ASX Announcement (ASX: HMX)

28 August 2017

New High Grade Gold Zone at Kalman West

Copper-Gold-Molybdenum-Rhenium Intercept at Revenue

Hammer Metals Limited (Hammer or the Company) (ASX: HMX) is pleased to provide results of a recent four hole RC drilling program at its Mount Isa Project in Northwest Queensland.

Two RC holes were drilled at the Revenue copper-gold target for 284 metres and two RC holes at the Kalman West target for 240 metres.

Drilling intercepted a new gold zone at Kalman West in both of the first two holes drilled by Hammer at the prospect. Significant gold results include:

- 1 metre at 36.9g/t Au from 101 metres in HKWRC001
- 1 metre at 3.93g/t Au from 13 metres in HKWRC002

At **Revenue** drilling confirmed the potential for a near surface copper-gold deposit with potential molybdenum and rhenium credits with an intersection of:

- 6 metres at 1.52% Cu and 1.0g/t Au from 48 metres in HRRC001, including
- 1 metre at 4.42% Cu and 4.04g/t Au from 51 metres and
- 1 metre at 2.68% Cu, 0.7g/t Au, 0.14% Mo and 1.6g/t Re.

Both prospects have significant gold values and highlight the gold prospectivity of the Mount Isa Project.

Kalman West

The Kalman West prospect is located 1km west of the Kalman copper-gold-molybdenum-rhenium deposit and is located on a 7km long structural splay from the Pilgrim Fault. The structural zone is anomalous in copper, lead, zinc and gold over much of its length and is poorly tested. Kalman West also hosts a number of zones of coarse flake graphite (ASX: HMX - 19/5/2017).

These initial two RC holes drilled at Kalman West were each targeting gold and lead-zinc anomalism identified from previous soil sampling.

Narrow but high grade gold values were intercepted in both holes. Initial investigation indicates that the mineralisation is associated with quartz veining near the same contact between graphitic schist and red-rock altered zones of calc-silicates on the eastern side of the structure. Significant results of:

- 1 metre at 36.9g/t Au from 101m in HKWRC001 and
- 1 metre at 3.93g/t Au from 13m in HKWRC002.

Gold anomalism in soils and rock chips is widespread in this geological position along the Kalman West zone hence the Company is confident that with further work additional gold mineralisation can be discovered.

Broad but low-grade lead and zinc mineralisation was intercepted in both holes with intervals including:

- 22 metres at 0.14% Pb and 0.23% Zn from 70 metres in HKWRC001

Peak values over any one metre interval were 0.34% Pb, 0.50% Zn and 3.42g/t Ag.

Revenue

Revenue is located 30km southwest of Kalman in a similar geological and structural position as the Overlander prospect 28km to the north.

A zone of copper-gold mineralisation has been drilled previously returning several significant copper-gold intersections including:

- 5 metres at 2.85% Cu and 0.31g/t Au from 98 metres in SA4
- 3 metres at 1.97% Cu and 0.14g/t Au from 48 metres in SA3

The two holes drilled as part of this program (HRRC001 and HRRC002) were targeting the Lucky Revenue section of the Revenue prospect. HRRC001 intercepted significant copper-gold-molybdenum-rhenium mineralisation of:

- 6 metres at 1.52% Cu and 1.0g/t Au from 48 metres in HRRC001, including
- 1 metre at 4.42% Cu and 4.04g/t Au from 51 metres and
- 1 metre at 2.68% Cu, 0.7g/t Au, 0.14% Mo and 1.6g/t Re from 52 metres.

The second hole (HRRC002) drilled to test down dip of the mineralisation in HRRC001 steepened markedly and was abandoned before reaching target depth.

The presence of molybdenite-rhenium mineralisation has not previously been recognised at Revenue hence the earlier drilling has not been analysed for these elements. The Lucky Revenue zone is open at depth and to the north and is one of multiple parallel mineralised structures in the Revenue area.

Planned Exploration

Hammer is highly encouraged by the results from both programs with further drilling to follow up the gold results at Kalman West a priority.

Table 1: Significant intercepts from the Revenue drilling program (0.2% Cu cut-off)

HOLE	E_GDA	N_GDA	RL	TD	Dip	Az (GDA)		From	To	Width	Au (g/t)	Cu (%)	Mo (%)	Re (ppm)
HRRC001	379140	7645866	380	144	-55	82		48	54	6	1.00	1.52		
							incl.	50	53	3	1.95	2.80	0.05	0.54
							&	51	52	1	4.04	4.42		
							&	52	53	1	0.70	2.68	0.14	1.61
								110	122	12	0.07	0.48		
							incl.	111	113	2	0.15	1.04		
							&	116	118	2	0.18	0.98		
HRRC002	379130	7645865	380	144	-65	82		73	82	9	0.07	0.22		
							incl.	74	75	1	0.11	0.36		
								77	78	1	0.18	0.44		
								79	81	2	0.13	0.36		
								113	114	1	0.10	0.29		
								125	126	1	0.41	0.37		

