

EXCELLENT GOLD RECOVERIES AT NORTH ORELIA – YANDAL PROJECT, WA

ASX RELEASE

21 October 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

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (18/10/2024) \$0.036
 Shares on Issue 886m
 Market Cap \$32m
 Options Unlisted 20.5m
 Performance Rights 12m
 Cash (30/06/2024) \$5.2m

- **Average gold recoveries of 94%** (range 90% to 96%) achieved during initial metallurgical test work completed on the North Orelia gold deposit.
- In July, a maiden JORC Inferred Mineral Resource Estimate (MRE) was completed for Orelia North, which forms part of the Yandal Gold Project in Western Australia (see ASX Announcement 24 July 2024):
 - **1.48Mt grading 1.15g/t Au for 54.5koz of contained gold (0.5g/t Au cut-off).**
- 11 samples selected from within the optimised pit Resource were subject to LeachWELL™ testing.
- **The North Orelia gold deposit remains open at depth**, with excellent potential to expand the known mineralisation and make additional discoveries along a 2km strike length of gold anomalism.
- **The deposit is located just 10km north of Northern Star's Orelia gold operation.**

Table 1. Orelia North MRE by JORC classification – July 2024 ¹

Orelia North Deposit - Mineral Resource Estimate (Au 0.5g/t cut-off) - July 2024			
Classification	Tonnes (Mt)	Au (g/t)	Au (koz)
Inferred	1.48	1.15	54.5
Note rounding of total tonnage and metal content			

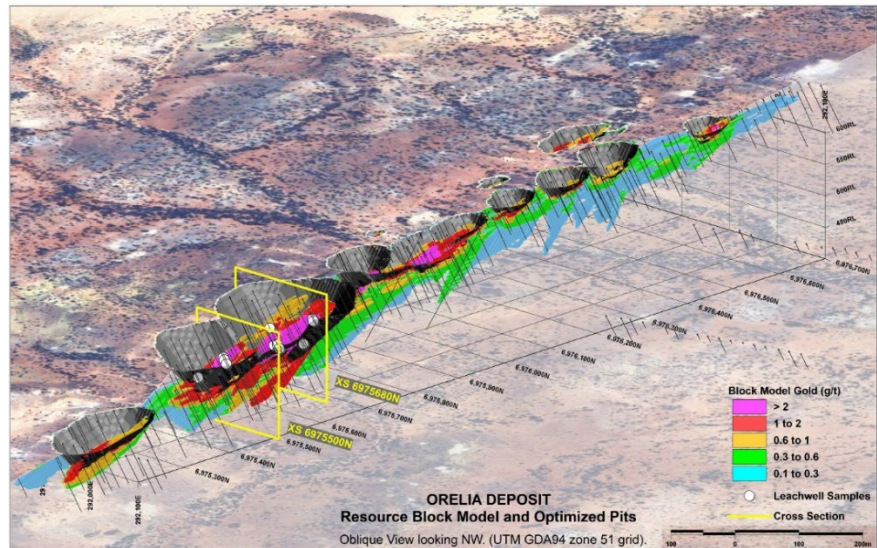


Figure 1. Oblique view looking north-west showing drilling and block model with optimised pit and the location of metallurgical samples. ²

¹ See ASX announcement 24/7/2024

² Note that drilling has been reported to the ASX on 18/11/2019, 23/12/2019, 22/4/2020, 15/7/2020, 23/12/2021 and 29/4/2024.

Hammer's Managing Director, Daniel Thomas said:

"These very encouraging initial metallurgical results tick another important box in unlocking the commercial potential of our North Orelia gold project. The combination of high metallurgical recoveries and near-surface mineralisation increases the attractiveness of the project for future development. Importantly, the deposit remains open at depth, offering upside to the existing Resource and an excellent exploration target.

"We'll continue to review opportunities to add value to our Yandal portfolio, including at our Bronzewing South Project, located immediately south of the former world-class Bronzewing Gold Mine.

"Meanwhile, activities in Mount Isa in Queensland remain on track with our upcoming high-potential copper-gold drilling scheduled to commence at the end of this month."

