

4 May 2016

Ms Shannon Hong
Senior Advisor, Listings Compliance
Australian Securities Exchange, Sydney

Dear Shannon

RE: TERMINATION OF MILLENNIUM JOINT VENTURE

Please find attached a copy of a release made today to the ASX by Hammer Metals Ltd (ASX Code - HMX) relating to that company's acquisition of all the issued shares in Element Minerals Australia Pty Ltd ("EMA") from its parent company, Elementos Limited (ASX Code – ELT).

The only assets held by EMA comprised the five mining leases that formed the basis of CYU's "Millennium Joint Venture" with ELT. As part of the sale of EMA to HMX, both CYU and ELT have agreed to terminate the Millennium Joint Venture with no party having any further right or claim against the other in relation to that JV. CYU will be issued 500,000 ordinary shares in HMX in exchange for surrendering its rights at Millennium.

It should be noted that under the terms of the Joint Venture agreement that CYU entered into in September 2013 with ELT, CYU still had approximately \$400,000 of exploration expenditure to be committed to these mining lease areas (by September this year) in order to earn an initial 51% interest in the leases.

As previously reported to the ASX, CYU's exploration team has carried out exploration drilling and modelling of the mineralisation within these ELT mining leases over the past 2 years. The current view is that while the mineralisation may extend along the strike zone and at depth, there remains significant uncertainty that a resource of the size of CYU's stated exploration target (1 million tonnes of copper or copper equivalent) can be established. Furthermore follow-up drilling would be deep (+300m) and at significant additional cost. In these circumstances, the CYU's Board believes that retirement from the Millennium Joint Venture is a prudent approach as the Company continues with its focus on other project opportunities.

Yours sincerely



Paul Williams
Managing Director
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