Table 2: Significant intercepts from the Kalman West drilling program (within 0.1% Zn grade envelope)

HOLE	E_GDA	N_GDA	RL	TD	Dip	Az (Grid)		From	To	Width	Au (g/t)	Cu (%)	Pb (%)	Zn (%)
HKWRC001	391921	7671586	408	120	120	-55		11	15	4			0.05	0.13
								29	58	29			0.09	0.11
							incl.	51	58	7		0.08	0.18	0.1
								69	94	25		0.06	0.13	0.22
							incl.	70	78	8		0.12	0.14	0.2
								101	**102**	**1**	**36.9**			
HKWRC002	391993	7671524	408	120	-55	90		7	16	9		0.01	0.05	0.13
							incl.	**13**	**14**	**1**	**3.93**	0.01	0.08	0.17
								18	30	12		0.01	0.06	0.15
								36	38	2			0.06	0.21

Hammer Metals Limited (ASX: HMX) Hammer Metals holds a strategic tenement position covering approximately 3,200km^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 Millennium (Cu-Co-Au) deposit as well as the recently acquired Elaine-Dorothy (Cu-Au) deposit. Hammer is an active mineral explorer, focused on discovering large copper-gold deposits of the Ernest Henry style and has a range of prospective targets at various stages of testing.