Hammer Metals Ltd (ASX: HMX) ("Hammer" or the "Company") is pleased to provide an update on its 100%-owned Yandal Gold Project in Western Australia, where activities are continuing to unlock the value of the recently defined gold resource at Orelia North and unlock the broader exploration potential of the project.

North Orelia Deposit Preliminary Testwork

Preliminary testwork was conducted by ALS in Perth on 11 samples taken from mineralised intervals at Orelia North. These samples were located within the optimized pit (used to satisfy the reasonable chance of economic extraction test for the Resource estimate).

Photon assay was followed by LeachWELL™ testwork on this suite. Recoveries varied between 90% and 96% with an average of 96% from the 11 samples. Tail grades varied between 0.1g/t Au and 1.25g/t Au.³ High recoveries and low tail grades are encouraging and indicate that Orelia North ore will respond well during cyanide hydrometallurgical processing.

Table 2. Orelia North – initial cyanide leach testwork

Sample location				LeachWell [^]				Rock Type	Oxidation
Hole	Sample	From	To	LW Received Weight	Leach Grade (g/t Au)	Tail Grade (g/t Au)	Recovery (%) ^{^^}		
BWSRC060	HW12186	60	61	0.68	2.00	0.13	94%	Quartz Vein	Oxide
BWSRC060	HW12202	91	92	0.74	4.77	0.27	95%	Basalt	Fresh
BWSRC060	HW12205	94	95	0.77	2.07	0.23	90%	Basalt	Fresh
BWSRC063	HW12377	55	56	0.68	2.32	0.11	95%	Quartz Vein	Oxide
BWSRC058	HW12731	32	33	0.78	2.83	0.12	96%	Ultramafic	Oxide
BWSRC058	HW12732	33	37	0.53	1.47	0.06	96%	Mafic (clay)	Oxide
BWSRC059	HW12831	83	84	0.75	14.15	1.25	92%	Basalt	Transitional
BWSRC069	HW12901	41	42	0.71	1.70	0.09	95%	Mafic (clay)	Oxide
BWSRC069	HW12905	45	46	0.83	9.11	0.5	95%	Mafic (clay)	Oxide
BWSRC069	HW12912	52	53	0.56	2.84	0.18	94%	Mafic (clay)	Oxide
BWSRC071	HW13045	37	38	0.87	6.96	0.38	95%	Mafic (clay)	Oxide
BWSRC060	HW13296	88	89	0.80	1.58	0.1	94%	Basalt	Fresh
Note									
[^]	LeachWELL - ALS Method CN-15 with tails analysis by Au-AA25								
^{^^}	Recovery = leach grade / (leach grade + Tail Grade)								

³ See JORC Table 1 for assay protocol

Table 3. Orelia North – initial cyanide leach testwork

Sample location				Photon Assay**					LeachWell [^]				Rock Type	Oxidation
Hole	Sample	From	To	Drill Assay (g/t Au) *	Received Weight	1 (g/t Au)	2 (g/t Au)	Head Grade (g/t Au)	LW Received Weight	Leach Grade (g/t Au)	Tail Grade (g/t Au)	Recovery (%) ^^		
BWSRC060	HW12186	60	61	1.98	1.21	2.05	2.07	2.06	0.68	2.00	0.13	94%	Quartz Vein	Oxide
BWSRC060	HW12202	91	92	4.07	1.62	4.81	4.97	4.89	0.74	4.77	0.27	95%	Basalt	Fresh
BWSRC060	HW12205	94	95	2.11	1.93	2.34	2.15	2.25	0.77	2.07	0.23	90%	Basalt	Fresh
BWSRC063	HW12377	55	56	1.93	1.09	2.47	2.38	2.43	0.68	2.32	0.11	95%	Quartz Vein	Oxide
BWSRC058	HW12731	32	33	2.39	1.68	3.03	2.84	2.94	0.78	2.83	0.12	96%	Ultramafic	Oxide
BWSRC058	HW12732	33	37	1.43	1.67	1.36	1.5	1.43	0.53	1.47	0.06	96%	Mafic (clay)	Oxide
BWSRC059	HW12831	83	84	12.35	1.46	14.06	13.55	13.81	0.75	14.15	1.25	92%	Basalt	Transitional
BWSRC069	HW12901	41	42	3.94	1.39	1.54	1.74	1.64	0.71	1.70	0.09	95%	Mafic (clay)	Oxide
BWSRC069	HW12905	45	46	11.80	1.77	9.65	7.82	8.74	0.83	9.11	0.5	95%	Mafic (clay)	Oxide
BWSRC069	HW12912	52	53	2.61	1.35	2.8	3.03	2.92	0.56	2.84	0.18	94%	Mafic (clay)	Oxide
BWSRC071	HW13045	37	38	6.94	1.98	6.82	6.58	6.70	0.87	6.96	0.38	95%	Mafic (clay)	Oxide
BWSRC060	HW13296	88	89	1.22	1.66	1.55	1.73	1.64	0.80	1.58	0.1	94%	Basalt	Fresh

