



# ASX Announcement (ASX: HMX)

6 November 2015

## Share Purchase Plan

**Hammer Metals Limited** (Hammer or the Company) (ASX: **HMX**) is pleased to announce a Share Purchase Plan (SPP), providing shareholders an opportunity to increase their holding in the Company as it continues to advance a number of exciting opportunities.

Under the SPP, eligible shareholders will be able to purchase additional shares in Hammer at 5 cents. This represents a 9% discount to the market price at close on the record date of 5 November 2015 and a discount of 9% to the volume weighted average price of the past five trading days prior to announcement.

Shareholders are entitled to purchase up to \$15,000 worth of additional shares without incurring brokerage or other transaction costs. Eligible shareholders include those registered at 5pm WST on 5 November 2015 with a registered address in Australia, New Zealand or the United Kingdom.

### BACKGROUND TO THE OFFER

The SPP funds will principally be directed towards advancing the Company's Mt. Isa projects and for general working capital.

The Board has been encouraged by results from recent field work including the potential identified at Hammertime, Kalman West and Overlander. In addition and as recently announced our targeted exploration program continues to highlight the potential of the Company's projects and the prospectivity of the landholding.

### SHARE PURCHASE PLAN DETAILS AND INDICATIVE TIMETABLE

New shares under the SPP will be offered at 5 cents which is a discount to the volume weighted average price of shares traded over the previous 5 days prior to this announcement of 9% and to the market price at close on the record date of 9%.

#### Indicative Timetable

| DATE             | EVENT               | DESCRIPTION   |
|------------------|---------------------|---|
| 5 November 2015  | Record Date         | Eligible shareholders determined                              |
| 6 November 2015  | Announcement Date   | Share Purchase Plan announced                                 |
| 10 November 2015 | Opening Date        | SPP Opens   |
| 24 November 2015 | Closing Date        | SPP Closes  |
| 30 November 2015 | Issue Date          | Shares Issued under SPP                                       |
| 3 December 2015  | Despatch Date       | Despatch date for holding statements                          |
| 4 December 2015  | Quotation Commences | Shares issued under SPP expected to commence quotation on ASX |

*This timetable is only indicative and the Directors reserve the right to vary any of the key dates above, including the Issue Date and Closing Date, without further notice.*



Details on this offer and how to proceed are enclosed in the accompanying Offer Booklet.

All shareholder will be sent an Offer Booklet and Personalised application form in the mail. To apply for a parcel of shares, shareholders should read all of the offer documents carefully and follow the instructions on the personalised application form. Shareholders may also wish to discuss this investment with their financial advisor.

The application form should be completed and returned with payment before 24 November 2015. **There is provision for shareholders to make a BPay payment and in this instance the application form does not need to be returned.**

For further information, please contact:

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

For more information about Hammer Metals and its projects please visit our website  
[www.hammermetals.com.au](http://www.hammermetals.com.au)

**Hammer Metals Limited (ASX:HMX)**, is an advanced exploration company with a major land position (2000km<sup>2</sup>) in the Mount Isa Mineral Province in NW Queensland. The tenement package is sandwiched between several large resource houses including Glencore; BHP; Chinova and Copper Chem. Hammer is focused on developing base and precious metal resources in the district through targeted and carefully planned exploration and project acquisition activities.

Hammer Metals Limited

ABN 87 095 092 158

# Share Purchase Plan Offer Booklet

The Offer closes at 5.00pm (Perth time) on Tuesday 24, November 2015

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This is an important document.

This document has been prepared by Hammer Metals Limited. The Offer is an initiative that provides Eligible Shareholders with the opportunity to purchase additional Hammer Metals Shares at a discount without brokerage and transaction costs.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision whether or not to accept the Offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

# Important information for foreign shareholders

## **Release and distribution of the Offer**

This document is not for distribution or release in jurisdictions outside of Australia, New Zealand and the United Kingdom. Nominees and custodians may not, without the consent of the Company, forward this document to beneficial shareholders in jurisdictions outside of Australia, New Zealand and the United Kingdom.

