2 October 2026

RESULTS OF FIRST COURT HEARING AND SCHEME BOOKLET REGISTERED WITH ASIC

Hammer Metals Limited (ASX: HMX) (**Hammer Metals** or **Company**) provides the following update on the proposed acquisition of 100% of the fully paid ordinary shares in Hammer Metals by Austral Resources Australia Ltd (ASX: AR1) (**Austral**) by way of Court-approved scheme of arrangement (**Scheme**) under Part 5.1 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

COURT ORDERS

The Federal Court of Australia (**Court**) has today made orders:

- directing Hammer Metals to convene and hold a meeting of Hammer Metals Shareholders to consider and vote on the Scheme (**Scheme Meeting**); and
- approving the dispatch to Hammer Metals Shareholders of an explanatory statement containing information about the Scheme, together with the Notice of the Scheme Meeting (**Scheme Booklet**).

Capitalised terms used in this announcement have the meaning given to them in the Scheme Booklet, unless otherwise specified.

DEMERGER

In conjunction with the Scheme, Hammer Metals is also proposing to undertake a demerger of its Western Australian gold assets currently held by its subsidiary, Carnegie Exploration Pty Ltd (**Carnegie**), by way of a transfer of all of the issued share capital in Carnegie to Carnegie Resources Limited (**SpinCo**) and a capital reduction and in-specie distribution of fully paid ordinary shares in SpinCo (**Demerger**). Hammer Metals will also convene a general meeting of Hammer Metals Shareholders to consider the proposed resolution approving the capital reduction and in-specie distribution (**Demerger Meeting**).

SCHEME BOOKLET

The Scheme Booklet has today been registered by the Australian Securities and Investments Commission (**ASIC**). A copy of the Scheme Booklet is attached to this announcement and will also be made available for viewing and downloading on Hammer Metals website at https://hammermetals.com.au and on Hammer Metals ASX market announcements platform at https://www.asx.com.au/ under the ASX ticker (ASX: HMX).

The Scheme Booklet will be dispatched to Hammer Metals Shareholders on or around Thursday, 8 October 2026. Hammer Metals Shareholders who have previously elected to receive communications electronically from Hammer Metals will receive an email which contains instructions about how to view or download a copy of the Scheme Booklet, as well as instructions on how to lodge their proxies and associated forms (including the Opt-out Notice, if applicable) for the Scheme Meeting and Demerger Meeting online.

Hammer Metals Shareholders who have elected to receive hard copy documents will be sent a letter (sent by post to their registered address) containing details of where they can view and download the

Scheme Booklet and the Opt-out Notice, together with a physical copy of the Scheme Booklet and their personalised proxy forms.

Hammer Metals Shareholders who have not made an election on how to receive communications will receive a letter (sent by post to their registered address) containing instructions about how to view or download a copy of the Scheme Booklet and the Opt-out Notice, together with their hard copy personalised proxy forms.

Hammer Metals Shareholders should read the Scheme Booklet carefully, and in its entirety, including the materials accompanying it, before deciding how to vote at the Scheme Meeting and the Demerger Meeting. The Scheme Booklet includes important information relating to your vote, including the reasons why you may wish to vote in favour of or against the Scheme Resolution and the Demerger Resolution, and details regarding Austral's intentions in respect of the Merged Group from implementation of the Scheme (including key risks).

INDEPENDENT EXPERT'S REPORT AND DIRECTORS' RECOMMENDATION

The Scheme Booklet includes (as Annexure A to the Scheme Booklet) a copy of the Independent Expert's Report prepared by BDO Corporate Finance Australia Pty Ltd (**Independent Expert**). The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal.

The Independent Expert's conclusion should be read in context with the full Independent Expert's Report and the Scheme Booklet.

The Hammer Metals Board unanimously recommends that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of the Hammer Metals Shareholders.[1] Subject to those same qualifications, each Hammer Metals Director intends to vote, or procure the voting of, any Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme.

DETAILS OF SCHEME MEETING

The Scheme Meeting will be held at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

Only those Hammer Metals Shareholders entered on the Hammer Metals Share Register at 5:00pm (AWST) on Saturday, 7 November 2026 will be entitled to attend and vote at the Scheme Meeting.

Hammer Metals Shareholders are encouraged to vote by attending the Scheme Meeting in person or by attorney or corporate representative, or alternatively by completing and submitting the Proxy Form in accordance with the instructions on that form, ensuring it is received no later than 48 hours before the Scheme Meeting.

Further details about the Scheme Meeting are set out in this Scheme Booklet, including the Notice of Scheme Meeting in Annexure D. Hammer Metals Shareholders should read the Scheme Booklet carefully, and in its entirety, including the materials accompanying it, before deciding how to vote at the Scheme Meeting.

DETAILS OF DEMERGER MEETING

The Demerger Meeting will be held at 10:00am (AWST) on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

[1] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in Section 3.12 of the Scheme Booklet.

Only those Hammer Metals Shareholders entered on the Hammer Metals Share Register at 5:00pm (AWST) on Saturday, 7 November 2026 will be entitled to attend and vote at the Demerger Meeting.

Hammer Metals Shareholders are encouraged to vote by attending the Demerger Meeting in person or by attorney or corporate representative, or alternatively by completing and submitting the Proxy Form in accordance with the instructions on that form, ensuring it is received no later than 48 hours before the Demerger Meeting.

Further details about the Demerger Meeting are set out in this Scheme Booklet, including the Notice of Demerger Meeting in Annexure E. Hammer Metals Shareholders should read the Scheme Booklet carefully, and in its entirety, including the materials accompanying it, before deciding how to vote at the Demerger Meeting.

INDICATIVE TIMETABLE

The key dates and times for the Scheme are as follows:

Event	Time and Date
Demerger Proxy Cut-off Date Deadline for lodgement of completed Proxy Forms for the Demerger Meeting	10:00am (AWST) on Saturday, 7 November 2026
Scheme Proxy Cut-off Date Deadline for lodgement of completed Proxy Forms for the Scheme Meeting	11:00am (AWST) on Saturday, 7 November 2026
Voting Entitlement Time Time and date for determining eligibility of Hammer Metals Shareholders to vote at the Demerger Meeting and the Scheme Meeting	5:00pm (AWST) on Saturday, 7 November 2026
Demerger Meeting	10:00am (AWST) on Monday, 9 November 2026
Scheme Meeting	The later of 11:00am (AWST) and the conclusion of the Demerger Meeting on Monday, 9 November 2026
If the Scheme is approved by Hammer Metals Shareholders at the Scheme Meeting and the Demerger is approved at the Demerger Meeting	
Demerger Effective Date Effective date for the transfer of SpinCo Shares to Hammer Metals Shareholders (in-specie distribution under the Demerger)	Tuesday, 10 November 2026
Second Court Hearing Court hearing for approval of the Scheme	10:15am (AWST) on Friday, 13 November 2026
Effective Date of the Scheme Court order is lodged with ASIC and the Scheme is Effective	Monday, 16 November 2026

Event	Time and Date
Last date of trading of Hammer Metals Shares on ASX Suspension of Hammer Metals Shares from trading on ASX from close of trading	Monday, 16 November 2026
New Austral Shares expected to commence trading on a deferred settlement basis First day of trading in New Austral Shares on ASX on a deferred settlement basis (ASX: AR1)	Tuesday, 17 November 2026
Demerger Record Date Record date for determining entitlements to SpinCo Shares under the Demerger	7:00pm (Sydney time) on Wednesday, 18 November 2026
Record Date for the Scheme Record date for determining entitlement to receive Scheme Consideration	7:00pm (Sydney time) on Wednesday, 18 November 2026
Deadline for lodgement of completed Opt-out Notice Small Shareholders who do not wish to participate in the Scheme Sale Facility may elect to opt-out of the Scheme Sale Facility and receive New Austral Shares by completing and returning an Opt-out Notice	5:00pm (AWST) on Friday, 20 November 2026
Demerger Implementation Date Implementation date for the transfer of SpinCo Shares to Eligible Hammer Metals Shareholders	Monday, 23 November 2026
Implementation Date for the Scheme Provision of the Scheme Consideration to Scheme Shareholders and commencement of despatch of holding statements to Scheme Shareholders confirming the issue of New Austral Shares	Wednesday, 25 November 2026
Termination of official quotation of Hammer Metals Shares on ASX and Hammer Metals to be removed from the official list of ASX	Thursday, 26 November 2026
New Austral Shares expected to commence trading on a normal settlement basis First day of trading in New Austral Shares on ASX on a normal settlement basis (ASX: AR1)	Thursday, 26 November 2026

All stated dates and times are indicative only. The actual timetable will depend on many factors outside the control of Hammer Metals and Austral, including the Court approval process and the satisfaction or waiver (where applicable) of the conditions precedent to the completion of the Scheme by each of Hammer Metals and Austral (as detailed in Section 10.6 of the Scheme Booklet). Any changes to the above timetable will be announced to ASX and will be available under Hammer Metals' profile on ASX at https://www.asx.com.au/. Except where indicated, all references to time in this Scheme Booklet are references to AWST.

FURTHER INFORMATION

Hammer Metals Shareholders should carefully read the Scheme Booklet in its entirety, including the materials accompanying it, before deciding whether to vote in favour of the Scheme. If after reading the Scheme Booklet you have any questions about the Scheme or the Scheme Booklet, please contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia), Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

This announcement has been authorised for release to ASX by the Board of Hammer Metals Limited.

For further information please contact:

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– END –

SCHEME BOOKLET

for the recommended scheme of arrangement in relation to the proposed acquisition of all of the fully paid ordinary shares in Hammer Metals Limited by Austral Resources Australia Ltd.

Hammer Metals Directors unanimously recommend that you

VOTE IN FAVOUR

of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[1]

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding whether or not to vote in favour of the Scheme. If you are in any doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser immediately.

If you require further information or have questions in relation to the Scheme, please contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

Legal Adviser to Hammer Metals

Financial Adviser to Hammer Metals

[1] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

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Important Notices

Date of this Scheme Booklet

This Scheme Booklet is dated Friday, 2 October 2026.

Defined terms and interpretation

Capitalised terms used in this Scheme Booklet (other than in the Independent Expert's Report (which includes the Independent Technical Specialist's Report) included as Annexure A) and the Proxy Forms accompanying this Scheme Booklet are either defined in brackets when first used or are defined in the Glossary in Section 12. The Independent Expert's Report (and the Independent Technical Specialist's Report) provide their own defined terms which are sometimes different from those detailed in the Glossary in Section 12.

References to Scheme Booklet, Sections and Annexures

References to Sections and Annexures are to the named Sections and Annexures in this Scheme Booklet.

General

This Scheme Booklet is important and requires your immediate attention. You should read this Scheme Booklet carefully before making a decision about how to vote on the Scheme Resolution to be considered at the Scheme Meeting.

Purpose of this Scheme Booklet

This Scheme Booklet includes the explanatory statement for the Scheme required by Part 5.1 of the Corporations Act. The purpose of this Scheme Booklet is to explain the terms of the Scheme and the manner in which it will be implemented (if approved) and to provide such information as is prescribed or otherwise material to the decision of Hammer Metals Shareholders as to whether or not to approve the Scheme.

This Scheme Booklet also contains information regarding the proposed demerger of Carnegie Resources Limited (**SpinCo**), which following completion of the Restructure will become the sole shareholder of Carnegie Exploration Pty Ltd (**Carnegie**) which is the owner of Hammer Metals' non-core gold assets in Western Australia (**Demerger**). The Scheme is conditional upon (amongst other matters) the Demerger being approved by Hammer Metals Shareholders in accordance with sections 256B and 256C of the Corporations Act and (if required) ASX Listing Rule 11.4.1(b). The Demerger will be conducted by way of a capital reduction of Hammer Metals and an in-specie distribution of SpinCo Shares to Eligible Hammer Metals Shareholders, and is therefore subject to approval from Hammer Metals Shareholders as required under the Corporations Act. Refer to Annexure E for further information regarding the Demerger.

Other than in respect of the Demerger, the subject of Annexure E, this Scheme Booklet does not constitute or contain an offer to Hammer Metals Shareholders, or a solicitation of an offer from Hammer Metals Shareholders in any jurisdiction. This Scheme Booklet is not a disclosure document required by Chapter 6D of the Corporations Act. Subsection 708(17) of the Corporations Act provides that Chapter 6D of the Corporations Act does not apply in relation to arrangements under Part 5.1 of the Corporations Act approved at a meeting held as a result of an order under subsection 411(1) of the Corporations Act. Instead, Hammer Metals Shareholders asked to vote on an arrangement at the Scheme Meeting must be provided with an explanatory statement as referred to above.

No investment advice

This Scheme Booklet does not constitute financial product advice and has been prepared without reference to individual investment objectives, financial situation, taxation position or particular needs of any Hammer Metals Shareholders or any other person. It is important that you read this Scheme Booklet before making any decision, including a decision on whether or not to vote in favour of the Scheme. In particular, it is important that you consider the potential risks if the Scheme does not proceed as detailed in Section 8.5 and the views of the Independent Expert provided in the Independent Expert's Report included as Annexure A.

This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Scheme or your Hammer Metals Shares. If you are in doubt as to what you should do, you should consult your legal, investment, taxation or other professional adviser.

Each Hammer Metals Shareholder's tax position is different. Therefore, Hammer Metals Shareholders are urged to seek their own independent tax advice regarding the specific tax consequences of the Scheme, including the application and effect of income tax and other tax laws to their particular circumstances.

A general summary of the Australian taxation considerations is detailed in Section 9. However, Hammer Metals Shareholders should not rely on the summary in Section 9 in substitution for specific advice on their own affairs from a registered tax agent.

Responsibility statement

Hammer Metals has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the Austral Information and the Independent Expert's Report, and none of Austral, its Related Bodies Corporate or their respective directors, officers or employees assumes any responsibility or liability for the accuracy or completeness of the Hammer Metals Information.

Austral has prepared, and is responsible for, the Austral Information in this Scheme Booklet, and none of Hammer Metals, its Related Bodies Corporate or their respective directors, officers or employees assumes any responsibility or liability for the accuracy or completeness of the Austral Information (other than any information regarding the Hammer Metals Group contained in, or used in the preparation of, the Merged Group Information).

The Independent Expert has provided and is responsible for the Independent Expert's Report included at Annexure A, and none of Austral, its Related Bodies Corporate or their respective directors, officers or employees, nor Hammer Metals, its Related Bodies Corporate or their respective directors, officers or employees, assumes any responsibility or liability for the accuracy or completeness of the Independent Expert's Report.

The Independent Technical Specialist has provided and is responsible for the Independent Technical Specialist's Report, and none of Austral, its Related Bodies Corporate or their respective directors, officers or employees, nor Hammer Metals, its Related Bodies Corporate or their respective directors, officers or employees, assumes any responsibility or liability for the accuracy or completeness of the Independent Technical Specialist's Report.

Role of ASIC and ASX

A copy of this Scheme Booklet has been lodged with, and registered by, ASIC for the purposes of section 412(6) of the Corporations Act. ASIC has been given the opportunity to comment on this Scheme Booklet in accordance with section 411(2)(b) of the Corporations Act.

ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court on the Second Court Date.

Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet has been lodged with ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

Court order under subsection 411(1) of the Corporations Act

Important notice associated with the Court order under section 411(1) of the Corporations Act

The fact that, under section 411(1) of the Corporations Act, the Court has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet to accompany the Notice of Scheme Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how you should vote (on this matter, you must reach your own decision); or
- has prepared, or is responsible for the content of, this Scheme Booklet.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Notice to Hammer Metals Shareholders in foreign jurisdictions

This Scheme Booklet complies with Australian disclosure requirements. These disclosure requirements may be different to those in other countries. It is important that Hammer Metals Shareholders who are not Australian resident taxpayers or who are liable for tax outside Australia seek specific tax advice in relation to the Australian and overseas tax consequences of the Scheme.

The release, publication, or distribution of this Scheme Booklet in jurisdictions other than Australia is restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Scheme Booklet should observe any such restrictions, including those set out in Sections 11.4 and 11.5. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. Hammer Metals disclaims all liabilities to such persons.

This Scheme Booklet has been prepared in accordance with the laws of Australia and the information in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of jurisdictions other than Australia. No action has been taken to register or qualify this Scheme Booklet or any aspect of the Scheme in any jurisdiction outside Australia.

This Scheme Booklet, and the Scheme do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

You will not be able to receive New Austral Shares if you are an Ineligible Foreign Holder. Any New Austral Shares you would have otherwise been entitled to receive, will be issued to the Scheme Sale Agent and sold through the Scheme Sale Facility.

Hammer Metals Shareholders who are nominees, trustees or custodians are encouraged to review Sections 11.4 and 11.5 and seek independent advice as to how they should proceed.

Further information in relation to participation in the Scheme by Hammer Metals Shareholders outside Australia is detailed in Sections 3.3 to 3.7 (inclusive), 11.4 and 11.5.

Notices of Meeting

The Notice of Scheme Meeting is included as Annexure D.

The Notice of Demerger Meeting is set out in Annexure E.

Notice regarding Second Court Hearing and Hammer Metals Shareholders' Rights to oppose the Scheme

At the Second Court Hearing for the Scheme, the Court will consider whether to approve the Scheme following the vote at the Scheme Meeting.

Any Hammer Metals Shareholder may appear at the Second Court Hearing expected to be held at 10:15am (AWST) on Friday, 13 November 2026 at the Federal Court of Australia at 1 Victoria Avenue, Perth Western Australia 6000.

Any Hammer Metals Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing must do so by filing with the Court and serving on Hammer Metals a notice of appearance in the prescribed form together with any affidavit that the Hammer Metals Shareholder wishes to rely on. The notice of appearance and affidavit must be served on Hammer Metals at its address for service at least one day before the Second Court Date. Hammer Metals' address for service is: c/- Thomsons, Level 29, Central Park Tower, 152-158 St Georges Terrace, Perth WA 6000 Australia.

ASX Chapter 5 compliance

Refer to Section 11.9 for disclosures required under the ASX Listing Rules in respect of certain Mineral Resources disclosed in this Scheme Booklet.

Forward looking statements

Certain statements in this Scheme Booklet relate to the future, including forward looking statements and information (**forward-looking statements**). The forward-looking statements in this Scheme Booklet, including statements relating to the Merged Group and the transactions contemplated by the Scheme Implementation Deed, are not based on historical facts, but rather reflect the current views and expectations of Hammer Metals or, in relation to the Austral Information, Austral, concerning future events and circumstances. These statements may generally be identified by the use of forward-looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", qualifiers such as "may", "should", "likely" or "potential", or similar words. Similarly, statements that describe the expectations, goals, objectives, plans, targets, Mineral Resource estimates and guidance and future costs of Austral, Hammer Metals or the Merged Group are, or may be, forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements of Hammer Metals, Austral or the Merged Group to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Hammer Metals, Austral and the Merged Group will operate in the future, including the price of commodities, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward looking statements include, among others, commodity price volatility, discrepancies between actual and estimated costs, Mineral Resource estimates being inaccurate or changing over time, mining operational and development risk, litigation risks, regulatory restrictions (including environmental regulatory restrictions and liability), activities by governmental authorities (including changes in taxation), currency fluctuations, the speculative nature of mining services, mineral exploration and production, the global economic climate, dilution, share price volatility, competition, loss of key directors and employees, additional funding requirements and defective title to mineral claims or property. See Section 8 for a non-exhaustive discussion of potential risk factors underlying, and other information relevant to, the forward-looking statements and information. All forward looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on them. All forward looking statements should be read in light of such risks and uncertainties.

You should note that the historical performance of Hammer Metals and Austral is no assurance of their or the Merged Group's future financial performance. None of Hammer Metals, Austral, the Merged Group or any of their respective officers, directors, employees, advisers or any other person, gives any

representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements and information in this Scheme Booklet will actually occur.

The forward-looking statements in this Scheme Booklet reflect views and expectations held only at the Last Practicable Date. Hammer Metals believes that all forward looking statements included in the Hammer Metals Information have been made on a reasonable basis, and Austral believes that all forward looking statements included in the Austral Information have been made on a reasonable basis. However, none of Hammer Metals, Austral and their respective directors, officers, employees nor any other person gives any representation, assurance or guarantee that any outcome, performance or results expressed or implied by any forward-looking statements in this Scheme Booklet will actually occur. Hammer Metals Shareholders should therefore treat all forward looking statements with caution and not place undue reliance on them.

Subject to any continuing obligations under law or the ASX Listing Rules, Hammer Metals, Austral and their respective directors disclaim any obligation to revise or update, after the Last Practicable Date, any forward-looking statements to reflect any change in views, expectations or assumptions on which those statements are based.

Presentation of historical financial information

Section 5.10 contains historical financial information relating to Hammer Metals for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024. The historical financial information in Section 5.10 is a summary only and has been extracted for the purposes of this Scheme Booklet from the audited financial reports of Hammer Metals for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024.

Section 6.10 contains historical financial information relating to Austral for the half year ended 30 June 2026 and for the financial years ended 31 December 2025 and 31 December 2024. The historical financial information in Section 6.10 is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet from the half year report for the six months ended 30 June 2026 and the audited financial reports of Austral for the financial years ended 31 December 2025 and 31 December 2024.

Diagrams, charts, maps, graphs and tables

Any diagrams, charts, maps, graphs and tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data provided in diagrams, charts, graphs and tables are based on information available as at the Last Practicable Date.

Timetable and Dates

All times and dates referred to in this Scheme Booklet are references to Australian Western Standard Time (**AWST**), unless otherwise stated. All times and dates relating to the implementation of the Scheme referred to in this Scheme Booklet may change.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding (unless otherwise stated). Accordingly, the actual calculation of these figures may differ from the figures detailed in this Scheme Booklet, and any discrepancies in any table between totals and sums of amounts listed in that table or to previously published figures are due to rounding. Refer to Section 3.3 for further information regarding the effect of rounding.

No website is part of this Scheme Booklet

Hammer Metals and Austral each maintain websites at https://hammermetals.com.au/ and https://www.australres.com/.

Any references in this Scheme Booklet to those or other internet sites are for information purposes only and do not form part of this Scheme Booklet.

Implied value

All references in this Scheme Booklet to the value or implied value of the Scheme Consideration should not be taken as an indication that Scheme Shareholders and will receive cash.

The implied value of the Scheme Consideration is not fixed. Scheme Shareholders (other than Ineligible Holders) will receive New Austral Shares as consideration for their Hammer Metals Shares under the Scheme. Consequently, the implied value of the Scheme Consideration will depend on the price at which Austral Shares trade on ASX after the issue of the New Austral Shares under the Scheme.

There can be no guarantee of ASX market prices for Austral Shares. This also applies to Ineligible Holders, whose Scheme Consideration will be transferred to the Scheme Sale Agent to on-sell to the market through the Scheme Sale Facility. Any cash remitted to Ineligible Holders under the Scheme Sale Facility will depend on the market price of Austral Shares at the time of sale by the Scheme Sale Agent. Refer to Sections 3.5 to 3.7 (inclusive) for further information regarding the treatment of Ineligible Holders, and the operation of the Scheme Sale Facility.

Currency

References in this Scheme Booklet to "A$", "$A", "AUD", "$" and "Australian dollar" are to Australian currency.

Financial data

The financial information in this Scheme Booklet is presented in an abbreviated form and does not contain all the disclosures that are usually provided for in an annual report prepared in accordance with the Corporations Act.

Hammer Metals Shareholders should be aware that financial data in this Scheme Booklet includes “non-IFRS financial information” under ASIC Regulatory Guide 230 *Disclosing non-IFRS financial information* published by ASIC.

This non-IFRS financial information has been included in this Scheme Booklet because each of Hammer Metals and Austral believe it provides Hammer Metals Shareholders with additional relevant information. The non-IFRS financial information does not have a standardised meaning prescribed by the Australian Accounting Standards, IFRS or US GAAP and therefore may not be comparable to similarly titled measures presented by other entities, nor should it be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards, IFRS or US GAAP. You are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this Scheme Booklet.

Privacy and personal information

Hammer Metals and Austral will need to collect personal information in connection with the Scheme and/or the Demerger. The personal information may include the names, contact details and details of holdings of Hammer Metals Shareholders together with contact details of individuals appointed by Hammer Metals Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting and/or the Demerger Meeting. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist Hammer Metals to conduct the Scheme Meeting and/or the Demerger Meeting, and to assist Hammer Metals and Austral to implement the Scheme and/or the Demerger. If the information outlined above is not collected, they (as applicable) may be hindered in, or prevented from, conducting the Scheme and/or the Demerger. Personal information of the type described above may be disclosed to the Share Registry, the transfer agent of Austral, third-party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Scheme Meeting and/or the Demerger

Meeting, the Scheme Sale Agent, the Demerger Sale Agent, authorised securities brokers, professional advisers, Related Bodies Corporate of Hammer Metals or Austral, government agencies, and also where disclosure is otherwise required or allowed by law.

Hammer Metals Shareholders who are individuals, and other individuals in respect of whom personal information is collected, have certain rights to access the personal information collected about them and may contact the Share Registry if they wish to exercise those rights.

The information may be disclosed to print and mail service providers, and to Hammer Metals, Austral and their respective advisers and agents to the extent necessary to effect the Scheme and/or the Demerger. If the information outlined above is not collected, Hammer Metals may be hindered in, or prevented from, conducting the Scheme Meeting and/or the Demerger Meeting or implementing the Scheme and/or the Demerger effectively, or at all.

Hammer Metals Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting and/or the Demerger Meeting should inform that individual of the matters outlined above.

Persons are entitled, under section 173 of the Corporations Act, to inspect the Hammer Metals Share Register. A Hammer Metals Shareholder may inspect them free of charge. Any other person may inspect those registers on payment of any fee required by Hammer Metals (up to the prescribed amount). The Hammer Metals Share Register contains personal information about Hammer Metals Shareholders (such as their names and addresses).

Supplementary Information

Hammer Metals has established a Hammer Metals Information Line which you should call if you have any questions or require further information in relation to the Scheme or Demerger. The telephone number is 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia), Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays). Hammer Metals Shareholders should consult their legal, financial, tax or other professional adviser before making any decision in respect of the Scheme or Demerger.

In certain circumstances, Hammer Metals may provide additional disclosure to Hammer Metals Shareholders in relation to the Scheme after the date of this Scheme Booklet. To the extent applicable, Hammer Metals Shareholders should have regard to any such supplemental information in determining how to vote in relation to the Scheme.

Letter from the Non-Executive Chairman of Hammer Metals

Dear Hammer Metals Shareholder,

On behalf of Hammer Metals' Board of Directors, I am pleased to provide you with this Scheme Booklet that contains information that you will need to consider in relation to the proposed scheme of arrangement involving the acquisition of Hammer Metals Limited (**Hammer Metals**) by Austral Resources Australia Ltd (**Austral**) and the proposed demerger of Carnegie Resources Limited (**SpinCo**) from Hammer Metals (together, the **Transactions**).

Background

Since 2013, when Hammer Metals shifted focus to its Mount Isa copper and critical minerals projects and its Western Australian gold portfolio, Hammer Metals has created significant value through the discovery, definition and advancement of the mineral resources in its Mount Isa project portfolio, including the flagship Kalman deposit, and through the continued progression of its Western Australian gold assets, comprising Bronzewing South, the Orelia North gold deposit and Mt Sefton.

As announced on 11 August 2026, Hammer Metals and Austral entered into a binding Scheme Implementation Deed pursuant to which Austral has agreed to acquire all of the issued shares in Hammer Metals under a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) (**Corporations Act**) (the **Scheme**). The terms of the proposed Scheme provide that Hammer Metals Shareholders will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026).

Hammer Metals Shareholders are being asked to vote in relation to the Scheme. Should the Scheme be implemented, Hammer Metals Shareholders will hold approximately 30.4% of the Merged Group (on an undiluted basis).[2]

The purpose of the Scheme Booklet is to assist you in making an informed decision about how to vote in respect of the Scheme and contains important information, including the reasons to vote in favour of, or against, the Scheme (refer to Section 1) and certain risks relating to the Scheme and the Merged Group (refer to Section 8).

Independent Expert's Report

The Hammer Metals Board has appointed BDO Corporate Finance Australia Pty Ltd as the Independent Expert in relation to the Scheme. **The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of Hammer Metals Shareholders, in the absence of a Superior Proposal.**

A copy of the Independent Expert's Report is contained in Annexure A of this Scheme Booklet. The Hammer Metals Board encourages you to read the Independent Expert's Report carefully and in full before deciding how to vote on the Scheme.

Hammer Metals Directors' recommendation

After carefully considering the expected advantages, potential disadvantages and risks of the Scheme, each Hammer Metals Director considers the Scheme to be in the best interests of Hammer Metals Shareholders and recommends that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior

[2] Based on the 892,758,700 Hammer Metals Shares, 4,000,000 Hammer Metals Performance Rights and 2,654,856,580 Austral Shares outstanding, in each case, as at the Last Practicable Date. Assumes 29,500,000 Hammer Metals Options are not exercised and are cancelled for cash consideration pursuant to the terms of the Option Cancellation Deeds, 3,000,000 Management Performance Rights are not exercised and are cancelled for consideration pursuant to the terms of the Performance Right Cancellation Deed, and assumes 1,157,087,751 New Austral Shares are issued to Hammer Metals Shareholders as Scheme Consideration.

Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[3]

Subject to those same qualifications, each Hammer Metals Director intends to vote, or procure the voting of, any Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme. As at the Last Practicable Date, Hammer Metals Directors hold or control approximately 6.4% of the total Hammer Metals Shares on issue (on an undiluted basis). Further details of the Hammer Metals Directors' interests in the Scheme and in Hammer Metals Securities of Hammer Metals are detailed in Sections 3.12 and 5.9 of this Scheme Booklet.

Reasons to vote in favour of the Scheme

In reaching its conclusion in respect of the Scheme, the Hammer Metals Board had regard to a range of factors including:

- the Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of Hammer Metals Shareholders;
- the Scheme Consideration represents a material premium to Hammer Metals' undisturbed share price prior to announcement of the Transactions, specifically:
    - 29.4% to the implied offer price of $0.067 per Hammer Metals Share under the Larvotto Scheme[4];
    - 31.6% to Hammer Metals' closing share price on 31 July 2026 (being, the last Trading Day prior to the announcement of the superior proposal from Austral);
    - 93.1% to Hammer Metals' closing share price on 3 June 2026 (being the last Trading Day prior to the announcement of the Larvotto Scheme[4]) of $0.045 per Hammer Metals Share; and
    - 38.8% to Hammer Metals' 30-day volume weighted average price up to and including 31 July 2026 of $0.063 per Hammer Metals Share;
- by receiving Austral Shares, Hammer Metals Shareholders retain ongoing exposure to the development of the Mount Isa Project, and immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator;

[3] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in Section 3.12. In particular, in addition to holding Hammer Metals Shares (which will be dealt with in the same manner as all other Hammer Metals Shares under the Scheme), each Hammer Metals Director holds Hammer Metals Options which, if not exercised prior to the Record Date, will be cancelled for cash consideration with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date in accordance with the terms of the Option Cancellation Deeds (refer to Section 11.2(b) for further information). Furthermore, Mr Daniel Thomas, Managing Director of Hammer Metals, holds 4,000,000 Hammer Metals Performance Rights which will vest on an accelerated basis in connection with the Scheme, and a further 3,000,000 Management Performance Rights which will be cancelled in consideration for such number of New Austral Shares per Management Performance Right as would have been issued to Mr Thomas had they been converted into Hammer Metals Shares prior to the Record Date, with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date in accordance with the terms of the Performance Right Cancellation Deed (refer to Section 11.2(a) for further information). As further detailed in Section 5.9, the total value of the Hammer Metals Securities held by the Hammer Metals Directors (including the Hammer Metals Performance Rights which vest prior to the Record Date, the Management Performance Rights and the Hammer Metals Options) is approximately $7,215,019, calculated as at the Last Practicable Date, using the implied value of the Scheme Consideration per Hammer Metals Share based on the trading price of Austral Shares on ASX as at the Last Practicable Date (of $0.078) and the consideration payable for the cancellation of the Hammer Metals Options calculated using a Black-Scholes valuation of the Hammer Metals Options. If the Scheme is implemented and Mr Thomas' employment is terminated by Hammer Metals, Mr Thomas will also be entitled to receive payment of $75,000 (being, three months' salary) in lieu of the notice period under his executive services agreement.

[4] On 11 June 2026, Hammer Metals announced that it entered into a binding scheme implementation deed with Larvotto Resources Limited (**Larvotto**) pursuant to which Larvotto proposed to acquire all of the issued securities in Hammer Metals under a scheme of arrangement under Part 5.1 of the Corporations Act (**Larvotto Scheme**). Subsequently, Hammer Metals received a binding proposal from Austral which was deemed to be "superior proposal" to the Larvotto Scheme. On 10 August 2026, Larvotto announced its intention not to exercise its matching rights. On 11 August 2026, Hammer Metals terminated the scheme implementation deed with Larvotto and entered into Scheme Implementation Deed with Austral.

- by receiving Austral Shares, Hammer Metals Shareholders will benefit from significant diversification, enhanced market positioning, larger free float and enhanced liquidity;
- no Superior Proposal has emerged as at the date of this Scheme Booklet;
- the Hammer Metals Board has determined that the combination of value and certainty offered by Austral is likely to deliver a superior outcome for Hammer Metals Shareholders compared to what would otherwise be available, on a future risk-adjusted basis, if Hammer Metals continued to operate as a standalone entity;
- major Hammer Metals Shareholders, who collectively control approximately 140 million Hammer Metals Shares (representing approximately 15.7% of the issued Hammer Metals Shares) as at the Last Practicable Date, also support the Scheme and have provided voting intention statements confirming that they intend to vote all of their Hammer Metals Shares held as at the date of the Scheme Meeting in favour of the Scheme, subject to no superior proposal emerging and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders;
- Hammer Metals Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions;
- implementation of the Scheme will allow Hammer Metals Shareholders to avoid the prospect of a near-term, dilutive capital raising; and
- Australian resident Hammer Metals Shareholders may be eligible for CGT Roll-Over Relief in respect of the transfer of Hammer Metals Shares to Austral under the Scheme. In addition, Hammer Metals Shareholders will not incur brokerage costs on the transfer of their Hammer Metals Shares to Austral under the Scheme.

Reasons to vote against the Scheme

In forming their unanimous decision to recommend the Scheme to Hammer Metals Shareholders, subject to the qualifications described above, the Hammer Metals Directors also considered the potential disadvantages of the Scheme, including:

- you may believe that the Scheme is not in your individual best interests and disagree with the recommendation by the Hammer Metals Directors and the conclusion of the Independent Expert;
- if the Scheme proceeds, the exposure of Hammer Metals Shareholders to the Mount Isa Project (being, Hammer Metals' key asset) will be diluted;
- Hammer Metals Shareholders will hold a minority interest in the Merged Group and will not control its future strategy or funding priorities;
- you may consider there is a potential for a Superior Proposal to be made for Hammer Metals in the future;
- you may believe it is in your best interests to maintain your current investment and risk profile;
- Hammer Metals Shareholders do not receive an immediate cash exit. Each Scheme Shareholder will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date. The exact monetary value of the Scheme Consideration is not certain and will depend on the price at which Austral Shares trade on the ASX after the Implementation Date; and
- the tax consequences of transferring Hammer Metals Shares to Austral pursuant to the Scheme may not be optimal for all Hammer Metals Shareholders.

The Hammer Metals Directors unanimously believe that the benefits of the Scheme outweigh the potential disadvantages and the risks associated with an ongoing investment in Hammer Metals Shares. Accordingly, the Hammer Metals Directors unanimously recommend that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to

conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[5] Further information on the advantages, disadvantages, risks and other relevant considerations relating to the Scheme is set out in Sections 1 and 8 of this Scheme Booklet.

