

ASX RELEASE

10 January 2023

DIRECTORS / MANAGEMENT

Russell Davis
Chairman

Daniel Thomas
Managing Director

Ziggy Lubieniecki
Non-Executive Director

David Church
Non-Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (09/01/2023)	\$0.073
Shares on Issue	821m
Market Cap	\$60m
Options Unlisted	24m
Performance Rights	8m
Cash (30/09/2022)	\$3.6m

MOUNT HOPE BOUNDARY DISPUTE UPDATE

Hammer Metals Ltd (ASX: **HMX**) ("Hammer" or the "Company") advises that on Friday 6th January 2023 it received correspondence from the Queensland Department of Resources' Mineral Assessment Hub ("The Department") in relation to the dispute on the location of the Mining Lease at the Mount Hope prospect in North West Queensland (ML90240) and the potential impact on Hammer's adjoining Exploration Licence (EPM26777).

The correspondence set out the Department's recommended position to slightly adjust the existing boundary of ML90240, currently owned by Carnaby Resources (ASX: CNB), thereby potentially changing the internal boundaries within Hammer's EPM26777.

Hammer notes that this recommendation is yet to be endorsed by the responsible delegate and a final decision by the Department has not been given.

Hammer awaits the final decision from the Queensland Department of Resources and the key reasons accompanying any final decision. **Upon receipt of the decision and reasoning, Hammer's Board of Directors will appropriately consider any potential avenues for review and/or appeal.**

The potential movement of the boundary does not impact on any of Hammer's current exploration targets or focus. The proposed change would see Hammer's tenure reduced by approximately 1 hectare, with a portion of Hammer's EPM26777 to be incorporated into ML90240.

Some of the current ML90240 tenure would also be encapsulated within EPM26777, while a minor movement of the boundary of ML90240 would occur to the east of the existing boundaries (see Figure 1 and 2). Hammer will keep the market informed on future developments in this matter.

The Company is currently awaiting a significant volume of assay results from the drilling programs completed towards the end of 2022, including results from programs at Kalman, Kalman West, Ajax and Hardway.

A number of high-priority targets have been defined around the Mount Hope area, with drilling at these prospects currently scheduled to commence in early February.

Expected Newsflow

- **January:** Kalman drilling results,
- **January:** Kalman West, Ajax and Hardway drilling results
- **January:** HMX Q2 Quarterly
- **February 2023:** Follow up drilling programs: South Hope, Mascotte, Mascotte Junction and Stubby.
- **Q1 2023:** Yandal Lithium prospect follow up
- **Q1/Q2 2023:** Kalman Resource Upgrade

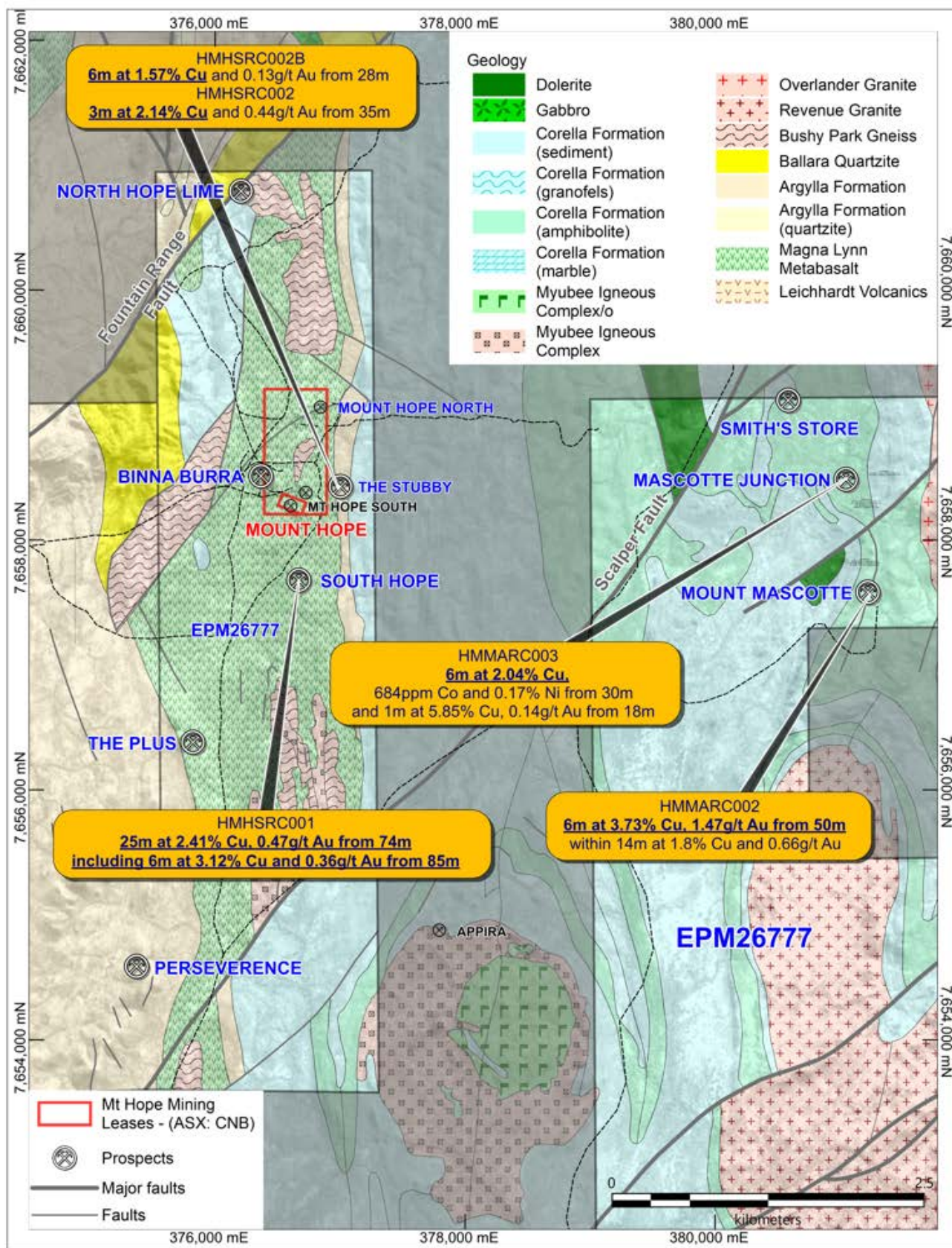


Figure 1: Existing EPM 26777 and ML90240 boundaries including Hammer's recent exploration drill results from the Mount Hope region (ASX Announcements: 22 November 2022, 19 December 2022 and 23 December 2022)



Figure 1: Existing EPM 26777 and ML90240 boundaries and potential changes

This announcement has been authorised for issue by Board of Directors for Hammer Metals Limited.

For further information please contact:

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About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,600km² 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 and the Elaine (Cu-Au) deposit. Hammer also has a 51% interest in the Jubilee (Cu-Au) deposit. Hammer is an active mineral explorer, focused on discovering large copper-gold deposits of Ernest Henry style and has a range of prospective targets at various stages of testing.

Hammer holds a 100% interest in the Bronzewing South Gold Project located adjacent to the 2.3 million-ounce Bronzewing gold deposit in the highly endowed Yandal Belt of Western Australia

Competent Person Statements

The information in this report as it relates to exploration results and geology was compiled by Mr. Mark Whittle, who is a Fellow of the AusIMM and an employee of the Company. Mr. Whittle, who is a shareholder and option-holder, has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities 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.

Where the Company references previously announced exploration results, it confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters in those announcements continue to apply and have not materially changed.