## **United Kingdom**

This document does not constitute a prospectus for the purposes of the prospectus rules contained in the Financial Services Authority of the United Kingdom (**FSA**) handbook published and updated from time to time by the FSA acting in its capacity as the United Kingdom Listing Authority (**Prospectus Rules**). Accordingly, Shareholders in the jurisdiction of the United Kingdom are advised that this document:

- is not an approved document for the purposes of, and as defined in, section 85 of the Financial Services and Markets Act 2000;
- has not been prepared in accordance with the Prospectus Rules;
- and has not been approved by the FSA or by any other authority which could be a competent authority for the purposes of the Prospectus Rules.

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# 1 Key offer information

## Key dates

| Event   | Date  |
|---|---|
| <b>Record Date</b>  | 5.00pm (Perth time) Thursday, 5 November 2015 |
| <b>Announcement Date</b>                                    | Friday, 6 November 2015                       |
| <b>Documents mailed to Eligible Shareholders</b>            | Tuesday, 10 November 2015                     |
| <b>Offer opens</b>  | Tuesday, 10 November 2015                     |
| <b>Offer closes</b>   | 5.00pm (Perth time) Tuesday 24 November 2015  |
| <b>Allotment Date</b>                                       | Monday, 30 November 2015                      |
| <b>Dispatch of holding statements/ confirmation advices</b> | Thursday, 3 December 2015                     |

The timetable is indicative only and Hammer Metals may, at its discretion, vary any of the above dates by sending a revised timetable to ASX.

Defined terms and abbreviations used in this document are set out in **clause 20** of the Terms and Conditions in **section 4**.

## Important notices

The offer contained in this document is not a recommendation to purchase Hammer Metals shares. If you are in any doubt about the Offer, you should consult your financial or other professional adviser.

If you apply to participate in the Offer by making a BPAY<sup>®1</sup> payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of Shares may change between the date of the Offer and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Offer Price.

Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person.

Hammer Metals Limited recommends that you monitor its announcements and the Share price, which can be found on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: HMX). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

## Questions

If you have any questions in relation to the Offer or how to complete the Application Form, please call the Company Secretary, Mark Pitts by telephone, on +61 893169100, or consult your financial or other professional adviser.

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<sup>1</sup> <sup>®</sup>Registered to BPAY Pty Limited ABN 69 079 137 518  
New Zealand based shareholders cannot apply using BPAY<sup>®</sup> unless they have an Australian bank account.

## 2 Letter from the Chairman

6 November 2015

Dear Shareholder,

### **Hammer Metals Limited Share Purchase Plan Offer**

On behalf of the Board, I am pleased to offer you the opportunity to increase your holding in Hammer Metals Limited (Hammer Metals) by applying for New Shares under a Share Purchase Plan (SPP/ Offer).

Under the SPP, eligible shareholders will be able to purchase additional shares in Hammer Metals at 5.0 cents. This represents a 9% discount to the market price at close on the record date of 5 November and a 9% discount to the volume weighted average price of the past five trading days prior to announcement.

Shareholders are entitled to purchase up to \$15,000 worth of additional shares without incurring brokerage or other transaction costs.

The proceeds of the funds will be used to continue to execute the company's base metals exploration strategy in the Mount Isa project area.

The Board has been encouraged by results from recent field work including the potential identified at Hammertime, Kalman West and Overlander. In addition and as recently announced our targeted exploration program continues to highlight the potential of the Company's projects and the prospectivity of the landholding for large copper-gold deposits.

**The Offer will open on Tuesday 10 November 2015 and will remain open until 5.00pm (Perth time) on Tuesday, 24 November 2015.**

Participation in the Offer is optional and is open to Eligible Shareholders who are holders of Shares in Hammer Metals Limited at 5.00pm (Perth time) on Thursday, 5 November 2015 and whose registered address is in Australia, New Zealand or the United Kingdom.

