VTEM targets.





Disclaimer & Competent Person Statements

Disclaimer

This presentation by its nature contains summarised information. See Hammer's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au for more information.

Within this presentation there may be certain forward- looking statements, opinions and estimates. These are based on assumptions and contingencies which are subject to change without notice and are not guarantees of future performance. Hammer assumes no obligation to update such information. Recipients of this document are cautioned to not place undue reliance on such forward-looking statements.

To the extent permitted by law, Hammer and its officers, employees, related bodies corporate and agents disclaim all liability, direct, indirect or consequential for any loss or damage suffered by a recipient or other persons arising out of, or in connection with, any use or reliance on this presentation or information.

Competent Persons Statements

Historic Exploration Results

The information in this presentation as it relates to exploration results and geology first reported prior to 1 December 2013 was reviewed by Mr John Downing, who is a Member of the Australian Institute of Geoscientists and a Consultant to the Company. Mr Downing has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Downing consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Certain exploration drilling results relating to the Mount Isa Project first disclosed under JORC code 2004 and have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed.

Exploration Results – Overlander

The information in this presentation as it relates to exploration results and geology for Overlander was compiled by Mr John Downing, who is a Member of the Australian Institute of Geoscientists and a Consultant to the Company. Mr Downing has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Downing consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Kalman Resource Estimate

Where the Company refers to the Kalman Project and the revised mineral resource estimate in this presentation (referencing the release made to the ASX on 26 September 2016), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

Overlander North + South Resource Estimate

Where the Company refers to the Overlander North + South Mineral Resource Estimate in this presentation (referencing the release made to the ASX on 24 July 2014), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

Millennium Resource Estimate

Where the Company refers to the Millennium Mineral Resource Estimate in this presentation (referencing the release made to the ASX on 6th December 2016), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

The information in this presentation that relates to Exploration Results or Mineral Resources is based on information compiled by Russell Davis who is a member of the Australasian Institute of Mining and Metallurgy. Mr Davis is a Director, shareholder and option holder of Hammer Metals Limited. Mr Davis has sufficient experience which is relevant to the style of mineralisation under consideration 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" (The JORC Code). Mr Davis consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results or Mineral Resources was reviewed by Mark Whittle who is a member of the Australian Institute of Mining and Metallurgy and a Consultant to Hammer Metals Limited. Mr Whittle has sufficient experience which is relevant to the style of mineralisation under consideration 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" (The JORC Code). Mr Whittle consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.

Kalman Resource Estimate & Notes On Copper Equivalence Calculation

The Kalman Mineral Resource Estimate was updated in August 2016 in accordance with the JORC Code (2012 Edition). (Refer to the ASX Release dated 27th September 2016 for full details of the Resource Estimate.)

Kalman Deposit Inferred Mineral Resource Estimate
(Reported at 0.75% CuEq cut-off above 100m RL and 1.4% CuEq cut-off below 100m RL)

Classification	Mining Method	CuEq Cut-Off	Tonnes Kt	CuEq %	Cu %	Mo %	Au ppm	Ag Ppm	Re ppm
Indicated	Open Pit	0.75%	7,100	1.5	0.48	0.12	0.27	1.4	2.9
Inferred	Open Pit	0.75%	6,200	1.6	0.44	0.15	0.24	1.5	3.9
Inferred	Underground	1.40%	7,000	2.4	0.89	0.16	0.50	2.9	4.5
Total			**20,000**	**1.8**	**0.61**	**0.14**	**0.34**	**1.9**	**3.7**

- *Note: (1) Numbers rounded to two significant figures*
- *Note: (2) Totals may differ due to rounding*
- *Note: (3) CuEq = Cu + (0.864268 * Au) + (0.011063 * Ag) + (4.741128 * Mo) + (0.064516 * Re)*

Copper equivalent (CuEq) grades were calculated using estimated block grades for Cu, Au, Ag, Mo and Re.
The CuEq calculation is based on commodity prices and metallurgical recovery assumptions as detailed in this release. Prices agreed to by Hammer were a reflection of the market as at 14/02/2014 and forward looking forecasts provided by consensus analysis. Metal prices provided are:

The CuEq calculation is based solely on commodity prices without assumptions about recovery or payability of the different metals. Prices agreed to by Hammer were a reflection of the market as at 14/02/2014 and forward looking forecasts provided by consensus analysis. Metal prices provided are:
Cu: US$7,165/t
Au: US$1,324.80/oz
Ag: US$22.40/oz
Mo: US$16.10/lb
The forward looking price for Rhenium was estimated using available historical and current prices - Re: US$5,329/kg
The CuEq equation is CuEq = Cu + 0.594464Au + 0.010051Ag + 4.953866Mo + 0.074375Re and was applied to the respective elements estimated within the resource block model.

Kalman Resource Estimate & Notes On Metallurgical Recoveries

Assumed Metallurgical Recoveries

Based on the testing completed and the current understanding of the material characteristics it has been assumed that the Kalman material can be processed using a "typical" concentrator process flowsheet. The mass balance and stage metallurgical recovery of the four major elements were based on the metallurgical test results from the molybdenum zone sample and benchmarks. The final overall recovery (Table 3) was established from the mass balance and benchmarked against other operations and projects.

Table 3: Assumed Metallurgical Recoveries

Process Stage	Molybdenum Recovery (%)	Rhenium Recovery (%)	Copper Recovery (%)	Gold Recovery (%)	Silver[(1)] Recovery (%)
Bulk Rougher	95	86	95	82	82
Overall	86	77	86	74	74

(1) No data available for Silver recoveries so they have been assumed similar to Gold Recoveries

It is the company's opinion that the metals used in the metal equivalent equation have reasonable potential for recovery and sale based on metallurgical recoveries in flotation test work undertaken to date. There are a number of well-established processing routes for copper molybdenum deposits and the sale of resulting copper and molybdenum concentrates.

Millenium Resource Estimate & Notes On Copper Equivalence Calculation

The Millennium Mineral Resource Estimate was conducted in December 2016 in accordance with the JORC Code (2012 Edition). (Refer to the ASX Release dated 6th December 2016 for full details of the Resource Estimate.)

Millennium Deposit Inferred Mineral Resource Estimate
(Reported at 0.7% CuEq and 1% CuEq cut-offs across four domains)

Millennium November 2016 Mineral Resource - Inferred

CuEq Cut-off	Tonnes	CuEq (%)	Cu (%)	Co (%)	Au (ppm)
1.0%	3,070,000	1.29	0.35	0.14	0.12
0.7%	5,890,000	1.08	0.32	0.11	0.11

- *Note: (1) Totals may differ due to rounding*
- *Note: (2) CuEq= Cu_pct+(Co_pct*5.9)+(Au_ppm*0.9)+(Ag_ppm*0.01)*

The Copper Equivalent (CuEq) equation has been calculated to reflect current and forecast pricing. CuEq grades were calculated using estimated block grades for Co, Cu, Au and Ag. The CuEq calculation is based solely on commodity prices without assumptions about recovery or payability of the different metals. Prices used by Hammer were a reflection of the market as at October 1st 2016 and forward looking forecasts provided by consensus analysis.

Metal prices used were:

- Cu: US$4,600/t;
- Co: US$27,000/t;
- Au: US$1,330/oz; and
- Ag: US$20/oz.

The copper equivalent equation is:

$$CuEq = Cu\_pct + (Co\_pct * 5.9) + (Au\_ppm * 0.9) + (Ag\_ppm * 0.01)$$