

BULLRUSH JV WITH SUMITOMO METAL MINING OCEANIA TO DRILL HIGH-PRIORITY IOCG TARGETS IN Q1 2025

*Drilling will target the discovery of a Tier-1 Iron Oxide Copper-Gold system
under cover in the Mt Isa region of NW Queensland*

- The Bullrush Joint Venture between Sumitomo Metal Mining Oceania Pty Ltd (SMMO) and Hammer Metals Limited **will drill high-priority IOCG targets under cover in Mount Isa in early 2025.**
- **Four drill targets have been delineated through** recent geophysical programs which included in-fill gravity, a magneto-telluric survey and three-dimensional modelling of geophysical datasets.
- Each target is characterised by **significant coincident gravity and magnetic features**. The southern targets are also co-incident with a zone of lower resistivity, as defined through the three-dimensional magneto-telluric survey.
- All **targets sit below the Cambrian cover sequence**, which varies in depth between 100m and 250m below surface within the project area.
- The adjacent Wimberu Granite is now a proven copper fertile intrusive and key component of IOCG mineral systems in the Isa inlier. Nearby drilling in the core of the intrusion by Carnaby Resources and Rio Tinto at Devoncourt has intersected **significant zones of breccia style copper mineralisation**.¹
- Preparations to commence drilling in early February 2025 (weather permitting) are underway.
- The drilling will be conducted under an **initial minimum work commitment which requires SMMO to fund 2,000m of drilling by the end of June 2025.**

Hammer's Managing Director, Daniel Thomas, said:

"The initial work completed by the Joint Venture is of a high quality and has provided valuable insights into these covered targets. The surveys have delineated compelling geophysical targets in an area which is shaping up as a fertile IOCG district.

"2025 is set to be an exciting year for Hammer as we test several buried large-scale Tier-1 targets. The knowledge gained from exploration of these projects will increase our overall understanding of the geological potential of these systems, in turn increasing the opportunity for discovery success across our portfolio."

¹ Refer to ASX announcement by ASX:CNB dated 1 July 2024

ASX RELEASE

17 December 2024

DIRECTORS / MANAGEMENT

Russell Davis

Chairman

Daniel Thomas

Managing Director

James Croser

Non-Executive Director

David Church

Non-Executive Director

Mark Pitts

Company Secretary

Mark Whittle

Chief Operating Officer

Greg Amalric

Manager Exploration & Discovery

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (16/12/24)	\$0.033
Shares on Issue	888m
Market Cap	\$30m
Options Unlisted	26.5m
Performance Rights	16.5m
Cash (31/3/2024)	\$4.2m

Hammer Metals Ltd (ASX: HMX) (“**Hammer**” or the “**Company**”) is pleased to advise that the Bullrush Joint Venture between Hammer Metals and Sumitomo Metal Mining Oceania Pty Ltd (SMMO) is preparing to initiate a >2,000m diamond drilling campaign in first quarter of 2025 to test multiple high-priority IOCG targets in the Mt Isa district of NW Queensland.

Since the Joint Venture was initiated in June 2024, the parties have been undertaking further geophysical surveys to delineate targets beneath the Georgina Basin. Cover thicknesses in the project area range between 50m and 200m.

Work conducted by Rio Tinto Exploration, more recently in Joint Venture with Carnaby Resources Limited, has proven that the Proterozoic units beneath this cover have the capacity to host IOCG mineralisation (*Refer to ASX announcement by CNB dated 1 July 2024*).

The southern extent of the Bullrush Joint Venture area abuts the RTX-CNB Devoncourt Joint Venture area.