Full details of the Offer and how to participate are contained in the Terms and Conditions in **section 4** of this document which I encourage you to read and consider carefully.

If you have any questions, please contact the Company Secretary, Mark Pitts by telephone, on +61 893169100, or consult your financial or other professional adviser.

Thank you for your continued support of Hammer Metals.

Yours sincerely



Russell Davis  
Chairman

### 3 Frequently asked questions

Set out below are answers to some key questions that you may have about the Offer. This table is qualified by and should be read in conjunction with the Terms and Conditions in **section 4**.

| Question  | Answer  |
|---|---|
| <b>What is the Offer?</b>                                   | The Offer enables Eligible Shareholders to apply to purchase up to A\$15,000 worth of ordinary shares in Hammer Metals without paying any brokerage or other charges.   |
| <b>Am I eligible to participate?</b>                        | <p>You are eligible to participate if you fulfil the criteria set out in <b>clause 2</b> of the Terms and Conditions.</p> <p>You must have been a holder of Hammer Metals shares at 5.00pm (Perth time) on Thursday, 5 November 2015 (<b>Record Date</b>) and your registered address must be in Australia, New Zealand or the United Kingdom (<b>Approved Jurisdiction</b>) for you to be eligible to participate.</p> <p>If you are a nominee or custodian holding shares on behalf of one or more beneficial holders, you may also apply to purchase up to A\$15,000 worth of shares on behalf of each beneficial holder, subject to complying with the criteria set out in <b>clause 7.2</b> of the Terms and Conditions.</p> |
| <b>Do I have to participate?</b>                            | Participation is optional.  |
| <b>Can I transfer my entitlement to participate?</b>        | You cannot transfer your right to purchase shares under the Offer to anyone else.   |
| <b>How do I apply?</b>                                      | <p>To apply for shares under the Offer you can either:</p> <p><b>Option 1: Pay by BPAY®</b></p> <p>Make payment by BPAY® as shown on the Application Form. Eligible Shareholders based outside Australia cannot apply using BPAY® unless they have an Australian bank account.</p> <p><b>Option 2: Pay by cheque or money order</b></p> <p>Complete and return the enclosed Application Form together with a cheque or money order made payable to "Hammer Metals Limited" as shown on the Application Form.</p>  |
| <b>What is the maximum investment for each shareholder?</b> | The maximum investment for each shareholder is A\$15,000.   |
| <b>How many shares will I receive?</b>                      | You may apply for a parcel of shares under the Offer with one of the application amounts set out in <b>clause 6.2</b> of the Terms and Conditions. The Offer Price is A\$0.05 per share. This is a discount of 9% to Hammer Metals Limited's closing share price on ASX on Thursday, 5 November 2015 (being the last trading day before the details of the Offer were announced). This is also 9% less than the VWAP of Shares of A\$0.055 over the five day trading period ending Thursday, 5 November 2015.   |
| <b>When will I receive my shares?</b>                       | New Shares will be allotted on Monday, 30 November 2015 ( <b>Allotment Date</b> ). Holding statements will be dispatched by Thursday, 3 December 2015.  |
| <b>When can I trade allocated shares?</b>                   | You can trade your New Shares after the Allotment Date. However, you should confirm your holding on or after the Allotment Date before trading any New Shares you believe you have acquired under the Offer.  |



## 4 Terms and conditions

### 1 Offer

The Offer entitles eligible Hammer Metals shareholders to apply to purchase up to A\$15,000 worth of Shares in Hammer Metals.

