

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 31 MARCH 2021

ASX RELEASE

30 April 2021

DIRECTORS / MANAGEMENT

Russell Davis
Chairman

Daniel Thomas
Managing Director

Ziggy Lubieniecki
Non-Executive Director

David Church
Non-Executive Director

Mark Pitts
Company Secretary

Mark Whittle
Chief Operating Officer

CAPITAL STRUCTURE

ASX Code: HMX

Share Price (29/04/2021)	\$0.098
Shares on Issue	750m
Market Cap	\$74m
Options Unlisted	27m
Performance Rights	6.5m

MOUNT ISA COPPER-GOLD PROJECTS

Mount Isa East JV (JOGMEC earning 60% interest)

- Two additional holes drilled at the Trafalgar discovery in the Mount Isa East JOGMEC Joint Venture **return encouraging results** confirming the potential at Trafalgar to define a significant copper-gold deposit with further drilling
- The Trafalgar deposit **remains open in all directions** with drilling identifying a **new zone of mineralisation to the west**
- JOGMEC has commenced a tender process to potentially secure a strategic long term Japanese natural resources company to partner Hammer in the Mount Isa East Joint Venture ("JV")
- Exploration activities** continue at the Trafalgar trend with a **drilling program scheduled to commence in the coming days**

Hammer's 100% Mount Isa Project Area

- Review of historical exploration activities near the Trafalgar discovery has **unearthed several high-ranking copper-gold targets** including the Neptune group of prospects **only 2km south-west of Trafalgar**
- Multiple exploration programs** being expedited with **drilling expected to commence in the coming days** on Hammer's 100% owned Mount Isa copper and gold interests including at Lakeview, Kings – Charlotte and Serendipity
- Second phase drill program expected to follow in H2 2021** at the Neptune group of prospects, Smoko Gossan and Tiny Boot as well as the advanced Black Rock and Sunset prospects where there is potential to define JORC compliant resources with further drilling

BRONZEWING SOUTH GOLD PROJECT

- Hammer **acquired the Harrier Project** covering 100% of two tenements (E36/882 and E36/855) located approximately 3km SE of the Bronzewing Mine.
- The tenements cover the Bronzewing Mine stratigraphy with numerous surface gold occurrences and are considered lightly explored given their proximity to the Bronzewing Mine. The acquisition further **consolidates Hammer's strategic position within the prolific Yandal gold province**

Bronzewing South

- Hammer is **building an improved geological and structural understanding** of the Bronzewing South tenement, highlighting **several attractive potentially shallower target zones directly south and down plunge of the Bronzewing mine deposits**
- A high resolution 50m station spaced gravity survey has been completed with results expected during May, **enabling better targeting for a reverse circulation/diamond drilling program later this year**

North Orelia

- **Aircore drilling of soil geochemical anomalies at North Orelia has been completed** (see ASX announcement 30 March 2021). Results from the program are expected over the next 4-6 weeks

Corporate

- **Cash balance at the end of March is \$5.3 million**, which includes \$0.17 million held in the Company's Joint Ventures
- Subsequent to the quarter's end, Hammer Metals has announced a placement to raise \$5 million at a share price of 9.5c/share (see ASX Announcement 23 April 2021). Up to a further \$1 million may be raised through a Share Purchase Plan (see ASX announcement 29 April 2021.)
- Additional funding allows exploration plans in Mount Isa to be expedited with expanded drilling programs being planned for Hammer's own 100% ground with a view to establishing an increased copper inventory in and around the Trafalgar discovery and Hammer's existing resources at Kalman, Overlander, Elaine and Jubilee



Figure 1. View of Hammer's Mount Isa Inlier Northern Hub Copper Resources and Prospects

MOUNT ISA COPPER-GOLD PROJECTS

JOGMEC Exploration Joint Venture

JOGMEC can earn a 60% interest in the JV area by contributing \$6,000,000 to the JV with an expenditure commitment of \$1,000,000 in the Third-Earn-In Period to 31 March 2022 (see ASX Announcement 25 November 2019).

Following exploration success at Trafalgar, JOGMEC received multiple unsolicited approaches regarding their interest in the JV. JOGMEC's investment mandate was to secure rights to offtake (in proportion to its ownership) of copper and other metals to Japan. JOGMEC has now launched a tender process with several experienced Japanese natural resource companies evaluating JOGMEC's position in the JV. Any transaction would see the incoming Japanese company assume JOGMEC's position in the JV with a view to exploring and developing the Trafalgar and broader JV areas.

Exploration activities of the JV will continue unaffected with further exploration activities continuing at Trafalgar with drilling expected to commence in the coming days as part of Hammer's Mount Isa drilling campaign.

Trafalgar

Following the copper-gold discovery at Trafalgar, announced to the ASX on 20 January 2021, results were received from two additional drill holes (256m) completed at the prospect. HMRRC003 was drilled between holes HMTRRC001 and HMTRRC002 and encountered a shallow second zone of mineralisation, in the hangingwall of the main lode, which due to the change in drilling direction was not intersected in the first 2 holes (see Figure 2). Significant intercepts include:

- **15m at 1.15% Cu and 0.35g/t Au** from 92m **including 2m at 3.17% Cu and 1.33g/t Au** from 95m; and
- **15m at 0.63% Cu and 0.15g/t Au** from 29m **including 3m at 1.71% Cu and 0.29g/t Au** from 40m

HMRRC004 was collared approximately 80m to the north of HMTRRC002 and was designed as a shallow test to locate the mineralised structure along-strike. The hole succeeded in identifying the mineralised trend and significantly again the hole intersected a shallower hangingwall mineralised structure. Significant intercepts include:

- **10m at 0.59% Cu and 0.18g/t Au** from 64m;

The drilling confirms that the structure that hosts mineralisation is open along-strike both north and south and there is a suggestion of grade increases and thickening with depth. Logging indicates that mineralisation has a magnetite alteration halo and an association with pyrrhotite and elevated REE's. These characteristics are aiding target definition within the greater Trafalgar area.

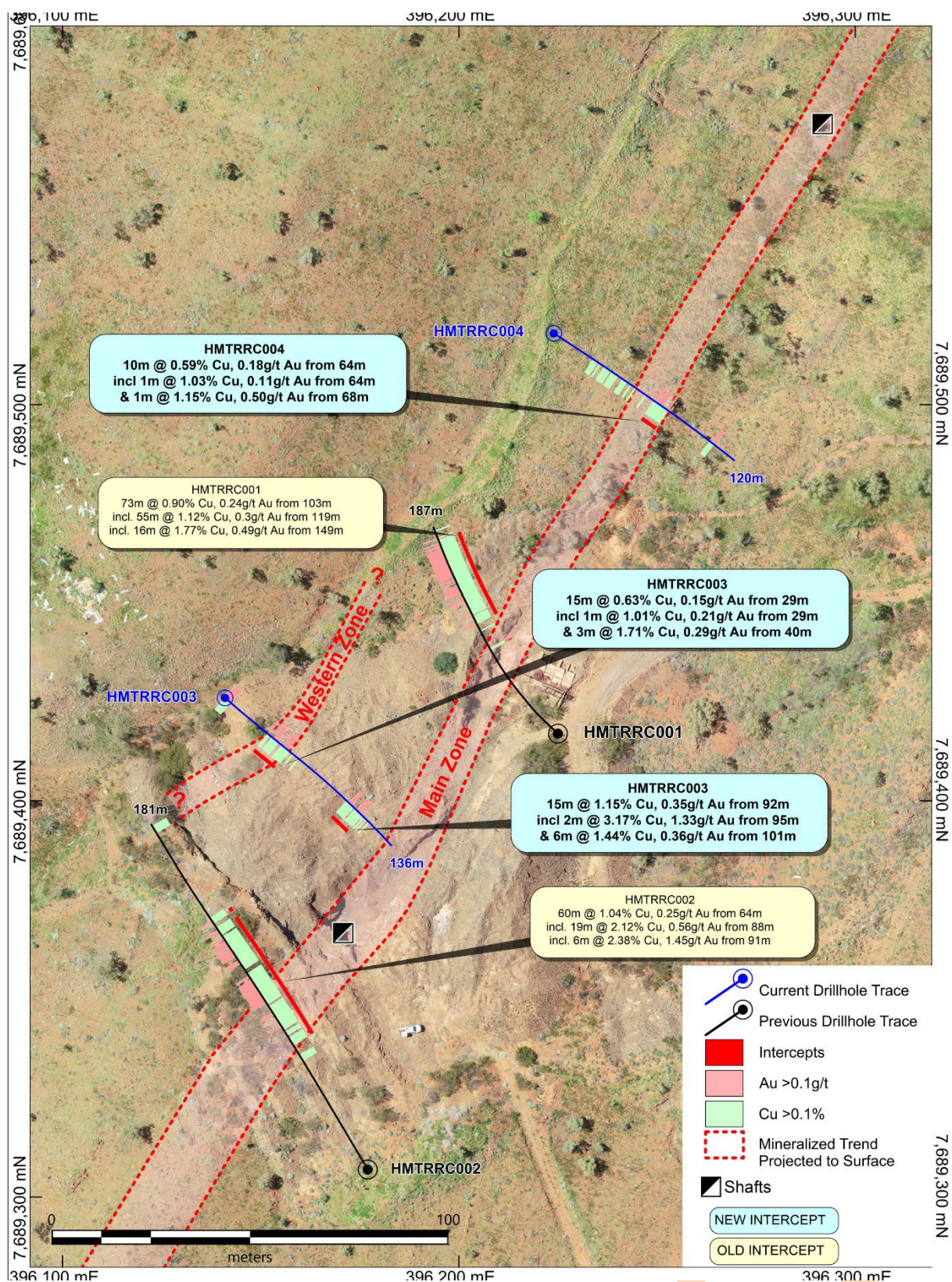


Figure 2. Plan view the Trafalgar Prospect showing the location of Joint Venture Drilling.