Substantial Shareholder Support

As at the Last Practicable Date, Hammer Metals Shareholders, Mr Zbigniew Waldemar Lubieniecki (who controls 60,085,588 Hammer Metals Shares, representing approximately 6.73% of the issued Hammer Metals Shares), Central Mutual (Investments) Pty Ltd (who controls 55,426,074 Hammer Metals Shares, representing approximately 6.2% of the issued Hammer Metals Shares), Lundie Investments Pty Ltd (who controls 16,212,748 Hammer Metals Shares, representing approximately 1.82% of the issued Hammer Metals Shares), National Health Recovery Agents Pty Ltd (who controls 8,000,000 Hammer Metals Shares, representing approximately 0.9% of the issued Hammer Metals Shares), Mr Paul Christopher Clarke (who controls nil Hammer Metals Shares) and Mrs Natasha Kay Clarke (who controls 10,000 Hammer Metals Shares, representing approximately 0.001% of the issued Hammer Metals Shares), have provided intention statements confirming that they intend to vote the Hammer Metals Shares they hold as at the date of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders. Each of these supporting Hammer Metals Shareholders has reserved the right to dispose some or all of its Hammer Metals Shares prior to the Scheme Meeting. Hammer Metals understands that, as at the Last Practicable Date, these supporting Hammer Metals Shareholders hold and/or control approximately 15.7% of the Hammer Metals Shares on issue.

Implementation of the Scheme

Implementation of the Scheme is subject to a number of conditions, which are described in Section 10.6 including, but not limited to, the Demerger being approved by Hammer Metals Shareholders.

Hammer Metals and Austral have termination rights under the Scheme Implementation Deed in certain circumstances, which are summarised in Section 10.6. A non-exhaustive summary of the key risks relating to the Scheme, risks if the Scheme does not proceed and specific and general risks relating to the Merged Group are detailed in Section 8.

Demerger of Non-Core Gold Assets

In conjunction with the Scheme, Hammer Metals is proposing the demerger of SpinCo by way of a capital reduction via a pro rata in-specie distribution of shares pursuant to which each Eligible Hammer Metals Shareholder (or the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will indicatively receive one fully paid ordinary share in SpinCo for every 35 Hammer Metals Shares held on the Demerger Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026)[6] (**Demerger**). The final number of SpinCo Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

Following completion of the Demerger, SpinCo will hold 100% of the issued shares in Carnegie, which is the owner of Hammer Metals' Gold Assets in Western Australia. The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations. There will be no established market on which SpinCo Shares can be traded immediately following the Scheme and Demerger, which may limit liquidity for SpinCo Shareholders. Full

[5] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 above and in Section 3.12.

[6] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the Requisite Majorities, and the Court, by order, approves the Scheme).

details of the Demerger can be found in the Demerger Materials which are included as Annexure E to this Scheme Booklet.

Your Hammer Metals Directors unanimously recommend that you vote in favour of the Demerger Resolution for the reasons detailed in Annexure E, including because the Scheme is conditional on the satisfaction (or waiver) of the condition precedent requiring Hammer Metals Shareholder approval of the Demerger Resolution.

Your vote is important

Your vote is important and I encourage you to vote by attending the Scheme Meeting to be held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting, or otherwise by following the voting instructions in Section 4.7.

The Scheme can only be implemented if it is approved by:

- a majority in number (more than 50%) of Hammer Metals Shareholders who are present and voting, in person or by proxy, at the Scheme Meeting; and
- at least 75% of the votes cast at the Scheme Meeting,

and if it is subsequently approved by the Court. Further details about the Scheme Meeting are set out in the Notice of Scheme Meeting contained in Annexure D of this Scheme Booklet.

The Demerger can only be implemented if the Demerger Resolution is approved by an ordinary resolution (simple majority) of votes cast by Hammer Metals Shareholders who are present and voting, in person or by proxy, at the Demerger Meeting and the other conditions precedent to the Demerger (as detailed in Annexure E) are satisfied (or waived).

The Demerger Meeting will be held at 10:00am (AWST) on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005. Further details about the Demerger Meeting are set out in the Notice of Demerger Meeting and the Demerger Materials in Annexure E of this Scheme Booklet.

I strongly encourage you to carefully consider all the information set out in this Scheme Booklet (including the Independent Expert's Report) when deciding whether to vote in favour of the Scheme and the Demerger.

If you have any general questions relating to the Transactions, please call the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia), Monday to Friday between 6:30am to 5:00pm.

On behalf of the Hammer Metals Directors, I would like to thank you for your ongoing support of Hammer Metals. The Hammer Metals Directors believe that the proposed Demerger and the combination of Hammer Metals and Austral through the Scheme make strong commercial and strategic sense and are in the best interests of Hammer Metals Shareholders. We encourage you to vote in favour of both the Demerger and the Scheme and look forward to your participation in the Demerger Meeting and Scheme Meeting.

Yours sincerely,



Russell Davis
Non-Executive Chairman
Hammer Metals Limited

Letter from the Non-Executive Chairman of Austral

Dear Hammer Metals Shareholder,

On behalf of the Board of Directors of Austral, I am pleased to provide you with the opportunity to participate in the Scheme and become a shareholder of Austral.

As part of the proposed Scheme, you will receive consideration in the form of New Austral Shares at an attractive premium to pre-transaction trading prices. By receiving New Austral Shares, you will retain exposure to the long-term upside of the Mount Isa Project and will gain immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the Rocklands copper-gold sulphide concentrator.

There has been a careful and detailed review process in arriving at this transaction and I would like to highlight some of the synergies and benefits we see in moving forward together.

Firstly, there are regional and operational synergies derived from the combination of the two businesses. Hammer Metals' Kalman copper deposit is approximately 60 kilometres from Austral's Rocklands operations, making it a natural candidate as a viable source of feed. We have the infrastructure to process the ore and by adding the feed, can extract the full economic benefits from this feed.

Secondly, we have a deliberate growth strategy and clear plan for operations that is strongly backed by significant shareholders, including the Queensland Government. Our growth strategy includes a clear exploration drilling programme that is underway,[7] an on-track restart of the Rocklands plant[8] and an open mind to further M&A activity. The Queensland Government has demonstrated belief in our strategy, having invested a total of $30m from the QIC Queensland Critical Mineral Funds[9]. As Hammer Metals Shareholders are expected to hold approximately 30.4% of the Merged Group (on an undiluted basis),[10] you will benefit meaningfully from ongoing participation in the enlarged company, including gaining exposure to existing oxide production from our Mt Kelly operations.

Lastly, we operate from a place of financial discipline. Maintaining a strong balance sheet and ensuring shareholder value is protected is a key driver for our leadership and we bring that rigour into every decision. The Hammer Metals Board has unanimously recommended that you vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[11]

The Scheme Booklet provides important information regarding the Transactions, including an overview of Austral, a profile of the Merged Group and Austral's intentions for the Merged Group.

On behalf of the Austral Board, I encourage you to:

- carefully review this Scheme Booklet in its entirety (including the reasons for you to vote in favour of, or against, the Scheme (see Section 1) and the risks relating to the Merged Group and an investment in Austral Shares (see Section 8)); and

[6] Refer to Austral's ASX announcement titled "Snow Queen Drilling Delivers Royal Grades" dated 6 May 2026 for further information.

[7] Refer to Austral's ASX announcement titled "Rocklands Restart Advances as Major Milestones Achieved" dated 4 June 2026 for further information.

[8] Refer to Austral's ASX announcements titled "QIC Invests $15 Million to Advance Rocklands Growth" dated 7 August 2026, and "Binding Commitments Received for QIC-led $65m Fundraising" dated 19 February 2026 for further information.

[10] Based on the 892,758,700 Hammer Metals Shares, 4,000,000 Hammer Metals Performance Rights and 2,654,856,580 Austral Shares outstanding, in each case, as at the Last Practicable Date. Assumes 29,500,000 Hammer Metals Options are not exercised and are cancelled for cash consideration pursuant to the terms of the Option Cancellation Deeds, 3,000,000 Management Performance Rights are not exercised and are cancelled for consideration pursuant to the terms of the Performance Right Cancellation Deed, and assumes 1,157,087,751 New Austral Shares are issued to Hammer Metals Shareholders as Scheme Consideration.

[11] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

- vote in favour of the Scheme at the Scheme Meeting to be held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting.

On behalf of the Austral Board, I look forward to welcoming you as an Austral Shareholder upon completion of the Scheme and am excited by the opportunities that lie ahead for the Merged Group, which will hold a leading copper project portfolio with an attractive growth outlook, significant infrastructure, a strong balance sheet and an experienced operating team; all the ingredients needed to build Australia's next mid-tier copper powerhouse.

Yours sincerely,



David Newling
Non-Executive Chairman
Austral Resources Australia Ltd

Key dates and times

Event	Time and Date
Date of this Scheme Booklet	Friday, 2 October 2026
Demerger Proxy Cut-off Date Deadline for lodgement of completed Proxy Forms for the Demerger Meeting	10:00am (AWST) on Saturday, 7 November 2026
Scheme Proxy Cut-off Date Deadline for lodgement of completed Proxy Forms for the Scheme Meeting	11:00am (AWST) on Saturday, 7 November 2026
Voting Entitlement Time Time and date for determining eligibility of Hammer Metals Shareholders to vote at the Demerger Meeting and the Scheme Meeting	5:00pm (AWST) on Saturday, 7 November 2026
Demerger Meeting	10:00am (AWST) on Monday, 9 November 2026
Scheme Meeting	The later of 11:00am (AWST) and the conclusion of the Demerger Meeting on Monday, 9 November 2026
If the Scheme is approved by Hammer Metals Shareholders at the Scheme Meeting and the Demerger is approved at the Demerger Meeting	
Demerger Effective Date Effective date for the transfer of SpinCo Shares to Hammer Metals Shareholders (in-specie distribution under the Demerger)	Tuesday, 10 November 2026
Second Court Hearing Court hearing for approval of the Scheme	10:15am (AWST) on Friday, 13 November 2026
Effective Date of the Scheme Court order is lodged with ASIC and the Scheme is Effective	Monday, 16 November 2026
Last date of trading of Hammer Metals Shares on ASX Suspension of Hammer Metals Shares from trading on ASX from close of trading	Monday, 16 November 2026
New Austral Shares expected to commence trading on a deferred settlement basis First day of trading in New Austral Shares on ASX on a deferred settlement basis (ASX: AR1)	Tuesday, 17 November 2026
Demerger Record Date Record date for determining entitlements to SpinCo Shares under the Demerger	7:00pm (Sydney time) on Wednesday, 18 November 2026

Event	Time and Date
Record Date for the Scheme Record date for determining entitlement to receive Scheme Consideration	7:00pm (Sydney time) on Wednesday, 18 November 2026
Deadline for lodgement of completed Opt-out Notice Small Shareholders who do not wish to participate in the Scheme Sale Facility may elect to opt-out of the Scheme Sale Facility and receive New Austral Shares by completing and returning an Opt-out Notice	5:00pm (AWST) on Friday, 20 November 2026
Demerger Implementation Date Implementation date for the transfer of SpinCo Shares to Eligible Hammer Metals Shareholders	Monday, 23 November 2026
Implementation Date for the Scheme Provision of the Scheme Consideration to Scheme Shareholders and commencement of despatch of holding statements to Scheme Shareholders confirming the issue of New Austral Shares	Wednesday, 25 November 2026
Termination of official quotation of Hammer Metals Shares on ASX and Hammer Metals to be removed from the official list of ASX	Thursday, 26 November 2026
New Austral Shares expected to commence trading on a normal settlement basis First day of trading in New Austral Shares on ASX on a normal settlement basis (ASX: AR1)	Thursday, 26 November 2026

All stated dates and times are indicative only. The actual timetable will depend on many factors outside the control of Hammer Metals and Austral, including the Court approval process and the satisfaction or waiver (where applicable) of the conditions precedent to the completion of the Scheme by each of Hammer Metals and Austral (as detailed in Section 10.6). Any changes to the above timetable will be announced to ASX and will be available under Hammer Metals' profile on ASX at https://www.asx.com.au/. Except where indicated, all references to time in this Scheme Booklet are references to AWST.

1. Key considerations relevant to your vote

1.1 Overview

The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[12] Each of the Hammer Metals Directors intends to vote, or cause to be voted, any Hammer Metals Shares which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme, subject to the same qualifications. Further information regarding the Hammer Metals Directors' unanimous recommendation and the interests of the Hammer Metals Directors in the outcome of the Scheme are disclosed in Sections 3.10, 3.12 and 11.2.

This Section 1 describes some of the key considerations relevant to your voting on the Scheme Resolution, including some of the reasons why the Hammer Metals Shareholders may wish to vote in favour of or, notwithstanding the Hammer Metals Directors' unanimous recommendation[12], against the Scheme Resolution.

Each Hammer Metals Shareholder should read this Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote at the Scheme Meeting. Each Hammer Metals Shareholder should also seek professional advice on their particular circumstances.

1.2 Summary of reasons why you might vote for and against the Scheme Resolution

(a) **Reasons to vote in favour of the Scheme**

- ✓ The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the Hammer Metals Shareholders. [12]
- ✓ The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders.
- ✓ The Scheme Consideration represents a material premium to Hammer Metals' undisturbed share price prior to announcement of the Transactions, specifically:
  - 29.4% to the implied offer price of $0.067 per Hammer Metals Share under the Larvotto Scheme[13];
  - 31.6% to Hammer Metals' closing share price on 31 July 2026 (being, the last Trading Day prior to the announcement of the superior proposal from Austral);
  - 93.1% to Hammer Metals' closing share price on 3 June 2026 (being the last Trading Day prior to the announcement of the Larvotto Scheme[13]) of $0.045 per Hammer Metals Share; and
  - 38.8% to Hammer Metals' 30-day volume weighted average price up to and including 31 July 2026 of $0.063 per Hammer Metals Share.
- ✓ By receiving Austral Shares, Hammer Metals Shareholders retain ongoing exposure to the development of the Mount Isa Project, and immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically

[12] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

[13] On 11 June 2026, Hammer Metals announced that it entered into a binding scheme implementation deed with Larvotto Resources Limited (**Larvotto**) pursuant to which Larvotto proposed to acquire all of the issued securities in Hammer Metals under a scheme of arrangement under Part 5.1 of the Corporations Act (**Larvotto Scheme**). Subsequently, Hammer Metals received a binding proposal from Austral which was deemed to be "superior proposal" to the Larvotto Scheme. On 10 August 2026, Larvotto announced its intention not to exercise its matching rights. On 11 August 2026, Hammer Metals terminated the scheme implementation deed with Larvotto and entered into Scheme Implementation Deed with Austral.

located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator.

- ✓ By receiving Austral Shares, Hammer Metals Shareholders will benefit from significant diversification, enhanced market positioning, larger free float and enhanced liquidity.
- ✓ No Superior Proposal has emerged as at the date of this Scheme Booklet.
- ✓ The Hammer Metals Board has determined that the combination of value and certainty offered by Austral is likely to deliver a superior outcome for Hammer Metals Shareholders compared to what would otherwise be available, on a future risk-adjusted basis, if Hammer Metals continued to operate as a standalone entity.
- ✓ Major Hammer Metals Shareholders, who collectively control approximately 140 million Hammer Metals Shares (representing approximately 15.7% of the issued Hammer Metals Shares) as at the Last Practicable Date, also support the Scheme and have provided voting intention statements confirming that they intend to vote all of their Hammer Metals Shares held as at the date of the Scheme Meeting in favour of the Scheme, subject to no superior proposal emerging and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.
- ✓ Hammer Metals Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions.
- ✓ Implementation of the Scheme will allow Hammer Metals Shareholders to avoid the prospect of a near-term, dilutive capital raising.
- ✓ Australian resident Hammer Metals Shareholders may be eligible for CGT roll-over relief in respect of the transfer of Hammer Metals Shares to Austral under the Scheme. In addition, Hammer Metals Shareholders will not incur brokerage costs on the transfer of their Hammer Metals Shares to Austral under the Scheme.

(b) **Potential reasons to vote against the Scheme**

- ✗ You may believe that the Scheme is not in your individual best interests and disagree with the recommendation by the Hammer Metals Directors and the conclusion of the Independent Expert.
- ✗ If the Scheme proceeds, the exposure of Hammer Metals Shareholders to the Mount Isa Project (being, Hammer Metals' key asset) will be diluted.
- ✗ Hammer Metals Shareholders will hold a minority interest in the Merged Group and will not control its future strategy or funding priorities.
- ✗ You may consider there is a potential for a Superior Proposal to be made for Hammer Metals in the future.
- ✗ You may believe it is in your best interests to maintain your current investment and risk profile.
- ✗ Hammer Metals Shareholders do not receive an immediate cash exit. Each Scheme Shareholder will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date. The exact monetary value of the Scheme Consideration is not certain and will depend on the price at which Austral Shares trade on the ASX after the Implementation Date.
- ✗ The tax consequences of transferring Hammer Metals Shares to Austral pursuant to the Scheme may not be optimal for all Hammer Metals Shareholders.

1.3 Reasons to vote in favour of the Scheme Resolution

(a) **The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert**

continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[14]

Subject to these same qualifications, each Hammer Metals Director intends to vote any Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme Resolution. The Hammer Metals Directors collectively hold or control approximately 6.4% of Hammer Metals Shares on issue (on an undiluted basis) as at the Last Practicable Date, this represents in total approximately 57.4 million Hammer Metals Shares (excluding Hammer Metals Options and Hammer Metals Performance Rights). The interests of Hammer Metals Directors in the Hammer Metals Securities are detailed in Section 5.9.

In arriving at their recommendation, the Hammer Metals Directors have considered (amongst other factors):

(i) the merits and strategic rationale of the Scheme (which are detailed in this Section 1.3);

(ii) the merits of alternate courses of action available to Hammer Metals, including continuing to operate Hammer Metals as a standalone entity;

(iii) the likelihood of a Superior Proposal emerging in the future;

(iv) the potential disadvantages of the Scheme (which are detailed in Section 1.4); and

(v) the risk factors and taxation implications of the Scheme (which are detailed in Sections 8 and 9).

Whilst the Hammer Metals Directors acknowledge there may be reasons to vote against the Scheme, they believe the advantages of the Scheme significantly outweigh the potential disadvantages (including those outlined in Section 1.4). The Hammer Metals Directors believe the Scheme offers Hammer Metals Shareholders greater value than any other alternative currently available, including continuing as a standalone entity.

In considering the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should have regard to the interests of the Hammer Metals Directors in the outcome of the Scheme, which may differ from those of other Hammer Metals Shareholders as summarised in Sections 3.12 and 11.2.

(b) **The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal**

BDO Corporate Finance Australia Pty Ltd, as Independent Expert, has considered the terms of the Scheme and has concluded that the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal.

The reasons for the Independent Expert's conclusion are detailed in the Independent Expert's Report, a copy of which is included at Annexure A. The potential advantages and disadvantages of the Scheme (as identified by the Independent Expert) are set out in section 13 of the Independent Expert's Report.

[14] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

The value of a Hammer Metals Share prior to the Scheme on a controlling interest basis and the value of the Scheme Consideration are compared below:

	Low	Preferred	High
Value of a Hammer Metals Share prior to the Scheme (controlling interest and diluted basis)	A$0.040	A$0.054	A$0.068
Value of the Scheme Consideration (on a minority interest and diluted basis)	A$0.068	A$0.091	A$0.117

Based on the above pricing, the Scheme is considered fair because the Independent Expert has determined that the preferred value of the Scheme Consideration to be received by Scheme Shareholders (being, A$0.091) is greater than the preferred value of a Hammer Metals Share prior to the implementation of the Scheme (being, A$0.054).

The Scheme is considered reasonable by the Independent Expert because (in the absence of any other relevant information and/or a Superior Proposal) the position of Hammer Metals Shareholders if the Scheme is approved is more advantageous than the position if the Scheme was not approved.

The Independent Expert's Report is detailed in Annexure A. The Hammer Metals Directors unanimously recommend the Hammer Metals Shareholders read the Independent Expert's Report in full.

(c) **The Scheme Consideration represents a material premium to Hammer Metals' undisturbed share price prior to announcement of the Transactions**

Under the terms of the Scheme, subject to the Scheme becoming Effective, Hammer Metals Shareholders will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date.

The Scheme Consideration represents a material premium to Hammer Metals' undisturbed share price prior to the announcement of the Transactions as detailed below:

(i) 29.4% to the implied offer price of $0.067 per Hammer Metals Share under the Larvotto Scheme[13];

(ii) 31.6% to Hammer Metals' closing share price on 31 July 2026 (being, the last Trading Day prior to the announcement of the superior proposal from Austral);

(iii) 93.1% to Hammer Metals' closing share price on 3 June 2026 (being the last Trading Day prior to the announcement of the Larvotto Scheme[13]) of $0.045 per Hammer Metals Share; and

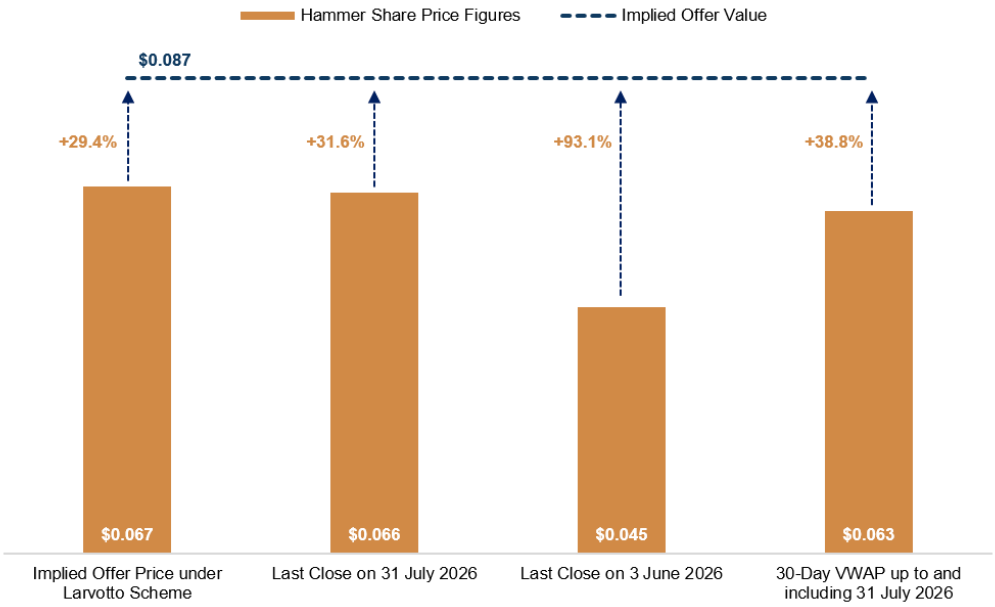
(iv) 38.8% to Hammer Metals' 30-day volume weighted average price up to and including 31 July 2026 of $0.063 per Hammer Metals Share.

Based on the closing price of Austral Shares on the Last Practicable Date, the implied value of the Scheme Consideration is $0.10 per Hammer Metals Share. The implied value of consideration per Hammer Metals Share will change with movements in the Austral Share price.

If the Scheme is not implemented and no Superior Proposal emerges, it is possible the price of Hammer Metals Shares may fall from current levels. As at the date of this Scheme Booklet,

the Hammer Metals Directors are not aware of any Superior Proposal and have no basis to believe that a Superior Proposal is likely to emerge.

The graph below illustrates the premium to the Hammer Metals Share price on 3 June 2026 (being, the last Trading Day prior to the announcement of the Larvotto Scheme).



(d) **By receiving Austral Shares, Hammer Metals Shareholders retain ongoing exposure to the development of the Mount Isa Project, and immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator**

By receiving Austral Shares, Hammer Metals Shareholders will retain ongoing exposure to the Mount Isa Project and its advancement under the guidance of Austral's experienced team, while also gaining immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator.

Hammer Metals' Kalman copper-gold project, located approximately 60km from Austral's Rocklands processing hub, is well positioned to become a long-term future source of sulphide ore feed for Austral's planned restart of the 3.0Mtpa Rocklands processing facility in mid-2027.

Ownership of Rocklands within the Merged Group removes reliance on third-party toll treatment or a longer-dated and capital-intensive standalone processing solution, allowing Hammer Metals Shareholders to obtain exposure to a potentially accelerated development and monetisation of Kalman and Hammer Metals' broader portfolio.

Furthermore, Austral's established operating presence across the Mt Isa-Cloncurry region provides a stronger platform from which to advance Hammer Metals' projects.

Austral's balance sheet and broader funding capacity are expected to support a reinvigorated exploration and development programme across the combined portfolio, including Hammer Metals' highly prospective and comparatively underexplored tenure within the Mary Kathleen Domain.

(e) **By receiving Austral Shares, Hammer Metals Shareholders will benefit from significant diversification, enhanced market positioning, larger free float and enhanced liquidity**

If the Scheme is approved and implemented, Hammer Metals Shareholders will continue to retain an indirect interest in the Mount Isa Project through a shareholding in the Merged Group

and will be in a position to benefit from the enhanced capital markets profile, financial capacity and trading liquidity offered by the Merged Group. As at the Last Practicable Date, Hammer Metals had an average daily traded value of $0.14 million over the last 12 months.

The Merged Group is expected to have a pro-forma market capitalisation of approximately $297.3 million (based on the Austral Share price of $0.078 as at the Last Practicable Date), and have cash and cash equivalents (on a pro forma basis) as at 30 June 2026 of approximately $72.32 million. The enhanced scale of the Merged Group also positions Hammer Metals Shareholders to benefit from larger free float and additional liquidity.

(f) **No Superior Proposal has emerged as at the date of this Scheme Booklet**

Since the Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has emerged and the Hammer Metals Directors are not aware of any Superior Proposal that is likely to emerge.

If a proposal for an alternative transaction is received prior to the Scheme Meeting, the Hammer Metals Directors will carefully consider the proposal to determine whether it is, or could reasonably be expected to become, a Superior Proposal, in accordance with, and subject to, the terms of the Scheme Implementation Deed. Hammer Metals is subject to certain exclusivity arrangements under the Scheme Implementation Deed. Subject to this regime, Hammer Metals Directors will keep Hammer Metals Shareholders informed if a Superior Proposal emerges before the Scheme Meeting in accordance with its continuous disclosure obligations.

(g) **The Hammer Metals Board has determined that the combination of value and certainty offered by Austral is likely to deliver a superior outcome for Hammer Metals Shareholders compared to what would otherwise be available, on a future risk adjusted basis, if Hammer Metals continued to operate as a standalone entity**

In forming its unanimous recommendation to vote in favour of the Scheme[15], Hammer Metals Directors considered various strategic alternatives including funding and developing the Mount Isa Project on a standalone basis. In considering these alternatives, Hammer Metals Directors had regard to matters including:

(i) the funding requirements, likely development timetable and ongoing exploration expenditure required to progress and de-risk Hammer Metals' portfolio as a standalone entity;

(ii) Hammer Metals' current and forecast working capital position, including the availability, timing, cost and likely equity dilution associated with any additional funding required if the Scheme is not implemented;

(iii) the execution, timing and market risks associated with pursuing a standalone development strategy, including permitting and approvals risk, commodity price volatility, capital market conditions, inflationary pressure on development and operating costs, and the availability of contractors, equipment and technical personnel;

(iv) the availability, cost and execution risk of alternative processing solutions if Hammer Metals continued to operate independently and a centralised processing facility were not available;

(v) the potential strategic benefits identified through due diligence on Austral's assets, resources and technical capabilities, including the potential value of combining Hammer Metals' Mount Isa portfolio with Austral's regional infrastructure, operating capability and proposed Rocklands restart strategy;

[15] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

(vi) the potential benefits to Hammer Metals Shareholders of becoming shareholders in a larger, more diversified ASX-listed group with an established operating platform, broader asset base and potentially enhanced access to debt and equity capital markets;

(vii) the relative certainty of execution of the Scheme compared with the risks, timing and funding requirements associated with Hammer Metals continuing as a standalone entity;

(viii) the potential effect on Hammer Metals Shareholders if the Scheme is not implemented, including the possibility that Hammer Metals Shares may trade below recent levels in the absence of a Superior Proposal or materially improved market conditions;

(ix) the terms and conditionality of the Scheme Implementation Deed, including the conditions precedent, exclusivity regime, matching right, termination rights and circumstances in which any Break Fee may become payable; and

(x) the treatment of Hammer Metals' non-core gold assets through the proposed Demerger, including the potential for Hammer Metals Shareholders to retain separate exposure to those assets while also receiving exposure to the Merged Group.

After considering these matters, the Hammer Metals Directors formed the view that, on balance, once accounting for market, funding and development risks, the combination of value and certainty offered by Austral is likely to deliver a superior outcome for Hammer Metals Shareholders now, compared to what would otherwise be available, on a future risk adjusted basis, if Hammer Metals continued to operate as a standalone entity.

(h) **The Scheme is supported by Hammer Metals Shareholders holding, in aggregate, 15.7% of the issued Hammer Metals Shares as at the Last Practicable Date**

As at the Last Practicable Date, Hammer Metals Shareholders, Mr Zbigniew Waldemar Lubieniecki (who controls 60,085,588 Hammer Metals Shares, representing approximately 6.73% of the issued Hammer Metals Shares), Central Mutual (Investments) Pty Ltd (who controls 55,426,074 Hammer Metals Shares, representing approximately 6.2% of the issued Hammer Metals Shares), Lundie Investments Pty Ltd (who controls 16,212,748 Hammer Metals Shares, representing approximately 1.82% of the issued Hammer Metals Shares), National Health Recovery Agents Pty Ltd (who controls 8,000,000 Hammer Metals Shares, representing approximately 0.9% of the issued Hammer Metals Shares), Mr Paul Christopher Clarke (who controls nil Hammer Metals Shares) and Mrs Natasha Kay Clarke (who controls 10,000 Hammer Metals Shares, representing approximately 0.001% of the issued Hammer Metals Shares), have provided intention statements confirming that they intend to vote the Hammer Metals Shares they hold as at the date of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders. Each of these supporting Hammer Metals Shareholders has reserved the right to dispose some or all of its Hammer Metals Shares prior to the Scheme Meeting. Hammer Metals understands that, as at the Last Practicable Date, these supporting Hammer Metals Shareholders hold and/or control approximately 15.7% of the Hammer Metals Shares on issue.

(i) **Hammer Metals Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions**

The trading price of Hammer Metals Shares on ASX is affected by many variables, including but not limited to national and global economic financial conditions, the market's response to the Scheme, changes in gold and other commodity prices, market perceptions of Hammer Metals and the liquidity of financial markets.

Between the Announcement Date and the Last Practicable Date, Hammer Metals Shares have traded in the range of A$0.076 to A$0.094 per Hammer Metals Share, reflecting a level below the implied value of the Scheme Consideration.

The Hammer Metals Directors expect that if the Scheme does not proceed, the trading price of Hammer Metals Shares on ASX may fall further, in the absence of a Superior Proposal emerging and/or more favourable market conditions.

(j) **Implementation of the Scheme will allow Hammer Metals Shareholders to avoid the prospect of a near-term, dilutive capital raising**

Hammer Metals' unaudited cash position as at 3 September 2026 was $1.46 million. A potential near-term, dilutive capital raising presents further downward risk on the price of Hammer Metals Shares.

(k) **Australian resident Hammer Metals Shareholders may be eligible for CGT roll-over relief in respect of the transfer of Hammer Metals Shares to Austral under the Scheme. In addition, Hammer Metals Shareholders will not incur brokerage costs on the transfer of their Hammer Metals Shares to Austral under the Scheme**

The New Austral Shares issued as Scheme Consideration are expected to satisfy the general requirements of the CGT scrip-for-scrip roll-over provision of the Tax Act. As a result, roll-over relief should be available to Australian tax resident Hammer Metals Shareholders who receive the Scheme Consideration. Broadly, roll-over relief enables Hammer Metals Shareholders to disregard the capital gain they make from the disposal of their Hammer Metals Shares under the Scheme. Hammer Metals is seeking confirmation from the ATO that roll-over relief is available.

Further details of the tax implications of the Scheme are detailed in Section 9.

All Hammer Metals Shareholders are advised to seek independent professional advice about their particular circumstances including, for non-resident Hammer Metals Shareholders, foreign tax consequences.

Hammer Metals Shareholders will not incur any brokerage cost on the transfer of their Hammer Metals Shares to Austral under the Scheme (other than brokerage costs which may be deducted before each Ineligible Holder receives their proportion of the Sale Proceeds in respect of the New Austral Shares sold under the Scheme Sale Facility).

1.4 Potential reasons to vote against the Scheme Resolution

(a) **You may believe that the Scheme is not in your individual best interests and disagree with the recommendation by the Hammer Metals Directors and the conclusion of the Independent Expert**

You may disagree with the views of the Hammer Metals Directors that the potential advantages of the Scheme outweigh the potential disadvantages, and therefore disagree with the unanimous recommendation of the Hammer Metals Directors that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[16]

You may also disagree with the conclusions of the Independent Expert that the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal. Refer to Annexure A for a copy of the Independent Expert's Report.

[16] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

(b) **If the Scheme proceeds, the exposure of Hammer Metals Shareholders to the Mount Isa Project (being, Hammer Metals' key asset) will be diluted**

If the Scheme is implemented, Hammer Metals Shareholders will hold approximately 30.4% of the issued share capital of the Merged Group (on an undiluted basis).[17] Accordingly, Hammer Metals Shareholders will have a reduced exposure to the Mount Isa Project.

You may wish Hammer Metals to remain an independent entity because you are invested in Hammer Metals to seek exposure to a company with the specific characteristics of Hammer Metals and you do not want to have an investment exposure to Austral and its assets.

(c) **You may consider there is a potential for a Superior Proposal to be made for Hammer Metals in the future**

It is possible that a Superior Proposal for Hammer Metals, which could be more attractive to Hammer Metals Shareholders than the current Scheme, may materialise in the future. The implementation of the Scheme would mean Hammer Metals Shareholders would not obtain the benefit of any such proposal.

As at the date of this Scheme Booklet, the Hammer Metals Directors are not aware of any such proposal and note that since Austral and Hammer Metals announced the Scheme, there has been a significant period of time and ample opportunity for a Superior Proposal for Hammer Metals to emerge.

(d) **You may believe it is in your best interests to maintain your current investment and risk profile**

You may prefer to keep your Hammer Metals Shares to preserve your investment in a listed public company with the specific characteristics of Hammer Metals. In particular, you may consider that despite the risk factors relevant to Hammer Metals' potential future operations (including those detailed in Section 8.5), Hammer Metals may be able to return greater value from its assets by remaining a standalone entity, or by seeking alternative corporate transactions in the future. You may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to Hammer Metals.

In assessing and recommending the Scheme, the Hammer Metals Directors and their advisers evaluated the benefits and risks of Hammer Metals' continuing operations against other strategic alternatives. In deciding that they should recommend the Scheme, the Hammer Metals Directors determined that, on balance, the value represented by the Scheme would be more favourable to Hammer Metals Shareholders than the options and risks that might otherwise be available to or faced by Hammer Metals Shareholders if they were to retain their investment in Hammer Metals.

(e) **Hammer Metals Shareholders do not receive an immediate cash exit. Each Scheme Shareholder will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date. The exact monetary value of the Scheme Consideration is not certain and will depend on the price at which Austral Shares trade on the ASX after the Implementation Date**

Under the Scheme, each Scheme Shareholder will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date. While Hammer Metals Shareholders will receive a fixed number of New Austral Shares for each Hammer Metals Share held, the exact monetary value that Scheme Shareholders will receive may move adversely from the market value of the Scheme Consideration as at the date of this Scheme Booklet or at the time of the Scheme Meeting.

Alternatively, if there is an increase in the relative price of Austral Shares, the effective value that Scheme Shareholders will receive for their Hammer Metals Shares may move favourably

[17] Based on the 892,758,700 Hammer Metals Shares, 4,000,000 Hammer Metals Performance Rights and 2,654,856,580 Austral Shares outstanding, in each case, as at the Last Practicable Date. Assumes 29,500,000 Hammer Metals Options are not exercised and are cancelled for cash consideration pursuant to the terms of the Option Cancellation Deeds, 3,000,000 Management Performance Rights are not exercised and are cancelled for consideration pursuant to the terms of the Performance Right Cancellation Deed, and assumes 1,157,087,751 New Austral Shares are issued to Hammer Metals Shareholders as Scheme Consideration.

from the market value of the Scheme Consideration on the date of this Scheme Booklet or at the time of the Scheme Meeting.

Notwithstanding potential short-term fluctuations in the Austral Share price (whether price decreases or increases), including between the date of this Scheme Booklet and the Implementation Date (when New Austral Shares will be issued as Scheme Consideration), you are encouraged to consider the potential investment in the Merged Group over the longer-term and should have regard to the potential advantages associated with an investment in the Merged Group, including those set out in Section 1.2, as well as the potential risks summarised in Section 8.