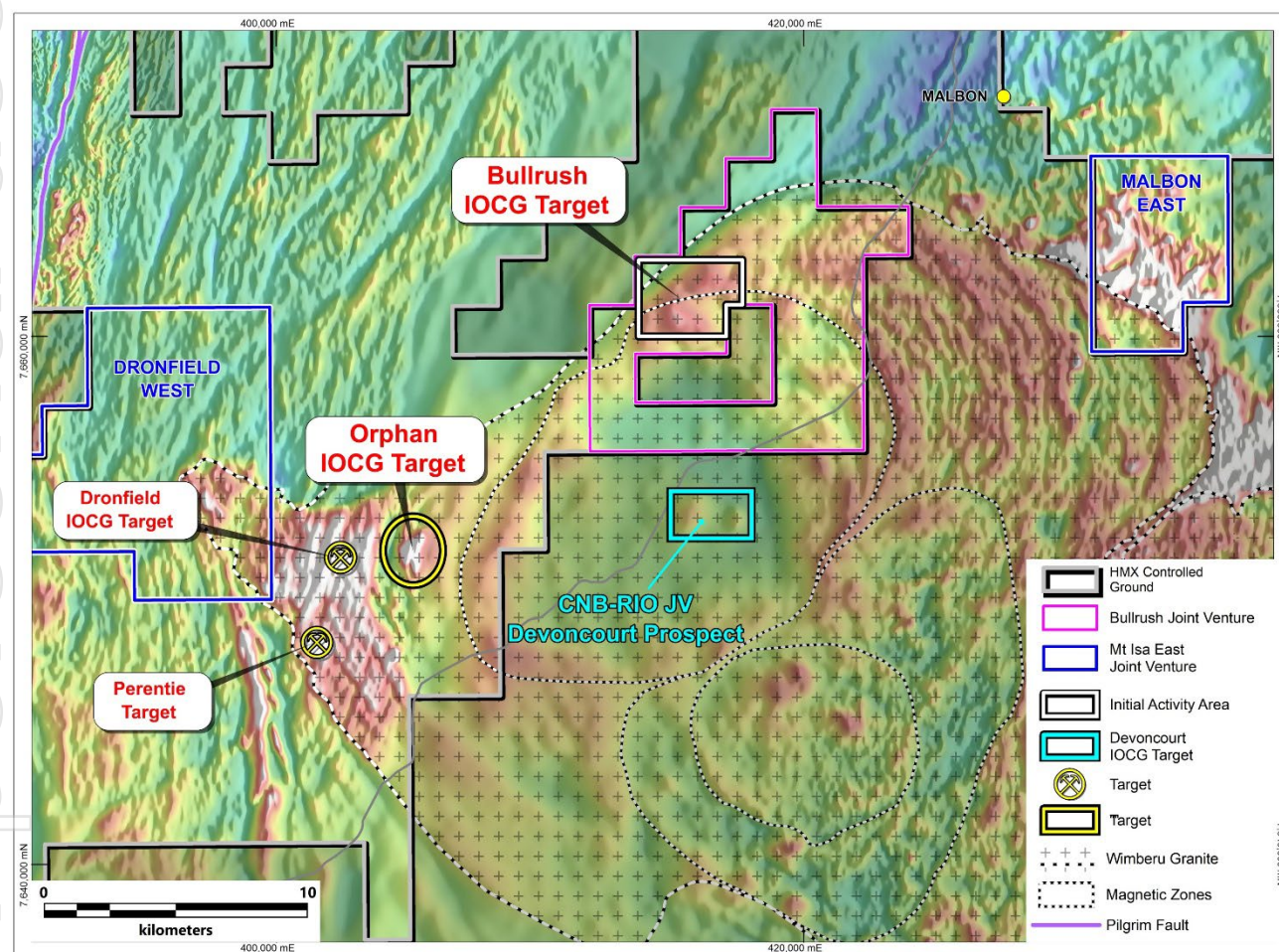


Figure 1. Southeastern project region showing the location of Bullrush relative to the Dronfield IOCG Targets

Geophysical Surveys

Prior to the initiation of the Bullrush Joint Venture, Hammer Metals undertook initial gravity and aeromagnetic surveys.² After commencing the joint venture, this work was augmented with in-fill gravity and magneto-telluric surveys by Daishsat Pty Ltd and Zonge respectively.³

² See Hammer Metals ASX announcement dated 19 September 2022.

³ Gravity surveys are designed to detect sub surface variations in density which may be caused by denser rock types or possibly by higher concentrations of sulphide minerals. Magneto-telluric (MT) surveys detect sub-surface resistivity variations. Lower resistivity responses can be caused by lithological variation, zones of brecciation, magnetite alteration, sulphide accumulations or water filled faults.

These surveys enabled modelling of sub-surface magnetic, gravity and resistivity features which could delineate zones of lithological contrast or more importantly for exploration, zones of brecciation, magnetite alteration or sulphide accumulation. The survey data was then processed to produce three-dimensional targets, denoted as the northern and southern targets respectively.

The **Southern Target** consists of an east to southeast trending, north-plunging magnetic volume, intersected by two north-east trending gravity responses. The target has peak responses of 6.18mGal residual gravity and 2108nT magnetic response. The **Northern Target** consists of an east trending and north-plunging magnetic volume with two zones of elevated gravity response. The target has peak responses of 2.78mGal residual gravity and 2016nT magnetic response.

These targets compare favourably with peak responses of other IOCG systems in Queensland and South Australia (Table 1).

Targets B1 through B4 will be tested in early 2025.