Trafalgar Trend

The Trafalgar mineralised trend is defined by extensive copper-gold soil anomalism, a strong magnetic ridge and multiple historic workings over a strike length of over 3km (See Figures 3, 4, 5 and 6). Based on Hammer's review, the trend has had very little systematic exploration completed. The scale of the mineralised system and the nature of the alteration and mineralisation present provides encouragement for locating new copper-gold zones along the trend.



Figure 3. *Ivanhoe Copper Outcrop (left) and Lady Northcote Copper Oxide Outcrop (right)*



Figure 4: *Old shaft at Victory, to the south of Trafalgar (left) and massive sulphides from these workings (right)*

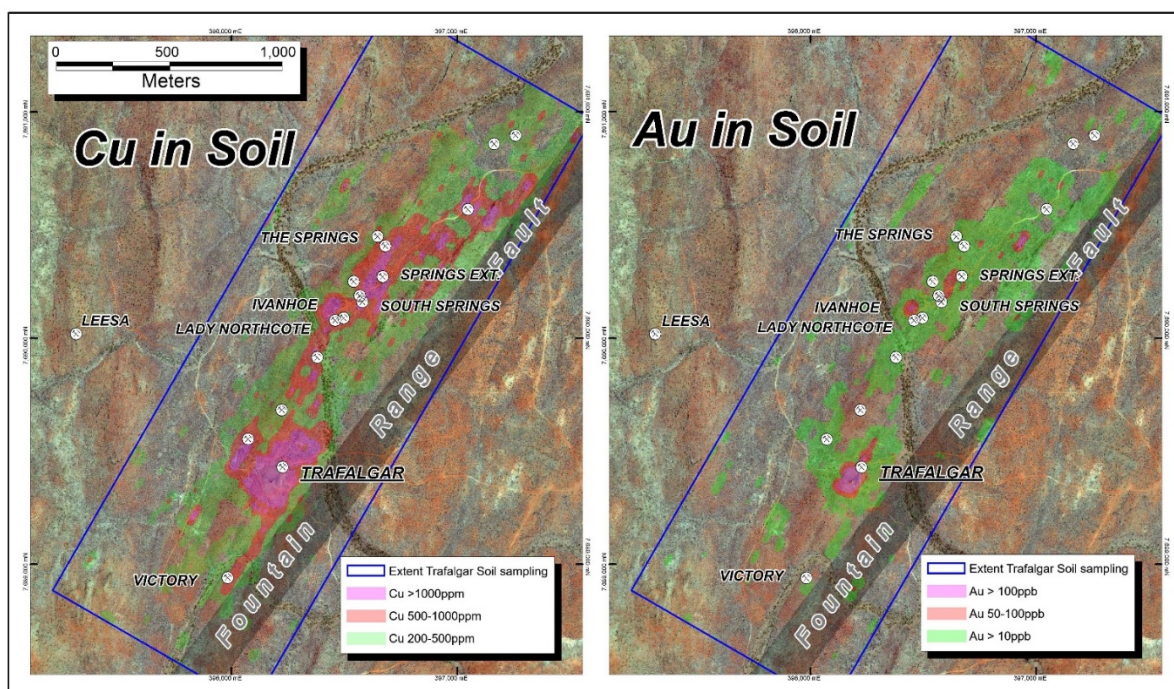


Figure 5. Plan view of the 2.7km Trafalgar trend showing Cu in soil response (top left), Au in soil response (top right). Reduced to Pole "RTP" and first vertical derivative RTP images are in the lower left and right respectively.

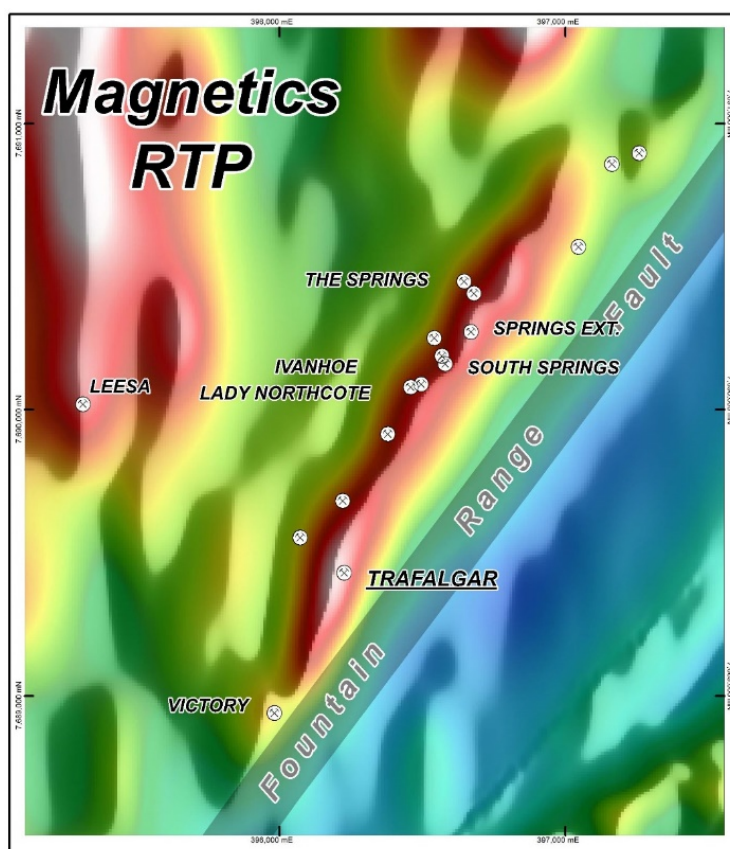


Figure 6. Plan view of the 2.7km Trafalgar trend showing reduced to pole "RTP" magnetic response.

Mt Philp JOGMEC JV Area (Shadow, Toby and Charlie)

Drilling was also conducted at the Shadow (2 holes), Alpha, Juliett, Bravo and Charlie prospects (see Figure 11).

At Shadow two holes for 399m were drilled approximately 180m north of HMSHDD001. The aim of the holes was to test the northern extent of the Shadow prospect in the area with the highest magnetic response. The drilling encountered low levels of Cu and Au anomalism with the most elevated response of:

- 3m at 0.43% Cu and 0.14g/t Au from 104m in HMSHRC001

The Shadow prospect occurs at the northern end of a 4.7km long anomalous trend marked by elevated Cu, Au and magnetic responses. The Joint Venture will now assess the potential to drill targets further south along this trend.

Three holes were drilled for 792m at the Alpha, Bravo and Juliett prospects. At the Bravo prospect HMTBRC002 tested a subvertical EM plate defined in mid-2020. This hole intersected graphite rich carbonaceous metasediment which is likely the source of the conductive response. HMTBRC001 and HMTBRC003 were designed to test anomalous soil responses at the Juliett and Alpha prospects. HMTBRC003 intersected:

- 5m at 0.18% Cu and 0.11g/t Au from 106m and 1m @ 0.21% Cu and 0.14g/t Au from 131m

At Charlie, the Joint Venture drilled one hole (HMCHRC001) to test beneath a Cu-Zn-Ag gossanous zone. The hole intersected a weakly mineralised zone of sulphide mineralisation from 51m with a significant result of 1m at 0.3% Cu, 48.7g/t Ag and 0.3% Zn over 1m.