### 2 Eligibility to participate

- 2.1 You are eligible to participate in the Offer if you were a registered holder of Shares at 5.00pm (Perth time) on Thursday, 5 November 2015 (**Record Date**) with a registered address in Australia, New Zealand or the United Kingdom (**Approved Jurisdiction**).
- 2.2 Hammer Metals Limited has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions outside an Approved Jurisdiction to participate in the Offer.
- 2.3 Hammer Metals Limited retains the discretion to extend the Offer outside an Approved Jurisdiction where the Company determines it is lawful and practicable for the Company to issue New Shares under the Offer without providing additional disclosure.
- 2.4 If you are the only registered holder of a holding of Shares, but you receive more than one offer (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares.
- 2.5 Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification under **clause 7.1(k)** by one joint holder will be effective in respect of the other joint holder(s).
- 2.6 If you are a Custodian for a beneficiary or beneficiaries, you may apply for one maximum parcel of New Shares for each beneficiary (or if you are a Custodian for two or more joint beneficiaries, for each such holding as if it was held by a single person) in accordance with and subject to the Class Order. Further information in relation to how Custodians may apply for New Shares is set out in **clause 7.2**.
- 2.7 Directors and employees of Hammer Metals who hold Shares may be Eligible Shareholders.

### 3 Rights are non-renounceable

If you are an Eligible Shareholder, your rights under the Offer are personal to you and are non-renounceable, which means that you cannot transfer your rights to another person.

### 4 Offer Price

- 4.1 The Offer Price for each New Share is A\$0.05, representing a discount of 9% to Hammer Metals Limited's closing share price on ASX on Thursday, 5 November 2015 of A\$0.055 cents (being the last trading day before the details of the Offer were announced).
- 4.2 This is also 9% less than the VWAP of Shares of A\$0.055 over the five day trading period ending Thursday, 5 November 2015.
- 4.3 The Offer Price is fixed, regardless of any changes in the market price of Shares during the offer period.

### 5 Timing

- 5.1 The Offer opens on Tuesday, 10 November 2015 and closes at 5.00pm (Perth time) on Tuesday, 24 November 2015 unless extended. Hammer Metals Limited proposes to allot New Shares on Monday, 30 November 2015 and send confirmations to shareholders by Thursday, 3 December 2015.
- 5.2 Hammer Metals reserves the right to extend the Offer, or the proposed Allotment Date at any time by making an announcement to ASX.

## **6 Applying for New Shares**

6.1 You may apply for a parcel of New Shares under the Offer with one of the application amounts set out in the table below. The maximum investment under the Offer is A\$15,000.

6.2 The number of New Shares you will receive, at each of the available levels, is set out below:

| <b>Application amount</b> | <b>Number of New Shares</b> |
|---------------------------|-----------------------------|
| <b>A\$1,000</b>           | 20,000                      |
| <b>A\$2,000</b>           | 40,000                      |
| <b>A\$5,000</b>           | 100,000                     |
| <b>A\$10,000</b>          | 200,000                     |
| <b>A\$15,000</b>          | 300,000                     |

6.3 You may not apply for more than A\$15,000 of Shares in aggregate under the Offer, even though you may receive more than one offer, or offers in more than one capacity, under the Offer.

6.4 If you wish to apply for New Shares under the Offer you should either:

- (a) pay directly via BPAY® on the internet or by telephone, using the details on the Application Form (Eligible Shareholders based outside Australia cannot apply using BPAY® unless they have an Australian bank account).<sup>2</sup> The Application Form does not need to be returned in this case; or
- (b) complete the Application Form and forward it with your payment by cheque (or money order) in Australian dollars made payable to “Hammer Metals Limited ” to the Share Registry, at the address set out on the Application Form. A reply paid envelope is enclosed for the convenience of Australian shareholders.

6.5 Do not forward cash. Receipts for payment will not be issued.

6.6 Funds paid via BPAY® or Application Forms (with application payments) must be received by the Share Registry by 5.00pm (Perth time) on Tuesday, 24 November 2015. Hammer Metals may reject applications received after this time. If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred.

6.7 If your Application Form or application is incomplete, contains errors or is otherwise invalid or defective, Hammer Metals may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it considers appropriate, refund your application money, or take any combination of these actions. Any necessary refund will be paid to you shortly after the close of the Offer. No interest will be paid on any refunded money.