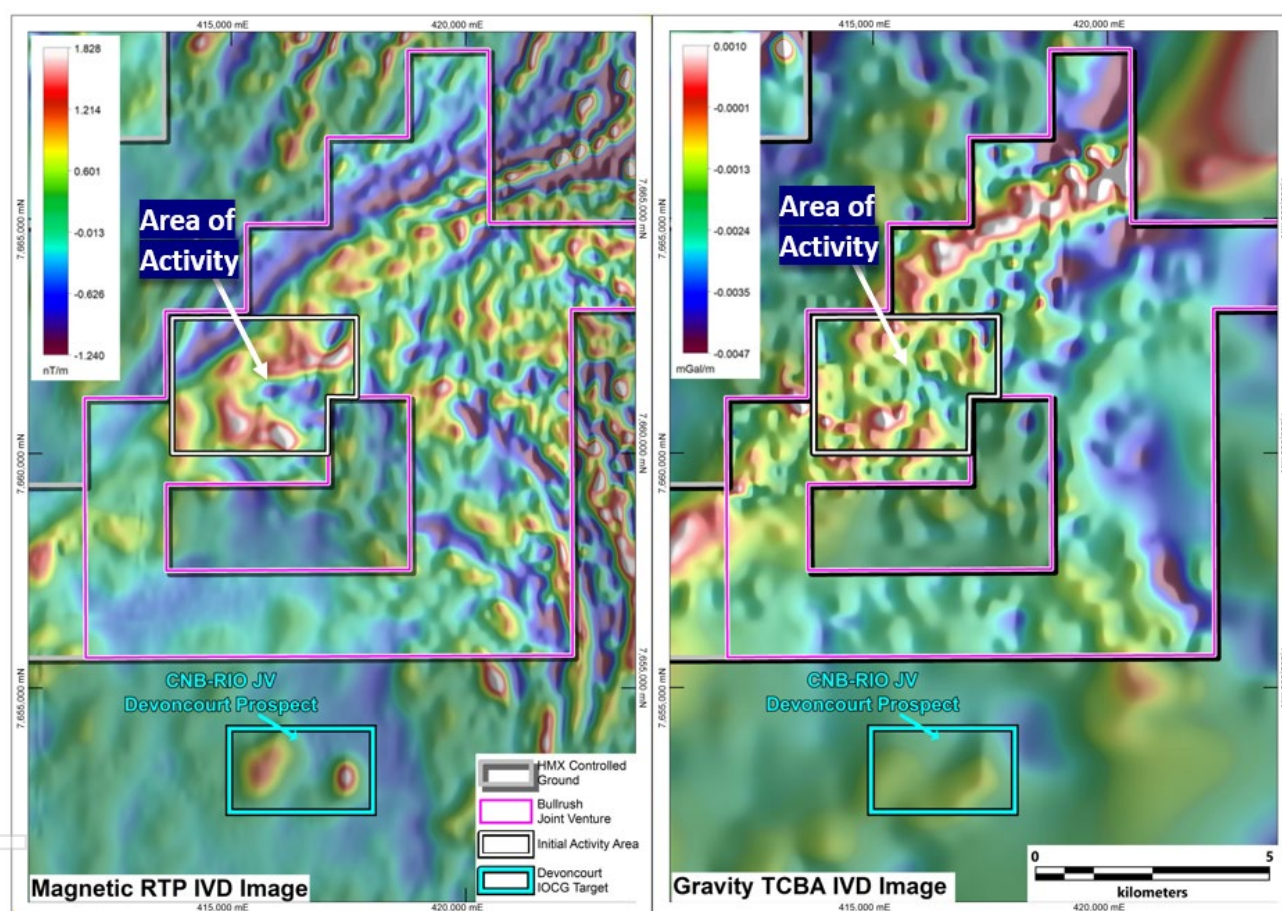


Figure 2. Bullrush Joint Venture area showing the Joint Venture area and the area of initial focus for the Joint Venture (see ASX Announcement 19 September 2022). The frames show the magnetic (left) and Gravimetric (right) responses respectively. The area of initial activity is depicted in Figures 3 through 5.