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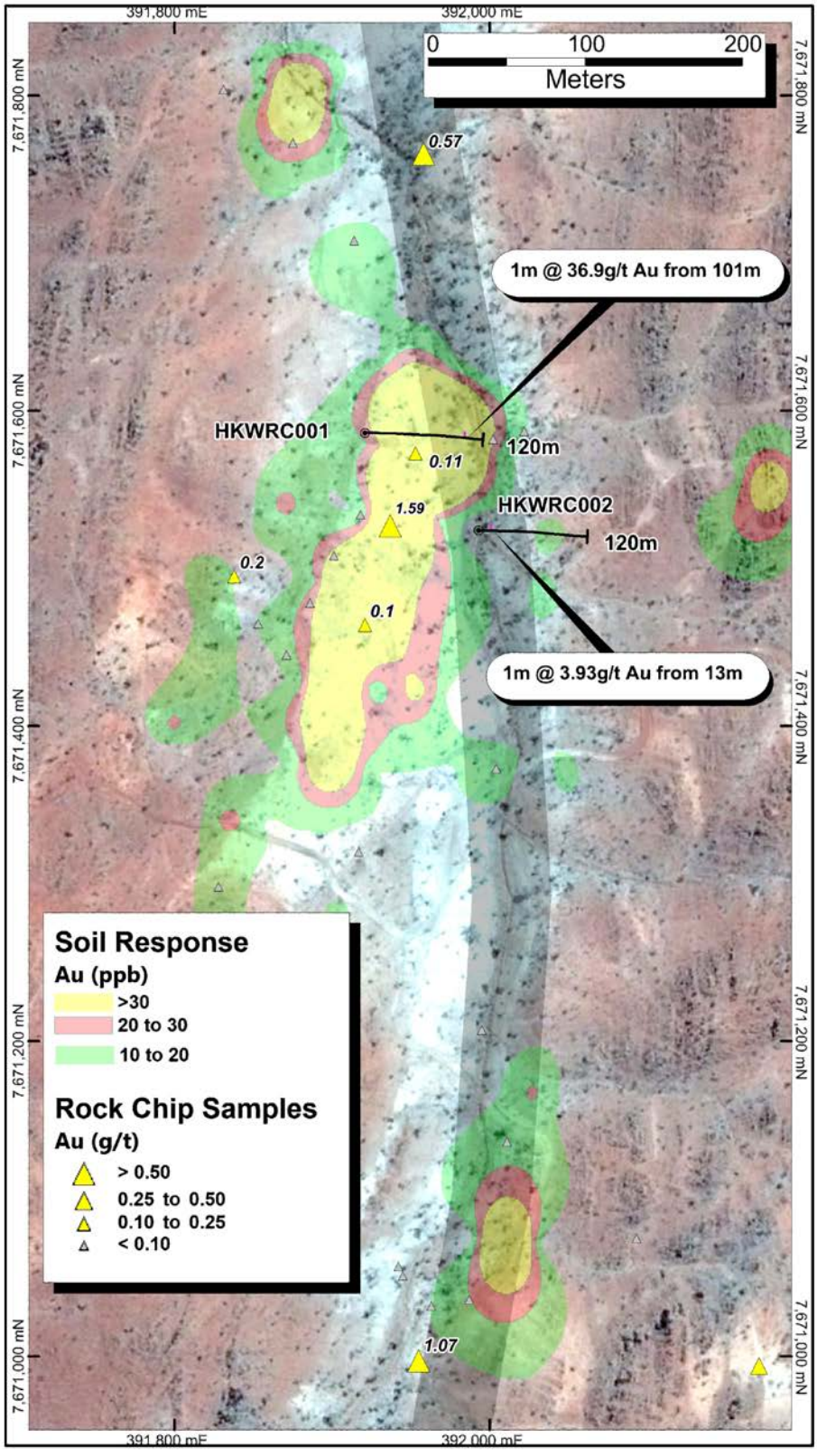
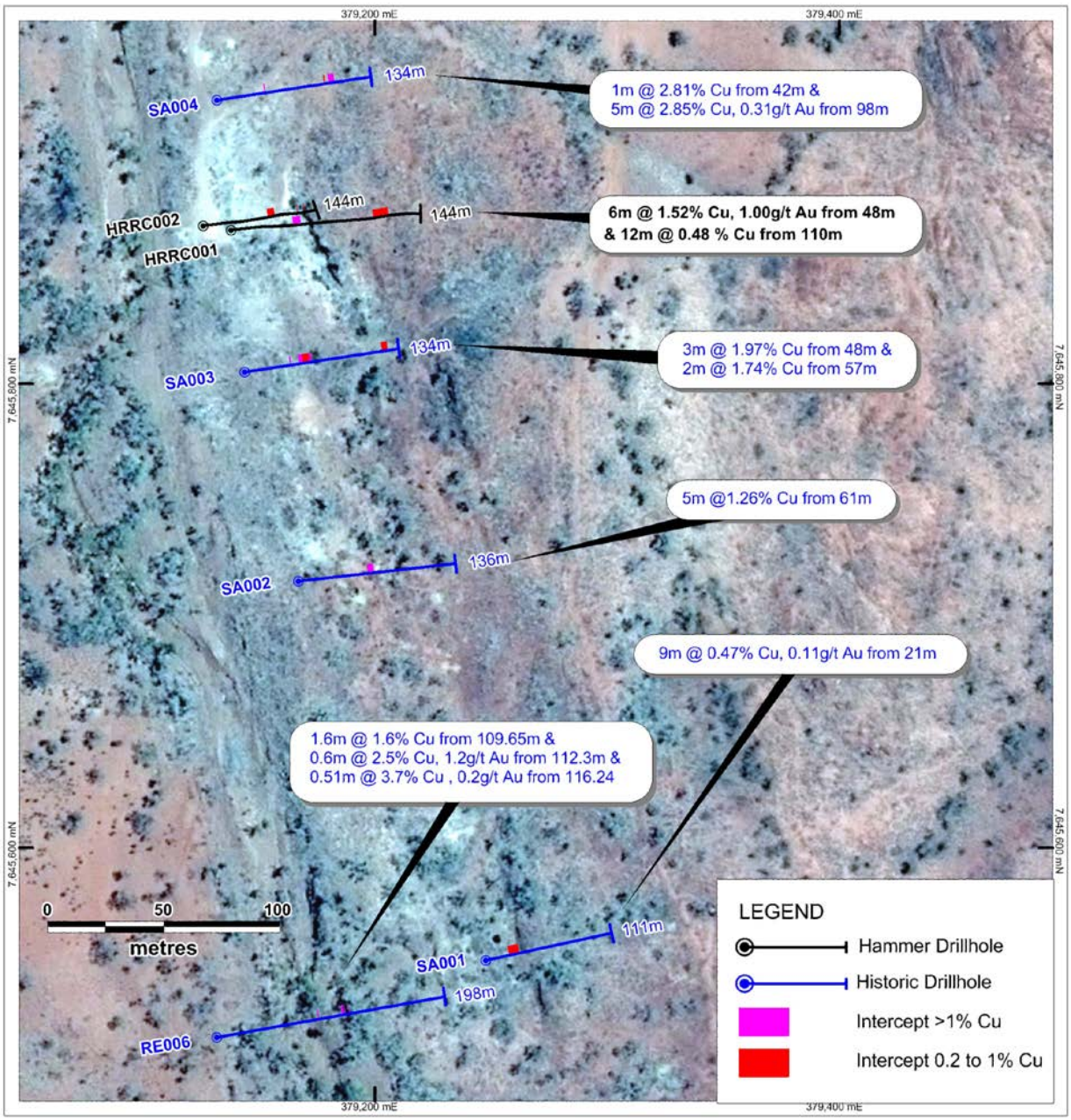
Competent Person's Statement:

