



16 March 2018

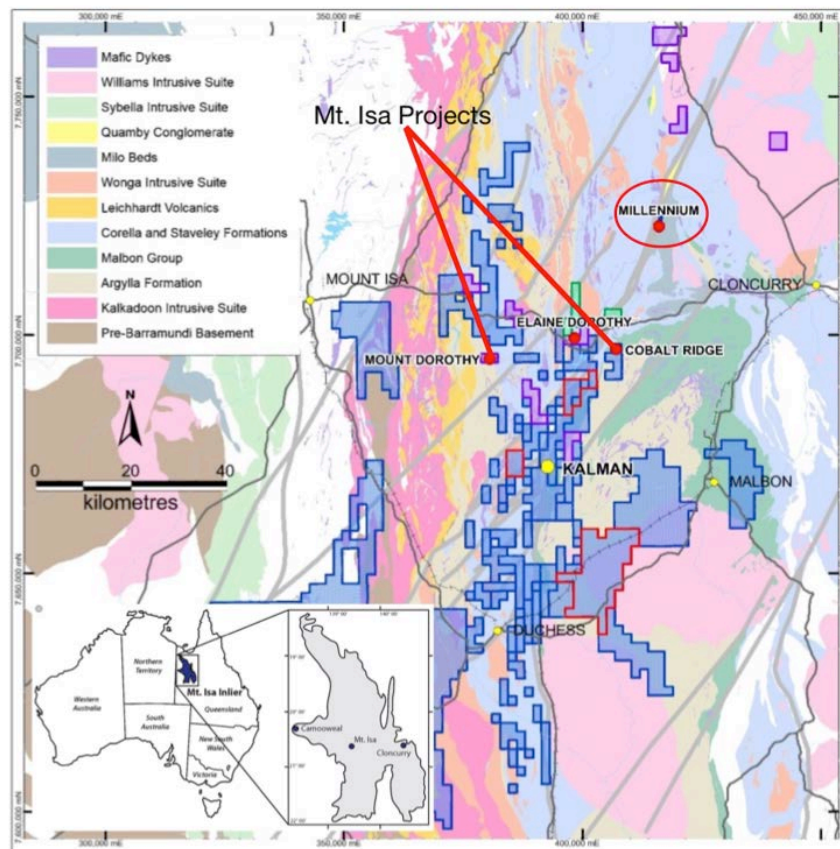
HAMMER SIGNS TERM SHEET TO DIVEST MT DOROTHY AND COBALT RIDGE TENEMENTS TO GEMC

Highlights

- A letter of intent has been signed with TSXV-listed Global Energy Metals Corporation (GEMC) to divest 100% interest in 8 non-contiguous sub blocks within Hammer's Mount Isa portfolio subject to a 60 day due diligence period.
- Upfront consideration (in CAD) of \$80,000 Cash upon signing plus \$300,000 in common shares in GEMC at \$0.25 or the 5 day average price per share from final TSX-V acceptance of transaction.
- Minimum 24 month expenditure of \$1,000,000 with a penalty payment of \$100,000 in cash and \$250,000 in common shares also based on a 5 day VWAP
- Completion of a 43-101 compliant resource will result in GEMC issuing Hammer a further \$250,000 shares in GEMC based upon a 5 day VWAP from the date of report filing.
- Hammer will retain a 1.5% NSR.
- Hammer will manage the project for a minimum of 12 months and receive an agreed 10% management fee.

Further details

Tenements included in the term sheet are 2 sub blocks within granted EPM 14019 as well as 6 sub blocks within EPM 26172 held 100% by a Hammer Metals Limited.





Alex Hewlett, Managing Director of Hammer Metals also commented, *"We are very pleased to be strengthening our partnership with GEMC and combining efforts to build a new cobalt camp in the Mt. Isa mining district. This strategic alliance offers shareholders of both companies extensive possibilities for growth and aligns well with Hammer's strategy by leveraging our infrastructure and proven operational expertise that will be key in furthering the exploration and development potential in this important cobalt rich region."*

Mitchell Smith, President & CEO commented on the building of an Australian cobalt district, *"In addition to advancing the Millennium Cobalt Project, the acquisition of these district-scale cobalt properties to our cobalt portfolio represents an opportunistic and strategic investment consistent with the Company's cobalt focused supply mandate. Our alliance with Hammer provides greater depth to our exploration efforts in the region and allows for the defining of a new district-scale cobalt camp. The need to source non-conflict future supply of cobalt as feed to the growing demand being fuelled by the surge in production of electric vehicles and battery based consumer electronics has become very apparent. This building of a cobalt camp in Australia is a step closer to supply diversification that will further unlock and enhance value for our shareholders and strategic downstream partners."*

Letter of Intent Terms:

The terms of the proposed LOI (the "Transaction") provide that, subject to the satisfaction of certain conditions, including, but not limited to, completion of due diligence, negotiation of definitive documentation in respect of the transaction, and the receipt of any required regulatory approvals, including the approval of the TSX Venture Exchange, GEMC would have the right to acquire 100% of certain rights and interests known as the Cobalt Ridge and Mt. Dorothy projects (the "Mt. Isa Projects") located in Queensland, Australia.

Upon completing its due diligence and upon meeting the aforementioned conditions, should GEMC elect to enter into a Definitive Agreement with Hammer, GEMC would have the exclusive right to acquire a 100% interest in the Mt. Isa Projects by:

- Issuing to Hammer a cash payment of \$80,000 on execution of the Definitive Agreement;
- Issuing to Hammer the equivalent of \$300,000 in common shares in the capital of GEMC at a deemed issue price determined by the greater of \$0.25 or the 5 day average price per share from the final acceptance by the TSX-V of the transaction (the "Closing Date");
- Within the first 24 months from the Closing Date, agree to incur a minimum cumulative exploration expenditure on the properties in the amount of \$1,000,000;
 - Should GEMC fail to make the required exploration expenditures, GEMC will issue to Hammer a cash payment of \$100,000 and the equivalent of \$250,000 in common shares in the capital of GEMC;
- The parties will also agree to a 1.5% Net Smelter Royalty ("NSR") in favour of Hammer; and
- Upon completing a NI 43-101 compliant resource report on either of the two projects, GEMC will issue to Hammer the equivalent of \$250,000 in common shares in the capital of GEMC.

All GEMC shares issued pursuant to the transaction will be subject to a statutory hold period of four months and one day following the date of issuance thereof and the deemed issue price determined by the 5 day average price per share from the date of issuance. In addition, the ordinary shares of GEMC to be issued will be subject to a contractual lock-up period of twelve months following their issue to Hammer, during which these shares may not be transferred.



Global Energy Metals Corporation (TSXV: GEMC) is an aggregator of primary cobalt and other battery metals projects based in Vancouver, Canada. GEMC currently owns the Werner Lake cobalt Mine in Ontario and is listed on the TSX Venture Exchange.

Hammer Metals Limited (ASX: HMX) is an awarded NW Queensland focused explorer, pursuing its objective of discovering a large copper and gold deposit within the company's extensive tenement position in the Mount Isa Mineral Province. Hammer holds several deposits containing significant JORC resources of copper, gold, molybdenum, rhenium and cobalt.

For further information, please contact:

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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 Mark Whittle 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.