



Date: 3 February 2015

Share Placement raises \$1,250,000.

Hammer Metals Limited (ASX: HMX) or ("Hammer") wishes to advise that it has agreed terms for a placement to a sophisticated investor to raise \$1,250,000. The Placement enables the Company to fund the immediate requirements for planned exploration at its exciting Mount Isa Projects in Queensland.

The placement of 15,625,000 shares at 8 cents per share is being made to Deutsche Rohstoff AG, a German resources company listed on the Frankfurt Stock Exchange. The issue is being made within the Company's placement capacity in accordance with ASX Listing Rule 7.1 and 7.1A.

The Share placement incorporates 3,811,953 free attaching unlisted options ("Options"). The Options will not be quoted and will be exercisable by payment of 15 cents on or before 36 months from the date of issue.

The Company will be using the proceeds from this Placement to fund planned exploration programs and specifically for targeted drilling on the Mount Isa Project in NW Queensland.

Executive Director Alex Hewlett said: "We are very pleased to have attracted the attention of Deutsche Rohstoff as a partner. They have an experienced team and know the Australian resources industry well."

Jörg Reichert, CTO of Deutsche Rohstoff, commented: "Securing a significant shareholding in Hammer Metals gives us exposure to the Mount Isa region, one of the most prolific mineral districts worldwide. The Hammer Management team is very experienced and has managed to put together a large and very promising land package. Results from previous geophysical and magnetic surveys have defined numerous interesting drilling targets. We are happy to finance a drilling program over the next few months that will confirm the potential and very high quality of Hammer's assets."

The Company anticipates issuing and allotting shares on receipt of cleared funds. An Appendix 3B and section 708A notice will be issued in due course.

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For further information, please contact:

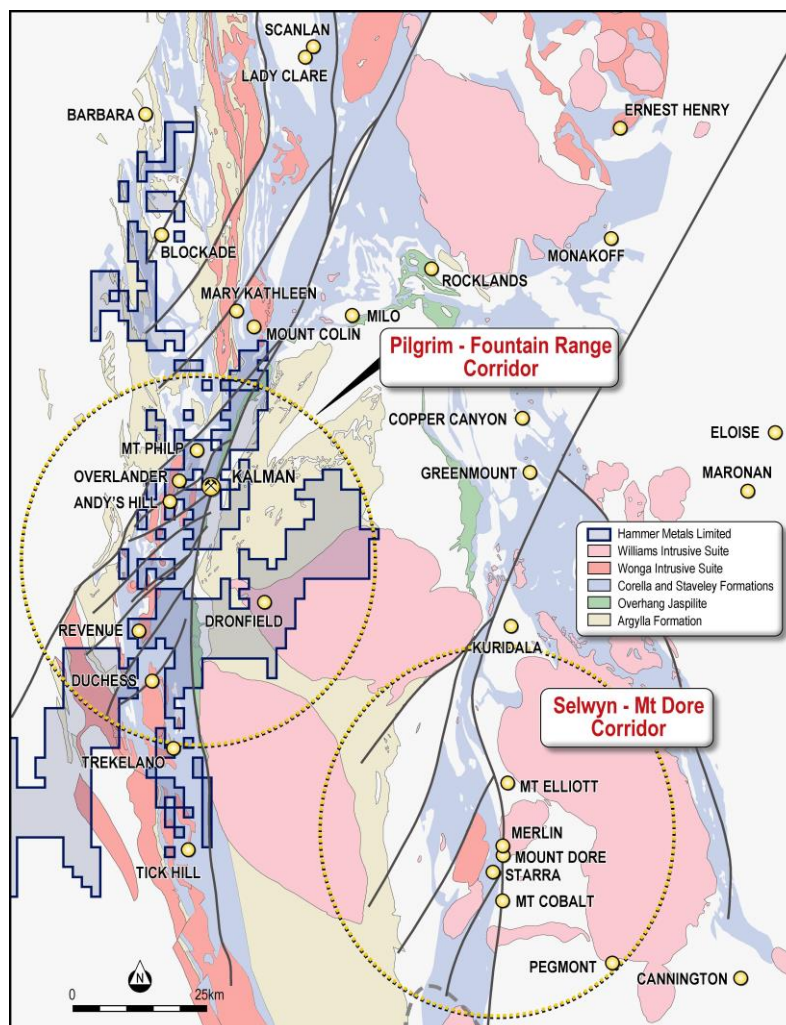
Alex Hewlett | Executive Director

For more information about Hammer Metals and its projects please visit our website
www.hammermetals.com.au



Hammer Metals Limited (ASX:HMX), is an advanced exploration company with a major land position (2000km²) in the Mount Isa Mineral Province in NW Queensland. The tenement package is sandwiched between several large resource houses including Glencore; BHP; Chinova and Copper Chem. Hammer is focused on developing base and precious metal resources in the district through targeted and carefully planned exploration and project acquisition activities.

Deutsche Rohstoff AG (www.rohstoff.de), is a Resources Company listed on the Frankfurt Stock Exchange in Germany. The company is focused on investing in and co-founding of oil & gas and mining & metals companies in Europe, Australia and North America. In Australia Deutsche Rohstoff AG has previously owned and operated the Wolfram Camp tungsten mine & Georgetown gold mine, both located in Far North Queensland.



Project Locations