6.8 You cannot withdraw or revoke your application once you have sent in an Application Form or paid via BPAY®.

## **7 Effect of making an application**

7.1 If you submit a BPAY® payment or complete and return the Application Form:

- (a) you will be deemed to have represented and warranted that you are an Eligible Shareholder, you have read and understood these Terms and Conditions and you subscribe for New Shares in accordance with these Terms and Conditions;

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<sup>2</sup> Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should take this into consideration when making any electronic payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received in time.

- (b) you authorise Hammer Metals to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor details;
- (c) you acknowledge that the market price of Shares may rise or fall between the date of this offer and the Allotment Date and that the Offer Price you pay for the New Shares may exceed the market price of the Shares on the Allotment Date;
- (d) you accept the risk associated with any refund that may be dispatched to you at your address as shown on the share register;
- (e) you are responsible for any dishonour fees or other costs Hammer Metals may incur in presenting a cheque for payment which is dishonoured;
- (f) you acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia, and accordingly, the New Shares purchased under the Offer may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (g) you represent and warrant that your application does not constitute a breach of the relevant securities laws in your jurisdiction, you will comply with all applicable foreign securities laws and acknowledge that failure to comply may result in violations of applicable securities laws;
- (h) you represent and warrant that you are not a US Person, and are not applying under the Offer for or on behalf of a US Person;
- (i) you represent and warrant that you have not and will not send any materials relating to the Offer, including this document, to any person in the United States that is, or is acting for the account or benefit of, a US Person;
- (j) you acknowledge that you have not been provided with investment advice or financial product advice by Hammer Metals or the Share Registry; and
- (k) you certify that you have not applied for, or instructed a Custodian to apply on your behalf for, New Shares with an application price which, when aggregated with the application price for any Shares issued to you or a Custodian on your behalf under the Offer or any similar Hammer Metals arrangement in the 12 months prior to your application, exceeds A\$15,000. This certification by one joint holder of Shares will be effective in respect of the other joint holder(s).

7.2 Eligible Shareholders that are Custodians may apply for New Shares with a total application price exceeding \$15,000, subject to providing Hammer Metals with a custodian certificate which complies with the requirements of the Class Order (Custodian Certificate).

7.3 Custodians wishing to participate on behalf of one or more beneficiaries should contact the Share Registry to obtain more information on how to apply and the form of the Custodian Certificate to be given.

7.4 Please note that if you hold Shares in the capacity of a trustee or a nominee for another person but you do not hold an Australian financial services licence of the kind described in **clause 7.2** above and you are not exempt from the requirement to hold such a licence as described in the Class Order, you cannot participate for beneficiaries in the manner outlined in **clause 7.2** above. In this case, the rules for multiple registered holdings as described in **clause 2.4** apply.

## 8 Rights attached to the New Shares

New Shares issued under the Offer will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements as at the Allotment Date. Hammer Metals will apply for the New Shares to be quoted on ASX.

## **9 Costs of participation**

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares under the Offer.

## **10 Applications may be scaled back**

- 10.1 If Hammer Metals receives applications in excess of the maximum amount allowable under the applicable law, or an Eligible Shareholder subscribes for more New Shares than is permitted under the Offer or under applicable law, Hammer Metals reserves the right to accept the over subscriptions (in accordance with the Class Order and the ASX listing Rules) or to scale back applications on an equitable basis.
- 10.2 If applications are scaled back, Hammer Metals may in its absolute discretion apply the scale back to the extent and in any manner that it sees fit. If the scale back produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allocated will be rounded down to the nearest whole number of New Shares.
- 10.3 In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the Offer Price, will be refunded by Hammer Metals, without interest, following allotment.

## **11 Refunds**

- 11.1 Refunds pursuant to the Offer may be paid under various circumstances. For example, if applications are made incorrectly the entire payment may be refunded, or if allocations are scaled back a partial refund may be made.
- 11.2 If a refund is made, payment will be by cheque mailed to your address as shown on the Company's share register.
- 11.3 You will not receive any interest on funds refunded to you.
- 11.4 Any refund made to you is dispatched at your risk.

