2025 ANNUAL REPORT

ASX RELEASE
31 October 2025

DIRECTORS / MANAGEMENT

Russell Davis
Chairman

Daniel Thomas
Managing Director

David Church
Non–Executive Director

James Croser
Non–Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer

Greg Amalric
Manager Exploration & Discovery

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (30/10/2025)	$0.03
Shares on Issue	893m
Market Cap	$26.8m
Options Unlisted	24.5m
Performance Rights	8.5m
Cash (30/09/2025)	$2.8m

Hammer Metals Ltd (ASX:HMX) ("**Hammer**" or the "**Company**") is pleased to attach its Annual Report for the year ended 30 June 2025.

This announcement has been authorised for issue by Mr Mark Pitts, Company Secretary, Hammer Metals Limited in accordance with ASX Listing Rule 15.5.

For further information please contact:

Daniel Thomas
Managing Director

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- 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.

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Hammer Metals Ltd

Annual Report



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ABN

87 095 092 158

ASX

HMX

Board of Directors

Russell Davis	Non-Executive Chairman
Daniel Thomas	Managing Director
David Church	Non-Executive Director
James Croser	Non-Executive Director

Company Secretary

Mark Pitts

Principal & Registered Office

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Auditors

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Perth, WA 6005
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Share Registry

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth, WA 6000
Telephone: **1300 288 664**

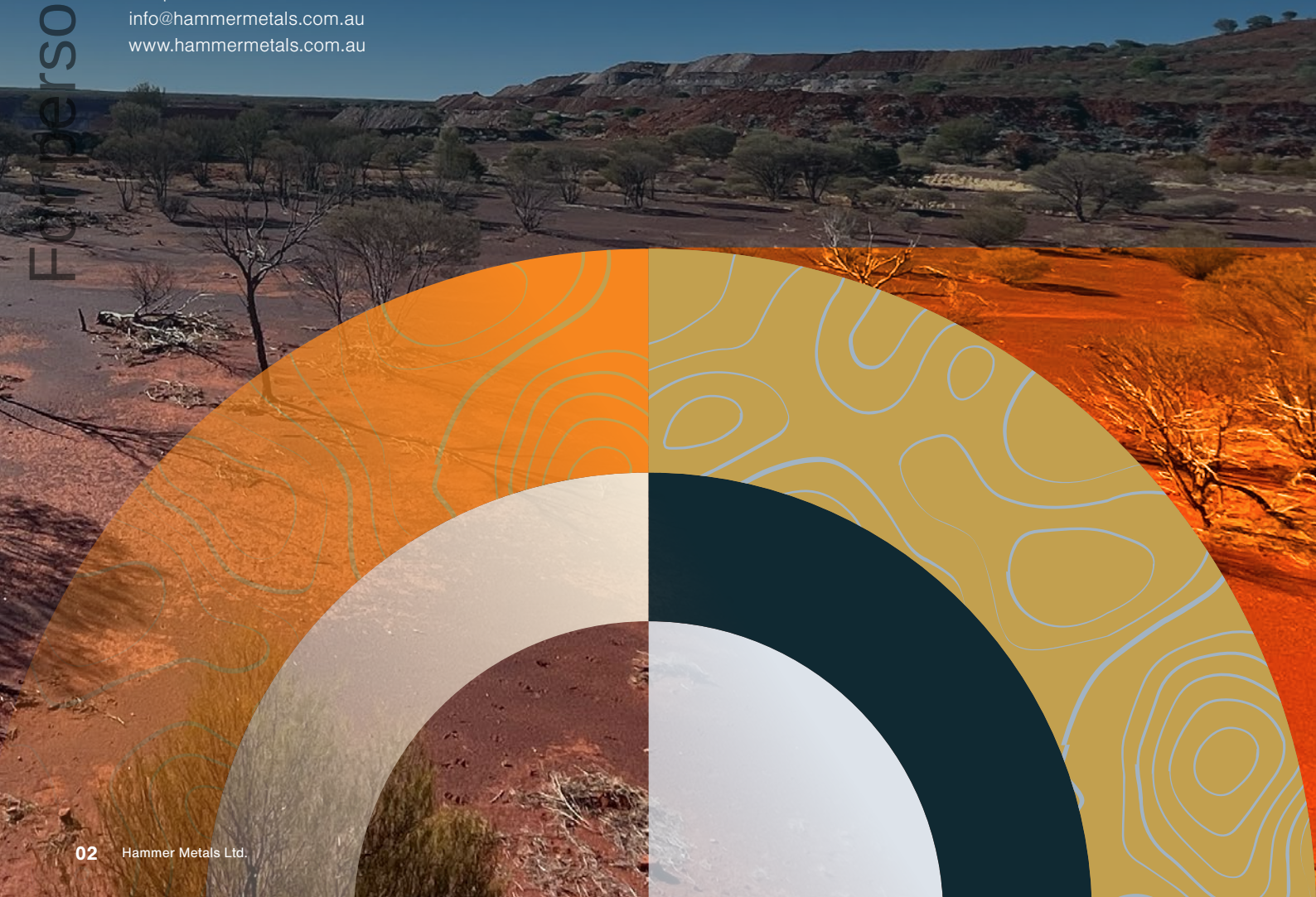
Stock Exchange

ASX Limited
Level 40, Central Park,
152-158 St Georges Terrace
Perth, WA 6000

Corporate Governance

The Company's Corporate Governance Statement can be found at the following URL:
www.hammermetals.com.au/about/corporate-governance

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Chairman's Letter

On behalf of Hammer's Board of Directors, I am pleased to present our 2025 Annual Report.

Dear Fellow Shareholders and Investors,

To new shareholders who have joined us in the last 12 months, welcome. To Hammer's longstanding investors, thank you for your ongoing support and encouragement.

Hammer's Mount Isa Project in NW Queensland and the Yandal Project in WA, were the focus of Hammer's exploration activity this year.

At Mount Isa, Hammer has built up a significant resource inventory through acquisition and discovery totalling **530,000 tonnes of CuEq metal* comprising an estimated 321,000 tonnes of copper, 38,000 tonnes of molybdenum, 343,000 ounces of gold and 84,100 kilograms of rheniumin across six deposits.**

At Yandal, Hammer added its Orelia North gold discovery containing an estimated **54,000 ounces of gold** to its resource inventory.

All the deposits are held 100% by Hammer, except for the Jubilee deposit, where we hold a 51% operating interest.

Of the metals in our inventory, gold is trading at record highs above US$4000/oz. The molybdenum price has been consistently trading above US$20/lb for several years and is currently >US$30/lb. The copper price, although quite volatile this year, is currently trading strongly relative to historical averages at US$5.00/lb.

Within this favourable metal price environment for Hammer's commodities, management is stepping up its efforts to enhance the value and market recognition of Hammer's base metal and gold portfolio and to prudently advance the existing mineral assets along the development pathway.

The ultimate prize for shareholders, however, is for Hammer to make a major mineral discovery, copper or gold, and our exploration team is working tirelessly to this end.



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This past year the exploration team has been transitioning between programs at the Mount Isa and Yandal projects. About 5,700 geochemical samples and 5,900m of drilling have been completed in the past year at Mount Isa, along with ground-based geophysical programs. Several geochemical anomalies and significant copper intersections were identified by this work. 7,500m of RC and diamond drilling was also undertaken at Yandal where a program was recently completed with encouraging results. Dan Thomas, Hammer's Managing Director, will provide a more detailed discussion of the past year's activities in the following pages.

With the assistance of experienced consultants, the exploration team has undertaken comprehensive data reviews, followed by targeting exercises for both the Mount Isa and Yandal projects. Several strong previously untested targets were identified for follow-up at both projects. As part of this process, gaps in our data collection were identified and action plans initiated to rectify these gaps.

In addition the Hammer team continues to actively generate new targets and peg prospective tenements that complement our existing tenure. New tenements were pegged abutting the existing Yandal tenement position, including along strike of North Orelia deposit, as well as tenements pegged to the north of Northern Star's Thunderbox gold deposit. New tenement applications have also secured untested geophysical features considered prospective for IOCG mineralisation in covered areas of the Mount Isa district.

We welcome the valuable support of our Isa joint venture partners, including Sumitomo Metal Mining Oceana (SMMO) and South 32.

SMMO recently funded the drilling of the first four diamond holes at our Bullrush IOCG target. Results were sufficiently encouraging for SMMO to return for another round of diamond drilling, planned before year's end. South 32 also has plans to conduct an initial drill test of a geophysical and base metal target located south of Mount Isa along the Isa Fault before the end of the year.

Hammer has a strong pipeline of gold and base metal targets lined up for the remainder of 2025 and 2026, both in our 100% owned tenure and with our JV partners. Whilst a major exploration success is our primary goal, the Board remains open to exploring other corporate opportunities and strategies that we consider will add value for Hammer's shareholders.

In conclusion I wish to thank Dan, the geological and field teams and the Company's consultants for their diligent and enthusiastic efforts over the past year.

Sincerely,



Russell Davis
Chairman

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Corporate Strategy

Position the company for discovery, through innovative and focused exploration for large copper-gold and gold deposits in two of the world's great metal provinces.

- Grow the Company's defined JORC resources to progress to a viable mining development scenario in Mount Isa.
- Work to consolidate and improve the quality of the Company's tenement positions.
- Operate safely and effectively.
- Deliver positive financial returns to shareholders.

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Highlights

- Maiden JORC Inferred Mineral Resource Estimate (MRE) declared at Orelia North at 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).
- Average gold recoveries of 94% (range 90% to 96%) achieved during initial metallurgical test work completed on the North Orelia gold deposit.
- Completed over 13km of drilling in 277 drillholes across nine different targets.
- Secured an option to purchase an 80% interest in the granted Lady Jenny Copper Mining Leases.
- Expanded exploration footprint at minimal cost with new tenure secured at Hammer's Mount Isa Copper/Gold and Yandal Gold projects with new tenement applications at:
  - Dipvale (EPM 29066) – additional tenure near the Duglald River lead-zinc deposit. This addition complements Hammer's existing tenure and IOCG targets at Moonlight and GEM.
  - Fort William – under-explored tenure near Boulia (North West Qld) containing an untested magnetic anomaly.
  - Yandal Gold Project Expansion: Five new 100%-owned exploration license applications increasing Hammer's footprint by 420km^2 to 710km^2.
- Successful establishment of the exploration Joint Venture with Sumitomo Metal Mining Oceania at the Bullrush area. The JV completed its first drilling program identifying a potential IOCG alteration system with follow up drilling imminent.
- Establishment of JV with Carnaby Resources (HMX: 49%) and subsequent exploration at the Mount Hope Sub-blocks.
  - Carnaby Resources can earn up to a 70% interest in the sub-blocks, with a further consideration of up to an additional $11 million.
  - Hammer retains a residual 30 % interest in the project and will be free-carried by Carnaby to production from the three Sub-Blocks.
- Successful advancement of the Isa Valley Joint Venture with South32 to an upcoming drill test of a target on the Mount Isa Fault being considered highly prospective for Mount Isa-style sediment-hosted lead-zinc-copper mineralisation.
- Completion of broad scale geophysical programs including ground, downhole and airborne EM surveys, and detailed gravity surveys generating sizeable highly prospective copper/gold targets and multiple EM conductors over portions of the Greater Mascotte region.
- Significant new geochemical surveys identify broad scale copper gold anomalies at Tourist Zone, Sisters and Kalman surrounds.
- Successful external funding of $1.3million through the Research and Development Tax Incentive and Queensland Department of Resources Collaborative Exploration Incentive (CEI) program.



Corporate Activity

The Company's corporate activities are focussed on enhancing the capacity of our exploration team to make discoveries through adequate funding, as well as securing tenements or projects that improve the quality and potential of the Company's exploration portfolio.

On the funding front, the Company did not raise capital in the FY25 period. The transaction with Carnaby Resources has provided Hammer with the requisite funding for the programs completed in FY25 and our planned activities into the future.

Aiding funding during the year, a Research and Development tax refund of $1.0 million was received in April with the Company also being the recipient of a Queensland Government Collaborative Exploration Incentive grant of $300,000.

Subsequent to the end of the financial year, Hammer has sold ~6.37m Carnaby Resources Limited (ASX:CNB) shares to raise approximately $1.9m. Through historical transactions, the company holds investments in four junior exploration companies with a current valuation of ~$1.3million.

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OPERATIONS SUMMARY

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Yandal Projects (WA)

Hammer holds a 100% interest in approximately 760km² of tenements, located within the Yandal greenstone belt in Western Australia. Hammer successfully increased its exploration footprint during the year and remains keen to further increase our exposure to gold exploration opportunities.

The North Orelia gold resource defined in July 2024 remains open at depth and offers excellent exploration prospects across the 2km strike length of gold anomalism. Additional drilling completed during the year focussed on grass roots prospects at Sword and Harrier with our most recent program focussed on a high-grade gold target at Bronzewing South.

Hammer completed a comprehensive exploration and geological review of its Yandal Gold Project in WA which resulted in the definition of several new drilling targets at Bronzewing South and Ken's Bore. The targets centre on the historical Bronzewing South tenement, which remains under-explored given its proximity to the 3Moz Bronzewing orebody, owned by Northern Star Resources (ASX: NST).



Hammer's tenure immediately south of the Bronzewing Discovery Gold Pit.

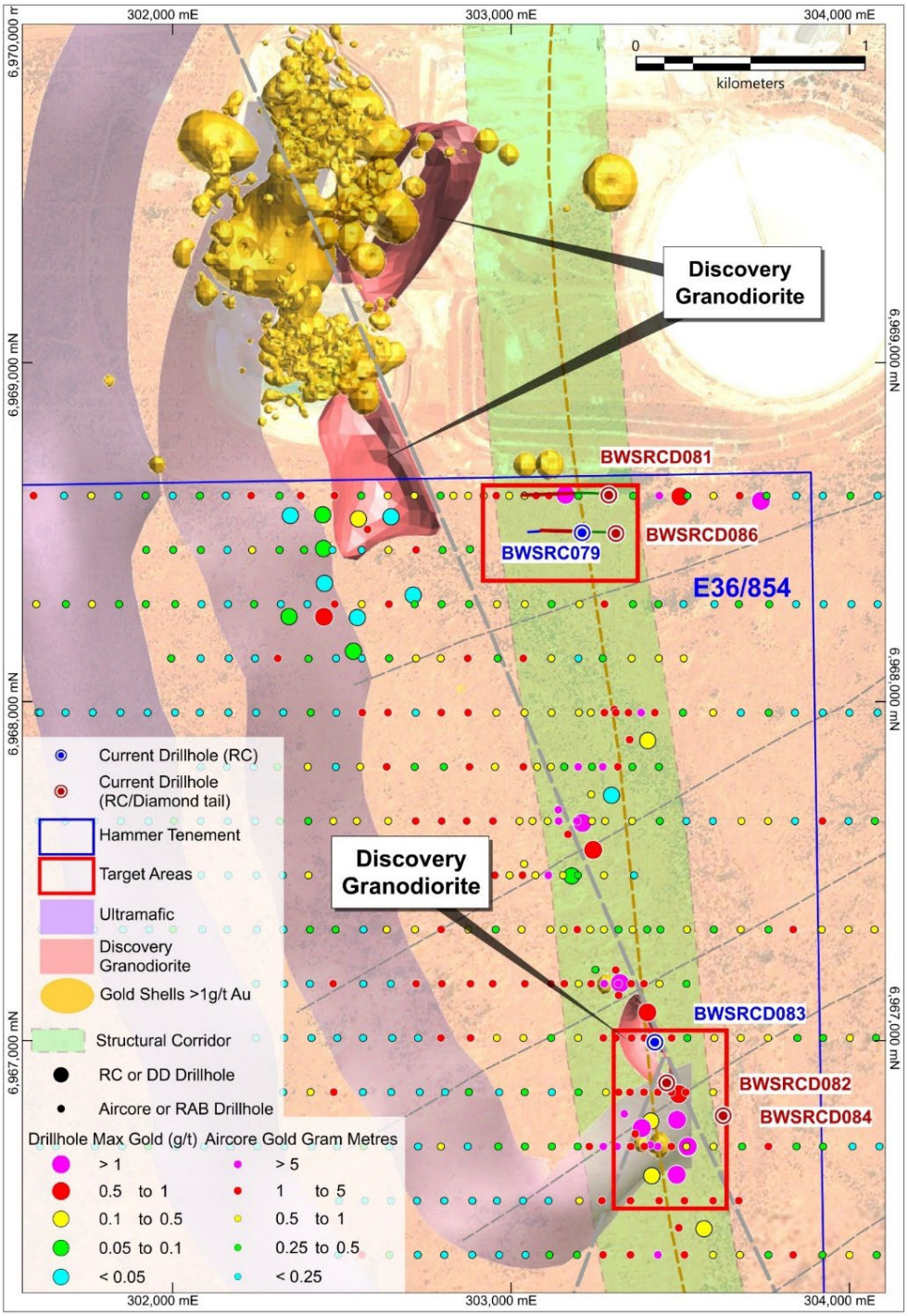
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Bronzewing South Tenement (E36/854)

Three target areas were identified during Hammer's review of the Bronzewing South project with two of these targets being tested in a combined reverse circulation and diamond drilling program through August and September 2025.

The lack of effective drilling on Hammer's tenure, combined with a zone of high-grade gold at depth and a neighbouring 3Moz gold ore body, provides an enticing exploration prospect. Drilling has provided suitable encouragement for the potential of the tenement to host a significant high grade gold target with follow up drilling scheduled for later this year.

Drill results indicate the inadequacy of historical air-core drill testing, with a significant search space now open on the boundary with the historical Bronzewing Mining Lease. (See Hammer Metals ASX announcement dated 15 September 2025).



Plan view showing Eastern and Central Targets and their proximity to the Bronzewing anticlinal axis (Yellow dash) and the Eastern Sheer Zone (Grey Dashes). Historical air core coverage and anomalies.

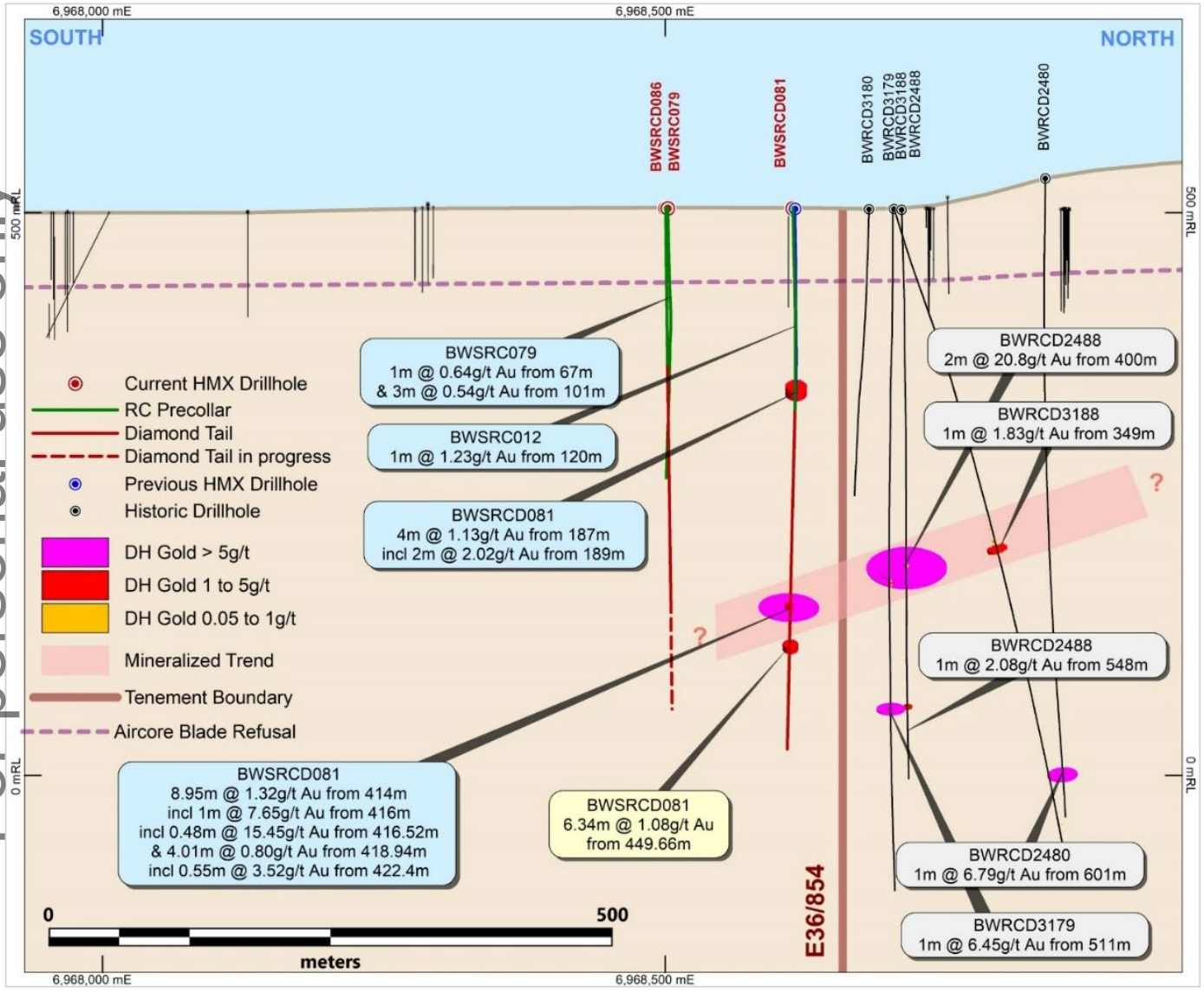
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The Eastern Boundary Target is adjacent to the Bronzewing Mining tenement with a zone of high-grade gold mineralisation initially intersected at depth on the Bronzewing Mining Lease (2m at 20.8g/t Au in BWRCD2488) by Great Central Mines NL ("GCM") in 1995[1]. This initial intercept is located less than 40m from the Mining Lease boundary.

The southern continuation of these zones of mineralisation had not been effectively tested by drilling within Hammer's Exploration Licence. Hammer's initial drilling at this target yielded three zones of gold mineralisation in BWSRCD081including:

- 4m at 1.13g/t Au from 187m, including 2m at 2.02g/t Au from 189m;
- 8.95m at 1.32g/t Au from 414m including 0.48m at 15.45g/t Au from 416.52m; and 0.55m @ 3.52g/t Au from 422.4m; and
- 6.34m at 1.08g/t Au from 449.66m.

Assays are awaited for a follow-up drill hole located a further 100m south of BWSRCD081.



Long section view looking west showing HMX drilling of the Eastern Target, new data in yellow callout, in relation to previous drilling conducted by Great Central Mines NL, Newmont Yandal Operations Limited and Hammer Metals Limited (See Hammer Metals ASX announcement dated 15 September 2025).

The team is encouraged by the observations in recent drilling at the Central Target and the potential for this corridor to be connected to the Eastern Target drilling some 1.7km to the north. This corridor is largely untested below the ineffectual air-core drilling and, with a prominent shear zone interpreted to connect these targets, it is of high interest to the team in our search for a significant gold discovery.

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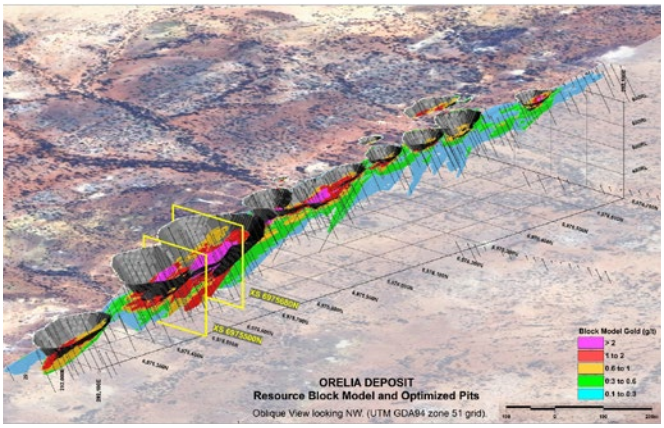


Photo of massive quartz carbonate veining intersected in drill-hole BWSRCD082 diamond tail at Hammer's Central Target Zone (213m to 221.5m).

Orelia North Gold Deposit

Hammer released a maiden Mineral Resource Estimate (MRE) for the Orelia North gold deposit, located approximately 68km north-east of Leinster in the Yandal Greenstone Belt in Western Australia (see ASX Announcement 24 July 2024).

The Orelia North project was estimated to contain **1.48Mt grading 1.15g/t Au for 54.5koz of contained gold (0.5g/t Au cut-off)**. The Orelia North deposit is located approximately 9.5km to the north of the Orelia gold operation operated by Northern Star Resources Limited (ASX: NST) and ~12.5km north-west of NST's Bronzewing Gold Operations.

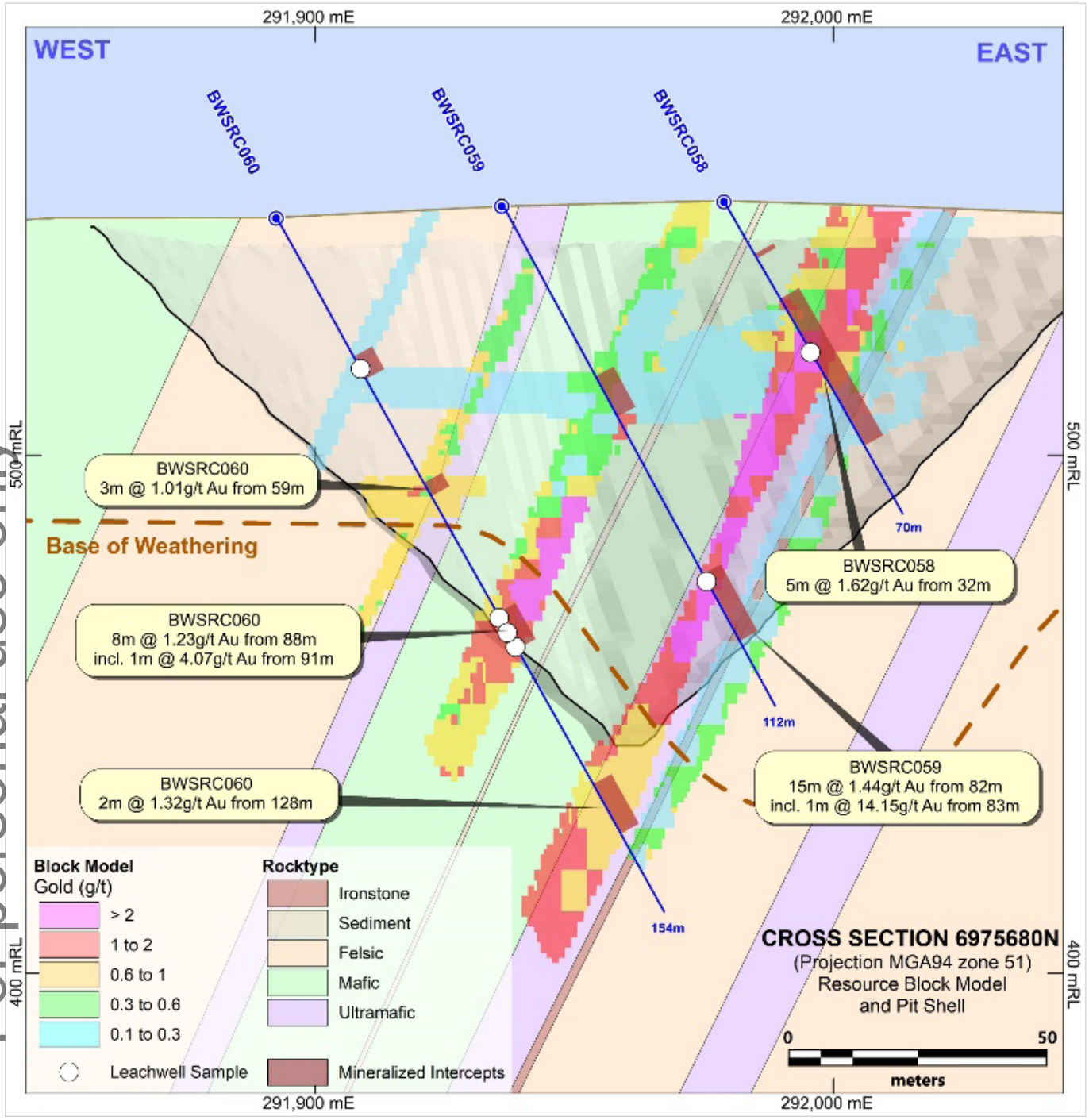


Oblique view looking northwest showing drilling and block model with optimised pit.