Note

^	LeachWELL - ALS Method CN-15 with tails analysis by Au-AA25
^^	Recovery = Leach grade / (Leach grade + Tail Grade)

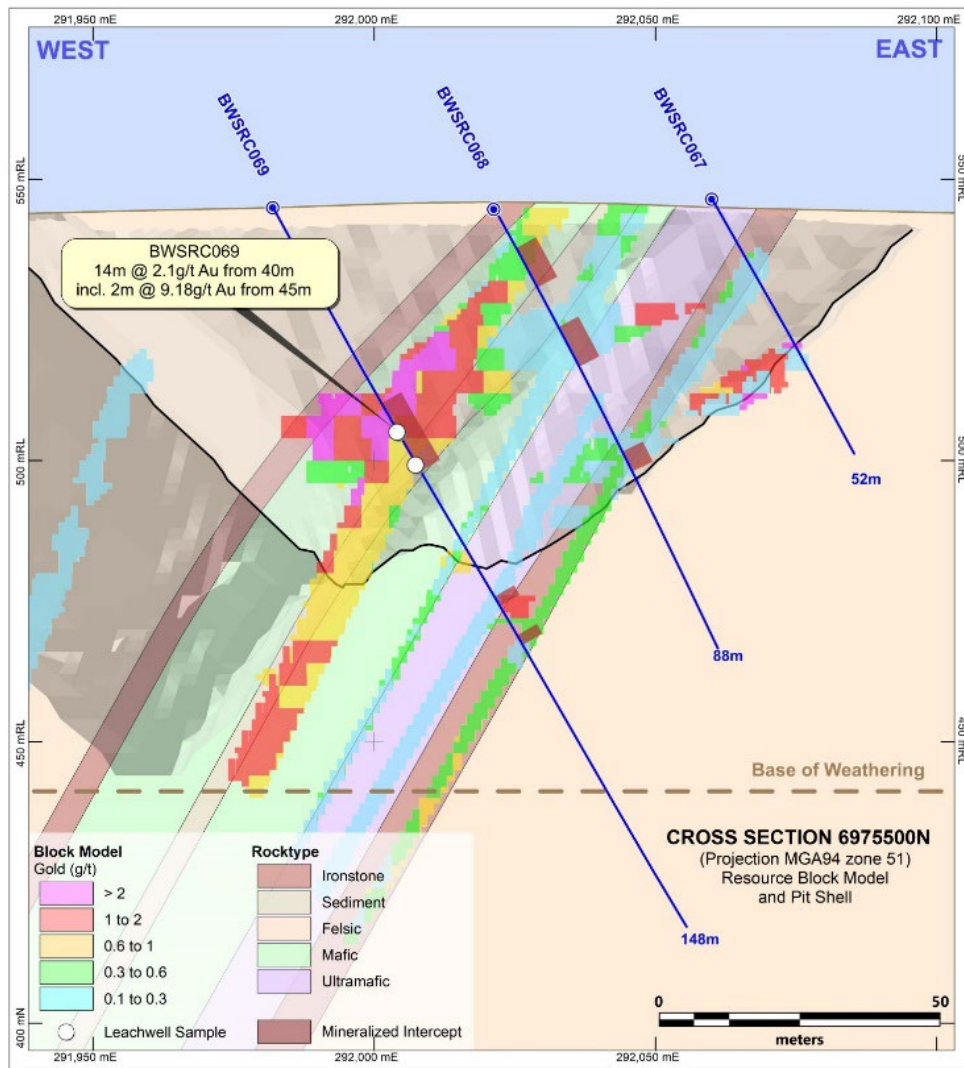


Figure 2. Section 3975500 with leach samples. Oblique view looking north-west showing drilling and block model with optimised pit. ⁴

