



YANDAL GOLD PROJECT ACQUISITION

- Terms agreed for the acquisition of a 100% interest in the Bronzewing South Gold Project located in the heart of the Yandal Greenstone Belt in Western Australia. Agreement subject to approval under Section 195(4) of the Corporations Act.
- Secures under-explored terrain immediately along strike of the 4 million-ounce Bronzewing Gold mine and the 1 million-ounce Orelia deposit.
- Limited previous drilling has intercepted high-grade gold mineralization in bedrock.
- Initial proposed program comprises detailed structural targeting and RC drilling.

14 March 2019

ASX Code: HMX

CAPITAL STRUCTURE:

Share Price (13/3/2019)	\$0.02
Shares on Issue	314m
Market Cap	\$6.3m
Options Listed	183m
Options Unlisted	32m

Significant Shareholders	
Deutsche Rohstoff	11%
Resource Capital Fund VI	8%
Management	8%

HAMMER METALS LTD.:

ABN 87 095 092 158
Suite 1, 827 Beaufort Street
Mt Lawley WA 6052

T: +61 8 6369 1195
E: info@hammermetals.com.au
W: www.hammermetals.com.au

DIRECTORS / MANAGEMENT:

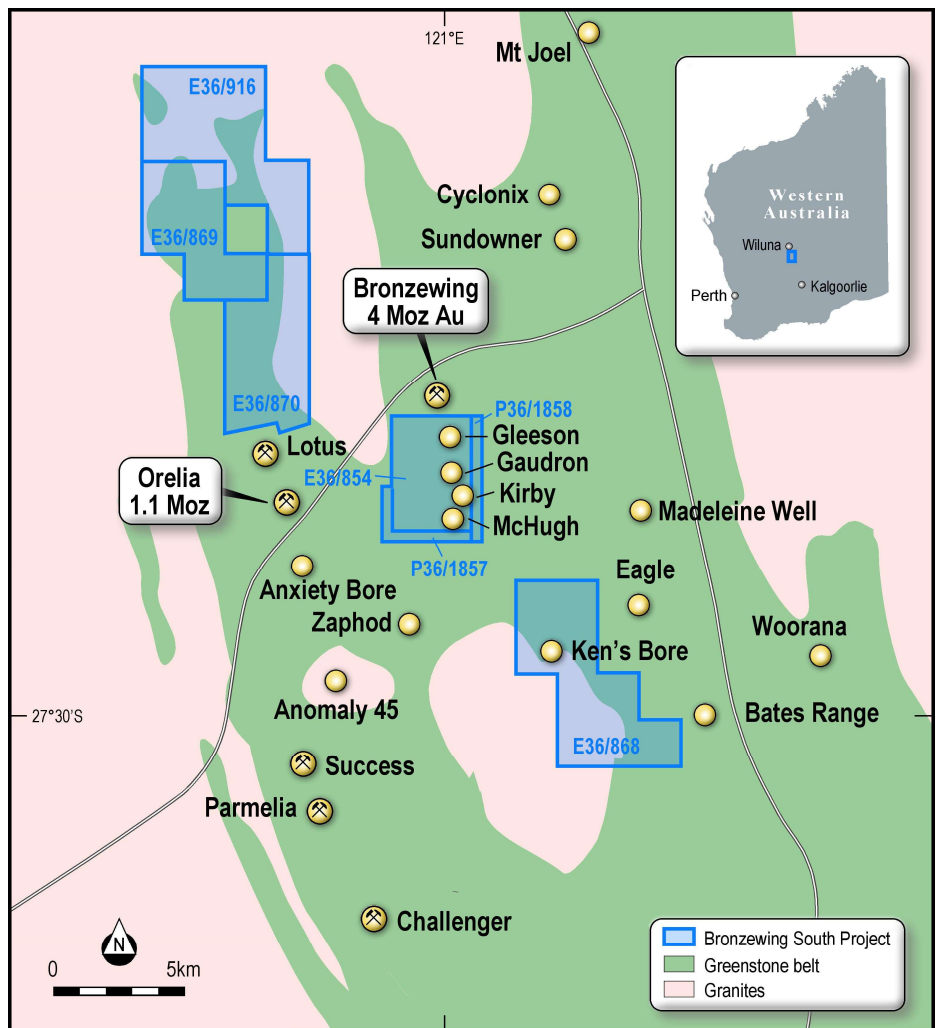
Russell Davis
Chairman

Nader El Sayed
Non-Executive Director

Ziggy Lubieniecki
Non-Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer



Hammer's Chairman, Russell Davis said: "With the proposed acquisition of the Bronzewing South Gold Project Hammer will have strategic tenement positions in two of the world's great mining provinces – the Mount Isa Province in NW Queensland and the Eastern Goldfields of WA. Bronzewing South is strategically located in the heart of the 24 million-ounce Yandal Greenstone Belt with its current high levels of gold mining and exploration activity and existing infrastructure. Hammer also has substantial Board and management experience in gold exploration with a track record of success in this endeavour."