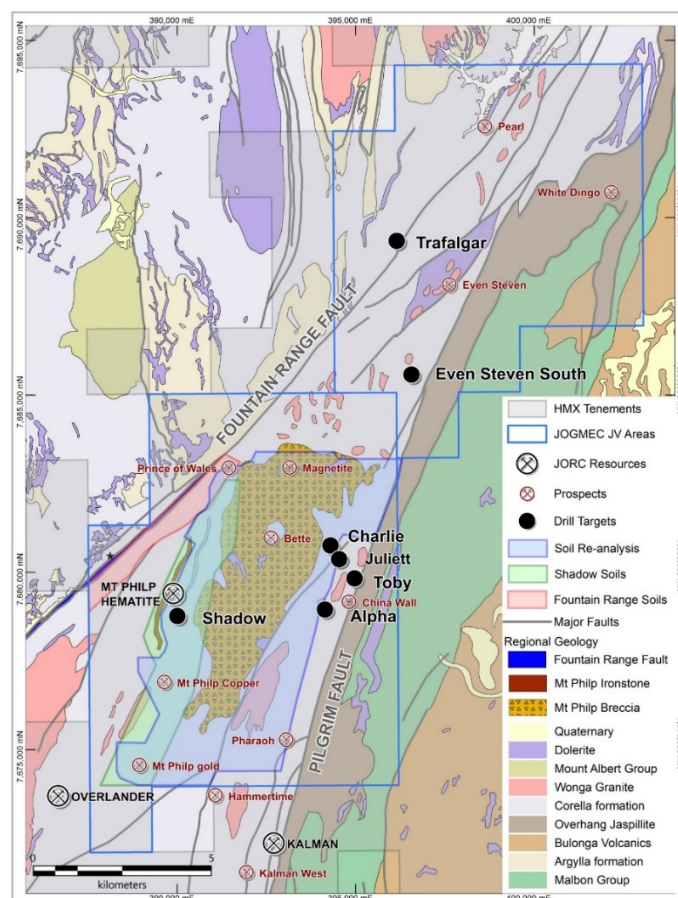


Figure 7. Location of Mt Isa East Joint Venture prospects drilled in late 2020 and early 2021.

Hammer's 100% Projects – Mount Isa

Following the discovery of the Trafalgar copper-gold deposit, the company has accelerated its review of the mineral potential surrounding Trafalgar and in close proximity to Hammer's defined JORC Resources at Kalman, Overland, Elaine and Jubilee. Several field visits and a historical data review has highlighted several targets in the region and planning for upcoming drill testing has advanced.

Drill ready targets at Kings, Charlotte, Serendipity and Lakeview are expected to be tested in the drilling program schedule to commence in the coming days. Targets at Blackrock, Sunset, Neptune, Kalman West and Overlander will also be advanced and will be considered in either the upcoming program or in a second phase campaign to follow later this year.

Trafalgar Trend and Surrounds

The Trafalgar mineralised trend is defined by extensive copper-gold soil anomalism, strong magnetic responses and multiple historic workings over a significant strike length. Based on Hammer's review the trend has been subject to little systematic exploration. The scale of the mineralised system and the nature of the alteration and mineralisation present provides encouragement for locating new copper-gold zones along the trend.

Within the Mt Isa East Joint Venture this trend is exposed for 6.5km. The trend extends into 100% Hammer controlled tenements where it is marked by the historical workings at Pearl, Lakeside and Smoko Gossan. (See Figure 8). The zone then passes through the Lakeview prospect before trending up to the Jubilee Deposit.

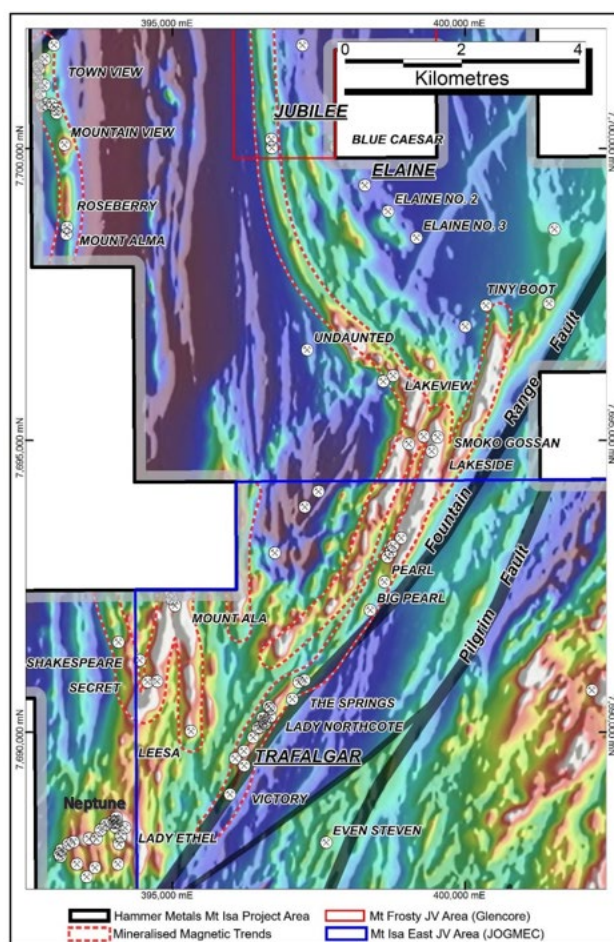


Figure 8. Trafalgar Trend extending into Hammer's 100% owned project areas showing the location of Pearl, Lakeside and Smoko Gossan prospects approximately 7km to the north of Trafalgar and Neptune approximately 2.5km to the South-west of the Trafalgar trend.

Lakeview

The Lakeview prospect is marked by workings along an approximate 500m strike length. Three shafts are present with depths of 24m, 30m and 28m. Production records indicate that the former prospect was worked in the 1960's and early 1970's with 1213 tons of ore extracted at a 16% Cu grade. (see Figure 9 and 10)

The prospect remains largely untested with one hole being drilled at the prospect by Pimex in 1988 (ATP4304M). In 2015, Hammer conducted reconnaissance rock chip samples at the prospect with maximum individual grades of 1.5% Cu and 1.48g/t Au. (Refer to ASX announcement dated 20 April 2018)

Hammer has planned 4-8 holes to test this prospect in the upcoming drilling program.



Figure 9. Lakeview Overhead View of Southern Shafts



Figure 10. Lakeview prospect showing shafts (with depth) and the schematic lode position

The Neptune Group of Prospects

As part of a data review of the prospective copper trends, Hammer identified the Neptune group of prospects as emerging drill ready targets within the 100% owned Hammer portfolio. The prospects are located approximately 2km to the west of Trafalgar in an area of complex magnetic anomalism with multiple copper prospects (Figure 11). The northern portion of the anomaly is within the Mt Isa East Joint Venture whilst the southern portion is within Hammer's 100% held tenement EPM26904 (Figures 12).

This zone is part of a 16km magnetic trend that marks the contact between the Corella Formation and the Ballara Quartzite. In the north the contact hosts mineralisation at Black Rock, Sunset, Mountain View and Roseberry.

The group of prospects formerly called The Ladies (Lady Kate, Lady Amy and Lady Rose) was drilled by Paradigm Metals Limited in 2014 (See ASX Announcement 9 March 2021). Mineralisation is associated with magnetite alteration and this shows strong similarities to mineralisation at Trafalgar, Black Rock and the Jubilee Cu-Au resource. This style of mineralisation and alteration is typical of IOCG systems in the Mt Isa region.

Significant intercepts at the Lady Kate prospect included:

- 15m at 2.0% Cu and 0.34g/t Au from 17m (oxide) including 2m at 11% Cu and 1.85g/t Au in LKTPDM001

Drilling at the Lady Rose prospect intersected two zones of mineralisation including:

- 16m at 0.51% Cu and 0.04g/t Au from surface (oxide) in LKTPDM005
- 56m at 0.44% Cu and 0.1g/t Au from 44m in LKTPDM005, including
 - 28m at 0.70% Copper and 0.14g/t Au from 72m (sulphide) and
 - 6m at 1.5% Cu and 0.28g/t Au from 90m;

Prospects at the Neptune group including Lady Rose, Lady Rose Extended and Lady Kate will be considered for the upcoming drilling programs.

