



19th January 2015

Hammer 2015 Exploration Program

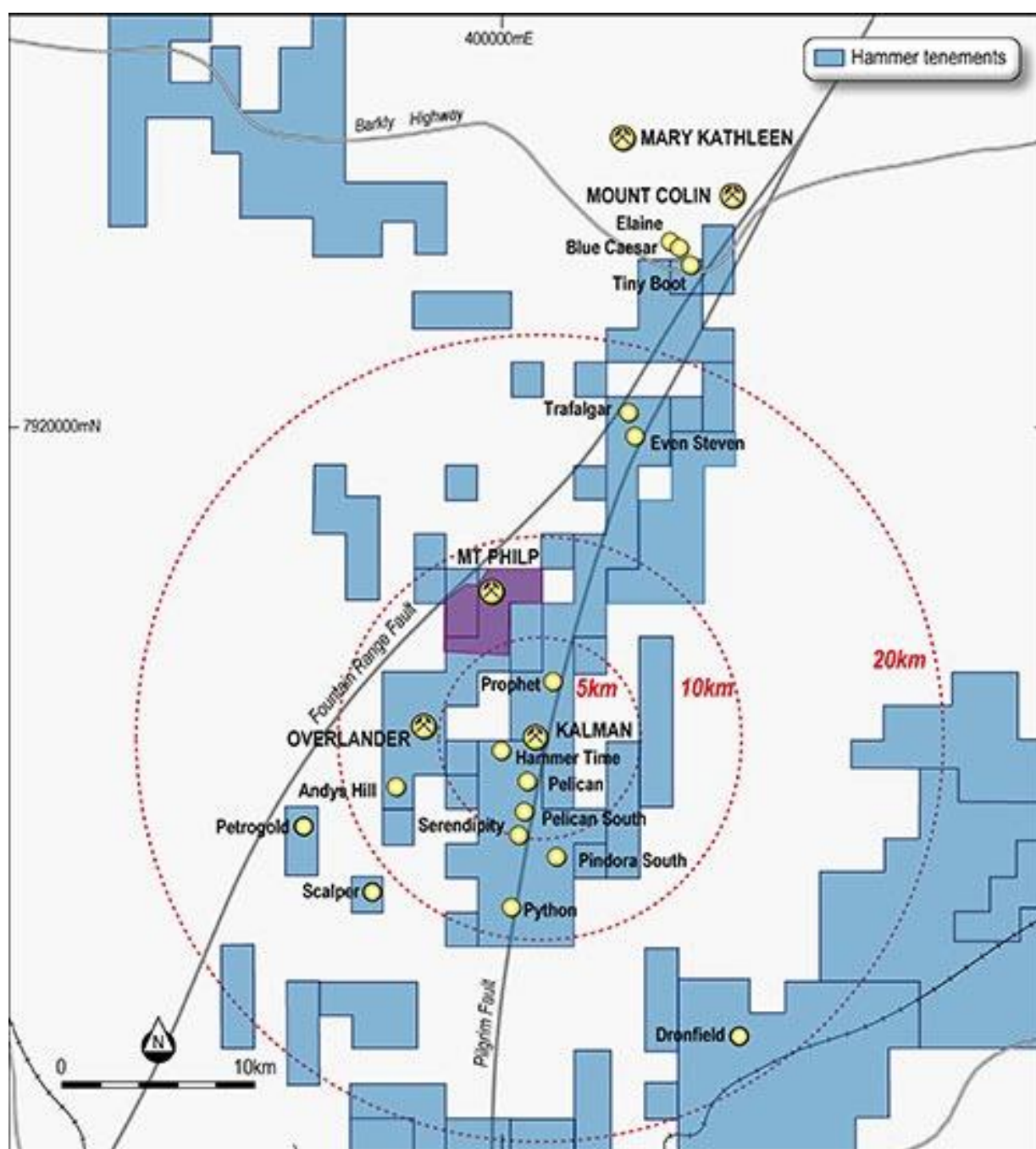
Hammer Metals Limited (**ASX: HMX**) (“Hammer” or “the Company”) is pleased to update shareholders on the Company’s forthcoming activities on its Mount Isa projects.

- **Hammer intends to build on the achievements of the 2014 exploration program which included new copper resources at Overlander North and Overlander South, drilling of the highest grade molybdenum-rhenium intercept yet at Kalman, as well as defining large Ernest Henry-style Iron Oxide Copper Gold (IOCG) systems at Overlander, Andy’s Hill, Dronfield and Hammer Time.**
- **An extensive exploration program is planned for 2015 with the focus during the first quarter on Overlander, Andy’s Hill and Hammer Time.**
- **A dipole-dipole IP survey at Overlander and Andy’s Hill is scheduled to begin in early February. The survey will follow on from the exciting results of the 2014 magnetics and gravity modelling which defined two zones, both indicative of IOCG systems (ASX:HMX 26/11/2014). The IP survey will refine these anomalies and enhance drill target definition. Drilling will commence immediately after the IP is complete.**
- **Drilling will commence at the Hammer Time prospect and then shift to Overlander and Andy’s Hill once the IP results have been modelled. Hammer Time has a ready-to-drill IP chargeability anomaly with coincident surface geochemical anomalism and favourable alteration (ASX: HMX 14/7/2014).**
- **Work is scheduled to commence as soon as the current wet season has ended and conditions on the ground are favourable. It is anticipated this will occur during February.**