BRONZEWING SOUTH GOLD PROJECT

The Bronzewing South Gold Project is situated in the heart of the 24 million-ounce Yandal Greenstone Belt in the Western Australian Goldfields, immediately along strike from both the Bronzewing gold mine (4 million ounces) and the Orelia deposit (1 million ounces), held by Echo Resources Limited.

The Yandal Greenstone Belt is an active mining jurisdiction with the currently operating Jundee Mine that produces approximately 300,000 ounces of gold per year as well as the Darlot and Thunderbox Gold Mines.

The tenements to be acquired are all within a 20km radius of Echo's 2.5mtpa Bronzewing Mill that is currently the subject of a study to determine the feasibility of its re-opening as part of a new mining operation.

It is anticipated that the Bronzewing South Project will be a positive addition to Hammer's portfolio for the following reasons:

- Bronzewing South is in a prime gold exploration location, close to existing infrastructure and active exploration and development activities;
- The principal tenement (E36/854) has not received the intensity of exploration you would expect considering its location adjacent to a major historical mine;
- Previous exploration drilling was mostly shallow and did not consider the structural framework inherent in the Bronzewing area;
- The limited deeper drilling confirmed zones of high-grade gold mineralization in bedrock;
- Hammer has a well-considered exploration program planned for the project, targeting favourable structural orientations within the mineralised corridors that are yet untested;
- Hammer's management has a successful track record in gold exploration in general and specifically in the Western Australian Goldfields;
- The consideration is ordinary shares in Hammer Metals only, with no cash payments, aligning the Vendors with Hammer shareholders on potential exploration success.

TENURE

The Bronzewing South Project consists of five granted Exploration Licences and two granted Prospecting Licences for a total area of approximately 111km². The tenements are all held (100%) by Carnegie Exploration Pty Ltd.