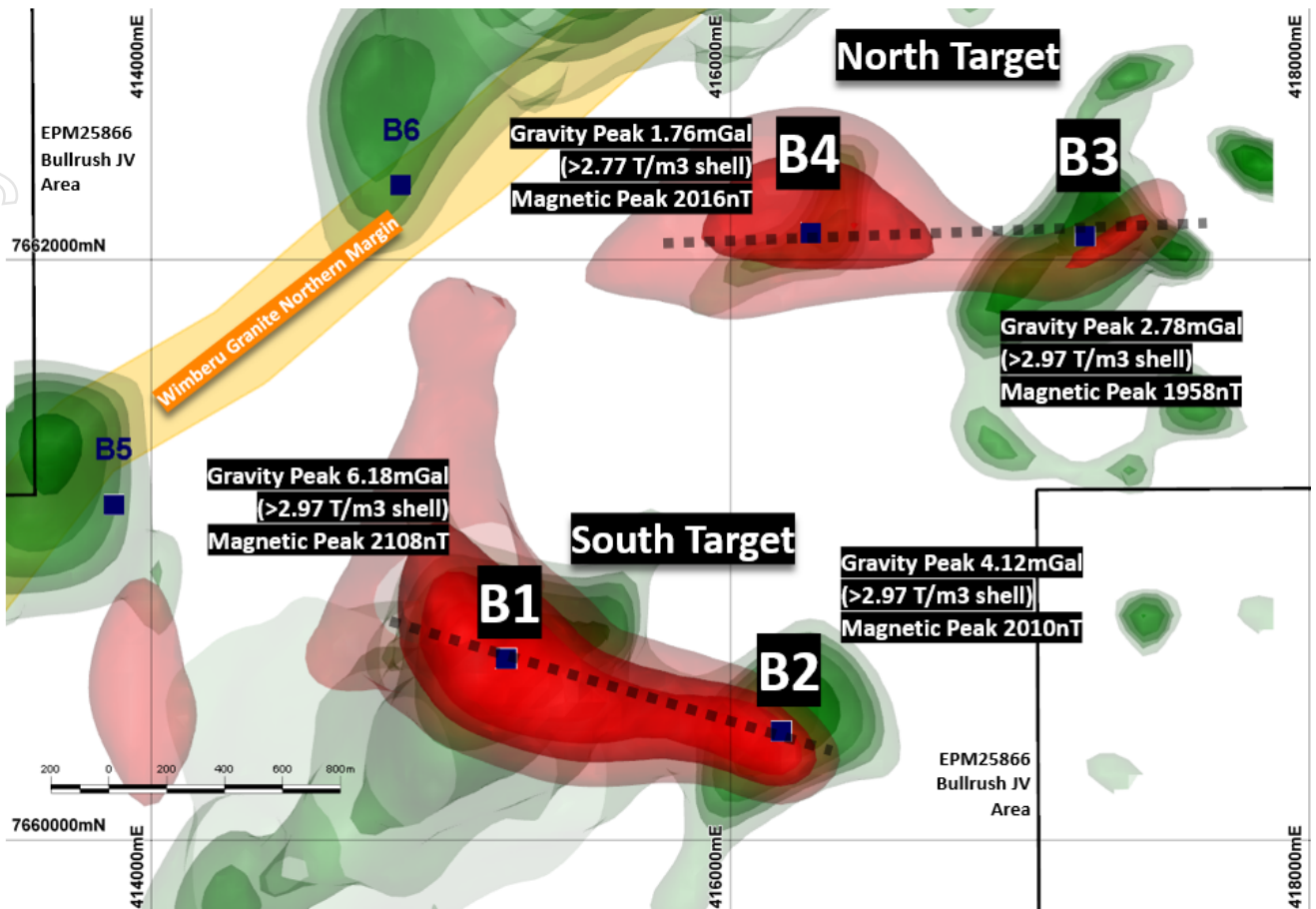


Figure 3. Plan view of the Initial area of activity (as depicted in Figure 1) - Bullrush magnetic and gravity modelling. Residual gravity response (shades of green) and magnetic response (shades of red) with anomalies (B1-B6). Anomalies B1 through B4 will be the focus of initial drill testing. The orange zone to the north-west is the interpreted margin of the Wimberu Granite. The approximate location of long sections presented in Figures 4 and 5 are shown as the black dotted lines.

Table 1. Peak Magnetic and Gravity responses from a selection of IOCG Deposits

Deposit/Prospect	Peak Responses	
	Magnetic (nT)	Residual Gravity (mGal)
Ernest Henry^^	7000-10000	1.7
Olympic Dam^	1600	17
Acropolis^	5500	22
Wirrda Well^	1800	6
Carrapeteena^	200	2.5
Reference		
^ PorterGeo Database Carapeteena		
^^ Queensland Mineral Deposit Atlas - Chapter 3 Ernest Henry (Page 44)		