## **12 United States**

- 12.1 Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person. Participation in the Offer, directly or indirectly, in violation of these restrictions is not permitted, and any such participation will be invalid.
- 12.2 This document is not an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Hammer Metals Limited's Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person, except in accordance with an available exemption from registration.
- 12.3 Because of the legal restrictions summarised above, you must not send copies of any Offer materials to any of your clients (or any other person) in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Consistent with the warranties set out above, you are also advised not to submit any Application Form or make payment by BPAY® or otherwise in respect of the purchase of New Shares under the Offer on behalf of any of your clients (or any other person) in the United States or that is, or is acting for the account or benefit of, a US Person. Failure to comply with these restrictions may result in violations of applicable securities laws.

### **13 Dispute resolution**

Hammer Metals reserves the right to settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Offer and the decision of Hammer Metals will be conclusive and binding on all shareholders and other persons to whom the determination relates.

### **14 Waiver, amendment, suspension and termination**

14.1 Hammer Metals may, in its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend, withdraw or terminate the Offer at any time. Any such waiver, amendment, variation, suspension, withdrawal or termination will be binding on all Eligible Shareholders even where Hammer Metals does not notify you of the event.

14.2 Hammer Metals is not liable for loss, cost or expense arising out of any exercise of its discretions under these Terms and Conditions.

### **15 ASIC relief**

15.1 The Offer is made in accordance with the Class Order. The Class Order grants relief from the requirement to prepare a prospectus for the offer of New Shares up to A\$15,000 under the Offer, subject to certain terms and conditions.

15.2 In accordance with the terms of the Class Order, Hammer Metals will give a notice to ASX that complies with the Class Order or section 708A(6) of the Corporations Act.

### **16 Governing law**

These Terms and Conditions are governed by the laws in force in Western Australia.

### **17 Binding terms**

If you submit a BPAY® payment or complete and return the Application Form, you agree to be bound by these Terms and Conditions and the constitution of Hammer Metals Limited.

### **18 No underwriting**

The Offer is not underwritten.

### **19 Investment Risk**

Investing in Shares in Hammer Metals should be considered a speculative investment, Shareholders should be aware that the market price of the Company's Shares can fluctuate, particularly in the case of the Company operating in the resources sector. Accordingly, the value of the new Shares applied for under the SPP may rise or fall.

Shareholders should note that the Offer is not made under a prospectus or other disclosure document for the purposes of, and does not require the type of disclosures required under, the Corporations Act 2001. Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX.

Hammer Metals recommends that you monitor its announcements and the Share price, which can be found on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX: HMX). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

You should consult your professional advisor when deciding whether or not to accept the Offer and participate in the SPP.

In this document the following terms have these meanings:

| Definition                       | Meaning  |
|----------------------------------|--|
| <b>Allotment Date</b>            | The date the New Shares are allotted, expected to be Monday, 30 November 2015.                                       |
| <b>Application Form</b>          | The application form which accompanies this Share Purchase Plan Offer.   |
| <b>Approved Jurisdiction</b>     | Australia, New Zealand and the United Kingdom.   |
| <b>ASIC</b>                      | The Australian Securities & Investments Commission.  |
| <b>ASX</b>                       | ASX Limited or the Australian Securities Exchange, as the context requires.  |
| <b>Class Order</b>               | ASIC class order CO 09/425.  |
| <b>Corporations Act</b>          | <i>Corporations Act 2001</i> (Cth).  |
| <b>Custodian</b>                 | The meaning given in the Class Order.  |
| <b>Eligible Shareholder</b>      | A person who is eligible to participate in the Offer in accordance with <b>clause 2</b> of the Terms and Conditions. |
| <b>Hammer Metals Limited</b>     | Hammer Metals Limited ACN 095 092 158.   |
| <b>New Shares</b>                | The Shares offered in the Share Purchase Plan Offer.   |
| <b>Offer</b>                     | The offer of New Shares in the Share Purchase Plan Offer.  |
| <b>Offer Price</b>               | A\$0.05 per New Share.   |
| <b>Share Purchase Plan Offer</b> | This document.   |
| <b>Share Registry</b>            | Advanced Share Registry Limited  |
| <b>Shares</b>                    | Fully paid ordinary shares in Hammer Metals Limited.   |
| <b>Terms and Conditions</b>      | The terms and conditions of the Offer set out in <b>section 4</b> of this Share Purchase Plan Offer.                 |
| <b>US Person</b>                 | A "U.S. person" as defined in <i>Regulation S</i> under the <i>US Securities Act of 1933</i> .                       |
| <b>US Securities Act</b>         | <i>US Securities Act of 1933</i> .   |
| <b>VWAP</b>                      | Volume weighted average price.   |