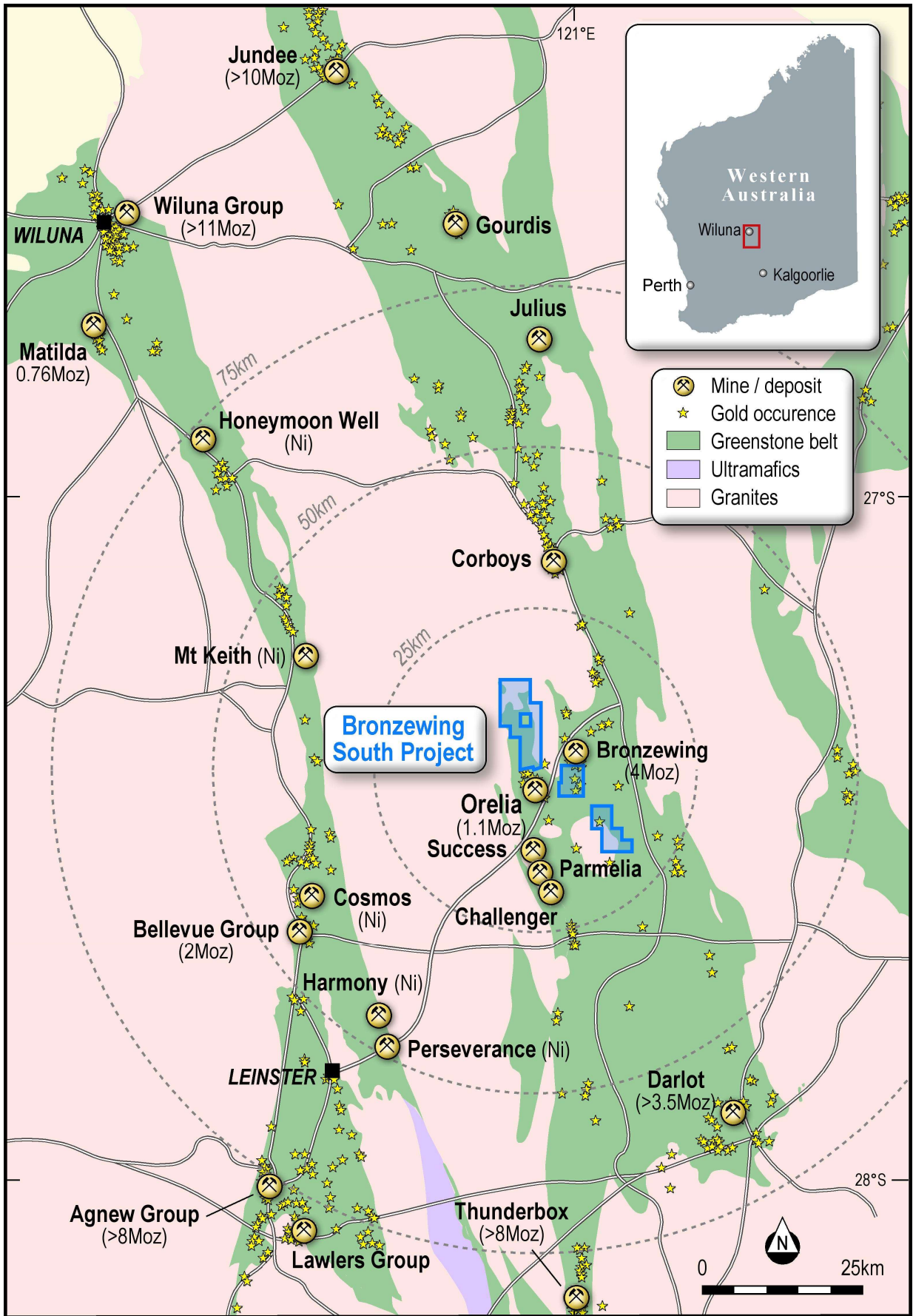
Tenement Schedule

Tenement Number	Location	Area (Km ²)	Status
E36/854	Bronzewing South Trend	15.4	Granted
P36/1857	Bronzewing South Trend	1.9	Granted
P36/1858	Bronzewing South Trend	1.6	Granted
E36/868	Ken's Bore	27.4	Granted
E36/869	Mt McClure (Orelia) Trend	18.3	Granted
E36/870	Mt McClure (Orelia) Trend	19.4	Granted
E36/916	Mt McClure (Orelia) Trend	27.5	Granted

GEOLOGY AND MINERALISATION

The project is located within the Yandal Greenstone Belt approximately 65km northeast of Leinster. The Yandal Belt is approximately 250km long by 50km wide and hosts the Jundee, Darlot, Thunderbox, Bronzewing and Mt McClure Group of gold deposits.

The Carnegie tenements are located directly along strike from the former Bronzewing Gold Mine and Mt McClure Group of Gold Mines as well as over the Ken's Bore gold prospect 5-10km to the southeast of Bronzewing.



Gold mineralisation at the Bronzewing mine occurs in quartz vein arrays in complex pipe-like lodes that plunge steeply to the south within a 400m wide structural corridor. The north-south corridor is roughly coincident with an antiformal structure and extends for 5km to the south through E36/854.

E36/854 is considered highly prospective due to the area's disrupted exploration history and extensive blanketing by barren transported cover. Grid based RAB and aircore drilling to bedrock indicates that surficial cover ranges between 2m and 40m in thickness. The drilling highlighted several anomalous zones within the Bronzewing corridor at Gleeson, Gaudron, Kirby and McHugh which have received limited follow-up with deeper RC and diamond drilling. The previous drilling only tested for north-south lode orientations which did not take into account the inherent structural complexity and variable orientation of the Bronzewing lodes. Significant results include¹:

- 4m @ 6.53g/t Au from 56m in NEWBWSA0453
- 4m @ 1.11g/t Au from 56m in ABWSA295
- 4m @ 1.48g/t Au from 108m in NEWBWSA0445
- 1m @ 5.67g/t Au from 127m in NEWBWSD0001
- 1m @ 3.45g/t Au from 161m, 1m @ 2.54 from 188m, 1m @ 4.42g/t Au from 230m and 1m @ 3.27g/t Au from 242m in NMTBWRCD3208

The Carnegie tenements also cover approximately 15km strike length of the shear zones along strike to the north of the Lotus pit and adjacent Orelia deposit (held by Echo Resources Limited) that form part of the Mt McClure group of deposits. Gold mineralisation occurs within north-northwest trending shear zones and is associated with quartz carbonate veinlets. The mineralised zones are more elongate, rather than pipelike as at Bronzewing.

RAB interface and aircore drilling to an average depth of 30m along the trend outlined numerous bottom-of-hole gold anomalies (0.1-1g/t Au) which have not been tested by deeper RC or diamond drilling. Significant intersections include²:

- 3m @ 12g/t Au from 18m in ARL6340/1057
- 3m @ 3.60g/t Au from 9m in ARL6160/1152
- 3m @ 2.35g/t Au from 6m in ARL6290/1055
- 3m @ 1.65g/t Au from 17m in ARLMM247

The **Kens Bore** prospect within E36/868 returned several strongly anomalous gold results in rock chips coinciding with a 3km long gold-in-soil anomaly at a granite – basalt contact marked by quartz veining. The previous shallow drilling at Ken's Bore is not considered to have fully tested the prospect.