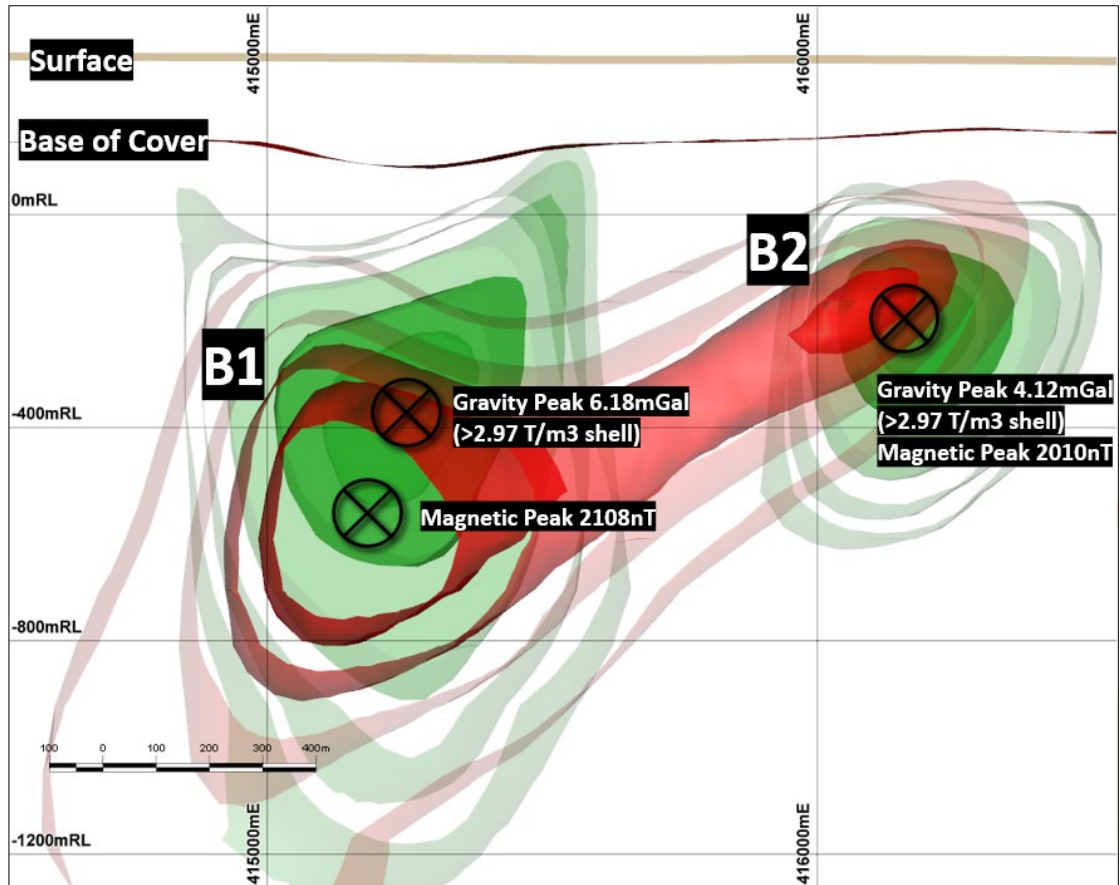


Figure 4: South Target – Long Section looking north-northeast. Residual gravity response (shades of green) and magnetic response (shades of red) with peak responses highlighted.