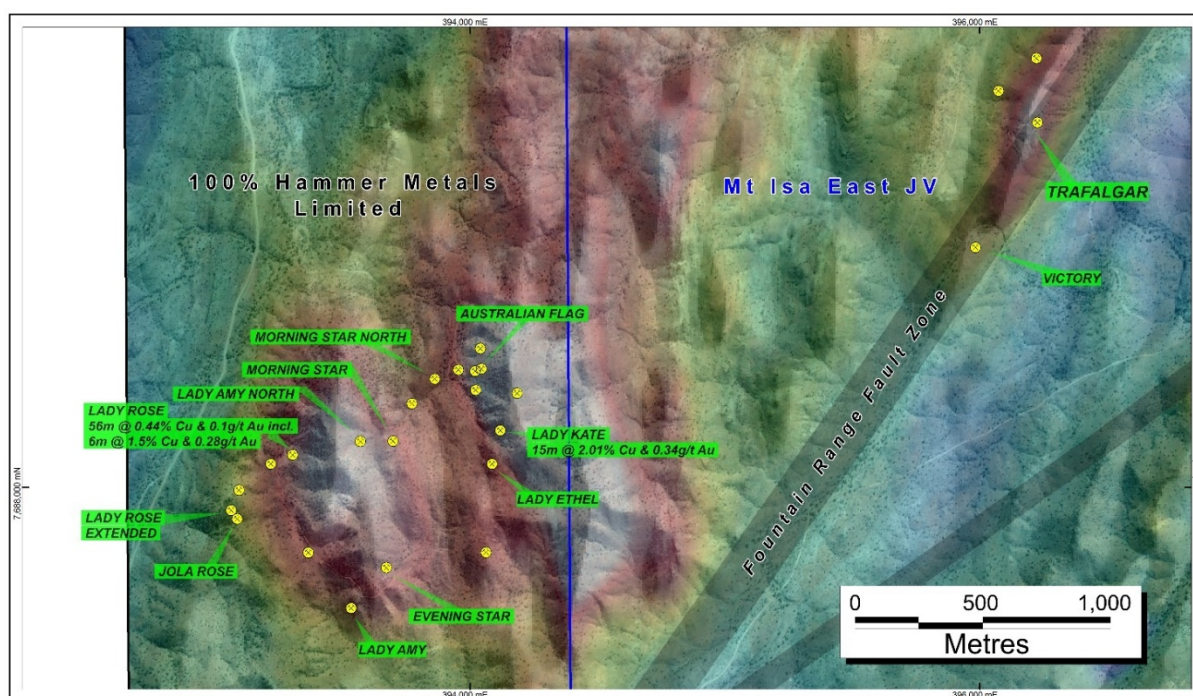


Figure 11. The Neptune Group of prospects on an Aeromagnetic RTP Image

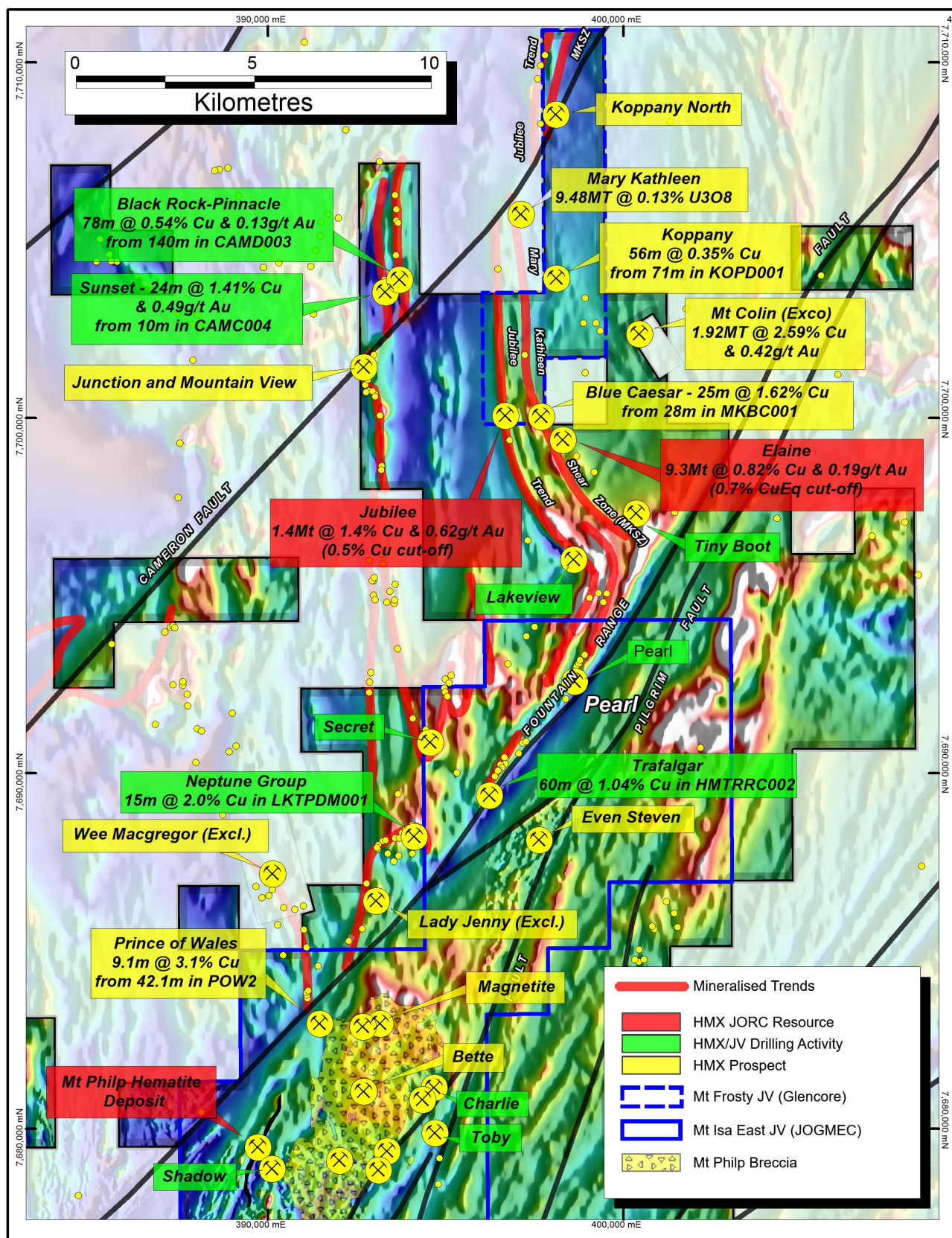


Figure 12. Trafalgar Trend extending into Hammer's 100% owned project areas showing the location of Pearl, Lakeside, Smoko Gossan and Lakeview prospects approximately 7km to the north of Trafalgar.

Malbon Area – 100% Hammer Metals

Kings-Charlotte Region

The Kings and Charlotte region is characterised by outcropping copper and gold mineralisation with numerous anomalous soil geochemical responses (see Figure 13). Quartz vein hosted mineralisation at the Kings prospect is related to the intersection between east-west trending structures and a main north-south trend. Rock chip and soil anomalism indicates that mineralisation extends for over 300m in multiple parallel shoots, which are individually up to 40m in thickness. Historic soil sampling identified broad zones of copper, gold, cobalt, phosphorous and iron levels in soil and high-grade copper and gold in rock chip samples. This prospect has not been previously drilled. Hammer has planned 5-10 holes to test this prospect during the upcoming drilling program.

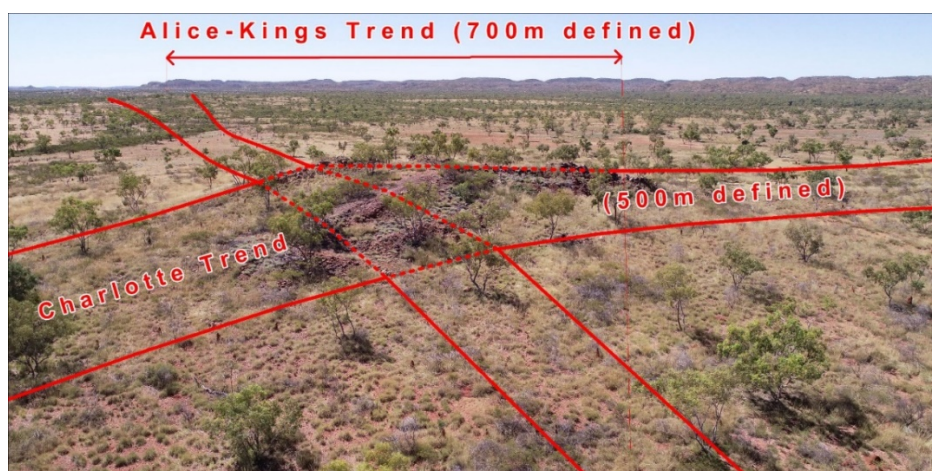


Figure 13. Oblique view of the Kings Trend above the intersection zone with the Charlotte trend. The intersection is marked by a southeast plunging mineralised shoot.