Exploration Results

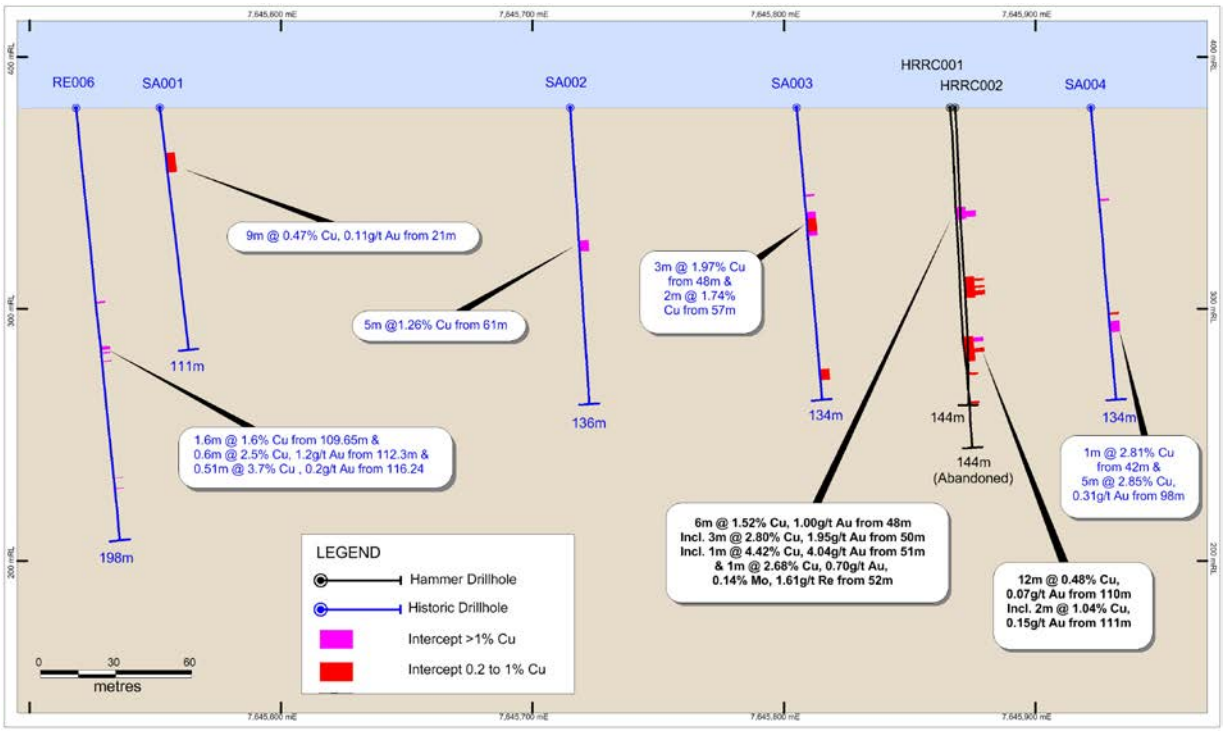
The information in this report as it relates to exploration results and geology was compiled by Mr. Mark Whittle, who is a Member of the AusIMM and a consultant to the Company. Mr. Whittle who is a shareholder and option-holder, has sufficient experience which is relevant to the style of mineralisation 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. Whittle consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.