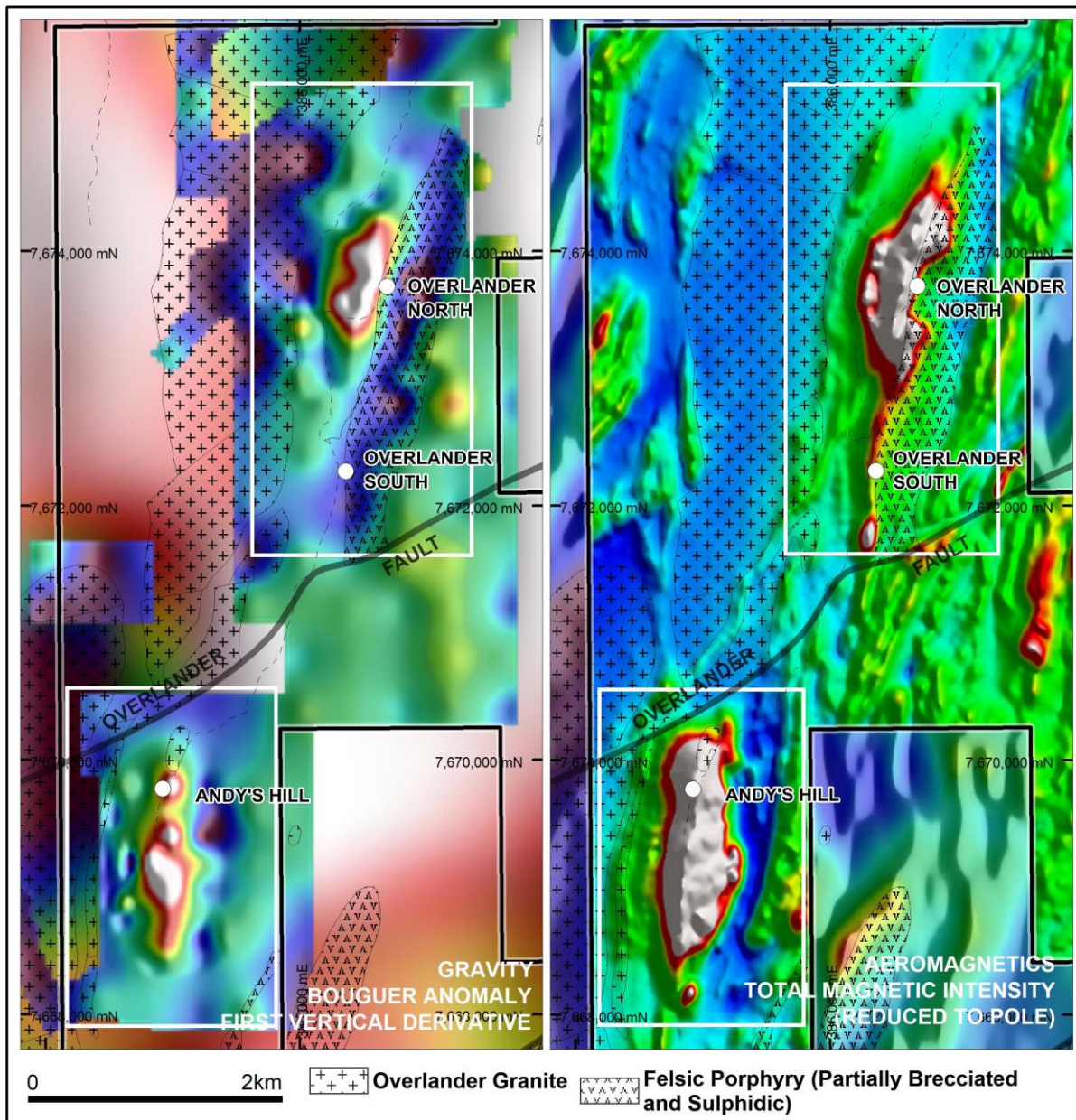
The aim of exploration activities in the first quarter of 2015 will be to further define with IP and then drill the Overlander and Andy’s Hill IOCG targets. Existing geophysical anomalies at Hammer Time (located 2km to the west of Kalman) will also be drilled. Detailed structural and alteration mapping will be completed at these prospects whilst the IP survey is underway.

For further information, please contact:

Alex Hewlett
Executive Director
Hammer Metals
Tel: +61 8 9271 0149



Project Location Map



Andy's Hill and Overlander IOCG Targets with the IP survey extent (shown as a white outline)

- ENDS -



Competent Person's Statement:

Exploration Results – Overlander, Andy's Hill and Dronfield

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.