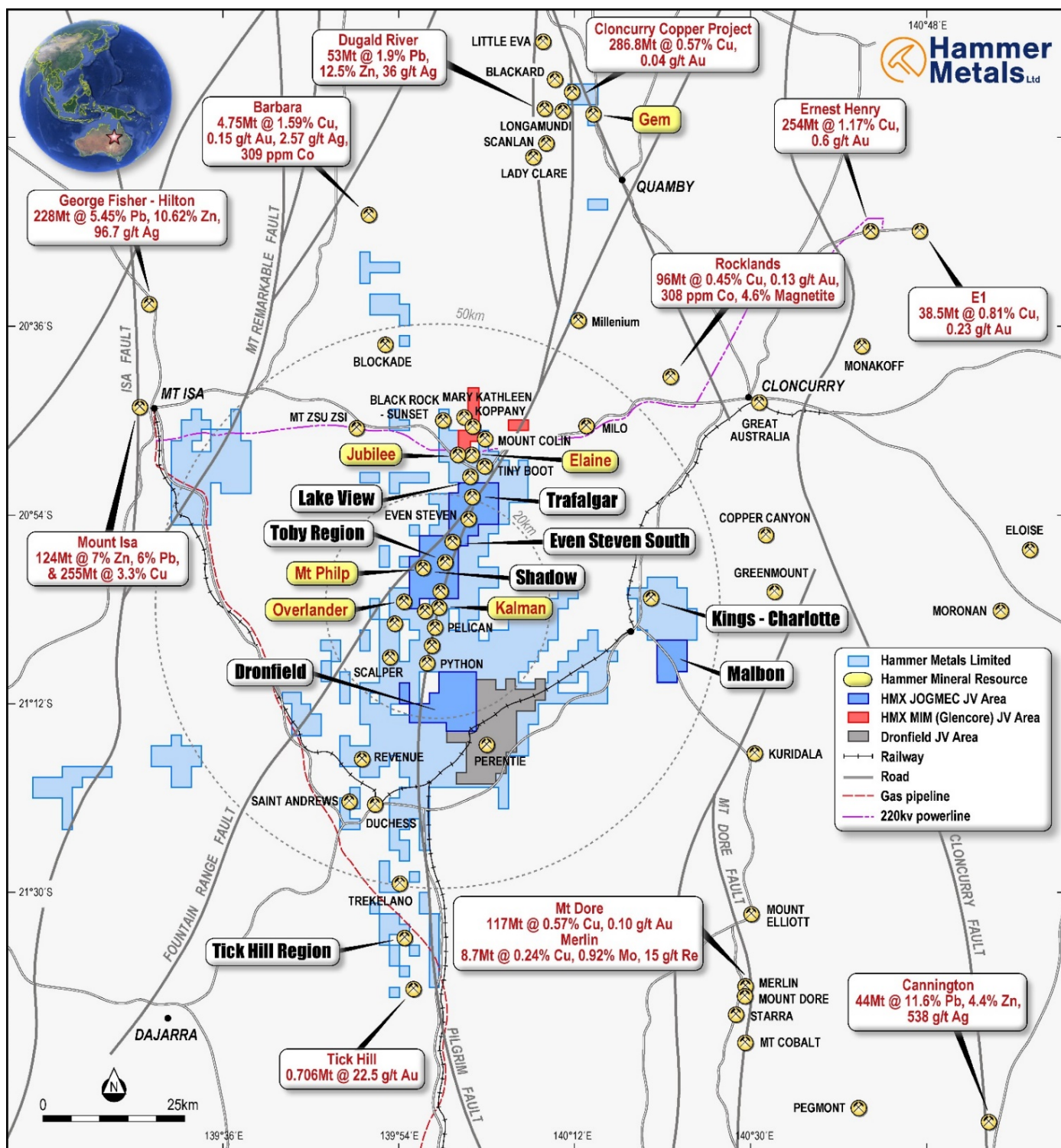


Figure 14. Mt Isa Project tenements

YANDAL GOLD PROJECTS (100% Hammer)

Bronzewing South Gold Project

The Company finalised results from the two-hole diamond drilling program at Bronzewing South which were part-funded by the State Government's EIS program. The program completed a total of 1,203m of drilling in two holes which were designed to test two gravity low targets interpreted to represent zones of alteration associated with Bronzewing-style gold mineralisation.

Results from BWSDD001 include 14m @ 0.14g/t Au from 202m. This drillhole tested the edge of the interpreted gravity anomaly and still encountered a significant zone of quartz and carbonate veining with low levels of gold mineralisation. BWSDD003 tested a similar gravity low approximately 500m to the south of BWSDD001. As with BWSDD001 vein intensity was strongest in gravity lows, however downhole gold anomalism was limited. Despite this the intersection of the quartz and carbonate veining supports Hammer's targeting rationale and offers encouragement for other target areas within the Bronzewing south tenement.

The identification of these zones along with an improved understanding of the structure and stratigraphy plunging to the south of the Bronzewing deposit is assisting in defining potentially shallower targets closer to the tenement boundary.

Of most interest, is the corridor that sits in an analogous position to the Bronzewing Gold mine. This corridor is defined by the Bapinmarra dolerite unit to the west and the eastern share zone. It is interpreted that within this corridor the mineralised trend is plunging at 10 to 20 degrees to the south. This target volume is traversed by several northeast trending faults which are considered contributory to the location of mineralisation at Bronzewing. Hammer has defined several targets at the intersection of these key features which will be progressively tested by a potential combination of reverse circulation and diamond drilling. (see Figures 16 and 17)

A high-resolution gravity survey has since been completed to improve target definition prior to a future reverse circulation or diamond drilling program. Final interpretations of the gravity survey are expected to be completed in the coming weeks.

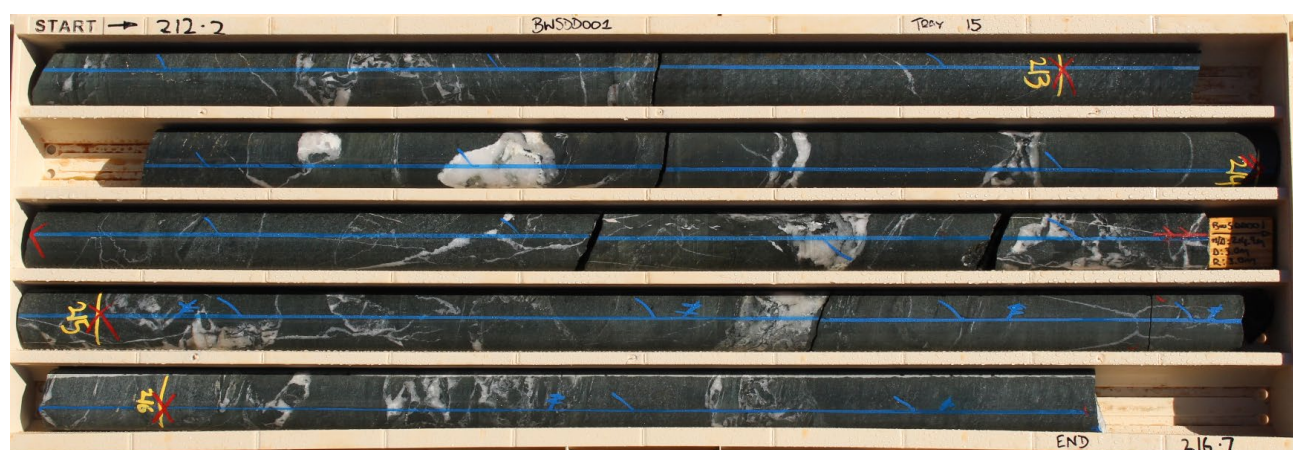


Figure 15. BWSDD001 212.2-216.7m. The core shows the vein styles and alteration accompanying mineralisation at Bronzewing South. This zone is accompanied by fine grained disseminated pyrite.