(f) **The tax consequences of transferring Hammer Metals Shares to Austral pursuant to the Scheme may not be optimal for all Hammer Metals Shareholders**

Implementation of the Scheme may trigger taxation implications for Hammer Metals Shareholders. Please refer to Section 9 for further information on the Australian income tax implications of the Scheme. All Hammer Metals Shareholders are advised to seek independent taxation advice from a registered tax agent with respect to their individual taxation circumstances, including foreign tax consequences for non-resident Hammer Metals Shareholders.

1.5 Other relevant considerations

(a) **The Scheme may be implemented even if you do not vote, or vote against the Scheme**

Even if you do not vote, or if you vote against the Scheme, that Scheme will be implemented if it is approved by the Requisite Majorities of Hammer Metals Shareholders and by the Court, and all other conditions precedent to the Scheme are satisfied or waived (as applicable). If this occurs and you are:

(i) a Scheme Shareholder, you will receive the Scheme Consideration even though you did not vote on, or voted against, the Scheme; or

(ii) an Ineligible Holder, the Scheme Consideration that you would have otherwise been entitled to receive will be issued to the Scheme Sale Agent and sold through the Scheme Sale Facility even though you did not vote on, or voted against, the Scheme. Refer to Sections 3.3 to 3.7 (inclusive) for further information.

(b) **Hammer Metals' cash position and future funding requirements**

Hammer Metals' unaudited cash position as at 3 September 2026 was $1.46 million.

If the Scheme does not proceed, Hammer Metals will immediately evaluate its working capital requirements to determine an appropriate level of funding to continue to advance development activities at the Mount Isa Project. In this scenario, Hammer Metals is expected to require additional funding.

In connection with the implementation of the Scheme, Austral has agreed to provide a $6 million working capital loan facility to Hammer Metals (**Loan Facility**). As at the Last Practicable Date, Hammer Metals has drawn down $3 million under this Loan Facility.

The timing of repayment of the Loan Facility varies depending on the circumstances that trigger the obligation to repay. In particular, if the Hammer Metals Board, or a majority of Hammer Metals Directors, changes, withdraws or qualifies their recommendation of the Scheme after making a determination that a Competing Proposal is, or could reasonably be expected to become, a Superior Proposal (after Austral's matching rights have been exhausted and after evaluation of any Counterproposal) and Hammer Metals subsequently terminates the Scheme Implementation Deed, Hammer Metals must repay the amounts drawn under the Loan Facility (plus any accrued interest) within 30 days of termination of the Scheme Implementation Deed. If, for example, the Scheme Implementation Deed is terminated because the Scheme is not approved by the Requisite Majorities of Hammer Metals Shareholders but Hammer Metals Directors have continued to unanimously recommend that Hammer Metals Shareholders vote in favour of the Scheme (other than in certain prescribed circumstances), then Hammer Metals must repay the amounts drawn under the Loan Facility

(plus any accrued interest) within four months of the termination of the Scheme Implementation Deed. Refer to Section 5.7(b) for further details of the Loan Facility.

Although Hammer Metals has no reason to believe that it will not be able to raise the capital required from Hammer Metals Shareholders and/or equity and debt capital markets (and potentially other sources), no assurances can be given that the necessary capital or funding will be available when needed, either at all or on terms favourable to Hammer Metals.

(c) **Conditions precedent**

The Scheme is subject to a number of conditions precedent that are summarised in Section 10.6. If these conditions precedent are not satisfied (or, if applicable, not waived), the Scheme will not proceed, even if it is approved by the Requisite Majorities of the relevant Hammer Metals Shareholders at the Scheme Meeting.

The Hammer Metals Directors have reviewed the conditions precedent and do not consider them to be unduly onerous or inconsistent with market practice for a transaction of this nature. As at the Last Practicable Date, the Hammer Metals Directors are not aware of any circumstances that would cause the conditions precedent not to be satisfied or waived (where applicable). These matters will continue to be assessed until 8:00am (AWST) on the Second Court Date. In the event of any material change in status, Hammer Metals will inform Hammer Metals Shareholders of the status of the conditions precedent through an announcement to ASX.

(d) **Hammer Metals Shareholder warranties**

Under the terms of the Scheme, each Scheme Shareholder is taken to have warranted to Austral, and authorised Hammer Metals as its attorney and agent to warrant to Austral on the Implementation Date that:

(i) all their Hammer Metals Shares (including any Rights attaching to them) transferred to Austral under the Scheme will, as at the date of transfer, be fully paid and free from all Security Interests of any kind whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in the Scheme;

(ii) they have full power and capacity to sell and to transfer their Hammer Metals Shares (including the Rights attaching to them) to Austral under the Scheme; and

(iii) they have no existing right to be issued any Hammer Metals Shares or any other Hammer Metals Securities.

(e) **Costs of the Scheme**

Hammer Metals has already incurred, and will incur, significant costs in respect of the proposal to implement the Scheme. These include costs incurred as a result of legal, financial and other professional advisory costs, provision of information to Austral, facilitating Austral's access to due diligence, undertaking reciprocal due diligence on Austral, engaging with ASIC, ASX and the Court, engagement of the Independent Expert and the preparation of this Scheme Booklet, the purpose of which is to provide information to Hammer Metals Shareholders to enable decision making. If the Scheme is not implemented and no Superior Proposal emerges, Hammer Metals will not receive any material value for the costs it has incurred in connection with the Scheme. Refer to Section 11.7 for further information.

Under the Scheme Implementation Deed, a Break Fee of A$731,863 may become payable by Hammer Metals, in certain circumstances. Failure by Hammer Metals Shareholders to approve the Scheme at the Scheme Meeting will not, of itself, trigger an obligation to pay the Break Fee. Further details of the circumstances in which the Break Fee becomes payable by Hammer Metals are outlined in Section 10.6.

(f) **All or nothing outcome**

If all of the conditions and approvals for the Scheme are satisfied or waived (as applicable):

(i) it will bind all Hammer Metals Shareholders, including those who do not vote on the Scheme and those who vote against it, meaning that Hammer Metals Shareholders

will relinquish their ownership of their Hammer Metals Shares and will receive the Scheme Consideration (or, in the case of Ineligible Holders, receive their pro rata share of the Sale Proceeds under the Scheme Sale Facility); and

(ii) Hammer Metals will become a wholly owned Subsidiary of Austral and will be delisted from ASX.

In connection with the Scheme, the New Austral Shares will be listed on the ASX. Holders of New Austral Shares will be able to trade their New Austral Shares on the ASX as soon as practicable after the implementation of the Scheme.

Conversely, if all of the conditions and approvals for the Scheme are not satisfied or waived (as applicable), the status quo will be preserved, meaning that:

(i) Hammer Metals Shareholders will retain their Hammer Metals Shares and will not receive the Scheme Consideration;

(ii) the existing Hammer Metals Board and management will continue to operate Hammer Metals' business;

(iii) the advantages of the Scheme will not be realised and equally some disadvantages of the Scheme will no longer be relevant, such advantages and disadvantages are detailed in Sections 1.3 and 1.4, respectively; and

(iv) Hammer Metals Shareholders will retain their current investment in Hammer Metals Shares and in doing so will continue to retain the benefits of that investment and continue to be exposed to the risks associated with that investment. These risks include risks specific to Hammer Metals' business as outlined in Section 8.5.

(g) **You may wish to sell your Hammer Metals Shares on market**

You may wish to sell your Hammer Metals Shares on market before the closing of trading on ASX on the Effective Date (currently expected to be Monday, 16 November 2026) at the then prevailing market price (which could include prices at or above the implied value of the Scheme Consideration).

If you sell your Hammer Metals Shares on market, you may be required to pay brokerage, and different tax consequences may apply compared with those that would arise if you retained your Hammer Metals Shares until the Scheme is implemented.

1.6 Demerger

In conjunction with the Scheme, Hammer Metals is proposing the demerger of SpinCo by way of a capital reduction via a pro rata in-specie distribution of SpinCo Shares pursuant to which each Eligible Hammer Metals Shareholder (or the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will indicatively receive one SpinCo Share for every 35 Hammer Metals Shares held on the Demerger Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026)[18] (**Demerger**). The final number of SpinCo Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

As the Demerger will involve a capital reduction, the Demerger must be approved by Hammer Metals Shareholders. The Demerger is also conditional upon the Scheme becoming Effective. Accordingly, if the Demerger Resolution is not passed or the Scheme Resolution is not approved by the Requisite

[18] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the Requisite Majorities, and the Court, by order, approves the Scheme).

Majorities or the Scheme is not approved by the Court, and the conditionality with the Scheme is not waived, the Demerger will not proceed.

The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations. There will be no established market on which SpinCo Shares can be traded immediately following the Scheme and Demerger, which may limit liquidity for SpinCo Shareholders.

Further details of the Demerger are contained in Section 5.2 and the Demerger Materials, which are included as Annexure E to this Scheme Booklet.

The Scheme is conditional upon the Demerger Resolution being approved. Accordingly, if the Demerger Resolution is not approved by Hammer Metals Shareholders (and such condition is not waived by Hammer Metals) then the Scheme will not proceed.

2. Frequently Asked Questions

The following table provides brief answers to questions you may have in relation to the Scheme, but must be read in conjunction with the more detailed information included in this Scheme Booklet. You are urged to read this Scheme Booklet in its entirety.

Question	Answer	More Information
Overview of the Scheme		
What is a scheme of arrangement?	A scheme of arrangement is a means of implementing an acquisition of shares under Part 5.1 of the Corporations Act. It requires a vote for the Scheme by certain majorities of Hammer Metals Shareholders at the Scheme Meeting and also requires Court approval.	N/A
Why have I received this Scheme Booklet?	This Scheme Booklet has been made available to you because you are a Hammer Metals Shareholder and you are being asked to consider and vote on the Scheme for the acquisition by Austral of your Hammer Metals Shares in exchange for the Scheme Consideration. The Scheme is only relevant to you if you are a Hammer Metals Shareholder. This Scheme Booklet is intended to help you to consider and decide on how to vote on the Scheme at the Scheme Meeting and contains important information, including: • reasons to vote in favour of the Scheme; • possible reasons to vote against the Scheme; • information about Hammer Metals, Austral and the Merged Group; • the risks associated with the Scheme; and • the Independent Expert's Report.	Section 3
What is the Scheme?	The Scheme is the proposed scheme of arrangement between Hammer Metals and its shareholders under Part 5.1 of the Corporations Act pursuant to which all Hammer Metals Shares will be transferred to Austral in exchange for the Scheme Consideration being provided to Hammer Metals Shareholders.	Section 3 and Annexure B
Who is entitled to participate in the Scheme?	Hammer Metals Shareholders as at the Record Date are entitled to participate in the Scheme.	Section 3.2
How will the Scheme be implemented?	Details of how the Scheme will be implemented are detailed in Section 10.1.	Section 10.1
What should I do?	You should take the following steps: • carefully read this Scheme Booklet in its entirety and consult your legal, financial, tax or other professional adviser if you have any questions; and	Section 4

Question	Answer	More Information
	• vote on the Scheme Resolution should you wish to do so.	
Recommendations and intentions of the Hammer Metals Directors		
What do the Hammer Metals Directors recommend?	The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the Hammer Metals Shareholders. [19]	Letter from the Non-Executive Chairman of Hammer Metals and Section 1.3(a)
How are the Hammer Metals Directors intending to vote?	Each Hammer Metals Director intends to cause any Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme Resolution in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the Hammer Metals Shareholders. The Hammer Metals Directors collectively hold or control approximately 6.4% of Hammer Metals Shares on issue (on an undiluted basis) as at the Last Practicable Date, this represents in total approximately 57.4 million Hammer Metals Shares (excluding Hammer Metals Options and Hammer Metals Performance Rights).	Letter from the Non-Executive Chairman of Hammer Metals and Section 1.3(a)
What are the prospects of a Superior Proposal?	Since the Scheme was announced, no Superior Proposal has been received by the Hammer Metals Board. If a Superior Proposal emerges, this will be announced to the ASX and the Hammer Metals Directors will carefully reconsider the Scheme and advise you of their recommendation.	Section 1.3(f)
Matters relevant to your vote		
What is the conclusion of the Independent Expert?	The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of Hammer Metals Shareholders, in the absence of a Superior Proposal. The reasons why the Independent Expert reached this conclusion are set out in the Independent Expert's Report, a copy of which is included in Annexure A. The Hammer Metals Directors encourage you to read the Independent Expert's Report in full.	Section 1.3(b) and Annexure A
What are the reasons to vote in favour of the Scheme?	The reasons to vote in favour of the Scheme include: • The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude	Section 1.3

[19] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

Question	Answer	More Information
	that the Scheme is in the best interests of the Hammer Metals Shareholders.[20] • The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders. • The Scheme Consideration represents a material premium to Hammer Metals' undisturbed share price prior to announcement of the Transactions, specifically: • 29.4% to the implied offer price of $0.067 per Hammer Metals Share under the Larvotto Scheme[21]; • 31.6% to Hammer Metals' closing share price on 31 July 2026 (being, the last Trading Day prior to the announcement of the superior proposal from Austral); • 93.1% to Hammer Metals' closing share price on 3 June 2026 (being the last Trading Day prior to the announcement of the Larvotto Scheme[21]) of $0.045 per Hammer Metals Share; and • 38.8% to Hammer Metals' 30-day volume weighted average price up to and including 31 July 2026 of $0.063 per Hammer Metals Share. • By receiving Austral Shares, Hammer Metals Shareholders retain ongoing exposure to the development of the Mount Isa Project, and immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator. • By receiving Austral Shares, Hammer Metals Shareholders will benefit from significant diversification, enhanced market positioning, larger free float and enhanced liquidity. • No Superior Proposal has emerged as at the date of this Scheme Booklet.	

[20] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

[21] On 11 June 2026, Hammer Metals announced that it entered into a binding scheme implementation deed with Larvotto Resources Limited (**Larvotto**) pursuant to which Larvotto proposed to acquire all of the issued securities in Hammer Metals under a scheme of arrangement under Part 5.1 of the Corporations Act (**Larvotto Scheme**). Subsequently, Hammer Metals received a binding proposal from Austral which was deemed to be "superior proposal" to the Larvotto Scheme. On 10 August 2026, Larvotto announced its intention not to exercise its matching rights. On 11 August 2026, Hammer Metals terminated the scheme implementation deed with Larvotto and entered into Scheme Implementation Deed with Austral.

Question	Answer	More Information
	• The Hammer Metals Board has determined that the combination of value and certainty offered by Austral is likely to deliver a superior outcome for Hammer Metals Shareholders compared to what would otherwise be available, on a future risk adjusted basis, if Hammer Metals continued to operate as a standalone entity. • Major Hammer Metals Shareholders, who collectively control approximately 140 million Hammer Metals Shares (representing approximately 15.7% of the issued Hammer Metals Shares) as at the Last Practicable Date, also support the Scheme and have provided voting intention statements confirming that they intend to vote all of their Hammer Metals Shares held as at the date of the Scheme Meeting in favour of the Scheme, subject to no superior proposal emerging and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders. • Hammer Metals Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions. • Implementation of the Scheme will allow Hammer Metals Shareholders to avoid the prospect of a near-term, dilutive capital raising. • Australian resident Hammer Metals Shareholders may be eligible for CGT roll-over relief in respect of the transfer of Hammer Metals Shares to Austral under the Scheme. In addition, Hammer Metals Shareholders will not incur brokerage costs on the transfer of their Hammer Metals Shares to Austral under the Scheme.	
What are the possible reasons to vote against the Scheme?	The reasons you may wish to vote against the Scheme include: • You may believe that the Scheme is not in your individual best interests and disagree with the recommendation by the Hammer Metals Directors and the conclusion of the Independent Expert. • If the Scheme proceeds, the exposure of Hammer Metals Shareholders to the Mount Isa Project (being, Hammer Metals' key asset) will be diluted. • Hammer Metals Shareholders will hold a minority interest in the Merged Group and will not control its future strategy or funding priorities. • You may consider there is a potential for a Superior Proposal to be made for Hammer Metals in the future.	Section 1.4

Question	Answer	More Information
	• You may believe it is in your best interests to maintain your current investment and risk profile. • Hammer Metals Shareholders do not receive an immediate cash exit. Each Scheme Shareholder will receive 1.2903 New Austral Shares for every one Hammer Metals Share held on the Record Date. The exact monetary value of the Scheme Consideration is not certain and will depend on the price at which Austral Shares trade on the ASX after the Implementation Date. • The tax consequences of transferring Hammer Metals Shares to Austral pursuant to the Scheme may not be optimal for all Hammer Metals Shareholders.	
What happens if the Scheme is not implemented?	If the Scheme is not approved by Hammer Metals Shareholders or if the Scheme is not approved by the Court: • Austral will not acquire Hammer Metals; • Hammer Metals Shareholders will not receive the Scheme Consideration; • you will not receive the Scheme Consideration (or a pro rata share of the Sale Proceeds in respect of Ineligible Holders); • the benefits associated with the Merged Group may not be realised; • the trading price of Hammer Metals Shares may fall below its recent trading price, in the absence of an equivalent or Superior Proposal; • the transaction costs will be borne by Hammer Metals alone; • Hammer Metals will remain listed on ASX; and • Hammer Metals expects that it will need to raise additional funds immediately following termination of the Scheme to repay any amounts that have been drawn under the Loan Facility and to fund Hammer Metals' ongoing activities. Additional funding may be dilutive to Hammer Metals Shareholders (if undertaken through a share issue) or impose restrictions on the operating activities or expansion of Hammer Metals' operation (if undertaken through debt financing).	Section 8.5
What are the risks relating to the Merged Group?	An investment in the Merged Group is subject to several key risks, including: • the Merged Group failing to realise benefits of the combination; and	Section 8.4

Question	Answer	More Information
	• risks relating to the Merged Group's businesses and operations. Further details on the risks associated with the implementation of the Scheme and the creation of the Merged Group are detailed in Section 8.4.	
What are my options as a Hammer Metals Shareholder?	As a Hammer Metals Shareholder you have the following choices: • vote in favour of the Scheme Resolution; • vote against the Scheme Resolution; • seek to sell some or all of your Hammer Metals Shares on ASX at any time prior to the close of trade on the Effective Date. If you sell your Hammer Metals Shares on ASX you may incur brokerage and other sale costs; or • do nothing. You should carefully read this Scheme Booklet in its entirety before deciding whether to vote in favour of the Scheme. If you are in doubt as to what you should do, please consult your legal, financial, tax and other professional adviser.	Section 4
Can I sell my Hammer Metals Shares now?	Yes. Hammer Metals Shareholders may seek to sell some or all of their Hammer Metals Shares on ASX at any time prior to the close of trade on the Effective Date, following which Hammer Metals Shares will cease trading on ASX. If you sell your Hammer Metals Shares on ASX before trading in Hammer Metals Shares ends, you: • may receive the proceeds from the sale of your Hammer Metals Shares sooner than you would receive the Scheme Consideration under the Scheme (noting that your sale proceeds may vary from the Scheme Consideration); • may incur brokerage and other sale costs; • may be subject to capital gains tax (**CGT**); and • will not be able to participate in the Scheme or a Superior Proposal, if one emerges.	Section 4.2(c)
Scheme Consideration		
What is the Scheme Consideration?	If the Scheme becomes Effective, Hammer Metals Shareholders will receive the Scheme Consideration consisting of 1.2903 New Austral Shares for every one Hammer Metals Share held as at the Record Date, except for Ineligible Holders, who will receive their pro rata share of the Sale Proceeds from the sale of the New Austral Shares under the Scheme Sale Facility as detailed in Section 3.7.	Section 3.2

Question	Answer	More Information
	The implied value of the Scheme Consideration will vary with movements in the trading price of Austral Shares.	
Who is entitled to the Scheme Consideration?	All Hammer Metals Shareholders who are the registered holders of Hammer Metals Shares as at the Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026) will be entitled to receive the Scheme Consideration in the form of New Austral Shares, except for Ineligible Holders who will receive their pro rata share of the Sale Proceeds under the Scheme Sale Facility as detailed in Section 3.7.	Sections 3.2, 3.5, 3.6 and 3.7
When will I receive the Scheme Consideration?	If the Scheme becomes Effective, Austral will provide or procure the provision of the Scheme Consideration to each of the Hammer Metals Shareholders (other than Ineligible Holders) on the Implementation Date, which is currently expected to be Wednesday, 25 November 2026. Ineligible Holders will not receive New Austral Shares. Instead, they will receive their pro rata share of the Sale Proceeds under the Scheme Sale Facility as detailed in Section 3.7.	Sections 3.7 and 10.1
Will I be able to trade in New Austral Shares on ASX?	Yes, the New Austral Shares will be able to be traded on the ASX in the same way as Hammer Metals Shares are currently traded. Deferred settlement trading of New Austral Shares is expected to be available on the ASX from Tuesday, 17 November 2026. New Austral Shares are expected to commence trading on the ASX on a normal settlement basis from Thursday, 26 November 2026.	Important Dates and Section 10.4
What are the risks relating to the New Austral Shares?	There are a number of risks associated with New Austral Shares including: • risk factors relating to Austral, and to certain additional risks relating to the Merged Group and the integration of Hammer Metals into the Merged Group's business; • failure to realise the benefits of the Scheme; and • risks that Hammer Metals and Austral securityholders are currently exposed to, which will apply to the Merged Group after implementation of the Scheme. Further details of the risks associated with New Austral Shares are set out in Sections 8.2, 8.3 and 8.4.	Sections 8.2, 8.3 and 8.4
What are the taxation implications of the Scheme?	If the Scheme becomes Effective, there will be tax consequences for Hammer Metals Shareholders which may include tax being payable on any gain on disposal of their Hammer Metals Shares. Section 9 provides a general description of certain Australian taxation consequences for Hammer Metals Shareholders.	Section 9

Question	Answer	More Information
	Hammer Metals is in the process of applying to the ATO requesting the ATO Class Ruling to confirm certain specific Australian taxation implications of the Scheme. The ATO Class Ruling is not expected to be issued by the ATO until after the Implementation Date. It is anticipated that the Australian income tax implications in the ATO Class Ruling will likely be generally consistent with the key implications summarised in Section 9. When the final ATO Class Ruling is published by the ATO, it will be available on the ATO's website at www.ato.gov.au.	
Will the Scheme participants have to pay brokerage or stamp duty?	No brokerage or stamp duty should be payable by Scheme Shareholders on the acquisition by Austral of their Hammer Metals Shares under the Scheme or on the receipt by Scheme Shareholders of the New Austral Shares as Scheme Consideration. If you dispose of your Hammer Metals Shares before the Record Date, brokerage fees may be payable.	Sections 1.3(k) and 4.2(c)
Ineligible Foreign Holders and Small Shareholders		
Who is an Ineligible Foreign Holder?	An Ineligible Foreign Holder is a Hammer Metals Shareholder: • whose Registered Address is a place other than Australia and its external territories, New Zealand, Hong Kong, Singapore, Switzerland and the United Kingdom; or • who is acting on behalf of such a person, unless Austral determines that: • it is lawful and not unduly onerous or unduly impracticable to issue that Scheme Shareholder with the New Austral Shares on implementation of the Scheme; and • it is lawful for that Scheme Shareholder to participate in the Scheme by the law of the relevant place outside Australia and its external territories.	Section 3.5
What will Ineligible Foreign Holders receive under the Scheme?	If you are an Ineligible Foreign Holder, you will not receive New Austral Shares as Scheme Consideration. Instead, any New Austral Shares you would have otherwise been entitled to, will be issued to the Scheme Sale Agent and sold through the Scheme Sale Facility. You will then be entitled to receive your pro rata share of the Sale Proceeds under the Scheme Sale Facility.	Sections 3.5 and 3.7
Who is a Small Shareholder?	A Small Shareholder is a Scheme Shareholder (other than an Ineligible Foreign Holder) who based on their holding of Scheme Shares at the Record Date, would on implementation of the Scheme, be entitled to receive less than a Marketable Parcel of New Austral Shares as Scheme Consideration.	Sections 3.6 and 3.7

Question	Answer	More Information
What are my options if I am a Small Shareholder?	By lodging a duly completed Opt-out Notice, Small Shareholders can elect to opt-out of the Scheme Sale Facility and elect to receive their Scheme Consideration in the form of New Austral Shares. A Small Shareholder who has not provided the Share Registry with a completed Opt-out Notice by 5:00pm (AWST) on Friday, 20 November 2026 (**Non-electing Small Shareholder**) will have their Scheme Consideration sold through the Scheme Sale Facility and the relevant Non-electing Small Shareholder will receive their proportionate share of the Sale Proceeds.	Sections 3.6 and 3.7
What is the Sale Facility?	The Scheme Sale Facility will be used to sell New Austral Shares that otherwise would have been received by Ineligible Holders. Under the Scheme Sale Facility, the Sale Agent will as soon as reasonably practicable (and in any event not more than 10 Business Days after the Implementation Date), sell all of the relevant Austral Shares (including on an aggregated or partially aggregated basis) in the ordinary course of trading on ASX at such price and in such manner as the Sale Agent reasonably determines in good faith. Ineligible Holders will receive their proportion of the Sale Proceeds of the sale. The Sale Proceeds will be dispatched as soon as reasonably practicable after the settlement of the sale of all relevant Austral Shares.	Section 3.7
Scheme Meeting		
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting on Monday, 9 November 2026. The Scheme Meeting will be held in person at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.	Section 4.3
What will Hammer Metals Shareholders be asked to vote on at the Scheme Meeting?	At the Scheme Meeting, Hammer Metals Shareholders will be asked to vote on whether to approve the Scheme Resolution.	Section 4 and Annexure D
What is the approval threshold for the Scheme?	In order to become Effective, the Scheme must be approved by the Requisite Majorities, being: • unless the Court orders otherwise, a majority in number (more than 50%) of Hammer Metals Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of corporate Hammer Metals Shareholders, body corporate representative); and • at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting.	Sections 4 and 10.1 and Annexure D

Question	Answer	More Information
	Even if the Scheme is approved by the Requisite Majorities at the Scheme Meeting, the Scheme is still subject to the approval of the Court.	
Am I entitled to vote at the Scheme Meeting?	You can vote: • in person, by attending the Scheme Meeting held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005; or • by appointing a proxy, attorney or a corporate representative (if you are a body corporate), to attend the Scheme Meeting and vote on your behalf. Proxy appointments must be received by 11:00am (AWST) on Saturday, 7 November 2026 for the Scheme Meeting.	Section 4.7 and Annexure D
Is voting at the Scheme Meeting compulsory for Hammer Metals Shareholders?	Voting is not compulsory. However, your vote is important in determining whether the Scheme will proceed, because only those votes cast by Hammer Metals Shareholders on the Scheme will be counted in determining whether the Scheme has been approved by the Requisite Majorities of Hammer Metals Shareholders. The Scheme may be implemented even if you do not vote on the Scheme Resolution.	Sections 1.5(a) and 10.1
When will the results of the Scheme Meeting be known?	The results of the Scheme Meeting are expected to be available shortly after the conclusion of the Scheme Meeting and will be announced to ASX (www.asx.com.au).	N/A
Conditions and implementation of the Scheme		
What are the conditions that must be satisfied or waived for the Scheme to be implemented?	The Scheme is subject to a number of Conditions Precedent, which are set out in Section 3.1 of the Scheme Implementation Deed and summarised in Section 10.6. As at the Last Practicable Date, the following conditions remain outstanding: • Hammer Metals Shareholder approval of the Scheme Resolution by the Requisite Majorities; • Hammer Metals Shareholder approval of the Demerger Resolution; • Court approval of the Scheme at the Second Court Hearing; and • other customary conditions.	Section 10.6(b)
What is required for the Scheme to become Effective?	The Scheme will become Effective if: • the Scheme is approved by the Requisite Majorities of Hammer Metals Shareholders at the Scheme Meeting;	Section 10.1

Question	Answer	More Information
	• the Court approves the Scheme at the Second Court Hearing and the Court order is lodged with ASIC; and • all of the other Conditions Precedent to the Scheme are satisfied or waived (where capable of waiver).	
Can the Scheme be terminated?	The Scheme Implementation Deed may be terminated in certain circumstances. If the Scheme Implementation Deed is terminated, the Scheme will not proceed.	Section 10.6(h)
What happens to my Hammer Metals Shares if I do not vote or vote against the Scheme and the Scheme becomes Effective and is implemented?	If you do not vote, or vote against the Scheme, and the Scheme becomes Effective and is implemented, any Hammer Metals Shares held by you will be transferred to Austral and you will receive the Scheme Consideration (unless you are an Ineligible Holder, in which case you will receive your pro rata share of the Sale Proceeds under the Scheme Sale Facility, instead of the Scheme Consideration), despite not having voted or having voted against the Scheme.	Sections 1.5(f) and 10.1
What happens if the Demerger Resolution is not approved?	The Demerger is conditional upon the Scheme becoming Effective. Accordingly, if the Demerger Resolution is not passed or the Scheme Resolution is not approved by the Requisite Majorities or the Scheme is not approved by the Court, and the conditionality with the Scheme is not waived, the Demerger will not proceed. The Scheme is conditional upon the Demerger Resolution being approved. Accordingly, if the Demerger Resolution is not approved by Hammer Metals Shareholders (and such condition is not waived by Hammer Metals) then the Scheme will not proceed.	Section 1.6
Information about Austral		
Who is Austral?	Austral Resources Australia Ltd (ASX: AR1) is a pure-play Australian copper producer and consolidator operating across the Mount Isa–Cloncurry copper belt in North-West Queensland. Austral mines and processes copper oxide ore to produce copper cathodes through a standard process known as a heap leaching and SX-EW. Austral operates near Mt Isa, a region well-endowed with copper and base metals with numerous mines in operation. Austral was recapitalised and requoted on the official list of the ASX in November 2025. Austral's strategy is to become the copper consolidation platform for the North-West Queensland region as executed through the acquisition of Rocklands and Lady Loretta. The Scheme represents a continuation, but significant milestone, in this strategy to build a leading Queensland copper company, combining complementary resources, processing infrastructure and exploration assets across Queensland. Refer to Section 6 for further information on Austral and Section 7 for further information on the Merged Group.	Section 6

Question	Answer	More Information
Why does Austral wish to acquire Hammer Metals?	The acquisition of Hammer Metals, and with it the Mount Isa Project, is consistent with Austral's strategy to become the consolidation platform for North-West Queensland. The acquisition enables Austral to utilise its existing, strategically located processing facilities to develop the Mount Isa Project.	Section 7.2
Information about the Merged Group		
What is the Merged Group?	The Merged Group is the Austral Group following implementation of the Scheme, including the Hammer Metals Group but excluding the SpinCo Group. If the Scheme is implemented, Austral will become the parent company of the Merged Group.	Section 7
What are Austral's intentions if the Scheme proceeds?	Upon completion of the Scheme, the Merged Group's strategy will remain consistent with Austral's current strategy, as outlined in Section 6.3. Austral intends to replace the existing members of the Hammer Metals Board and the boards of Hammer Metals' Subsidiaries with Austral nominees. Refer to Section 7.5 for further information. Hammer Metals Shareholders should be aware, if the Scheme proceeds, there will be various risks associated with an investment in Austral, which are described (non-exhaustively) in Section 8.	Sections 7.5 and 8
Will there be any changes to the Austral Board?	The Austral Board following implementation of the Scheme is expected to comprise the existing directors of Austral. Pursuant to the Scheme Implementation Deed, Austral must, on or before the Implementation Date, invite one existing Hammer Metals Director of Austral's choice to join the Austral Board.	Section 7.4(a)
Will there be any changes to the senior management of Austral?	It is expected that there will be no changes to the senior management of Austral (as set out in Section 6.9(b)) and each of the existing members of senior management will continue in their existing roles following implementation of the Scheme.	Section 7.4(b)
What are the key risks in relation to the business and operations of the Merged Group?	Please refer to Section 8.3 for a summary of the risk factors in relation to the business and operations of the Merged Group.	Section 8.3
Information about SpinCo and the Demerger		
What is SpinCo?	SpinCo is an unlisted public company incorporated on 2 September 2026 in Western Australia for the purposes of undertaking the Demerger. Following completion of the Restructure, SpinCo will hold the Gold Assets through its shareholding in Carnegie.	Section 5.2 and Annexure E

Question	Answer	More Information
	SpinCo will initially be an unlisted public company. The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations.	
What is the Demerger?	In conjunction with the Scheme, Hammer Metals is also proposing to demerge SpinCo by way of a capital reduction and pro rata in specie distribution of SpinCo Shares to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders). As the Demerger will involve a capital reduction, the Demerger must be approved by Hammer Metals Shareholders.	Section 5.2 and Annexure E
What is a capital reduction in relation to the Demerger?	A capital reduction is a return of capital and is a necessary step in the Demerger. The capital reduction involves a return of capital on your Hammer Metals Shares and in exchange, Hammer Metals will make an in-specie distribution to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders) of one SpinCo Share for every 35 Hammer Metals Shares held on the Demerger Record Date. [22] The final number of SpinCo Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date. Demerger Ineligible Shareholders on the Demerger Record Date will not be issued the SpinCo Shares to which they would otherwise be entitled and instead their SpinCo Shares will be issued to a Demerger Sale Agent to be held on their behalf, pending a liquidity opportunity or event (for example, an ASX listing). Upon the sale of the SpinCo Shares held on behalf of a Demerger Ineligible Shareholder, the Demerger Sale Agent will pay the net proceeds of the sale to the Demerger Ineligible Shareholder (net of fees and brokerage).	Section 5.2 and Annexure E
What is the Restructure in relation to the Demerger?	Hammer Metals will conduct an internal corporate restructure to ensure SpinCo holds the Gold Assets. It is intended that 100% of the fully paid ordinary shares in Carnegie, which holds the Gold Assets, will be transferred from Hammer Metals to SpinCo. Upon completion of such Restructure, Carnegie will be a wholly owned subsidiary of	Section 5.2 and Annexure E

[22] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the Requisite Majorities, and the Court, by order, approves the Scheme).

Question	Answer	More Information
	SpinCo and SpinCo (through its shareholding in Carnegie) will hold the Gold Assets.	
When and where will the Demerger Meeting be held?	The Demerger Meeting will be held at 10:00am (AWST) on Monday, 9 November 2026. The Demerger Meeting will be held in person at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.	Section 5.2 and Annexure E
What will Hammer Metals Shareholders be asked to vote on at the Demerger Meeting?	At the Demerger Meeting, Hammer Metals Shareholders will be asked to vote on whether to approve the Demerger Resolution.	Annexure E
What is the Hammer Metals Shareholders' approval threshold for the Demerger Resolution?	The Demerger Resolution is an ordinary resolution, and must be passed by a simple majority of the votes of those Hammer Metals Shareholders entitled to vote and voting on the resolution.	Annexure E
How do I vote at the Demerger Meeting?	You can vote: • in person, by attending the Demerger Meeting held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005; or • by appointing a proxy, attorney or a corporate representative (if you are a body corporate), to attend the Demerger Meeting and vote on your behalf. Proxy appointments must be received by 10:00am (AWST) on Saturday, 7 November 2026 for the Demerger Meeting.	Annexure E
Is voting at the Demerger Meeting compulsory for Hammer Metals Shareholders?	Voting is not compulsory. However, your vote is important in determining whether the Demerger will proceed, as only those votes cast by Hammer Metals Shareholders on the Demerger Resolution will be counted in determining whether the Demerger Resolution has been approved by the requisite majorities of Hammer Metals Shareholders. The Demerger may be implemented even if you do not vote on the Demerger Resolution.	Annexure E
When will the Demerger occur?	If the Demerger is approved by a simple majority of the total number of votes cast on the Demerger Resolution by Hammer Metals Shareholders present and voting, and assuming the Scheme Resolution is approved by the Requisite Majorities, the Demerger will become effective on Tuesday, 10 November 2026 and the in-specie distribution of SpinCo Shares will be made to Eligible Hammer Metals Shareholders on Monday, 23 November 2026.	Annexure E
When will I receive SpinCo Shares?	If the Demerger is implemented, the SpinCo Shares will be distributed on the Demerger Implementation Date, which is expected to be Monday, 23 November 2026. The SpinCo Shares to which Demerger Ineligible Shareholders would otherwise be entitled will be transferred	Annexure E

Question	Answer	More Information
	to the Demerger Sale Agent appointed for the purposes of the Demerger, to be held by the Demerger Sale Agent pending a future liquidity event.	
Where can I find more information about SpinCo and the Demerger?	Further information about SpinCo and the Demerger can be found in the Demerger Materials which form Annexure E to this Scheme Booklet.	Annexure E
Additional Information		
What if you have further questions about the Scheme?	Hammer Metals has established a Hammer Metals Information Line which you should call if you have any questions or require further information in relation to the Scheme or Demerger. The telephone number is 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia), Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays). Hammer Metals Shareholders should consult their legal, financial, tax or other professional adviser before making any decision in respect of the Scheme or Demerger.	N/A

3. Important considerations regarding the Scheme

3.1 Scheme

The Scheme is proposed to be implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act, pursuant to which Austral will acquire all of the Hammer Metals Shares on issue in exchange for the Scheme Consideration.