PROPOSED PROGRAM

Detailed structural interpretation utilizing high resolution gravity and magnetic data integrated with the geochemical data will be used to optimize follow-up RC drilling. Initial work will specifically target the productive Bronzewing and Orelia deposit structural trends.

ACQUISITION TERMS

Hammer Metals Limited (Hammer) has signed a Sale and Purchase Agreement with the four shareholders of Carnegie Exploration Pty Ltd (Carnegie) pursuant to which Hammer has agreed to purchase 100% of the

¹ Sourced from open file Mines department reports by Audax Resources NL and Newmont Exploration Pty Ltd in addition to Audax Resources NL ASX releases between 2003 and 2005 (ASX: ADX). The data underlying these intercepts have been validated by Hammer Metals Limited personnel and it is the opinion of Hammer Metals that the historic exploration data are reliable.

² Sourced from open file Mines Department reports by Australian Resources Ltd and View Resources Ltd. The data underlying these intercepts have been validated by Hammer Metals Limited personnel and it is the opinion of Hammer Metals that the historic exploration data are reliable.

issued shares in Carnegie. Consideration for the acquisition is fully paid ordinary shares in Hammer to the value of \$550,000 based on a 60-day VWAP calculated up until the date of execution of the Agreement.

The proposed acquisition is conditional on completion of final due diligence and receiving shareholder approval for the transaction as Mr. Russell Davis is a shareholder and Director of both Carnegie and Hammer and Mr. Ziggy Lubieniecki is a shareholder of Carnegie and a shareholder and Director of Hammer. To this end, as the Directors of Hammer were unable to form a quorum to approve the acquisition, the acquisition remains non-binding on the parties until Hammer shareholders pass the relevant approvals including an approval under Section 195(4) of the Corporations Act.

A general meeting of shareholders to vote on the transaction will be held in due course to seek all relevant approvals.

For further information contact:

Russell Davis | Chairman

Mark Whittle | Chief Operating Officer

T: +61 8 6369 1195

info@hammermetals.com.au www.hammermetals.com.au

About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2500km² within the Mount Isa mining district, with 100% interests in the Kalman (Cu-Au-Mo-Re) deposit, the Overlander North and Overlander South (Cu-Co) deposits and the Elaine (Cu-Au) deposit. Hammer also has a 75% interest in the Millennium (Cu-Co-Au) deposit and a 51% interest in the emerging Jubilee (Cu-Au) deposit. Hammer is an active mineral explorer, focused on discovering large copper-gold deposits of the Ernest Henry style and has a range of prospective targets at various stages of testing.

COMPETENT PERSON STATEMENTS

The information in this report as it relates to exploration results for the Bronzewing South Gold Project is based on information compiled by Mr. Mark Whittle, who is a Member of the AusIMM and a consultant to the Company. Mr. Whittle who is a shareholder and option-holder, has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Ore Reserves'. Mr. Whittle consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to previous exploration results was prepared and first disclosed under a pre-2012 edition of the JORC code.

The data has been compiled and validated. It is the opinion of Hammer Metals that the exploration data is reliable. Nothing has come to the attention of Hammer Metals that causes it to question the accuracy or reliability of the historic exploration results.

In the case of the pre-2012 JORC Code exploration results, they have not been updated to comply with 2012 JORC Code on the basis that the information has not materially changed since it was last reported. All information pertaining to the results is presented in Table 1 JORC Code 2012.

JORC Code, 2012 Edition

Table 1 report – Acquisition of Bronzewing South Project

- This table is to accompany an ASX release notifying the market of the decision to acquire the Bronzewing South Project from Carnegie Exploration Pty Ltd.
- The Bronzewing South Project comprises granted tenements: E36/854, E36/868, E36/869, E36/870, E36/916, P36/1857 and P36/1858.
- The information in this report that relates to previous exploration results was prepared and first disclosed under a pre-2012 edition of the JORC code.
- In the case of the Bronzewing and Kens Bore areas, further information could be obtained by accessing ASX market announcements by Audax Resources Limited (which had a JV with Newmont Exploration Pty Ltd). These announcements can be found under the ASX code ADX for dates between 2003 and 2005. Data pertaining to this drilling was sourced from open file reports submitted to the Mines Department under the former tenements E36/215, M36/602 and M36/613. In relation to results relating to the Mt McClure trend drilling, the data underpinning the intercepts was sourced from Mines Department open file reports for M36/392, M36/145, M36/186 submitted by Australian Resources Ltd and View Resources Ltd.
- The data has been compiled and validated. It is the opinion of Hammer Metals that the exploration data are reliable. In the case of the JORC Code 2004 exploration results, they have not been updated to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All information pertaining to the results is presented in Table 1 JORC Code 2012.