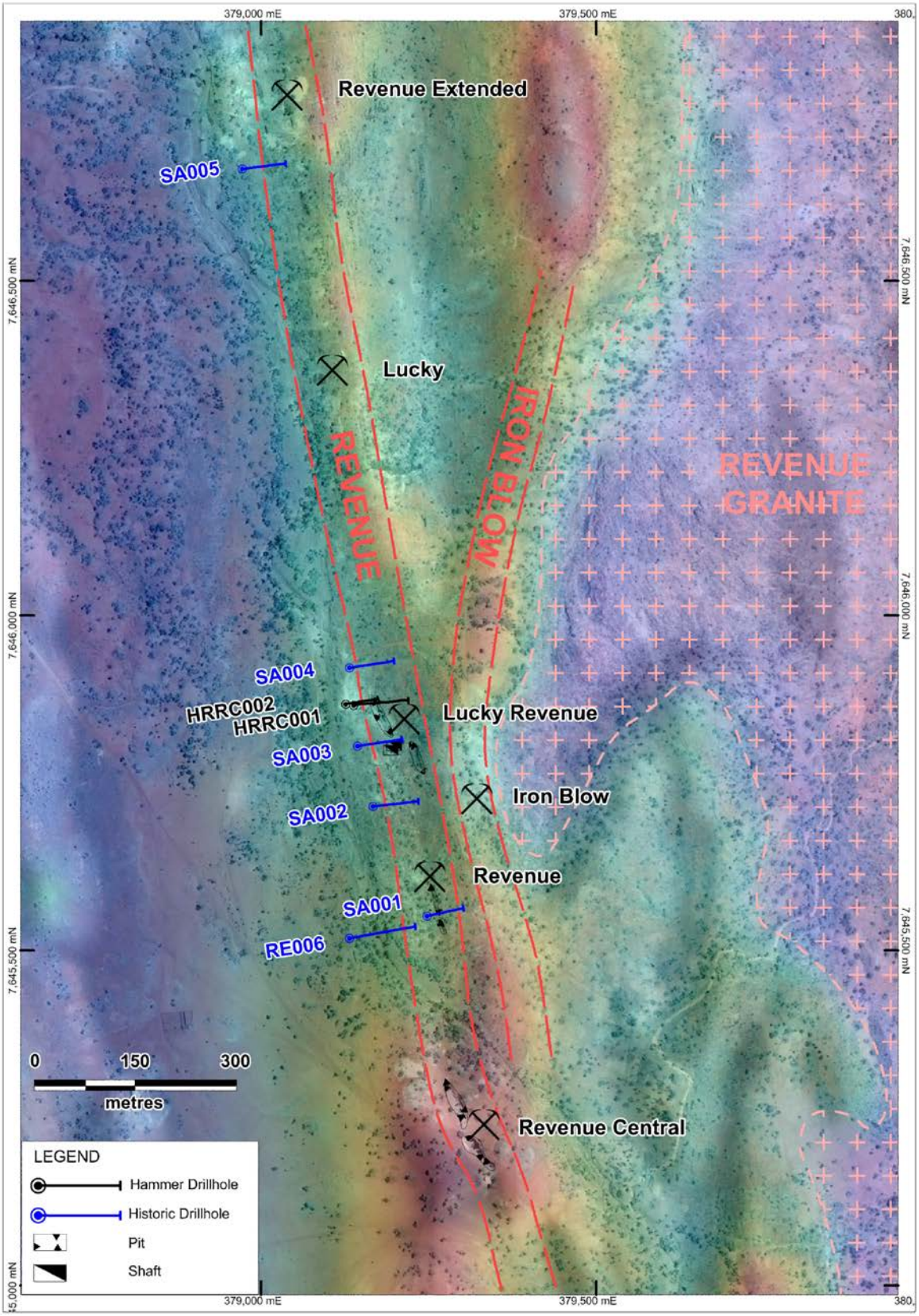
Kalman West drillhole location plan



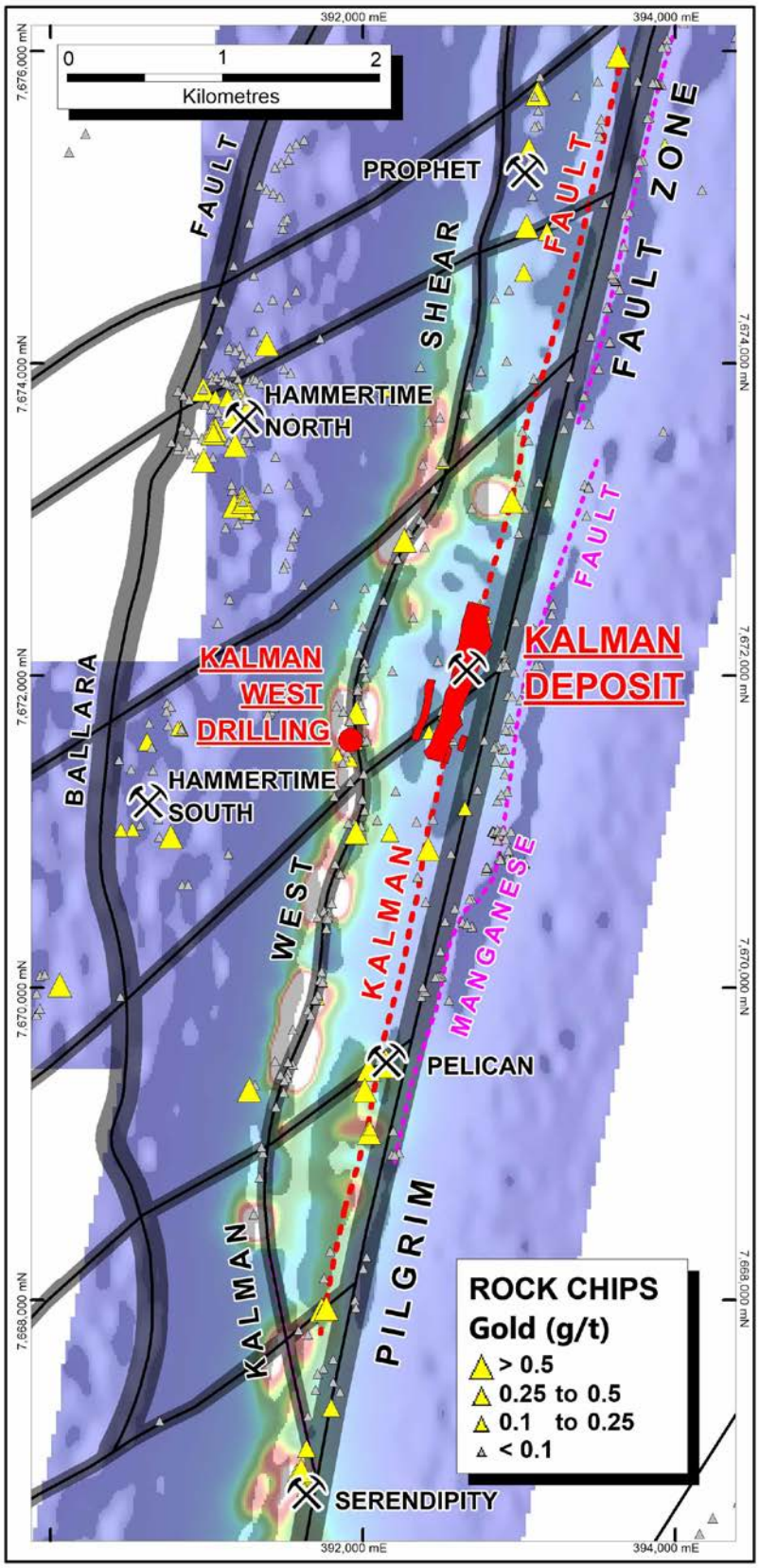
Revenue Plan



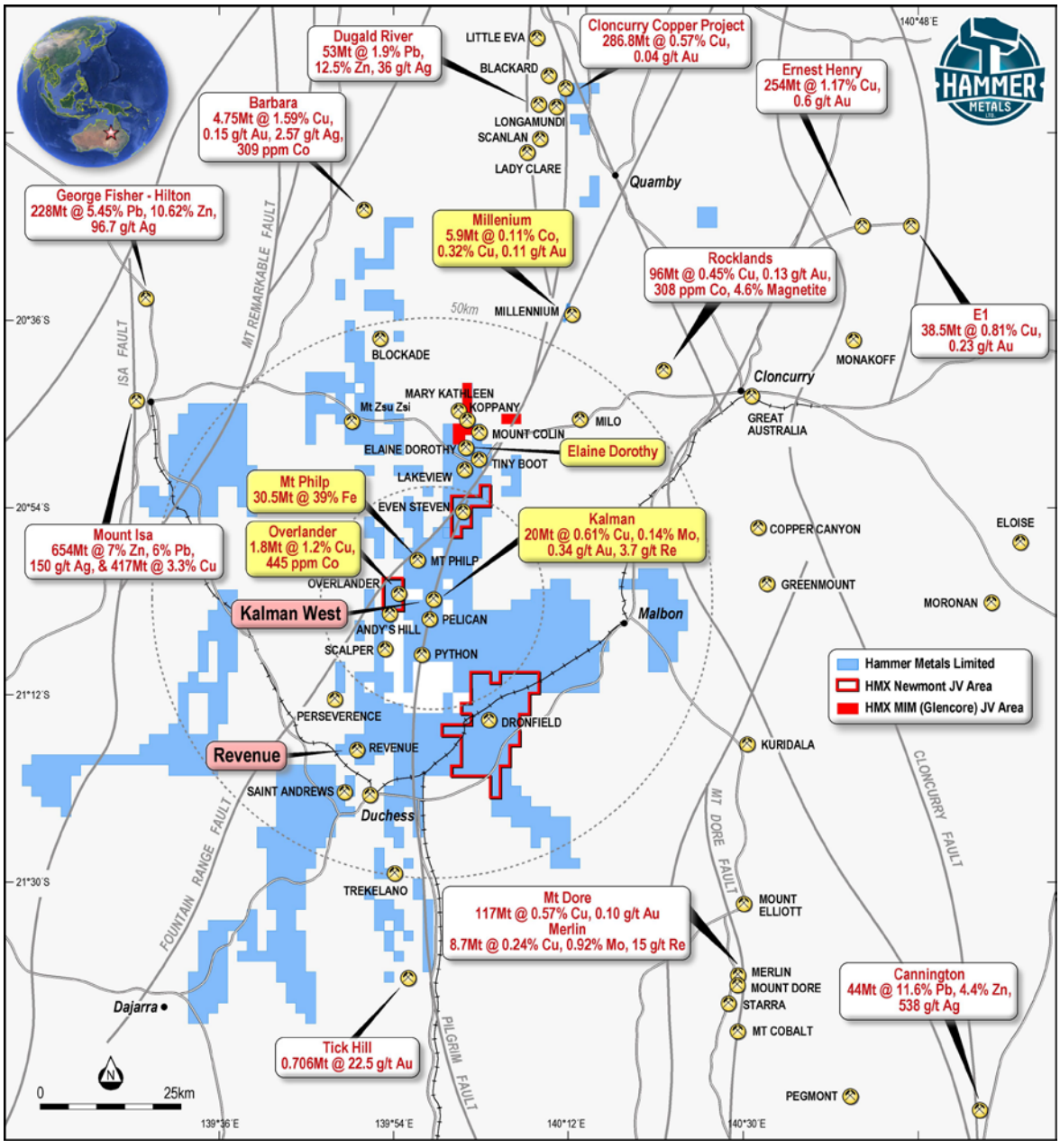
Revenue Long section looking west



Revenue trends on magnetic imagery



Kalman West overview with VTEM channel 30 imagery



Mount Isa Project[1]

[1] Background information on Hammer Resource Estimates is presented later in this document.

Notes on the Kalman Resource Estimate 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.

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.

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

- *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.

Notes on the Millennium Resource Estimate and 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:

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

Notes on the Overlander Mineral Resource Estimate

The 100%-owned Overlander Project is situated 60 kilometres to the southeast of the mining centre of Mount Isa in North West Queensland and 6 kilometres to the west of Hammer's Kalman copper-gold-molybdenum-rhenium deposit. It is a high-priority target area for both shear-hosted copper and IOCG copper mineralisation. The Overlander North and South Copper Deposits are situated approximately one kilometre apart within a common shear zone.