Preliminary metallurgical testwork results were reported, with testwork being conducted by ALS in Perth on 11 samples taken from mineralised intervals. 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 LeachWELLTM 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.

High recoveries and low tail grades are encouraging and indicate that Orelia North ore will respond well during cyanide hydrometallurgical processing (see ASX Announcement 21 October 2024).



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

Orelia North Deposit - Inferred Mineral Resource Estimate by Weathering Domain (Au 0.5g/t Cut-off) - July 2024

Domain	Mt	Au (g/t)	Au (koz)
Oxide	0.03	0.80	0.7
Transition	1.35	1.11	48.3
Fresh	0.10	1.74	5.5
Total	**1.48**	**1.15**	**54.5**

Note rounding of total tonnage and metal content.

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Additional Yandal Targets (Sword and Harrier)

The Company completed an air-core drilling program targeting gold geochemical anomalism over the Sword and Harrier prospects. The program consisted of 151 holes for 7,561m with 46 holes for 2,234 metres completed at Sword and 105 holes for 5,327 metres at Harrier (see ASX Announcement 1 October 2025).

Significant quartz veining and molybdenum anomalism was encountered in holes located close to the Julius granodiorite contact with the western mafic and ultramafic package.

The Harrier tenements are located 1km to the east of Hammer's Bronzewing South tenement and on the eastern limb of the Bronzewing anticline, within 3km of the historic Bronzewing Gold Mine.

Two holes on the northernmost fence intersected granodiorite with geochemistry analogous to the Discovery Granodiorite, which is located on the eastern margin of the Bronzewing Gold Deposit.

Significant intercepts from this drilling include:

- 1m at 0.84g/t Au from 31m within an outer envelope of 32m at 0.07g/t Au from 16m in BWSAC0942; and
- 1m at 0.66g/t Au from 25m with an outer envelope of 49m at 0.07g/t Au from 25m in BWSAC0937.

Gold mineralisation is associated with quartz veining within mafic lithologies. A source for the observed historical surface nuggets remains unexplained.

New Tenure

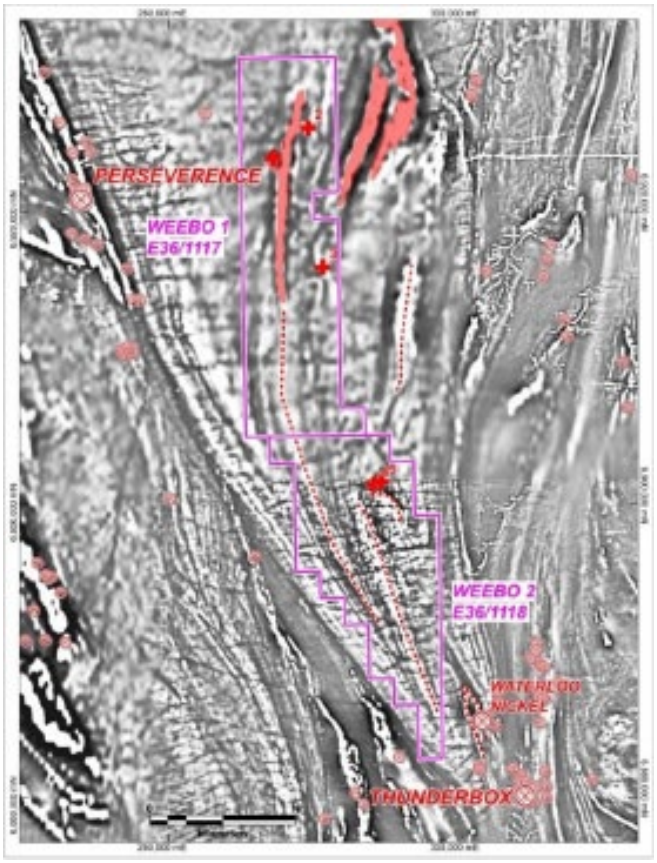
Over the year, Hammer lodged five new Exploration License applications covering a total area of approximately 420km² in three distinct regions between the Northern Star's Thunderbox and Julius gold deposits, expanding its strategic footprint in this world-class gold district.

Weebo 1 and 2(E36/1117 & E36/1118) application area

Two new applications have been made covering a poorly tested greenstone belt located between the Yandal and Agnew-Wiluna Greenstone Belts. The Weebo 1 and 2 applications (~310km²) lie <10km north of Thunderbox:

- No gold-focused exploration has been completed on the property despite its location within a highly fertile gold corridor and less than 50km from Tier-1 gold deposits.
- Historically, the ground has been held by BHP Mining which conducted a predominantly nickel-focused exploration program.
- Historical drilling confirmed the presence of mafic/ greenstone rocks in an area previously thought to be only granite.

The applications encompass more than 50km of prospective stratigraphy with sparse historical drilling conducted. Hammer intends to finalise a comprehensive historical data compilation with a view to better targeting initial drill traverses once the tenement has been granted.



Thunderbox Region showing the location of the Weebo 1 and 2 Applications with potential targets and target trends.

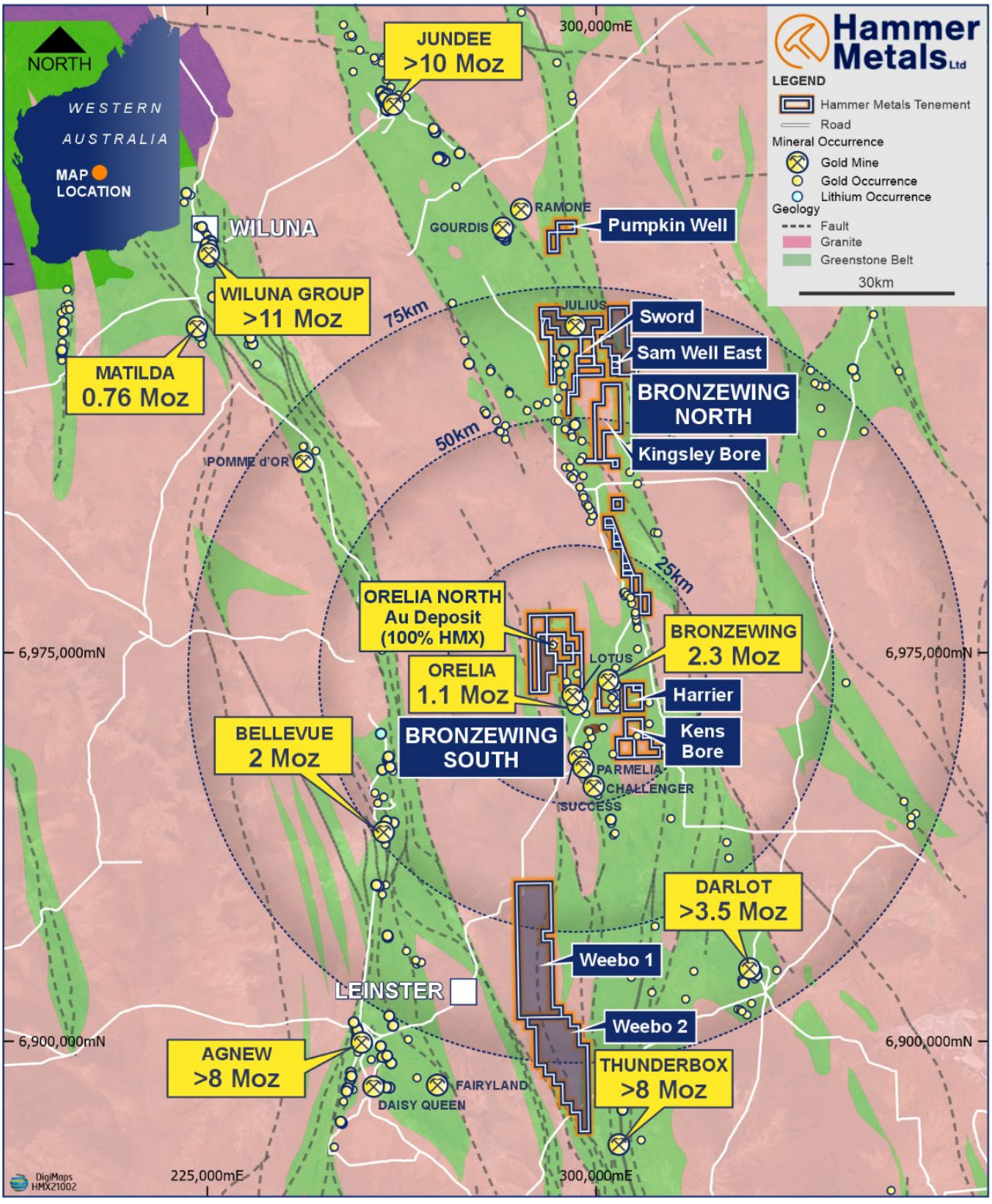
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Julius (E53/2375) and Tiberius (E53/2359) Applications

Julius covers portions of the Julius monzogranite margin near the Trajan prospect. In addition, the application covers portions of the prospective Overlord Thrust, which has been drill tested by Hammer at the Sword prospect. Tiberius covers extensions of mafic units which are known to be mineralised at Tiberius and Sam Well East. Field reviews are planned for an anomalous magnetic low located in the northern portion of the tenement.

Orelia Extended Application (E36/1108)

The Orelia Extended Application covers the stratigraphic position of the Orelia North Gold Deposit delineated by Hammer in 2024. Further drill testing is planned along the prospective corridor.



Hammer Metals Yandal Project tenements including the Julius, Tiberius, Orelia Extended and Weebo application areas.

Mount Isa Project (QLD)

The Company is an active mineral explorer in the Mount Isa region, focused on discovering large copper-gold deposits of the Ernest Henry and Mount Isa styles and has a range of prospective targets at various stages of testing.

Through its wholly owned subsidiaries, the Company holds a strategic tenement position covering over 3,600km^2 with 100% interests in the Kalman (Cu-Au-Mo-Re) deposit, the Overlander North and Overlander South (Cu-Co) deposits, the Elaine-Dorothy (Cu-Au) deposit, the Lakeview (Cu-Au) deposit and a 51% interest in the Jubilee (Cu-Au) deposit. The ground position is focused on major regional-scale structural zones and extends for over 160km from Dugald River in the north to the Tick Hill gold area in the south.

With joint ventures in place with several major mining companies, Hammer's pursuit of a significant tier 1 mineral discovery remains a key focus for the company in this prolific base metal province. Joint Ventures with Sumitomo Metal Mining Oceania at Bullrush and South32 at Isa Valley were both initiated during the year and have progressed to the next stages of their respective earn-ins.

Our partial divestment of sub-blocks at Mount Hope saw Carnaby Resources pick up exploration activities at this project with a solid pathway to enable a future development of the Mount Hope projects. Hammer remains a 49% holder of these sub blocks with future payments of up to $11million due as this project progresses.

The company continued to progressively test new targets at Tourist Zone South, Lex, Mascotte and Kalman South East. Continuation of extensive soil geochemical surveys has delineated new copper gold targets through the region with a new regional geological prospectivity model currently being developed which will in turn lead to quality new targets in the project.

Kalman

Hammer's Kalman project is one of Australia's largest and highest-grade deposits of both molybdenum and rhenium. The Kalman deposit contains 38,000t of molybdenum, 84,100 kg of rhenium 208,400t of copper, 343,200 oz of gold and 1.92m oz of silver (see ASX Announcement 8 May 2023).



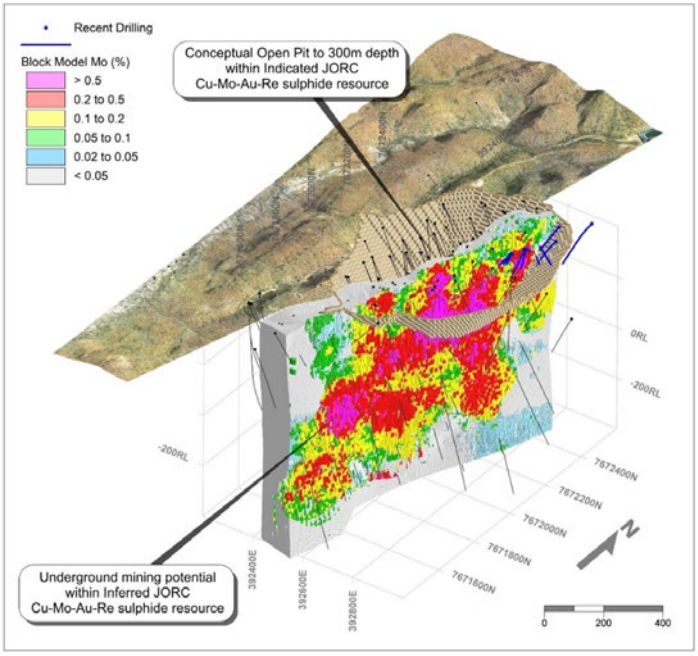
Kalman structure looking south.

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The 100%-owned Kalman deposit, located 50km south-east of Mt Isa and 25km south of the Barkly Highway, is one of the few polymetallic deposits in Queensland to contain significant molybdenum and rhenium in addition to copper and gold. With open pit and underground mining potential, the deposit remains open at depth and along strike.

As one of the world's highest grade undeveloped molybdenum projects, Kalman stands ready to benefit from an increasingly strategic metal with a wide range of applications in the world's move to cleaner and greener sources of energy. Current spot prices for molybdenum remain strong with molybdenum prices now comfortably exceeding US$50,000/tonne during the financial year.

One drill-hole was completed to test a molybdenum and copper anomaly in soils along the Pilgrim Fault approximately 1km south east of Kalman. A broad zone of low-grade copper and molybdenum anomalism averaging 350ppm Cu and 7.7 ppm Mo was intersected from surface to 65m, including 1 metre at 0.11% Cu and 19ppm Mo from 60m. Peak values in molybdenum were associated with a broad zone of manganese anomalism intersected from 177m, averaging 1.5% Mn, 25ppm Mo (max 37ppm) and 0.2% Ba over a 36m interval (see ASX Announcement 20 February 2025).



Kalman oblique view looking northwest showing Molybdenum % blocks (see ASX Announcement 8 May 2023).



Kalman South-east looking south across the molybdenum soil anomaly co-located with a series of silicified shear zones.

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Tourist Zone

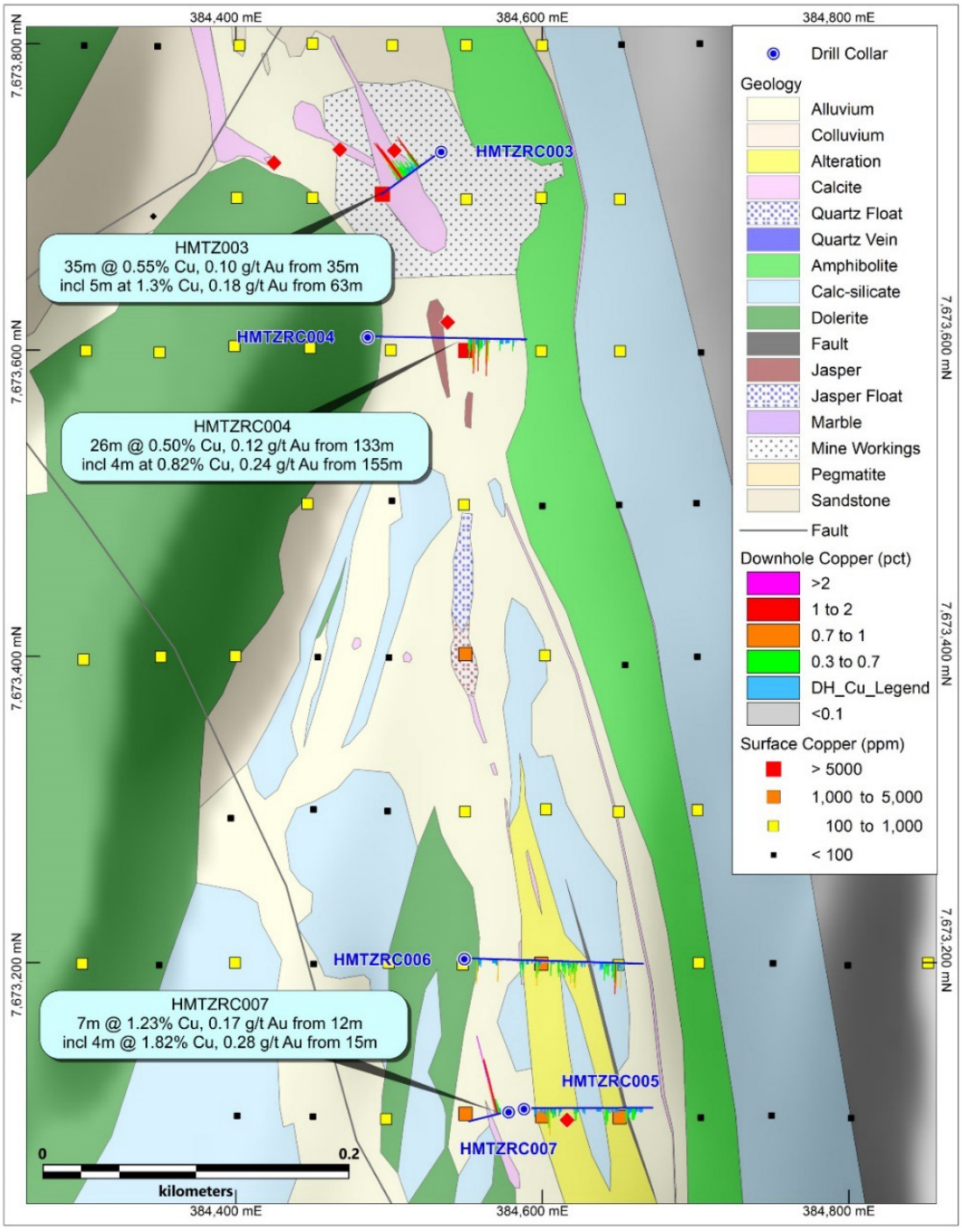
The Tourist Zone is located 8.5km west of the Kalman Deposit. The shear zone style of mineralisation observed appears to be similar to Aeris Resources' Barbara and Mt Colin Deposits.

The proximity of this prospect to Kalman makes any mineralisation delineated at the Tourist Zone particularly attractive (see ASX Announcement 17 June 2025).

Hammer's drilling program at Tourist Zone targeted a >1km strike length of anomalous copper and gold-in-soils, with all five RC holes all intersecting copper and gold mineralisation.

Significant intercepts at the project included:

- 35m @ 0.55% Cu and 0.10g/t Au from 35m in HMTZRC003;
- 26m @ 0.50% Cu and 0.12g/t Au from 133m in HMTZRC004 ; and
- 7m @ 1.23% Cu and 0.17g/t Au from 12m, in HMTZRC007.



Tourist Zone showing soil responses for copper and current drilling results (see ASX Announcement 26 August 2024 and 17 June 2025).

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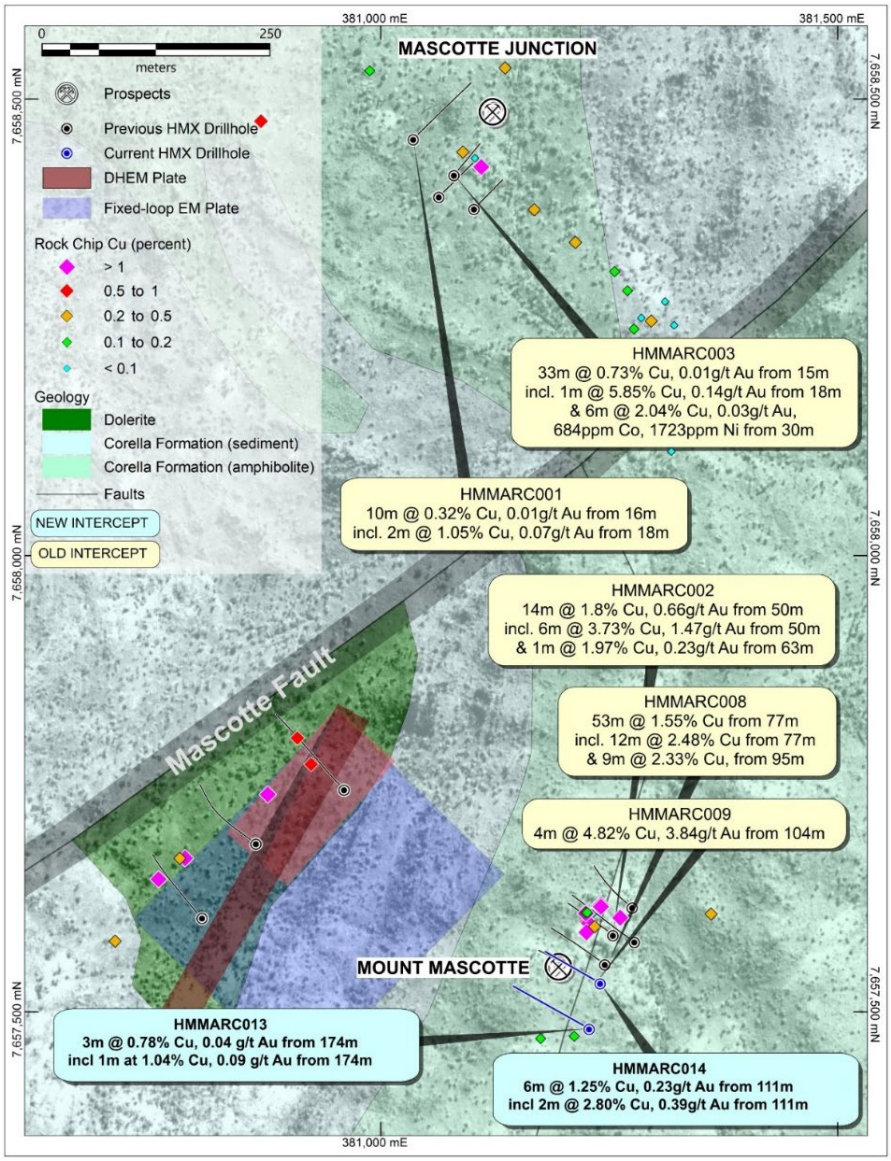
Mascotte Region and Revenue Trend (100% HMX)

Hammer's early-stage drilling at the historical early 1900's copper prospect delivered good intervals of copper mineralisation over a constrained strike length.

Follow up drilling in FY25 saw two RC holes testing for down-plunge and down-dip extensions of previously intersected high-grade copper-gold mineralisation. HMMARC014 targeted the down-dip extension of the high-grade intercept in HMMARC009 and intersected a broader but lower-grade mineralised zone 6m @ 1.25% Cu and 0.23g/t Au from 111m, including:2m @ 2.80% Cu and 0.39g/t Au from 111m.

A second, deeper mineralised zone was also intersected: 7m @ 0.74% Cu and 0.13g/t Au from 129m, including 1m @ 1.72% Cu and 0.24g/t Au from 131m (see ASX Announcement 17 June 2025). Overall, the results indicate that mineralisation at Mt Mascotte is poddy and discontinuous, with substantial grade variability within the vein-hosted system. The down-dip potential of the system will be considered for future testing.

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Mt Mascotte plan with new drilling testing a south-west plunge of the mineralisation.

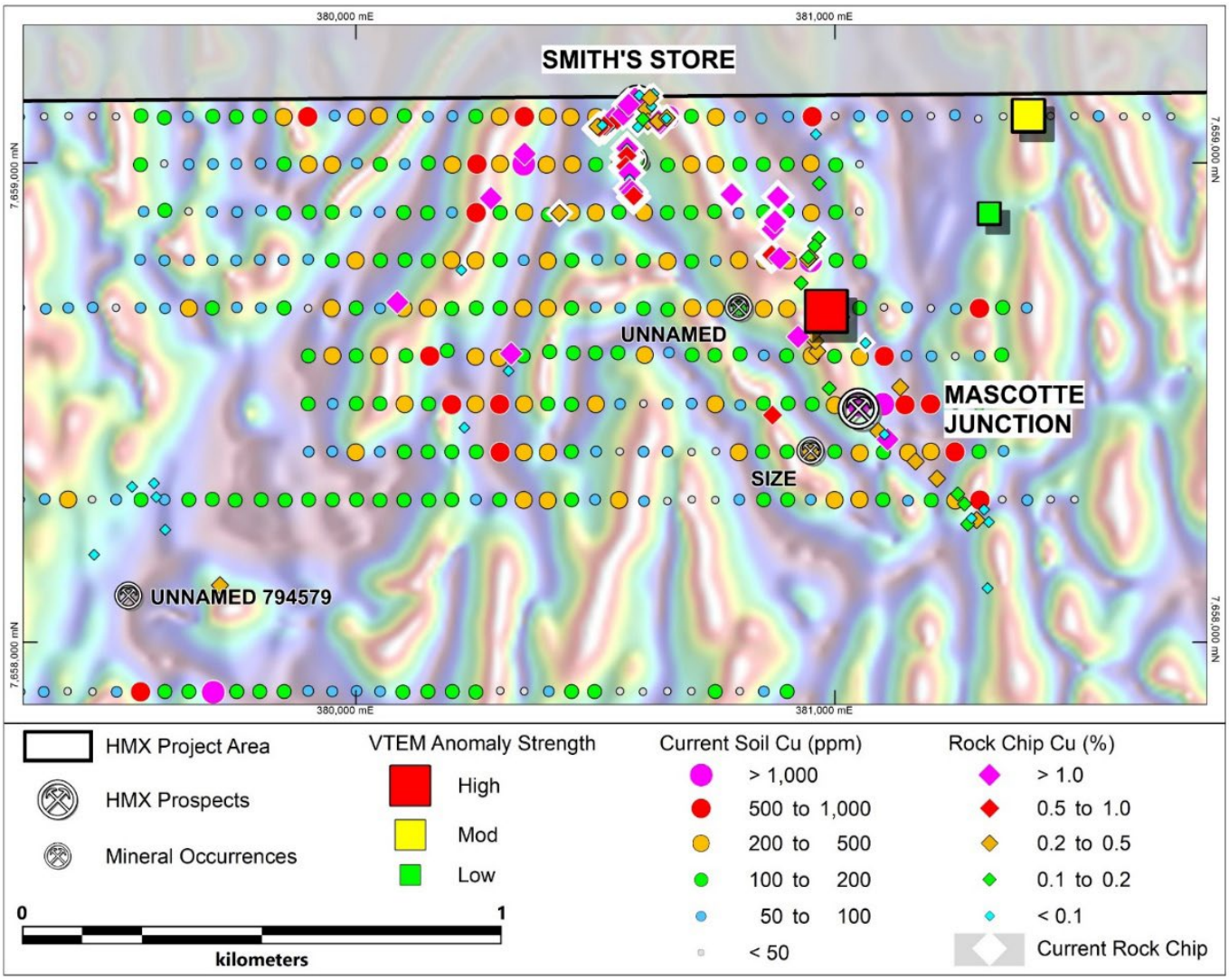
A VTEM survey was conducted in cooperation with Carnaby Resources Limited over a portion of the greater Mascotte and Revenue regions. Hammer Metals' portion of the survey was approximately 90-line kilometres in 30 flight lines (see ASX Announcement 3 October 2024).