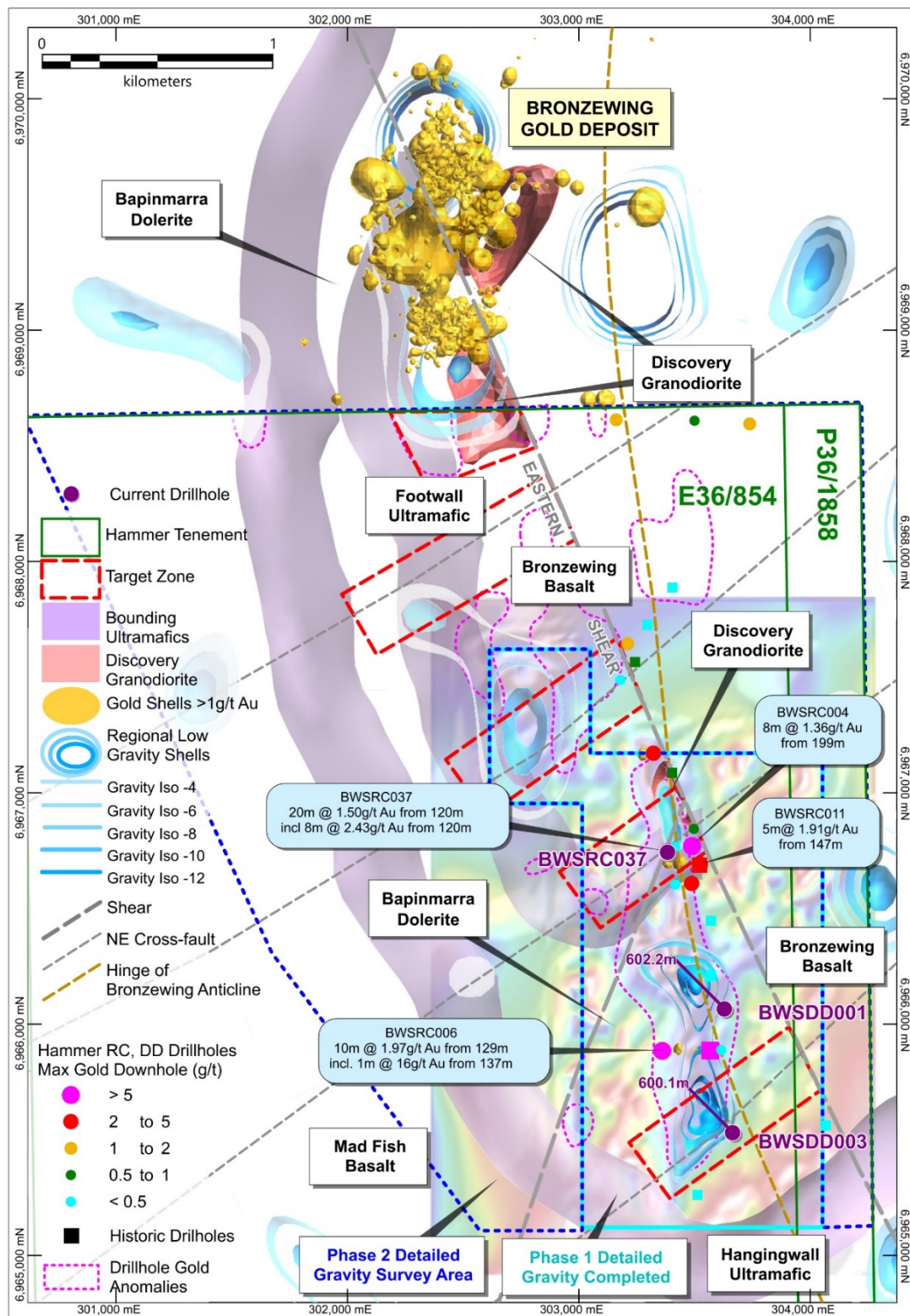


Figure 16. Plan view of the Bronzewing South area showing the location of BWSRC037, the Bronzewing EIS holes and the recently delineated targets.

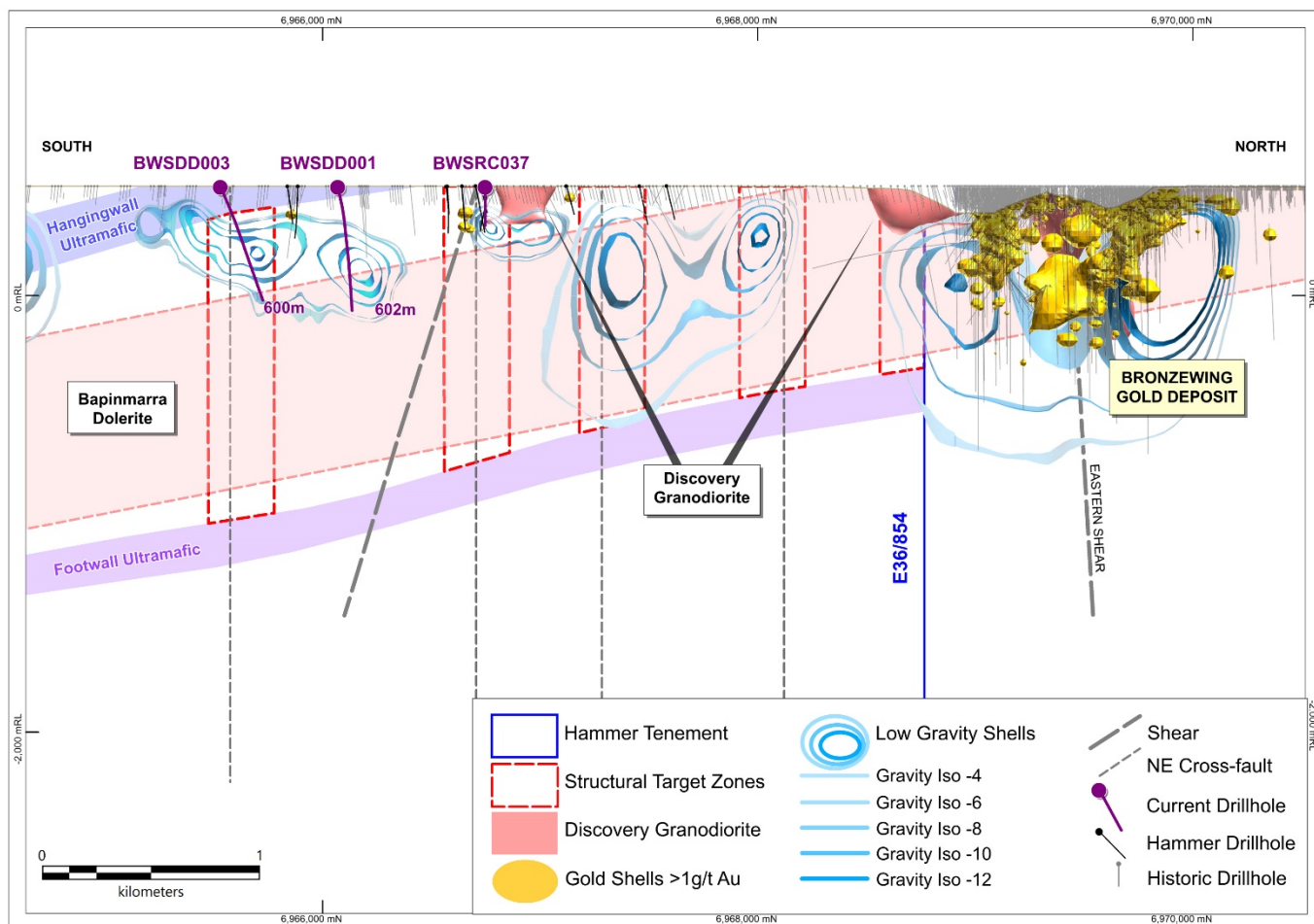


Figure 17. Long Section view of the Bronzewing South area (looking west). The figure shows the location of BWSRC037, the Bronzewing EIS holes and the recently delineated targets.

Harrier Acquisition

The Harrier tenements are located to the east of Hammer's Bronzewing South tenement. Historical exploration results, which remain to be validated by Hammer personnel, indicate that the tenement is lightly explored. A mineralised trend passing through the Harrier and Bower prospects is associated with a north-northeast trending structure and prospecting in this area has encountered zones of nugget gold mineralisation. The tenement is located on the eastern limb of the Bronzewing Anticline within 3km of the former Bronzewing Gold Mine (Figure 18).

Hammer purchased the Harrier tenements for a consideration of \$20,000 plus an NSR gold royalty of 1.5%. The NSR gold royalty may be reduced to 1% by the payment of \$1 million.