Drilling in the Overlander North deposit extends to a vertical depth of approximately 430m and the mineralisation was modelled from surface to a depth of approximately 420m below surface. Drilling in the Overlander South deposit extends to a vertical depth of approximately 215m and the mineralisation was modelled from surface to a depth of approximately 180m below surface. The resource estimates are based on good quality RC and diamond drilling data. Drill hole spacing is predominantly on a 40m by 20m spacing with additional drill holes between sections targeted at the higher-grade cores of the deposits.

Following additional drilling in 2014 and 2015, The Mineral Resource Estimates for the Overlander North and South shear-hosted copper Deposits were revised by Haren Consulting and reported in accordance with the guidelines of the JORC Code (2012 Edition). They contain combined resources of 1,772,000 tonnes at 1.2% copper in the indicated and inferred categories (Refer to the ASX release dated August 26th 2015).

Overlander North and South Mineral Resource Estimate

(Reported at 0.7% Cu cut-off)

Overlander North Resource					
Classification	Tonnes	Cu	Co	Cu	Co
		%	ppm	Tonnes	Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	870,000	1.3	456	11,350	396
Total	**1,123,000**	**1.3**	**410**	**14,764**	**461**

Overlander South Resource					
Classification	Tonnes	Cu	Co	Cu	Co
		%	ppm	Tonnes	Tonnes
Indicated	-	-	-	-	-
Inferred	649,000	1	500	6,352	327
Total	**649,000**	**1**	**500**	**6,352**	**327**

Overlander North and South Combined Mineral Resource					
Classification	Tonnes	Cu	Co	Cu	Co
		%	ppm	Tonnes	Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	1,518,000	1.2	476	17,700	723
Total	**1,772,000**	**1.2**	**445**	**21,112**	**788**

Notes on the Mt Philp Resource Estimate

The Mineral Resource Estimate is based on 48 diamond and reverse circulation (RC) drillholes completed in 2011 for a total of 3,801 metres (m). Drilling comprises fans located on a nominal 100 m pattern along the strike length of the ironstone. The Mineral Resource was estimated and reported in-house by Cerro Resource NL.

The current resource totals 19.1 million tonnes (Mt) grading 41.4% iron and 37.9% silica (Table 1-1) in the Indicated category and 11.4 million tonnes (Mt) grading 33.8% iron and 47.4% silica in the Inferred category. This resource is open at depth.

A resource estimate was first completed and reported to ASX by previous owners on 28th September 2012 and there has been no material change to the resource base during the financial year. A review of the resource estimate was completed for the purpose of compiling this statement and the principles and methodology of the resource estimation procedure and the resource classification procedure have been reconciled with the CIM Resource Reserve definitions and found to comply.

Mt Philp Deposit Mineral Resource Estimate

Mt Philp Deposit Resource							
Classification	Tonnes	Fe	P	SiO2	Al2O3	TiO2	LOI
		%	%	%	%	%	%
Indicated	19,110,000	41	0.02	38	1.3	0.38	0.29
Inferred	11,400,000	34	0.02	48	2	0.46	0.31
Total	**30,510,000**	**39**	**0.02**	**42**	**1.6**	**0.41**	**0.3**

- *Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence*
- *Note: (1) Totals may differ due to rounding*

JORC Code, 2012 Edition

Table 1 report – Kalman West and Revenue Drilling

- This table is to accompany an ASX release notifying the market of results from a recent drilling program at Kalman West and Revenue prospects within its Mount Isa Project area in northwest Queensland.
- Previous work conducted by Mount Isa Mines Exploration (on Kalman West in 1980) and Eagle Mining Corporation NL (on Revenue in 1997) is mentioned in the report and references to this work are listed below.
- Rock chip results have previously been released to the market.

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 (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples consist of 1m rotary splits. In the case of 4m composites the samples were created by repeated riffle splitting of 1m samples to obtain an appropriate sample weight for analysis. • The interval length was based on the copper response (via portable XRF) and the degree of alteration and mineralisation based on visual observation. • Sample collection and size is considered appropriate to the target-style and laboratory analytical methods employed. • Standard reference samples and blanks were each inserted into the laboratory submissions at 25 sample intervals. ALS applied industry-standard QAQC procedures throughout the sample stream. • Samples were submitted for 4-acid digest followed by fire assay for gold (50-gram charge) and ICP (MS and OES) multielement analysis for a 48-element suite including copper, silver, cobalt and molybdenum. • Samples with elevated graphite content were also analysed for total graphitic carbon.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details*	• Holes were drilled by Mitchells drilling utilising a Sandvik DE-840 multipurpose rig.