Two high-priority and seven moderate priority conductivity anomalies were observed. Following on ground inspection of these anomalies, the highest priority target was further refined by ground EM survey which denoted (a 2,000 Siemens Fixed-Loop Electromagnetic (FLEM) conductor. The Lex target was tested with drilling intersecting a zone containing up to 12% pyrrhotite and minor chalcopyrite (<2%) at the modelled target depth of approximately 54m.

The hole (HMRVRC001) returned an intercept of 3m @ 0.49% Cu from 54m, including 1m @ 0.69% Cu and 0.04g/t Au from 56m (see ASX Announcement 17 June 2025).

Three VTEM lines were flown in the Smith's Store region to examine conductivity responses in light of recent mapping by Hammer Metals. Three VTEM conductors were identified – one high, one moderate and one low priority.

The high-priority conductor is coincident with the magnetic trend between Mascotte Junction and Smith's Store. These targets remain undrilled and will be considered in future exploration drilling programs in the Mount Isa region (see ASX Announcement 3 October 2024).



Smith's Store – Mascotte region showing the location of soil, rock chip sampling and VTEM preliminary conductors. In-fill and extensional soil sampling is currently underway in the region.

New Applications and other sampling programs

Fort William application

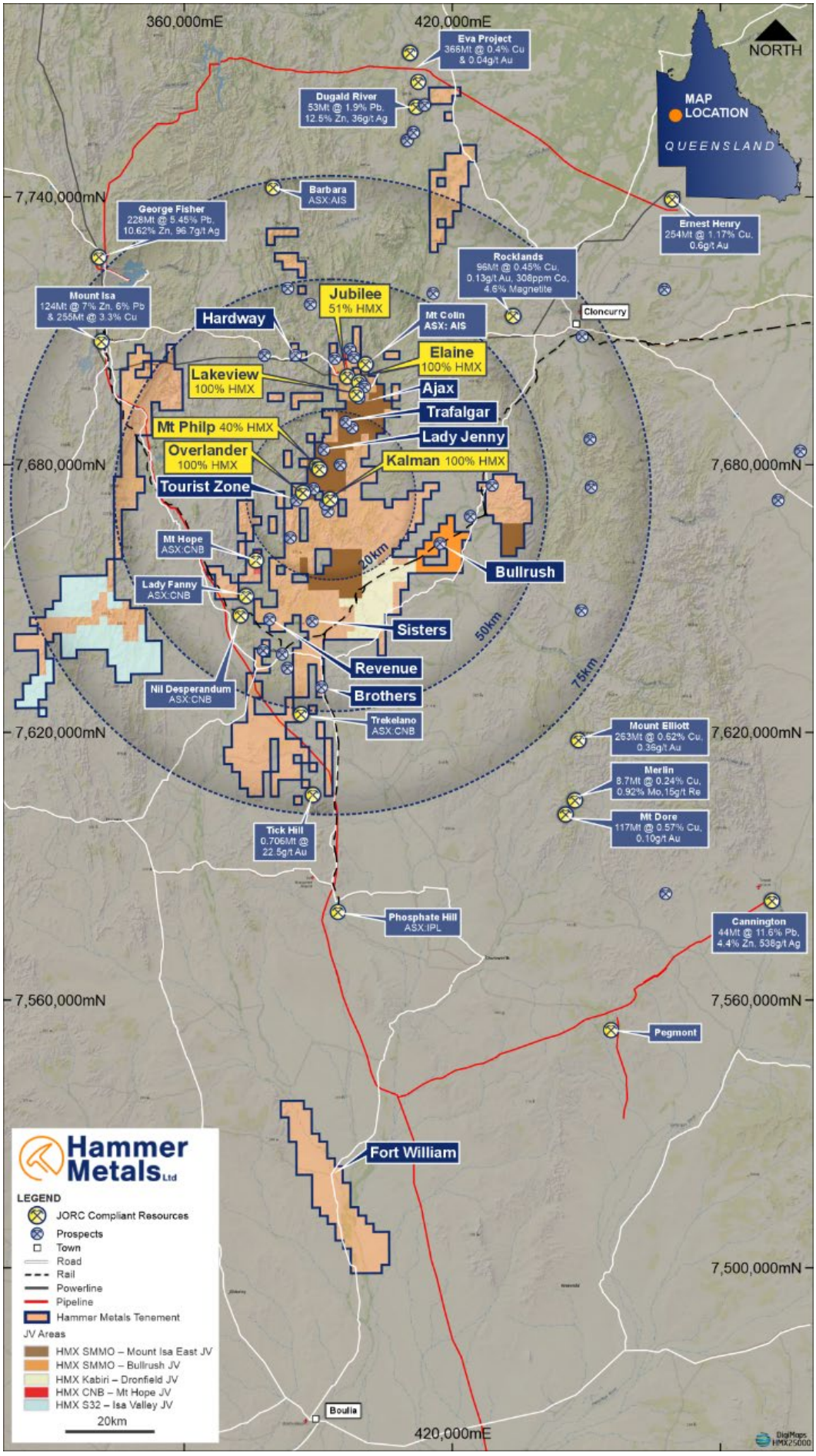
Fort William (EPM 29170) located approximately 65km to the south of the Tick Hill Deposit. This application covers anomalous basement magnetic responses which are interpreted as representing iron rich rocks within the the Mary Kathleen Fold Belt beneath younger basin sedimentary sequences. None of these anomalies have been tested for potential IOCG alteration and mineralisation.

Dipvale

Hammer submitted a new tenement application (EPM 29066) covering a prospective zone between the Pilgrim Fault Zone and the Mount Rosebee shear zone. The application is close to both the Dugald River lead-zinc deposit and the Harmony Gold Eva Project (see ASX announcement 26 August 2024).

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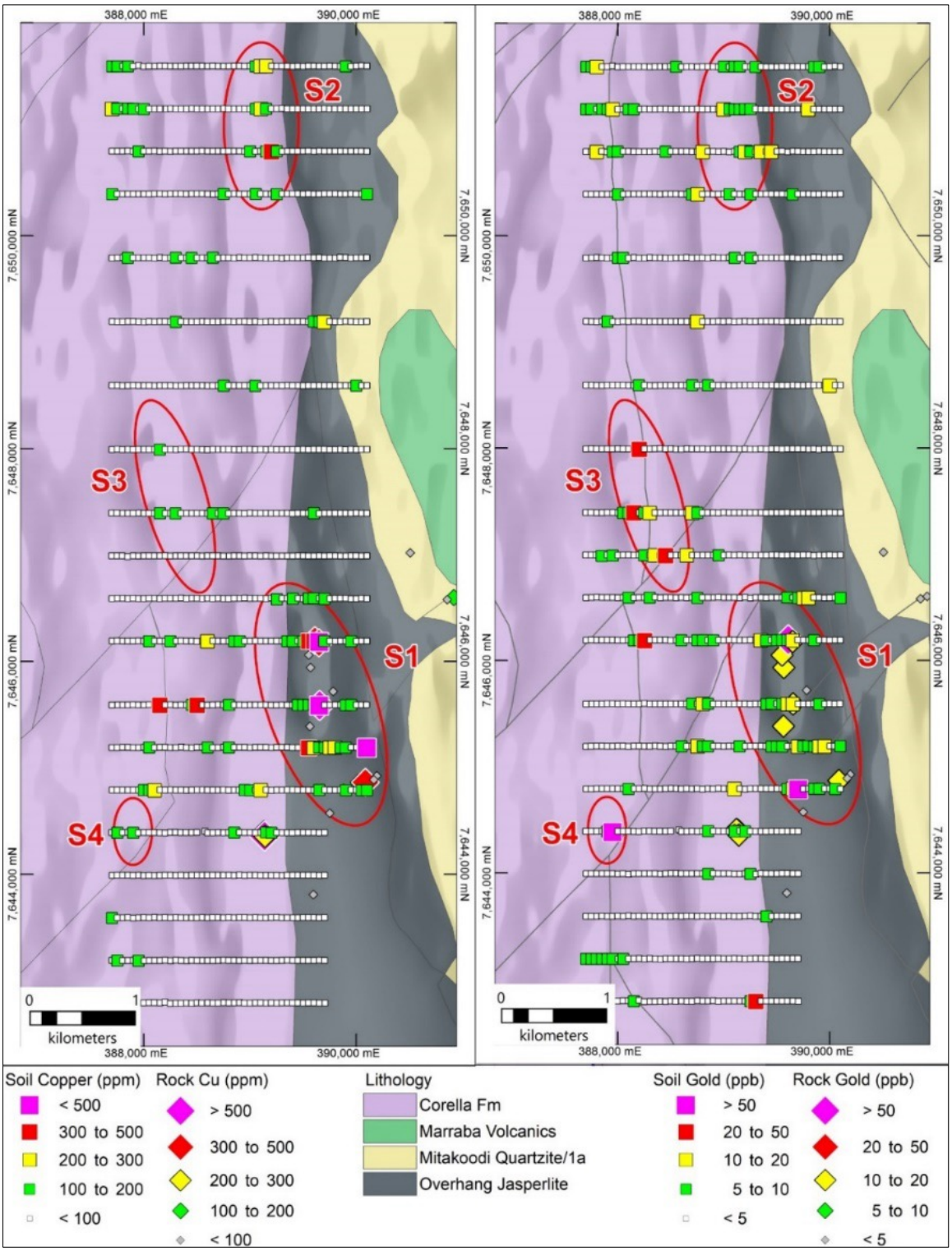
Hammer's Mt Isa Tenements.

Sisters

A soil sampling campaign was completed at the end of 2024 to cover a gap in historical surveys at the southern end of the major Pilgrim Fault, towards the town of Duchess.

The grid of 400 to 600m spaced lines and 50m sample spacing was successful in delineating new anomalies along this major structural corridor. Two coincident copper-gold anomalies occur on either side of the Pilgrim fault and have been investigated with in-fill sampling completed (see ASX Announcement 20 February 2025).

Interestingly, the large gold-only anomaly (S3) in the centre of the grid sits on a second order fault to the west of the Pilgrim Fault in a similar position to the Tick Hill gold deposit (0.7Mt at 22.5g/t Au for 500Koz total gold production). Follow-up mapping and in-fill soil sampling will focus on this corridor's potential for Tick Hill analogues.



Sisters soil sampling program along the Pilgrim fault, showing Cu and Au anomalies.

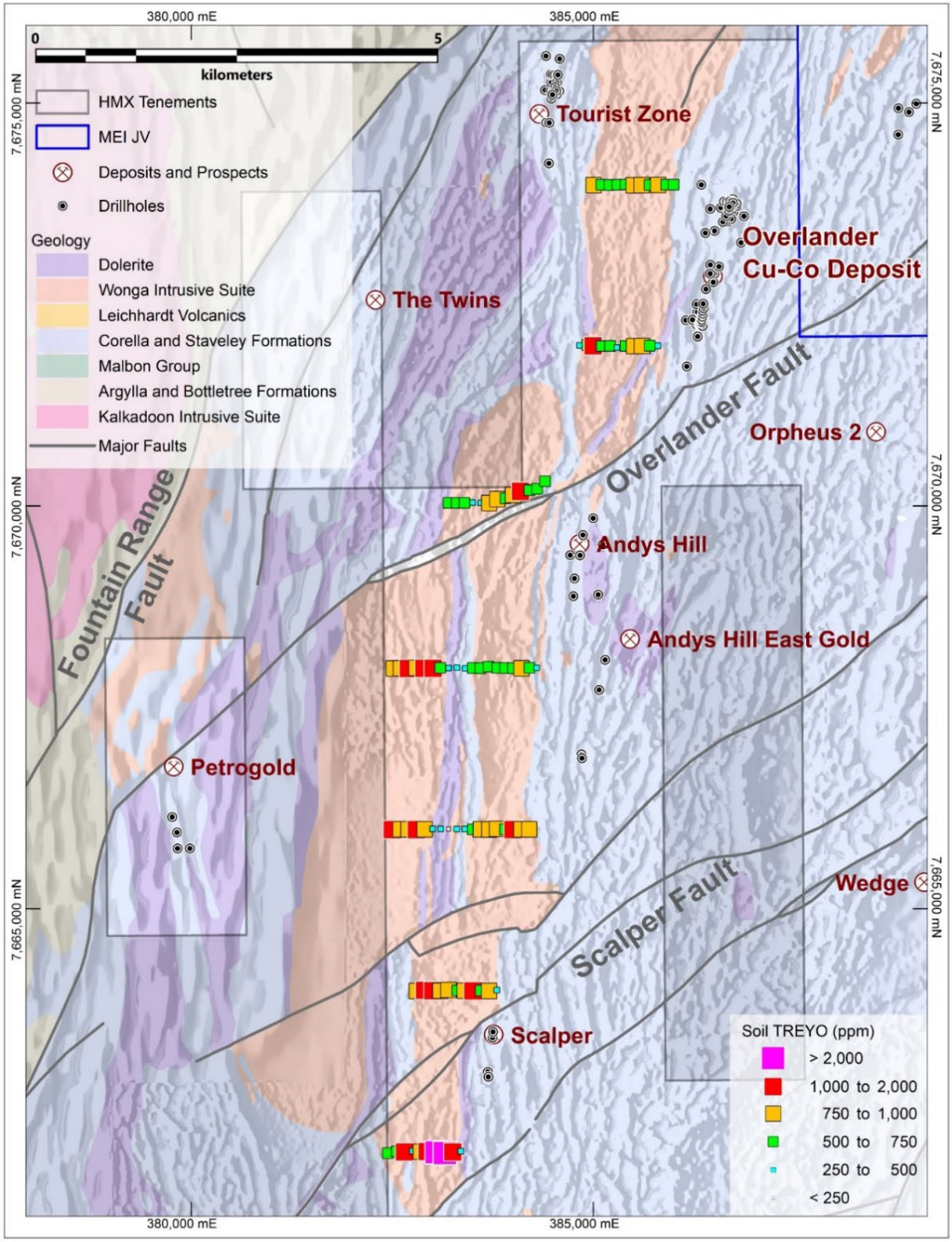
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Overlander Granite - REE

The Overlander Granite (OVG) is an A-type, radiometrically "hot" granite which has a higher rare earth element background than the surrounding metasediments of the Corella Formation.

Eight lines of reconnaissance soils were conducted with a 50m sample spacing. (ASX announcement 26 August 2024). The soils confirmed that the OVG is enriched in rare earth elements. Maximum Total Rare Earth Yttrium Oxide (TREYO) values of >2000ppm in soils were reported with rock chips sampling also indicative maximum value of ~2700ppm TREYO.

Elevated Nd and Pr occur in the western portion of the OVG, with multiple sample anomalies above 200ppm combined Nd and Pr oxide. Zones of elevated Y in soil above 200ppm occur in the eastern portion of the OVG. Rock chip sampling along these soil lines reported results of up to a combined Nd and Pr oxide maximum of 791ppm.



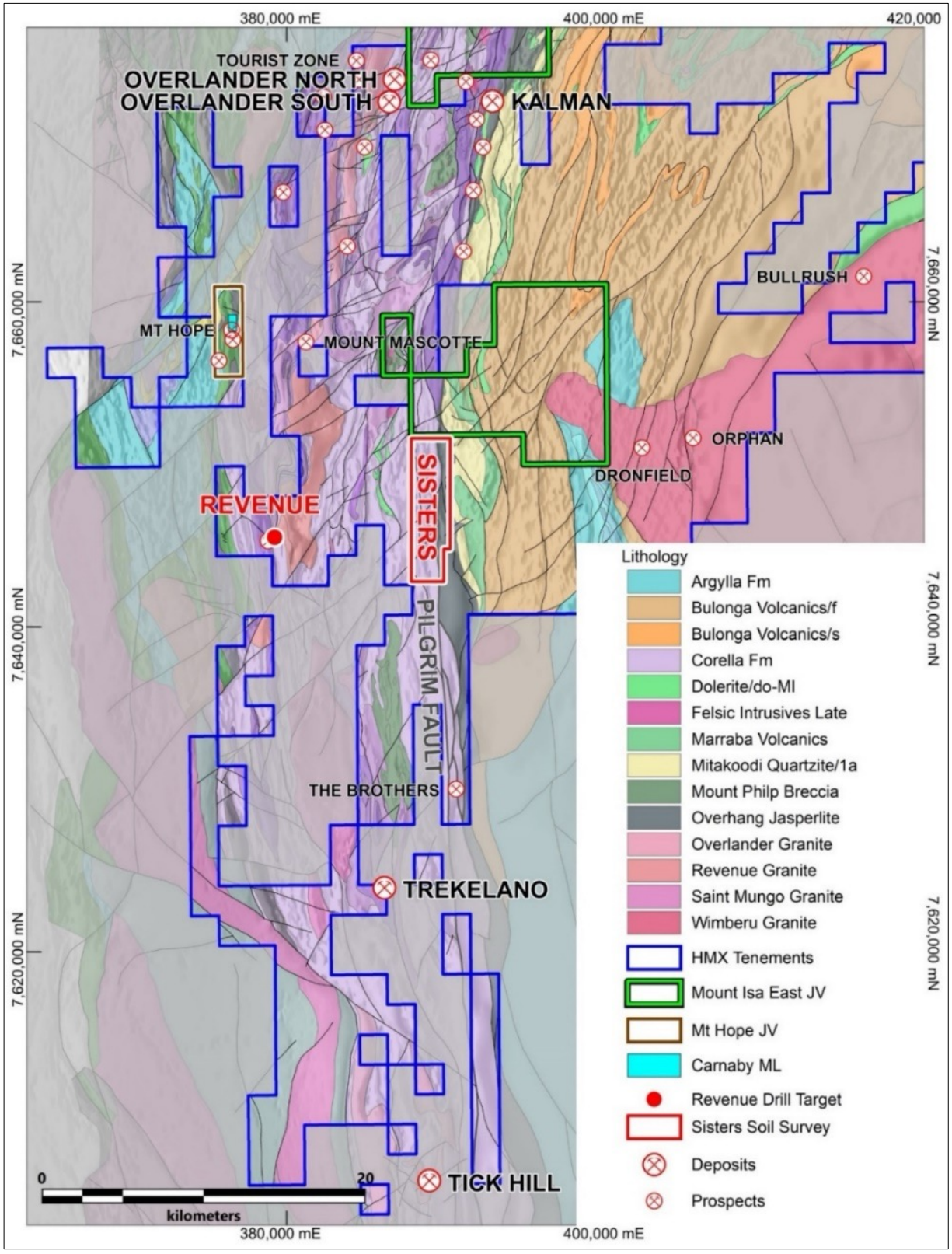
Overlander Granite soil sampling showing TREYO response.

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Other Sampling Programs (100% HMX)

At Overlander North, soil sampling has been conducted on 200m line spacing to the north of the Overlander Cu-Co deposit.

Analyses are underway. Soil sampling continues down the Pilgrim fault to the east of Duchess, with new sampling planned over recently granted EPM 28285. This target is an Overlander system lookalike, located 6km south of the Overlander and 4km east of the Andy's Hill IOCG systems.



Semi-regional map showing the southern part of the Mt Isa project tenure, Revenue and Sisters prospect areas.

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Mount Isa Joint Ventures And Earn-ins (Cu/Au/Pb/Zn/Ag), QLD

Hammer has seven active Joint Ventures in the Mount Isa region, covering 937km² out of its ~3,600km² position in the Mount Isa region.

Hammer has retained a 100% interest in ~2,700km² of tenure and a 100% interest in its JORC compliant Mineral Resources at Kalman, Overlander, Elaine and Lakeview.

Joint Venture	Partner	HMX Interest	Blocks	Area (km²)	Proportion of Tenure
Mount Isa East JV	SMMO	~40%	104	334	9%
Mt Frosty JV	Glencore	51%	9	29	1%
Dronfield JV	Kabiri	80%	49	157	4%
Mt Hope JV	Carnaby	49%	3	10	0%
Isa Valley JV	South32	100%	100	321	9%
Bullrush	SMMO	100%	27	87	2%
Lady Jenny ML (new)	CVCP	0% (Option)	N/A	<1	0%
HMX 100%		**100%**	**583**	**2,715**	**74%**
Total			**875**	**3,652**	**100%**

Table 2: Summary of Hammer Joint Ventures within the Mount Isa Project.

Mount Hope JV with Carnaby Resources (HMX ~49%) Cu-Au

Carnaby Resources (ASX: CNB) progressed exploration activities within the Mount Hope JV sub-blocks during the year.

Drilling results from The Plus, Binna Burra and Mount Hope North prospects were reported to the ASX on 15 October 2024, 6, 20 November 2024 and 14 February 2025.

Results from the regional VTEM survey were reported by Carnaby to the ASX on 27 September 2024 and 21 October with the definition of a strong VTEM conductor 100m south of CNB's Mining Lease boundary, where no drilling is present and a moderate to strong late-time conductor has been recorded over two consecutive 200m spaced VTEM lines immediately north and south of the South Hope Prospect.

Upon a decision to mine at either of Carnaby's Mount Hope Central or Mount Hope North open pits, Carnaby will pay an additional $5 million in cash to Hammer and Carnaby's interest in the Sub-Blocks will increase to 70%.

Profit generated from any ore mined within the Mount Hope Central or Mount Hope North open pits that is derived from within the Sub-Blocks will be shared based on the 70%/30% ownership interests of the parties in the Sub-Blocks pursuant to a standard profit-sharing agreement.

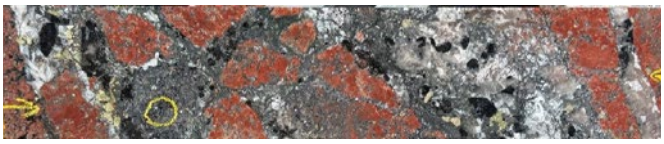
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Bullrush JV with Sumitomo Metal Mining Oceania (SMMO Option to earn up to 60-80%) Cu-Au

The Bullrush Project covers 27 sub-blocks within EPM 25866, located 90km south-east of Mount Isa (see ASX Announcement 27 June 2024).

The Bullrush Project's tenure is located over covered portions of the Wimberu Granite with magnetically active margins of the multi-phase "Williams-age" intrusive complex. The exploration target is granite-hosted IOCG mineralisation. Initial activities concentrated on geophysical methods with a view to refining drill targets for the Joint Venture.

A detailed Audio-frequency Magneto Tellurics (AMT) and Gravity Survey generated targets for the initial drilling program of the Joint Venture. A fully-funded 4-hole, 2,262m drill program testing IOCG targets was completed (see ASX announcement 10 July 2025). Two main intrusive phases were delineated in the drilling, ranging between granite through to monzonite in composition. These intrusives are part of the Williams suite, which both spatially and in time have a close association with IOCG deposits in the region.





HMBDD003, ~331.4m. Vein breccia. Strong red rock altered protolith with carbonate, specular and earthy hematite, biotite, pyrite and chalcopyrite. Down-hole is to the right.



HMBDD003, ~219.6m. Vein breccia in altered granite with earthy hematite after an unknown mineral in clasts. Down-hole is to the right.

While this program has not intersected economic grades of mineralisation, the drilling has proved that IOCG style alteration is present at Bullrush. The goal for the joint venture now is to follow these structural trends into areas where breccia textures and sulphide tenor is better developed. The observation of magnetite destruction and haematite alteration accompanying copper mineralisation should provide a useful vector for future exploration of this system. An infill gravity survey has been completed and a follow up drilling program at Bullrush is scheduled to commence in the coming week.