3.2 Scheme Consideration

If the Scheme is implemented, Scheme Shareholders (other than Ineligible Holders) will be entitled to receive the Scheme Consideration, being 1.2903 New Austral Shares for every one Hammer Metals Share held by a Scheme Shareholder at the Record Date in accordance with the Deed Poll. Ineligible Holders will receive their pro rata share of the Sale Proceeds from the sale of the New Austral Shares under the Scheme Sale Facility as described in Section 3.7. Refer to Section 6.14 for details of the rights attaching to the New Austral Shares.

3.3 Fractional entitlements

If the number of New Austral Shares to be issued to a particular Hammer Metals Shareholder (or to the Scheme Sale Agent in the case of Ineligible Holders) would result in the Hammer Metals Shareholder becoming entitled to a part of a New Austral Share, then any such fractional entitlement:

(a) of 0.5 or more will be rounded up to the nearest whole number; and

(b) of less than 0.5 will be rounded down to the nearest whole number,

of New Austral Shares.

3.4 Shareholder splitting

If Austral is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares that results in a fractional entitlement to Scheme Consideration) have, before the Record Date, been party to a Share Splitting or division in an attempt to obtain an advantage by reference to such rounding, then Austral may give notice to those Scheme Shareholders:

(a) setting out their names and registered addresses as shown in the Hammer Metals Share Register;

(b) stating that opinion; and

(c) attributing the Hammer Metals Shares held by all of them to one of them as specifically identified in the notice,

and, after such notice has been given, the Scheme Shareholder specifically identified in the notice as the deemed holder of the specified Hammer Metals Shares will, for the purposes of the provisions of the Scheme and the Deed Poll, be taken to hold all of those Hammer Metals Shares and each of the other Scheme Shareholders whose names and registered addresses are set out in the notice will, for the purposes of the Scheme and the Deed Poll, be taken to hold no Hammer Metals Shares. Austral, in complying with the other provisions of the Scheme and the Deed Poll relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Hammer Metals Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of the Scheme and the Deed Poll.

3.5 Ineligible Foreign Holders

Restrictions in certain foreign countries may make it impractical or unlawful for New Austral Shares to be issued under the Scheme to Scheme Shareholders in those countries.

Ineligible Foreign Holders are Scheme Shareholders whose address shown on the Hammer Metals Share Register as at the Record Date is in a place outside Australia, New Zealand, Hong Kong, Singapore, Switzerland and the United Kingdom, or any other jurisdiction agreed in writing between Hammer Metals and Austral (each acting reasonably) or unless Austral determines (in its sole and

absolute discretion) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the Scheme Consideration when the Scheme becomes Effective.

Austral is under no obligation to issue, and will not issue, any New Austral Shares to any Ineligible Foreign Holder. Instead, on the Implementation Date, Austral will issue the Scheme Consideration, that the Ineligible Foreign Holder would otherwise have been entitled to receive, to the Scheme Sale Agent for sale through the Scheme Sale Facility. Refer to Section 3.7 for further information about the Scheme Sale Facility.

3.6 Small Shareholders

A Small Shareholder is a Scheme Shareholder (other than an Ineligible Foreign Holder) who based on their holding of Scheme Shares at the Record Date, would on implementation of the Scheme, be entitled to receive less than a Marketable Parcel of New Austral Shares as Scheme Consideration.

By lodging a duly completed Opt-out Notice, Small Shareholders can elect to opt-out of the Scheme Sale Facility and elect to receive their Scheme Consideration in the form of New Austral Shares. A Small Shareholder who has not provided the Share Registry with a completed Opt-out Notice by 5:00pm (AWST) on Friday, 20 November 2026 (**Non-electing Small Shareholder**) will have their Scheme Consideration sold through the Scheme Sale Facility and the relevant Non-electing Small Shareholder will receive their proportionate share of the Sale Proceeds.

Austral is under no obligation to issue, and will not issue, any New Austral Shares to a Non-electing Small Shareholder. Instead, on the Implementation Date, Austral will issue the New Austral Shares to which the Non-electing Small Shareholder would otherwise have been entitled to receive to the Scheme Sale Agent for sale through the Scheme Sale Facility. Refer to Section 3.7 for further information about the Scheme Sale Facility.

There is no obligation for Small Shareholders to participate in the Scheme Sale Facility. Those Small Shareholders who wish to receive New Austral Shares on the Implementation Date must submit an Opt-out Notice by the deadline above.

For an Opt-out Notice to be effective, it must be duly completed and submitted on Automic's portal at https://portal.automic.com.au/investor/home (Log in using your established username and password. If you have not established a username and password, click on “Register” and follow the prompts on screen to create your username and password. Once you have logged in then go to ‘Offers’) or by mail in accordance with the instructions on the Opt-out Notice, prior to 5:00pm (AWST) on Friday, 20 November 2026. You can obtain a copy of the Opt-out Notice on https://portal.automic.com.au/investor/home.

3.7 Sale Facility

Austral will, on behalf of all Ineligible Holders, establish the Scheme Sale Facility pursuant to which the Scheme Sale Agent, on behalf of all Ineligible Holders, will sell or procure the sale of any New Austral Shares that Ineligible Holders would otherwise be entitled to receive (**Relevant Austral Shares**).

Acting on behalf of all Ineligible Holders, the Scheme Sale Agent will, as soon as reasonably practicable (and in any event not more than 10 Business Days after the Implementation Date), sell on the ASX all of the Relevant New Austral Shares at such price and on such terms as the Scheme Sale Agent determines in good faith.

The Scheme Sale Agent will then remit the proceeds of such sale (net of any applicable brokerage, stamp duty and other selling costs, taxes and charges) (**Sale Proceeds**) to Austral as soon as reasonably practicable after settlement. Austral will procure the payment of an amount equal to the proportion of the Sale Proceeds to each entitled Ineligible Holder in full satisfaction of the Ineligible Holder's entitlement to the Scheme Consideration, calculated in accordance with the following formula:

$$A = \left(\frac{B}{C}\right) \times D$$

where:

A is the amount to be paid to the Ineligible Holder.

B is the number of Relevant Austral Shares that would otherwise have been issued to that Ineligible Holder if they had not been an Ineligible Holder, and which were issued to the Scheme Sale Agent for sale.

C is the total number of Relevant Austral Shares which would have been issued to all Ineligible Holders, and which were issued to the Scheme Sale Agent for sale.

D is the proceeds of sale (after deducting any applicable brokerage, stamp duty and other selling costs, taxes and charges).

Austral will make, or procure the making of, payments to Ineligible Holders by either:

(a) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Holder to Hammer Metals (or the Share Registry) and recorded in or for the purposes of the Hammer Metals Share Register at the Record Date; or

(b) dispatching, or procuring the dispatch, to that Ineligible Holder by prepaid post to the registered address in the Hammer Metals Share Register (as at the Record Date) of that Ineligible Holder, a cheque in the name of that Ineligible Holder for the relevant amount, with that amount being denominated in Australian dollars.

Ineligible Holders can nominate their bank account or update their bank account details by visiting https://portal.automic.com.au/investor/home and updating their direct credit details online. Log in using your established username and password. If you have not established a username and password, click on "Register" and follow the prompts on screen to create your username and password. Once you have logged in to your Portfolio, click on "my details" to update your details. If you experience any difficulties with providing your details, please contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia), Monday to Friday between 6:30am to 5:00pm.

Interest will not be paid on the Sale Proceeds. The payment of the Sale Proceeds will be in full satisfaction of the rights of an Ineligible Holder under the Scheme.

None of Austral, Hammer Metals or the Scheme Sale Agent gives any assurances or representations as to the price that will be achieved for the sale of Relevant Austral Shares under the Scheme Sale Facility or the amount of the Sale Proceeds to be received by Ineligible Holders.

The Sale Proceeds received by the Ineligible Holders will depend on the price at which each Relevant Austral Share can be sold by the Scheme Sale Agent at the relevant time and the amount of any applicable brokerage, stamp duty and other selling costs, taxes and charges incurred by the Scheme Sale Agent in connection with the sales under the Scheme Sale Facility. Accordingly, the cash amount received by the Ineligible Holders may be different (either more or less) than the implied value of the Scheme Consideration they would have received if they were not an Ineligible Holder.

The following information is also provided, as relevant to certain relief provided by ASIC (detailed in Section 11.3(a)):

(a) the Scheme Sale Facility will be open until the payment of the Sale Proceeds to Ineligible Holders has been completed as contemplated above;

(b) Small Shareholders may complete and lodge an Opt-out Notice by 5:00pm (AWST) on Friday, 20 November 2026 to elect to opt-out of the Scheme Sale Facility and receive their Scheme Consideration in the form of New Austral Shares;

(c) the market price of New Austral Shares is subject to change from time to time;

(d) up-to-date information on the ASX market price of Austral Shares can be obtained at https://www.asx.com.au/;

(e) refer to the information above in this Section 3.7 (and in clause 7.8 of the Scheme attached at Annexure B) about other significant characteristics or features of the Scheme Sale Facility and of the rights and obligations of Ineligible Holders, such as:

(i) the deduction of applicable brokerage, stamp duty and other selling costs, taxes and charges from the proceeds of the sale of New Austral Shares pursuant to the Scheme Sale Facility; and

(ii) how the net proceeds of sale of New Austral Shares disposed of through the Scheme Sale Facility will be allocated between the entitled Ineligible Holders;

(f) the pro rata cash amount paid to each Ineligible Holder will depend on the price at which the New Austral Shares can be sold under the Scheme Sale Facility by the Scheme Sale Agent at the relevant time after deduction of any applicable brokerage, stamp duty and other selling costs, taxes and charges. Therefore, the pro rata cash amount received by an Ineligible Holder may be more or less than the actual price received by the Scheme Sale Agent for that Ineligible Holder's New Austral Shares;

(g) Ineligible Foreign Holders are not able to opt-out of participating in the Scheme Sale Facility (as all of their allocation of New Austral Shares will be issued to the Scheme Sale Agent to be sold pursuant to the Scheme Sale Facility); and

(h) Small Shareholders can choose whether or not they participate in the Scheme Sale Facility (but if they participate, then all of their allocation of New Austral Shares will be issued to the Scheme Sale Agent to be sold pursuant to the Scheme Sale Facility). Please refer to 3.6 for further information.

3.8 Commencement of trading of New Austral Shares

Deferred settlement trading of New Austral Shares is expected to be available on ASX from Tuesday, 17 November 2026.

Trading on ASX of New Austral Shares is expected to commence on a normal settlement basis on Thursday, 26 November 2026.

3.9 Independent Expert's Report

The Independent Expert has reviewed the terms of the Scheme and concluded that the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal.

Please refer to the Independent Expert's Report at Annexure A of this Scheme Booklet. The Independent Expert's Report should be read in its entirety, including the assumptions on which the conclusions are based.

3.10 Hammer Metals Directors' unanimous recommendation

The Hammer Metals Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal, subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[23]

In making the above recommendation, the Hammer Metals Directors have considered the potential advantages and disadvantages of the Scheme, including the information detailed in the following Sections of this Scheme Booklet:

(a) Section 1 – Key considerations relevant to your vote;

(b) Section 8 – Risk factors; and

(c) the Independent Expert's Report contained in Annexure A of this Scheme Booklet.

In considering whether to vote in favour of the Scheme Resolution, the Hammer Metals Directors encourage you to:

[23] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

(a) carefully read this Scheme Booklet (including the Independent Expert's Report) in its entirety;

(b) consider the choices available to you as outlined in Section 4;

(c) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;

(d) obtain legal advice from your legal advisers on the Scheme and the implications to you of the Scheme becoming Effective;

(e) obtain financial advice from your broker or financial adviser on the Scheme; and

(f) obtain tax advice on the implications of the Scheme becoming Effective.

3.11 Hammer Metals Directors' voting intention

Each Hammer Metals Director intends to vote, or cause to be voted, all Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude in the Independent Expert's Report that the Scheme is in the best interests of Hammer Metals Shareholders.

Please refer to Section 5.9 for further information regarding the Hammer Metals Directors' interests in the Hammer Metals Securities.

3.12 Certain interests of the Hammer Metals Directors in the Scheme

In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should have regard to the interests of the Hammer Metals Directors in the outcome of the Scheme, which may differ from those of other Hammer Metals Shareholders, in particular the following interests as at the Last Practicable Date.

(a) **Russell Davis – Non-Executive Chairman**

Mr Davis holds 5,000,000 Hammer Metals Options at various exercise prices and expiry dates. Mr Davis has entered into an Option Cancellation Deed with Hammer Metals and Austral pursuant to which, to the extent his Hammer Metals Options are not exercised before the Record Date, Mr Davis' Hammer Metals Options will be cancelled in consideration for a cash payment of up to $227,000, with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date.

(b) **Daniel Thomas – Managing Director**

Mr Thomas holds 6,000,000 Hammer Metals Options at various exercise prices and expiry dates. Mr Thomas has entered into an Option Cancellation Deed with Hammer Metals and Austral pursuant to which, to the extent his Hammer Metals Options are not exercised before the Record Date, Mr Thomas' Hammer Metals Options will be cancelled in consideration for a cash payment of up to $210,000, with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date.

Mr Thomas holds 3,000,000 unvested Hammer Metals Performance Rights subject to vesting conditions and expiring 2 December 2027 (**Management Performance Rights**). Mr Thomas has entered into a Performance Rights Cancellation Deed with Hammer Metals and Austral pursuant to which Mr Thomas' Management Performance Rights will be cancelled in consideration for such fractional number of Austral Shares per Management Performance Right as would have been issued to Mr Thomas had they been converted into Hammer Metals Shares prior to the Record Date, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date. Accordingly, Mr Thomas will be entitled to 3,870,900 New Austral Shares (which based on the implied value of the Scheme Consideration of $0.101[24] is worth approximately $389,581).

Mr Thomas also holds 4,000,000 unvested Hammer Metals Performance Rights, which provide that these Hammer Metals Performance Rights will automatically vest upon the

[24] Based on the last closing price of Austral Shares of $0.078 as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Austral Share Price.

Company announcing that the Scheme Resolution has been passed by the Requisite Majorities and the Court, by order, approves the Scheme. Accordingly, Mr Thomas will be entitled to 4,000,000 Hammer Metals Shares upon the accelerated vesting of the Hammer Metals Performance Rights (which, based on the implied value of the Scheme Consideration of $0.101[25] per Hammer Metals Share is worth approximately $519,441).

If the Scheme is implemented and Mr Thomas' employment is terminated by Hammer Metals, Mr Thomas will be entitled to receive payment of $75,000 (being, three months' salary) in lieu of the notice period under his executive services agreement.

(c) **James Croser – Non-Executive Director**

Mr Croser holds 5,000,000 Hammer Metals Options at various exercise prices and expiry dates. Mr Croser has entered into an Option Cancellation Deed with Hammer Metals and Austral pursuant to which, to the extent his Hammer Metals Options are not exercised before the Record Date, Mr Croser's Hammer Metals Options will be cancelled in consideration for a cash payment of up to $155,000, with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date.

(d) **David Church – Non-Executive Director**

Mr Church holds 5,000,000 Hammer Metals Options at various exercise prices and expiry dates. Mr Church has entered into an Option Cancellation Deed with Hammer Metals and Austral pursuant to which, to the extent his Hammer Metals Options are not exercised before the Record Date, Mr Church's Hammer Metals Options will be cancelled in consideration for a cash payment of up to $189,500, with such cancellation being subject to the Scheme becoming Effective and to take effect on the Implementation Date.

As at the Last Practicable Date, the Hammer Metals Directors collectively own or control 57.4 million Hammer Metals Shares (representing approximately 6.4% of the Hammer Metals Shares on issue as at the Last Practicable Date on an undiluted basis). If the Scheme becomes Effective, the Hammer Metals Directors will be entitled to receive New Austral Shares as Scheme Consideration for each Hammer Metals Share that they hold as at the Record Date (including any Hammer Metals Shares issued on the accelerated vesting of the Hammer Metals Performance Rights held by Mr Thomas as detailed above).

Further information on the Hammer Metals Directors' interests in Hammer Metals Securities and their treatment under the Scheme is detailed in Section 5.9.

3.13 Taxation implications

A general guide to the Australian taxation implications of the Scheme for Hammer Metals Shareholders is detailed in Section 9. This guide is expressed in general terms and is not intended to provide taxation advice in respect of the particular circumstances of any Hammer Metals Shareholders.

3.14 Suspension of trading

Hammer Metals will apply to ASX for suspension of trading in Hammer Metals Shares on ASX with effect from close of trading on the Effective Date. Following implementation of the Scheme, Hammer Metals will request ASX to remove it from the official list of the ASX.

[25] Based on the last closing price of Austral Shares of $0.078 as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Austral Share Price.

4. Scheme Meeting and Voting Information

4.1 Overview

This Section 4 provides information relating to voting entitlements and information on how to vote at the Scheme Meeting.

4.2 Your choices as a Hammer Metals Shareholder

(a) **Vote in favour**

You can vote in favour of the Scheme Resolution at the Scheme Meeting. The Hammer Metals Directors unanimously recommend that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[26]

Further, the Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and in the best interests of Hammer Metals Shareholders in the absence of a Superior Proposal.

For a summary of how to vote on the Scheme Resolution, refer to Section 4.7 and the Notice of Scheme Meeting contained in Annexure D of this Scheme Booklet.

(b) **Vote against**

If, despite the Hammer Metals Directors' unanimous recommendation and the Independent Expert's conclusion, you do not support the Scheme, you may vote against the Scheme Resolution at the Scheme Meeting. However, if the Scheme becomes Effective, the Scheme will bind all Hammer Metals Shareholders, including those who voted against the Scheme Resolution and those who did not vote at all.

(c) **Sell your Hammer Metals Shares**

You can sell your Hammer Metals Shares on ASX at any time prior to the close of trading on the Effective Date, following which the Hammer Metals Shares will cease trading on ASX. Hammer Metals Shareholders who sell some or all of their Hammer Metals Shares on market before trading in Hammer Metals Shares ends:

(i) will not be entitled to receive the Scheme Consideration (or the Sale Proceeds which they would have otherwise been entitled to receive through the Scheme Sale Facility if they are an Ineligible Holder) in respect of those Hammer Metals Shares they have sold;

(ii) may receive payment (which may vary from the ultimate value of the Scheme Consideration) for the sale of their Hammer Metals Shares sooner than they would receive the Scheme Consideration under the Scheme;

(iii) may incur brokerage and other sale costs;

(iv) may be subject to CGT, or may otherwise be required to include an amount in respect of the disposal in their assessable income (as applicable); and

(v) will not be able to participate in a Superior Proposal for Hammer Metals, if one emerges prior to the Effective Date, noting that, at the date of this Scheme Booklet, no Superior Proposal has emerged.

[26] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

(d) **Do nothing**

If, despite the Hammer Metals Directors' unanimous recommendation and the Independent Expert's conclusion, you decide to do nothing, you should note that:

(i) if all of the conditions precedent to the Scheme are satisfied or waived (as applicable), the Scheme will bind all Scheme Shareholders whether or not they attended the Scheme Meeting, and whether or not they voted for or against the Scheme Resolution; or

(ii) if the Scheme is not implemented, you will retain your Hammer Metals Shares.

4.3 Details of Scheme Meeting

(a) **Scheme Meeting**

The details of the Scheme Meeting are as follows:

(i) **Location**

Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005

(ii) **Date**

Monday, 9 November 2026

(iii) **Time**

The later of 11:00am (AWST) and the conclusion of the Demerger Meeting

The Notice of the Scheme Meeting is contained in Annexure D.

4.4 Your vote is important

It is a condition precedent to the Scheme that the Scheme Resolution be approved by the Requisite Majorities of Hammer Metals Shareholders at the Scheme Meeting. For this reason, the Hammer Metals Directors unanimously recommend that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the Hammer Metals Shareholders.[27]

You will be bound by the result of the vote whether or not you were present at the Scheme Meeting, whether or not you voted on the Scheme Resolution and whether or not you voted in favour of or against the Scheme Resolution.

Hammer Metals Shareholders who are unable, or do not wish, to attend the Scheme Meeting are encouraged to submit a directed proxy as early as possible and, in any event, no later than 48 hours before the Scheme Meeting. Proxy appointments must be received by 11:00am (AWST) on Saturday, 7 November 2026 for the Scheme Meeting. This can be done by completing and submitting a Proxy Form in accordance with the instructions on that form.

4.5 Eligibility to vote

The time for determining eligibility to vote at the Scheme Meeting is 5:00pm (AWST) on Saturday, 7 November 2026. Only those Hammer Metals Shareholders entered on the Hammer Metals Share Register at that time will be entitled to attend and vote at the Scheme Meeting.

[27] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

4.6 Joint Holders

In the case of Hammer Metals Shares being held by joint holders, only one of the joint holders is entitled to vote. If more than one joint holder votes in respect of jointly held Hammer Metals Shares, only the vote of the Hammer Metals Shareholder whose name appears first in the Hammer Metals Share Register will be counted.

4.7 How to vote at the Scheme Meeting

Hammer Metals Shareholders who are entitled to vote, can vote in the following ways:

(a) **Voting in person**

By attending the Scheme Meeting in person at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

(b) **Voting by proxy**

By lodging a Proxy Form in one of the following ways:

(i) **online**:https://portal.automic.com.au/investor/home (to use this facility, Hammer Metals Shareholders will need their SRN or HIN as shown on the front of the Proxy Form as well as their registered postcode/country details);

(ii) **by mail**: in the reply-paid envelope provided with the Proxy Form to Automic GPO Box 5193 Sydney NSW 2001;

(iii) **in person**: at Automic Level 5, 126 Phillip Street Sydney NSW 2000 Australia;

(iv) **by email**: to meetings@automicgroup.com.au; or

(v) **by fax**: to the Share Registry at +61 2 8583 3040 (both within and outside Australia).

(c) **Voting by corporate representative**

By an individual appointed to attend and vote at the Scheme Meeting as the corporate representative of the Hammer Metals Shareholder, if the Hammer Metals Shareholder is a body corporate. This appointment must comply with the requirements of the Corporations Act. The corporate representative must ensure that Hammer Metals has received a certificate of appointment and any authority under which the appointment is signed, no less than 48 hours before the Scheme Meeting (unless this has previously been provided to Hammer Metals).

(d) **Voting by attorney**

By appointing an attorney to attend and vote at the Scheme Meeting on your behalf. An attorney may only vote at the Scheme Meeting if the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority are provided to Hammer Metals prior to the Scheme Meeting (unless it has been previously provided to Hammer Metals).

Proxy Forms must be received by the Share Registry by 11:00am (AWST) on Saturday, 7 November 2026 for the Scheme Meeting.

4.8 How to ask questions

Hammer Metals Shareholders who would like to ask questions at the Scheme Meeting are encouraged to do so in writing before the Scheme Meeting by emailing their question to info@hammermetals.com.au prior to 5:00pm (AWST) on Monday, 2 November 2026. Alternatively, Hammer Metals Shareholders can submit questions when attending the Scheme Meeting.

5. Information about Hammer Metals

5.1 Overview of Hammer Metals

Hammer Metals Limited (ASX: HMX) is an exploration company targeting copper, gold, and critical minerals. Its primary focus is its ~3,400 km² tenement portfolio in Queensland's highly mineral endowed Mount Isa district, alongside the Yandal Gold Project in Western Australia.

Further information can be found at https://hammermetals.com.au/ and in the Independent Expert's Report contained in Annexure A.

5.2 Demerger

In conjunction with the Scheme, Hammer Metals is proposing the demerger of SpinCo by way of a capital reduction via a pro rata in-specie distribution of SpinCo Shares pursuant to which each Eligible Hammer Metals Shareholder (or the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will indicatively receive one SpinCo Share for every 35 Hammer Metals Shares held on the Demerger Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026)[28] (**Demerger**). The final number of SpinCo Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

SpinCo is an unlisted public company incorporated on 2 September 2026 in Western Australia for the purposes of undertaking the Demerger. In accordance with the Demerger Deed, it is intended that 100% of the fully paid ordinary shares in Carnegie, which holds Hammer Metals' Western Australia gold assets, will be transferred from Hammer Metals to SpinCo (**Restructure**). Upon completion of such Restructure, Carnegie will be a wholly owned subsidiary of SpinCo and SpinCo (through its shareholding in Carnegie) will hold the following "**Gold Assets**", comprising:

(a) the Bronzewing South Gold Project, being Hammer Metals' 100% owned tenement package in the prospective Yandal greenstone belt, located immediately south of the historical Bronzewing gold deposit and covering a prospective gold corridor with multiple underexplored targets;

(b) the Orelia North Gold Project, located ~9.5km north of Northern Stars' Orelia gold mining operations and approximately 12km NW of the Bronzewing mine, which hosts a maiden inferred Mineral Resource estimate of 1.48Mt @ 1.15g/t Au for 54.5koz Au and is subject to a mining lease application to support future commercialisation pathways;

(c) an option to acquire the Mt Sefton Gold Project, which is an early-stage gold exploration project located in the underexplored Mt Sefton greenstone belt, ~75km SW of the Gruyere gold deposit, with historical auger sampling having identified gold and pathfinder element anomalism; and

(d) certain other ancillary assets associated with the above-mentioned projects.

SpinCo will initially be an unlisted public company. The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations. There will be no established market on which SpinCo Shares can be traded immediately following the Scheme and Demerger, which may limit liquidity for SpinCo Shareholders.

Those Hammer Metals Shareholders that are Demerger Ineligible Shareholders will not be issued SpinCo Shares to which they would otherwise be entitled and instead their SpinCo Shares will be issued to the Demerger Sale Agent to be held on their behalf, pending a liquidity opportunity or event

[28] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the Requisite Majorities, and the Court, by order, approves the Scheme).

(for example, an ASX Listing). Upon the sale of the SpinCo Shares held on behalf of a Demerger Ineligible Shareholder, the Demerger Sale Agent will pay the net proceeds to the Demerger Ineligible Shareholder (net of applicable brokerage, stamp duty and other selling costs, taxes and charges).

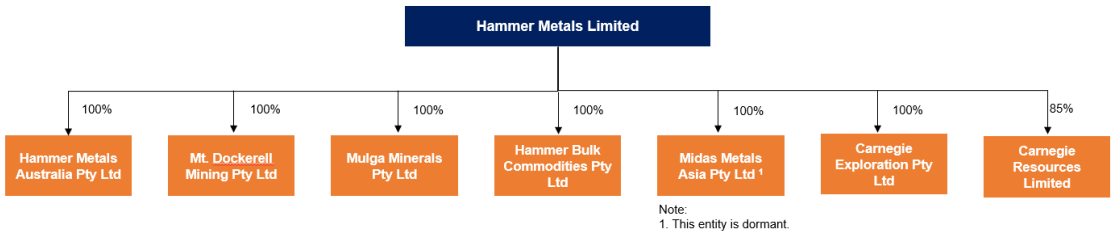
Full details of the Demerger and SpinCo can be found in the Demerger Materials which are included as Annexure E to this Scheme Booklet.

As the Demerger involves a capital reduction, the Demerger must be approved by Hammer Metals Shareholders. The Demerger is also conditional upon the Scheme becoming Effective. Accordingly, if the Demerger Resolution is not passed or the Scheme Resolution is not approved by the Requisite Majorities or the Scheme is not approved by the Court, and the conditionality with the Scheme is not waived, the Demerger will not proceed.

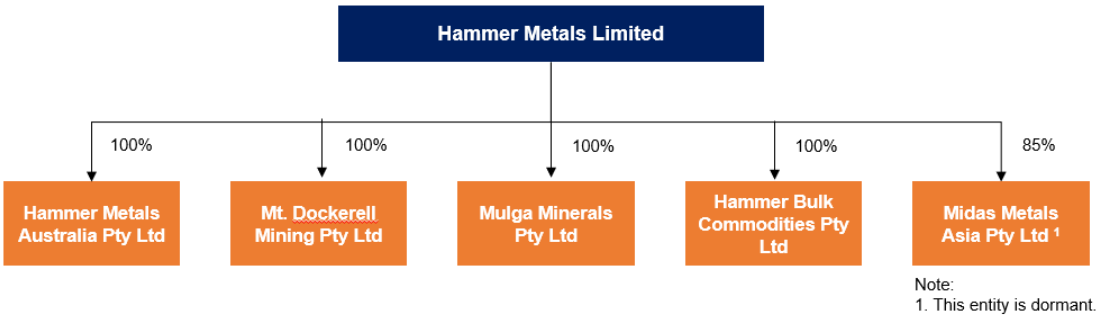
The Scheme is conditional upon the Demerger Resolution being passed by Hammer Metals Shareholders. Accordingly, if the Demerger Resolution is not approved by the Hammer Metals Shareholders, and the condition is not waived by Hammer Metals, then the Scheme will not proceed.

5.3 Corporate structure

The corporate structure of Hammer Metals prior to the Demerger is shown below.



Following implementation of the Demerger, as detailed in Section 5.2 and Annexure E, it is proposed that the SpinCo Group will be demerged from the Hammer Metals Group so that by the Implementation Date for the Scheme these entities will no longer be Subsidiaries of Hammer Metals and will not form part of the Merged Group. The structure of the Hammer Metals Group following implementation of the Demerger (and prior to implementation of the Scheme) is detailed below:



5.4 Projects overview

Hammer Metals' landholding comprises the Mt Isa Gold / Copper Project in Queensland and the Yandal Gold Project in Western Australia.

5.5 Projects

(a) **Mount Isa Project**

Hammer Metals is an active mineral explorer in the Mount Isa region, focused on discovering large copper-gold deposits of the Ernest Henry and Mount Isa styles. It has a range of prospective targets at various stages of exploration and testing.

Through its wholly owned Subsidiaries, Hammer Metals holds a strategic tenement position covering approximately 3,400km^2. This includes 100% interests in the Kalman (Cu-Au-Mo-Re) deposit, the Overlander North and Overlander South (Cu-Co) deposits, the Elaine-Dorothy (Cu-Au) deposit and the Lakeview (Cu-Au) deposit and a 51% interest in the Jubilee (Cu-Au) deposit. The ground position is focused on major regional-scale structural zones and extends for more than 160km from Dugald River area in the north to the Tick Hill gold area in the south. Hammer first entered the Mount Isa region in 2013 with the acquisition of Mount Dockerell Mining Pty Ltd which held a 1,600km^2 project area that included an interest in the Kalman Copper-Gold-Molybdenum-Rhenium deposit. Over the following years, Hammer significantly increased its tenure in the region, acquiring an interest in the Jubilee and Elaine deposits in addition to several other prospective exploration targets.

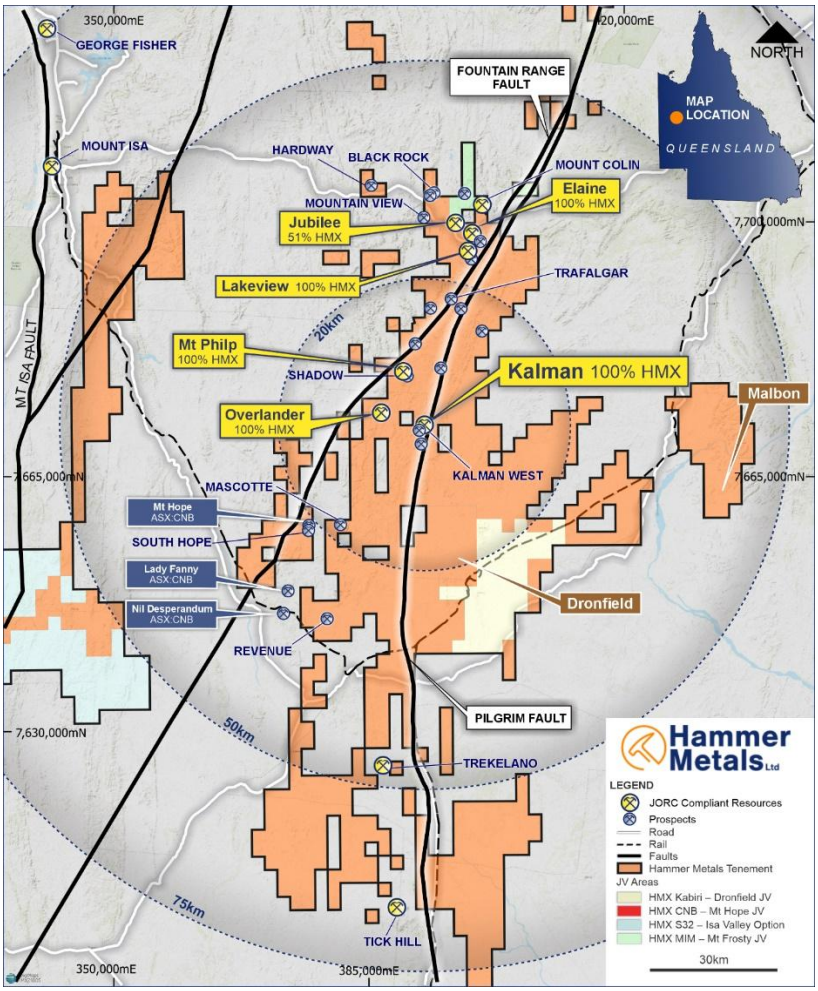


Figure 1: Hammer Metals' Mount Isa Project

(b) **Kalman**

The Kalman deposit is a significant polymetallic deposit located in Queensland's Mount Isa Inlier, 60km southeast of Mount Isa City. The deposit has a Mineral Resource estimated at 39.2 million tonnes at 1.07% recovered copper-equivalent, containing an estimated 208,400t of copper, 343,200 oz of gold, 38,000t of molybdenum and 1.92Moz of silver (see ASX announcement dated 8 May 2023). Kalman is also one of the world's highest-grade undeveloped molybdenum and rhenium projects.

Whilst there were a number of phases of earlier exploration work at Kalman, the significance of the deposit was established by Kings Minerals NL (now Santana Minerals Ltd) during reconnaissance work at Kalman in July 2005 during a drill program of four RC holes in October 2005. Another four RC holes were drilled, and these were later extended by diamond coring in mid-2006. A further 49 diamond holes and 55 RC holes were drilled in the second half of 2009.

Kings Minerals NL entered into a joint venture with Syndicated Metals Ltd in 2006 and the joint venture continued to conduct further drilling and metallurgical studies until Hammer Metals acquired its initial operating interest in the project in December 2013.

Hammer has since completed a number of smaller scale infill and extensional drilling programs that delineated extensions to known mineralisation. Updates to the resource model were completed in 2016 and 2023.



Figure 2: Kalman structure looking south

The deposit is favourably located 60km southeast of Mount Isa and 25km south of the Barkly Highway. The deposit is considered to have open pit and underground mining potential and remains open at depth.

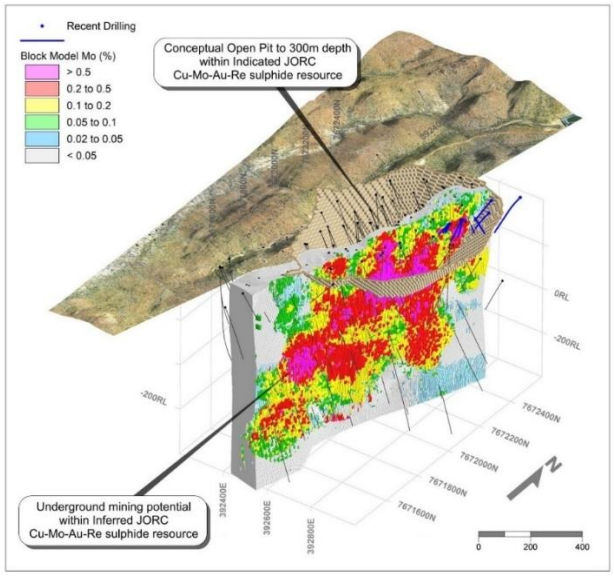


Figure 3: Kalman oblique view looking northwest, showing molybdenum percentage blocks.