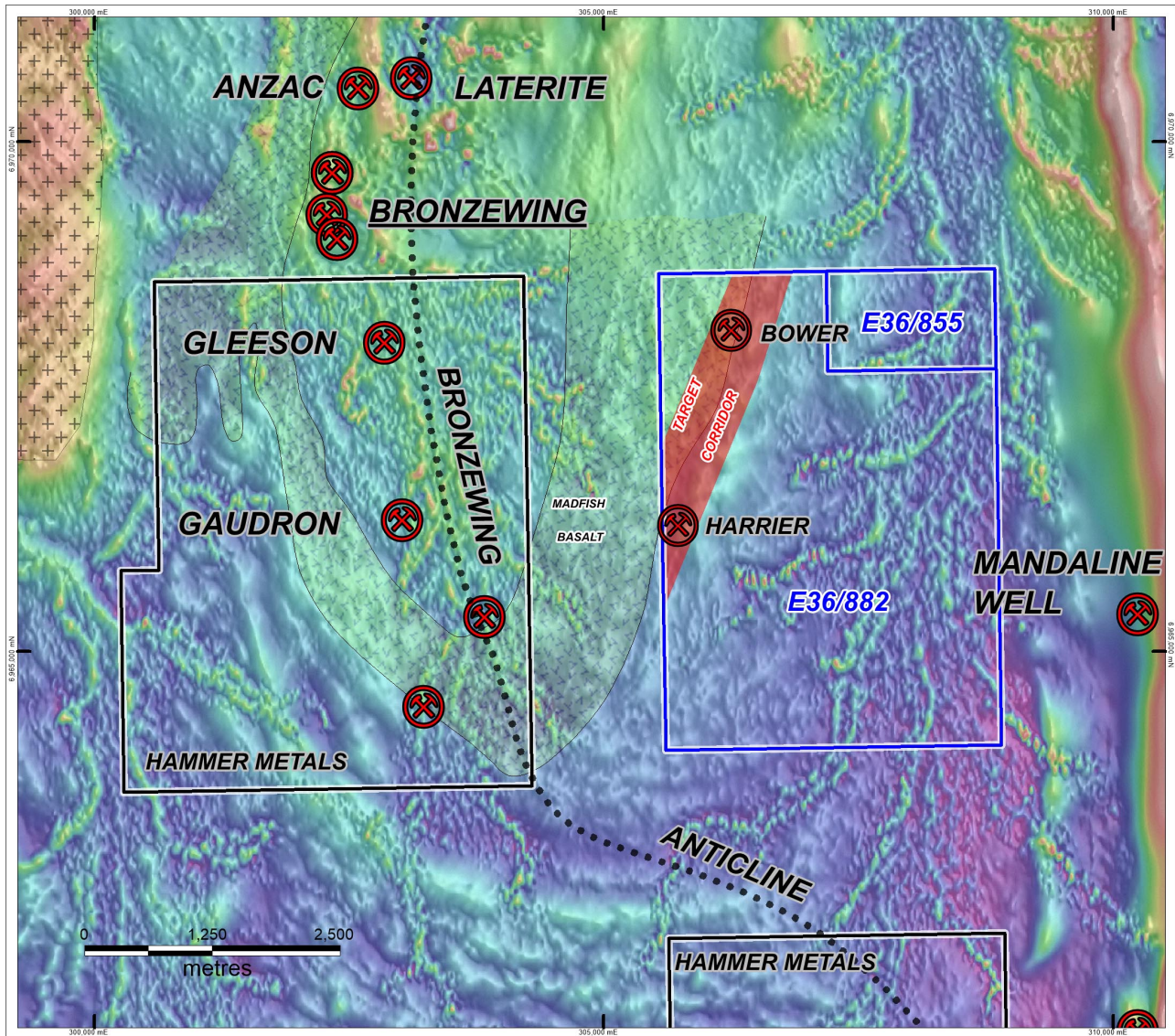


Figure 18. Location of the Harrier acquisition area.

North Orelia

At the end of March Hammer commenced a 10,000m aircore program to test previously untested soil geochemical targets on the northern Orelia trend. The program has recently been completed with assay results likely to be received through the second quarter of this year.

The first trend to be tested is roughly coincident with Hammer's Target 3 anomaly but extends along the Target 3 zone to the north and south. This is a significant gold geochemical anomaly and is approximately 5.6km in length and up to 800m in width (at the 3ppb gold contour). The second trend located to the east of Target 3 and close to a granite-greenstone contact is approximately 1.1km by 800m (at the 3ppb gold contour). No drilling has previously been conducted over this large anomaly (see Figure 19)

Other discrete targets near Target 1 and to the east of previous drilling at Target 4 were also completed during this program.