⁴ Note that drilling has been reported to the ASX on 18/11/2019, 23/12/2019, 22/4/2020, 15/7/2020, 23/12/2021 and 29/4/2024.

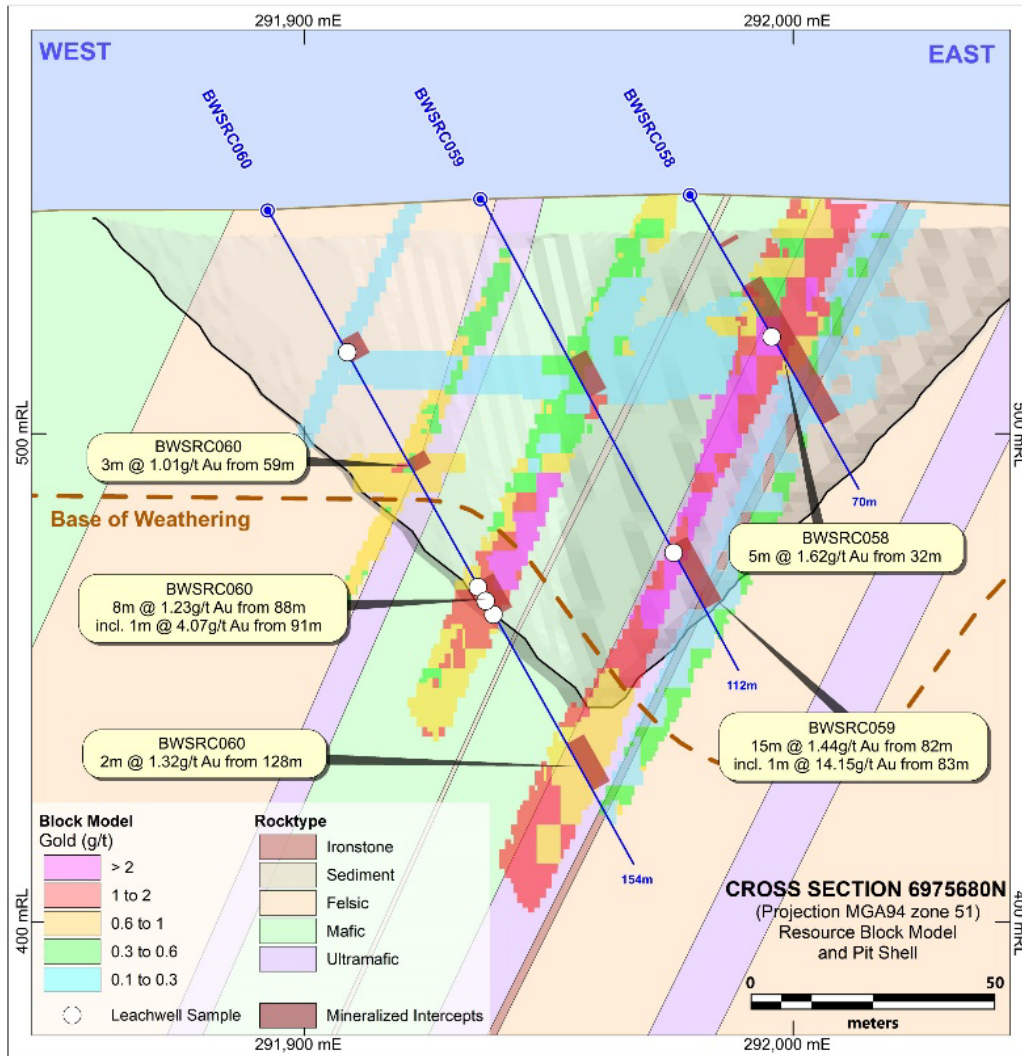


Figure 2. Section 3975680 with leach samples. Oblique view looking north-west showing drilling and block model with optimised pit. ⁵