# ADDRESS ETC

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Securityholder Reference Number:

Sub Register:

Record Date: 5.00pm WST 5 November 2015

Date of which offer closes: 5.00pm WST 24 November 2015

## SHARE PURCHASE PLAN APPLICATION FORM

### IMPORTANT:

This is an important document, which requires your immediate attention. If you are in any doubt as to how to deal with this form please consult a professional adviser. Pursuant to the terms and conditions of the Hammer Metals Limited (Hammer) Share Purchase Plan (SPP) contained in the offer document released to ASX and dated 6 November 2015 (SPP Offer Document), Hammer is offering eligible security holders the opportunity to purchase fully paid ordinary shares in Hammer (Shares) up to a maximum value of A\$15,000 per eligible security holder, subject to a minimum application of A\$1,000 and the alternatives set out below.

If you do not wish to purchase additional Shares under this offer there is no need to take action.

**Custodians should not use this form to apply for multiple parcels of shares on behalf of distinct beneficiaries.** To apply for Shares on behalf of distinct beneficiaries, custodians must obtain a separate custodian certificate/form from Hammer's share register, Advanced Share Registry Services Ltd (ASW). Custodians must comply with the requirements of ASIC Class Order [CO 09/425] and provide evidence satisfactory to Hammer of the distinct holdings when accepting the offer. Each beneficial holder on whose behalf a custodian submits an application, must be named in the custodian certificate/form and must have a registered address in either Australia, New Zealand, Germany or the United Kingdom at 5.00pm WST on 5 November 2015 (Record Date) and certify that they have not sent any offering materials relating to the SPP to any person with a registered address outside Australia, New Zealand, Germany or the United Kingdom at 5.00pm WST on the Record Date.

### CERTIFICATIONS

By making your payment, you agree to be bound by the Constitution of Hammer and the terms and conditions of the SPP and that the submission of this payment constitutes an irrevocable offer by you to Hammer to subscribe for Shares on the terms of the SPP. In addition, by submitting this Application Form or making your payment via BPay, you certify that:

- ◆ in accordance with ASIC Class Order [CO 09/425], the aggregate of the application price paid for the following does not exceed A\$15,000:
  - the Shares the subject of this Application Form or the BPay payment; and
  - any other Shares applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of this Application Form or the making of the BPay payment (including any Shares which you have instructed a custodian to acquire on your behalf under this SPP or in the 12 months prior to the date of submission of this Application Form or the making of the BPay payment under any other share purchase plan or similar arrangement);
- ◆ you have a registered address in either Australia, New Zealand, Germany or the United Kingdom at 5.00pm WST on the Record Date and you have not sent any offering materials relating to the SPP to any person who has a registered address outside Australia, New Zealand, Germany or the United Kingdom at 5.00pm WST on the Record Date;
- ◆ you make the certifications, acknowledgments, warranties and representations set out in the SPP Offer Document; and
- ◆ you acknowledge that you have read and understood the terms and conditions of the SPP as set out in the SPP Offer Document and this Application Form.