(c) Jubilee Deposit

The Jubilee copper deposit is located less than 1km from the Barkly Highway, midway between Mount Isa and Cloncurry and adjacent to the haul road to the former Mount Colin copper mine. The deposit straddles two tenements: EPM14467, which comprises the Mt Frosty Joint Venture; and EPM14022, which is held by Mulga Minerals Pty Ltd, a wholly owned subsidiary of Hammer Metals Ltd.

Mount Isa Mines Ltd was the original holder of EPM14467 and the company established the Mt Frosty Joint Venture with Chinalco Yunnan Copper Resources Ltd (CYU) in February 2012.

Hammer (via its 100% owned subsidiary Mulga Minerals Pty Ltd) acquired the 51% ownership of EPM14467 from CYU in January 2017.

Both CYU and HMX have drilled the Jubilee deposit during their periods of JV operatorship, and this resource definition culminated in the maiden mineral resource estimate being released in December 2018. Hammer also completed preliminary metallurgical flotation test-work on the sulphide mineralisation in late 2018.

(d) **Overlander Deposits**

The Overlander North and Overlander South deposits contain a combined Mineral Resource estimate of 1.77 million tonnes grading 1.2% copper and 0.05% cobalt. The project comprises a large mineralised system spanning a 6km strike length and is divided into the Overlander North and Overlander South zones hosting the deposits, as well as broad zones of lower grade copper mineralisation at Overlander Central and the Overlander IOCG prospect. Located approximately 6km west of Hammer Metals' flagship Kalman Project, Overlander represents a strategic, near-surface target with potential for development as a satellite open pit mining operation.

Initial exploration at Overlander North was conducted by Carpentaria Exploration Company (CEC) in the 1970's, with nine short percussion holes and one diamond hole drilled. Kings Minerals Limited conducted further RC drilling at Overlander North and South in 2006.

The prospect was acquired by Hammer Metals in December 2013, and the company initially drilled 16 reverse circulation holes at Overlander North and South, mainly targeting the shear hosted mineralised zones. Primary copper sulphide mineralisation was observed in most holes, delineating coherent shear-hosted copper zones at both prospects. A further 16 reverse circulation holes and one diamond hole were drilled in 2014.

The RC drilling further defined the Overlander North and South copper resources, culminating in the maiden mineral resource estimate being released in August 2015.

(e) **Lakeview Deposit**

The Lakeview deposit is a smaller but high-grade structural target hosting a Mineral Resource of 0.59 million tonnes grading 1.02% copper and 0.30g/t gold. It is located midway between Mount Isa and Cloncurry, 1km south of the Barkly Highway and lies on the highly prospective 12km long Trafalgar-to-Jubilee structural trend.

Historic mining in the early 1900's at Lakeview consisted of 3 shafts with depths of up to 30m. No maps of underground development have been noted. The first modern exploration was conducted by Pimex in 1988. Pimex conducted geological mapping, trenching, ground magnetics and self-potential surveys with an initial diamond hole in 1989.

Hammer drilled 13 reverse circulation holes across 2021 and 2022 in addition to geological mapping and downhole electromagnetics.

The maiden Mineral Resource estimate was released in December 2022.

(f) **Elaine Deposit**

The Elaine deposit, also referred to as Elaine-Dorothy, is located 1.5km east of the Jubilee deposit and 2km north of the Barkly Highway. The deposit represents a substantial shear-hosted iron oxide copper-gold (skarn) system along strike to south of the historic Mary Kathleen uranium mine. As mineralisation remains open both along strike and at depth, Elaine is an important part of Hammer's broader copper-gold growth strategy in the region.

Western Nuclear Inc. conducted the first recorded exploration work at Elaine, but no drilling was conducted. In 1955, Minerals Ventures Ltd. drilled 11 holes. Little work occurred until Mary Kathleen Uranium Ltd. (a joint venture between Rio Tinto Mining Company of Australia Ltd and Australian Oil Exploration Ltd) explored the area and drilled 19 holes in the late 1970s and early 1980s.

Goldsearch Ltd conducted confirmation drilling over Elaine in 2006 and subsequently the company entered into a joint venture with Chinalco Yunnan Copper Resources Ltd (CYU) in

2009. CYU undertook the initial resource drill-out and conducted numerous geophysical programs culminating in the maiden Mineral Resource estimate being released in June 2012.

Hammer Metals acquired the property in December 2016.

(g) **Mt Philp Deposit**

The Mt Philp iron deposit hosts an outcropping hematitic iron ore deposit, representing a distinct iron-rich asset within a district otherwise dominated by base metals.

Hammer Metals acquired the property as part of the larger project acquisition in December 2013.

(h) **Exploration Tenure**

Since commencing exploration in 2014, Hammer Metals has drilled 390 holes for a total of approximately 61km, testing 58 discrete prospects or targets. Of these, 29 targets were generated internally and drill-tested by Hammer Metals, demonstrating Hammer Metals' ongoing commitment to systematic exploration and discovery within this highly endowed mineral province. Analysis of historical drilling highlights the widespread distribution of mineralisation across the tenure:

(i) >75 prospects contain at least one intercept exceeding 1% Cu over 1m; and

(ii) >40 prospects contain intercepts exceeding 1g/t Au over 1m.

Despite this encouraging dataset, most prospects remain lightly drill tested. Only 12 prospects have been drilled with more than 10 holes by Hammer Metals, while the majority have been tested by limited shallow drilling, often comprising only one to three reverse circulation drill holes.

After internal reviews several prospects with known copper mineralisation have been identified as warranting further work, including Blackrock, Overlander, Pearl, Lakeside, Yellowstone, Scalper and The Springs. These targets were prioritised for follow-up work based on varying combinations of the following factors:

(i) grade and thickness of copper and gold intercepts indicating potential ore-grade widths;

(ii) geological scale and continuity of mineralisation;

(iii) the presence of multiple mineralised sulphide lenses; and

(iv) evidence for larger sulphide systems from EM conductors or large magnetite alteration footprints.

(i) **Yandal Projects**

Hammer Metals holds a 100% interest in approximately 690km^2 of tenements located within the Yandal greenstone belt of Western Australia. Hammer Metals first acquired tenements in this region in 2019 and has since been actively exploring and expanding its tenure in this highly prospective gold exploration region close to existing infrastructure.

The project was grown from acquisitions of Carnegie Exploration Pty Ltd in May 2019, select tenements from Alloy Resources Ltd in July 2020 and through opportunistic accretion.

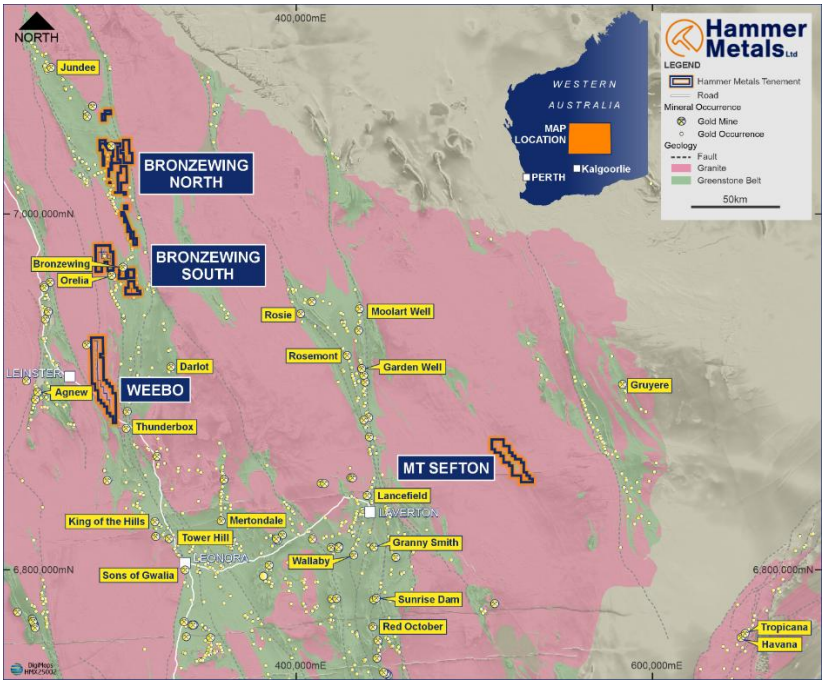


Figure 4:Hammer Metals' Gold Exploration Project, including the Mt Sefton Project

(i) Bronzewing South

The Bronzewing South Project is situated immediately south of the 3-million-ounce Bronzewing Gold Mine. Hammer Metals' tenure targets the highly prospective geological corridor extending along strike from the former mine.



Figure 5: Hammer Metals' tenure immediately south of the Bronzewing Discovery Gold Pit

(ii) Orelia North

The Orelia North deposit maiden Inferred Mineral Resource was reported in July 2024 and is estimated to contain 1.48Mt grading 1.15g/t Au for 54.5koz of contained gold, reported at a 0.5g/t Au cut-off. The deposit is located approximately 9.5km north of Northern Star Resources Limited's (ASX: NST) Orelia gold operation and approximately 12.5km north-west of NST's Bronzewing Gold Mine. The deposit remains open at depth and offers strong exploration potential along the 2km strike length of gold anomalism.

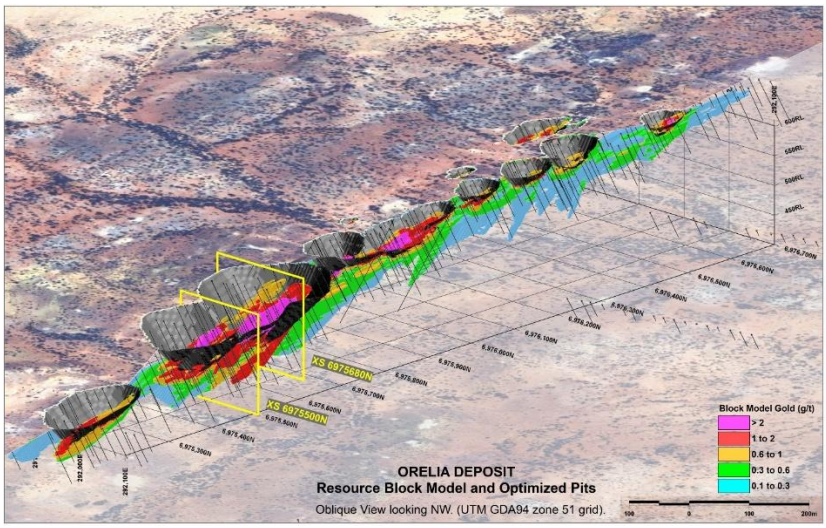


Figure 6:Oblique view looking northwest, showing drilling and block model with optimised pit

(iii) **Weebo Project**

The Weebo Project comprises tenement applications covering a poorly tested greenstone belt located between the Yandal and Agnew-Wiluna greenstone belts. The applications, covering approximately 310km^2, lie less than 10km north of the Thunderbox gold mine. The ground was historically held by BHP Mining, which conducted predominantly nickel-focused exploration programs. Historical drilling confirmed the presence of mafic and greenstone rocks in an area previously interpreted as granite-dominated. The applications encompass more than 50km of prospective stratigraphy, with only sparse historical drilling completed to date.

(j) **Mount Sefton Project Option**

Hammer Metals further expanded its Western Australian gold exploration portfolio by entering into a binding option agreement (in October 2025) to acquire exploration licence E38/4006, the Mt Sefton Gold Project, from Casino Mining Corporation Pty Ltd (ACN 687 870 471). The tenement application is located in the Mt Sefton Greenstone Belt, west of the Yamarna Greenstone Belt and approximately 75km south-west of the Gruyere gold deposit and 150km north-east of the Tropicana deposit in Western Australia.

5.6 Mineral Resources

(a) **Kalman Deposit Mineral Resource Estimate reported at a 0.4% CuEq and 1% CuEq cut-off for open pittable and underground resources, respectively**

Classification	Mining	CuEq	Tonnes	CuEq Cont.	CuEq Rec.	Cu	Au	Ag	Mo	Re	Contained Cu Eq	Recovered CuEq
	Method	Cut-off	Kt [1]	% [3]	% [2, 3, 4]	%	g/t	g/t	%	g/t	Metal (Kt) [1]	Metal (Kt) [1]
Indicated	Open Pit	0.4%	17,120	1.04	0.87	0.43	0.22	1.2	0.08	1.7	180	150
Inferred	Open Pit	0.4%	10,540	1.11	0.93	0.40	0.21	1.3	0.10	2.2	120	100
Inferred	Underground	1.0%	11,530	1.78	1.48	0.80	0.41	2.2	0.12	2.7	200	170
Total			**39,190**	**1.27**	**1.07**	**0.53**	**0.27**	**1.5**	**0.10**	**2.1**	**500**	**420**

Notes:

1. The recovered copper equivalent equation is: CuEq Recovered = 0.86*Cu + (0.74*0.771051*Au) + (0.74*0.008336*Ag) + (0.86*4.857143*Mo) + (0.77*0.023334*Re).
2. Copper Equivalent Price assumptions are: Cu: US$7,714/t (US$3.50/lb); Au: US$1,850/oz; Ag: US$20/oz; Mo: US$37,468/t (or US$17/lb); and Re: US$1,800/kg.
3. Recovery assumptions are: Cu 86%; Au 74%; Ag 74%; Mo 86%; and Re 77%.
4. Transition from Open to Underground Mining based on prior optimisation studies set at 75mRL. Surface RL is approximately 425mRL.

(b) **Jubilee Deposit Mineral Resource Estimate reported at 0.5% Cu cut-off**

Classification	Weathering	Tonnes	Cu	Au (Cut)	Cu	Au (Cut)
	Domain		%	g/t	Tonnes	Ounces
Inferred	Mod-Slightly Weathered	0.07	1.51	0.55	1,000	1,200
Inferred	Fresh	1.34	1.41	0.63	19,000	27,100
Total		**1.41**	**1.41**	**0.62**	**20,000**	**28,300**

Notes:
1. Numbers rounded to two significant figures to reflect appropriate levels of confidence.
2. Totals may differ due to rounding.

(c) **Lakeview Deposit Mineral Resource Estimate reported at 0.3% Cu cut-off**

Classification	Tonnes Mt	Cu %	Au g/t	Cu Tonnes	Au Ounces
Inferred	0.59	1.02	0.30	6,049	5,706

(d) **Overlander North And South Deposits Mineral Resource Estimates reported at 0.7% Cu cut-off**

(i) Overlander North Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	870,000	1.3	456	11,350	396
Total	**1,123,000**	**1.3**	**410**	**14,764**	**461**

Notes:
1. Numbers rounded to two significant figures to reflect appropriate levels of confidence.
2. Totals may differ due to rounding.

(ii) Overlander South Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	-	-	-	-	-
Inferred	649,000	1.0	500	6,352	327
Total	**649,000**	**1.0**	**500**	**6,352**	**327**

Notes:
1. Numbers rounded to two significant figures to reflect appropriate levels of confidence.
2. Totals may differ due to rounding.

(iii) Overlander North and South Combined Mineral Resource

Classification	Tonnes	Cu %	Co ppm	Cu Tonnes	Co Tonnes
Indicated	253,000	1.4	254	3,414	64
Inferred	1,518,000	1.2	476	17,700	723
Total	**1,772,000**	**1.2**	**445**	**21,112**	**788**

Notes:
1. Numbers rounded to two significant figures to reflect appropriate levels of confidence.
2. Totals may differ due to rounding.

5.7 Material contracts

(a) **Mount Isa Joint Ventures and Earn-Ins**

Hammer Metals has five active joint ventures in the Mount Isa region, covering 520km^2 out of its ~3,400km^2 position in the Mount Isa region. Hammer Metals has retained a 100% interest in ~2,900km^2 of tenure and a 100% interest in its JORC compliant Mineral Resources at Kalman, Overlander, Elaine and Lakeview.

The table below summarises Hammer Metals' joint ventures within the Mount Isa Project.

Joint Venture	Partner	HMX Interest	Blocks	Area (km^2)	Proportion of Tenure
Mt Frosty JV	Mount Isa Mines Limited	51%	9	29	1%
Dronfield JV	Kabiri Resources Pty Ltd	80%	44	141	4%
Mt Hope JV	Carnaby Resources Limited	49%	3	10	0%
Isa Valley Earn-in	South32 Group Operations Pty Ltd	100%	100	320	9%
Mt Dorothy and Cobalt Ridge JV	Global Energy Metals Corporation	80%	8	26	1%
Lady Jenny ML (Option)	Corella Valley Corporation Pty Ltd	0% (Option)	N/A	<1	0%
Total			**164**	**526**	**15%**

(i) **Mount Hope JV with Carnaby Resources (HMX ~49%) Cu-Au**

Carnaby's interest in the Mount Hope JV comprises three sub-blocks within Hammer Metals' EPM26777, located immediately adjacent to Carnaby Resources' Mount Hope Copper-Gold Project. Carnaby can earn a 70% interest in the project by making a $5 million payment upon a decision to mine at their Mount Hope project. Hammer Metals will also be entitled to 30% of profits generated from any ore mined within the EPM26777 sub-blocks. A further $6 million cash payment will be payable to Hammer Metals upon a final investment decision for any separate new development on the sub-blocks.

(ii) **Isa Valley Project**

South32 Group Operations Pty Ltd (**South32**) has entered into an earn-in agreement with Hammer Metals pursuant to which it may acquire up to an 80% interest in EPM28189. The project covers an area of approximately 320km² and includes a 30km strike length of the Mount Isa Fault zone. In June 2026, South32 committed to fund an additional $3 million of exploration expenditure over three years, following early geological success targeting Mount Isa-style sediment-hosted lead-zinc-copper mineralisation.

(iii) **Mt Frosty Joint Venture**

The Mt Frosty JV is a 51% Hammer Metals-operated and 49% Mount Isa Mines Ltd (**Glencore**) partnership. Located less than 1km from the Barkly Highway, the project encompasses the highly prospective Mary Kathleen Shear Zone. Its principal asset is the shallow Jubilee copper-gold deposit, which hosts an Inferred Mineral Resource Estimate of 1.41 million tonnes grading 1.41% copper and 0.62g/t gold.

(iv) **Mount Dorothy and Cobalt Ridge Joint Venture**

The Mt Dorothy and Cobalt Ridge Joint Ventures comprise 8 sub blocks in the northern portion of the Mount Isa Project area within EPM 14019 (held by Mulga Minerals Pty Ltd (**Mulga Minerals**)), EPM 26775 and EPM29347 (both held by Mount Dockerell Mining Pty Ltd (**MDM**)).

On 5 July 2023, Mulga Minerals and MDM (both subsidiaries of Hammer Metals) entered into a binding term sheet with Element Minerals Australia (**Element**), a subsidiary of Global Energy Metals Corporation (**GEMC**), to acquire an 80% interest in the Mount Dorothy and Cobalt Ridge Projects, two copper and critical elements projects located in the Mount Isa inlier region of Northwest Queensland.

These prospects were initially sold to GEMC in 2019 as part of Hammer Metals' divestment of the Millenium Cobalt Project. In light of Hammer Metals' recent exploration success in making a significant copper-rare earth discovery at the nearby Hardway prospect, and the exploration results from Mount Dorothy by China Yunnan Copper Australia Ltd in 2011 that suggest similarities in the mineralogy of the Hardway and Mount Dorothy mineral systems, Hammer Metals is pleased to have re-acquired the prospects.

(v) **Lady Jenny Mining Leases – Option with Corella Valley Corporation**

The Lady Jenny Mining Leases are located approximately 16km south of the sealed Barkly Highway, which links Mount Isa and Cloncurry, via the Fountain Springs Road. The leases are surrounded by Hammer Metals' 100%-owned exploration licences and are located near the Company's defined JORC-compliant Mineral Resources at Kalman, Overlander, Lakeview and Jubilee. Hammer Metals has secured an option to acquire an 80% interest in the Lady Jenny Mining Leases for a payment of A$500,000 by October 2026.

(vi) **Kabiri Joint Venture**

The Kabiri Joint Venture is one of Hammer Metals' foundational exploration agreements and relates to the Dronfield tenement (EPM18084). Under the joint venture terms, Hammer Metals holds an 80% operating interest in the tenement, with Kabiri Resources Pty Ltd free carried through to completion of a Pre-Feasibility Study.

(b) **Loan Facility**

On 11 August 2026, Hammer Metals and Austral entered into a bridging loan agreement pursuant to which Austral agreed to provide Hammer Metals with a working capital loan facility of up to $6,000,000 (**Loan Facility**). As at the Last Practicable Date, Hammer Metals has drawn $3 million under the Loan Facility.

The material terms of the Loan Facility are summarised below:

(i) (**Loan Facility**) Up to $6,000,000.

(ii) (**Purpose**) The Loan Facility has been made available to Hammer Metals for general working capital and corporate purposes in accordance with an agreed budget and for any reasonable fees, costs and expenses incurred in connection with the Scheme Implementation Deed and the transactions contemplated thereby. The first drawdown under the Loan Facility was used to, amongst other matters, repay the outstanding Larvotto Loan and to pay the Larvotto Break Fee.

(iii) (**Drawdown availability**) The Loan Facility is available until the date which is six calendar months from the execution of the Scheme Implementation Deed, or such later date as Austral may agree in its absolute discretion.

(iv) **(Conditions precedent to drawdown)** Drawdowns are subject to customary conditions precedent, including no event of default having occurred (and if an event of default has occurred and is capable of remedy, it has been remedied), the Scheme

Implementation Deed not being validly terminated by either party and the Borrower having provided an executed Drawdown Notice.

(v) **(Repayment)** Hammer Metals must repay the Loan Facility, including any capitalised and outstanding interest:

(A) if the Scheme Implementation Deed is terminated and the Break Fee:

(I) is not payable by Hammer Metals (including where the Scheme does not implement by 31 January 2027 (or such other date as Hammer Metals and Austral may agree in writing)) or is payable by Hammer Metals under clause 9.2(d) of the Scheme Implementation Deed (*where Austral validly terminates the Scheme Implementation Deed for a material and wilful breach - refer to Section 10.6(f)(iv)*), within four months after the date of termination of the Scheme Implementation Deed;

(II) is payable by Hammer Metals (other than where the Break Fee is payable under clause 9.2(d) of the Scheme Implementation Deed (where Austral validly terminates the Scheme Implementation Deed for a material and wilful breach - refer to Section 10.6(f)(iv)), and is paid in accordance with the Scheme Implementation Deed, within 30 days after the date of termination of the Scheme Implementation Deed;

(B) immediately if an event of default has occurred (whether or not it is continuing) and Austral gives notice declaring all or any part of the Loan Facility payable on demand or due and owing;

(C) if the Scheme Implementation Deed is terminated by Hammer Metals in accordance with clauses 12.1(b) (*termination for material breach of the Scheme Implementation Deed – refer to Section 10.6(h)(i)(B)*), 12.3(a) (*termination for breach of an Austral warranty – refer to Section 10.6(h)(iii)(A)*) or 12.3(b)(ii) (*termination by Hammer Metals where the Hammer Metals Board changes their recommendation of the Scheme after the Independent Expert concludes that the Scheme is not in the best interests of Hammer Metals Shareholders – refer to Section 10.6(h)(iii)(B)(2)*) of the Scheme Implementation Deed, within six months after the date of termination of the Scheme Implementation Deed; or

(D) if Implementation occurs, such date as notified by Austral to Hammer Metals in writing after the Implementation Date.

(vi) (**Interest**) Provided that:

(A) Austral has not given notice under clause 9.2 of the Scheme Implementation Deed requiring payment of the Break Fee;

(B) no event of default occurs and is continuing; and

(C) the Scheme Implementation Deed has not been terminated by either party,

no interest will accrue on the Loan Facility.

Where the Scheme Implementation Deed is terminated by Hammer Metals in accordance with clauses 12.1(b) (termination for material breach of the Scheme Implementation Deed – refer to Section 10.6(h)(i)(B)), 12.3(a) (termination for breach of an Austral warranty – refer to Section 10.6(h)(iii)(A)) or 12.3(b)(ii) (termination by Hammer Metals where the Hammer Metals Board changes their recommendation of the Scheme after the Independent Expert concludes that the Scheme is not in the best interests of Hammer Metals Shareholders – refer to Section 10.6(h)(iii)(B)(2)) of the Scheme Implementation Deed, no interest will accrue on the Loan Facility until the

repayment date determined below, following which interest will accrue on the Loan Facility at the rate of 9% per annum from such repayment date.

Where any one of the events or matters described in sub-paragraphs (A) to (C) above has occurred (and in respect of sub-paragraph (C), where the Scheme Implementation Deed is terminated other than by Hammer Metals in accordance with clauses 12.1(b) (*termination for material breach of the Scheme Implementation Deed – refer to Section 10.6(h)(i)(B)*), 12.3(a) (*termination for breach of an Austral warranty – refer to Section 10.6(h)(iii)(A)*) or 12.3(b)(ii) (*termination by Hammer Metals where the Hammer Metals Board changes their recommendation of the Scheme after the Independent Expert concludes that the Scheme is not in the best interests of Hammer Metals Shareholders – refer to Section 10.6(h)(iii)(B)(2)*) of the Scheme Implementation Deed), then interest will accrue on the Loan at a rate of 15% p.a. from the date that the first of such events has occurred until the Loan Facility is repaid to Austral in full.

(vii) (**Security**) The Loan Facility is unsecured.

(viii) (**Events of Default**) The Loan Facility contains customary events of default for a transaction of this nature, including the following events:

(A) a warranty or statement by Hammer Metals is materially or substantially untrue or misleading which, if capable of remedy, has not been remedied within 10 Business Days of Hammer Metals becoming aware that the warranty or statement was materially or substantially untrue or misleading;

(B) a Hammer Metals Group member becomes subject to an insolvency event;

(C) Hammer Metals Shares are suspended from trading for more than 5 Trading Days in aggregate between the date of the agreement until the due date for repayment of the Loan Facility;

(D) without the prior consent of Austral (not to be unreasonably withheld, delayed or conditioned), any member of the Hammer Metals Group sells, disposes or grants to any third party, (including by way of joint venture or similar) any interest in any of its assets (or agreeing to do any of those things) except to the extent permitted under existing contractual arrangements or the Scheme Implementation Deed, fairly disclosed to Austral or with Austral's prior consent;

(E) the expenditure of the Loan Facility funds are in a manner that is materially inconsistent with the agreed budget;

(F) Hammer Metals is in material breach of the agreement and (if capable of being rectified) Hammer Metals fails to rectify that breach within 10 Business Days of written notice from Austral; or

(G) either Austral terminates the Scheme Implementation Deed under clauses 12.1(b) (*termination for material breach - refer to Section 10.6(h)(i)(B)*) or 12.2(a) (*termination for material breach of a Hammer Metals warranty - refer to Section 10.6(h)(ii)(A)*) of the Scheme Implementation Deed, or the Break Fee is payable under the Scheme Implementation Deed and Hammer Metals fails to pay that Break Fee in accordance with the terms of the Scheme Implementation Deed.

(ix) (**Larvotto Loan repayment**) Austral acknowledges, undertakes and agrees that:

(A) immediately from the receipt of the first drawdown notice, it will make the first drawdown available to enable Hammer Metals to, amongst other matters, pay the Larvotto Break Fee and to repay the Larvotto Loan, in each case, in full and in strict compliance with Hammer Metals' obligations to Larvotto;

(B) Hammer Metals is and will not be required to repay the Larvotto Break Fee to Austral, and such Larvotto Break Fee amount will be forgiven and extinguished as a debt owing from Hammer Metals to Austral and excluded from the Loan Facility and any interest calculations, where the Scheme is not implemented or the Scheme Implementation Deed is terminated in circumstances where Hammer Metals is not required under the Scheme Implementation Deed to pay the Break Fee to Austral; and

(C) Hammer Metals will not be required to repay an amount equal to the Break Fee to Austral, and such amount will be forgiven and extinguished as a debt owing from Hammer Metals to Austral and excluded from the Loan Facility and any interest calculations, where the Scheme Implementation Deed is terminated by Hammer Metals under clauses 12.1(b) (*termination for material breach of the Scheme Implementation Deed – refer to Section 10.6(h)(i)(B)*), 12.3(a) (*termination for breach of an Austral warranty – refer to Section 10.6(h)(iii)(A)*) or 12.3(b)(ii) (*termination by Hammer Metals where the Hammer Metals Board changes their recommendation of the Scheme after the Independent Expert concludes that the Scheme is not in the best interests of Hammer Metals Shareholders – refer to Section 10.6(h)(iii)(B)(2)*) of the Scheme Implementation Deed.

5.8 Hammer Metals Board and senior management

(a) **Directors of Hammer Metals**

(i) Russell Davis – Non-Executive Chairman

Mr Russell Davis, BSc (Honours) MBA MAusIMM, is a geologist with more than 40 years' experience in the mineral resources sector. He has worked on the exploration and development of a range of commodities for international and Australian companies, holding senior technical and corporate roles including Chief Mine Geologist, Exploration Manager and Managing Director. Mr Davis was a founding director of Gold Road Resources Limited in 2005 and continued as an executive and then non-executive director until June 2016. He was also a founding director of Syndicated Metals Limited in 2007 and served as Managing Director until March 2012. Mr Davis has been a director of Hammer Metals (Australia) Pty Ltd since its inception in 2012.

(ii) Daniel Thomas – Managing Director

Mr Daniel Thomas, BSc, MBA, has more than 20 years' experience in operations, corporate development, project management and project finance. He completed undergraduate studies in Chemistry and Geology and holds an MBA from Melbourne Business School. During his career, Mr Thomas has worked across Australia, North America, Asia and Africa in a broad range of commodities, including base and precious metals. Before joining the Company, Mr Thomas was Business Development Manager at Sandfire Resources Limited (ASX: SFR), where he was instrumental in using cash flows generated by the DeGrussa Copper-Gold Mine to grow the company both organically through exploration and through business development initiatives, including acquisitions, investments and joint ventures. Prior to Sandfire Resources Limited, Mr Thomas held roles with Wesfarmers, PTT Asia Pacific Mining and Mitsui E&P Australia.

(iii) David Church – Non-Executive Director

Mr David Church, LLB, BEc, is currently a partner at national legal firm Thomsons. Mr Church is a qualified solicitor and has previously practised in England and Wales and Hong Kong with Linklaters. He was also head of mergers and acquisitions for Regent Pacific Group Limited, a Hong Kong-listed investment company, for more than 13 years.

(iv) James Croser – Non-Executive Director

Mr James Croser, BEng (Mining Engineering), has more than 25 years' experience in operational and executive roles, with a strong track record of guiding junior ASX-listed companies through periods of significant growth. Most recently, Mr Croser was a founding director of Red Dirt Metals, now Delta Lithium Limited (ASX: DLI), and was involved in the discovery of the Mt Ida lithium deposit in Western Australia.

(b) **Hammer Metals Senior Management**

(i) Mark Whittle – Chief Operating Officer

Mr Mark Whittle, BSc (Geology), MSc (Geology), FAusIMM, is a highly experienced geologist with more than 35 years' experience in mining and mineral exploration across Australian and international jurisdictions. Prior to his appointment as Chief Operating Officer, Mr Whittle served as Exploration Manager for both Hammer Metals and Syndicated Metals Limited.

(ii) Mark Pitts – Company Secretary

Mr Mark Pitts, B.Bus, FCA, GAICD, is a Chartered Accountant with more than 35 years' experience in statutory reporting and business administration. He has been directly involved with, and has consulted to, a number of public companies while holding senior financial management positions.

5.9 Interests of Hammer Metals Directors

As at the Last Practicable Date, the Hammer Metals Directors have the following Relevant Interests in Hammer Metals Securities:

Hammer Metals Director	Hammer Metals Shares	Hammer Metals Options	Hammer Metals Performance Rights	Total Value [6]
Russell Davis	46,500,000	5,000,000 [1]	Nil	$4,906,918
Daniel Thomas	9,833,334	6,000,000 [2]	7,000,000 [3]	$1,904,164 [7]
David Church	1,052,631	5,000,000 [4]	Nil	$295,440
James Croser	Nil	5,000,000 [5]	Nil	$155,000

Notes:

1. Comprises:
   a. 1,500,000 Hammer Metals Options exercisable at $0.07 each on or before 30 November 2026.
   b. 1,000,000 Hammer Metals Options exercisable at $0.07 each on or before 2 December 2028.
   c. 1,500,000 Hammer Metals Options exercisable at $0.08 each on or before 2 December 2028.
   d. 1,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
2. Comprises:
   a. 4,000,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   b. 2,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
3. Comprises 3,000,000 Management Performance Rights subject to various vesting conditions and expiring 2 December 2027 and 4,000,000 Hammer Metals Performance Rights subject to various vesting conditions and expiring 15 December 2027.
4. Comprises:
   a. 1,500,000 Hammer Metals Options exercisable at $0.07 each on or before 30 November 2026.
   b. 1,500,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   c. 1,000,000 Hammer Metals Options exercisable at $0.07 each on or before 2 December 2028.
   d. 1,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
5. Comprises:
   a. 4,000,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   b. 1,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
6. Calculated using the implied value of the Scheme Consideration per Hammer Metals Share based on the trading price of Austral Shares on ASX as at the Last Practicable Date (of $0.078) and the consideration payable for the cancellation of the Hammer Metals Options calculated using a Black-Scholes valuation of the Hammer Metals Options.
7. Includes the value of the Management Performance Rights (which based on the implied value of the Scheme Consideration of $0.101 is worth approximately $389,581) and the value of the unvested Hammer Metals Performance Rights held by Mr

Thomas (which, based on the implied value of the Scheme Consideration of $0.101 per Hammer Metals Share is worth approximately $519,441).

No Hammer Metals Director acquired or disposed of a Relevant Interest in any Hammer Metals Shares during the four months before the date of this Scheme Booklet. Refer to Section 11.2 for details regarding the treatment of the Hammer Metals Options, Management Performance Rights and Hammer Metals Performance Rights in connection with the Scheme.

No Hammer Metals Director has a Relevant Interest in any securities in Austral. No Hammer Metals Director has acquired or disposed of a Relevant Interest in any securities in Austral during the four months before the date of this Scheme Booklet.

Except as disclosed in Section 11.2, no Hammer Metals Director has any interest in any contract entered into by Austral or any of its Related Bodies Corporate.

5.10 Hammer Metals historical financial information

(a) Basis of preparation

The historical information comprises the audited consolidated financial statements of the Hammer Metals Group for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024 (**Hammer Metals Financial Information**).

The information in this Section 5.10 is a summary only and has been prepared solely for inclusion in this Scheme Booklet. Hammer Metals' full financial accounts are available on its website at https://hammermetals.com.au/, or by requesting a copy free of charge from Hammer Metals' Company Secretary on info@hammermetals.com.au.

The Hammer Metals Financial Information was audited by PFK Perth in accordance with the Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act.

The significant accounting policies used in the preparation of the Hammer Metals Financial Information are consistent with those set out in Hammer Metals' FY26 Annual Report, FY25 Annual Report and FY24 Annual Report. The Hammer Metals Financial Information has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act. The consolidated financial statements comply with International Financial Reporting Standards adopted by the International Accounting Standards Board.

(b) Consolidated Statements of Profit or Loss and Other Comprehensive Income

The historical consolidated statement of profit or loss and other comprehensive income of the Hammer Metals Group detailed below has been derived from the audited consolidated statement of profit or loss and other comprehensive income for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024. The consolidated statement of profit or loss and other comprehensive income detailed below should be read in conjunction with the accompanying notes to the Hammer Metals' FY26 Annual Report, FY25 Annual Report and FY24 Annual Report.