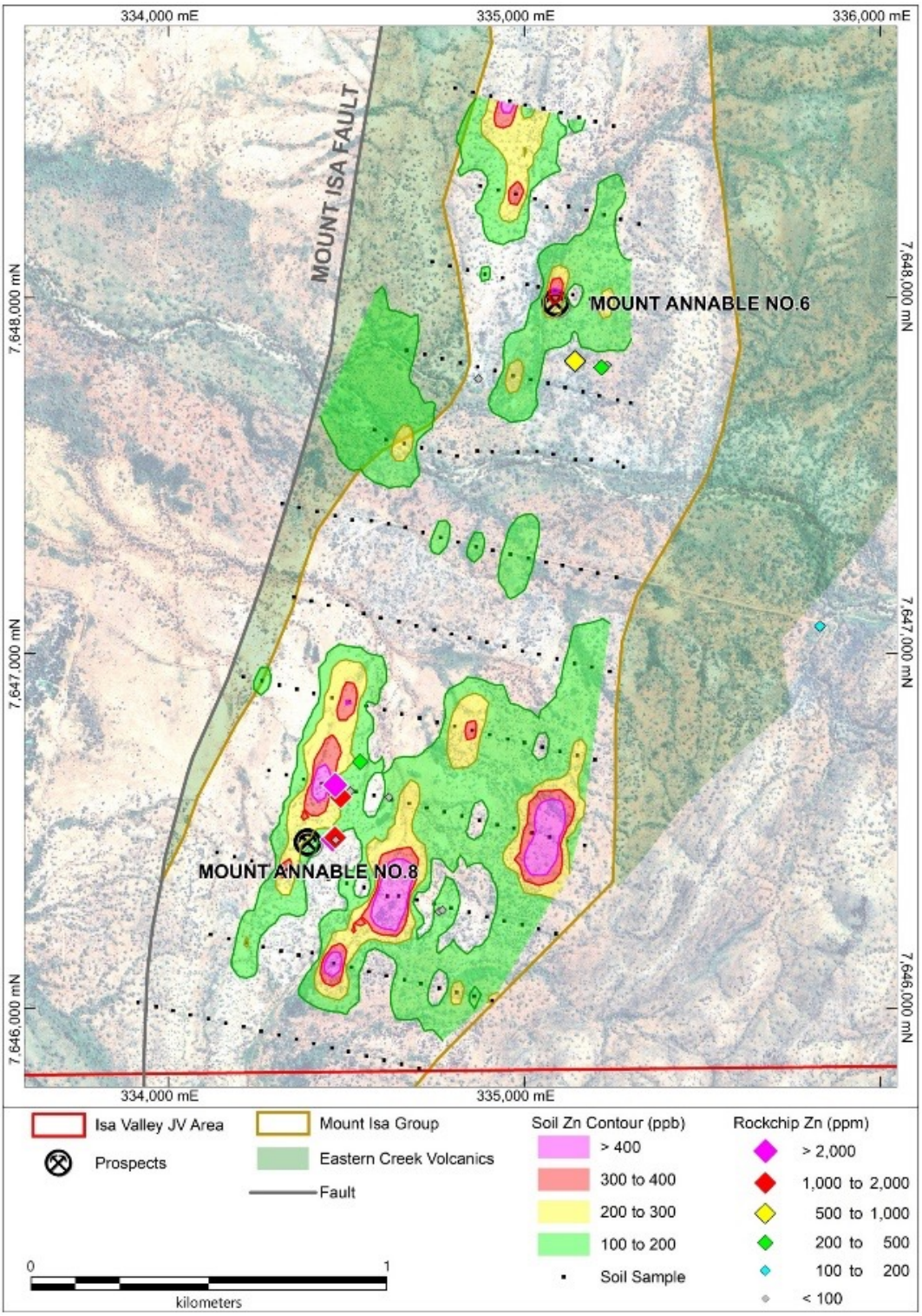
HMBDD003, ~474m. Calcite, magnetite, hematite vein with pyrite and chalcopyrite.

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Isa Valley Earn-in Agreement with South-32 (S32 Option to Earn Up To 70-80%) Cu-Au-Pb-Zn-Ag

The early phases of this Joint Venture successfully completed an ionic leach soil sampling program along the highly prospective Mount Isa fault structure.

The program aimed detect mineralisation at depth emanating from prospective Mt Isa Group Sediments present in the project area abutting the Mount Isa Fault. Following the positive results returned from the soil survey, South 32 elected to continue in the Joint Venture with planning for the upcoming Reverse Circulation drilling program. A 4-hole, ~1,200m drilling program has been designed to test a prospective soil/VTEM anomaly and the drilling is scheduled to commence in the weeks ahead.



Partial Leach soil sampling survey with contours of Zn response.

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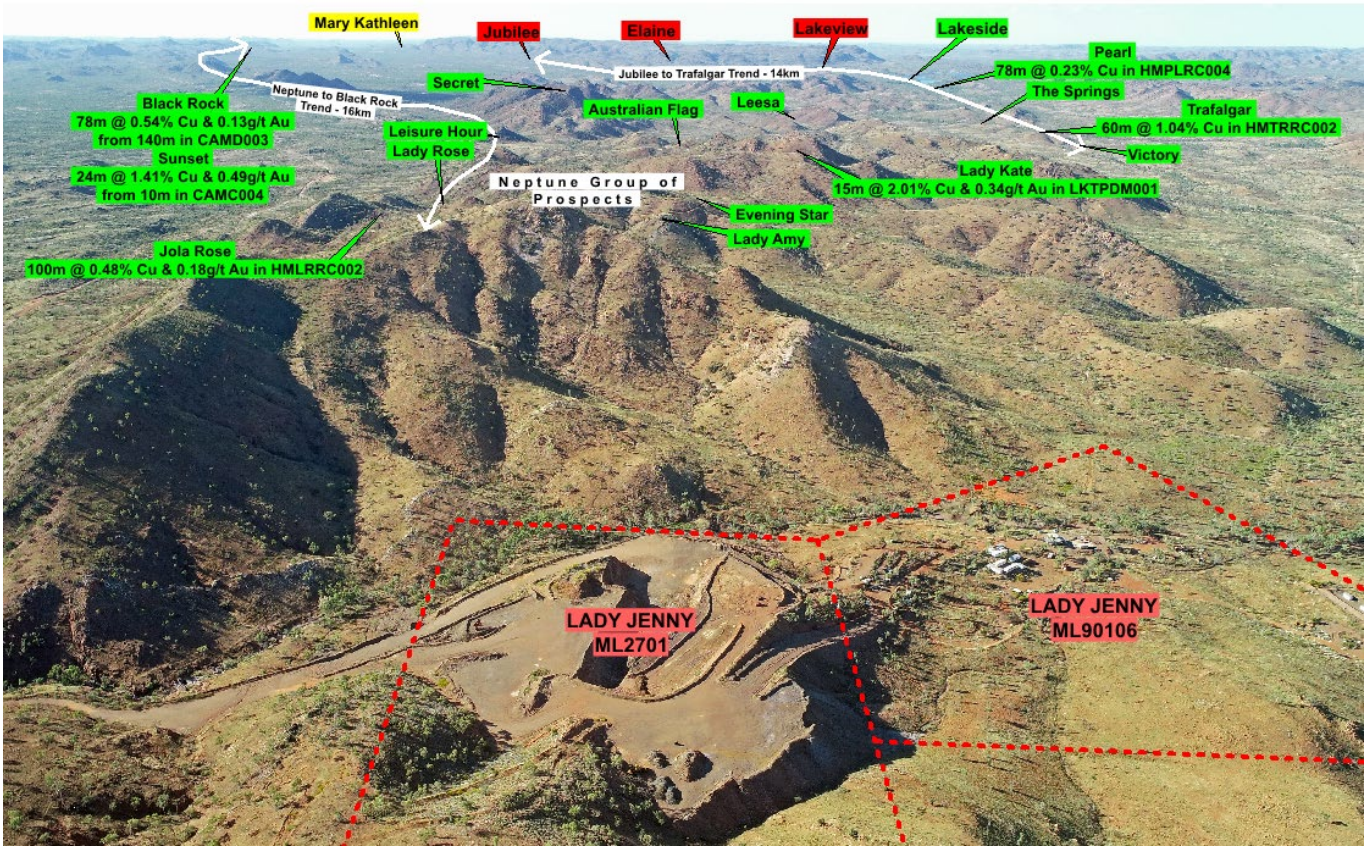
Lady Jenny Mining Leases – Option with Corella Valley Corporation (HMX option to earn 80%) Cu-Au

The Lady Jenny Mining Leases are located approximately 16km south along the Fountain Springs Road from the sealed Barkly Highway that runs between Mount Isa and Cloncurry in north-west Queensland and are located within Hammer's 100%-owned Exploration Licenses and near the Company's defined JORC Mineral Resources at Kalman, Overlander, Lakeview, Elaine and Jubilee (see ASX Announcement 20 February 2025).

The Lady Jenny Mining Leases (ML2701 and ML90601) cover an area of approximately 26Ha with the Lady Jenny copper trend appearing to plunge shallowly to moderately north-north-east into Hammer's surrounding exploration permit.

The deposit has been mined historically by both underground and surface extraction methods, although surface extraction has been minimal with minor open pit ore cuts to maximum of 16m below surface.

Hammer has secured an option to purchase an 80% interest in the Lady Jenny Mining Leases For a payment of A$500,000 by October 2026.



Lady Jenny Mining Leases with Hammer's northern prospects in the background, including the JORC Resources at Jubilee and Lakeside.

Hammer completed 11 holes on the Lady Jenny Mining Lease comprising 1,343 metres of drilling. The initial program at Lady Jenny was designed to provide key information about the geometry, grade and style of mineralisation and identify the economic potential within the pit and the Mining Lease.

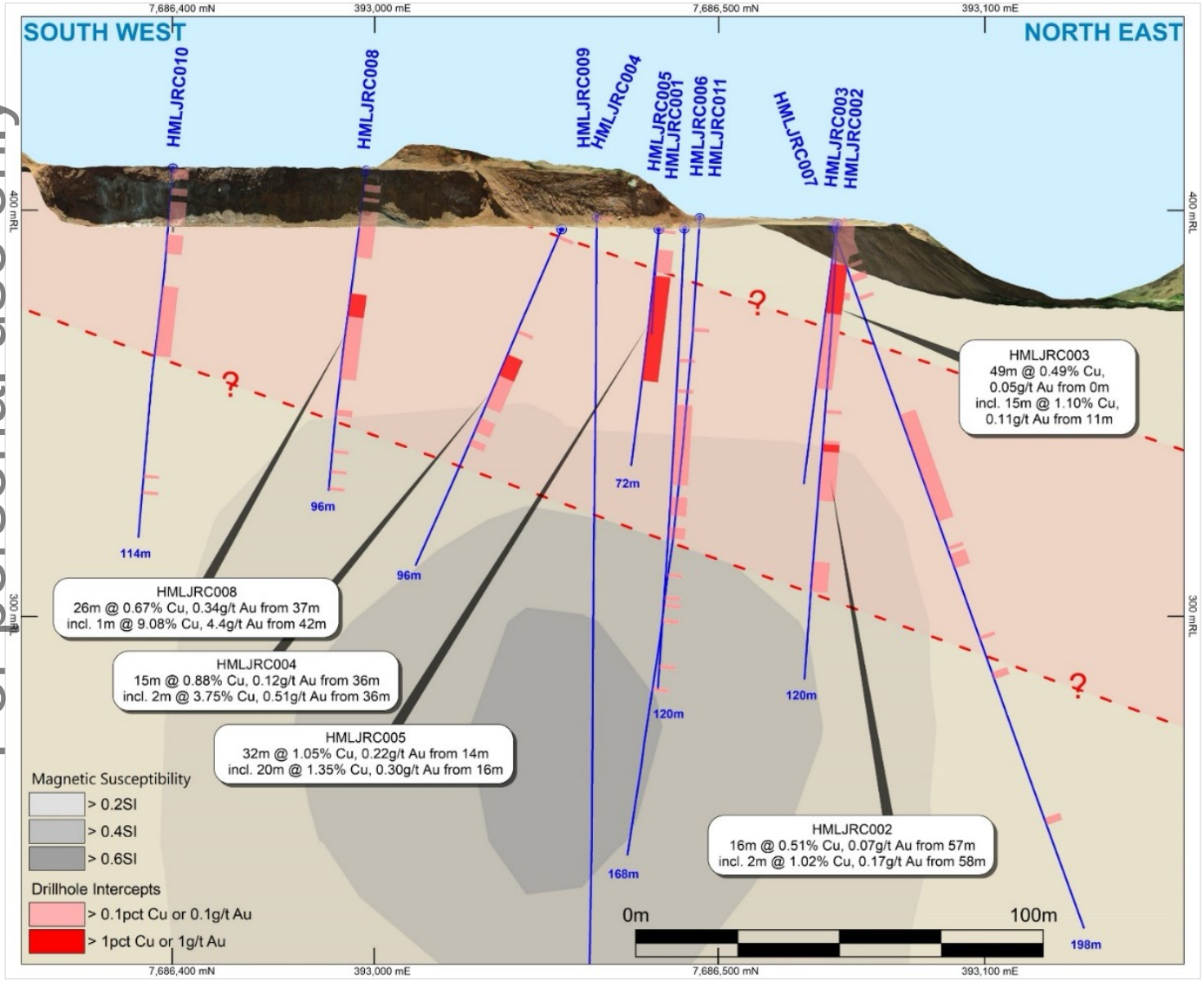
Ten holes were designed to test the tabular body that was historically mined in the pit. Eight drill holes intersected zones of significant mineralisation beneath the historic workings within weakly oxidised to fresh bedrock.

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Significant copper and gold mineralisation was intersected in all holes drilled at Lady Jenny under the historical pit, confirming a strike extent of ~180m. Highlights from these first intercepts include:

- **32m at 1.05% Cu and 0.22g/t Au from 14m** in HMLJRC005 – estimated true width ~25m, including 20m at 1.35% Cu and 0.30g/t Au from 16m;
- **26m at 0.67% Cu and 0.34g/t Au from 37m** in HMLJRC008 – estimated true width ~21m, including 1m at 9.08% Cu and 4.4g/t Au from 42m;
- **15m at 1.10% Cu and 0.11g/t Au from 11m** in HMLJRC003 – estimated true width 10m; and
- **15m at 0.88% Cu and 0.12 g/t Au from 36m** in HMLJRC004 – estimated true width ~8m, including 6m at 1.76% Cu and 0.23g/t Au from 36m.

The variability of grade and thickness of mineralised intercepts along strike and at depth suggests that the mineralisation consists of multiple shallowly north-plunging bodies rather than a coherent tabular body as reported historically.



Lady Jenny Long Section showing drill-hole traces, copper and gold assay results with the magnetic anomaly tested by HMLJRC009.

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Mount Isa East Joint Venture (MIEJV) with Sumitomo Metal Mining Oceania (HMX ~36.6%) Cu-Au

The Joint Venture area covers sections of the Even Steven, Mount Philp, Dronfield West and Malbon target areas covering approximately 330km² of Hammer's `~3,000km² Mount Isa Project. The areas are considered highly prospective for the discovery of Iron Oxide Copper Gold Deposits ("IOCG"). The Joint Venture is now in its fifth year of operation with the exploration activities heavily focussed on several highly prospective areas of interest. Highlights from Hammer's first drilling program includes an intercept of 32m at 1.05% Cu and 0.22g/t Au from 14m in HMLJRC005 – estimated true width of ~25m, including 20m at 1.35% Cu and 0.30g/t Au from 16m.

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COMPETENT PERSON'S STATEMENTS



Competent Person Statements

Exploration Results

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 Hammer Metals Limited.

Mr. Mark Whittle, who is also a share and option holder in the Company, has sufficient experience which is relevant to the styles of mineralisation and deposit types under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and 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.

Mineral Resource Estimates

Where the company refers to Mineral Resource Estimates 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 continue to apply and have not materially changed.

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ANNUAL MINERAL RESOURCE STATEMENT



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Annual Mineral Resource Statement
As of 30 June 2025

The Company's Mineral Resource Statement has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 and 2004 Editions) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31. The Company has no Ore Reserve estimates.

The Company governs its activities in accordance with industry best-practice. All reported estimates were generated by reputable, independent consulting firms. The resource reports and supporting data were subjected to internal analysis and peer-review before release.

In 2016, Hammer Metals Limited commissioned Haren Consulting Pty Ltd to update the Kalman Resource based on new drilling and geological interpretation. The resource was issued on the 27th of September 2016. After the completion of additional drilling 2021/2022, Hammer commissioned Haren Consulting Pty Ltd to update the Kalman Resource based on new drilling and geological interpretation. The resource was issued on the 8th of May 2023.

In November 2018, H&S Consultants Pty Ltd was commissioned to undertake a resource estimate on the Jubilee Cu-Au Deposit.

The MRE has been estimated in accordance with the 2012 edition of the JORC Code and was issued on 12 December 2018.

In December 2022, Geowiz consulting was commissioned by Hammer Metals Limited to undertake the Mineral Resource Estimate (MRE) for the Lakeview copper-gold deposit. The MRE has been estimated in accordance with the 2012 edition of the JORC Code.

In July 2024, Geowiz consulting was commissioned by Hammer Metals Limited to undertake the Mineral Resource Estimate (MRE) for the Orelia North gold deposit. The MRE has been estimated in accordance with the 2012 edition of the JORC Code.

Cerro Resources Limited, the previous tenure holder over the Mt. Philp Hematite Deposit reported the Resource Estimate to the ASX on the 12 March 2012. The Mt Philp Resource Estimate adhered to the JORC Code 2004 edition.

In relation to estimates tabulated below, the company is not aware of any material changes that have occurred during the reporting period.

Resource Project	Mineral Resource Competent Person	Organization	ASX Reporting Date
Orelia North	Mr. R. Corben	Geowiz Consulting	24 July, 2024
Lakeview	Mr. R. Corben	Geowiz Consulting	21 December, 2022
Jubilee	Mr. L. Burlet	H&S Consultants Pty Ltd	12 December, 2018
Kalman	Ms. E. Haren	Haren Consulting	8 May, 2023
Overlander	Ms. E. Haren	Haren Consulting	26 August, 2015
Mt. Philp	Mr. T. Leahey	Cerro Resource NL	28 September, 2012

Kalman Deposit Jorc 2012 Mineral Resource Estimate (8 May, 2023)

(Reported at a 0.4% CuEq and 1% CuEq cut-off for open pittable and underground resources respectively)

Kalman Mineral Resource

Classification	Mining Method	CuEq Cut-off	Tonnes Kt [1]	CuEq Cont. % [3]	CuEq Rec. % [2,3,4]	Cu %	Au g/t	Ag g/t	Mo %	Re g/t	Contained CuEq Metal (Kt) [1]	Recovered CuEq Metal (Kt) [1]
Indicated	Open Pit	0.4%	17,120	1.04	0.87	0.43	0.22	1.2	0.08	1.7	180	150
Inferred	Open Pit	0.4%	10,540	1.11	0.93	0.40	0.21	1.3	0.10	2.2	120	100
Inferred	Underground	1.0%	11,530	1.78	1.48	0.80	0.41	2.2	0.12	2.7	200	170
Total			**39,190**	**1.27**	**1.07**	**0.53**	**0.27**	**1.5**	**0.10**	**2.1**	**500**	**420**

*Note: (1) The recovered copper equivalent equation is: CuEq Recovered = 0.86*Cu + (0.74*0.771051*Au) + (0.74*0.008336*Ag) + (0.86*4.857143*Mo) + (0.77*0.023334*Re).*

Note: (2) Copper Equivalent Price assumptions are: Cu: US$7,714/t (US$3.50/lb); Au: US$1,850/oz; Ag: US$20/oz; Mo: US$37,468/t (or US$17/lb); and Re: US$1,800/kg.

Note: (3) Recovery assumptions are: Cu 86%; Au 74%; Ag 74%; Mo 86%; and Re 77%..

Note: (4) Transition from Open to Underground Mining based on prior optimisation studies set at 75mRL. Surface RL is approximately 425mRL.

The Kalman Molybdenum-Rhenium-Copper-Gold-Silver (Mo-Re-Cu-Au-Ag) deposit is situated 60 kilometres southeast of Mt Isa within the Mt Isa Inlier, and forms part of the company's Kalman Project.

Drilling extends to a maximum down hole depth of 998.3 metres and the mineralisation was modelled from surface to a depth of approximately 800 metres below surface. The estimate is based on good quality RC and diamond core drilling data. The drill hole spacing is approximately 100 metres along strike with some 50 metre-spaced infill drilling.

In May 2023, Haren Consulting was contracted by Hammer Metals Limited to complete an update of the Mineral Resource estimate for the deposit. The estimate was reported to comply with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC).

The Kalman Mineral Resource has been reported at two cut-off grades to reflect both open pit and underground mining scenarios. The Kalman Mineral Resource estimate comprises a combined 39 million tonnes at 1.1% recovered copper equivalent (CuEq) at 0.53% copper, 0.27 g/t gold, 0.10% molybdenum and 2.1 g/t rhenium in the Indicated and Inferred categories at revised cut-off grades. (Refer to the ASX release dated 23 May 2023).

The Kalman Mineral Resource Estimate disclosed as part of the 2016 review was last updated in March 2016 in accordance with the JORC Code (2012 Edition). The Resource estimate comprised a combined 20 million tonnes at 1.8% copper equivalent (CuEq) at 0.53% Cu, 0.27g/t Au, 0.14% Mo and 3.7 g/t Re in the Inferred category. (Refer to the ASX Release dated 27 September 2016 for full details of the Resource Estimate.)

The reasons for the MRE update were:

- **17 holes (K140-K156) drilled by Hammer in 2021/22 were incorporated into the resource model. The drill holes intersected multiple, relatively shallow high-grade molybdenum and copper intersections which were considered to have the potential to enhance the existing mineral resource model.**
- **The deposit was re-interpreted to improve mineralisation constraints.**

The 2016 resource update differed from the 2014 update in that the resulting total resource tonnage was increased from 20,000kt to 39,120kt and average metal grades decreased, primarily due to the use of lower cut-off grades.

Jubilee Deposit Jorc 2012 Mineral Resource Estimate (12 December, 2018)

(Reported at 0.5% Cu cut-off)

Classification	Weathering Domain	Tonnes	Cu %	Au (Cut) g/t	Cu Tonnes	Au (Cut) Ounces
Inferred	Mod-Slightly Weathered	-	1.51	0.55	1,000	1,200
Inferred	Fresh	-	1.41	0.63	19,000	27,100
Total		**-**	**1.41**	**0.62**	**20,000**	**28,300**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

The 51%-owned Jubilee Deposit is situated 50 kilometres west of Mount Isa in Northwest Queensland.

In November 2018, H&S Consultants Pty ltd was commissioned to undertake a resource estimate on the Jubilee Cu-Au Deposit. The resource was issued on 12 December 2018.

The estimate is based on good quality RC and Diamond drilling data. The estimate was based on a 42 reverse circulation holes for 5475m and 3 diamond holes for 261m. Of these holes 26 were drilled by Hammer Metals Ltd and the remaining 19 drilled by the previous operator. Drilling extends to a maximum depth of 325m below surface. The drill hole spacing is approximately 50m along strike.

There has been no material change to the Jubilee Resource estimate since its initial release to the ASX dated 20 December 2018.

Refer to the ASX release dated 20 December 2018. The company is not aware of any new information or data that materially affects the information in the HMX ASX announcement.

All material assumptions and technical parameters underpinning the mineral resource estimate continue to apply and have not materially changed.

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Lakeview Deposit Jorc 2012 Mineral Resource Estimate (21 December 2022)

(Reported at 0.3% Cu cut-off)

Lakeview Mineral Resource

Classification	Tonnes Mt	Cu %	Au g/t	Cu Tonnes	Au Ounces
Inferred	0.59	1.02	0.30	6,049	5,706

In December 2022, Geowiz consulting was commissioned by Hammer Metals Limited to undertake the Mineral Resource Estimate (MRE) for the Lakeview copper-gold deposit. The MRE has been estimated in accordance with the 2012 edition of the JORC Code.

The 100%-owned Lakeview Deposit is located approximately 60 kilometres east of Mt Isa in northwest Queensland. A total of 13 Reverse Circulation (RC) drillholes define the deposit for 1,380 m of drilling. The deposit was sampled by drilling at nominal 40 m spacing on 40m north-south oriented sections. Holes were generally angled at -60° towards the south with dip angles set to optimally intersect the mineralised horizons, which dip at approximately 65°-70° to the north.

Mineralised intersections for the two main lodes were manually coded in each drill hole using a nominal 0.3% Cu cut-off. The coded mineralised intersections were loaded into Leapfrog software and vein geological models were generated from the coded intervals for the three interpreted lodes. Domain wireframes were extracted from the Leapfrog model and exported into Surpac™ V6.6 software where they were used as a guide to generate final wireframes used to constrain the resource modelling.

A block model was set up with a parent cell size10m (E) x 4m (N) x 5m (RL) with standard sub-celling to 5m (E) x 2.0m (N) x 2.5m (RL) to maintain the resolution of the mineralised domains.

The 4m Northing dimension was used to reflect the geometry and orientation of the domain wireframes. Samples composited to 1m length were used to interpolate Cu and Au into the block model using ordinary kriging interpolation method. All block modelling was completed using Surpac™ v6.6 software.

Density was assigned to the block model based on 18 density measurements taken inside the interpreted lodes.

A Lerchs-Grossman pit optimisation was run using a Cu price of AUD$5.30 per pound and Au price of AUD$2,500 per ounce. The block model was reported inside the pit shell to determine that blocks >0.3% Cu have reasonable prospects of future economic extraction by surface mining.

Although the RC drilling has defined 3 continuous mineralised lodes, exploration of the Lakeview deposit is in the early stages and more drilling is required to better define the extent of the deposit. Due to the limited amount of drilling, the MRE has been classified as Inferred only based on the guidelines specified in the JORC Code.

The deposit appears to be of sufficient grade, quantity, and coherence to have reasonable prospects for eventual economic extraction.

Overlander North And South Deposits Jorc 2012 Mineral Resource Estimates (26 August 2015)

(Reported at 0.7% Cu cut-off)

Overlander North Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	870,000	1.3	456	11,350	396
Total	**1,123,000**	**1.3**	**410**	**14,764**	**461**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

Overlander South Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	-	-	-	-	-
Inferred	649,000	1.0	500	6,352	327
Total	**649,000**	**1.0**	**500**	**6,352**	**327**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

Overlander North and South Combined Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	1,518,000	1.2	476	17,700	723
Total	**1,772,000**	**1.2**	**445**	**21,112**	**788**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

The 100%-owned Overlander Project is situated 60 kilometres to the southeast of the mining centre of Mount Isa in Northwest Queensland and 6 kilometres to the west of Hammer's Kalman copper-gold-molybdenum-rhenium deposit. It is a high-priority target area for both shear-hosted copper and IOCG copper mineralisation. The Overlander North and South Copper Deposits are situated approximately one kilometre apart within a common shear zone.

Drilling in the Overlander North deposit extends to a vertical depth of approximately 430m and the mineralisation was modelled from surface to a depth of approximately 420 metres below surface. Drilling in the Overlander South deposit extends to a vertical depth of approximately 215 metres and the mineralisation was modelled from surface to a depth of approximately180m below surface.

The resource estimates are based on good quality RC and diamond drilling data. Drill hole spacing is predominantly on a 40 metre by 20 metre spacing with additional drill holes between sections targeted at the higher-grade cores of the deposits.

Following additional drilling in 2014 and 2015, the Mineral Resource Estimates for the Overlander North and South shear-hosted copper Deposits were revised by Haren Consulting Pty Ltd and reported in accordance with the guidelines of the JORC Code (2012 Edition). They contain combined resources of 1,772,000 tonnes at 1.2% copper in the indicated and inferred categories (Refer to the ASX release dated 26 August 2015). There has been no material change to the Overlander resource base during the financial year.

Mt. Philp Deposit Jorc 2004 Mineral Resource Estimate (28 March 2012)

Mt Philp Mineral Resource

Classification	Tonnes	Fe %	P %	SiO2 %	Al203 %	TiO2 %	LOI %
Indicated	19,110,000	41	0.02	38	1.3	0.38	0.29
Inferred	11,400,000	34	0.02	48	2.0	0.46	0.31
Total	**30,510,000**	**39**	**0.02**	**42**	**1.6**	**0.41**	**0.30**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

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The Mount Philp Iron Ore deposit is located in north-western Queensland, 1,500 kilometres northwest of Brisbane. The Mineral Resource Estimate is based on 48 diamond and reverse circulation (RC) drillholes completed in 2011 for a total of 3,801 metres. Drilling comprises fans located on a nominal 100 metre pattern along the strike length of the ironstone. The Mineral Resource was estimated and reported in-house by Cerro Resource NL.

