

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

| | |
|-----------------------|------------------------------|
| Name of entity | Hammer Metals Limited |
| ABN | 87 095 092 158 |

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|-----------------|
| Name of Director | Daniel Thomas |
| Date of appointment | 21 October 2019 |

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

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| Number & class of securities |
| Nil |

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Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

| Name of holder & nature of interest | Number & class of Securities |
|--|------------------------------|
| Note: Provide details of the circumstances giving rise to the relevant interest. | Nil |

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| Detail of contract | <u>Executive Services Agreement</u> Mr Thomas is entitled to the following options and performance shares upon receipt of shareholder approval at the Company's Annual General Meeting to be held on 14 November 2019. |
|--------------------|---|
|--------------------|---|

+ See chapter 19 for defined terms.

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|--|---|
| Nature of interest | <p><u>Unlisted Options:</u> Tranche 1 – 3,000,000 exercisable at 5 cents per share (\$0.05), vesting on 21 October 2020 and expiring on 21 October 2023 Tranche 2 – 4,000,000 exercisable at 6 cents per share (\$0.06), vesting on 21 October 2021 and expiring on 21 October 2023</p> <p><u>Performance shares (all performance shares expire on 21 October 2023):</u> Tranche 1A – 750,000 vesting on 21 October 2020 Tranche 1B – 750,000 vesting on 21 October 2020, subject to the share price achieving a 30% premium to the 15-day VWAP prior to the issue-date share price for a minimum period of 30 days. Tranche 2A – 750,000 vesting on 21 October 2021 Tranche 2B – 750,000 vesting on 21 October 2021, subject to the share price achieving a 50% premium to the 15-day VWAP prior to the issue-date share price for a minimum period of 30 days. Tranche 3 – 5,000,000 vesting upon the completion, to the Board's satisfaction, of a material transaction to the value of a minimum of 30% of the Company's Market Capitalisation.</p> |
| Name of registered holder (if issued securities) | N/A |
| No. and class of securities to which interest relates | Refer above. |

+ See chapter 19 for defined terms.