Upcoming Activities and Expected Newsflow

- **October onwards** – Soil sampling programs continue – Pilgrim Fault South (south of Kalman along Pilgrim Fault), and Cambrian Pb/Zn
- **October** – Data collation and validation for the recently optioned Lady Jenny Mining Leases
- **October** – Ionic Leach soil sampling results from the Isa Valley Joint Venture
- **October** – Preparations for RC drilling program in Mount Isa – various approvals/earthworks
- **Late October** – RC drilling program in Mount Isa – Lady Jenny, Tourist Zone South and Kalman South-East
- **October 28-31** – IMARC International Mining and Resources Company – Sydney
- **October/November** – Bullrush JV - Geophysical Interpretation.

⁵ Note that drilling has been reported to the ASX on 18/11/2019, 23/12/2019, 22/4/2020, 15/7/2020, 23/12/2021 and 29/4/2024.

For personal use only

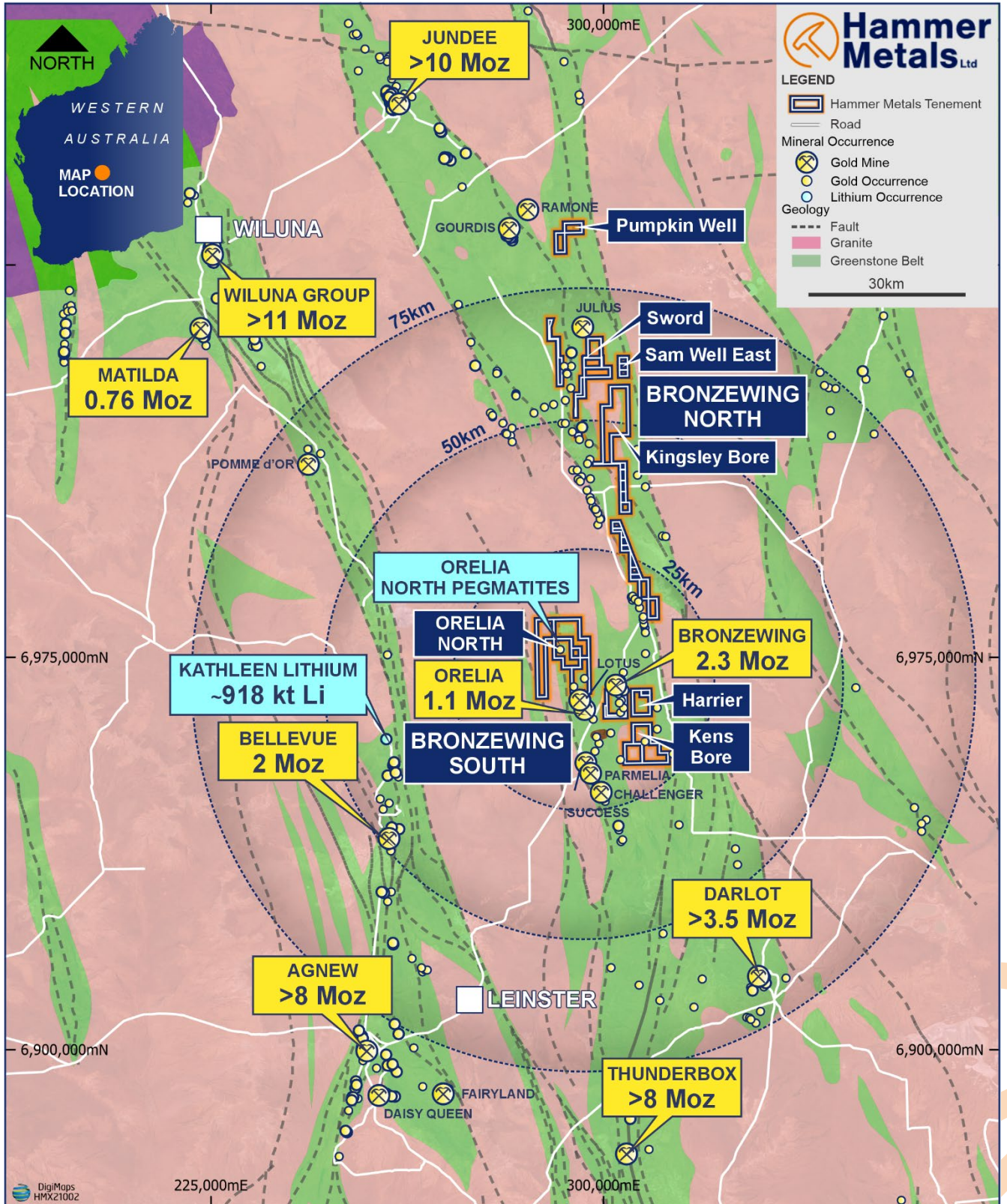


Figure 2. Bronzewing Project showing the location of the Orelia North Resource.

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

For further information please contact:

Daniel Thomas
Managing Director

T +61 8 6369 1195

E info@hammermetals.com.au

Media Enquiries:

Nicholas Read – Read Corporate

T +61 9 9388 1474

E info@readcorporate.com.au

- END -

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.

Competent Person Statement

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 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 exploration results and Mineral Resource Estimates previously announced, 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 underpinning the resource estimates with those announcements continue to apply and have not materially changed.

Where reference is made to previous exploration results and historic results which have been validated by the Company the reader is referred to the following ASX announcements dated 14 March 2019, 18 November 2019, 23 December 2019, 22 April 2020, 15 July 2020 and 4 August 2020. The data has been compiled and validated. It is the opinion of Hammer Metals that the exploration data is reliable. Nothing has come to the attention of Hammer Metals that causes it to question the accuracy or reliability of the historic exploration results.

For personal use only

JORC Table 1 report – Bronzewing South Project Exploration Update

This table is to accompany an ASX release notifying the market in relation to recently completed LeachWELL™ testwork conducted by ALS on behalf of Hammer Metals Limited.

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>Orelia Target 1 Resource preliminary testwork</p> <p>11 samples were selected which were located within the Orelia North Resource Optimised Pit.</p> <p>Coarse rejects were retrieved by the laboratory and split to subset approximately 1kg from the original sample.</p> <p>These samples were subject to Photon assay to confirm the head grade and the sample was then pulverised to 85% passing 75 microns.</p> <p>Plus 500 grams nominal weight was then subject to an accelerated 12-hour cyanide leach using LeachWELL™ 60X reagent and ICP-MS finish.</p>