The current resource totals 19.1 million tonnes grading 41.4% iron and 37.9% silica in the Indicated category and 11.4 million tonnes grading 33.8% iron and 47.4% silica in the Inferred category. This resource is open at depth.

A resource estimate was first completed and reported to ASX by previous owners on 28 September 2012 and there has been no material change to the resource base during the financial year. A review of the resource estimate was completed for the purpose of compiling this statement and the principles and methodology of the resource estimation procedure and the resource classification procedure have been reconciled with the CIM Resource Reserve definitions and found to comply.

Orelia North Jorc 2012 Mineral Resource Estimate (24 July 2024)

(Reported at 0.5g/t Au cut-off)

Orelia North Mineral Resource

Classification	Tonnes Mt	Au g/t	Au kOz
Inferred	1.48	1.15	54.5

Note: (1) Numbers rounded to reflect appropriate levels of confidence

Note: (2) Totals may differ due to rounding

In July 2024, Geowiz consulting was commissioned by Hammer Metals Limited to undertake the Mineral Resource Estimate (MRE) for the Orelia North gold deposit. The MRE has been estimated in accordance with the 2012 edition of the JORC Code.

The Orelia North deposit is located approximately 9.5km to the north of the Orelia gold operation operated by Northern Star Resources Limited (ASX: NST) and ~12.5km northwest of NST's Bronzewing Gold Operations in the Yandal Greenstone belt in Western Australia.

The Mineral Resource Estimate was based on 338 drillholes for a total of 18.44km and 7,314 laboratory analyses. These holes were drilled in 2019 and 2024 and consisted of 43 Reverse Circulation holes (4.65km) and 295 Air Core holes (13.78km). The drill hole spacing throughout the project is approximately 50 to 100m along strike. Drill spacing down dip is typically 20 to 40m.

Drill holes are orientated predominantly to an azimuth of approximately 77° and drilled at an angle of -60° to the east which is approximately perpendicular to the orientation of the mineralised trends.

The Orelia North Mineral Resource envelopes extend over a strike length of 2,100m and from surface to approximately 140m below surface. Multiple parallel hypogene mineralisation envelopes occur across strike. A total of eleven hypogene envelopes embrace the mineralisation. Envelopes vary from 1m to 15m in true thickness, covering a total width of 150m.

Three flat-lying supergene envelopes are superimposed on the hypogene envelopes. These extend from surface to a maximum depth of 100m. Average maximum depth is approximately 40m.

A block model was set up with a parent cell size 5m (E) x 20m (N) x 4m (RL) with standard sub-celling to 1.25m (E) x 5.0m(N) x 1.0m (RL) to maintain the resolution of the mineralised domains. The 5m Easting dimension was used to reflect the geometry and orientation of the domain wireframes.

Samples composited to 2m length were used to interpolate Au into the block model using ordinary kriging for the hypogene domains after applying top-cuts to reduce the influence of outlier grades. Samples composited to 1m length were used to interpolate Cu and Au into the block model using ordinary kriging interpolation method. All block modelling was completed using Surpac™ v6.6 software.

Density was assigned to the block model based on Gas Pycnometric analysis, and 34 analyses were undertaken. 23 samples fall within the interpreted hypogene lode wireframes. The remaining 11 analyses were classified as waste.

A Lerchs-Grossman pit optimisation was run using a Au price of AUD$3,500 per ounce. The block model was reported inside the pit shell to determine that blocks >0.5 ppm Au have reasonable prospects of future economic extraction by surface mining.

The deposit has been tested with high quality drilling, sampling and assaying. Geological logging has defined structural and lithological controls that provide confidence in the interpretation of mineralisation boundaries.

Geowiz considers that geological and mineralisation continuity has been demonstrated with sufficient confidence to allow the Orelia North deposit to be classified as Inferred Mineral Resources. The deposit appears to be of sufficient grade, quantity, and coherence to have reasonable prospects for eventual economic extraction.

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Governance and Internal Controls – Resource Calculations

The Company ensures good governance in relation to resource estimation through the use of third-party resource consultants and internal review in accordance with industry best practice. All reported resource estimates were generated by reputable, independent consulting firms. The resource reports and supporting data were subjected to internal analysis and peer review before release. The Company is not aware of any additional information, other than that reported, which would have a material effect on the estimates as reported.

Due to the nature, stage and size of the Company's existing operations, the Board believes there would be no efficiencies gained by establishing a separate mineral reserves and resources committee responsible for reviewing and monitoring the Company's processes for calculating mineral reserves and resources estimates and for ensuring that the appropriate controls are applied to such calculations.

The Company will report any future mineral reserves and resources estimates in accordance with the 2012 JORC Code.

Resource by Commodity

Deposit	Tonnes Mt	Contained CuEq %	Recovered CuEq %	Cu %	Au g/t	Co %	Mo %	Re g/t	Fe %	Contained Copper Tonnes	Contained Gold Ounces
Kalman (Updated)	39.2	1.27	1.07	0.53	0.27	-	0.10	2.1	-	208,360	343,000
Jubilee (51% HMX)	1.4	-	-	1.41	0.62	-	-	-	-	10,070	28,300
Overlander	1.8	-	-	1.20	-	0.05	-	-	-	21,120	
Lakeview	0.6	-	-	1.03	0.30					5,950	5,700
Orelia North	1.48				1.15					N/A	54,500
Mount Philp (36.6% HMX)	30.5	-	-	-	-	-	-	-	39.00	N/A	
Total										**245,500**	**431,500**

Note: (1) Includes Kalman Recovered Copper Equivalent Metal.

Note: (2) Does not include substantial Au or Co by-product credits from Jubilee, Overlander or Lakeview.

Note: (3) Where no contribution of metal by-product credits are included, no metallurgical recoveries have been adopted.

Note: (4) Attributable to HMX.

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Competent Persons Statement

The information in this Annual Mineral Resources Statement 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004 JORC Code) and the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code). 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.

Tenement Interests at End of September 2025

Mt Isa (Queensland)

Mt Dockerell Mining Pty Ltd

Lease	Lease Name	Lease Status	Interest
EPM 11919	Cameron River	Granted	100%
EPM 13870	Pelican	Granted	100%
EPM 18084	Dronfield	Granted	80%
EPM 25165	Cameron River 4	Granted	100%
EPM 26474	Enterprise	Granted	100%
EPM 26511	Sling Shot	Granted	100%
EPM 26628	Argylla	Granted	100%
EPM 26694	Mt Philp	Granted	36.6%
EPM 26775	Pilgrim North	Granted	100%
EPM 26776	Pilgrim Central	Granted	100%
EPM 26777	Pilgrim South	Granted	100%
EPM 26902	Marriage	Granted	36.6%
EPM 26904	Jady Jenny	Granted	100%
EPM 27018	Dingo Creek	Granted	100%
EPM 27469	Mount Moran	Granted	100%
EPM 27470	China Wall	Granted	100%
EPM 27806	Roos	Granted	36.6%
EPM 27815	Lady Vampire	Granted	100%
EPM 27861	Saint Mungo	Granted	100%
EPM 28285	The Plus	Granted	100%
EPM 28903	Pandora	Granted	100%
EPM 29265	Top Tank	Application	100%
EPM 29316	Galah Bore	Application	100%

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Mulga Minerals Pty ltd

Lease	Lease Name	Lease Status	Interest
EPM 12205	Cloncurry	Granted	100%
EPM 14019	South Mary K	Granted	100%
EPM 14022	North Mary K	Granted	100%
EPM 14467	Mt Frosty	Granted	51%
EPM 25145	Green Creek	Granted	100%
EPM 25866	Malbon	Granted	100%
EPM 25867	Mt Jasper	Granted	100%
EPM 26126	Cathay	Granted	100%
EPM 26127	Resolve	Granted	100%
EPM 26130	El Questro	Granted	100%
EPM 26512	Black Angel	Granted	100%
EPM 27355	Pioneer	Granted	100%
EPM 29066	Dipvale	Granted	100%

Hammer Bulk Commodities Pty ltd

Lease	Lease Name	Lease Status	Interest
EPM 28189	Resolve Extended	Granted	100%
EPM 28921	Ashover	Application	100%
EPM 29170	Fort William	Application	100%

Yilgarn (Western Australia)

Carnegie Exploration Pty Ltd

Lease	Lease Name	Lease Status	Interest
E36/854		Granted	100%
E36/855		Granted	100%
E36/868	Kens Bore	Granted	100%
E36/869		Granted	100%
E36/870		Granted	100%
E36/882	Brontie	Granted	100%
E36/916		Granted	100%
E36/948		Granted	100%

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E36/996		Granted	100%
E36/1006		Application	100%
E36/1108		Application	100%
E36/1117	Weebo 1	Application	100%
E36/1118	Weebo 2	Application	100%
E36/1126	Weebo 3	Application	100%
E36/1127	Weebo 4	Application	100%
E36/1128	Weebo 5	Application	100%
E53/1989		Granted	100%
E53/1996		Granted	100%
E53/2030		Granted	100%
E53/2085		Granted	100%
E53/2112		Granted	100%
E53/2113		Granted	100%
E53/2114		Granted	100%
E53/2115		Granted	100%
E53/2116		Granted	100%
E53/2127		Granted	100%
E53/2128		Granted	100%
E53/2359		Application	100%
E53/2375		Application	100%
P36/1965		Application	100%
P36/1965		Application	100%
P53/1682		Granted	100%
P53/1683		Granted	100%
P53/1684		Granted	100%
P53/1685		Granted	100%
P53/1686		Granted	100%
P53/1687		Granted	100%
P53/1688		Granted	100%
P53/1689		Granted	100%
P53/1690		Granted	100%
P53/1691		Granted	100%
P53/1692		Granted	100%
P53/1693		Granted	100%
P53/1697		Granted	100%

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DIRECTOR'S REPORT



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The Directors present their report together with the financial report of Hammer Metals Limited ("the Company" or "Hammer") and of the Group, comprising the Company and its subsidiaries, for the year ended 30 June 2025 and the auditor's report thereon.

1. Directors

The names and details of the Company's directors in office during the financial year or since the end of the financial year are set out below.



Russell Davis

Non-Executive Chairman

BSc (Honours) MBA MAusIMM

Russell Davis is a Geologist with over 40 years' experience in the mineral resources business. He has worked on the exploration and development of a range of commodities for a number of international and Australian companies, holding senior technical and corporate positions including Chief Mine Geologist, Exploration Manager and Managing Director.

Mr Davis was a founding Director of Gold Road Resources Limited in 2005 and continued as an Executive then Non-executive Director until June 2016. Mr Davis was also founding Director of Syndicated Metals Limited in 2007 and Managing Director up to March 2012. Mr Davis has been a Director of Hammer Metals (Australia) Pty Ltd since its inception in 2012.



Daniel Thomas

Managing Director

BSc, MBA

Daniel Thomas has over 20 years' experience in operations, corporate development, project management and project finance having completed undergraduate studies in Chemistry and Geology as well as attaining an MBA from the Melbourne Business School. During his career, Mr Thomas has worked across Australia, North America, Asia and Africa, in a wide range of commodities, including base and precious metals.

Mr Thomas' most recent role before joining the Company was as Business Development Manager at Sandfire Resources (ASX:SFR), where he was instrumental in utilising cash-flows generated by the DeGrussa Copper-Gold Mine to grow the Company both organically through exploration and through business development initiatives, including several acquisitions, investments and joint ventures. Prior to his time at Sandfire Resources Limited, Mr Thomas held roles with Wesfarmers, PTT Asia Pacific Mining and Mitsui E&P Australia.



David Church

Non-Executive Director

LLB, BEc

David Church is currently a Partner in the national legal firm Thompson Geer. Mr Church is a qualified solicitor and has previously practiced in England and Wales and Hong Kong with Linklaters. Mr Church was also the head of mergers and acquisitions for Regent Pacific Group Limited, a Hong Kong listed investment company, for over 13 years.



James Croser

Non-Executive Director

BEng (Mining Engineering)

James Croser has over 25 years of experience in operational and executive roles with a strong track record in guiding junior ASX companies through periods of significant growth. Most recently, Mr Croser was a founding Director in the establishment of Red Dirt Metals (now Delta Lithium – ASX:DLI) and the discovery of the Mt Ida lithium deposit in WA.

2. Directorships of Other Listed Companies

Directorships of other ASX listed companies held by Directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of Directorship
Russell Davis	M3 Mining Limited	July 2022 – April 2025 [1]
Daniel Thomas	None	-
David Church	Caprice Resources Limited	October 2019 – February 2024
James Croser	Delta Lithium Limited	December 2021 – current
	Greenstone Resources Limited	November 2023 – June 2024

1 – Mr Davis was a director of M3 Mining Limited prior to its listing on the Australian Securities Exchange in July 2023.

3. Company Secretary

Mark Pitts

Company Secretary
B.Bus, FCA, GAICD

Mr Pitts is a Chartered Accountant with over 35 years' experience in statutoryreporting and business administration. He has been directly involved with, and consulted to, a number of public companies holding senior financial management positions.

4. Directors' Meetings

The number of Directors' meetings held, and the number of meetings attended by each of the Directors of the Company during their term in office in the financial year is as follows.

Director	Meetings Held While in Office	Meetings Attended
Mr R Davis	6	6
Mr D Thomas	6	6
Mr D Church	6	6
Mr J Croser	6	6

The Company does not have any committees. Matters usually considered by an audit, remuneration or nomination committee were dealt with by the whole Board during regular Board meetings.

5. Principal Activity

The principal activity of the Group during the course of the financial year was mineral exploration in Australia.

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6. Operating and Financial Review

The Group incurred an after-tax loss for the year of $2,923,316 (2024: profit of $6,270,584).

Corporate:

The following issues of ordinary shares were completed during the year:

- 28 October 2024 - a total of 1,351,351 ordinary shares at a deemed price of $0.04 per share were issued in partial satisfaction of the consideration to acquire an option over the Lady Jenny prospect.
- During the financial year 9,100,000 options lapsed unexercised and 10,500,000 new options were issued. No options were converted.
- During the financial year, 4,500,000 performance rights were granted and 3,000,000 expired. No rights were converted.
- Since the end of the financial year, no options or rights have been granted or expired, and 5,000,000 vested performance rights have been converted into ordinary shares.

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Exploration Activities:

Hammer is currently exploring in two world-class minerals provinces, focused on the discovery of copper and gold deposits.

In the Mount Isa region, the Group continued an aggressive exploration program unearthing a number of encouraging copper/gold exploration targets. Hammer continues to advance its exploration activities in the Yandal Belt in WA, with the emergence of several prospective gold targets near the former Bronzewing gold mine.

Queensland - Mount Isa Region Projects

In the Mount Isa base metals district, Hammer has five projects with established copper-gold-molybdenum JORC resources.

The Group is committed to growing its metal inventory near these existing resources, in addition to exploring the district for large iron oxide copper-gold (IOCG) deposits of the Ernest Henry style). The Group holds approximately 3,600 km^2 of tenure in the Mt. Isa region.

In 2024, Hammer Metals reshaped its Mount Isa portfolio, entering four new Joint Ventures across a small portion of its exploration tenure. Hammer now has six joint venture interests covering ~940km^2 out of its ~3,600km^2 position in the Mount Isa region. Hammer has retained a 100% interest in ~1,900km^2 of tenure and a 100% interest in its JORC compliant Mineral Resources at Kalman, Overlander, Elaine and Lakeview.

New Joint Ventures over highly prospective terrain were established with Sumitomo Metals Mining Oceania ("SMMO") and South32. These projects have been established with the aim of defining a large Tier 1 mineral systems such as Ernest Henry and the Mount Isa Copper/Lead/Zinc systems. During the financial year, Hammer also secured an Option to acquire an 80% interest in the Lady Jenny Mining Leases.

Mount Isa Project – wholly-owned projects

Hammer's activities during the year focussed on the exploration of promising copper gold systems at Tourist Zone, Mascotte, Revenue and nearby Kalman. Key results achieved during the year include (refer ASX Announcement dated 17 June 2025):

Tourist Zone

- 35m at 0.55% Cu and 0.10g/t Au from 35m in HMTZRC003, including 5m at 1.3% Cu and 0.18g/t Au from 63m;
- and 26m at 0.50% Cu and 0.12g/t Au from 133m in HMTZRC004

Mascotte

- 6m @ 1.25% Cu and 0.23g/t Au from 111m in HMMARC014, including 2m @ 2.80% Cu and 0.39g/t Au from 111m.

Hammer also completed broad ranging geochemistry programs identifying new targets at the Sisters, Green Creek, Keyser and around the Kalman deposit. New tenure at Dipvale and Fort William were also acquired during the year.

Joint Ventures and Earn-in Programs

Lady Jenny (Hammer option to earn up to an 80% interest).

The Lady Jenny Mining Leases (ML2701 and ML90601) cover an area of approximately 26Ha with the Lady Jenny copper trend appearing to plunge shallowly to moderately north-north-east into Hammer's surrounding exploration permit.

Hammer's initial exploration program at Lady Jenny intersected copper and gold mineralisation in all holes drilled under the historical pit, confirming a strike extent of ~180m. Highlights from these first intercepts include (refer ASX Announcement dated 20 February 2025):

- 32m at 1.05% Cu and 0.22g/t Au from 14m in HMLJRC005 – estimated true width ~25m, including 20m at 1.35% Cu and 0.30g/t Au from 16m;
- 26m at 0.67% Cu and 0.34g/t Au from 37m in HMLJRC008 – estimated true width ~21m, including 1m at 9.08% Cu and 4.4g/t Au from 42m; and
- 15m at 1.10% Cu and 0.11g/t Au from 11m in HMLJRC003 – estimated true width 10m.

Mount Hope JV (Hammer -49% interest)

Hammer retains a 49% interest in the three Mount Hope sub-blocks that have granted to Carnaby. Upon a decision to mine, Carnaby will pay Hammer $5million in cash. Hammer will retain a 30% equity interest and will be free carried by Carnaby to production from the three Sub-Blocks. Exploration activities continued throughout the year on the sub-blocks.

Bullrush JV (SMMO earning up to a 60-80% interest)

The Bullrush Project has geophysical signatures that are suggestive of IOCG mineralisation beneath cover. Hammer completed a 4-hole, 2,262m drill program testing IOCG targets in the Malbon region ~60km south of Cloncurry. Favourable zones of brecciation and alteration observed through numerous zones within the granite which provides a proof-of-concept drill test of the Wimberu Intrusive Complex to host a large Iron Oxide Copper-Gold (IOCG) system. Geophysical programs are ongoing with further drilling planned in the December quarter.

Mt Isa East Joint Venture ("MIEJV") (Hammer's current ownership ~40%)

Work on the MIEJV continued throughout the year with soil sampling and geological reviews along the Jimmy Creek, Dronfield and Malbon. A number of potential drilling targets have been identified.

Isa Valley JV (South32 option to earn up to an 80% interest)

An ionic leach soil sampling program was completed along the highly prospective Mount Isa fault structure with anomalous zinc and lead geochemistry appearing coincident with a stratigraphic VTEM conductor. South32 has elected to continue in the Joint Venture with a drilling program scheduled for October.

Western Australia - Bronzewing South Project

Hammer's tenements cover prospective structural trends in the core of the Yandal Greenstone Belt. This region has reported greater than 24Moz of current and historical gold production from deposits such as Bronzewing, Jundee, Mt McClure, Darlot and Thunderbox.

The company successfully applied for new tenure in the region increasing its footprint in the Yandal gold province to ~730km^2 of tenure. The new tenements are located between the Bronzewing and Thunderbox mining projects and been subjected to minimal levels of gold exploration.

Hammer's comprehensive exploration and geological review of its Yandal Gold Project in WA resulted in the definition of several new drilling targets at Bronzewing South and Ken's Bore. Hammer's review focused on the significant potential of the Bronzewing South Project, where effective exploration has been restricted prior to Hammer's acquisition of the ground primarily due to a protracted legal dispute and depressed gold prices.

A detailed air core program was completed at Hammer's targets at Sword, Bower and Harrier during the period with several gold anomalies identified in drilling with key intercepts including (refer ASX Announcement dated 1 October 2024):

- 1m at 0.84g/t Au from 31m within an outer envelope of 32m at 0.07g/t Au from 16m in BWSAC0942; and
- 1m at 0.66g/t Au from 25m with an outer envelope of 49m at 0.07g/t Au from 25m in BWSAC0937.
- 8 metres at 0.12g/t Au from surface in BWSAC0890.

Metallurgical test work of ore from Hammer's Orelia gold deposit was completed during the year with gold recoveries ranging between 90% and 96% with an average of 94.5% from the test work (refer ASX Announcement dated 21 October 2024). High recoveries and low tail grades are encouraging and indicate that Orelia North gold mineralisation will respond well during cyanide hydrometallurgical processing.

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Risk Management:

The Company takes a proactive approach to risk management.

The Board is responsible for ensuring that risks, including emerging risks, and also opportunities, are identified on a timely basis and the Company's objectives and activities are aligned with the risks and opportunities identified by the Board.

Given the size of the Company and its stage of development all Board members are involved and have responsibility for management of risk. Day to day management of risks are delegated to the Managing Director.

Material business risks

There are inherent risks associated with the exploration for minerals. The Group faces the usual risks encountered by companies engaged in the exploration, evaluation and development of minerals. The material business risks for the Group include:

External Risks

Environmental risks

The Company's operations and projects are subject to the laws and regulations of the jurisdictions in which it has interests and carries on business (Queensland and Western Australia) regarding environmental compliance and relevant hazards. There is also a risk that the environmental laws and regulations may become more onerous, making the Group's operations more expensive which may adversely affect the financial position and /or performance of the Group. The Directors are not aware of any environmental law that is not being complied with.

The Company may be impacted by climate related risks including reduced water availability, extreme weather events and changes to legislation and regulation in relation to climate.

Government regulations and claims risks

Changes in law and regulations or government policy may adversely affect the Group's operations. There is no guarantee that current or future exploration claim applications or existing claim renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration claims. Loss of claims may adversely affect the financial position and /or performance of the Group. Management maintains close contact with relevant Departments and industry bodies to monitor changes and proposed changes in regulation and policy.

Cyber risk

The Group uses various IT systems and cloud based software. Should a cyber event occur, there is a risk of business disruption or data breach that may adversely affect the financial position and/or performance of the Group.

Operating Risks

Exploration and development risk

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate.

While the discovery of an ore body may result in substantial rewards, not all exploration activity will lead to the discovery of economic deposits. Major expenditure may be required to locate and establish Ore Reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Mineral Resources

The Group's estimates of Mineral Resources are based on different levels of geological confidence and different degrees of technical and economic evaluation, and no assurance can be given that anticipated tonnages and grades will be achieved or could be mined or processed profitably.

In addition to the risks described above, the Group's ability to successfully develop projects is contingent on the Group's ability to fund those projects through debt or equity raisings.

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7. Dividends

No dividends were paid or declared by the Company during the financial year.

8. Events Subsequent to Balance Date

Subsequent to year end the following events have occurred:

On 17 September 2025, 5,000,000 vested performance rights were converted into ordinary shares in the Company. During September 2025 the Company sold 6,366,001 of the shares held in Carnaby Resources Limited (ASX:CNB), raising approximately $1.9m.

Other than the above, there has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

9. Likely Developments

The Company will continue planning and executing exploration and development work on its existing projects in Australia as well as reviewing projects in Australia to complement and expand on existing tenement holdings.

10. Directors' Interests

The relevant interest of each Director in the shares and options of the Company as notified by the Directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Director	Ordinary Shares	Unlisted Options	Performance Rights
Mr R Davis	45,500,000	4,000,000	-
Mr D Thomas	9,833,334	4,000,000	7,000,000
Mr D Church	1,052,631	4,000,000	-
Mr J Croser	-	4,000,000	-

The above table includes indirect shareholdings held by related parties to the directors.

11. Environmental Regulations

In the course of its normal mining and exploration activities Hammer adheres to environmental regulations imposed on it by the various regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna.

Hammer has complied with all material environmental requirements up to the date of this report. The Board believes that Hammer has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements as they apply to it.

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12. Remuneration Report – Audited

12.1 Principles of Compensation

Remuneration levels for key management personnel and other staff of Hammer are competitively set to attract and retain appropriately qualified and experienced personnel and therefore includes a combination of cash paid and the issuance of options and rights. Key management personnel comprise the directors of the Company and senior executives for Hammer.
Staff remuneration is reviewed annually.

Consequences of performance on shareholder wealth

In establishing performance measures and benchmarks to ensure incentive plans are appropriately structured to align corporate behaviour with the long-term creation of shareholder wealth, the Board has regard for the stage of development of the Company's business, share price, operational and business development achievements (including results of exploration activities) that are of future benefit to the Company. In considering Hammer's performance and benefits for shareholder wealth, the Board have regarded the following indices in respect to the current and previous four financial years:

	2025	2024	2023	2021	2019
Gain/(Loss) per share (cents)	(0.33)	0.71	(0.16)	(0.08)	(0.08)
Net (loss)/profit ($)	(2,923,316)	6,270,584	(1,285,536)	(645,270)	(611,525)
Share price at 30 June	$0.028	$0.037	$0.061	$0.045	$0.092

Service contracts

Daniel Thomas // Managing Director

The Company entered into an Executive Service agreement with Mr Thomas on 1 August 2022, which was revised on 1 July 2024. An Executive service fee of $300,000 (plus superannuation) per annum is payable with an indefinite term. Either Party can terminate the agreement subject to a three-month notice period. Mr Thomas is not entitled to any termination payments other than for services rendered at time of termination.

Mark Pitts // Company Secretary

Mr Pitts is a Principal in the Company Secretarial and CFO advisory divisions of the Automic Group providing secretarial support and corporate and compliance advice, pursuant to a contract with the Company. The contract has no fixed term with the option of termination by either party with two months' written notice. Mr Pitts is not entitled to any termination payments other than for services rendered at time of termination.

Non-executive directors

Effective from 1 July 2024, all non-executive Directors receive a fixed annual Directors' fee of $50,000 (plus superannuation benefits as required under the applicable legislation). The Chair receives a fixed annual fee of $75,000 (plus superannuation benefits as required under the applicable legislation). The maximum aggregate amount of non-executive Directors' fees payable by the Company as approved by the shareholders at the 2011 annual general meeting is $300,000 per annum.

Share trading policy

In December 2010, Hammer introduced a share trading policy which sets out the circumstances in which directors, executives, employees and other designated persons may deal with securities held by them in the Company. This includes any shares or any other securities issued by the Company such as options. The policy includes restriction on key management personnel and other employees from entering into arrangements that limit their exposure to losses that would result from share price decreases. Entering into such arrangements has been prohibited by law since 1 July 2011.