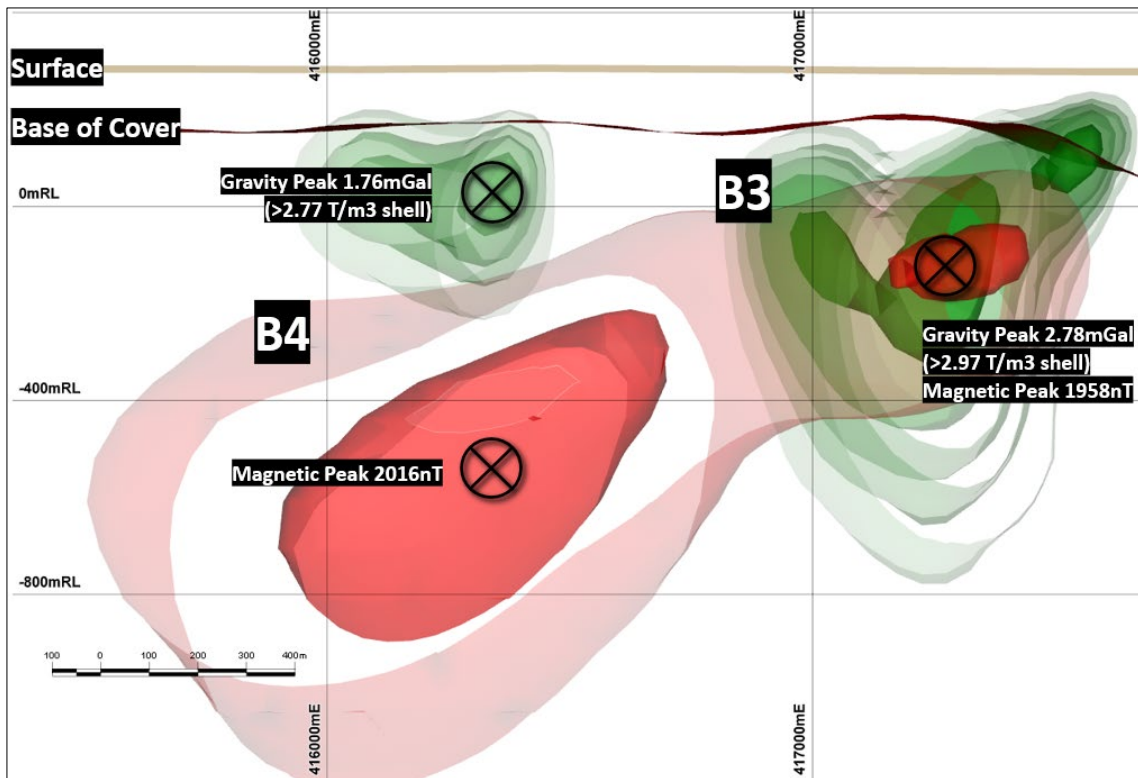


Figure 5. North Target – Long Section looking north. Residual gravity response (shades of green) and magnetic response (shades of red) with peak responses highlighted.

Upcoming Activities and Expected Newsflow

- **January** – Assay results from 100% HMX Isa drilling program – Lady Jenny and Kalman South-East.
- **January** – Soil sampling program results – Pilgrim Fault South (south of Kalman along Pilgrim Fault), Cambrian Pb/Zn, Mascotte and surrounds.
- **January** – EM Modelling of VTEM targets at Mascotte and Revenue.
- **January** – RC copper/gold drilling program continues in Mount Isa – Lady Jenny, Tourist Zone South and Kalman South-East.
- **January** – MIEJV follow up soil sampling program results – Malbon and Dronfield.
- **January** – Yandal Project Review – Orelia North Targeting, Granite/Basalt contact target zones.
- **February** (Weather dependant) – Drilling Program Tourist Zone South, Kalman SouthEast, Bullrush JV.
- **February** -RIU Fremantle Conference Presentation and Participation