Drilling techniques	<p><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></p>	<p>Drilling No drilling is reported in this release.</p>
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>	<p>Drilling No drilling is reported in this release.</p>

For personal use only

Criteria	JORC Code explanation	Commentary
Logging	<p>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.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>Drilling No drilling is reported in this release.</p>
Sub-sampling techniques and sample preparation	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p> <p>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>Drilling No drilling is reported in this release.</p>
Quality of assay data and laboratory tests	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>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.</p>	<p>Drilling No drilling is reported in this release.</p> <p>Orelia North Resource preliminary testwork</p> <p>11 samples were selected which were located within the Orelia North Resource Optimised Pit.</p> <p>Coarse rejects were retrieved by the laboratory and split to subset approximately 1kg from the original sample.</p> <p>These samples were subject to Photon assay to confirm the head grade and the sample was then pulverised to 85% passing 75 microns.</p> <p>Plus 500 grams nominal weight was then subject to an accelerated 12-hour cyanide leach using LeachWELL™ 60X reagent and ICP-MS finish.</p> <p>As a first pass test of the effectiveness of cyanide recovery of gold from Orelia North this method is appropriate.</p>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Drilling No drilling is reported in this release.</p>
Location of data points	<p>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.</p> <p>Specification of the grid system used.</p> <p>Quality and adequacy of topographic control.</p>	<p>Drilling No drilling is reported in this release.</p>
Data spacing and distribution	<p>Data spacing for reporting of Exploration Results.</p> <p>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.</p> <p>Whether sample compositing has been applied.</p>	<p>Drilling No drilling is reported in this release.</p>
Orientation of data in relation to geological structure	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>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.</p>	<p>Drilling No drilling is reported in this release.</p>
Sample security	<p>The measures taken to ensure sample security.</p>	<p>Drilling No drilling is reported in this release.</p>
Audits or reviews	<p>The results of any audits or reviews of sampling techniques and data.</p>	<p>Drilling No drilling is reported in this release.</p>