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<p>Analysis Methods</p> <ul style="list-style-type: none"> • Holes drilled by Audax Resources NL were analysed for gold by fire assay with ICPMS finish and via aqua regia digest followed by ICPMS. • Holes drilled by Newmont Exploration Pty Ltd were analysed for gold by fire assay with AAS finish. • The gold analysis method for holes drilled by Australian Resources Ltd have not been noted during data compilation. <p>Downhole Surveys</p> <ul style="list-style-type: none"> • The downhole survey methods have not been documented in the reports available for review. <p>Air-core Sampling Intervals</p> <ul style="list-style-type: none"> • Sampling was dominantly conducted on 4m intervals. • The method of sample compositing is unknown. <p>Rotary Air Blast Sampling Intervals</p> <ul style="list-style-type: none"> • Samples were collected on 1m intervals and composited for assay into 4m intervals. The compositing method is not known. • Split assays were conducted on 1m intervals. <p>Reverse Circulation Sampling Intervals</p>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Samples were collected on 1m intervals and composited into 2, 3 or 4m composites. The compositing method is not known. Split assays were conducted on 1m intervals. It was industry standard practice to take samples utilising a cyclone and do sample composites utilising a riffle splitter. <p>Diamond Drilling Sampling Intervals</p> <ul style="list-style-type: none"> RC precollar and HQ3 diamond drilling was conducted. Samples were collected on 1m intervals.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RAB, air-core, reverse circulation and diamond drilling conducted by Newmont Exploration Pty Ltd, Audax Resources NL and Australian Resources Ltd between 1987 to 2010. See tabulation in Appendices 1 and 2. No information was available to determine whether diamond drill core drilled by Newmont Exploration Pty Ltd was oriented. The number of holes and meters drilled on each area is tabulated in Appendices 1 and 2.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> This information has not been noted by Carnegie Exploration Pty Ltd or Hammer Metals Ltd personnel.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 100% of all drillholes have been geologically logged and digital files pertaining to downhole geology have been compiled from historical drilling data. Geological logging is a qualitative process. It is not known whether diamond drillholes were photographed.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Diamond Drilling</p> <ul style="list-style-type: none"> Half Core samples were utilised for assaying. 1m intervals were submitted for lab analysis <p>Reverse Circulation Drilling</p> <ul style="list-style-type: none"> Holes drilled by Audax Resources Ltd and Newmont Exploration Pty Ltd were initially composited on 4m intervals with 1m interval sampling undertaken over anomalous zones. Holes drilled by Australian Resources Ltd utilised 3m and 4m composite intervals with 1m interval sampling undertaken over anomalous zones. The compositing method was not documented however it is industry standard to utilise a riffle splitter. <p>Rotary Air Blast and Air Core Drilling</p> <ul style="list-style-type: none"> Holes drilled by Newmont Exploration Pty Ltd, Audax Resources NL and Australian Resources Ltd were all sampled on 4m intervals with 1m interval sampling undertaken over anomalous zones. <p>No documentation of quality control sampling and/or procedures has been collated by Carnegie personnel</p>

Criteria	JORC Code explanation	Commentary
		nor noted by HMX personnel during data discovery.
Quality of assay data and lab tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Holes drilled by Audax Resources NL were analysed for gold by fire assay with ICPMS finish. Holes drilled by Newmont Exploration Pty Ltd were analysed for gold by fire assay with AAS finish. The gold analysis method for holes drilled by Australian Resources Ltd have not been noted during data compilation. No documentation of QA-QC procedures has been noted.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> An examination of the drilling data indicates that no documentation of specific hole twinning was conducted. Intersections quoted in this release been verified by alternative HMX personnel.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Holes have initially been designed and pegged on local grid coordinate systems. It is assumed that holes drilled by Australian Resources Ltd were located by GPS by subsequent explorers. Newmont Exploration Pty Ltd and Audax Resources NL holes were located using GPS methods.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Bronzewing South Trend</p> <ul style="list-style-type: none"> RAB and air-core drilling was initially conducted on 600m line spacing and 75m hole spacing. In anomalous areas the line spacing has been reduced to 300m and then 150m with hole spacing 70-90m hole spacing. Reverse circulation and diamond drilling was conducted at an ad hoc spacing dependant on anomaly locations. <p>Mt McClure trend</p> <ul style="list-style-type: none"> RAB and air-core drilling was initially conducted on 400m line spacing with 100m hole spacing. Over anomalous trends the hole density increases to 200m line spacing with a 30m hole spacing. Reverse Circulation drilling was conducted at an ad hoc spacing dependant on anomaly locations. <p>Kens Bore Trend</p> <ul style="list-style-type: none"> Drilling was conducted on 400m and 200m line spacing with 50m hole spacing. Reverse circulation drilling was conducted at