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12.2 Directors' and Senior Executives' Remuneration

Details of the nature and amount of each major element of the remuneration of each director of the Company and other key management personnel of the Group are:

Year Ended 30 June 2025	Short Term			Long Term			
Directors	**Salary & Fees $**	**Consulting Fees $**	**Superannuation Benefits $**	**Options and Rights $**	**Total $**	**Proportion of Remuneration Performance Related %**	**Value of Options and Rights as Proportion of Remuneration %**
Executive Mr D Thomas	304,568	-	29,932	192,346	525,060	36.6%	36.6%
Non-executive Mr R Davis	75,000	-	8,625	36,100	119,725	-	30.2%
Mr D Church	50,000	-	5,750	15,100	70,850	-	21.3%
Mr J Croser	50,000	-	5,750	-	55,750	-	-
Total - Directors	479,568	-	50,057	243,546	771,385	24.9%	31.6%
Other Key Management Personnel Executives							
Mr M Pitts (Company Secretary)	66,100	-	-	-	66,100	-	-
Total All Key Management Personnel	**545,668**	**-**	**50,057**	**243,546**	**837,485**	**23.0%**	**29.1%**

1 – Represents the accounting value of the movement in accrued leave liabilities, and not amounts paid to the member of Key Management Personnel.

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Year Ended 30 June 2024				Long Term			
Directors	**Consulting Fees $**	**Movement in Leave Accruals[1] $**	**Superannuation Benefits $**	**Options and Rights $**	**Total $**	**Proportion of Remuneration Performance Related %**	**Value of Options and Rights as Proportion of Remuneration %**
Executive Mr D Thomas	-	9,260	28,711	218,004	533,826	33.4%	40.8%
Non-executive Mr R Davis	-	-	7,432	-	75,000	-	-
Mr D Church	-	-	4,955	29,850	79,850	-	37.4%
Mr J Croser	-	-	4,047	103,200	144,034	-	71.6%
Mr Z Lubieniecki[3]	3,000	-	922	-	12,305	-	-
Total - Directors	3,000	9,260	46,067	351,054	845,015	21.1%	41.5%
Other Key Management Personnel Executives							
Executives							
Mr M Pitts (Company Secretary)	-	-	-	-	69,975	-	-
Total All Key Management Personnel	**3,000**	**9,260**	**46,067**	**351,054**	**914,990**	**19.5%**	**38.4%**

1 – Represents the accounting value of the movement in accrued leave liabilities and not amounts paid to the member of Key Management Personnel.

2 – Appointed 8 September 2023.

3 – Resigned 7 September 2023.

12.3 Value of Options To Key Management Personnel

The value of options will only be realised if and when the market price of the Company shares, as quoted on the Australian Securities Exchange, rises above the Exercise Price of the options. Further details of the options are contained below.

12.4 Options and Rights Over Equity Instruments Granted as Compensation

During the current financial year, 3,500,000 options were granted to Non-Executive Directors, and 3,000,000 performance rights were granted to the Managing Director. The terms of these options and rights are noted in the tables below.

12.5 Analysis of Options and Rights Over Equity Instruments Granted as Compensation

Granted during the current financial year

The following options were granted as remuneration to key management personnel during the year.

Key Management Personnel	Number of Options Granted	Date Granted	% Vested	% Forfeited / Lapsed	Financial Year in Which Grant Vested / Will Vest
Related Party Options – Tranche 1 Russell Davis	1,000,000	15 November 2024	100%	-	-
Related Party Options – Tranche 2 Russell Davis	1,500,000	15 November 2024	100%	-	-
Related Party Options – Tranche 1 David Church	1,000,000	15 November 2024	100%	-	-

The fair value of the options issued during the year to Key Management Personnel was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

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	Related Party Options – Tranche 1	Related Party Options – Tranche 2
Underlying security spot price on grant date	$0.035	$0.035
Exercise price	$0.07	$0.08
Grant date	15/11/2024	15/11/2024
Expiration date	2/12/2028	2/12/2028
Vesting date	Immediate	Immediate
Life (years)	4	4
Volatility	75%	75%
Risk free rate	4.214%	4.214%
Dividend Yield	Nil	Nil
Number of options	2,000,000	1,500,000
Valuation per option	$0.0151	$0.0140
Remaining life (years)	3.4	3.4
Total value	$30,200	$21,000
Value recognised to date	$30,200	$21,000
Value still to be recognised	-	-

The following performance rights, which all expire on 15 November 2027, were issued to the Company's Managing Director during the year:

- a) 1,000,000 Tranche 1 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- b) 1,000,000 Tranche 2 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.
- c) 1,000,000 Tranche 3 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

The fair value of the Related Party Performance Rights issued during the year to Key Management Personnel was determined by reference to the underlying security on the date of issue, being $0.035 each.

Granted during previous financial years

The following options were granted as remuneration to key management personnel during the previous financial year.

Key Management Personnel	Number of Options Granted	Date Granted	% Vested	% Forfeited / Lapsed	Financial Year in Which Grant Vested / Will Vest
Daniel Thomas – Management Options – Tranche 1	2,000,000	17 November 2023	100%	-	-
Daniel Thomas – Management Options – Tranche 2	2,000,000	17 November 2023	100%	-	30 June 2025
David Church	1,500,000	17 November 2023	100%	-	-
James Croser	4,000,000	7 September 2023	100%	-	-

The fair value of the options issued during the year to Key Management Personnel was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

	Management – T1	Management – T2	D Church	J Croser
Underlying security spot price on grant date	$0.05	$0.05	$0.05	$0.055
Exercise price	$0.08	$0.08	$0.08	$0.08
Grant date	17 November 2023	17 November 2023	17 November 2023	7 September 2023
Expiration date	30 November 2026	30 November 2026	30 November 2026	30 November 2026
Vesting date	Immediate	15 December 2024	Immediate	Immediate
Life (years)	3	3	3	3.25
Volatility	75%	75%	75%	75%
Risk free rate	4.172%	4.172%	4.172%	3.841%
Dividend Yield	-	-	-	-
Number of options	2,000,000	2,000,000	1,500,000	4,000,000
Valuation per option	$0.0199	$0.0199	$0.0199	$0.0258
Remaining life (years)	1.4	1.4	1.4	1.4
Total value	$39,200	$39,200	$29,850	$103,200
Value recognised to date (as at 30 June 2025)	$39,200	$39,200	$29,850	$103,200
Value still to be recognised (as at 30 June 2025)	-	-	-	-

The following performance rights, which all expire on 15 December 2027, were issued to the Company's Managing Director during the previous year:

- 500,000 Tranche 1A Management Performance Rights, vesting upon the continuous service for a period of 12 months from the date of issue;
- 500,000 Tranche 1B Management Performance Rights, vesting upon the continuous service for a period of 12 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 50% over the 15-day VWAP prior to the issue date, or $0.078;
- 500,000 Tranche 2A Management Performance Rights, vesting upon the continuous service for a period of 24 months from the date of issue;
- 500,000 Tranche 2B Management Performance Rights, vesting upon the continuous service for a period of 24 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 100% over the 15-day VWAP prior to the issue date, or $0.104; and
- 7,000,000 Tranche 3 Management Performance Rights, vesting upon the completion (to the Board's satisfaction) of a material transaction to the value of a minimum of 30% of the Company's market capitalisation, determined based on the 30-day VWAP immediately prior to the completion or announcement of the transaction.

The fair value of the Management Performance Rights issued during the previous year to Key Management Personnel was determined by reference to the underlying security on the date of issue. With respect to Tranches 1A, 2A and 3, these fair values have not been adjusted as there exist no market-based performance conditions attached to the rights. The key inputs and valuations are summarised as follows:

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	Management Performance Rights - Tranche 1A	Management Performance Rights – Tranche 2A	Management Performance Rights - Tranche 3
Underlying security spot price on grant date	$0.052	$0.052	$0.052
Grant date	17 Nov 2023	17 Nov 2023	17 Nov 2023
Expiration date	15 Dec 2027	15 Dec 2027	15 Dec 2027
Vesting date (estimated)	15 Dec 2025	15 Dec 2025	15 Dec 2027
Life (years)	4.1	4.1	4.1
Discount applied {a}	-	-	-
Number of rights	500,000	500,000	7,000,000
Value per right	$0.05	$0.05	$0.05
Remaining life (years) {b}	2.5	2.5	2.5
Total value	$26,000	$26,000	$364,000
Value recognised to date (as at 30 June 2025)	$26,000	$20,245	$144,475
Value still to be recognised (as at 30 June 2025)	-	$5,755	$219,525

{a} all the above three tranches of Management Performance Rights issued during the year contain no market-based vesting conditions and therefore no discount has been applied.

{b} the remaining life represents the time, in years, left until the expiry of the right.

Options or rights expired or exercised during the year

- 3,500,000 options held by key management personnel expired unexercised during the year.
- 3,000,000 performance rights held by Mr Daniel Thomas (or their nominee) expired unexercised during the year.

12.6 Option Holdings

The movement during the reporting period in the number of options over ordinary shares in Hammer Metals Limited held, directly, indirectly or beneficially, by each key management person, including their personally-related entities, is as follows:

Key Management Personnel	Held at Beginning of Period/on Appointment	Granted	Purchased	Exercised	Lapsed or Expired	Held at End of Period / on Resignation	Vested and Exercisable at End of Period
Mr R Davis	3,500,000	2,500,000	-	-	(2,000,000)	4,000,000	4,000,000
Mr D Thomas	4,000,000	-	-	-	-	4,000,000	4,000,000
Mr D Church	4,000,000	1,000,000	-	-	(1,000,000)	4,000,000	4,000,000
Mr J Croser	4,000,000	-	-	-	-	4,000,000	4,000,000
Mr M Pitts	500,000	-	-	-	(500,000)	-	-

12.7 Equity Holdings and Transactions

The movement during the reporting period in the number of ordinary shares in Hammer Metals Limited held directly, indirectly or beneficially, by each key management person, including their personally related entities, is as follows:

	Held at Beginning of Period/on Appointment	Purchases	Sales	Granted in Lieu of Fees	Exercise of Options and Performance Rights	Held at End of Period/on Resignation
Mr R Davis	43,744,013	1,755,987	-	-	-	45,500,000
Mr D Thomas	4,833,334	-	-	-	-	4,833,334
Mr D Church	1,052,631	-	-	-	-	1,052,631
Mr J Croser	-	-	-	-	-	-
Mr M Pitts	1,729,459	-	-	-	-	1,729,459

12.8 Performance Right Holdings

The movement during the reporting period in the number of performance rights over ordinary shares in Hammer Metals Limited held, directly, indirectly or beneficially, by each key management person, including their personally-related entities, is as follows:

	Held at Beginning of Period/on Appointment	Granted	Exercised	Other Movements / Expiry	Held at End of Period / on Resignation	Vested and Exercisable at End of Period
Mr R Davis	-	-	-	-	-	-
Mr D Thomas	12,000,000	3,000,000		(3,000,000)	12,000,000	5,500,000
Mr D Church		-	-	-	-	-
Mr J Croser	-	-	-	-	-	-
Mr M Pitts	-	-	-	-	-	-

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12.9 Key Management Personnel Transactions

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year exclusive of GST:

		Transaction Value Year Ended		Balance Outstanding as at	
Key Management Personnel	**Transaction**	30 June 2025 $	30 June 2024 $	30 June 2025 $	30 June 2024 $
Mr Z Lubieniecki	Consulting Fees	-	3,000	-	-
Mr M Pitts	Accounting services	38,109	43,700	2,754	3,900

The Company paid fees to Zbigniew Lubieniecki as consulting fees for geological services provided.

The Company paid fees to Endeavour Corporate / Automic, an entity associated with Mark Pitts, for accounting and financial reporting services provided to the Group.

Mr Lubieniecki resigned on 7 September 2023.

13. Share Options

Unissued shares under option

At the date of this report unissued ordinary shares of the Company under option are:

	Expiry Date	Exercise Price	Number of Options
Non-Executive Director Options	30 November 2026	$0.07	4,500,000
Non-Executive Director Options	30 November 2026	$0.08	5,500,000
Management Options – Tranche 1	30 November 2026	$0.08	2,000,000
Management Options – Tranche 1	30 November 2026	$0.08	2,000,000
Employee Incentive Options 2024	28 October 2028	$0.06	7,000,000
Related Party Options – Tranche 1	2 December 2028	$0.07	2,000,000
Related Party Options – Tranche 2	2 December 2028	$0.08	1,500,000
			24,500,000

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

Shares issued on exercise of options

No shares were issued during the year upon the exercise of options.

On 6 July 2023, a total of 3,000,000 options exercisable at 3.5 cents each ($0.035) were exercised. The funds for these were received prior to 30 June 2023 and therefore the increase in share capital was recognised during the previous financial year.

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14. Performance Rights

Unissued shares under performance rights

At the date of this report unissued ordinary shares of the Company under performance rights are:

	Expiry Date	Number of Rights
Management Performance Rights – 1A	15 December 2027	500,000
Management Performance Rights – 1B	15 December 2027	500,000
Management Performance Rights – 2A	15 December 2027	500,000
Management Performance Rights – 2B	15 December 2027	500,000
Management Performance Rights – 3	15 December 2027	2,000,000
Employee Incentives 2024 Performance Rights - T1	25 October 2027	500,000
Employee Incentives 2024 Performance Rights - T2	25 October 2027	500,000
Employee Incentives 2024 Performance Rights - T3	25 October 2027	500,000
Related Party Performance Rights – T1	15 November 2027	1,000,000
Related Party Performance Rights – T2	15 November 2027	1,000,000
Related Party Performance Rights – T3	15 November 2027	1,000,000
		8,500,000

The terms of these rights are summarised in section 12.5 above.

Shares issued on exercise of performance rights

During the year, no performance rights were exercised.

15. Corporate Governance

In recognising the need for the highest standards of corporate behaviours and accountability, the Directors support and have adhered to the principles of sound corporate governance.

The Board recognises the recommendations of the ASX Corporate Governance Council and considers the Company is in compliance with those guidelines which are of importance to the operations of the Company. Where a recommendation has not been followed, that fact has been disclosed together with the reasons for the departure.

The Company's Corporate Governance Statement and disclosures available on the Company's website at **www.hammermetals.com.au.**

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16. Indemnification of Officers and Auditors

The Company has entered into Deeds of Access and Indemnity (Deed) with each Director and the Company Secretary (officers).

Under the Deed, the Company indemnifies the officers to the maximum extent permitted by law and the Constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the officers in connection with the officers being an officer of the Company, the employment of the officer with the Company or a breach by the Company of its obligations under the Deed.

Also pursuant to the Deed, the Company must insure the officers against liability and provide access to all board papers relevant to defending any claim brought against them in their capacity as officers of the Company.

The Company has paid insurance premiums during the year in respect of liability for any past, present or future Directors, secretary, officers and employees of the Company or related body corporate. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance or indemnification for the Auditor of the Company.

17. Non-Audit Services

During the year PKF Perth, the Company's auditor, provided no non-audit services to the Company.

18. Lead Auditor's Independence Declaration Under Section 307c of The Corporations Act 2001

The lead auditor's independence declaration is set out on page 62 and forms part of the Directors' report for the financial year ended 30 June 2025.

19. Significant Changes in State of Affairs

In the opinion of Directors, other than that disclosed elsewhere in this report, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review. This report is made with a resolution of the Directors:



Russell Davis
Chairman
Perth
30 September 2025

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Auditor's Independence Declaration

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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF HAMMER METALS LIMITED

In relation to our audit of the financial report of Hammer Metals Limited for the year ended 30 June 2025, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF PERTH

ALEXANDRA SOFIA
BALDEIRA PEREIRA CARVALHO
PARTNER

30 September 2025
PERTH, WESTERN AUSTRALIA

Consolidated Statement of Financial Position
As at 30 June 2025

	Note	30 June 2025	30 June 2024
		$	$
Current assets			
Cash and cash equivalents	10	2,559,394	5,228,612
Trade and other receivables	11	145,815	172,227
Total current assets		**2,705,209**	**5,400,839**
Non-current assets			
Other financial assets	12	3,633,385	4,615,933
Plant and equipment		5,136	3,006
Right-of-use assets	13	141,368	177,663
Exploration and evaluation expenditure	14	27,901,337	26,540,119
Total non-current assets		**31,681,226**	**31,336,721**
Total assets		**34,386,435**	**36,737,560**
Current liabilities			
Trade and other payables	15	875,498	660,677
Lease liabilities	16	89,155	108,892
Total current liabilities		**964,653**	**769,569**
Non-current liabilities			
Lease liabilities	16	52,134	68,696
Total non-current liabilities		**52,134**	**68,696**
Total liabilities		**1,016,787**	**838,265**
Net assets		**33,369,648**	**35,899,295**
Equity			
Share capital	17	66,859,386	66,810,197
Reserves	18	748,748	787,618
Accumulated losses		(34,238,486)	(31,698,520)
Total equity		**33,369,648**	**35,899,295**

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 June 2025

	Note	30 June 2025	30 June 2024
		$	$
Other income	4	227,320	177,062
Sale of tenement	4	-	9,000,000
Marketing expenses		(122,119)	(81,454)
Administrative expenses		(524,250)	(969,253)
Employee benefits expense	5	(259,501)	(249,704)
Share based payments	5	(344,480)	(339,357)
Occupancy expenses		(61,551)	(43,636)
Depreciation and amortisation	5	(92,305)	(97,929)
Exploration written off	14	(907,190)	(599,610)
Fair value adjustment on financial assets		(978,158)	(611,596)
Other expenses		-	(1,026)
Profit / (Loss) from operating activities		**(3,062,234)**	**6,183,497**
Finance income		150,939	99,097
Finance expenses		(12,021)	(12,010)
Net finance income / (expense)	6	**138,918**	**87,087**
Profit/(loss) before income tax		**(2,923,316)**	**6,270,584**
Income tax benefit	8	-	-
Net profit/(loss) for the year from continuing operations		**(2,923,316)**	**6,270,584**
Other comprehensive income		-	-
Other comprehensive loss for the year, net of income tax		-	-
Total Comprehensive profit/(loss) for the year		**(2,923,316)**	**6,270,584**
Loss per share:			
Basic gain/(loss) per share (cents per share)	9(a)	**(0.33)**	**0.71**
Diluted gain/(loss) per share (cents per share)	9(a)	**(0.33)**	**0.71**

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity
For The Year Ended 30 June 2025

	Share Capital	Share Based Payment Reserve	Accumulated Losses	Total
Balance at 1 July 2023	**66,593,958**	**1,382,293**	**(38,903,136)**	**29,073,115**
Profit for the year	-	-	6,270,584	6,270,584
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**6,270,584**	**6,270,584**
Shares issued for cash	220,000	-	-	220,000
Share based payments	-	339,357	-	339,357
Derecognition of share based payments previously expensed	-	(934,032)	934,032	-
Share issue costs	(3,761)	-	-	(3,761)
Balance at 30 June 2024	**66,810,197**	**787,618**	**(31,698,520)**	**35,899,295**
Balance at 1 July 2024	**66,810,197**	**787,618**	**(31,698,520)**	**35,899,295**
Loss for the year	-	-	(2,923,316)	(2,923,316)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**(2,923,316)**	**(2,923,316)**
Shares issued to acquire tenements	50,000	-	-	50,000
Lapse of options	-	(251,350)	251,350	-
Lapse of performance rights	-	(132,000)	132,000	-
Share based payments	-	344,480	-	344,480
Share issue costs	(811)	-	-	(811)
Balance at 30 June 2025	**66,859,386**	**748,748**	**(34,238,486)**	**33,369,648**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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Consolidated Statement Of Cash Flows
For The Year Ended 30 June 2025

	Note	30 June 2025	30 June 2024
		$	$
Cash flows from operating activities			
Interest received		150,939	99,097
Fuel rebate received		10,054	9,194
Management fees received from farm-in and joint arrangement partners		169,310	173,676
Exploration incurred on behalf of farm-in partner		(1,285,014)	(1,430,271)
Reimbursement of exploration on behalf of farm-in partner received		1,540,933	1,531,461
Payments to suppliers and employees		(1,142,911)	(1,614,991)
Net cash used in operating activities	**23**	**(556,689)**	**(1,231,834)**
Cash flows from investing activities			
Payments for exploration expenditure		(3,353,403)	(3,157,246)
Purchase of property, plant & equipment		(3,103)	-
Purchase of tenements		(100,000)	-
Proceeds from partial sale of tenements		-	4,000,000
Receipt of research and development grant		933,755	1,257,932
Security bonds paid		-	(102,000)
Farm-in fee received		100,000	-
Sale of investments		4,390	-
Net cash calls received on behalf of farm-in partners		110,000	-
Government exploration grants received		300,000	-
Net cash provided by / (used in) investing activities		**(2,008,361)**	**1,998,686**
Cash flows from financing activities			
Proceeds from issue of share capital		-	220,000
Transaction costs from issue of shares and options		(811)	(3,761)
Lease payments made		(103,357)	(111,619)
Net cash from financing activities		**(104,168)**	**104,620**
Net increase / (decrease) in cash and cash equivalents		(2,669,218)	871,472
Cash and cash equivalents at beginning of year		5,228,612	4,357,140
Cash and cash equivalents at end of year	**10**	**2,559,394**	**5,228,612**

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

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Notes to The Consolidated Financial Statements

1. Reporting Entity

Hammer Metals Limited (the "Company") is a company domiciled in Australia. The Company's registered office is Suite 2, Level 2, 41 Colin Street West Perth, Western Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2025 comprises the Company and its subsidiaries (together referred to as the "Group").

The Group is a for profit entity and is primarily involved in the exploration and extraction of mineral resources.

2. Basis Of Preparation

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS's) adopted by the International Accounting Standards Board (IASB).

The consolidated financial report was authorised for issue by the Directors on 30 September 2025.

(b) Basis of measurement

The financial report is prepared on the historical cost basis except for share based payments and other financial assets which are measured at their fair value.

(c) Functional and presentation currency

The financial report is presented in Australian dollars which is the functional and presentation currency of the Company and its subsidiaries.

(d) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

(e) Use of estimates and judgements

Set out below is information about:

- **critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements; and**
- **assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.**

Critical judgements

i. Going concern

A key assumption underlying the preparation of the financial statements is that the Group will continue as a going concern. An entity is a going concern when it is considered to be able to pay its debts as and when they are due, and to continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

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Estimates and assumptions

ii. Ore Reserves and Mineral Resources

Economically recoverable reserves represent the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable economic conditions. The Group determines and reports ore reserves and mineral resources under the standards incorporated in the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (the JORC Code). The determination of ore reserves or mineral resources includes estimates and assumptions about a range of geological, technical and economic factors, including: quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Changes in ore reserves and mineral resources impact the assessment of recoverability of exploration and evaluation assets, provisions for site restoration and the recognition of deferred tax assets, including tax losses.

iii. Exploration and evaluation assets

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy (refer note 3(l)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as to ore reserves (refer note 2(e)(ii)), the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. Changes in these estimates and assumptions as new information about the presence or recoverability of an ore reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure under accounting policy 3(l), a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the statement of profit and loss and other comprehensive income in accordance with accounting policy 3(e). The carrying amounts of exploration and evaluation assets are set out in note 14.

i.v Share based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model considering the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 20 for further information.

(f) Adoption of new and revised standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(g) Going concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Directors believe that the Group will have sufficient working capital to meet its minimum project development and administrative expenses in the next twelve months following the date of signing of the financial report.

For the year ended 30 June 2025, the Group has incurred a loss before tax of $2,923,316 and net cash outflows from operating and investing activities of $2,565,050. As at 30 June 2025 the Group had $2,559,394 in cash and cash equivalents and an excess of working capital of $1,740,556. Subsequent to year-end, the Group has sold 6,366,001 of the shares it holds in Carnaby Resources Limited, raising approximately $1.9 million.

Whilst not immediately required, the Group may need to raise additional funds to meet its planned and budgeted exploration expenditure as well as regular corporate overheads.

The Group's capacity to raise additional funds will be impacted by the success of the ongoing exploration activities and market conditions. Additional sources of funding available to the Group include; capital raising via preferential issues to existing shareholders, placements to new and existing investors or the realisation of the value of the Group's investments. If necessary, the Group can delay exploration expenditure and the directors can also institute cost saving measures to further reduce corporate and administrative costs.

However, should the above planned activities to raise or conserve capital not be successful, there exists a material uncertainty which may cast significant doubt surrounding the Group's ability to continue as a going concern and, therefore, its ability to realise its assets and dispose of its liabilities in the ordinary course of business and at the amounts stated in the financial report.

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3. Statement Of Material Accounting Policies

The Group has consistently applied the accounting policies set out in note 3 to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 percent and 50 percent of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the investment, including any long-term interest that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

iii. Joint arrangements

The Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligation for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances.

iv. Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(b) Plant and equipment

Items of plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 3(f)). Depreciation is charged to the statement of profit and loss and other comprehensive income on a straight-line basis over their estimated useful lives. The estimated useful lives in the current and comparative periods are as follows:

- Office equipment: 3 to 4 years
- Plant and equipmen:t 3 to 5 years

The residual value, if significant, is reassessed annually.

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(c) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)

The classification is determined by both:

- the entity's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

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All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(e) Impairment

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost.

The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

For all other receivables measured at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets (see accounting policy 3(k)) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(f) Share capital

Ordinary shares

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(g) Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of profit and loss and other comprehensive income over the period of the borrowings on an effective interest basis.

(h) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of profit and loss and other comprehensive income as incurred.

Share based payment transactions

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.

Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as, workers compensation insurance and payroll tax.

(i) Finance income and expenses

Net finance income

Net finance income comprises interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested and realised foreign exchange gains and losses. Interest income is recognised in the statement of profit and loss and other comprehensive income as it accrues, using the effective interest method.

(j) Income tax

Income tax on the statement of profit and loss and other comprehensive income for the periods presented comprises current and deferred tax. Income tax is recognised in the statement of profit and loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company and its Australian resident wholly owned subsidiaries adopted the tax consolidation legislation with effect from 1 July 2014 and are therefore taxed as a single entity from that date. Hammer Metals Ltd is the head entity within the tax-consolidated group. Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group.

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(k) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

(l) Exploration and evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the Group has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resources. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Group in connection with the exploration for and evaluation of minerals resources before the technical feasibility and commercial viability of extracting mineral resources are demonstrable.

Accounting for exploration and evaluation expenditure is assessed separately for each area of interest. An area of interest is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred.

For each area of interest, the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

(a) The rights to tenure of the area of interest are current; and

(b) At least one of the following conditions is also met:

(i) The expenditure is expected to be recouped through successful development and commercial exploitation of an area of interest, or alternatively by its sale; and

(ii) Exploration and evaluation activities in the area of interest have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise 'economically recoverable reserves' and active and significant operations in, or in relation to, the area of interest are continuing. Economically recoverable reserves are the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable conditions.

Exploration and evaluation assets include

- Acquisition of rights to explore;
- Topographical, geological, geochemical and geophysical studies;
- Exploratory drilling, trenching, and sampling and
- Activities in relation to evaluating the technical feasibility and commercial viability of extracting the mineral resource.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation assets only to the extent that those costs can be related directly to the operational activities in the area of interest to which the exploration and evaluation assets relate. In all other instances, these costs are expensed as incurred.