### METHOD OF ACCEPTANCE

You can apply for Shares and make your payment utilising one of the payment options detailed overleaf. Hammer may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determinations by Hammer will be conclusive and binding on all eligible security holders and other persons to whom the determination relates. Hammer reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary these terms and conditions and to suspend or terminate the SPP at any time (including in the event that the conditions in the SPP Offer Document have not been satisfied). Any such amendment, variation, suspension or termination will be binding on all eligible security holders even where Hammer does not notify you of that event.

**This offer is Non-Renounceable. No signature is required.**  
Applications can only be accepted in the name printed on this form.

HAMMER METALS LIMITED

ABN: 87 095 092 158

Please see overleaf for payment options



Billers Code: #XXXXXX

Ref No: #XXXXXXXXXX

Offer A



OR

Offer B



OR

Offer C



OR

Offer D



OR

Offer F



A\$1,000  
(20,000 shares)

A\$2,000  
(40,000 shares)

A\$5,000  
(100,000 shares)

A\$10,000  
(200,000 shares)

A\$15,000  
(300,000 shares)

**Cheque Payment Details:**

| Drawer | Cheque number | Branch or BSB | Account number | Amount |
|--------|---------------|---------------|----------------|--------|
|        |               |               |                | A\$    |

Your cheque, bank draft or money order should be made payable to "Hammer Metals Limited – Share issue Account".

**Contact Details:**

Please provide your contact details in case we need to speak to you about this Application Form.

**Name of contact person****Daytime telephone number**



### HOW TO ACCEPT THE SHARE PURCHASE PLAN OFFER

**APPLYING FOR SHARES & PAYMENT DETAILS**

You may apply for Shares under the SPP by utilising the payment options detailed below. By making your payment using either BPay or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of the SPP as set out in the SPP Offer Document and this Application Form.

You may apply for Shares by making your payment via BPay. **If you pay via BPay, you do not need to return this Application Form.** Your BPay reference number is quoted below and is unique to the SPP. Your payment must be received by no later than 5.00pm WST on 24 November 2015. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It may also take up to 24 hours for funds to appear in the recipient's account; therefore it is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

You may also apply for Shares by completing this Application Form and paying by cheque, bank draft or money order. Your cheque, bank draft or money order must be made payable to "Hammer Resources Limited – Share Issue Account", drawn on an Australian branch of a financial institution, expressed in Australian currency and crossed "Not Negotiable". Please ensure you submit the correct amount. Incorrect payments will result in your application being dealt with as set out in the SPP Offer Document. Please complete cheque details in the boxes provided above in the Application Form.

Your Application Form should be paper clipped to your cheque, bank draft or money order (please do not staple), posted to the address below and received by ASW no later than 5.00pm WST on 24 November 2015. You should allow sufficient time for this to occur. You will need to affix the appropriate postage. Cheques may be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your application being rejected.

Cash will not be accepted. A receipt for payment will not be forwarded. Neither ASW nor Hammer accepts any responsibility if you lodge the Application Form at any other address or by any other means.

**CONTACT DETAILS**

Please enter the name of a contact person and telephone number. These details will only be used in the event that ASW has a query regarding this Application Form.

**PRIVACY STATEMENT**

Personal information is collected on this form by ASW, as registrar for securities issuers (**the issuer**), for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by ASW, or you would like to correct information that is inaccurate, incorrect or out of date, please contact ASW. In accordance with the *Corporations Act 2001 (Cth)*, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting ASW. You can contact ASW using the details provided on the front of this form.

**If you have any enquiries concerning this Application Form or your entitlement, please contact ASW on (61 8) 9389 8033.**

This form may not be used to notify your change of address. For information, please contact ASW on (61 8) 9389 8033 or visit [www.advancedshare.com.au](http://www.advancedshare.com.au) (certificated/issuer sponsored holders only). **CHESS holders must contact their Controlling Participant to notify a change of address.**

**By Telephone & Internet Banking – BPay**

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au)

**By Mail**

Hammer Metals Limited  
Advanced Share Registry Services Ltd  
PO Box 1156, Nedlands  
Western Australia 6909