Criteria	JORC Code explanation	Commentary
		line spacings of between 25 and 50m.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> RAB and air-core drill lines are generally oriented perpendicular to mineralisation corridors. Reverse circulation and diamond drilling hole positions are anomaly centric and not on a regularised spacing.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> It is not known whether pre-numbered bags were used. Sample security procedures have not been documented.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No documentation of historic audit reports has been conducted.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Bronzewing South Project comprises granted tenements: E36/854, E36/868, E36/869, E36/870, E36/916, P36/1857 and P36/1858. These tenements are 100% held by Carnegie Exploration Pty Ltd. The tenements are in good standing. Hammer Metals Limited has entered into a purchase agreement to acquire 100% of Carnegie Exploration Pty Ltd.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous holders held title either covering the tenement in part or entirely and previous results are contained in Mines Department records. In excess of 2200 holes and 99km of drilling has been conducted by Newmont Exploration Pty Ltd, Audax Resources NL and Australian Resources Ltd. This data has been compiled by Carnegie Exploration Pty Ltd and reviewed by Hammer Metals Limited. Tabulation of this drilling according to trend, exploration licence, drill type and drill type is present in Appendices 1 and 2.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Bronzewing South project is exploring for Bronzewing and/or Mt McClure analogues along strike from each mine. The project is located within the Yandal Greenstone Belt approximately 65km northeast of Leinster. The Yandal Belt is approximately 250km long by 50km wide and hosts the Jundee, Darlot, Thunderbox, Bronzewing and Mt McClure Group of gold deposits. In the Bronzewing area the greenstone succession is dominated by tholeiitic basalts and dolerite units with lesser ultramafic, felsic and sediment sequences.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Gold mineralisation at the Bronzewing mine occurs in quartz veins (sub-parallel vein arrays) in complex pipe-like lodes that plunge steeply to the south within a 400m wide structural corridor. The north-south corridor is roughly coincident with an antiformal structure and extends to the south through E36/854. Bedrock does not outcrop within E36/854 and drilling indicates that surficial cover ranges between 2m and 40m in thickness. Mineralisation at Mt McClure occurs within north-northwest trending shear zones which can be up to 40m in width. As with Bronzewing, mineralisation is associated with quartz carbonate veinlets, however mineralised zones are more elongate rather than pipelike. The host sequence in this area is approximately 500m wide and comprises, from west to east, ultramafic flows, tholeiitic basalt and felsic to intermediate volcanic rocks, interbedded with fine grained sedimentary rocks.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Appendix 2 tabulates the location of drilling reported in this release.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Intercepts quoted in the text and tabulated in Appendix 2 have been derived from open file reports of previous explorers. Intercepts have been presented at a 0.5g/t Au cut-off. No internal waste has been included in these intercepts. No equivalents have been stated
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The relationship between quoted intercepts and possible mineralised widths is not known.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> See attached figures
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to 	<ul style="list-style-type: none"> Intercepts in Appendix 2 have been calculated at a 0.5g/t Au cut-off. Therefore, the reader should assume that

Criteria	JORC Code explanation	Commentary
	<i>avoid misleading reporting of Exploration Results.</i>	assays for holes not listed in Appendix 2 will be below this cut-off grade.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> Substantial exploration has occurred over the area of the Bronzewing South Project. In addition to the drilling, 50m line-spaced aeromagnetics and a detailed magnetic interpretation have been conducted. However, for the purposes of this release the drilling alone has been discussed.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Hammer Metals Limited intends to undertake detailed geophysical surveys and carry out structural interpretation prior to undertaking drilling.

Appendix 2. Significant assays from compiled drilling at 0.5g/t Au cut-off with no internal waste

Table 3. Bronzewing South project – Bronzewing trend significant intercepts at 0.5g/t cut-off

Note

- Position and drillhole azimuth relative to GDA 94 Zone 51
- RL of 500m assigned by default.
- Intercepts calculated at 0.5g/t cut-off with no allowance for internal waste.
- Intercepts are reported as down hole widths. True widths have not been determined.
- Information has been collated from open file Mines Department reports by Audax Resources NL and Newmont Exploration Pty Ltd, in addition to Audax Resources NL ASX releases during the period 2003 to 2005.