Exploration and evaluation assets are transferred to Development Assets once technical feasibility and commercial viability of an area of interest is demonstrable. Exploration and evaluation assets are assessed for impairment, and any impairment loss is recognised prior to being reclassified.

The carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective area of interest.

Impairment testing of exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploitation for and evaluation of mineral resources in the specific area are not budgeted or planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified are; or

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→ **Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development of by sale.**

Where a potential impairment is indicated, an assessment is performed for each cash generating unit which is no larger than the area of interest. The Group performs impairment testing in accordance with accounting policy 3(e).

Farm-in arrangements (in the exploration and evaluation phase)

For exploration and evaluation asset acquisitions (farm-in arrangements) in which the Group has made arrangements to fund a portion of the selling partner's (farmor's) exploration and/or future development expenditures (carried interests), these expenditures are reflected in the financial statements as and when the exploration work progresses.

Farm-out arrangements (in the exploration and evaluation phase)

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained.

Monies received pursuant to farm-in agreements are treated as a liability (advanced cash call) on receipt and until such time as the relevant expenditure is incurred.

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4. Other Income

	30 June 2025	30 June 2024
	$	$
Management fee from farm-in partners	169,310	166,843
Other income	58,010	10,219
Total other income	227,320	177,062
Partial sale of tenement to Carnaby Resources Limited (ASX:CNB)		
Proceeds received – cash	-	4,000,000
Proceeds received – shares (9,090,090 ordinary shares in CNB)	-	5,000,000
Total income from sale of tenement	-	9,000,000
Total income	**-**	**9,177,062**

5. Result From Operating Activities

	30 June 2025	30 June 2024
	$	$
Net loss for the year before tax has been arrived at after the charging the following expenses:		
Depreciation of plant and equipment	973	976
Amortisation of right-of-use assets	91,332	96,953
Total depreciation and amortisation	**92,305**	**97,929**
Salary and wages	236,383	227,420
Superannuation expense	23,118	22,134
Share based payments	344,480	339,357
Other employee expenses	-	150
Total employee costs	**603,981**	**589,061**

6. Finance Income and Finance Costs

	30 June 2025	30 June 2024
	$	$
Recognised in loss for the year:		
Interest income	150,939	99,097
Finance costs / lease interest expense	(12,021)	(12,010)
Net finance income	**138,918**	**87,087**

7. Auditors' Remuneration

	30 June 2025	30 June 2024
	$	$
Auditors of the Company – PKF		
Audit services:		
Audit and review of financial reports	40,000	37,500
	40,000	**37,500**

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8. Income Tax

	30 June 2025	30 June 2024
	$	$
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	-
Total income tax benefit	-	-
Numerical reconciliation of income tax benefit to pre-tax accounting profit / (loss):		
Profit / (loss) before income tax	(2,923,316)	6,270,584
Income tax expenses / (benefit) using the Company's domestic tax rate of 25% (2024: 25%)	(730,829)	1,567,646
Adjusted for:		
(Non-deductible expenses) / Non-Assessable Income	87,004	(85,891)
Over provision in respect of prior years	(1,542,863)	-
Temporary differences and tax losses not recognised	2,186,688	(1,481,755)
Income tax benefit	-	-
(b) Unrecognised deferred tax assets / liabilities		
Deferred tax assets / liabilities have not been recognised in respect of the following items:		
Temporary timing differences related to:		
Property, plant and equipment	(1,284)	1,269
Exploration and evaluation expenditure	(5,944,819)	(6,635,030)
Investments	667,386	(792,096)
Right-of-use assets	(35,342)	-
Accrued expenses and provisions	46,430	29,834
Lease liabilities	35,322	-
Capital raising costs	21,397	46,670
Capital losses	23,450	23,450
Income tax losses	10,785,894	10,504,007
	5,598,434	**3,178,104**

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from.

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9. Gain/(Loss) Per Share

	30 June 2025	30 June 2024
	$	$
(a) Basic (loss) / gain per share calculated using the weighted average number of fully paid ordinary shares on issue at the reporting date.	(0.33)	0.71 cents
Dilutive (loss) / gain per share calculated using the weighted average number of fully paid ordinary shares on issue at the reporting date.	(0.33)	0.71 cents
(b) Weighted average number of shares used in calculation of basic earnings per share	887,314,420	886,037,586
(b) Weighted average number of shares used in calculation of dilutive earnings per share	887,314,420	888,037,586

10. Cash and Cash Equivalents

	30 June 2025	30 June 2024
	$	$
Cash at bank and on hand	**2,559,394**	**5,228,612**

The Group's exposure to interest rate risk and sensitivity analysis for financial assets and financial liabilities are disclosed in Note 25.

11. Trade and Other Receivables

	30 June 2025	30 June 2024
	$	$
Current		
GST receivable	5,594	35,421
Security deposit	23,956	119,392
Other receivables	116,264	17,414
	145,815	**172,227**

Trade and other receivables are non-interest bearing.

12. Other Financial Assets

	30 June 2025	30 June 2024
	$	$
Non - Current		
Investments in other entities		
Listed shares in TSXV and ASX-listed companies - at fair value	3,633,385	4,615,933
Movements in other financial assets for the period:		
Opening balance at the beginning of the period	4,615,933	227,529
Additions – CNB shares received as part consideration for sale of tenement	-	5,000,000
Sale of investments	(4,390)	-
Fair value adjustment on financial assets	(978,158)	(611,596)
Closing balance at the end of the period	**3,633,395**	**4,615,933**

The Group's exposure to equity price risk and sensitivity analysis in disclosed in Note 25. Listed shares recognised as non-current assets have been recognised at fair value through profit or loss ("FVTPL").

13. Right-Of-Use Assets

	30 June 2025	30 June 2024
	$	$
Right-of-use assets	361,092	443,238
Less: accumulated depreciation	(219,724)	(265,575)
Total right-of-use assets	141,368	177,663
Movements in right-of-use assets for the period:		
Opening balance at the beginning of the period	177,663	162,012
Additions for the period	91,055	112,604
Depreciation and amortisation	(91,332)	(96,953)
Disposals	(36,018)	-
Closing balance at the end of the period	141,368	177,663

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14. Exploration and Evaluation Expenditure

	30 June 2025	30 June 2024
	$	$
Balance at 1 July	26,540,119	24,678,290
Exploration and evaluation expenditure incurred	3,452,163	3,719,371
Tenements acquired (a)	150,000	-
Exploration grants received	(300,000)	-
Exploration written-off (b)	(907,190)	(599,610)
Farm-in fee received (c)	(100,000)	-
Research and development grant received	(933,755)	(1,257,932)
Balance at 30 June	**27,901,337**	**26,540,119**

(a) During the current financial year, the Group acquired an interest in the Lady Jenny prospect through the payment of $100,000 cash and the issue of 1,351,351 shares. The Group has determined that, due to the nature of the asset acquired, it cannot obtain a reliable estimate of the fair value of the interest acquired and therefore, has measured the value of the interest acquired indirectly by reference to the fair value of the cash paid and the shares issued, being $0.037 per share, or $50,000.

(b) During the current financial year, the Group has written off exploration expenditure relating to tenements that have been relinquished.

(c) The Group received a farm-in fee related to the initial establishment of the Bullrush Joint Venture. Refer Note 22.

During the comparative period, the Group wrote-off exploration expenditure relating to its Mt. Frosty joint venture, as a result of the Group no longer meeting the requirements for carrying the expenditure forward. The Group maintains that this project retains significant value, however the Group has adopted a conservative approach in accordance with the accounting standards in this instance.

The ultimate recovery of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest at an amount greater than or equal to carrying value. Refer note 3 (l).

Expenses capitalised to Exploration and Evaluation Expenditure assets for the year include direct exploration costs (drilling, rock chip programs and geophysical surveys), laboratory costs (assaying, analysis and review), geological and geochemical consultants as well as allocated administration costs (including salary and wages) where those costs can be directly attributed to the exploration or evaluation activities upon a given area of interest.

15. Trade and Other Payables

	30 June 2025	30 June 2024
	$	$
Trade payables and accruals	740,140	556,245
Employee leave accruals	135,358	104,432
	875,498	**660,677**

All trade and other payables are non-interest bearing and payable on normal commercial terms.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 25.

16. Lease Liabilities

	30 June 2025	30 June 2024
	$	$
Current lease liabilities	89,155	108,892
Non-current lease liabilities	52,134	68,696
	141,289	**177,588**

The nature of the Group's leasing activities includes office leases and the lease of motor vehicles.

17. Issued Capital

	30 June 2025	30 June 2025	30 June 2024	30 June 2024
	No.	$	No.	$
(a) Share capital				
Ordinary shares				
On issue at 1 July	886,407,349	66,810,197	879,740,682	66,593,958
Shares issued for cash at $0.06 per share			3,666,667	220,000
Funds for unlisted options – unexercised[1]			3,000,000	-
Issue of shares to acquire tenements	1,351,351	50,000		
Share issue costs	-	(811)	-	(3,761)
On issue at 30 June – fully paid	**887,758,700**	**66,859,386**	**886,407,349**	**66,810,197**

1 – During the year ended 30 June 2023 the Company received a valid exercise notice for 3,000,000 unquoted options exercisable at $0.035 each on or before 30 June 2024, however the exercise of these options and the issue of shares was only completed on 6 July 2023, and therefore the issue of shares and receipt of funds were recorded across the two financial years.

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

The company does not have authorised capital or par value in respect of its issued shares.

In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

Dividends

No dividends were paid or declared for the year (2024: Nil).

	30 June 2025	30 June 2024
	No.	No.
(b) Options outstanding over ordinary shares		
Unlisted options (Share-based payment reserve)		
Unlisted options exercisable at $0.05 expiring 30 Jun 2024	-	2,600,000
Unlisted options exercisable at $0.05 expiring 30 Nov 2024	-	4,500,000
Unlisted options exercisable at $0.04 expiring 13 May 2024	-	2,000,000
Unlisted options exercisable at $0.07 expiring 30 Nov 2026	4,500,000	4,500,000

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Unlisted options exercisable at $0.08 expiring 30 Nov 2026	5,500,000	5,500,000
Unlisted options exercisable at $0.08 expiring 30 Nov 2026 – Management Tranche 1	2,000,000	2,000,000
Unlisted options exercisable at $0.08 expiring 30 Nov 2026 – Management Tranche 2	2,000,000	2,000,000
Employee Incentive Options - exercisable at $0.06 expiring 25 Oct 2028	7,000,000	-
Related Party Options – Tranche 1 - exercisable at $0.07 expiring 2 December 2028	2,000,000	-
Related Party Options – Tranche 2 - exercisable at $0.08 expiring 2 December 2028	1,500,000	-
	24,500,000	**23,100,000**

- *10,500,000 unlisted options were granted to directors, executives, and employees during the year (2024: 9,500,000). Refer to Note 20.*
- *No unlisted options were exercised during the year (2024: 3,000,000).*
- *No unlisted options were granted to consultants during the year (2024: Nil).*
- *9,100,000 fully vested unlisted options expired unexercised during the period (2024: Nil).*
- *Options carry no voting rights until converted to fully paid ordinary shares. All unlisted options were granted for no cash consideration.*

	30 June 2025	**30 June 2024**
	No.	**No.**
(c) Performance rights outstanding		
Performance rights (Share-based payment reserve)		
Managing Director Performance Rights – Tranche 6	-	1,000,000
Managing Director Performance Rights – Tranche 7	-	1,000,000
Managing Director Performance Rights – Tranche 8	-	1,000,000
Management Performance Rights – Tranche 1A	500,000	500,000
Management Performance Rights – Tranche 1B	500,000	500,000
Management Performance Rights – Tranche 2A	500,000	500,000
Management Performance Rights – Tranche 2B	500,000	500,000
Management Performance Rights – Tranche 3	7,000,000	7,000,000
Employee Incentive 2024 Performance Rights – Tranche 1	500,000	-
Employee Incentive 2024 Performance Rights – Tranche 2	500,000	-
Employee Incentive 2024 Performance Rights – Tranche 3	500,000	-
Related Party Performance Rights – Tranche 1	1,000,000	-
Related Party Performance Rights – Tranche 2	1,000,000	-
Related Party Performance Rights – Tranche 3	1,000,000	-
	13,500,000	**12,000,000**

- *The following performance rights were granted during the current financial year (refer note 20).*

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	Number of Rights	Vesting Date	Vesting Condition	Expiry Date
Employee Incentive 2024 Performance Rights				
Tranche 1	500,000	Refer below	Refer below	25/10/2027
Tranche 2	500,000	Refer below	Refer below	25/10/2027
Tranche 3	500,000	Refer below	Refer below	25/10/2027
Related Party Performance Rights				
Tranche 1	1,000,000	1,000,000	Refer below	15/11/2027
Tranche 2	1,000,000	1,000,000	Refer below	15/11/2027
Tranche 3	1,000,000	1,000,000	Refer below	15/11/2027

All performance rights require the recipient to remain employed until vesting date. Each tranche of Employee Incentive and Related Party performance rights contains the same vesting conditions as follows:

- *Tranche 1 performance rights vest upon the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board;*
- *Tranche 2 performance rights vest upon the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board; and*
- *Tranche 3 performance rights vest upon the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.*

The following performance rights were granted during the previous financial year (refer note 20):

	Number of rights	Vesting Date	Vesting Condition	Expiry Date
Management Performance Rights				
Tranche 1A	500,000	15/12/2024	Refer below	15/12/2027
Tranche 1B	500,000	15/12/2024	Refer below	15/12/2027
Tranche 2A	500,000	15/12/2025	Refer below	15/12/2027
Tranche 2B	500,000	15/12/2025	Refer below	15/12/2027
Tranche 3	7,000,000	N/A	Refer below	15/12/2027

All performance rights require the recipient to remain employed until vesting date. The tranches outstanding at balance date contain the following vesting conditions:

- *Tranche 1A Management Performance Rights vest upon the continuous service for a period of 12 months from the date of issue;*
- *Tranche 1B Management Performance Rights vest upon the continuous service for a period of 12 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 50% over the 15-day VWAP prior to the issue date, or $0.078;*
- *Tranche 2A Management Performance Rights vest upon the continuous service for a period of 24 months from the date of issue;*
- *Tranche 2B Management Performance Rights vest upon the continuous service for a period of 24 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 100% over the 15-day VWAP prior to the issue date, or $0.104; and*
- *Tranche 3 Management Performance Rights vest upon the completion (to the Board's satisfaction) of a material transaction to the value of a minimum of 30% of the Company's market capitalisation, determined based on the 30-day VWAP immediately prior to the completion or announcement of the transaction.*

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18. Reserves

	30 June 2025	30 June 2024
	No.	No.
Share-based payment reserve (1)		
Balance at beginning of period	787,618	1,382,293
Options issued to Employees, Directors and executives	159,000	195,680
Performance rights issued to Employees	14,430	-
Performance rights issued to Managing Director	26,178	99,596
Expiry of options	(251,350)	(75,440)
Lapse of performance rights	(132,000)	-
Reversal of previously recognised value relating to historic options which expired in previous financial periods	-	(858,592)
Further vesting expense of options and rights issued in previous periods	144,872	44,081
	748,748	**787,618**

(1) The share-based payment reserve is used to record the fair value of options and rights issued to Directors and employees and consultants under various share-based payment schemes and options issued for the acquisition of assets.

19. Commitments

a) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State Governments within Australia. These obligations may be reset when application for a mining lease is made and at other times. As a result, exploration expenditure commitments beyond twelve months cannot be reliably determined.

The Group has a minimum expenditure commitment on tenure under its control.

The Group can apply for exemption from compliance with the minimum exploration expenditure requirements.

These obligations are not provided for in the financial report and are payable:

	Consolidated		Company	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	$	$	$	$
Annual minimum exploration expenditure	**4,208,207**	**4,197,111**	**-**	**-**

The annual minimum exploration expenditure commitments disclosed above includes $2,141,130 which falls under tenements related to the farm-in arrangements as set out in note 22. These commitments, while ultimately the responsibility of the Group, are expected to be met either partially or in-full by the other partner, based on their earn-in interest.

The relevant commitment for each project with a farm-in arrangement are as follows:

- Mt Frosty Joint Venture - $172,000
- Mount Isa East Joint Venture - $1,815,530
- Isa Valley Joint Venture - $101,800
- Bullrush Joint Venture - $51,800

20. Share Based Payments

Employee Incentive Plan

The Hammer Metals Employee Incentive Plan was approved by shareholders on 17 November 2023. The key features of this plan are:

(a) The plan will be available to directors, employees and other permitted persons of the Company and its subsidiaries.

(b) Performance Rights or Options are granted for no consideration.

(c) Where options are issued an exercise price will be determined by the Board from time to time.

(d) The number of shares the subject of Performance Rights or Options issued under this plan and other similar plans will not exceed 5% of the Company's issued capital from time to time.

(e) If a holder ceases to be an eligible participant of the plan during the exercise period of a vested Performance Right or Option, the holder may exercise the options within 30 days of ceasing to be an eligible participant and thereafter the options will lapse.

(f) The Performance Rights or Options issued under this plan shall not be quoted on ASX.

(g) The Performance Rights or Options' terms are at the discretion of the Directors.

Options

The number and weighted average exercise price of unlisted share options on issue is as follows:

	30 June 2025		30 June 2024	
	No of Unlisted Options	**Weighted Average Exercise Price**	**No of Unlisted Options**	**Weighted Average Exercise Price**
Outstanding at 1 July	23,100,000	$0.065	23,600,000	$0.053
Granted during the period	10,500,000	$0.065	9,500,000	$0.08
Exercised during the period	-	-	(3,000,000)	$0.035
Expired / lapsed during the period	9,100,000	$0.048	(7,000,000)	$0.056
Outstanding at 30 June	24,500,000	$0.072	23,100,000	$0.065
Exercisable at 30 June	**24,500,000**		**21,100,000**	

The options outstanding at year end have exercise prices ranging from $0.06 to $0.08 and a weighted average remaining contractual life of 2.25 year.

Options Granted During Current Financial Year

The following options were granted during the year.

	Number of Options Granted	Date Granted	% Vested	% Forfeited / Lapsed	Financial Year in Which Grant Vested / Will Vest
Key Management Personnel					
Related Party Options – Tranche 1 – Russell Davis	1,000,000	15 November 2024	100%	-	-
Related Party Options – Tranche 2 – Russell Davis	1,500,000	15 November 2024	100%	-	-
Related Party Options – Tranche 1 – David Church	1,000,000	15 November 2024	100%	-	-
Other Employees					
Employee Incentive Options	7,000,000	28 October 2024	100%	-	-

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The fair value of the options issued during the year to Key Management Personnel was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

	Related Party Options – Tranche 1	Related Party Options – Tranche 2	Employee Incentive Options
Underlying security spot price on grant date	$0.035	$0.035	$0.034
Exercise price	$0.07	$0.08	$0.06
Grant date	15/11/2024	15/11/2024	28/10/2024
Expiration date	2/12/2028	2/12/2028	25/10/2028
Vesting date	Immediate	Immediate	Immediate
Life (years)	4	4	4
Volatility	75%	75%	75%
Risk free rate	4.214%	4.214%	4.025%
Dividend Yield	Nil	Nil	Nil
Number of options	2,000,000	1,500,000	7,000,000
Valuation per option	$0.0151	$0.0140	$0.0154
Remaining life (years)	3.4	3.4	3.3
Total value	$30,200	$21,000	$107,800
Value recognised to date	$30,200	$21,000	$107,800
Value still to be recognised	-	-	-

Options Granted During Previous Financial Year

The following options were granted during the prior year.

	Number of Options Granted	Date Granted	% Vested	% Forfeited / Lapsed	Financial Year in Which Grant Vested / Will Vest
Key Management Personnel					
Daniel Thomas – Management Options Tranche 1	2,000,000	17 November 2023	100%	-	-
Daniel Thomas – Management Options Tranche 2	2,000,000	17 November 2023	100%	-	30 June 2025
David Church	1,500,000	17 November 2023	100%	-	-
James Croser	4,000,000	7 September 2023	100%	-	-

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The fair value of the options issued during the year to Directors was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

	Management – T1	Management – T2	D Church	J Croser
Underlying security spot price on grant date	$0.05	$0.05	$0.05	$0.055
Exercise price	$0.08	$0.08	$0.08	$0.08
Grant date	17 November 2023	17 November 2023	17 November 2023	7 September 2023
Expiration date	30 November 2026	30 November 2026	30 November 2026	30 November 2026
Vesting date	Immediate	15 December 2025	Immediate	Immediate
Life (years)	3	3	3	3.25
Volatility	75%	75%	75%	75%
Risk free rate	4.172%	4.172%	4.172%	3.841%
Dividend Yield	-	-	-	-
Number of options	2,000,000	2,000,000	1,500,000	4,000,000
Valuation per option	$0.0199	$0.0199	$0.0199	$0.0258
Remaining life (years)	1.4	1.4	1.4	1.4
Total value	$39,200	$39,200	$29,850	$103,200
Value recognised to date (at 30 June 2025)	$39,200	$39,200	$29,850	$103,200
Value still to be recognised (at 30 June 2025)	-	-	-	-

Performance Rights

The number of performance rights on issue is as follows:

	30 June 2025	30 June 2024
	No.	No.
Outstanding at 1 July	12,000,000	8,000,000
Granted during the period	4,500,000	9,000,000
Exercised during the period	-	-
Expired / lapsed during the period	(3,000,000)	(5,000,000)
Outstanding at 30 June	13,500,000	12,000,000
Vested and exercisable at 30 June	-	-

Performance Rights granted during current financial year

The following performance rights, which all expire on 25 October 2027, were issued to Employees during the year:

(a) 500,000 Tranche 1 Employee Incentive 2024 Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

(b) 500,000 Tranche 2 Employee Incentive 2024 Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

(c) 500,000 Tranche 3 Employee Incentive 2024 Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

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The fair value of the Employee Incentive 2024 Performance Rights issued during the year to Key Management Personnel was determined by reference to the underlying security on the date of issue, being $0.034 each.

The following performance rights, which all expire on 15 November 2027, were issued to the Company's Managing Director during the year:

(d) 1,000,000 Tranche 1 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

(e) 1,000,000 Tranche 2 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

(f) 1,000,000 Tranche 3 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

The fair value of the Related Party Performance Rights issued during the year to Key Management Personnel was determined by reference to the underlying security on the date of issue, being $0.035 each.

	Employee Incentive 2024 Performance Right – All Tranches	Related Party Performance Rights – All Tranches
Underlying security spot price on grant date	$0.034	$0.035
Grant date	28 Oct 2024	15 Nov 2024
Expiration date	25 Oct 2027	15 Nov 2027
Vesting date (estimated)	25 Oct 2027	15 Nov 2027
Life (years)	3.0	3.0
Discount applied {a}	-	-
Number of rights	1,500,000	3,000,000
Value per right	$0.034	$0.035
Remaining life (years) {b}	2.3	2.4
Total value	$51,000	$105,000
Value recognised to date (as at 30 June 2025)	$14,431	$26,178
Value still to be recognised (as at 30 June 2025)	$36,569	$78,822

Performance Rights granted during previous financial year

The fair value of the Management Performance Rights issued during the year to Key Management Personnel was determined by reference to the underlying security on the date of issue. With respect to Tranches 1A, 2A and 3, these fair values have not been adjusted as there exist no market-based performance conditions attached to the rights. The key inputs and valuations are summarised as follows:

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	Management Performance Rights – Tranche 1A	Management Performance Rights – Tranche 2A	Management Performance Rights – Tranche 3
Underlying security spot price on grant date	$0.052	$0.052	$0.052
Grant date	17 Nov 2023	17 Nov 2023	17 Nov 2023
Expiration date	15 Dec 2027	15 Dec 2027	15 Dec 2027
Vesting date (estimated)	15 Dec 2025	15 Dec 2025	15 Dec 2027
Life (years)	4.1	4.1	4.1
Discount applied {a}	-	-	-
Number of rights	500,000	500,000	7,000,000
Value per right	$0.05	$0.05	$0.05
Remaining life (years) {b}	2.5	2.5	2.5
Total value	$26,000	$26,000	$364,000
Value recognised to date (as at 30 June 2025)	$14,914	$7,742	$55,248
Value still to be recognised (as at 30 June 2025)	$11,086	$18,258	$308,752

{a} – all the above three tranches of Management Performance Rights issued during the year contain no market-based vesting conditions and therefore no discount has been applied.

{b} – the remaining life represents the time, in years, left until the expiry of the right.

With respect to Tranches 1B and 2B, the fair values of these rights have been adjusted to recognise the existence of market-based performance conditions attached to the rights. This valuation has been determined by reference to a Monte Carlo Simulation model. The key inputs and valuations are summarised as follows:

	Management Performance Rights - Tranche 1B	Management Performance Rights – Tranche 2B
Underlying security spot price on grant date	$0.052	$0.052
Grant date	17 Nov 2023	17 Nov 2023
Expiration date	15 Dec 2027	15 Dec 2027
Vesting date (estimated)	15 Dec 2025	15 Dec 2025
Life (years)	4.1	4.1
Share price barrier	$0.0708	$0.104
Expected volatility	103%	103%
Risk-free rate	4.098%	4.098%
Expected dividend yield	-	-
Number of rights	500,000	500,000
Fair value per right	$0.0502	$0.049
Remaining life (years) {a}	3.5	3.5
Total value	$25,100	24,500
Value recognised to date (as at 30 June 2025)	$14,397	$7,295
Value still to be recognised (as at 30 June 2025)	$10,703	$17,205

{a} – the remaining life represents the time, in years, left until the expiry of the right.

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21. Related Parties

Key Management Personnel Compensation:

The following were key management personnel of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Executive Directors

Mr D Thomas

Non-executive Directors

Mr R Davis

Mr D Church

Mr J Croser

Executives

Mr M Pitts (Company Secretary)

	30 June 2025	30 June 2024
The Key Management Personnel Compensation Comprised:	**$**	**$**
Short-term employee benefits	543,882	517,869
Post-employment benefits	50,057	46,067
Share-based payments	243,546	351,054
	837,485	**914,990**

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and executives. Remuneration packages include a mix of fixed remuneration and equity-based remuneration.

Information regarding individual Directors and executive's compensation and some equity instruments disclosures as permitted by Corporations Regulations 2M.3.03 and 2M.6.04 is provided in the remuneration report section of the Directors' report.

Certain key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Some of these entities (as detailed below) transacted with the Group during the reporting period.

The aggregate value of transactions and outstanding balances relating to this entity were as follows:

		Transaction Value Year Ended		Balance Outstanding as at	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Transaction	**$**	**$**	**$**	**$**
Mr Z Lubieniecki	Consulting Fees	-	3,000	-	-
Mr M Pitts	Accounting services	38,109	43,700	2,754	3,900

The Company paid fees to Zbigniew Lubieniecki as consulting fees for geological services provided.

