



29th September 2017

DEFINITIVE AGREEMENT SIGNED FOR MILLENNIUM COBALT PROJECT

Highlights

- **Definitive Agreement signed with TSXV-listed Global Energy Metals Corporation (GEMC) to earn an interest in Hammer's Millennium Cobalt Project.**
- **Agreement includes the five granted Millennium Mining Leases located 34km west of Cloncurry in Northwest Queensland.**
- **Staged earn-in with GEMC having the right to earn 75% by spending a minimum of CAD\$2,700,000 (A\$2,700,000) including CAD\$250,000 in cash payments.**
- **Hammer to manage the project for the first two stages until GEMC earns a 65% interest.**
- **Agreement subject to regulatory approvals being received or waived.**
- **GEMC and Hammer planning initial work program**

Material Details of the Agreement

Tenements included in the Agreement are granted ML's 2512, 2761, 2762, 7506 and 7507, held 100% by Hammer Metals Limited.

The Definitive Agreement between the Parties details the operating terms and conditions for GEMC to enter into a three-year option to purchase a staged interest of up to 75% interest in the Millennium project tenements upon making project related expenditures.

The Agreement is subject to and conditional on receiving Foreign Investment Review Board approval and receiving indicative approval to the transfer to GEMC of an interest in the tenement. The Effective Date of the Agreement is the day these conditions precedent are either approved or waived.

The total consideration for the option is CAD\$2,700,000. An initial non-refundable deposit of CAD \$50,000 was paid to Hammer upon signing of the option term sheet and CAD\$100,000 paid on signing of the Definitive Agreement. Another CAD\$100,000 is payable on the six month anniversary of the Effective Date.

Key commercial terms of the Agreement are as follows:

- Expenditure of CAD\$500,000 within 6 months of the Effective Date to earn a 25% interest;
- Expenditure of and additional CAD\$1,000,000 within 18 months of the Effective Date for a 65% cumulative interest; and
- Expenditure of an additional CAD\$1,000,000 within 36 months of the Effective Date for a cumulative 75% interest.

GEMC may exercise its right to acquire additional interest in Millennium based on future terms agreed to by both parties at that time.



Proposed Program

The initial work program will encompass:

- RC and diamond drilling to improve the resource categorization from Inferred to Indicated
- Update Mineral Resource Estimate
- Initial test of cobalt targets to the north
- Petrology and mineral liberation analysis
- Scoping metallurgical studies and pit optimisations.

Hammer's CEO Alex Hewlett said:

"Hammer is very pleased to have GEMC as a strategic partner to develop Millennium. GEMC's cobalt sector knowledge and partnerships in Asian battery markets was key to our wanting to partner with them. This transaction provides our shareholders with immediate upside in partnering with a cobalt focused player while retaining exposure to longer term value creation that the Millennium Project will offer."

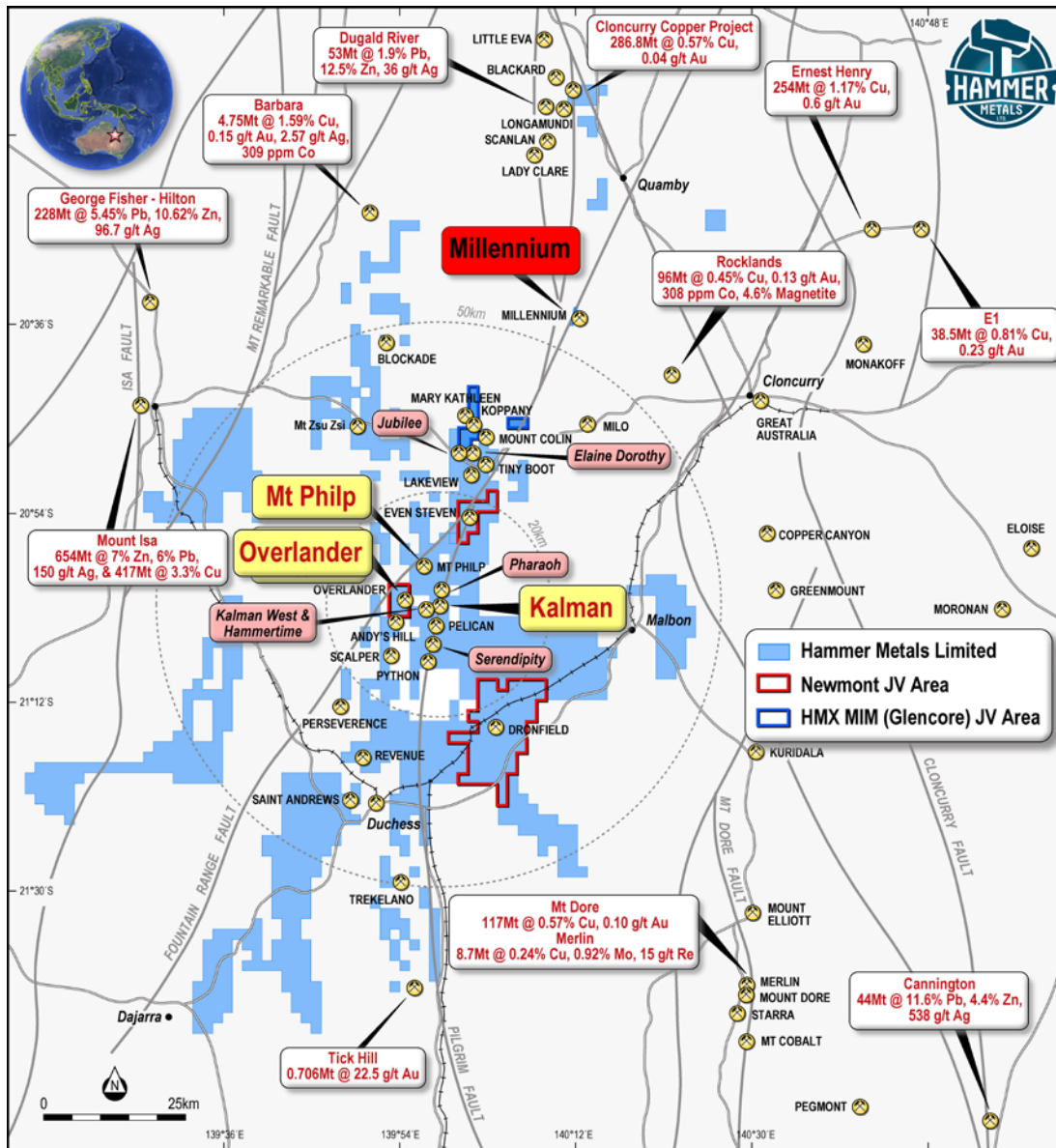
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Global Energy Metals Corporation (TSXV: GEMC) is an aggregator of primary cobalt and other battery metals projects based in Vancouver, Canada. GEMC currently owns the Werner Lake cobalt Mine in Ontario and is listed on the TSX Venture Exchange.

Hammer Metals Limited (ASX: HMX) Hammer Metals holds a strategic tenement position covering approximately 3,100km² 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 Millennium (Cu-Co-Au) deposit as well as the recently acquired Elaine-Dorothy (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's Mount Isa Project

Competent Person's Statement:

Exploration Results

The information in this report as it relates to exploration results and geology was compiled by Mr Mark Whittle, who is a Member of the AusIMM and a consultant to the Company. Mr Mark Whittle 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.