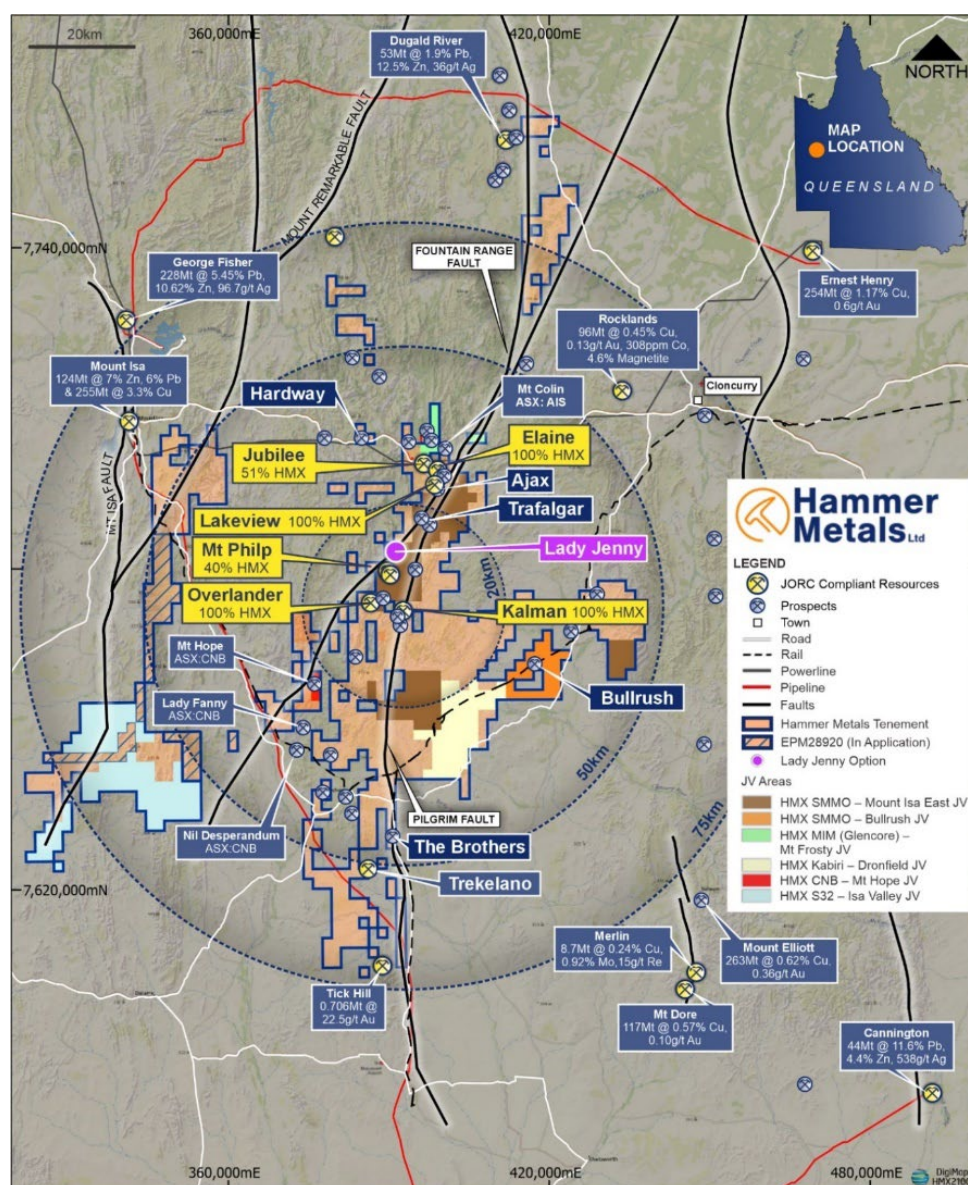


Figure 6: Hammer's Mt Isa Tenements with the Bullrush JV area (shaded orange)

This announcement has been authorised for issue by the Board of Hammer Metals Limited in accordance with ASX Listing Rule 15.5.

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About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2,800km² 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, the Lakeview (Cu-Au) deposit 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 also 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.

About Sumitomo Metal Mining Co. Ltd

Sumitomo Metal Mining Co. Ltd. has over 300 years of mine development and operation. Sumitomo Metal Mining operates the Hishikari Mine (the large gold mine in Japan to continue operating on a commercial scale) while also participating in the development and operation of mines in various locations around the world including: Northparkes (NSW), Candelaria (Chile), Ojos del Salado (Chile), Quebrada Blanca (Chile), Morenci (USA), Cerro Verde (Peru), and Côté (Canada).

About The Bullrush Joint Venture (See ASX Announcement 27 June 2024)

The Bullrush Joint Exploration Agreement with Sumitomo Metal Mining Oceania Pty Ltd (SMMO), a wholly owned subsidiary of Sumitomo Metal Mining Co. Ltd (SMM), provides SMMO with the opportunity to earn up to an 80% interest in Hammer Metals' Bullrush Project in North-West Queensland (Project).

SMMO has made an initial minimum commitment to complete a 2,000m drilling program. SMMO can expend \$4.5 million within four years to earn a 51% interest in the Project and can increase its ownership to 60% with an additional \$2 million in expenditure in a further 12-month period. Hammer can elect to maintain a 40% interest in the project by contributing its pro-rata share of exploration expenditure. Should Hammer elect not to contribute to its share in expenditure, SMMO has the right to increase its interest to 80% by electing to free-carry Hammer to the completion of a Pre-Feasibility Study. Hammer will manage and operate the Joint Exploration Program until the completion of the First-Earn-in Period.

Competent Person Statements

The information in this report as it relates to exploration results and geology is based on and fairly represents, information and supporting documentation that was compiled by Mr. Mark Whittle, who is a Fellow of the AusIMM and a full-time 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.

Historic exploration data noted in this, and previous releases has been compiled and validated. It is the opinion of Hammer Metals Limited that the exploration data are reliable. All information pertaining to the results is presented in Table 1 JORC Code 2012.

JORC Table 1 report – Bullrush Joint Venture Update

- This table is to accompany an ASX release updating the market with the status of the Bullrush Joint Venture with Sumitomo Metal Mining Oceania ("SMMO").
- Data introduced in this release are:
 - Gravity Infill, imaging and inversion;
 - Magnetics inversion; and
 - Magneto telluric survey, processing, interpretation.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections in this information release.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc).</i></p> <p><i>These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Gravity Survey A ground gravity survey was conducted over the Bullrush region by Daishsat Pty Ltd. This survey captured 534 stations.</p> <p>The survey was designed to augment work conducted by Hammer Metals Limited in 2022 (See Hammer Metals ASX announcement dated 19 September 2022). The combined datasets achieved a station spacing on approximately 200m centres.</p> <p>The most recent gravity survey was undertaken by Daishsat Pty Ltd two CG-5 Gravimeters which have an accuracy of 0.01 mgal. Locations were captured using a GNSS RTK system.</p> <p>Magneto Telluric Survey A magneto telluric survey was conducted by Zonge Engineering and Research Company. The survey was designed to test subsurface conductance at a prospect called Bullrush,</p> <p>The aim of the survey was to delineate resistivity contrast across the bullrush area down to a plus 1km depth.</p> <p>The survey consisted of 193 stations spear across 10.6km². Station spacing was on approximately 250m centres. Approximately 10% of these stations were left in place for a minimum of 14 hours with the remaining 90% left for a minimum of 4 hours.</p> <p>The shorter residence stations captured full tensor (Hz, Hx, Hy, Ex and Ey) magnetotelluric readings in the AMT range (>0.1 Hz).</p> <p>The longer residence stations captured full tensor (Hz, Hx, Hy, Ex and Ey) magnetotelluric readings in the MT range (>0.001 Hz, overnight reading).</p>