The Company paid fees to Endeavour Corporate, a company associated with Mark Pitts, for accounting and financial reporting services provided to the Group.

Mr Lubieniecki resigned on 7 September 2023.

22. Interest In Other Entities

A - Subsidiaries

Name	Country of Incorporation	Percentage Held 2025	Percentage Held 2024
Parent and ultimate controlling entity			
Hammer Metals Limited			
Subsidiaries			
Hammer Metals Australia Pty Ltd	Australia	100%	100%
Mt. Dockerell Mining Pty Ltd	Australia	100%	100%
Mulga Minerals Pty Ltd	Australia	100%	100%
Carnegie Exploration Pty Ltd	Australia	100%	100%
Hammer Bulk Commodities Pty Ltd	Australia	100%	100%
Midas Metals Asia Pty Ltd (i)	Australia	85%	85%

(i) This subsidiary is dormant and has not traded during the year.

The investments held in controlled entities are included in the financial statements of the parent at cost.

B - Farm-in Arrangements

The Group has the following farm-in / farm-out arrangements:

Mt Frosty – Mt Isa Mines (Glencore)

During a previous financial year the Group (through its wholly owned subsidiary Mulga Minerals Pty Ltd ('Mulga')) completed the acquisition of a 51% interest in the Mt. Frosty prospect and agreed terms for a new joint venture agreement with Mount Isa Mines Limited ('MIM') (a 100% owned subsidiary of Glenore PLC).

Each party to the joint arrangement contributes exploration expenditure according to their participating interest (Hammer – 51% and MIM – 49%). Dilution provisions apply if a party elects not to contribute to a programme. If a party's participating interest falls below 10% their interest will convert to a 3% Net Profits Royalty. Mulga acts as the initial manager of the joint arrangement.

During the comparative financial year, the Group wrote-off exploration expenditure relating to its Mt. Frosty joint venture, as a result of the Group no longer meeting the requirements for carrying the expenditure forward.

Mt Isa East – JOGMEC/SMMO

The Agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") was signed in November 2019 and covers sections of the Even Steven, Mount Philp, Dronfield West and Malbon targets for a total area of approximately 290km^2 of the 2,200km^2 Mount Isa Project. The arrangement is referred to as the Mount Isa East Joint Venture ("Mt Isa East JV" or "MIEJV"), however in accordance with the Australian Accounting Standards is a farm-in arrangement by nature.

During the financial year ended 30 June 2023, JOGMEC and Sumitomo Metal Mining Oceania Pty Ltd. ("SMMO") signed an agreement whereby JOGMEC would transfer its position within the Mt Isa East JV to SMMO. The terms of the agreement remain unchanged.

The agreement allowed for SMMO to achieve a 60% interest in the project areas by expending $6,000,000 by 31 March 2024 through five stages (Farm-In Periods). During the prior year, SMMO completed its fifth stage of the Farm-In, and therefore earned the 60% interest. The Agreement also allows for, subsequent to the completion of the Fifth Farm-in Period, each company to elect to contribute its pro-rata share of future funding. If either party does not contribute and is diluted to an ownership of less than 10% of the Mt Isa East JV, the Group's equitable interest will convert to a 2% Net Smelter Return Royalty. At any time, the Net Smelter Royalty Return Rate can be reduced to 1% via the payment of A$2,000,000.

The areas of interest subject to the Agreement are held by the Company's subsidiaries Mt Dockerell Mining Pty Ltd and Mulga Minerals Pty Ltd.

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Isa Valley Project – South32 Limited

On 27 May 2024, the Group announced a farm-in arrangement with South32 Limited ("South32"), whereby South32 can earn an 80% interest in the Isa Valley Project as follows:

- An initial commitment to earn 70% through the completion of a 900m drilling campaign within 18 months of entering into the agreement (for an estimated cost of $150,000), and the expenditure of an additional $3 million within 3 years. South32 can extend this earn-in period by up to 1 year by spending an additional $1 million (therefore, $4 million over 4 years).
- Once South32 has earned the 70% interest, this can be increased to an 80% interest through the agreement to free-carry the Group's interest in the project through to a Pre-Feasibility Study.

South32 is responsible for managing and operating the exploration program.

Bullrush Project – Sumitomo Metal Mining Oceania Pty Ltd ("SMMO")

On 27 June 2024, the Group announced a farm-in arrangement with SMMO whereby SMMO can earn an 80% interest in the Bullrush Project as follows:

- An initial commitment to earn 51% through the completion of a 2,000m drilling campaign within 12 months of entering into the agreement, and the expenditure of an additional $4.5 million within 4 years.
- An additional 9% interest (to 60% total) through the expenditure of $2 million in a further 2-year period.

Subsequently, the Group can maintain its 40% interest in the project by contributing its pro-rata share of exploration expenditure. Should the Group elect to not contribute its share, SMMO can increase its interest from 60% to 80% by electing to free-carry the Group's interest in the project through to a Pre-Feasibility Study.

The Group will act as the manager an operator of the project until at least the end of the first earn-in period.

23. Reconciliation Of Cash Flows From Operating Activities

	30 June 2025	30 June 2024
	$	$
(Loss) / profit for the year	**(2,923,316)**	**6,270,584**
Adjustments for:		
Depreciation and amortisation	92,305	97,929
Share based payments	344,480	339,357
Fair value adjustment on financial assets	978,158	611,596
Partial sale of tenements	-	(9,000,000)
Interest expenses	12,021	12,010
Exploration expenditure written-off	907,190	599,610
Movements attributable to operating activities:		
Decrease / (increase) in trade and other receivables	(83,588)	182,422
Increase / (decrease) in trade and other payables	116,061	(345,342)
Net cash used in operating activities	**(556,689)**	**(1,231,834)**

24. Segment Information

The Group has three reportable segments, being mineral exploration in Queensland and Western Australia, and corporate activities. The Group's operating segments have been determined with reference to the monthly management accounts, program budgets and cash flow forecasts used by the chief operating decision maker to make decisions regarding the Group's operations and allocation of working capital.

Segment information

The following tables represent revenue and profit information and certain asset and liability information regarding geographical segments for the year ended 30 June 2025.

	Queensland Exploration	Western Australia Exploration	Corporate	Total
	$	$	$	$
30 June 2025				
Segment income	-	-	227,320	227,320
Segment profit / (loss) before income tax expense	(1,682,812)	(321)	(1,240,183)	(2,923,316)
Segment assets	20,022,661	7,878,676	6,485,098	34,386,435
Segment liabilities	(33,770)	(36,565)	(946,452)	(1,016,787)
30 June 2024				
Segment income	-	-	177,062	177,062
Segment loss before income tax expense	(2,911)	(310)	6,273,805	6,270,584
Segment assets	19,333,058	7,207,061	10,197,441	36,737,560
Segment liabilities	(2,545)	(8,153)	(827,567)	(838,265)

25. Financial Instruments Disclosures

Overview

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

Trade and Other Receivables

As the Company operates in the mining exploration sector it does not have significant trade receivables and is therefore not exposed to credit risk in relation to trade receivables. The Group receives advanced cash calls from its farm-in / joint arrangement partner which are classified as liabilities. The cash call amounts are reduced as and when expenditure in terms of the farm-in/ joint arrangement agreement is incurred.

Presently, the Group undertakes exploration and evaluation activities in Australia. At the balance sheet date there were no significant concentrations of credit risk.

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Exposure to Credit Risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

Carrying Amount

	Note	30 June 2025	30 June 2024
		$	$
Cash and cash equivalents	10	2,559,394	5,228,612
Trade and other receivables	11	145,815	172,227

Impairment Losses

None of the Group's trade and other receivables are past due and impaired (2024: Nil).

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due (refer Note 2(h)). The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. Typically, the Group ensures it has sufficient cash on demand to meet expected operational expenses for a period of 90 days, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The expected settlement of the Group's financial liabilities is as follows:

Consolidated	Carrying Amount	Contractual Cash-Flows	< 6 Months	6-12 Months	1-2 years	2-5 years
30 June 2025						
Trade and Other Payables	875,498	875,498	875,498	-	-	-
Lease liabilities	141,289	151,333	45,840	44,420	37,977	23,096
	1,016,787	**1,026,831**	**921,338**	**44,420**	**37,977**	**23,096**
30 June 2024						
Trade and Other Payables	660,677	660,677	660,677	-	-	-
Lease liabilities	177,588	177,989	54,444	47,274	72,938	3,333
	838,265	**838,666**	**715,121**	**47,274**	**72,938**	**3,333**

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency Risk

The Group has no exposure to currency risk on investments and transactions that are denominated in a currency other than the respective functional currencies of Group entities. The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

Interest Rate Risk

The Group is not exposed to interest rate risk on borrowings as it has no borrowings subject to variable interest. The Group is exposed to interest rate risk on its cash balances.

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Profile

At the reporting date the interest rate profile of the Company's and the Group's interest-bearing financial instruments was:

	Carrying Amount	
	30 June 2025	30 June 2024
	$	$
Fixed rate instruments		
Cash and cash equivalents	24,358	23,264
Weighted average interest rates	3.20%	4.70%
Variable rate instruments		
Cash and cash equivalents	2,535,037	5,205,348
Weighted average interest rates	3.28%	3.78%

Fair Value Sensitivity Analysis For Fixed Rate Instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss or equity (2024: Nil)

Cash Flow Sensitivity Analysis For Variable Rate Instruments

A sensitivity of 50 basis points has been used and considered reasonable given current interest rates. A 0.5% movement in interest rates at the reporting date would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis for 2024 was performed on the same basis.

Consolidated	Loss		Equity	
	50bp	50bp	50bp	50bp
	Increase	Decrease	Increase	Decrease
30 June 2025				
Variable rate instruments	$12,797	($12,797)	$12,797	($12,797)
30 June 2024				
Variable rate instruments	$26,143	($26,143)	$26,143	($26,143)

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Carrying Amounts Versus Fair Values

The fair values of financial assets and liabilities materially equates to the carrying amounts shown in the statement of financial position.

	30 June 2025	30 June 2024
	$	$
Financial assets carried at fair value through profit or loss		
Equity securities – listed on ASX and TSXV at quoted prices	3,633,385	4,615,933
Financial assets carried at amortised costs		
Cash and cash equivalents	2,559,394	5,228,612
Trade and other receivables	145,815	172,227
Financial liabilities carried at amortised costs		
Trade and other payables	(875,498)	(660,677)
Lease liabilities	(141,289)	(177,588)

There Are No Off-Balance Sheet Financial Asset And Liabilities At Year-End.

All financial assets and liabilities were denominated in Australian dollars during the years ended 30 June 2025 and 2024.

Fair Value Risk

The group uses three different methods in estimating the fair value of a financial investment. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets; and
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs other than quoted prices.

Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs.

The fair value of derivatives that do not have an active market are based on valuation techniques. Level 2 derivatives include market observable inputs whilst level 3 derivatives do not include market observable inputs.

Transfer Between Categories

There were no transfers between levels during the year.

The fair value of financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

Consolidated	Quoted Market Price Level 1	Valuation Technique: Market Observable Inputs Level 2	Valuation Technique: Non-market Observable Inputs Level 3	Total
	$	$	$	$
30 June 2025				
Equity securities – listed on ASX and TSXV at quoted prices	3,633,385	-	-	3,633,385
	3,633,385	**-**	**-**	**3,633,385**
30 June 2024				
Equity securities – listed on ASX and TSXV at quoted prices	4,615,933	-	-	4,615,933
	4,615,933	**-**	**-**	**4,615,933**

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Other Market Price Risk

Other Equity price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. Investments are managed on an individual basis and material buy and sell decisions are approved by the Board of Directors. The primary goal of the Group's investment strategy is to maximise investment returns.

Fair Value Sensitivity Analysis For Equity Securities (Listed Investments)

A sensitivity of 10% has been used and considered reasonable given current market rates. A 10% movement in market prices at the reporting date would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis for 2024 was performed on the same basis.

Consolidated	Loss		Equity	
	10%	10%	10%	10%
30 June 2025	**increase**	**decrease**	**increase**	**decrease**
Equity securities – listed on TSXV	$363,339	($363,339)	$363,339	($363,339)
30 June 2024				
Equity securities – listed on TSXV	$461,593	($461,593)	$461,593	($461,593)

Commodity Price Risk

The Group operates primarily in the exploration and evaluation phase and accordingly the Group's financial assets and liabilities are subject to minimal commodity price risk at this stage.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

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26. Parent Entity Disclosures

	Company	
	30 June 2025	30 June 2024
Financial Position	**$**	**$**
Assets		
Current assets	23,529,828	25,935,376
Non-current assets	10,712,280	10,713,566
Total assets	**34,242,108**	**36,648,942**
Liabilities		
Current liabilities	841,504	718,691
Non-current liabilities	30,956	30,956
Total liabilities	**872,460**	**749,647**
Net assets	**33,369,648**	**35,899,295**
Equity		
Issued capital	66,859,386	66,810,197
Accumulated losses	(34,238,486)	(31,698,520)
Reserves	748,748	787,618
Total equity	**33,369,648**	**35,899,295**

	Company	
	30 June 2025	30 June 2024
Financial Performance	**$**	**$**
Loss for the year	(2,539,966)	7,204,616
Other comprehensive income	-	-
Total comprehensive income	**(2,539,966)**	**7,204,616**

There were no contingent liabilities of the parent entity at 30 June 2025 (2024: Nil), nor where there any commitments of the parent entity (2024: Nil).

27. Contingencies

The Group has no contingencies as at 30 June 2025 (2024: Nil).

28. Events Subsequent to Balance Date

Subsequent to year end the following events have occurred:

- On 17 September 2025, 5,000,000 vested performance rights were converted into ordinary shares in the Company.
- During September 2025 the Company sold 6,366,001 of the shares held in Carnaby Resources Limited (ASX:CNB), raising approximately $1.9m.

Other than the above, there has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Consolidated Entity Disclosure Statement
As At 30 June 2025

		Body Corporates		Tax Residency	
Entity Name	**Entity Type**	**Place of Incorporation**	**% Share Capital Held**	**Australian or Foreign**	**Foreign Jurisdiction**
Hammer Metals Limited	Body Corporate	Australia	N/a	Australian	N/a
Hammer Metals Australia Pty Ltd	Body Corporate	Australia	100%	Australian	N/a
Mt. Dockerell Mining Pty Ltd	Body Corporate	Australia	100%	Australian	N/a
Mulga Minerals Pty Ltd	Body Corporate	Australia	100%	Australian	N/a
Carnegie Exploration Pty Ltd	Body Corporate	Australia	100%	Australian	N/a
Hammer Bulk Commodities Pty Ltd	Body Corporate	Australia	100%	Australian	N/a
Midas Metals Asia Pty Ltd	Body Corporate	Australia	85%	Australian	N/a

All entities except for Midas Metals Asia Pty Ltd are members of the Hammer Metals Limited consolidated tax group. Midas Metals Asia Pty Ltd is a dormant entity with no trading and no assets.

None of the abovementioned entities acts as a trustee of a trust within the Group, nor is a partner in partnership with the Group, nor is a participant in a joint venture within the Group.

Basis of preparation

The consolidated entity disclosure statement (CEDS) has been prepared in accordance with subsection Section 295 (3A) of the Corporations Act 2001. The entities listed in the statement are Hammer Metals Limited and all the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Key assumptions and judgements
Determination of tax residency

Section 295 (3A) Corporations Act requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident” has the meaning provided in the Income Tax Assessment Act 1997 (Cth). The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation’s public guidance in Tax Ruling TR 2018/5.

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Directors' Declaration

1. In the opinion of the Directors of Hammer Metals Limited ("the Company"):

(a) the consolidated financial statements and notes and the remuneration report in the Directors' report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations by the managing director and company secretary for the financial year ended 30 June 2025 pursuant to Section 295A of the Corporation Act 2001.

3. The Directors draw attention to Note 2(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

4. The Consolidated Entity Disclosure Statement as set out on page 53 is true and correct.

Signed in accordance with a resolution of the Directors:



Russell Davis
Chairman

Perth

Dated 30 September 2025

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Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAMMER METALS LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Hammer Metals Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion the accompanying financial report of Hammer Metals Limited is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 2(g) in the financial report, which indicates that the consolidated entity incurred a loss of $(2,923,316) (2024: profit of $ 6,270,584) and operating cash outflows of $981,918 (2024: $1,506,700) during the year ended 30 June 2025. This condition, along with other matters as set out in note 2(g), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the consolidated entity does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as going concern.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Independent Auditor's Report

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Key Audit Matter

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current year. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

Carrying value of capitalised exploration expenditure

Why significant	How our audit addressed the key audit matter

As at 30 June 2025 the carrying value of exploration and evaluation assets was $27,901,337 (2024: $26,540,119), as disclosed in note 14. Exploration and Evaluation assets written off during the year amounted to $907,190.
 	
The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in notes 2(e) iii and 3(l).
 	
Significant judgement is required:
 	
• in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard *AASB 6 - Exploration for and Evaluation of Mineral Resources* ("AASB 6"); and
• in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:
  ○ whether the particular areas of interest meet the recognition conditions for an asset; and
  ○ which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.
	Our work included, but was not limited to, the following procedures:
	
	• conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
	  ○ assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for permits that will expire in the near future;
	  ○ holding discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
	  ○ obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes.
	• considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
	• testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and
	• assessing the appropriateness of the related disclosures in notes 2(e) iii, 3(l) and 14.

Independent Auditor's Report



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Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

The Directors of the Company are responsible for the preparation of:-

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the Directors determine is necessary to enable the preparation of:-

i) the financial report (other than the consolidated entity disclosure statements) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Independent Auditor's Report



As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the consolidated entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent Auditor's Report

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Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Hammer Metals Limited for the year ended 30 June 2025, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PKF PERTH

ALEXANDRA SOFIA
BALDEIRA PEREIRA CARVALHO
PARTNER

30 September 2025
PERTH, WESTERN AUSTRALIA

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ASX ADDITIONAL INFORMATION

ASX Additional Information

Additional information required by the Australian Stock Exchange Listing Rules and not disclosed elsewhere in this report is set out below. Information regarding share and option holdings is current as at 24 October 2025.

(a) Ordinary Shareholders

Twenty Largest Holders of Ordinary Shares	Number of Shares	% Held
MR ZBIGNIEW WALDEMAR LUBIENIECKI	64,402,901	7.21
CENTRAL MUTUAL (INVESTMENTS) PTY LTD<CENTRAL MUTUAL (INV) A/C>	62,816,074	7.04
ZENITH PACIFIC LIMITED	58,000,000	6.50
BNP PARIBAS NOMS PTY LTD	49,110,875	5.50
DAVIS FAMILY CAPITAL PTY LTD <THE DAVIS SUPER FUND A/C>	43,000,000	4.82
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	34,000,000	3.81
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	24,981,809	2.80
LUNDIE INVESTMENTS PTY LTD <PATASH INVESTMENTS S/F A/C>	20,007,273	2.24
SAMLISA NOMINEES PTY LTD	20,000,000	2.24
B & C WATSON HOLDINGS PTY LTD <WATSON SUPER FUND A/C>	8,888,888	1.00
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	8,782,400	0.98
NATIONAL HEALTH RECOVERY AGENTS PTY LTD	8,000,000	0.90
MR SHANE RONALD BRITTEN	7,890,842	0.88
MR PHILIP JOSEPH PARKINS <P H FREIGHT A/C>	6,744,086	0.76
ANGIP NOMINEES PTY LTD <JOHNS FAMILY A/C>	6,500,000	0.73
CITICORP NOMINEES PTY LIMITED	6,392,773	0.72
MRS LAURA TENNILLE THOMAS	6,333,334	0.71
MR ROBERT SPOONER	5,925,312	0.66
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,305,860	0.59
MR JAMES GLEN FOLEY	5,242,000	0.59
	452,324,427	**50.67**

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Significant Shareholders Are:	Number of Shares	% Held
MR ZBIGNIEW WALDEMAR LUBIENIECKI	64,402,901	7.21
CENTRAL MUTUAL (INVESTMENTS) PTY LTD <CENTRAL MUTUAL (INV) A/C>	62,816,074	7.04
ZENITH PACIFIC LIMITED	58,000,000	6.50
BNP PARIBAS NOMS PTY LTD	49,110,875	5.50

Each fully paid ordinary share entitles the holder to one vote at general meetings of shareholders and is entitled to dividends when declared.

The total number of shares on issue is 892,758,700

The number of shareholders holding less than a marketable parcel is 952.

There is no current on market buy back.

The Company has no ordinary shares which are subject to voluntary escrow.

Distribution of Ordinary Shareholders

Category of Shareholding	Number of Shareholders	Number of Shares	%
1 – 1,000	171	32,076	0.00%
1,001 – 5,000	113	412,753	0.05%
5,001 – 10,000	383	3,045,533	0.34%
10,001 – 100,000	1,476	60,815,130	6.81%
100,001 and over	753	828,453,208	92.80%
Total	**2,896**	**892,758,700**	**100.00%**

(b) Unquoted securities

The Company has the following unquoted securities on issue.

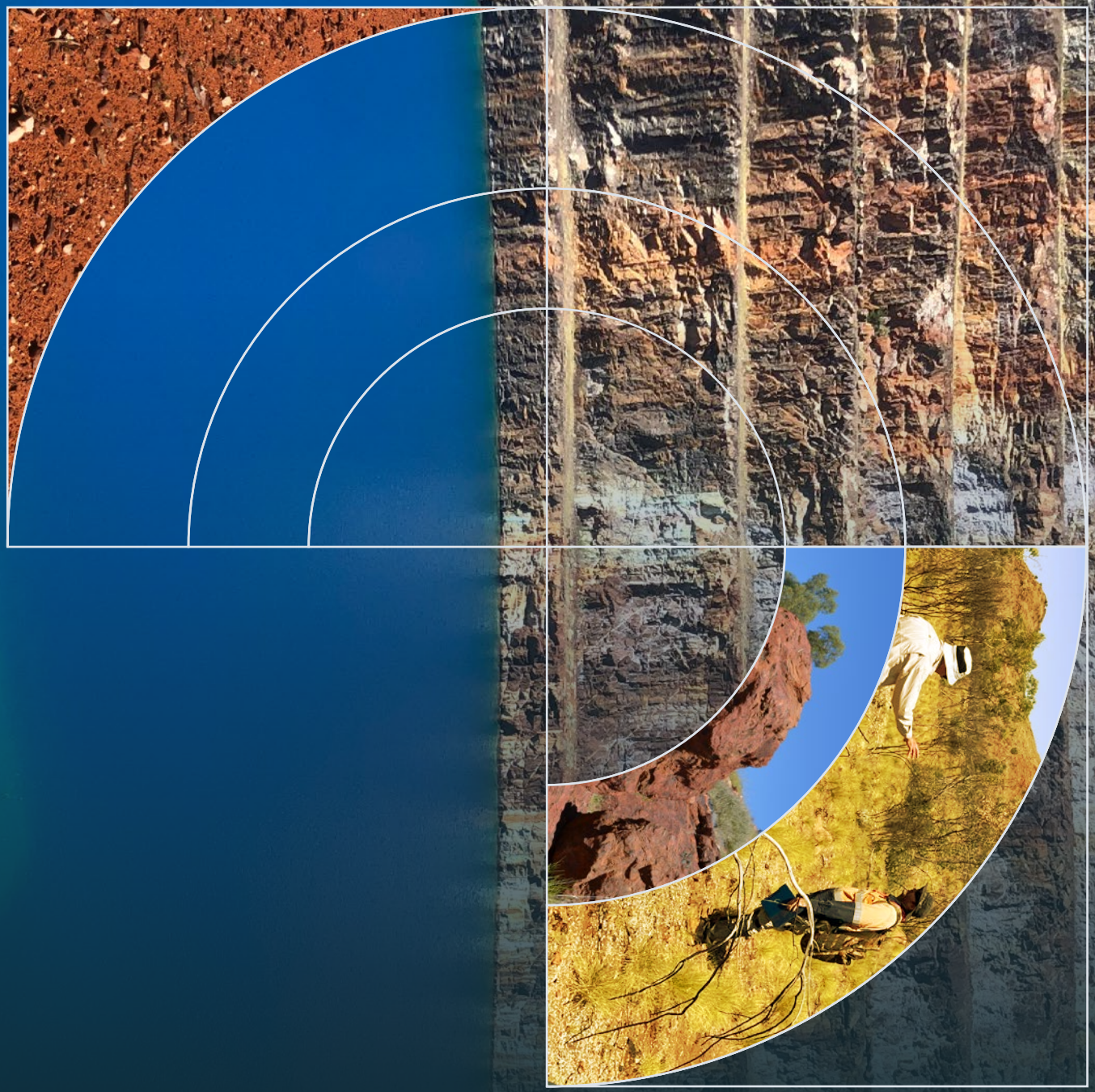
Category of Security	Number	Number of Holders
Unlisted Options exercisable at $0.07 on or before 30 November 2026	4,500,000	3
Unlisted Options exercisable at $0.08 on or before 30 November 2026	5,500,000	2
Unlisted Management Tranche 1 Options exercisable at $0.08 on or before 30 November 2026	2,000,000	2
Unlisted Management Tranche 2 Options exercisable at $0.08 on or before 30 November 2026	2,000,000	2
Tranche 1A Management Performance Rights, vesting upon the continuous service for a period of 12 months from the date of issue	500,000	2
Tranche 1B Management Performance Rights, vesting upon the continuous service for a period of 12 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 50% over the 15-day VWAP prior to the issue date, or $0.078	500,000	2
Tranche 2A Management Performance Rights, vesting upon the continuous service for a period of 24 months from the date of issue	500,000	2

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Tranche 2B Management Performance Rights, vesting upon the continuous service for a period of 24 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 100% over the 15-day VWAP prior to the issue date, or $0.104	500,000	2
Tranche 3 Management Performance Rights, vesting upon the completion (to the Board's satisfaction) of a material transaction to the value of a minimum of 30% of the Company's market capitalisation, determined based on the 30-day VWAP immediately prior to the completion or announcement of the transaction	2,000,000	2
Unlisted Employee Incentive Options exercisable at $0.06 on or before 25 October 2028	7,000,000	8
Unlisted Related Party Tranche 1 Options exercisable at $0.07 on or before 2 December 2025	2,000,000	2
Unlisted Related Party Tranche 2 Options exercisable at $0.08 on or before 2 December 2025	1,500,000	1
Tranche 1 Employee Incentive Performance Rights, expiring on 25 October 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	500,000	1
Tranche 2 Employee Incentive Performance Rights, expiring on 25 October 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	500,000	1
Tranche 3 Employee Incentive Performance Rights, expiring on 25 October 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	500,000	1
Tranche 1 Related Party Performance Rights, expiring on 15 November 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	1,000,000	1
Tranche 2 Related Party Performance Rights, expiring on 15 November 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	1,000,000	1
Tranche 3 Related Party Performance Rights, expiring on 15 November 2027 and vesting subject to the Company announcing a new JORC 2012 compliant mineral resource estimate of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.	1,000,000	1

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