	30 June 2026	30 June 2025	30 June 2024
	$	$	$
Other income	141,033	227,320	177,062
Sale of tenement	-	-	9,000,000
Marketing expenses	(99,620)	(122,119)	(81,454)
Administrative expenses	(927,500)	(524,250)	(969,253)
Employee benefits expense	(271,803)	(259,501)	(249,704)

	30 June 2026	30 June 2025	30 June 2024
Share based payments	(130,386)	(344,480)	(339,357)
Occupancy expenses	(57,661)	(61,551)	(43,636)
Depreciation and amortisation	(84,385)	(92,305)	(97,929)
Exploration written off	(201,772)	(907,190)	(599,610)
Net fair value gain/(loss) on financial assets at FVTPL	(630,345)	(978,158)	(611,596)
Other expenses	(2,156)	-	(1,026)
Profit / (Loss) from operating activities	**(2,264,595)**	**(3,062,234)**	**6,183,497**
Finance income	77,612	150,939	99,097
Finance expenses	(8,091)	(12,021)	(12,010)
Net finance income / (expense)	**69,521**	**138,918**	**87,087**
Profit/(loss) before income tax	**(2,195,074)**	**(2,923,316)**	**6,270,584**
Income tax benefit	-	-	-
Net profit/(loss) for the year from continuing operations	**(2,195,074)**	**(2,923,316)**	**6,270,584**
Other comprehensive income	-	-	-
Other comprehensive loss for the year, net of income tax	**-**	**-**	**-**
Total Comprehensive profit/(loss) for the year	**(2,195,074)**	**(2,923,316)**	**6,270,584**

(c) **Consolidated Statements of Financial Position**

The historical consolidated statements of financial position of the Hammer Metals Group detailed below have been derived from the audited consolidated statements of financial position for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024. The consolidated statements of financial position detailed below should be read in conjunction with the accompanying notes to the Hammer Metals' FY26 Annual Report, FY25 Annual Report and FY24 Annual Report.

	30 June 2026	30 June 2025	30 June 2024
	$	$	$
Current assets			
Cash and cash equivalents	1,530,850	2,559,394	5,228,612
Trade and other receivables	71,685	145,815	172,227
Total current assets	**1,602,535**	**2,705,209**	**5,400,839**

	30 June 2026	30 June 2025	30 June 2024
Non-current assets			
Other financial assets	118,698	3,633,385	4,615,933
Plant and equipment	4,163	5,136	3,006
Right-of-use assets	57,956	141,368	177,663
Exploration and evaluation expenditure	31,285,719	27,901,337	26,540,119
Total non-current assets	**31,466,536**	**31,681,226**	**31,336,721**
Total assets	**33,069,071**	**34,386,435**	**36,737,560**
Current liabilities			
Trade and other payables	713,753	875,498	660,677
Borrowings	1,000,000	-	-
Lease liabilities	33,801	89,155	108,892
Total current liabilities	**1,747,554**	**964,653**	**769,569**
Non-current liabilities			
Lease liabilities	18,789	52,134	68,696
Total non-current liabilities	**18,789**	**52,134**	**68,696**
Total liabilities	**1,766,343**	**1,016,787**	**838,265**
Net assets	**31,302,728**	**33,369,648**	**35,899,295**
Equity			
Share capital	**67,117,154**	**66,859,386**	**66,810,197**
Reserves	**619,134**	**748,748**	**787,618**
Accumulated losses	**(36,433,560)**	**(34,238,486)**	**(31,698,520)**
Total equity	**31,302,728**	**33,369,648**	**35,899,295**

(d) **Consolidated Statements of Cash Flow**

The historical consolidated statements of cash flows of the Hammer Metals Group detailed below have been derived from the audited consolidated statements of cash flows for the financial years ended 30 June 2026, 30 June 2025 and 30 June 2024. The consolidated statements of cash flows detailed below should be read in conjunction with the accompanying notes to the Hammer Metals' FY26 Annual Report, FY25 Annual Report and FY24 Annual Report.

	30 June 2026	30 June 2025	30 June 2024
	$	$	$
Cash flows from operating activities			
Interest received	76,835	150,939	99,097
Fuel rebate received	-	10,054	9,194
Management fees received from farm-in and joint arrangement partners	147,360	169,310	173,676

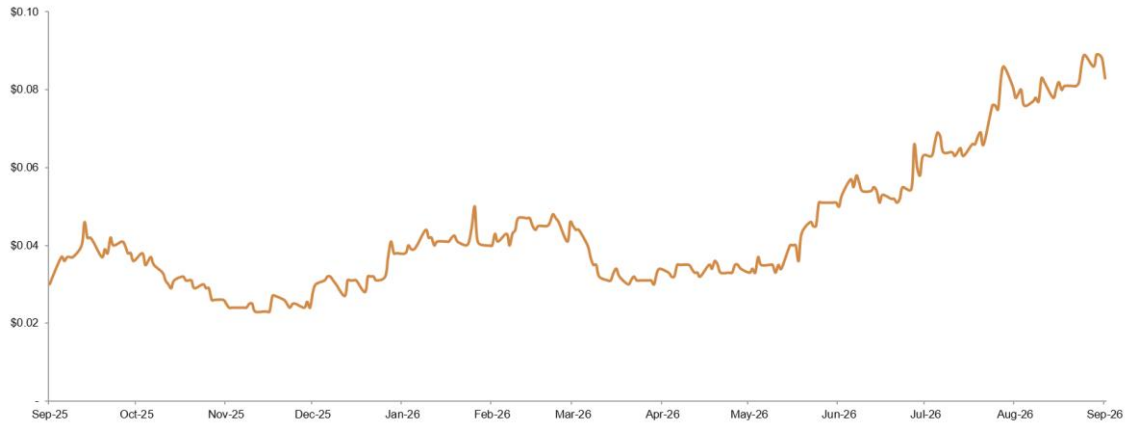
	30 June 2026	30 June 2025	30 June 2024
Exploration incurred on behalf of farm-in partner	(1,049,099)	(1,285,014)	(1,430,271)
Reimbursement of exploration on behalf of farm-in partner received	1,080,280	1,540,933	1,531,461
Payments to suppliers and employees	(1,760,004)	(1,142,911)	(1,614,991)
Net cash used in operating activities	**(1,504,628)**	**(556,689)**	**(1,231,834)**
Cash flows from investing activities			
Payments for exploration expenditure	(3,314,327)	(3,353,403)	(3,157,246)
Purchase of property, plant & equipment	-	(3,103)	-
Purchase of tenements	-	(100,000)	-
Proceeds from partial sale of tenements	-	-	4,000,000
Receipt of research and development grant	-	933,755	1,257,932
Security bonds refunded / (paid)	18,142	-	(102,000)
Farm-in fee received	-	100,000	-
Sale of investments	2,884,341	4,390	-
Net cash calls received on behalf of joint venture partners	-	110,000	-
Government exploration grants received	-	300,000	-
Net cash provided by / (used in) investing activities	**(411,844)**	**(2,008,361)**	**1,998,686**
Cash flows from financing activities			
Proceeds from issue of share capital	-	-	220,000
Proceeds from borrowings	1,000,000	-	-
Transaction costs from issue of shares and options	(2,232)	(811)	(3,761)
Lease payments made	(109,840)	(103,357)	(111,619)
Net cash from financing activities	**887,928**	**(104,168)**	**104,620**
Net decrease in cash and cash equivalents	**(1,028,544)**	**(2,669,218)**	**871,472**
Cash and cash equivalents at beginning of year	2,559,394	5,228,612	4,357,140
Cash and cash equivalents at end of year	**1,530,850**	**2,559,394**	**5,228,612**

5.11 Material changes in Hammer Metals' financial position

Other than as disclosed in this Scheme Booklet or announced to the ASX by Hammer Metals, within the knowledge of the Hammer Metals Board, as at the Last Practicable Date, the financial position of Hammer Metals has not materially changed since 30 June 2026.

5.12 Recent Hammer Metals Share price history

The chart below shows the closing price of Hammer Metals on ASX over the 12-month period up to (and including) the Last Practicable Date:



As at the Last Practicable Date:

(a) the last recorded traded price of Hammer Metals Shares was $0.087;

(b) the highest recorded traded price of Hammer Metals Shares in the previous three months was $0.094 on 23 September 2026;

(c) the lowest recorded traded price of Hammer Metals Shares in the previous three months was $0.051 on 1 July 2026; and

(d) the VWAP of Hammer Metals Shares over the previous 90 days was $0.068.

The last recorded traded price of Hammer Metals Shares on the trading day immediately before the Announcement Date was $0.081 on 10 August 2026.

The current price of Hammer Metals Shares on ASX can be obtained from ASX website at www.asx.com.au or https://hammermetals.com.au/.

5.13 Hammer Metals issued securities

(a) Hammer Metals Securities on issue

As at the Last Practicable Date, the capital structure of Hammer Metals comprises the following Hammer Metals Securities:

Hammer Metals Security	Number on issue
Hammer Metals Shares	892,758,700
Hammer Metals Options	29,500,000[1]
Hammer Metals Performance Rights	7,000,000[2]

Notes:

1. Comprises:
   a. 7,000,000 Hammer Metals Options exercisable at $0.06 each on or before 25 October 2028.
   b. 1,500,000 Hammer Metals Options exercisable at $0.08 each on or before 2 December 2028.
   c. 2,000,000 Hammer Metals Options exercisable at $0.07 each on or before 2 December 2028.
   d. 9,500,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   e. 4,500,000 Hammer Metals Options exercisable at $0.07 each on or before 30 November 2026.
   f. 5,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.

   Refer to Section 11.2(b) for further information regarding the treatment of the Hammer Metals Options.
2. Hammer Metals Performance Rights subject to various vesting conditions and expiry dates, and includes the Management Performance Rights. Refer to Section 11.2(a) for further information regarding the treatment of the Hammer Metals Performance Rights and Management Performance Rights.

(b) Hammer Metals Substantial Shareholders

Based on information available to Hammer Metals as at the Last Practicable Date, the substantial Hammer Metals Shareholders are as follows:

Substantial holder	Number of Hammer Metals shares	Voting Power in Hammer Metals
Mr Zbigniew Waldemar Lubieniecki [1]	60,085,588	6.73%
Central Mutual (Investments) Pty Ltd [2]	79,648,822	8.92%
Zenith Pacific Limited [3]	66,000,000	7.39%
BNP Paribas Noms Pty Ltd	50,176,500	5.62%
Mr Russell Davis [4]	46,500,000	5.21%

Notes:

1. On 11 August 2026, Mr Zbigniew Waldemar Lubieniecki provided a voting intention statement confirming his intention to vote all of the Hammer Metals Shares that he holds as at the date of the Scheme Meeting in favour of the Scheme Resolution, in the absence of a superior proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer Metals Shareholders. As at the date of this intention statement, Mr Lubieniecki held 60,085,588 Hammer Metals Shares (representing approximately 6.73% of the issued Hammer Metals Shares). Based on the Hammer Metals Share Register as at the Last Practicable Date, Mr Lubieniecki holds 60,085,588 Shares (representing approximately 6.73% of the issued Hammer Metals Shares).
2. On 11 August 2026, Central Mutual (Investments) Pty Ltd and its Associates (Mr Paul Clarke, Mrs Natasha Clarke, National Health Recovery Agents Pty Ltd and Lundie Investments Pty Ltd) provided a voting intention statement confirming their intention to vote all of the Hammer Metals Shares that they hold as at the date of the Scheme Meeting in favour of the Scheme Resolution, in the absence of a superior proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer Metals Shareholders. As at the date of this intention statement, Central Mutual (Investments) Pty Ltd together with its Associates (Mr Paul Clarke, Mrs Natasha Clarke, National Health Recovery Agents Pty Ltd and Lundie Investments Pty Ltd) collectively held 80,904,294 Hammer Metals Shares (representing approximately 9.06% of the issued Hammer Metals Shares). Based on Hammer Metals Share Register as at the Last Practicable Date, Central Mutual (Investments) Pty Ltd together with its Associates (Mr Paul Clarke, Mrs Natasha Clarke, National Health Recovery Agents Pty Ltd and Lundie Investments Pty Ltd) hold 79,648,822 Shares (representing approximately 8.92% of the issued Hammer Metals Shares).
3. Based on the ASIC Form 604 lodged by Zenith Pacific Limited on 20 August 2026, 8,000,000 Hammer Metals Shares are held by an unnamed custodian.
4. Mr Russell Davis is the Non-Executive Chairman of Hammer Metals and confirmed to Hammer Metals he intends to cause any Hammer Metals Shares in which he has a Relevant Interest in, or the voting of which he controls, in favour of the Scheme Resolution in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.

5.14 Hammer Metals employee incentive arrangements

The Hammer Metals Incentive Plan, approved by Hammer Metals Shareholders on 17 November 2023, is available to directors, employees and certain other permitted persons of Hammer Metals and its Subsidiaries.

Under the Hammer Metals Incentive Plan, Hammer Metals Performance Rights and Hammer Metals Options may be granted for no consideration, with the exercise price for any Hammer Metals Options to be determined by the Hammer Metals Board from time to time. The aggregate number of Hammer Metals Shares underlying Hammer Metals Performance Rights or Hammer Metals Options issued under the Hammer Metals Incentive Plan, together with any similar plans, must not exceed 5% of the Hammer Metals' issued capital from time to time.

Hammer Metals Performance Rights or Hammer Metals Options issued under the Hammer Metals Incentive Plan are not quoted on ASX, and their specific terms remain at the discretion of the Hammer Metals Board.

5.15 Corporate governance

To the extent that they are applicable to Hammer Metals, the Hammer Metals Board has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations where the Hammer Metals Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where, after due consideration, Hammer Metals' corporate governance practices depart from a recommendation, the Hammer Metals Board has disclosed the reasons for the departure in its Corporate Governance Statement for the financial year ended 30 June 2025, a copy of which can be found in Hammer Metals' Appendix 4G dated 31 October

2025. The Company expects to release an updated Appendix 4G in October 2026 for the financial year ended 30 June 2026.

A summary of Hammer Metals' corporate governance policies and procedures is available on its website at https://hammermetals.com.au/corporate-governance/.

5.16 Hammer Metals Directors' intentions for the business

The Corporations Regulations require this Scheme Booklet to include a statement by the Hammer Metals Directors of their intentions regarding the continuation of Hammer Metals' business, major changes (if any) to be made to Hammer Metals' business or any future employment of Hammer Metals' current employees.

If the Scheme is implemented, Austral will acquire and control Hammer Metals. On the Implementation Date, the existing Hammer Metals Directors will resign and the Hammer Metals Board will be reconstituted in accordance with Austral's instructions. Further information in respect of the Austral Board composition following implementation of the Scheme is detailed in Section 6.9.

Accordingly, it is not possible for the existing Hammer Metals Directors to provide a statement of their intentions regarding the following if the Scheme is implemented:

(a) the continuation of the business of Hammer Metals;

(b) any major changes, if any, to be made to the business of Hammer Metals; or

(c) the future employment of the present employees of Hammer Metals.

Austral's current intentions with respect to these matters are set out in Section 7.5.

If the Scheme is not implemented, the Hammer Metals Directors intend to continue to operate Hammer Metals in the ordinary course of business and for Hammer Metals to remain listed on ASX. Further, Hammer Metals will immediately evaluate its working capital requirements to determine an appropriate level of funding to continue to advance development activities at the Mount Isa Project. In this scenario, Hammer Metals is expected to require additional funding. Refer to Section 8.1(d) for further information regarding the risks to Hammer Metals Shareholders if the Scheme does not proceed.

5.17 Litigation

As at the Last Practicable Date, to the best of the knowledge of Hammer Metals Directors and Hammer Metals' senior management, Hammer Metals is not currently subject to any material legal disputes and is not party to any material legal disputes.

5.18 Dividend Policy

Hammer Metals does not currently pay dividends to its shareholders and has no intention of doing so in the near term. Hammer Metals remains focused on advancing its exploration and development activities, and any future decision to declare a dividend will be made at the sole discretion of the Hammer Metals Board.

5.19 Publicly available information

As an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act, Hammer Metals is subject to regular reporting and disclosure requirements of the Corporations Act and ASX Listing Rules. Broadly, these require it to announce price sensitive information to the ASX as soon as it becomes aware of the information, subject to exceptions for certain confidential information. Copies of these announcements can be obtained free of charge from Hammer Metals' website at https://hammermetals.com.au/ or the ASX website at www.asx.com.au. Further announcements concerning Hammer Metals may be made and placed on these websites after the date of this Scheme Booklet.

Additionally, copies of documents lodged with ASIC in relation to Hammer Metals may be obtained using services provided by ASIC, information in respect of which can be found on the ASIC website at www.asic.gov.au. Please note, ASIC may charge a fee in respect of such services.

Hammer Metals Shareholders may obtain, free of charge, a copy of:

(a) the annual financial report of Hammer Metals for the year ended 30 June 2026 (being the annual financial report most recently lodged with ASIC before lodgement of this Scheme Booklet with ASIC); and

(b) any continuous disclosure notice given to the ASX by Hammer Metals since the lodgement with ASIC of the 30 June 2026 annual report for Hammer Metals referred to above and before lodgement of this Scheme Booklet with ASIC, from the ASX website at www.asx.com.au or from Hammer Metals website at https://hammermetals.com.au/.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

A list of announcements made by Hammer Metals to the ASX from the date of the Scheme Implementation Deed on 11 August 2026 to the Last Practicable Date, is included below.

Date	Announcement
11 August 2026	Austral Resources to Acquire Hammer Metals
11 August 2026	AR1: Scheme Implementation Deed Executed to Acquire Hammer
20 August 2026	Change in substantial holding
9 September 2026	Waivers of Listing Rules 6.23.3 and 7.25 Granted

5.20 Further information

Further information about Hammer Metals is contained in electronic form on the Hammer Metals website at https://hammermetals.com.au/.

For a summary of the risks associated with the Scheme, refer to Section 8. In particular, Section 8.1(d) outlines certain risks to Hammer Metals Shareholders if the Scheme does not proceed.

6. Information about Austral

6.1 Overview of Austral

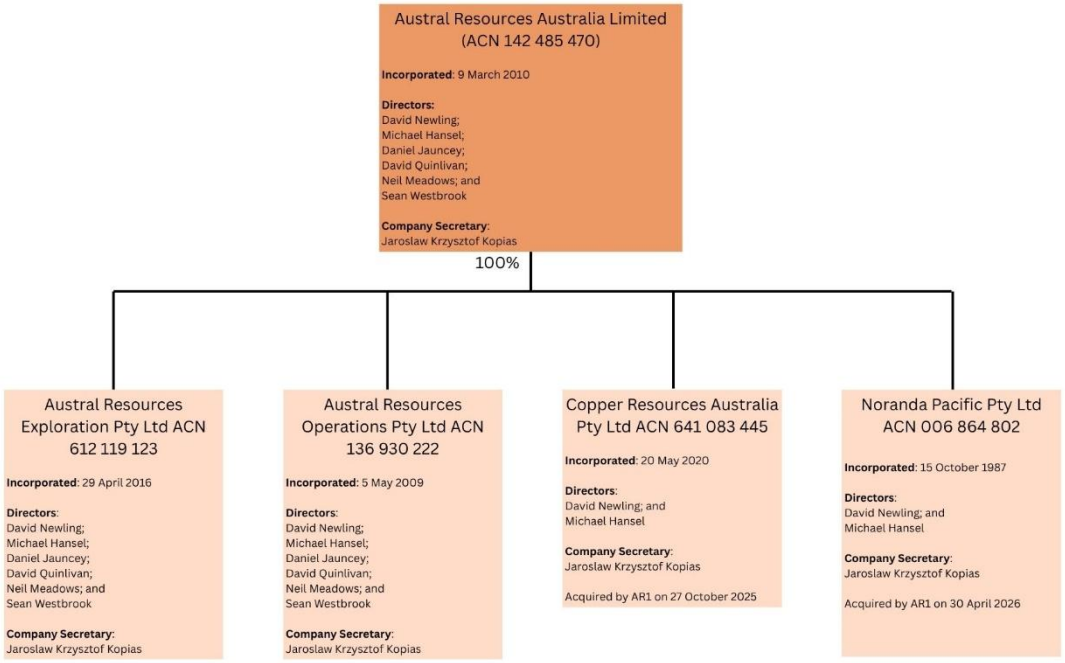
Austral Resources Australia Ltd (ASX: AR1) is an Australian pure play copper producer and consolidator operating across North-West Queensland.

Austral mines and processes copper oxide ore to produce copper cathodes through a standard process known as heap leaching and SX-EW. Austral operates near Mt Isa, a region well-endowed with copper and base metals with numerous mines in operation.

Further information can be found at https://www.australres.com/ and in the Independent Expert's Report contained in Annexure A.

6.2 Corporate structure

Austral's corporate structure is outlined below:



If the Scheme is implemented, Hammer Metals will become a Subsidiary of Austral and the Hammer Metals' Subsidiaries that are part of the Hammer Metals Group will in turn become part of the Austral Group.

6.3 Strategy

Austral was recapitalised and requoted on the official list of the ASX in November 2025. Austral's strategy is to become the copper consolidation platform for the North-West Queensland region as executed through the acquisition of Rocklands and Lady Loretta. The Scheme represents a continuation but significant milestone in this strategy to build a leading Queensland copper company, combining complementary resources, processing infrastructure and exploration assets across Queensland.

6.4 Projects overview

Austral owns the Mt Kelly oxide SX-EW plant and the Rocklands sulphide concentrator, the region's only dual-processing platform capable of treating both oxide and sulphide ores. Austral controls significant copper resources, 64Mt at 0.73% Cu (JORC) and 2,101km² of exploration tenure, with significant near-mine and regional growth potential. Through infrastructure-led consolidation, third-party tolling, exploration and strategic acquisition, Austral is targeting sustainable production of ~50,000 tonnes per annum of copper.

Austral currently produces approximately 800 to 1,000 tonnes per month of copper cathode at its existing SX-EW facility at Mount Kelly from its Anthill Project mine. Any future oxide production from Austral's Expansion Projects and other development areas will be undertaken at the Mount Kelly production facility.

Austral intends to develop its Expansion Projects and undertake the Heap Leach Remine to increase copper cathode production from the Mount Kelly SX-EW facility. Near-term copper cathode production from the Mount Kelly SX-EW Facility is supported by positive scoping-level technical studies evaluating the processing of existing copper oxide resources within the Expansion Project; complemented by the concurrent reprocessing of historical heap leach materials under the Heap Leach Remine. These studies demonstrate the potential to deliver an early, low-capital restart pathway while leveraging existing infrastructure, optimising recoveries, and maximising utilisation of previously invested capital.

The SX-EW facility at Mount Kelly has operated continuously under the ownership of Austral.

6.5 Projects

(a) Rocklands Project

The Rocklands copper mine is situated approximately 17km northwest of the township of Cloncurry in North-West Queensland and has been on care & maintenance since late 2024. The Rocklands mineral assets are located in north Queensland and comprise three Mining Leases and one Exploration Permit for Minerals with an area of approximately 29 km^2.

The Rocklands Project is strategically significant for Austral as it unlocks the potential within the East of the Mt Isa and Cloncurry region. The acquisition of the Rocklands Project was an integral part of Austral's consolidation strategy within the region.

Rocklands complements Austral's existing Mt Kelly SX-EW operations by expanding production capacity into copper-gold sulphide mineralisation. This strategic dual-processing footprint (oxide at Lady Annie and sulphide at Rocklands) uniquely positions Austral to become an integrated and flexible copper producer in Queensland.

The Rocklands acquisition delivers near-term operational leverage, underpinned by a defined JORC-compliant resource base with clear expansion potential. The asset provides strategic integration synergies with Austral's existing infrastructure network and organic resource pipeline, further enhanced by access to diversified third-party feedstock sources. These advantages enable operational flexibility, optimised blending strategies, improved economies of scale and a derisked production profile.

The Rocklands Project, located within 50km east of Austral's existing eastern tenements and near Cloncurry, represents a cornerstone asset within the Company's organic growth strategy. Its strategic position maximises exposure to the future value of copper-gold discoveries across the Eastern Isa district while providing a platform to extend the life of the Rocklands asset through integration with Austral's exploration pipeline, potential processing synergies, and ongoing regional development initiatives.

Rocklands establishes a strong platform to accelerate Austral's long-term regional growth strategy, supporting processing capacity expansion, unlocking significant exploration upside, and advancing future discovery potential across the Company's highly prospective Miranda and Cameron River Projects.

(b) Anthill Project

The Anthill Project is contained within the Lady Annie Project area, located 45km from Austral's Mt Kelly processing facility.

Anthill has been Austral's most advanced development project and current primary ore feed source. It carries a Mineral Resource estimate of 13.8Mt at 0.70% Cu, with an updated CSA Global mining study delivering an Ore Reserve of 5.1Mt at 0.94% Cu containing 47.7kt of copper, mined from two pits over roughly 40 months. Austral recently completed the West Pit, extracting 18kt of high-grade ore, and has shifted focus to the East Pit.

(c) **Lady Annie**

Lady Annie sits in the Western Fold Belt of the Mount Isa Inlier, roughly 120km north-northwest of Mount Isa in northwest Queensland's Gulf country. The Lady Annie Oxide Copper Project lies 2.5km west of the Lady Loretta deposit, and the tenements sit within the McNamara Group of rocks, which also host the Lady Loretta, Century, Mount Kelly, Mount Oxide and Anthill deposits.

Lady Annie is Austral's foundation, permitted producing asset — the legacy oxide operation that anchors the company's identity as a copper cathode producer. Since acquisition, Austral has run remnant mining programs (open pits at Lady Brenda East/West, cutbacks at Flying Horse South/East, yielding roughly 890kt of ore at 0.85% Cu), and more recently Lady Annie cutback operations feed into Mt Kelly alongside Mt Clarke/Flying Horse campaigns.

Lady Annie is the oxide arm of Austral's stated "dual-processing footprint" strategy — oxide production centred at Lady Annie complements sulphide production at Rocklands, positioning Austral as an integrated, flexible copper producer in Queensland as part of a three-phase strategy to consolidate, expand, and control copper production and processing across North-West Queensland. It's the umbrella tenement package — Anthill, Mount Kelly and Mount Oxide all sit within it.

(d) **Lady Loretta**

The Lady Loretta Zn-Ag-Pb deposit is located approximately 140km NNW of Mount Isa and represents one of the high-grade strata bound deposits in the world. The initial discovery of Lady Loretta was established by routine geochemical soil surveys by Placer Exploration in 1968, which at the time was focused on copper exploration at the nearby Lady Annie Mine. Exploration drilling of peak surface lead anomalism (+400ppm Pb) in 1969 confirmed sub-surface strong Pb-Ag mineralisation as a lead-rich gossan to ~100m below surface. Further exploration and resource definition drilling delineated high-grade, strata bound, zinc-dominant Zn-Pb-Ag mineralisation like that at Mount Isa, eventually leading to a maiden resource in 1973.

Though high-grade, the relatively small size of the deposit saw Lady Loretta change hands through multiple entities following initial discovery, with mine development commenced in 2012 by XStrata (now Glencore).

XStrata Zinc (now Glencore) moved the deposit into development in 2011, taking full ownership in April 2011 and commencing project works with a plan for the mine to be operational by the end of 2013. Early development concepts targeted production of ~1.0Mtpa of zinc-lead-silver ore over an initial ~10-year mine life, with ore to be treated at Mount Isa.

After commissioning and ramp-up, Lady Loretta delivered a decade-scale operating history characterised by consistently high grades and strong production performance, with ore haulage by road to Mount Isa forming a core part of the operating model. Operations entered care and maintenance in late 2015 due to falling commodity prices brought on by the Global Financial Crisis, before a restart decision in 2018, after which the mine was successfully contract-operated by Redpath, delivering record outputs in the early 2020s. By 2025, Glencore had signalled the mine was approaching the end of its active mining life and transitioning to a new chapter.

Mining activities at Lady Loretta were completed in December 2025, marking the conclusion of the current underground zinc production phase. Following cessation of mining, Glencore commenced a demobilisation from site in January 2026. Notwithstanding the completion of mining, the operation remains in a well-maintained and highly functional condition, with the 200-person accommodation camp, workshops, administrative offices, also includes a paste plant, concrete batch plant, power station, reverse osmosis plant, materials handling areas and onsite crushing infrastructure fully intact and available for future use. Environmental compliance obligations continue to be met, with retained environmental personnel maintaining monitoring, reporting and site stewardship activities in accordance with approved regulatory requirements.

Pit designs, optimisation and mine scheduling have begun in earnest to once again redirect the focus of mining and exploration to the adjacent Lady Annie Copper Mine. The extension

of Cu resource outside of the current pit design has been known about for some time, with mining only inhibited by the previous boundary constraints of the Lady Annie Mining Lease. With the acquisition of the Lady Loretta Mining Lease, this impediment is now materially lifted. Work has begun on the regulatory requirements to enable the open pit cutbacks at Lady Annie, including Environmental Authority (**EA**) amendments across the ML's to expand the pit size, and increase the size of the permitted disturbance area.

6.6 Mineral Resources

(a) **Lady Annie Project Mineral Resources at 31st December 2025, reported above 0.3% Cu cut-off[1].**

Deposit	Classification	Tonnes Mt	Cu %
Anthill	Measured	0.72	0.59
	Indicated	5.34	0.59
	Inferred	2.07	0.52
	Subtotal	**8.13**	**0.57**
Lady Annie	Measured	3.00	0.70
	Indicated	8.52	0.80
	Inferred	0.64	0.57
	Subtotal	**12.16**	**0.76**
Lady Brenda	Measured	0.64	0.49
	Indicated	6.20	0.47
	Inferred	1.18	0.44
	Subtotal	**8.03**	**0.46**
Flying Horse	Measured	2.42	0.78
	Indicated	7.69	0.78
	Inferred	4.08	0.77
	Subtotal	**14.2**	**0.77**
Mount Clarke	Measured	0.92	0.56
	Indicated	1.20	0.52
	Inferred	0.52	0.55
	Subtotal	**2.64**	**0.54**
Lady Colleen[1]	Measured	0.63	1.51
	Indicated	2.14	1.83
	Inferred	0.37	1.49
	Subtotal	**3.15**	**1.73**
McLeod Hill	Measured	-	-
	Indicated	0.59	0.68
	Inferred	1.09	0.61
	Subtotal	**1.68**	**0.64**
Swagman	Measured	0.14	0.67
	Indicated	0.10	0.61
	Inferred	0.09	0.47
	Subtotal	**0.33**	**0.60**
Enterprise	Measured	-	-
	Indicated	-	-
	Inferred	0.95	0.97
	Subtotal	**0.95**	**0.97**
Combined Total	Measured	8.5	0.74

Deposit	Classification	Tonnes Mt	Cu %
	Indicated	31.8	0.75
	Inferred	11.0	0.69
	Total	**51.2**	**0.73**

Notes:
1. Lady Colleen reported above 0.5% Cu cut-off.
2. Totals may contain discrepancies associated with rounding.

(b) **Mount Kelly Heap Leach Mineral Resources at 31st December 2025, reported above 0.14% Cu cut-off.**

Classification	Tonnes Mt	Cu %
Inferred	22.6	0.20
Total	**22.6**	**0.20**

Notes:
1. Heap leaching is currently ongoing at the Mount Kelly Heap Leach Stockpile
2. Totals may contain discrepancies associated with rounding.

(c) **Rocklands Mineral Resources at 31st December 2025, reported above 0.25% and 0.5% Cu cut-off.**

Deposit	Classification	Tonnes Mt	Cu %	Au g/t
Rocklands In-situ	Measured	-	-	
	Indicated	9.12	0.72	0.14
	Inferred	2.14	0.55	0.11
	Subtotal	**11.26**	**0.69**	**0.13**
Stockpiles	Measured	-	-	-
	Indicated	0.01	0.95	-
	Inferred	1.14	0.55	-
	Subtotal	**1.15**	**0.55**	**-**

Notes:
1. Native Copper, Oxide & Transitional reported above 0.5% Cu cut-off. Sulfides reported above a 0.25% Cu cut-off.
2. Totals may contain discrepancies associated with rounding.

6.7 Ore Reserves

Anthill Ore Reserves at 31st December 2025

Classification	Tonnes Mt	Cu %	Ca %
Proved[1]	0.3	0.66	0.68
Probable	0.3	1.18	2.94
Total	**0.6**	**0.91**	**1.79**

Notes:
1. Proved category is comprised of 0.3 Mt at 0.66% Cu and 0.68% Ca located in surface stockpiles.
2. Totals may contain discrepancies associated with rounding.

6.8 Key contracts

(a) **Anthill Project Agreement Termination and Settlement Deed**

Under the APA Termination Deed, Glencore International AG, Glencore Australia Holdings Pty Limited ACN 160 626 102 (together, the "**Glencore Entities**"), Secover Pty Ltd ACN 645 065

238 (**Secover**) and Austral agreed to settle and discharge remaining obligations under the Anthill Project Agreement dated 3 September 2025 (**APA**).

The APA had originally been entered into to facilitate and secure the repayment of funds advanced by the Glencore Entities and Secover to Austral for the acquisition of the Anthill Project. Under the APA, repayment of the debt was to be made from proceeds derived from the Anthill project. Prior to completion of the APA Termination Deed, Austral's outstanding indebtedness to the Glencore Entities and Secover was approximately A$52 million.

Under the APA Termination Deed, the parties agreed to a settlement amount which broadly reflected Austral's remaining obligations under the APA, while incorporating a discount to the then estimated value of the ore to be processed based on prevailing copper prices.

The settlement consideration comprised of:

(i) a cash payment of A$37.6 million (paid from Austral's existing cash reserves); and

(ii) the issue of 159,830,504 fully paid ordinary shares in the company, with an attributed value of A$14.38 million (based on a deemed price of $0.09 per share, representing a 40% premium to Austral's closing share price of A$0.064 on 27 July 2026).

The settlement and termination of the APA extinguished the Glencore Entities' and Secover's economic interests in the Anthill Project, leaving Austral entitled to 100% of the economic benefits from future Anthill copper production.

(b) **Net Smelter Royalty Agreement – Glencore (Lady Loretta)**

As part of Austral's acquisition of Noranda Pacific Pty Ltd ACN 006 864 802 (**NP**) (the **Lady Loretta Project**) from Noranda Pacific No. 2 Pty Ltd ACN 158 936 264 (**NP2**) and Mount Isa Mines Limited ACN 009 661 447 (**MIM**), Austral and NP, as guarantor and grantor respectively, entered into the Royalty Deed dated 24 April 2026 (**Glencore Royalty Deed**), granting MIM a 2.5% net smelter return royalty derived from the sale or disposition of any and all marketable and metal-bearing copper product, recovered or produced within Lady Loretta Project and the areas covered by the relevant exploration permits (**NSR**) for the life of the tenements.

The NSR was and remains secured by:

(i) a guarantee by Austral under the Royalty Deed;

(ii) a General Security Deed entered into between NP and MIM dated 24 April 2026; and

(iii) a Mining Tenement Mortgage entered into between Austral and MIM dated 30 April 2026,

(collectively, **the Lady Loretta Securities**).

The Lady Loretta Securities have been entered into on standard commercial terms for a transaction of this nature. The parties are further agreed that the Lady Loretta Securities, rank behind, and are subordinate to, any security interest (on standard commercial terms) granted by Austral over its assets in favour of any financier providing funding for the development, design, construction, operation and maintenance of the Austral's operations in connection with the Lady Loretta Project or the relevant exploration permits.

In connection with the acquisition of the Lady Loretta Project, Noranda Pacific, NP2, Austral and Glencore entered into a binding offtake and tolling arrangement governing the processing and sale of copper products produced from the project. Under the arrangement, copper oxide products are to be processed through the Mt Kelly processing facility and copper sulphide products through the Rocklands processing facility, unless NP would be materially disadvantaged by doing so. If copper products are processed through an alternative facility, Glencore is granted exclusive offtake rights in respect of those products and exclusive tolling rights in relation to copper sulphides on substantially equivalent commercial terms. The arrangement also grants Glencore matching rights in respect of the disposal of other minerals produced from the Lady Loretta Project.

Austral guarantees the performance of NP's obligations under the arrangement.

(c) **QIC Royalty Agreement**

QBF No. 1 Pty Ltd ACN 051 675 033 as trustee of the QIC Queensland Critical Mineral Fund (**QCMF**) had invested A$15 million in Austral through a non-dilutive royalty financing arrangement, under which the QCMF received a royalty on gross revenue from production at the Rocklands facility pursuant to the QIC Royalty Deed.

The quantum of the royalty is subject to production amounts as follows:

(i) 0.8% royalty on gross revenue for each quarter which commences for the first 200,000 tonnes of contained copper produced through the Rocklands facility; and

(ii) 0.3% royalty on gross revenue for each subsequent quarter until the next 200,000 tonnes of contained copper has been produced through the Rocklands facility,

after which the royalty ceases.

The funds advanced by QCMF are to be used exclusively towards development planning of the Rocklands facility, with recommissioning of the Rocklands facility.

The royalty is and remains secured by:

(i) a guarantee by Austral under QIC Royalty Deed;

(ii) a Specific Security Deed entered into between Austral Resources Australia Limited ACN 142 485 470, Copper Resources Australia Pty Ltd ACN 641 083 445 (**CRA**) and QCMF; and

(iii) a Mining Tenement Mortgage entered into between CRA and QCMF.