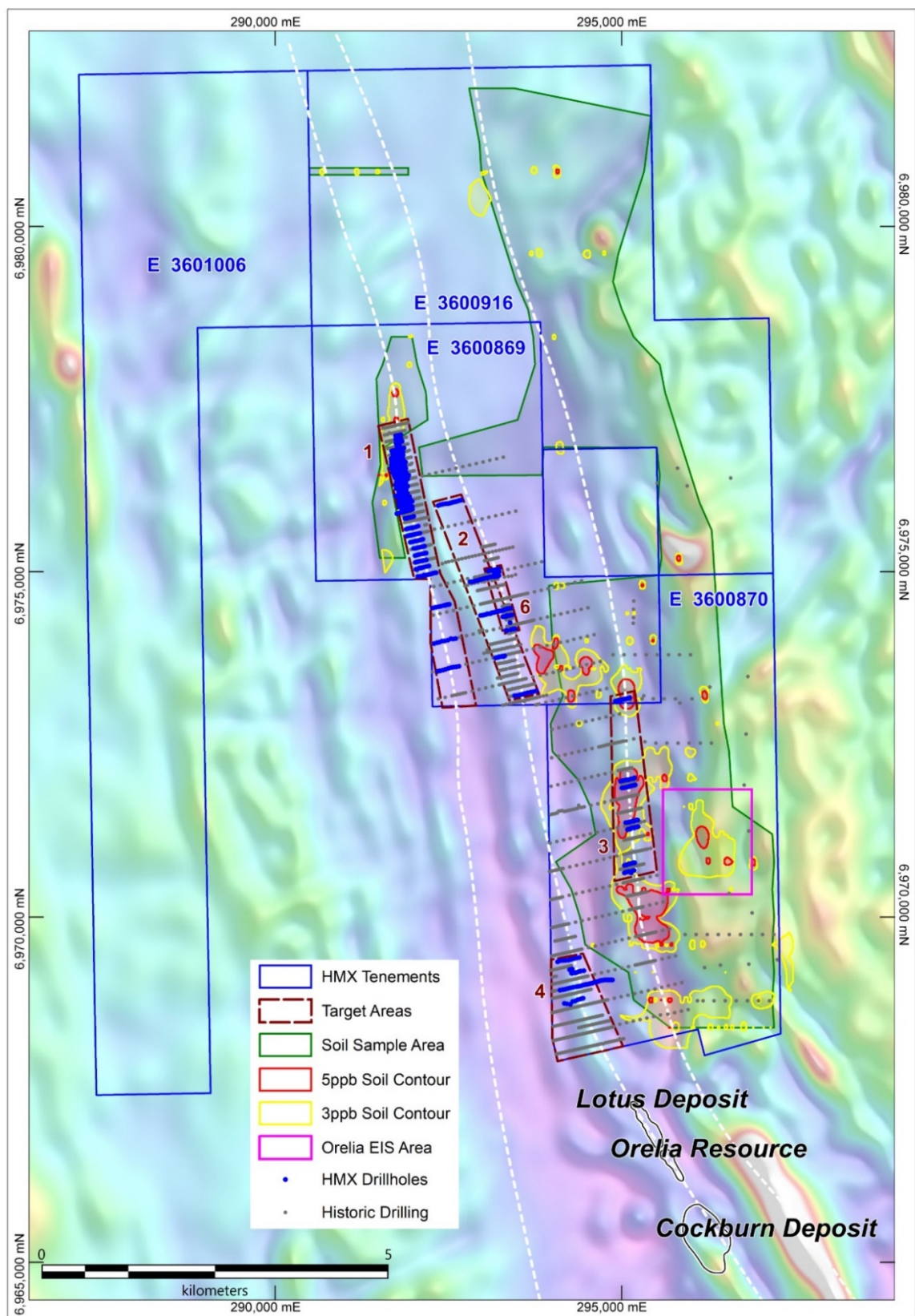


Figure 19. North Orelia Soil Survey Gold Anomaly Results

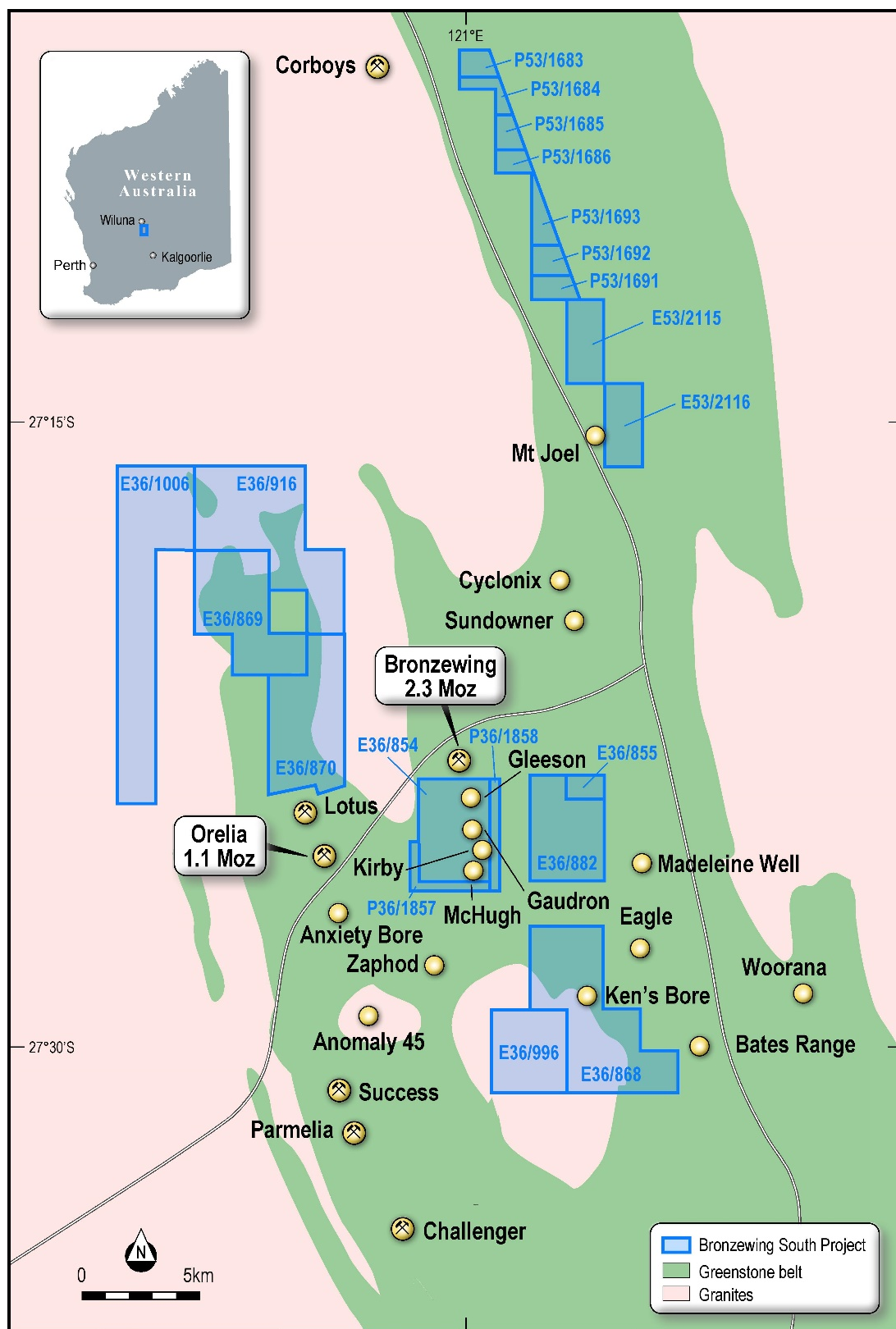


Figure 20. Hammer Metals Bronzewing South Project Area

CORPORATE

Hammer's cash balance at 31 March was \$5.3 million including \$0.17 million held in Joint Venture expenditure accounts. Subsequent to the quarter and as reported in ASX releases on 23 and 29 April 2021, the company has received firm commitments for \$5 million in a placement at 9.5c/share to existing, sophisticated and institutional investors, with a Share Purchase Plan to raise up to an additional \$1 million from existing shareholders. The company is well funded for an aggressive and extensive exploration program in the remainder of the year in Mount Isa.

In accordance with the reporting requirements of ASX Listing Rule 5.3, the Company incurred \$1,742,000 (comprised of \$1,111,000 costs attributable directly to the Company and \$631,000 of costs incurred on behalf of JV partners) on exploration and evaluation activities during the quarter. There was no mining development or production activities conducted during the quarter.

Expenditure was on activities as described in this report and predominantly related to:

- • Exploration Drilling at the Yandal and Mt Isa Project areas;
- • Technical consulting services; and
- • General fieldwork including rehabilitation work;

In addition, during the quarter, related party payments totalling \$87,000 were paid to the Directors of the company, representing Directors' salary and fees for the period.

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

For further information please contact:

Daniel Thomas
Managing Director

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

- END -

About Hammer Metals

Hammer Metals Limited (ASX: HMX) holds a strategic tenement position covering approximately 2000km² 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 51% interest in the 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. Hammer also holds a 100% interest in the Bronzewing South Gold Project located adjacent to the 2.3 million-ounce Bronzewing gold deposit in the highly endowed Yandal Belt of Western Australia.

Competent Person Statements

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 the Company. Mr. Whittle who is a shareholder and option-holder, has sufficient experience which is relevant to the styles of mineralisation and type of deposits 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.

Where reference is made to previous releases of exploration results and mineral resource estimates in this announcement, the Company 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 exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

Appendix A. Tenement Interests at the end of March 2021 as per Listing Rule 5.3.3

PROJECT	TENEMENT	STATUS	INTEREST %	Acquired	COMMENT
Mt Isa Project - QLD	EPM 11919	Granted	100%	No	Subject to 1.5% NSR
	EPM 12205	Granted	100%	No	
	EPM 13870	Granted	100%	No	Subject to 2% NSR
	EPM 14019	Granted	100%	No	25% of tenement area held in trust to Global Energy Metals Corporation
	EPM 14022	Granted	100%	No	
	EPM 14467	Granted	51%	No	
	EPM 18084	Granted	80%	No	
	EPM 25145	Granted	100%	No	
	EPM 25165	Granted	100%	No	Subject to 1.5% NSR
	EPM 25866	Granted	100%	No	
	EPM 25867	Granted	100%	No	
	EPM 26126	Granted	100%	No	
	EPM 26127	Granted	100%	No	
	EPM 26130	Granted	100%	No	
	EPM 26474	Granted	100%	No	
	EPM 26511	Granted	100%	No	
	EPM 26512	Granted	100%	No	
	EPM 26628	Granted	100%	No	
	EPM 26694	Granted	100%	No	
	EPM 26775	Granted	100%	No	6.2% of tenement area held in trust to Global Energy Metals Corporation
	EPM 26776	Granted	100%	No	
	EPM 26777	Granted	100%	No	
	EPM 26902	Granted	100%	No	
	EPM 26904	Granted	100%	No	
	EPM 27018	Granted	100%	No	
	EPM 27355	Granted	100%	No	
	EPM 27469	Granted	100%	No	
	EPM 27470	Granted	100%	No	
	EPM 27806	Application	100%	Yes	Application made during the Quarter
	EPM 27815	Application	100%	Yes	Application made during the Quarter
	EPM 27861	Application	100%	Yes	Application made during the Quarter
Pilbara Iron Ore - WA	E08/1997	Granted	100%	No	
Bronzewing Sth Project - WA	E36/854	Granted	100%	No	
	E36/855	Granted	100%	Yes	Acquired during the Quarter. Subject to 1.5% NSR
	E36/868	Granted	100%	No	
	E36/869	Granted	100%	No	
	E36/870	Granted	100%	No	
	E36/882	Granted	100%	Yes	Acquired during the Quarter. Subject to 1.5% NSR
	E36/916	Granted	100%	No	
	E36/996	Application	100%	No	
	E36/1006	Application	100%	No	
	E53/1989	Granted	100%	No	
	E53/1996	Granted	100%	No	
	E53/2030	Granted	100%	No	
	E53/2085	Application	100%	No	
	E53/2112	Application	100%	No	
	E53/2113	Application	100%	No	
	E53/2114	Application	100%	No	
	E53/2115	Application	100%	No	
	E53/2116	Application	100%	No	
	E53/2117	Application	100%	No	
	E53/2118	Application	100%	No	
	E53/2127	Application	100%	No	
	E53/2128	Application	100%	No	
	P36/1857	Granted	100%	No	
	P36/1858	Granted	100%	No	
	P53/1682	Granted	100%	No	
	P53/1683	Granted	100%	No	
	P53/1684	Granted	100%	No	
	P53/1685	Granted	100%	No	
	P53/1686	Granted	100%	No	
	P53/1687	Granted	100%	No	
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	P53/1690	Granted	100%	No	
	P53/1691	Granted	100%	No	
	P53/1692	Granted	100%	No	
	P53/1693	Granted	100%	No	
	P53/1694	Granted	100%	No	
	P53/1695	Granted	100%	No	
	P53/1696	Granted	100%	No	
	P53/1697	Granted	100%	No	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Hammer Metals Limited

ABN

87 095 092 158

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation			
(b) development			
(c) production			
(d) staff costs		(39)	(167)
(e) administration and corporate costs		(228)	(582)
1.3 Dividends received (see note 3)			
1.4 Interest received		-	14
1.5 Interest and other costs of finance paid		(4)	(12)
1.6 Income taxes paid			
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)			
- Property lease bonds paid		-	(22)
- Miscellaneous refunds		4	10
1.9 Net cash from / (used in) operating activities		(267)	(759)

2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements		(10)	(10)
(c) property, plant and equipment		(82)	(139)
(d) exploration & evaluation		(1,111)	(2,039)
(e) investments			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	(f) other non-current assets Proceeds from the disposal of: (a) entities (b) tenements (c) property, plant and equipment (d) investments (e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
	- Government exploration grants received	120	313
	- Research & Development tax incentive received	384	384
	- Reimbursement of exploration costs by JV partners and cash calls received	634	1,301
	- Exploration expenditure on behalf of JV partners	(631)	(1,824)
2.6	Net cash from / (used in) investing activities	(696)	(2,014)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	32	5,045
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(4)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	30	5,041

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,221	3,020
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(267)	(759)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(696)	(2,014)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	30	5,041
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,288	5,288

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,099	6,036
5.2	Call deposits	22	22
5.3	Bank overdrafts	-	-
5.4	Other – Balance of JV bank accounts	167	163
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,288	6,221

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	39
6.2	Aggregate amount of payments to related parties and their associates included in item 2	48
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(267)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,111)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,378)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,288
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,288
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.84
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not applicable	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 April 2021.....

Authorised by:The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.