Trend	Tenement	Company	Hole_ID	Hole_Type	E_GDA94	N_GDA94	RL	TD	Dip	Az_GDA	From	To	Interval	Au g/t	
Bronzewing	E 3600854	Audax	ABWSA001	AC	303394	6965892	500	103	-60	270	44	48	4	0.54	
	E 3600854	Audax	ABWSA002	AC	303474	6965893	500	131	-60	270	116	120	4	0.62	
	E 3600854	Audax	ABWSA295	AC	303128	6967703	500	96	-60	150	56	60	4	1.11	
	E 3600854	Audax	ABWSA299	AC	303349	6966744	500	103	-60	135	80	84	4	0.64	
	E 3600854	Audax	ABWSA300	AC	303314	6966806	500	117	-60	135	100	104	4	0.58	
	E 3600854	Audax	ABWSA301	AC	303467	6965951	500	114	-60	135	84	88	4	0.86	
	E 3600854	Newmont	NEWBWSA0034	AC	302578	6967969	500	70	-60	270	13	15	1	0.75	
	E 3600854	Newmont	NEWBWSA0092	AC	303298	6966689	500	101	-60	270	52	56	4	0.75	
	E 3600854	Newmont	NEWBWSA0094	AC	303458	6966689	500	98	-60	270	84	88	4	0.52	
	E 3600854	Newmont	NEWBWSA0152	AC	303058	6967489	500	96	-60	270	76	80	4	0.57	
	E 3600854	Newmont	NEWBWSA0153	AC	303138	6967489	500	111	-60	270	96	100	4	1.18	
	E 3600854	Newmont	NEWBWSA0313	AC	303698	6968609	500	89	-60	270	64	68	4	0.85	
	E 3600854	Newmont	NEWBWSA0324	AC	303378	6967969	500	124	-60	270	113	114	1	1.08	
	E 3600854	Newmont	NEWBWSA0360	AC	303218	6967649	500	93	-60	270	56	60	4	0.99	
	and											76	80	4	1.27
	E 3600854	Newmont	NEWBWSA0437	AC	303338	6967969	500	113	-60	270	48	52	4	0.53	
	E 3600854	Newmont	NEWBWSA0440	AC	303218	6967809	500	78	-60	270	64	68	4	0.90	
	E 3600854	Newmont	NEWBWSA0441	AC	303298	6967809	500	108	-60	270	60	64	4	0.98	
	and											68	72	4	0.58
	E 3600854	Newmont	NEWBWSA0445	AC	303178	6967649	500	149	-60	270	108	116	4	1.48	
	E 3600854	Newmont	NEWBWSA0453	AC	303298	6967169	500	90	-60	270	56	60	4	6.53	
	E 3600854	Newmont	NEWBWSA0507	AC	302978	6965566	500	102	-60	270	44	48	4	1.38	
	P 3601858	Newmont	NEWBWSA0514	AC	304018	6965569	500	59	-60	270	44	48	4	0.89	
	and											52	56	4	0.56
	P 3601858	Newmont	NEWBWSA0515	AC	304088	6965569	500	70	-60	270	48	52	4	0.64	
	E 3600854	Newmont	NEWBWSA0526	AC	303458	6965249	500	123	-60	270	68	72	4	0.70	
	E 3600854	Newmont	NEWBWSA0529	AC	303938	6965249	500	68	-60	270	56	60	4	1.67	
	E 3600854	Newmont	NEWBWSA0658	AC	303355	6965889	500	91	-60	270	44	48	4	0.86	
	E 3600854	Newmont	NEWBWSA0659	AC	303434	6965889	500	115	-60	270	68	76	4	0.70	
	E 3600854	Newmont	NEWBWSA0669	AC	303418	6965249	500	82	-60	270	64	68	4	1.23	
	E 3600854	Newmont	NEWBWSA0686	AC	303497	6964609	500	87	-60	270	56	60	4	0.83	
	P 3601858	Newmont	NEWBWSA0702	AC	304058	6965569	500	68	-60	270	56	60	4	0.76	
	E 3600854	Newmont	NEWBWSA0001	DD	303568	6965889	500	393	-57	270	124	125	1	0.94	
	E 3600854	Newmont	NEWBWSA0001	DD	303568	6965889	500	393	-57	270	127	128	1	5.67	
	E 3600854	Newmont	NMTBWRCD3207	DD	303403	6967088	500	349	-56	299	165	166	1	0.88	
	E 3600854	Newmont	NMTBWRCD3208	DD	303522	6966690	500	389	-55	269	161	163	1	3.45	
	and											184	185	1	0.56
	and											188	189	1	2.54
	and											230	231	1	4.42
	and											242	243	1	3.27

Table 4. Bronzewing South project – Kens Bore and Mt McClure trends significant intercepts at 0.5g/t cut-off

Note

- Position and drillhole azimuth relative to GDA 94 Zone 51
- RL of 500m assigned by default.
- Intercepts calculated at 0.5g/t cut-off with no allowance for internal waste.
- Intercepts are reported as down hole widths. True widths have not been determined.
- Information has been collated from open file Mines Department reports by Audax Resources NL, Australian Resources Ltd and View Resources Ltd, in addition to Audax Resources NL ASX releases during the period 2003 to 2005.