Criteria	JORC Code explanation	Commentary
	(eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Nominal 5.5" hole diameter
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.*	• Recovery of RC samples was visually estimated. Average recovery of the samples was estimated to be in the range of 80-90%. • Holes were drilled dry using a booster and auxiliary compressor. Care was taken to avoid sample contamination • No sample recovery bias was noted in mineralised zones.
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.*	• All chips were geologically logged in detail by Hammer Metals geologists recording lithology, alteration and mineralisation, weathering, colour, structure, and any other features of the sample to a level of detail to support appropriate studies. • A representative sub-sample of RC chips was collected and stored in a chip tray. Chips trays were photographed. • Holes were logged in full.
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.*	• Samples consist of 1m rotary splits. In the case of 4m composites the samples were created by repeated riffle splitting of 1m samples to obtain an appropriate sample weight for analysis. • Sample collection and size is considered appropriate to the target-style and laboratory analytical methods employed. • Standard reference samples and blanks were each inserted into the laboratory submissions at 25 sample intervals. ALS applied industry-standard QAQC procedures throughout the sample stream. • The sample sizes submitted for analysis were appropriate for the style of mineralisation sought and methods employed.

Criteria	JORC Code explanation	Commentary
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All drilling samples were analysed by ALS for a range of elements by ME-ICP61 after a 4-acid digest. Gold was analysed by Au-AA26. Anomalous gold samples were subject to repeat analysis. • Cu values greater than 1% were re-analysed by ME- OG62. Any other elements which exceeded their maximum analytical limits were re-analysed by the relevant over-grade methods tailored for the element. • Standard reference samples and blanks were inserted at 25 sample intervals. ALS also maintained a regime of 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.*	• All results were checked by alternative company personnel. • These holes have not been twinned. • All field logging is done into laptops on site and later checked and entered into the company database. • Assay files are received electronically from the laboratory. Repeat results are kept independent and are not averaged. Below-detection limit (BDL) results are saved in the database as -BDL values. BDL results are converted to half the detection limit value on export from the database to enable any downstream compositing.
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.*	• Drill hole collars were measured using a hand-held GPS unit with an estimated positional accuracy of approximately 5 metres. • Datum used is UTM MGA 94 Zone 54. • RL's for the drill hole collars are initially captured by GPS and subsequently adjusted using local digital elevation models (created using the most accurate RL information available). • Hole positions will be re-surveyed with DGPS should further work be conducted at the prospects.

Criteria	JORC Code explanation	Commentary
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.*	• Drill density is not sufficient to establish grade continuity. • Assays were taken on 1 and 4m sample lengths. 1m length was preferred in areas of increased mineralisation.
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.* • *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.*	• Drill holes were oriented as close to perpendicular as possible to the interpreted orientation of target features.
Sample security	• *The measures taken to ensure sample security.*	• Pre-numbered bags are used and transported by company personnel to the ALS Laboratory in Mount Isa. ALS transports samples to its laboratories in Townsville and Brisbane.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of this dataset have been undertaken.

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.*	• This drilling occurred on EPM13870 which is held by Mt Dockerell Mining Pty Ltd – a 100% owned subsidiary of Hammer Metals Limited.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Kalman West. Mount Isa Mines Exploration drilled other portions of the Kalman West Shear in 1990 on

Criteria	JORC Code explanation	Commentary
		tenement EPM5159. The results of this work are documented in publicly available exploration report CR22834A. • Revenue was drilled by Eagle Mining Corporation NL in 1997 on tenement EPM9110. The results of this work are documented in publicly available exploration report CR30344.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Revenue. Drilling is located within a shear on the western side of the Revenue Granite. The style of mineralisation is shear hosted Cu-Au and the style of mineralisation is similar to the Trekelano and Overlander Deposits located in the region. • Kalman West. Drilling is located within the Kalman West Shear. The shear is thought to be an ancillary structure related to the Kalman and Pilgrim Faults. The style of mineralisation is at this time unknown.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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. The reader should note that the location data is subject to change. Higher accuracy location surveys are done prior to any resource estimates being conducted.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are*	• Intervals quoted in this release are reported on a number of parameters. At Revenue, intersections are calculated based on copper-gold grades. At Kalman West, intercepts

Criteria	JORC Code explanation	Commentary
	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.*	contain elevated gold, lead-zinc and graphite. Consequently, the tabulated intercepts have a note detailing the cut-off grade used for each listing.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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 (eg 'down hole length, true width not known').*	• In both plan and section drill-holes are oriented close to perpendicular to the interpreted position of the target features. • At Kalman West, the drilling is not at a sufficient density to enable any grade continuity to be established. The true width of any quoted intercept is not known with any certainty. • At Revenue, the drilling is at a sufficient density to allow identification of mineralised structures and in general, mineralised widths.
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 to avoid misleading reporting of Exploration Results.*	• Intersections have been quoted at varying cut-off grades including those perceived to be low grade envelopes. The cut-off grade for all intercepts is noted in the intercept tables.
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.*	• Refer to the release.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg 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 area will be subject to detailed data compilation and ground review culminating in the preparation of further drilling which may occur in late 2017 or 2018.