(collectively, **the QCMF Securities**).

The QCMF Securities are prepared on standard commercial terms for a transaction of this nature. The parties are further agreed that the QCMF Securities, rank behind, and are subordinate to, any security interest (on standard commercial terms) granted by the Austral Group over its assets in favour of any financier providing funding for the Rocklands Copper Projects or its operation, development or expansion.

(d) **AES Deed of Settlement and Release**

From 16 August 2019 to 1 May 2022, Austral had entered commercial arrangements with Austral Equipment Solutions Pty Ltd ACN 626 190 770 (**AES**) and Equipment Engineering Solutions Pty Ltd ACN 134 044 474 (trading as Williams Engineering) (**EES**) (collectively the **Jauncey Entities**), each entity controlled by Mr Daniel Jauncey, for the supply of numerous types of earthmoving equipment, in addition to accommodation units for use across Austral's operations (the **Subject Agreements**). Some of the Subject Agreements had extended on a month-to-month basis beyond the agreement period contemplated by each Subject Agreement although have each now been terminated.

To date, there is an accrued sum of $1,951,163 payable under these Subject Agreements (**Outstanding Amount**). Austral had previously agreed to satisfy this Outstanding Amount through the issue of Austral Shares. The original settlement arrangement contemplated the issue of Austral Shares at an agreed value of A$0.05 per Austral Share (noting that Austral Shares were offered under Austral's reinstatement prospectus dated 3 September 2025 at A$0.05 per Austral Share), to an amount not exceeding the remaining balance of the Subject Agreements (**Share Conversion**).

Austral and the Jauncey Entities have agreed to undertake the Share Conversion, on the terms as originally agreed, subject to and conditional upon Austral Shareholder approval as required under Listing Rule 10.11 prior to any such issue of any Austral Shares. If the requisite Austral Shareholder approval is not received, Austral will arrange for the repayment of the Outstanding Amount in cash.

6.9 Austral Board and senior management

(a) **Austral Board**

(i) David Newling – Non-Executive Chair

Mr David Newling is an accomplished executive renowned for his exceptional financial acumen and strategic insight.

Mr Newling holds a Master's degree in Applied Finance and Investment, is a Chartered Accountant, and a Fellow of FINSIA. He is also a member of Chartered Accountants Australia and New Zealand, the Australian Institute of Management, an Associate Member of The Australasian Institute of Mining and Metallurgy, and a Graduate Member of the Australian Institute of Company Directors.

Currently, Mr Newling serves as the CEO of The Springwood Group, the family office of a distinguished Australian retailing family. His extensive experience spans various industries, including public, private, and not-for-profit sectors, giving him a comprehensive understanding of different market dynamics and business environments making him a valuable asset to the leadership team.

At Austral, Mr Newling is committed to steering Austral towards continued growth and success, leveraging his vast experience and strategic vision.

(ii) Daniel Jauncey – Non-Executive Director

Mr Daniel Jauncey founded Matilda Earth Moving in 2000 and later established Matilda Equipment in 2003 to provide late-model, low-hour ancillary equipment on a rental basis to the resources sector. Under his leadership, the business expanded nationally and into Papua New Guinea, earning a place in the BRW Fast 100 in 2012. Matilda Equipment was successfully sold to an ASX-listed company in 2018.

Mr Jauncey played a key role in the 2019 acquisition of Austral's core mining assets and contributed across operations, capital raising, and strategy until his appointment as Managing Director and CEO in July 2022. He oversaw LME Grade A copper production, the Anthill Project, and exploration growth until resigning as CEO on 31 October 2024.

He remains a Non-Executive Director, bringing hands-on operational insight and a focus on agility and competitiveness in the global copper market.

(iii) David Quinlivan - Non-Executive Director

Mr David Quinlivan is a mining engineer with over 50 years of industry experience. His career began in 1973 with Mt Newman Mining and included senior operational and development roles at WMC Limited. He has held executive leadership positions including CEO of Alacer Gold Corporation, CEO of Sons of Gwalia Ltd (post-administration), COO of Mount Gibson Iron Ltd, and Managing Director of Ora Banda Mining. He has also chaired several listed companies, including Silver Lake Resources. David brings deep technical, operational, and executive expertise to the Austral Board.

(iv) Michael Hansel – Non-Executive Director

Mr Michael Hansel is Managing Director of GLG Legal, specialising in mergers and acquisitions, IPO's, corporate governance, capital raisings, takeovers and joint ventures. Mr Hansel acts for a number of ASX-listed entities and large domestic and foreign private companies predominantly in the technology and resources sectors. Mr Hansel has previously held a non-executive director position with ASX listed Metro Mining Limited and Cannindah Resources Limited. Mr Hansel has consistently been recognised as a leading corporate, business & commercial lawyer by various legal publications including Doyle's Guide and The Best Lawyer.

(v) Neil Meadows – Non-Executive Director

Mr Neil Meadows is a metallurgist with more than 40 years' experience in refinery operations, general management, and manufacturing across multiple commodities and jurisdictions. He has held senior roles with BHP Billiton, Minara Resources, Karara Mining, Wiluna Mining Corporation, European Metals Holdings, Queensland Nickel, and most recently served as President of the Koniambo Nickel Smelter (Glencore-operated joint venture in New Caledonia). Mr Meadows contributes extensive processing and operational leadership to the Austral Board.

(vi) Sean Westbrook – Non-Executive Director

Mr Westbrook is a geologist with over 25 years of international experience in mineral exploration, project development, and management across copper, gold, base metals, and iron ore. He has held senior technical and leadership roles with BHP Billiton Iron Ore, PanAust, Oz Minerals, and Harmony Gold, and has managed exploration and prefeasibility projects in Australia, Southeast Asia, Papua New Guinea, and Chile. Mr Westbrook has been instrumental in project acquisitions and the successful listing of several exploration companies. He provides strong geological and exploration expertise to the Austral Board.

(b) **Austral Senior Management**

(i) Jarek Kopias – Company Secretary

Mr Jarek Kopias has over 25 years of experience in financial and company secretarial roles within the resources sector, including positions at WMC Resources (Olympic Dam), Newmont Mining Corporation, and Stuart Petroleum (pre-merger with Senex Energy). He currently serves as CFO and/or Company Secretary for several ASX-listed entities including Resolution Minerals, iTech Minerals, Altitude Minerals, Core Lithium, Iron Road, and Patagonia Lithium. Mr Kopias joined Austral in July 2021. He supports the Austral Board in corporate governance, strategic planning, compliance, and continuous improvement of systems and processes.

(ii) Shane O'Connell - Chief Operating Officer

Mr Shane O'Connell brings more than 20 years of senior management experience across aviation, civil construction, and mining operations. He has held director and senior leadership roles, including as a government delegate for civil aviation safety authorities in Australia, Papua New Guinea, and the United States. Prior to joining Austral Resources in July 2019, Mr O'Connell owned and managed a private earthmoving company specialising in civil engineering and rehabilitation. As COO, he oversees day-to-day operations, production performance, regulatory negotiations (including the Anthill Project), safety and compliance, and internal coordination to deliver consistent LME Grade A copper cathode production.

(iii) Matthew Beattie – Chief Financial Officer

Mr Matthew Beattie has recently joined Austral from Anson Resources Limited (ASX: ASN), where he served as Chief Financial Officer since 2022. He brings extensive finance and commercial experience across the resources and energy sectors, including senior roles with Anson, Rio Tinto and EDL in Australia and the United Kingdom, as well as corporate finance and private equity experience with Commonwealth Bank and PwC. He is also a member of the Chartered Accountants Australia and New Zealand.

As CFO, Mr Beattie will lead Austral's corporate finance function and work closely with the Austral Board and executive leadership team as Austral continues to advance its operations and growth plans.

6.10 Austral historical financial information

(a) Basis of preparation

The historical information comprises the audited consolidated financial statements of the Austral Group for the financial years ended 31 December 2025 and 31 December 2024 and reviewed consolidated financial statements for the half year ended 30 June 2026 (**Austral Financial Information**).

The information in this Section 6.10 is a summary only and has been prepared solely for inclusion in this Scheme Booklet. Austral's full financial accounts are available on its website at https://www.australres.com/, or by requesting a copy free of charge from Austral's Company Secretary on jarek@australres.com.

The Austral historical information for the financial years ended 31 December 2025 and 31 December 2024 was audited by RSM Australia Partners, and the historical consolidated financial statements for the half year ended 30 June 2026 was reviewed by RSM Australia Partners, in accordance with the Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act.

The significant accounting policies used in the preparation of the Austral Financial Information are consistent with those set out in Austral's FY25 Annual Report, FY24 Annual Report and HY26 Interim Report for the period ended 30 June 2026. The Austral Financial Information has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act. The consolidated financial statements comply with International Financial Reporting Standards adopted by the International Accounting Standards Board.

(b) Consolidated Statements of Profit or Loss and Other Comprehensive Income

The historical consolidated statements of profit or loss and other comprehensive income of the Austral Group detailed below has been derived from the reviewed consolidated statement of profit or loss and other comprehensive income for the half year ended 30 June 2026 and from the audited consolidated statement of profit or loss and other comprehensive income for the financial years ended 31 December 2025 and 31 December 2024. The consolidated statement of profit or loss and other comprehensive income detailed below should be read in conjunction with the accompanying notes to Austral's HY26 Interim Report, FY25 Annual report and FY24 Annual Report.

Austral Resources Australia Ltd Statement of financial performance ($'000)	FY24 Audited	FY25 Audited	H1 FY26 Reviewed
Revenue	-	-	-
Cost of goods sold	-	-	-
Gross profit / (loss)	**-**	**-**	**-**
Management fee	-	3,529	1,434
Other income	8,695	3,545	1,496
Gain on acquisition	-	-	41,007
Expenses			
Other operating expenses	(4,739)	(4,430)	(4,465)
Administration expenses	(2,671)	(1,671)	(1,783)
Share based payments	325	396	(5,232)
Care and maintenance	-	-	(3,090)
Depreciation and amortisation expense	(1,288)	(1,683)	(1,534)
Rocklands care and maintenance	-	(2,560)	-
Environment management	-	-	(1,309)
Exploration and resource development	-	-	(1,181)
Impairment	-	-	(136)
Finance expense	(1,629)	(2,176)	(2,485)
Net foreign exchange loss	566	359	2,533

Austral Resources Australia Ltd Statement of financial performance ($'000)	FY24 Audited	FY25 Audited	H1 FY26 Reviewed
Profit / (loss) before income tax expense from continuing operations	**(741)**	**(4,691)**	**25,255**
Income tax expense	-	-	-
Profit / (loss) after income tax expense from discontinued operations	**(21,879)**	**16,565**	**-**
Profit / (loss) after income tax expense for the year	**(22,620)**	**11,874**	**25,255**
Other comprehensive income			
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive profit / (loss) for the year	**(22,620)**	**11,874**	**25,255**

Source: Austral Resources Australia Ltd annual and half-year reports

(c) **Consolidated Statement of Financial Position**

The historical consolidated statements of financial position of the Austral Group detailed below has been derived from the reviewed consolidated statements of financial position for the half year ended 30 June 2026 and from the audited consolidated statements of financial position for the financial years ended 31 December 2025 and 31 December 2024. The consolidated statements of financial position detailed below should be read in conjunction with the accompanying notes to Austral's HY26 Interim Report, FY25 Annual report and FY24 Annual Report.

Austral Resources Australia Ltd Statement of financial position ($'000)	31-Dec-24 Audited	31-Dec-25 Audited	30-Jun-26 Reviewed
Current assets			
Cash and cash equivalents	79	19,304	72,315
Trade and other receivables	1,479	6,230	7,501
Prepayments	682	1,236	4,018
Inventories	50,664	2,181	2,363
Other assets	1,416	578	561
Disposal group classified as held for sale	-	-	-
Total current assets	**54,320**	**29,529**	**86,758**
Non-current assets			
Financial assets	37,211	52,447	67,875
Property, plant and equipment	52,730	30,445	48,302
Exploration and evaluation assets	1,668	1,975	2,645
Right-of-use assets	2,706	67	20
Total non-current assets	**94,315**	**84,934**	**118,842**

Austral Resources Australia Ltd Statement of financial position ($'000)	31-Dec-24 Audited	31-Dec-25 Audited	30-Jun-26 Reviewed
Total assets	**148,635**	**114,463**	**205,600**
Current liabilities			
Trade and other payables	(57,474)	(1,942)	(7,465)
Employee benefits / provisions	(856)	(1,336)	(1,066)
Lease liabilities	(1,710)	(68)	(21)
Borrowings	(81,396)	(10,160)	-
Forward foreign exchange contracts	-	-	-
Liabilities associated with held-for-sale assets	-	-	-
Total current liabilities	**(141,436)**	**(13,506)**	**(8,552)**
Non-current liabilities			
Provisions	(36,913)	(52,094)	(68,766)
Employee benefits	-	(60)	(91)
Borrowings	-	(12,492)	-
Lease liabilities	(1,504)	-	-
Total non-current liabilities	**(38,417)**	**(64,646)**	**(68,857)**
Total liabilities	**(179,853)**	**(78,152)**	**(77,409)**
Net assets	**(31,218)**	**36,311**	**128,191**
Equity			
Issued capital	71,546	128,200	194,823
Reserves	1,923	320	322
Accumulated losses	(104,687)	(92,209)	(66,954)
Total equity	**(31,218)**	**36,311**	**128,191**
Source: Austral Resources Australia Ltd half-year report			

(d) **Consolidated cash flow statement**

The historical consolidated statements of cash flow of the Austral Group detailed below has been derived from the reviewed consolidated statements of cash flow for the half year ended 30 June 2026 and from the audited consolidated statements of cash flow for the financial years ended 31 December 2025 and 31 December 2024. The consolidated statements of cash flow detailed below should be read in conjunction with the accompanying notes to Austral's HY26 Interim Report, FY25 Annual report and FY24 Annual Report.

Austral Resources Australia Ltd Statement of cash flows ($'000)	FY24 Audited	FY25 Audited	H1 FY26 Reviewed
Cash flows from operating activities			
Receipts from customers	75,269	67,229	8

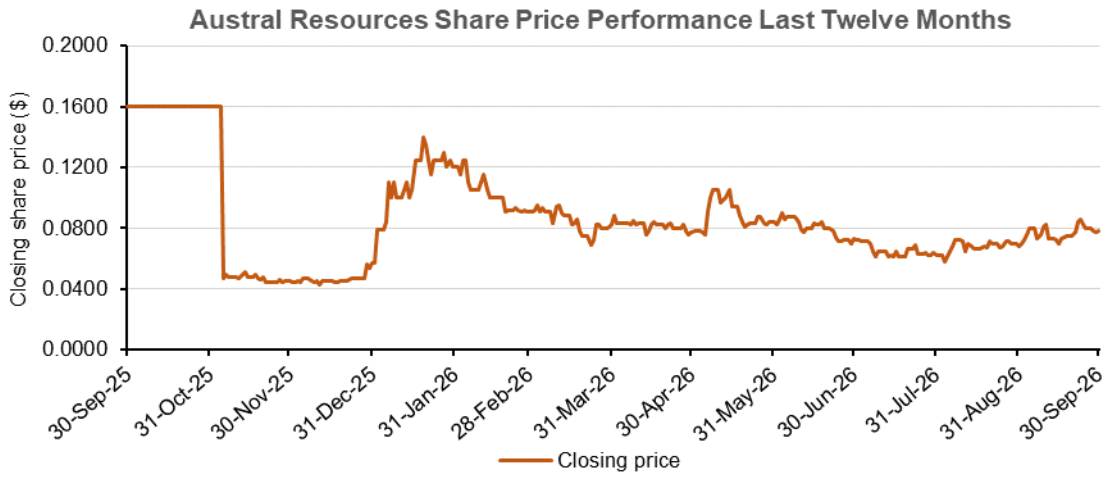
Austral Resources Australia Ltd Statement of cash flows ($'000)	FY24 Audited	FY25 Audited	H1 FY26 Reviewed
Interest received	2,386	2,003	1,945
Other revenue	8,374	3,611	-
Interest and other finance costs paid	(503)	(699)	(1,152)
Payments to suppliers and employees	(76,111)	(90,026)	(9,504)
Net cash inflow / (outflow) from operating activities	**9,415**	**(17,882)**	**(8,703)**
Cash flows from investing activities			
Payments for entities	-	-	41,007
Proceeds from security deposits	596	3	-
Payments for mine development / mining assets	(1,559)	-	-
Disposal of APA	-	(116)	-
Payments for exploration and evaluation	(982)	(363)	(670)
Payments for tenements	-	-	(1,606)
Payments for stripping activities	-	-	(10,685)
Payments for property, plant and equipment	(10,560)	(19,090)	(7,201)
Net cash inflow / (outflow) from investing activities	**(12,505)**	**(19,566)**	**20,845**
Cash flows from financing activities			
Proceeds from issue of equity securities	-	40,000	62,977
Proceeds from borrowings	4,916	22,704	-
Loan and borrowing transaction costs	-	-	-
Repayment of lease liabilities	(2,884)	(1,235)	(46)
Equity issue transaction costs	-	(2,758)	(1,584)
Repayment of borrowings	-	(2,032)	(20,824)
Net cash inflow / (outflow) from financing activities	**2,032**	**56,679**	**40,523**
Net increase / (decrease) in cash and cash equivalents	**(1,058)**	**19,231**	**52,665**
Cash and cash equivalents at the beginning of the period	**1,145**	**79**	**19,304**
Effects of exchange rate changes	**(8)**	**(6)**	**346**
Cash and cash equivalents at the end of the period	**79**	**19,304**	**72,315**

6.11 Material changes in Austral's financial position

Other than as disclosed in this Scheme Booklet or announced to the ASX by Austral, within the knowledge of the Austral Board, as at the Last Practicable Date, the financial position of Austral has not materially changed since 30 June 2026.

6.12 Recent Austral Share price history

The chart below shows the closing price of Austral on ASX over the 12-month period up to (and including) the Last Practicable Date:



As at the Last Practicable Date:

(a) the last recorded traded price of Austral Shares was $0.078;

(b) the highest recorded traded price of Austral Shares in the previous three months was $0.086 on 23 September 2026;

(c) the lowest recorded traded price of Austral Shares in the previous three months was $0.058 on 3 August 2026; and

(d) the VWAP of Austral Shares over the previous 90 days was $0.073.

The last recorded traded price of Austral Shares on the trading day immediately before the Announcement Date was $0.071 on 10 August 2026.

The current price of Austral Shares on ASX can be obtained from ASX website at www.asx.com.au or https://www.australres.com/.

6.13 Austral issued securities

(a) **Austral securities on issue**

As at the Last Practicable Date, the capital structure of Austral comprises the following equity securities:

Austral equity security	Number on issue
Austral Shares	2,654,856,580
Austral Options [1]	2,464,900
Austral Performance Rights [2]	10,000,000

Notes:
1. Austral Options exercisable at $0.075 each on or before 24 October 2027.
2. Austral Performance Rights issued to Mr David Newling, Non-Executive Chair of Austral, expiring on 31 December 2030 and vest subject to Austral Shares trading above a price of $0.20 per Austral Share over five consecutive trading days on which the Austral Shares have traded. Refer to Austral's Notice of Annual General Meeting dated 20 April 2026 for further information regarding the terms and conditions of these Austral Performance Rights.

(b) **Austral substantial shareholders**

Based on publicly available information as at the Last Practicable Date, Austral received notifications from the following substantial Austral Shareholders in accordance with section 671B of the Corporations Act:

Substantial holder	Number of Austral shares	Voting Power in Austral
Yellow Gear Pty Ltd, Moose 2.0 Pty Ltd and Daniel Jauncey [1]	239,752,757	9.03%
Thiess Group Investments Pty Ltd	279,600,000	11.21%
Velrosso Pty Ltd	308,423,510	11.62%
QIC Limited and QBF No.1 Pty Ltd as trustee of the QIC Critical Minerals and Battery Technology Fund	166,666,667	6.28%

Notes:

1. Yellow Gear Pty Ltd and Moose 2.0 Pty Ltd are entities associated with Mr Daniel Jauncey, Non-Executive Director of Austral.

6.14 Rights and liabilities attaching to Austral Shares

The rights and liabilities attaching to New Austral Shares which will be issued as Scheme Consideration will be the same as those attaching to all existing Austral Shares on issue and are set out in Austral's constitution and subject to the Corporations Act and ASX Listing Rules.

The main rights and liabilities attaching to the New Austral Shares are summarised below. This summary does not purport to be exhaustive and must be read subject to the full text of Austral's constitution available at https://www.australres.com/investors/corporate-governance/.

Under the Corporations Act, the Austral constitution has the effect as a contract between:

(a) Austral and each Austral Shareholder;

(b) Austral and each director and company secretary of Austral; and

(c) an Austral Shareholder and each other Austral Shareholder.

Accordingly, if you receive New Austral Shares as Scheme Consideration, you are taken to receive them subject to the terms of the Austral constitution and you will be bound by the terms of the Austral constitution. Hammer Metals Shareholders should seek their own independent advice in relation to their rights and liabilities as potential holders of Austral Shares in specific circumstances.

(a) **Voting**

At a general meeting of Austral on a show of hands, every member present in person or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Austral Share held by them.

(b) **Dividends**

The Austral Shares will rank equally with all other issued Austral Shares in the capital of Austral and may participate in dividends from time to time. Subject to the rights of holders of Austral Shares of any special preferential or qualified rights attaching thereto, dividends are payable amongst the holders of Austral Shares in proportion to the amounts paid up on such Austral Shares respectively at the date of declaration of the dividend. The Austral Directors may from time to time pay to Austral Shareholders such final and interim dividends as in their judgment the position of Austral justifies.

(c) **Winding up**

Upon accepting the entitlement to Austral Shares, Austral Shareholders will have no further liability to make payments to Austral in the event of Austral being wound up pursuant to the provisions of the Corporations Act.

(d) **Transfer of Securities**

Generally, the Austral Shares will be freely transferable, subject to satisfying the usual requirements of security transfers on ASX. The Austral Directors may decline to register any transfer of Austral Shares, but only where permitted to do so under the Austral constitution and the Listing Rules (as applicable).

(e) **Future increases in capital**

The allotment and issue of any Austral Shares is under the control of the Austral Directors. Subject to the Listing Rules, Austral's constitution and the Corporations Act, the Austral Directors may allot or otherwise dispose of Austral Shares on such terms and conditions as they see fit.

(f) **Small Holder Disposal**

Austral may take steps in respect of non-marketable holdings of Austral Shares to effect an orderly sale of those Austral Shares in the event that holders do not take steps to retain their holdings.

Austral may only take steps to eliminate non-marketable holdings in accordance with the Austral constitution and the Listing Rules.

For more particular details of the rights attaching to Austral Shares, Hammer Metals Shareholders should refer to Austral constitution.

6.15 Austral employee incentive arrangements

Austral has established the "Employee Share and Awards Plan" (**Austral Plan**), which was approved at Austral's annual general meeting held on 20 May 2026. The objective of the Austral Plan is to attract, motivate and retain key employees, contractors and other persons who provide services to Austral.

The Austral Board may determine that an eligible participant may participate in the Austral Plan and make an invitation to that person to apply for any awards (which may include Austral Shares, Austral Options or Austral Performance Rights) provided under the Austral Plan on such terms and conditions as the Austral Board decides from time to time. Austral Options issued under the Austral Plan will have the exercise price specified in the relevant invitation. Any vesting conditions which must be satisfied before awards can be exercised and converted into Austral Shares will be described in the invitation.

The total number of securities which may be offered by Austral under the Austral Plan shall not exceed 5% of Austral's issued share capital when aggregated with the number of securities issued or that may be issued as a result of offers made at any time during the previous three-year period under an employee incentive scheme covered by the Corporations Act.

Once an award is exercised, Austral will issue or cause to be transferred the number of Austral Shares to which the participant is entitled (determined in accordance with the Austral Plan and the relevant invitation).

For more information regarding the Austral Plan, please refer to the Austral Notice of Annual General Meeting dated 20 April 2026, available from ASX's website (https://www.asx.com.au/) or Austral's website (https://www.australres.com/).

6.16 Interests in Hammer Metals' Securities

(a) **Interests in Hammer Metals Securities**

As at the Last Practicable Date, none of the Austral Directors or any of its Associates had any Relevant Interest or Voting Power in any Hammer Metals Securities.

(b) **No dealings in Hammer Metals Securities in previous four months**

As at the Last Practicable Date, none of Austral or any of its Associates had any Relevant Interest or Voting Power in any Hammer Metals Securities.

(c) **No inducing benefits given during previous four months**

Except as otherwise provided in this Scheme Booklet, during the four months before the date of this Scheme Booklet, neither Austral nor any of its Associates gave, or offered to give, a benefit to another person which was likely to induce the other person, or an Associate of the other person to:

(i) vote in favour of the Scheme; or

(ii) dispose of Hammer Metals Shares,

and which will not be provided to all Scheme Shareholders under the Scheme.

6.17 Austral Securities held by Austral Directors

As at the Last Practicable Date, the Austral Directors have the following Relevant Interests in Austral equity securities:

Austral Director	Austral Shares	Austral Options [1]	Austral Performance Rights
David Newling – Non-Executive Chair	20,000,000	-	10,000,000 [2]
Daniel Jauncey – Non-Executive Director	239,752,757	-	-
David Quinlivan - Non-Executive Director	-	-	-
Michael Hansel - Non-Executive Director	9,014,943	-	-
Neil Meadows - Non-Executive Director	-	-	-
Sean Westbrook - Non-Executive Director	-	-	-

Notes:
1. Austral Options exercisable at $0.075 each on or before 24 October 2027.
2. Austral Performance Rights expiring on 31 December 2030 and vest subject to Austral Shares trading above a price of $0.20 per Austral Share over five consecutive trading days on which the Austral Shares have traded. Refer to Austral's Notice of Annual General Meeting dated 20 April 2026 for further information regarding the terms and conditions of these Austral Performance Rights.

6.18 Remuneration and Other Interests of Austral Directors

Austral Directors are remunerated as disclosed in the Company's 2025 annual report as detailed below:

Austral Director	Cash remuneration 2025 financial year (A$)	Cash remuneration Annual rate (A$)
David Newling – Non-Executive Chair	79,384	100,000

Austral Director	Cash remuneration 2025 financial year (A$)	Cash remuneration Annual rate (A$)
Daniel Jauncey – Non-Executive Director	60,954	80,000
David Quinlivan - Non-Executive Director	6,666	80,000
Michael Hansel - Non-Executive Director	60,954	80,000
Neil Meadows - Non-Executive Director	6,666	80,000
Sean Westbrook - Non-Executive Director	6,666	80,000

Note:
1. Inclusive of superannuation.

In addition to the above, Mr Meadows has been engaged by Austral on arm's length commercial terms to undertake restart works related to the Rocklands processing facility. Mr Meadows is paid a rate of $200 per hour (maximum of $1,600 per day) on an as needed basis. The services provided by Mr Meadows under this arrangement constitutes work in addition to non-executive director duties undertaken by Mr Meadows.

Except as provided for in this Scheme Booklet, the Austral Directors have no interest in the outcome of the Scheme.

6.19 Disclosure of interests

Except as otherwise provided in this Scheme Booklet, no:

(a) Austral Director or proposed Austral Director;

(b) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet for or on behalf of Austral; or

(c) promoter, stockbroker or underwriter of Austral or the Merged Group,

(together, the **Austral Interested Persons**) holds, or held at any time during the two years before the date of this Scheme Booklet, any interest in:

(d) the formation or promotion of Austral or the Merged Group;

(e) property acquired or proposed to be acquired by Austral in connection with the formation or promotion of Austral or the Merged Group or the offer of Austral Shares under the Scheme; or

(f) the offer of Austral Shares under the Scheme.

6.20 Disclosure of fees and other benefits

Except as otherwise disclosed in this Scheme Booklet, Austral has not paid or agreed to pay any fees, or provided or agreed to provide any benefit:

(a) to an Austral Director or proposed director to induce them to become or qualify as an Austral Director; or

(b) for services provided by any Austral Interested Persons in connection with:

(i) the formation or promotion of Austral or the Merged Group; or

(ii) the offer of Austral Shares under the Scheme.

6.21 Corporate Governance

Austral has adopted a Corporate Governance Charter which can be obtained, at no cost, from the Austral's registered office and is also available on Austral's website available at https://www.australres.com/investors/corporate-governance/.

Austral reports on its compliance with the recommendations made by the Corporate Governance Principles and Recommendations annually. Where Austral's corporate governance practices do not correlate with the practices recommended by the ASX Corporate Governance Council, Austral is working towards compliance however it does not consider that all practices are appropriate for Austral due to the size and scale of Austral's operations.

6.22 Dividend Policy

Austral does not currently pay dividends to its shareholders. Austral remains focused on advancing its exploration and development activities, and any future decision to declare a dividend will be made at the sole discretion of the Austral Board.

6.23 Litigation

As far as the Austral Directors are aware, as at the Last Practicable Date, Austral is not involved in any material legal disputes and is not party to any material litigation proceedings.

6.24 Publicly available information on Austral

Austral is a listed disclosing entity for the purposes of the Corporations Act and as such it is subject to regular reporting and disclosure requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, Austral is subject to the ASX Listing Rules which require continuous disclosure of any information Austral has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities. Copies of these announcements can be obtained free of charge from Austral's website at https://www.australres.com/ or by visiting the ASX website at https://www.asx.com.au/. Further announcements concerning developments at Austral may be made and placed on these websites after the date of this Scheme Booklet.

ASIC also maintains a record of documents lodged with it by Austral which can be obtained using services provided by ASIC, information in respect of which can be found on the ASIC website at https://www.asic.gov.au/. Please note that ASIC may charge a fee in respect of such services. Austral is required to prepare and lodge with ASIC and ASX both annual and half-year financial statements accompanied by a statement and report from Austral Directors and an audit or review report.

Austral also lodges quarterly activity reports with ASX. Copies of these and other documents lodged with ASIC and ASX may be obtained from an ASIC office and are accessible by visiting the ASX website at https://www.asx.com.au/.

Further information about Austral is available in electronic form from Austral's website at https://www.australres.com/.

On request to Austral and free of charge, Hammer Metals Shareholders may obtain a copy of:

(a) the annual financial report of Austral for the year ended 31 December 2025 (being the annual financial report most recently lodged with ASIC before lodgement of this Scheme Booklet with ASIC); and

(b) any continuous disclosure notice given to ASX by Austral since the lodgement with ASIC of the 31 December 2025 annual report for Austral referred to above and before lodgement of this Scheme Booklet with ASIC.

Hammer Metals Shareholders may request copies of the above documents by email to jarek@australres.com.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

A list of announcements made by Austral to the ASX from the date of the Scheme Implementation Deed on 11 August 2026 to the Last Practicable Date, is included below.

Date	Announcement
11 August 2026	Scheme Implementation Deed Executed to Acquire Hammer Metals
11 August 2026	Proposed issue of securities – AR1
11 August 2026	HMX: Austral Resources to Acquire Hammer Metals
28 August 2026	Austral Resources Appendix 4D and Half-year Report
28 August 2026	Results for the Half Year Ended 30 June 2026
31 August 2026	Appointment of Chief Financial Officer
4 September 2026	Notice of change of interests of substantial holder

6.25 Other material information

Except as disclosed elsewhere in this Scheme Booklet, there is no other information that is material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Austral Director, at the date of this Scheme Booklet, which has not previously been disclosed to Hammer Metals Shareholders.

7. Information about the Merged Group

7.1 Overview of the Merged Group

If the Scheme is implemented, Hammer Metals will become a Subsidiary of Austral, and each of the Subsidiaries of Hammer Metals will form part of the Austral Group, other than Carnegie Exploration Pty Ltd, which is subject to the Demerger as described at Section 5.2.

Following implementation of the Scheme, Austral will acquire an interest in the Mount Isa Project.

7.2 Rationale for the Scheme

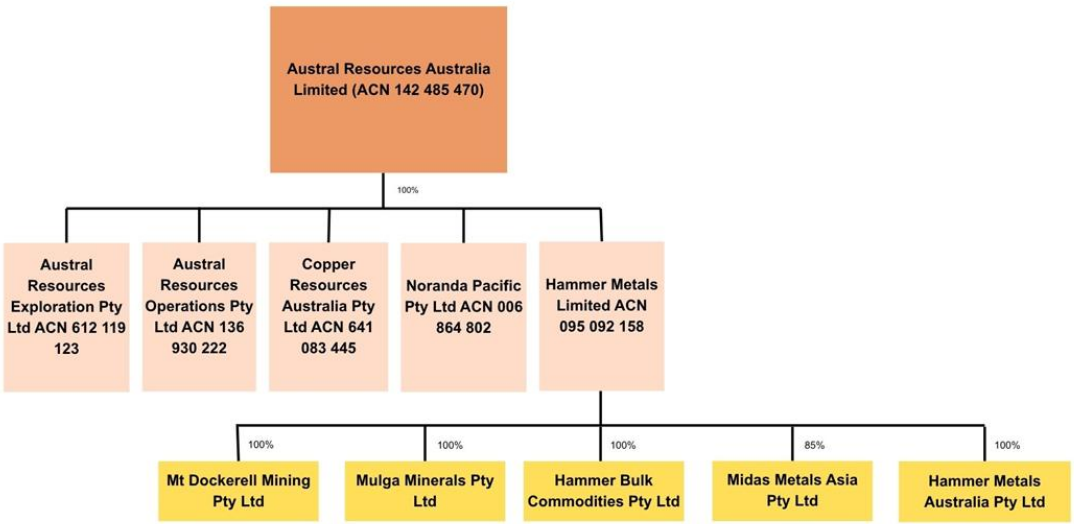
The acquisition of Hammer Metals, and with it the Mount Isa Project, is consistent with Austral's strategy to become the consolidation platform for North-West Queensland. The acquisition enables Austral to utilise its existing, strategically located processing facilities to develop the Mount Isa Project.

Hammer Metals Shareholders are receiving an attractive premium for their Hammer Metals Shares. In addition, by receiving New Austral Shares under the Scheme, Hammer Metals Shareholders will maintain exposure to (and any future value unlocked from) the Mount Isa Project, while also benefitting from immediate exposure to Austral's existing oxide production, established regional operating capability and ownership of two strategically located processing facilities, namely the Mt Kelly oxide heap-leach and SX-EW facility and the 3.0Mtpa Rocklands copper-gold sulphide concentrator.

The key considerations relevant to Hammer Metals Shareholders' vote on the Scheme are discussed in Section 1.

7.3 Corporate structure of the Merged Group

On implementation of the Scheme, Hammer Metals will be a Subsidiary of Austral. The corporate structure of the Merged Group is detailed below:



7.4 Board and management of the Merged Group

(a) **Board**

Pursuant to the Scheme Implementation Deed, Austral must, on or before the Implementation Date, invite one existing Hammer Metals Director of Austral's choice to join the Austral Board, conditional upon the Scheme becoming Effective and subject to that individual providing a signed consent to act, a valid director identification number and any other information or documentation required by law or regulation in respect of his appointment as an Austral

Director. As at the Last Practicable Date, Austral has nominated Mr Daniel Thomas to be appointed as an Austral Director on the Implementation Date, subject to the Scheme becoming Effective. The biography of Mr Thomas is detailed in Section 5.8(a).

Except as disclosed above, it is expected that there will be no changes to the Austral Board and each of the existing Austral Directors will continue as directors following implementation of the Scheme. Refer to Section 6.9(a) for further details of the Austral Directors.

(b) **Senior Management**

It is expected that there will be no changes to the senior management of Austral (as set out in Section 6.9(b)) and each of the existing members of senior management will continue in their existing roles following implementation of the Scheme.

The proposed arrangements with respect to Hammer Metals' key management personnel are set out in Section 7.5.

Detailed profiles of the senior management teams of both Austral and Hammer Metals can be found in Sections 5.8(b) and 6.9(b), respectively.

(c) **Deeds of indemnity**

Each Austral Director has entered into a deed of indemnity under which Austral agrees to indemnify the Austral Director, to the extent permitted under law, against all liabilities to another person (other than Austral or a Related Body Corporate) that may arise from their position as directors of Austral and its controlled entities, except where the indemnification is not permitted under the Corporations Act. Each agreement stipulates that Austral will meet the full amount of any such liabilities, including costs and expenses.