Trend	Tenement		Hole_ID	Hole_Type	E_GDA94	N_GDA94	RL	TD	Dip	Az_GDA	From	To	Interval	Au_g/t	
Kens Bore	E 3600868	Audax	ABWSB439	RAB	307813	6959044	500	31	-60	45	15	16	1	0.62	
	E 3600868	Audax	ABWSB442	RAB	307898	6958942	500	32	-60	45	19	20	1	0.59	
	and											26	28	1	2.74
	E 3600868	Audax	NKBRC003	RC	307940	6958931	500	25	-60	45	18	19	1	0.61	
	E 3600868	Audax	NKBRC004	RC	307931	6958922	500	50	-59	45	21	22	1	4.57	
	E 3600868	Audax	NKBRC005	RC	307907	6958959	500	25	-60	45	21	22	1	0.87	
	E 3600868	Audax	NKBRC006	RC	307898	6958951	500	50	-60	45	19	20	1	0.70	
E 3600868	Audax	NKBRC007	RC	307900	6958985	500	25	-60	45	2	4	1	0.99		
Mt McClure	E 3600870	ARL	arl5600/1110	RAB	294037	6969427	500	45	-90	13	32	36	4	0.80	
	E 3600870	ARL	arl5720/1252	RAB	295154	6970915	500	69	-90	13	28	32	4	0.68	
	E 3600870	ARL	arl5720/1260	RAB	295227	6970932	500	78	-90	13	76	78	2	0.54	
	E 3600869	ARL	arl6160/1152	RAB	293192	6974974	500	21	-90	13	9	12	3	3.60	
	E 3600869	ARL	arl6290/1055	RAB	291950	6976020	500	21	-90	13	6	9	3	2.35	
	E 3600869	ARL	arl6300/1055	RAB	291928	6976117	500	21	-90	13	12	15	3	0.54	
	E 3600869	ARL	arl6310/1050	RAB	291857	6976203	500	21	-90	13	9	12	3	0.93	
	E 3600869	ARL	arl6330/1047	RAB	291788	6976392	500	21	-90	13	6	9	3	0.85	
	and											15	18	3	0.69
	E 3600869	ARL	arl6340/1052	RAB	291814	6976501	500	21	-90	13	18	21	3	1.00	
	E 3600869	ARL	arl6340/1057	RAB	291862	6976512	500	21	-90	13	12	15	3	0.80	
	and											18	21	3	12.00
	E 3600869	ARL	arl6350/1047	RAB	291743	6976587	500	21	-90	13	0	3	3	0.83	
	E 3600869	ARL	arl6360/1057	RAB	291817	6976707	500	21	-90	13	18	21	3	0.64	
	E 3600869	ARL	arlMM242	RC	291828	6976504	500	75	-60	90	47	48	1	0.90	
	E 3600869	ARL	arlMM244	RC	291791	6976496	500	80	-60	90	67	68	1	0.56	
	E 3600869	ARL	arlMM245	RC	291731	6976482	500	75	-60	90	17	19	2	0.98	
	E 3600869	ARL	arlMM246	RC	291763	6976387	500	76	-60	90	36	37	1	1.00	
	E 3600869	ARL	arlMM247	RC	291803	6976704	500	76	-60	90	39	42	3	1.65	
	and											50	51	1	1.01
	E 3600869	ARL	arlMM248	RC	291806	6976602	500	75	-60	90	59	60	1	0.69	
	E 3600869	ARL	arlMM251	RC	291837	6976199	500	51	-60	90	17	18	1	0.80	
	and											24	25	1	0.89
	E 3600870	ARL	arlMM3552	RC	295156	6970711	500	150	-60	270	122	124	2	1.20	
	and											148	149	1	0.58
	E 3600870	ARL	arlMM3553	RC	295157	6971326	500	108	-60	270	4	5	1	0.58	
	and											7	8	1	0.73
	and											104	105	1	0.62
	E 3600870	ARL	arlMM3554	RC	295196	6971335	500	150	-60	270	38	39	1	0.73	
	and											40	41	1	1.68
and											135	136	1	0.54	
E 3600870	ARL	arlMM3555	RC	295170	6971534	500	132	-60	270	82	83	1	0.64		
E 3600870	ARL	arlMM3557	RC	295158	6971942	500	120	-60	270	78	79	1	0.77		
and											91	93	2	1.28	