Criteria	JORC Code explanation	Commentary
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Drilling No drilling is reported in this release.
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	Drilling No drilling is reported in this release.
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	Drilling No drilling is reported in this release.
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	Drilling No drilling is reported in this release.
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Gravity Survey The ground Gravity Survey was initially conducted on 400m centres and then infilled at 200m centres in the most recent survey.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>The most recent survey was undertaken by Daissat Pty Ltd gravity survey was undertaken by Atlas Geophysics utilising two Scintrex CG-5 Autograv Gravity meters which have an accuracy of 0.01 mgal.</p> <p>Locations were captured using a GNSS RTK system</p> <p>Magneto Telluric Survey The survey consisted of 193 stations spread across 10.6km². The two crews were equipped with 5 Phoenix MTC-150L broadband coils enabling the acquisition from multiple stations per day.</p>
Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Gravity Survey During the survey data was reviewed by Daish personnel and then by Southern Geoscience consultants who were the Hammer client-side representative.</p> <p>Magneto Telluric Survey During the survey data was reviewed by Zonge and then by Southern Geoscience consultants who were the Hammer client-side representative.</p>
Location of data points	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Gravity Survey Locations were captured using a VTK, V100, GNSS RTK system. Datum GDA94 Zone54.</p> <p>Magneto Telluric Survey Receiver station locations were located via GPS. Datum GDA94 Zone54.</p>
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Gravity Survey The combined datasets achieved a station spacing on approximately 200m centres.</p> <p>Magneto Telluric Survey Station spacing was on approximately 250m centres.</p>
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p>	<p>Drilling No drilling is reported in this release.</p> <p>Geophysical surveys Both surveys were undertaken on an</p>

Criteria	JORC Code explanation	Commentary
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	equidistant.
Sample security	<i>The measures taken to ensure sample security.</i>	Drilling No drilling is reported in this release. Geophysical surveys All readings were transferred daily to the head office of the respective survey companies and then onto Southern Geoscience for daily review.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Drilling No drilling is reported in this release. Geophysical surveys Data was independently reviewed by Southern Geoscience.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The Mt Isa Project consists of 36 tenements. This work was conducted on EPM25866. EPM25866 is 100% held by, Mulga Minerals Pty Ltd (MM). This tenement is granted and in good standing. The work discussed herein was located on the Bullrush Joint venture. The details of this joint venture were reported to the ASX on 19 September 2022.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Bullrush Little direct work has been conducted over the Bullrush region within Hammer tenements. This is primarily due to the thickness of Cambrian cover above prospective IOCG terrain. Hammer Metals has noted work conducted by Rio Tinto Exploration and GBM Resources Limited.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Bullrush The Bullrush region is located between the localities of Duchess and Malbon. The area is typified by up to 250m of Cambrian cover above a Proterozoic basement. The Proterozoic rocks beneath the Cambrian sediments are the Williams aged Wimberu Granite (a multiphase intrusive complex),

Criteria	JORC Code explanation	Commentary
		the Cone Creek Metabasalt and the Bulonga Volcanics. Hammer is exploring the margin of the Wimberu complex for IOCG style mineralisation.
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.</p> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>Drilling No drilling is reported in this release.</p>
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Drilling No drilling is reported in this release.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	<p>Drilling No drilling is reported in this release.</p>
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>See attached figures.</p>

Criteria	JORC Code explanation	Commentary
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.</i>	Drilling No drilling is reported in this release.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Bullrush Little direct work has been conducted over the Bullrush region within Hammer tenements. This is primarily due to the thickness of Cambrian cover above prospective IOCG terrain. Hammer Metals has noted work conducted by Rio Tinto Exploration and GBM Resources Limited. All other relevant information is disclosed in the attached release and/or is set out in this JORC Table 1.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Hammer Metals Limited as operator of the Joint Venture is moving forward with plans to conduct drill testing of the aforementioned targets in Q1 2025. The Joint Venture agreement specifies that SMMO is required to fund a minimum 2000m of drilling with 12 months of the initiation date.