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	<p>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,</p>	<p>The Bronzewing South Project consists of 38 tenements. The Orelia North Target 1 resource is located entirely within E36/869.</p>

Criteria	JORC Code explanation	Commentary
	<p>wilderness or national park and environmental settings.</p> <p>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.</p>	<p>The tenement is held by Carnegie Exploration Pty Ltd, a 100% owned subsidiary of Hammer Metals Limited.</p> <p>Reverse Circulation Drilling The North Orelia resource is located on E36/869</p>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Previous holders held title either covering the tenement in part or entirely and previous results are contained in Mines Department records.</p> <p>Within the Hammer Bronzewing South Project, in excess of 2200 holes and 99km of drilling has been conducted by Newmont Exploration Pty Ltd, Audax Resources NL and Australian Resources Ltd.</p> <p>This data has been compiled by Carnegie Exploration Pty Ltd and reviewed by Hammer (see ASX release dated 14 March 2019).</p> <p>Historic holes have only been used as a guide to interpretation. No data from these holes has been utilised in the MRE.</p>
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Bronzewing South Project is situated within the Yandal Greenstone Belt. The belt comprises a poorly exposed 2.7Ga greenstone terrain composed of metamorphosed volcanic, intrusive and minor sedimentary rocks. The province is characterized by Late Cretaceous to Cenozoic deep weathering and extensive alluvial and colluvial cover.</p> <p>Major gold deposits in the Yandal belt are structurally controlled and appear to have developed during the regional shortening.</p> <p>The Orelia North Target 1 resource is located within the Orelia trend shear zone, with extends for approximately 15km along strike to the north of the Lotus and Cockburn pits and adjacent 1Moz Orelia gold deposit.</p> <p>Gold mineralisation along the Orelia trend is hosted within a sequence of tholeiitic basalts, ultramafics and differentiated dolerite units. Formed as southerly plunging ore-shoots, typically within quartz veining, gold mineralisation is identified at the convergence point of steeply-dipping transgressive faults and favourable lithological units, along fold hinges, and on lithological contacts.</p>

Criteria	JORC Code explanation	Commentary
		<p>Orelia North covers the northern strike continuation of the stratigraphy and structures that host gold mineralization at Cockburn and Lotus.</p> <p>At Orelia North, gold mineralisation is hosted predominantly in the mafic and ultramafic suites, and along the contact with an east-bounding sedimentary unit. Mineralisation has primarily been identified within the weathered zone, which typically extends to between 50 and 100m below surface.</p> <p>Deeper drilling into fresh rock at Orelia North is limited but does show evidence of continuation of gold mineralisation down dip. Mineralisation within the weathered zone is often preserved along structural controls or lithological boundaries, flattening when reaching very near surface. This suggests the Orelia North resource is a weathered gold system, that has likely undergone some supergene enrichment where mineralised structures reach near-surface.</p>
<p>Drill hole Information</p>	<p><i>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.</i></p> <p><i>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.</i></p>	<p>Drilling No drilling is reported in this release.</p>
<p>Data aggregation methods</p>	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>Drilling No drilling is reported in this release.</p>

Criteria	JORC Code explanation	Commentary
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>
Balanced reporting	<p>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.</p>	<p>Drilling No drilling is reported in this release.</p>
Other substantive exploration data	<p>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.</p>	<p>Exploration results are not being reported.</p>
Further work	<p>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	<p>Orelia North Target 1 Hammer is examining the possibility of conducting deeper drilling to expand the current resource and further metallurgical work is planned.</p>