7.5 Austral's intentions in respect of the Merged Group

(a) **Overview**

This Section 7.5 sets out Austral's current intentions in relation to Hammer Metals and the Merged Group if the Scheme is implemented. These intentions are based on facts and information known to Austral at the time of preparing this Scheme Booklet that concern Austral and Hammer Metals as well as the general economic and business environment and are statements of current intention only and, accordingly, may vary as new information becomes available or circumstances change. Final decisions on these matters will only be made by Austral in light of all material facts and circumstances at the relevant time.

(b) **Corporate**

If the Scheme is implemented:

(i) Austral will become the holder of all Hammer Metals Shares;

(ii) Hammer Metals will become a Subsidiary of Austral; and

(iii) Hammer Metals will apply to be removed from the ASX.

(c) **Strategy**

Upon completion of the Scheme, the Merged Group's strategy will remain consistent with Austral's current strategy, as outlined in Section 6.3.

(d) **Dividend framework**

It is expected that Austral's current dividend framework, as outlined in Section 6.22, will be the dividend framework of the Merged Group following implementation of the Scheme.

(e) **Board of Directors**

Austral intends to replace the existing members of the Hammer Metals Board and the boards of Hammer Metals' Subsidiaries with Austral nominees.

Under the Scheme Implementation Deed, Hammer Metals is required to take all actions necessary to procure that, with effect from the Implementation Date:

(i) the Austral nominees are appointed to the Hammer Metals Board and the boards of Hammer Metals' Subsidiaries; and

(ii) all directors on the Hammer Metals Board and the board of Hammer Metals' Subsidiaries resign.

(f) **Current Hammer Metals employees**

If the Scheme is implemented, with the exception of its directors, the majority of Hammer Metals remaining workforce is expected to join Austral following implementation of the Scheme. Any employees made redundant will receive their full contractual and statutory entitlements, which would be paid from Austral's cash reserves.

(g) **Employee incentive arrangements**

The Hammer Metals Incentive Plan will no longer be applicable following implementation of the Scheme. Refer to Section 11.2 for how existing Hammer Metals Options and Hammer Metals Performance Rights will be treated in connection with the implementation of the Scheme.

Austral intends to continue utilising its existing incentive arrangements to provide incentives to its employees as described in Section 6.15. Certain Hammer Metals employees may become eligible to participate in those arrangements if they remain employed by, or contracted to, the Merged Group.

(h) **Delisting**

If the Scheme is implemented, it is intended that Hammer Metals will request to be removed from the official list of the ASX. Following its delisting from the ASX, Hammer Metals Shareholders will no longer be able to acquire or trade in Hammer Metals Shares as Hammer Metals will be an unlisted Subsidiary of Austral. Hammer Metals Shareholders who receive New Austral Shares as Scheme Consideration will, however, be able to trade in New Austral Shares on ASX.

(i) **Headquarters**

If the Scheme is implemented, the Merged Group's corporate operations will be headquartered at Austral's corporate office in Brisbane, Queensland. Austral intends to conduct a review of the Merged Group's other offices following implementation of the Scheme to determine optimal office arrangements for the Merged Group.

7.6 Merged Group capital structure on implementation of the Scheme

(a) **Capital structure**

The table below summarises the capital structure of the Merged Group on implementation of the Scheme (assuming no other Austral Shares are issued other than the New Austral Shares):

Austral equity security	Number on issue
Austral Shares [1]	3,815,815,231
Austral Options [2]	2,464,900
Austral Performance Rights [3]	10,000,000

Notes:

1. Assumes that:
   a. 4,000,000 Hammer Metals Performance Rights vest and are exercised into Hammer Metals Shares before the Record Date;
   b. all outstanding Hammer Metals Options are cancelled for consideration as contemplated in Section 11.2(b);
   c. all Management Performance Rights are cancelled for consideration as contemplated in Section 11.2(a); and
   d. none of the Austral Options or Austral Performance Rights are exercised prior to the Implementation Date.
2. Austral Options exercisable at $0.075 each on or before 24 October 2027.

3. Austral Performance Rights issued to Mr David Newling, Non-Executive Chair of Austral, expiring on 31 December 2030 and vest subject to Austral Shares trading above a price of $0.20 per Austral Share over five consecutive trading days on which the Austral Shares have traded. Refer to Austral's Notice of Annual General Meeting dated 20 April 2026 for further information regarding the terms and conditions of these Austral Performance Rights.

(b) **Pro-Forma ownership**

On implementation of the Scheme, Hammer Metals Shareholders will own approximately 30.4% of the Merged Group (on an undiluted basis).[29]

(c) **Substantial holdings**

Based on holdings as at the Last Practicable Date as set out in Sections 5.13(b) and 6.13(b) and excluding any Relevant Interest in Austral securities which are acquired subsequent to the Last Practicable Date, so far as known to Austral, there will be no substantial holders of Austral if the Scheme is implemented, except as set out below:

Substantial holder	Number of Austral shares	Voting Power in Austral [1]
Velrosso Pty Ltd	308,423,510	8.08%
Thiess Group Investments Pty Ltd	279,600,000	7.33%
Yellow Gear Pty Ltd, Moose 2.0 Pty Ltd and Daniel Jauncey [2]	239,752,757	6.28%

Notes:
1. Based on the pro-forma Austral Shares on issue on implementation of the Scheme (being, 3,815,815,231 Austral Shares.
2. Yellow Gear Pty Ltd and Moose 2.0 Pty Ltd are entities associated with Mr Daniel Jauncey, Non-Executive Director of Austral.

7.7 Quotation of New Austral Shares

Austral will apply to ASX after the date of this Scheme Booklet for official quotation of the New Austral Shares to be issued on implementation of the Scheme.

Trading in the New Austral Shares issued under the Scheme is expected to commence on a normal settlement basis on the ASX from the next Business Day after the Implementation Date (or such other date as ASX requires). The Implementation Date is currently expected to be Wednesday, 25 November 2026. The actual dates will be announced to ASX.

It is the responsibility of each Hammer Metals Shareholder to determine their entitlement to New Austral Shares under the Scheme before trading those Austral Shares to avoid the risk of selling shares they do not own.

7.8 Merged Group Pro Forma Historical Financial Information

(a) **Overview**

The combined pro forma historical financial information of the Merged Group comprises a pro forma consolidated statement of financial position at 30 June 2026 which is based on:

(i) Hammer Metals' audited historical consolidated statement of financial position as at 30 June 2026;

(ii) Austral's reviewed historical consolidated statement of financial position as at 30 June 2026; and

[29] Based on the 892,758,700 Hammer Metals Shares, 4,000,000 Hammer Metals Performance Rights and 2,654,856,580 Austral Shares outstanding, in each case, as at the Last Practicable Date. Assumes 29,500,000 Hammer Metals Options are not exercised and are cancelled for cash consideration pursuant to the terms of the Option Cancellation Deeds, 3,000,000 Management Performance Rights are not exercised and are cancelled for consideration pursuant to the terms of the Performance Right Cancellation Deed, and assumes 1,157,087,751 New Austral Shares are issued to Hammer Metals Shareholders as Scheme Consideration.

(iii) the pro-forma adjustments described in Section 7.8(d).

(b) **Basis of preparation**

The Merged Group pro forma historical financial information is provided for illustrative purposes only and is prepared on the assumption that the Demerger and the Scheme had been implemented on 30 June 2026 and Hammer Metals became a wholly-owned Subsidiary of Austral on that date.

The Merged Group pro forma historical financial information has been prepared by the management of Austral with input from the management of Hammer Metals. The pro forma historical financial information has been prepared in accordance with Australian Accounting Standards (AAS) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act and comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The Merged Group pro forma historical financial information have been prepared on the historical cost basis except for, where applicable, the re-evaluation of financial assets and liabilities.

The Merged Group pro forma historical financial information is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of Hammer Metals and Austral.

The information provided in this Section 7.8 is presented on a pro forma basis only and as a result, it is likely this information will differ from the actual financial information of the Merged Group.

The Merged Group pro forma historical financial information has been prepared on the basis that:

(i) the Demerger was completed prior to the date of the pro forma balance sheet;

(ii) the Scheme is implemented; and

(iii) the acquisition of Hammer Metals is considered an asset acquisition under accounting standards.

The Merged Group pro forma historical financial information also includes an assumption that the Scheme was implemented on 30 June 2026.

The value of the consideration for the acquisition of the Hammer Metals Shares under the Scheme will be measured based upon the value of the Austral Shares at close of trading on the Implementation Date. For the purposes of the Merged Group pro forma historical financial information, a value of $0.072 per Austral Share has been assumed, being the ASX closing price of Austral Shares on 7 August 2026 (being, the last trading day prior to the announcement of the Scheme). Consequently, the value of the purchase consideration for accounting purposes may differ from the amount assumed in the Merged Group pro forma historical financial information due to future changes in the market price of Austral Shares.

(c) **Pro forma historical statement of financial position**

The following pro forma adjustments to the historical statement of financial position have been made in order to present the Merged Group pro forma historical financial information as at 30 June 2026. Totals may not add up due to rounding.

Pro Forma Statement of financial position ($'000)	Notes	Austral 30-Jun-26 Reviewed	Hammer Metals 30-Jun-26 Audited	Pro Forma Adjustments	Pro Forma 30-Jun-26
Current assets					
Cash and cash equivalents	1, 2	72,315	1,531	(28,432)	45,414
Trade and other receivables		7,501	72		7,573

Prepayments		4,018	-		4,018
Inventories		2,363	-		2,363
Other assets		561	-		561
Total current assets		**86,758**	**1,603**	**(28,432)**	**59,929**
Non-current assets					
Financial assets		67,875	119		67,994
Property, plant and equipment		48,302	4		48,306
Exploration and evaluation assets	4	2,645	31,286	54,147	88,078
Assets associated with the Anthill Project	1	-	-	47,509	47,509
Right-of-use assets		20	58		78
Total non-current assets		**118,842**	**31,467**	**101,657**	**251,965**
Total assets		**205,600**	**33,069**	**73,225**	**311,894**
Current liabilities					
Trade and other payables		(7,465)	(714)		(8,179)
Employee benefits / provisions		(1,066)	-		(1,066)
Borrowings		-	(1,000)		(1,000)
Lease liabilities		(21)	(34)		(55)
Total current liabilities		**(8,552)**	**(1,748)**	**-**	**(10,300)**
Non-current liabilities					
Provisions		(68,766)	-		(68,766)
Financial liability	2	-		(15,000)	(15,000)
Employee benefits		(91)	-		(91)
Lease liabilities		-	(19)		(19)
Total non-current liabilities		**(68,857)**	**(19)**	**(15,000)**	**(83,876)**
Total liabilities		**(77,409)**	**(1,766)**	**(15,000)**	**(94,175)**
Net assets		**128,191**	**31,303**	**58,225**	**217,718**
Equity					
Issued capital	1,4	194,823	67,117	27,542	289,482
Reserves	4	322	619	(619)	322
Accumulated losses	2, 4	(66,954)	(36,434)	31,302	(72,086)
Total equity		**128,191**	**31,303**	**58,225**	**217,718**

(d) **Notes to the pro forma adjustments**

(i) Note 1 – Anthill Project Agreement (APA) termination

As announced by Austral on 28 July 2026, Austral reached an agreement to extinguish its obligations to Glencore and Secover under the APA.

The extinguishment was settled via the payment of c. $37.6m in cash and the issuance of 159,830,504 Austral Shares.

As a result, from 28 July 2026, Austral will have control of the Anthill Project related entities and will report these entities within its consolidated financial statements.

The assets and liabilities of the Anthill Project will be treated as being acquired under the principles of AASB 3 – Business Combinations and the consideration paid will need to be allocated to the fair value of the net assets acquired, including any separately identifiable intangible assets or goodwill.

As of the date of this Scheme Booklet, Austral has not completed the detailed valuation study necessary to arrive at the required final estimates of the fair value of the net assets acquired and, therefore, for the purposes of the pro forma statement of financial

position, the purchase consideration paid for these assets has been presented as a single line item.

The following summarises the preliminary calculation of the purchase consideration transferred.

APA Extinguishment consideration	
Cash consideration ($'000)	37,600
Austral shares issued on 28 July 2026 (No. of shares)	159,830,504
Austral share price - closing on 28 July 2026	$0.062
Total equity consideration ($'000)	**9,909**
Total consideration ($'000)	**47,509**

(ii) Note 2 – QIC Royalty Agreement

As announced by Austral on 7 August 2026, QIC Queensland Critical Minerals Fund invested $15.0 million in Austral through a non-dilutive royalty financing arrangement. As a result, cash and cash equivalents have increased by $15.0, with a respective recognition of a financial liability of $15.0 million.

(iii) Note 3 – Scheme adjustments

Cash adjustments include a reduction to reflect expected transaction costs of $5.1 million incurred by the Merged Group in connection with the Transactions, primarily comprised of investment banking fees, legal fees, issuance costs, accounting fees, payments for the cancellation of Hammer Metals Options and other related advisory costs.

Equity consideration to be paid by Austral under the Scheme has been assessed on a preliminary basis to be $84.7 million as set out in Note 4.

(iv) Note 4 – Purchase consideration and preliminary allocation

The Transactions are expected to be accounted as an asset purchase, rather than a business combination after consideration of the concentration of assets test as set out in AASB 3 – Business Combinations.

Under asset purchase accounting, the purchase price will be:

(A) initially allocated to the assets acquired and liabilities assumed, excluding exploration and evaluation assets; and

(B) the balance of the purchase price will be allocated to exploration and evaluation assets noting that the reset book value of exploration and evaluation assets will exclude the value of assets transferred to SpinCo.

As of the date of this Scheme Booklet, Austral has not completed the detailed valuation study necessary to arrive at the required final estimates of the fair value of Hammer Metals' assets to be acquired and liabilities to be assumed and the related allocations of purchase price. Until the Scheme is implemented, both Austral and Hammer Metals are limited in their ability to share certain information.

A final determination of the fair value of Hammer Metals' assets and liabilities, including related allocations to exploration and evaluation assets will be based on the actual assets and liabilities that exist as of the closing date of the Transactions and, therefore, cannot be made prior to the implementation of the Scheme.

In addition, the value of the purchase consideration to be paid by Austral upon the implementation of the Scheme and allocated to the assets and liabilities acquired will

be determined based on the closing price of Austral's Shares on the Implementation Date.

As a result of the foregoing, the pro forma adjustments are based on a preliminary assessment, and actual adjustments will be subject to change as additional information becomes available and as additional analysis is performed.

The preliminary pro forma adjustments have been made solely for the purpose of preparing the Merged Group Pro Forma Historical Financial Information presented herein. Upon implementation of the Scheme, a final determination of the fair value of Hammer Metals' assets and liabilities will be performed. Any increases or decreases in the fair value of assets acquired and liabilities assumed upon completion of the final valuations will result in adjustments to the Merged Group Pro Forma Historical Financial Information.

The final purchase price allocation may be materially different than that reflected in the pro forma purchase price allocation presented herein.

Calculation of the purchase consideration

The following summarises the preliminary calculation of the purchase consideration transferred as if the Scheme had been completed on 30 June 2026 and based on the closing Austral Share price on 11 September 2026 and the number of outstanding shares and shares to be issued.

Share consideration	
Ordinary shares of Hammer Metals issued and outstanding (no. of shares)	892,758,700
Additional ordinary shares issued for vested performance rights	4,000,000
Total shares on issue at scheme implementation date	**896,758,700**
Exchange ratio	1.2903
Austral shares to be issued as part of scheme (no. of shares)	1,157,087,751
Austral shares to be issued for cancelled performance rights (no. of shares)	3,870,900
Total Scheme share consideration (no. of shares)	**1,160,958,651**
Austral share price - closing on 11 September 2026	$0.073
Total preliminary equity consideration ($'000)	**84,750**

Preliminary aggregate transaction consideration allocation

The following table summarises the preliminary transaction consideration allocation, as if the Transactions have been completed on 30 June 2026.

Preliminary purchase price allocation	**$'000**
Cash and cash equivalents (net of $0.7m minimum cash transferred to SpinCo)	831
Trade and other receivables	72
Financial assets	119
Property, plant and equipment	4
Right-of-use assets	58
Trade and other payables	(714)
Borrowings	(1,000)

Lease liabilities	(53)
Net assets acquired - excluding exploration and evaluation assets	**(683)**
Exploration and evaluation assets	85,433
Total preliminary equity consideration	**84,750**

7.9 Forecast financial information for the Merged Group

Each of the Austral Board and the Hammer Metals Board has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information in relation to the Merged Group. Each of the Austral Board and Hammer Metals Board has concluded that such forecast financial information would have the potential to be misleading and a reasonable basis does not exist for producing forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice to be of value to either set of shareholders.

Hammer Metals Shareholders should refer to the Independent Expert's report for the Independent Expert's conclusion regarding valuations of Hammer Metals and Austral.

8. Risk factors

8.1 Introduction

In considering the Scheme, Hammer Metals Shareholders should be aware that there are a number of risks, both general and specific, associated with the Scheme. This Section 8 describes:

(a) specific risks relating to the Scheme (refer to Section 8.2);

(b) specific risks relating to the Merged Group (refer to Section 8.3);

(c) general risks relating to the Merged Group (refer to Section 8.4); and

(d) risks related to Hammer Metals Shareholders if the Scheme does not proceed (refer to Section 8.5).

The risks outlined in this Section 8 are not an exhaustive list of all risks and risk factors related to Hammer Metals, the Merged Group or the Scheme, and do not take into account the investment objectives, financial situation, taxation objectives, position or particular needs of any Hammer Metals Shareholder. No assurances or guarantees are given in relation to the future performance of, profitability of Hammer Metals, Austral or the Merged Group. Additional risks and uncertainties not currently known to Austral or Hammer Metals may also have an adverse impact on the Merged Group's business.

A number of these risks are, or will be, risks to which Hammer Metals Shareholders are already exposed. However, the nature of the Merged Group's business will differ from that of Hammer Metals as a standalone business and Hammer Metals Shareholders may be subject to additional risks in respect of the Merged Group. These risks should be considered in conjunction with other information contained in this Scheme Booklet generally. You should consult your legal, financial, taxation or other professional adviser as to how the Scheme might impact you, or if you are unclear or uncertain about any matter mentioned in this Section 8 or elsewhere in this Scheme Booklet.

8.2 Specific risks relating to the Scheme

The following risks have been identified as being the key risks specific to the Scheme.

(a) **The market value of the Scheme Consideration is not certain**

If the Scheme is implemented, each Scheme Shareholder (excluding Ineligible Holders who will receive their pro rata share of the Sale Proceeds under the Scheme Sale Facility instead of the Scheme Consideration) will be entitled to receive the Scheme Consideration, being 1.2903 New Austral Shares for every one Hammer Metals Share held at the Record Date. This exchange ratio is fixed in the Scheme Implementation Deed and will not be adjusted to reflect changes in the market price for Hammer Metals Shares, Austral Shares or any other event before the Implementation Date. Accordingly, the implied value of the Scheme Consideration will vary over time and Hammer Metals Shareholders cannot be sure of the market value of the Scheme Consideration that will be provided on the Implementation Date.

Further, for Ineligible Holders, there is no guarantee as to the price at which New Austral Shares may be sold by the Scheme Sale Agent through the Scheme Sale Facility as described in Section 3.7 (or the precise timing of any such sale).

The price of Austral Shares, following implementation of the Scheme, will vary and may be volatile as a result of a number of factors, including the financial and operating performance of the Merged Group and general market conditions. Investor and analyst perception of the Merged Group will also impact the price of Austral Shares issued as Scheme Consideration.

There can be no guarantee that there will continue to be an active market for Austral Shares or the price of Austral Shares will increase. Hammer Metals and the Hammer Metals Board do not warrant the future performance of Austral or the Merged Group or any return on an investment in Austral or the Merged Group.

(b) **Implementation of the Scheme is subject to various conditions that must be satisfied or waived (as applicable)**

Implementation of the Scheme is subject to the satisfaction or waiver (as applicable) of a number of conditions precedent, including Court approval of the Scheme, as summarised in

Section 10.6(b). A number of the outstanding conditions precedent are outside the control of Hammer Metals and Austral. There can be no certainty, nor can Hammer Metals or Austral provide any assurance, that these conditions precedent will be satisfied or waived (as applicable) or, if satisfied or waived (as applicable), when that will occur.

There is a risk that the Court may not approve the Scheme or that the Court's approval is delayed. In particular, if there is a material change in circumstances between the Scheme Meeting and the Second Court Date, then the Court will have regard to that change in deciding how it should proceed. If a change is so important that it materially alters the outcome of the Scheme or the value of Hammer Metals or the Scheme Consideration, there is a risk that the Court may not approve the Scheme at the Second Court Hearing.

Any failure or delay in satisfying the conditions precedent could prevent or delay the implementation of the Scheme, which could reduce the benefits that Austral and Hammer Metals expect to obtain from the Scheme, increase the costs associated with the Scheme and impede successful integration of Austral and Hammer Metals businesses, which may have adverse consequences for Hammer Metals and Hammer Metals Shareholders. Refer to Section 8.5 for risks to Hammer Metals Shareholders if the Scheme does not proceed.

(c) **The Scheme Implementation Deed may be terminated by Hammer Metals or Austral in certain circumstances, in which case the Scheme will not be implemented**

Hammer Metals and Austral each have the right to terminate the Scheme Implementation Deed in the circumstances summarised in Section 10.6(h). As such, there is no certainty that the Scheme Implementation Deed will not be terminated by either Hammer Metals or Austral before the Scheme is implemented.

If the Scheme Implementation Deed is terminated before the Scheme is implemented, Hammer Metals, as a standalone entity, will not be able to achieve the benefits that the merger with Austral might have provided, and will be exposed to the risks of operating as a standalone company outlined in Section 8.5 below. In this scenario, the market price of Hammer Metals Shares may fall and there is no assurance that any alternative proposal will emerge (and if any such proposal emerges, there is no assurance that it will be at an equivalent or greater price than the implied price to be paid under the terms of the Scheme).

In addition, certain circumstances which could cause the Scheme not to proceed may result in an obligation on Hammer Metals to pay the Break Fee to Austral and early repayment of the Loan Facility. See Section 10.6 for a summary of those circumstances. For instance, there is a risk that a third-party proposal arises which constitutes a Superior Proposal under the Scheme Implementation Deed. In those circumstances, subject to the matching right regime (as summarised in Section 10.6), the Scheme Implementation Deed might be terminated with a Break Fee payable by Hammer Metals to Austral.

(d) **Issue of Austral Shares could adversely affect the market price of Austral Shares**

If the Scheme is implemented, a substantial number of Austral Shares (being the New Austral Shares issued as Scheme Consideration) will be available for trading on the ASX. There may be sales of Austral Shares, or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Austral Shares.

In addition, the Scheme Sale Agent will be issued the New Austral Shares to which Ineligible Holders would otherwise be entitled, and will seek to sell them on the ASX as soon as reasonably practicable and, in any event, within 10 Business Days from the Implementation Date. It is possible that such sales may exert downward pressure on the Austral Share price during the applicable period by creating additional selling volumes.

(e) **Taxation consequences for Hammer Metals Shareholders**

If the Scheme is implemented, there will be tax consequences for Hammer Metals Shareholders. The tax consequences will vary depending on a number of factors, including their place of residence for tax purposes and their individual tax circumstances. A summary of the general tax consequences for Australian resident Hammer Metals Shareholders is described in Section 9. Hammer Metals Shareholders should seek independent professional taxation advice regarding the individual tax consequences applicable to them.

(f) **Transaction costs**

Each of Austral and Hammer Metals has incurred, and will continue to incur, significant costs associated with the Scheme. Fees and expenses related to the Scheme include financial advisory, legal, accounting, Independent Expert, Independent Technical Specialist, tax, regulatory and administration fees as well as Scheme Booklet design, printing and distribution. Some of these fees will be paid regardless of whether the Scheme is implemented or becomes Effective.

Further details of estimated transaction costs expected to be incurred by Hammer Metals in respect of the Scheme, including stamp duty, are detailed in Section 11.7.

Additionally, the Merged Group will incur costs associated with integrating the Hammer Metals Group into the existing Austral Group, however it is difficult to predict the amount of these costs before the integration process begins. The Merged Group may incur additional unanticipated costs as a consequence of difficulties arising from efforts to integrate the companies and their respective businesses. The risks associated with integration are detailed further in Section 8.3 below.

(g) **Risks faced by Hammer Metals prior to implementation**

The business and results of operations of Hammer Metals may be adversely affected by, among other factors, economic downturns, changes in commodity prices, political instability, changes in applicable laws, environmental regulation, volatility in the financial markets and unfavourable regulatory decisions. Refer to Section 8.4 for details of general economic risks. Any one or more of these factors, among other things, could negatively affect the operations and financial performance of Hammer Metals, which could in turn adversely affect the future operational and financial results of the Merged Group.

8.3 Specific risks relating to the Merged Group

(a) **Mine development**

Possible future development of a mining operation at any of Austral's projects is dependent on a number of factors affecting the tenure exploration, quality ore supply, mine development and commercialisation of mining projects.

To assess the initial feasibility of future mining development, Austral has undertaken scoping studies to assess on a preliminary basis the technical and economic viability of its projects and to provide a pilot programme with respect to the Heap Leach Re-Mine.

Further evaluation work and appropriate studies are required before Austral will be in a position to estimate any ore reserves or to provide any assurance of an economic development case. Each scoping study is based on material assumptions. These include assumptions about the availability of funding. While Austral considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by each scoping study will be achieved.

To achieve the range of outcomes indicated in the scoping study, further funding is required. Austral intends to fund the required capital through proceeds derived from the Heap Leach Re-Mine or will otherwise be required to reallocate funds raised under the equity or debt financing.

(b) **Share Price**

The price at which Austral Shares trade on the ASX post-issue may be higher or lower than the issue price of the Austral Shares prior to the Implementation Date and could be subject to fluctuations in response to variations in operating performance, general operations and business risk, as well as external operating factors over which the Austral Directors and Austral have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that the price of Austral Shares will increase. There may be relatively few or many potential buyers or sellers of Austral Shares on ASX at any given time. This may increase the volatility of the market price of Austral Shares. It may also affect the prevailing market price at which Austral Shareholders are able to sell their Austral Shares.

(c) **Strategic risk**

Austral's strategic growth plans (including the re-commissioning of the Rocklands Project concentrate facility) require the availability of appropriate and suitable ore supply and potential acquisition targets or sourcing third-party providers of suitable ore for processing under tolling arrangements. There is no guarantee that the proposed or future third-party source providers will be in a position to supply suitable ore for processing in line with Austral's timetable to recommission the Rocklands concentrate facility.

(d) **Operational risk**

Austral's current and proposed copper production operations may be affected by a range of operational factors. These include failure to achieve the predicted grade in mining, processing, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure, problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unforeseen delays, unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment. For example, the Rocklands Project is subject to geological and metallurgical review of the performance of the Processing Facility in the treatment and recovery of the different ore types at and potentially surrounding, and within, Austral's current and future project areas. Given that both production levels and operating costs are susceptible to external factors, some of which are beyond the control of Austral, the Austral Board and executive, no assurance can be given that adverse operating conditions will not impact on Austral's operations, financial performance or position.

Austral's production and operations generally may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that Austral will achieve commercial viability through the development or mining of its projects and treatment of ore.

(e) **Increase in costs**

Austral's business, operating and financial performance may be affected by increased cost of production inputs and consumables (such as fuel, water, acid and other chemicals) and capital costs, some of which are outside of Austral's control and may exceed Austral's future estimates.

Austral intends to mitigating risks associated with potential increase in production costs by agreeing with third parties on, where possible, long term fixed price contracts and where applicable, hedging arrangements to limit further exposure. However, no guarantee can be given that such arrangements will be secured at commercially acceptable rates or at all.

(f) **Exploration and evaluation risk**

The long-term value of Austral will depend on its ability to find and develop resources that are economically recoverable within its current tenement suite and any resultant tenements acquired; including the Hammer Metals Tenements. Mineral exploration and mine development is inherently highly speculative and involves a significant degree of risk. There is no guarantee that it will be economic to extract these resources or that there will be commercial opportunities available to monetise these resources. The circumstances in which a mineral deposit becomes or remains commercially viable depends on a number of factors. These include the particular attributes of the deposit, such as size, concentration and proximity to infrastructure as well as external factors such as development costs, supply and demand. This, along with other factors such as maintaining title to tenements and consents, commissioning and operating of projects and processing facilities may result in projects not being developed, or operations becoming unprofitable.

Furthermore, while Austral has confidence in its existing projects, should those projects not prove profitable and Austral is unable to secure new exploration and mining areas and resources, there could be a material adverse effect on Austral's prospects for copper exploration and its success in the future.

(g) **Climate change**

The operations and activities of Austral are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact Austral. While Austral will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that Austral will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by Austral, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which Austral operates.

(h) **Reserves and resource estimates**

The resource statements and estimates set out in Section 6.6 represent the estimated tonnages and grades which Austral has determined are technically feasible to progress more detailed technical and economic assessments. The resource statements are not sufficient to support the estimation of ore reserves which are economically viable to mine.

Resource estimates are expressions of judgment based on knowledge, experience and industry practice and the Joint Ore Reserve Committee code. These estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment or, even if valid when originally calculated, may alter significantly when new information or techniques become available. As further information becomes available through additional drilling and analysis the estimates are likely to change. Any adjustments to resources could affect Austral's exploration and development plans which may, in turn, affect Austral's performance. Austral will undertake metallurgical studies to assess whether the resources are economically viable to mine. If Austral's actual realisation of mineral quantities and grades is less than estimated, there will be a corresponding effect on the operations and financial performance of Austral.

(i) **Contractual risks**

The Austral Group is a party to various contracts. Certain contracts are material to the Austral Group's financial position and performance and ongoing operations.

No assurance can be given that all contracts to which Austral is a party will be fully performed by all contracting parties. Additionally, no assurance can be given that if a contracting party does not comply with any contractual provisions, Austral will be successful in securing compliance.

Whilst Austral has various contractual protections in place to quarantine its liabilities in the event of non-compliance by a contracting party, no assurance can be given that all contracts to which Austral is a party will be fully performed by all contracting parties. Additionally, no assurance can be given that if a contracting party does not comply with any contractual provisions, Austral will be successful in securing compliance. Any failure to secure timely compliance or substitution of key contracts may result in the operations of Austral being disrupted which could have a material adverse effect on its operations, financial position and financial performance.

(j) **Access to utilities**

Austral's mining activities rely on a significant quantity of power and water for mining and extraction activities, processing, and related support facilities. Water usage requires appropriate permits, which are granted by government authorities where Austral operates. Water permits are temporal and subject to usage and other conditions. Any change or effect on permitted allocation may affect Austral's operations and financial performance generally. Any failure or interruption to secure the necessary levels of power and water on commercially acceptable terms may affect Austral's development programme, production levels and operations generally which could adversely impact its financial performance and future prospects.

(k) **Equipment failure**

Austral's mining and processing operations are susceptible to equipment failure. The occurrence of any such failure or interruption may interrupt Austral's operations or delay Austral's production programme due to rectification or replacement of equipment. For example, the crusher screen decks have failed and the overland conveyor has suffered from belt failures. While Austral will seek to institute and maintain business interruption insurance, there is no guarantee that each incidence of equipment failure or business interruption will be covered by those policies or those policies can be secured on commercially acceptable terms. Any delay in production arising from such equipment failure may adversely affect the performance of the Austral operations.

(l) **Infrastructure risk**

Austral's mining, processing and development activities rely on critical infrastructure such as processing facilities, road and port access. A number of general factors could affect critical infrastructure and transport services, including third-party contractual dispute, weather, global pandemics, infrastructure interruption, rail or port capacity, industrial action, commercial disputes, terrorist attacks, cyberattacks or other force majeure events.

The occurrence of any such disruptions may affect Austral's ability to deliver its copper product to third parties which could result in contractual breach and a corresponding impact on its financial performance and goodwill and reputation with contract counterparties. For example, any failure of Austral's third party transportation and logistics contracts to transport its copper product will affect its ability to discharge its obligations under any offtake arrangements it may have in effect at the time of delivery of its products and affect its operations and financial performance generally.

(m) **Environmental risks**

Austral's operations and projects are subject to the laws and regulations of all jurisdictions in which it has interests and carries on business, regarding environmental compliance and relevant hazards.

These laws and regulations set standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards. They also establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

As with most development and exploration projects operations, Austral's activities are expected to have an impact on the environment. Significant liability could be imposed on Austral for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by Austral, or non-compliance with environmental laws or regulations. It is Austral's intention to minimise this risk by conducting its activities to the highest standard of environmental obligation, including compliance with all environmental laws and where possible, by carrying appropriate insurance coverage.

There is also a risk that the environmental laws and regulations may become more onerous, making Austral's operations more expensive. Amendments to current laws, regulations and permits governing operations and activities of copper companies, or a more stringent implementation or enforcement, could have a material adverse impact on Austral and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

(n) **Rehabilitation cost risk**

Austral makes provision in its financial statements for future rehabilitation and remediation costs. Estimating the likely quantum of such costs is uncertain and requires the use of assumptions as to mine life, mine processes, and future rehabilitation and closure costs. As such, no assurance can be given as to the accuracy of Austral's current provisions for future rehabilitation and closure costs, and actual costs may be substantially greater.

Austral's projects operate in Queensland. As a condition of undertaking mining operations, the Queensland government requires Austral to provide a guarantee against future rehabilitation

and closure liability, in the form of a performance bond or bank guarantee. The quantum of the surety is determined by the Queensland government regulatory authority and is required to be based on an assessment of potential disturbance and contamination, and other criteria determined by the regulatory authority. This assessment and resultant determination may result in an increase in the quantum of the surety which would impact Austral's liquidity and financial position.

(o) **Ore Reserve depletion**

Austral's Ore Reserves will reduce through mining operations. Austral's medium to long term financial performance and viability will require it to supplement and increase its resources and Ore Reserves through exploration, increasing the resource status of its known resources or capital investment in alternate but commercially viable extraction methods.

(p) **Title Risk**

The exploration and mining tenements Austral currently hold, or may, in the future, acquire an interest, are subject to the applicable local laws and regulations. There is no guarantee that any permits, applications or conversions in which Austral has a current or potential interest will be granted.

The exploration tenements in which Austral has an interest will be subject to application for permit renewal from time to time. Renewal of the term of each permit is subject to applicable legislation. If the permit is not renewed for any reason, Austral may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit.

Although Austral has taken steps to verify the title to the resource properties in which it has or has a right to acquire an interest, in accordance with industry standards for the current stage of exploration and mining of such properties, these procedures do not guarantee title. Title to resource properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or other stakeholder rights.

(q) **Native Title**

The tenements which Austral has an interest in or will in the future acquire such an interest, may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of Austral to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

All exploration tenements owned by the Austral Group are subject to native title agreements with either Kalkadoon Native Title Aboriginal Corporation (KNTAC) or Indjalandji – Dhidhanu Aboriginal Corporation (IDAC). All the exploration tenements have been granted either with Native Title Protection Conditions (NTPC's) or an agreement has been reached with the native title party under a Section 31 deed. All mining leases owned by the Company are subject to a native title agreement with KNTAC.

(r) **Changes in commodity price**

Austral's potential future revenues are likely to be derived mainly from copper revenue and/or from royalties gained from potential joint ventures or other arrangements.

Consequently, Austral's potential future earnings will likely be closely related to the price of copper.

Copper prices fluctuate and are affected by numerous industry factors including demand for the resource, forward selling by producers, production cost levels in major producing regions and macroeconomic factors, e.g. inflation, interest rates, currency exchange rates and global and regional demand for, and supply of, copper. If Austral is producing copper and the market price of copper were to fall below the costs of production and remain at such a level for any sustained period, Austral would experience losses and could have to curtail or suspend some or all of its proposed activities. In such circumstances, Austral would also have to assess the economic impact of any sustained lower commodity prices on recoverability.

(s) **Failure to satisfy expenditure commitments and licence conditions**

Austral's current tenement suite is located in Queensland. Interests in tenements in Queensland are governed by the mining acts and regulations that are current in that jurisdiction and are evidenced by the granting of licences or leases. Each permit or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Austral could lose title to or its interest in the tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(t) **Financing**

Austral may require additional financing in order to develop the Expansion Projects where actual costs exceed anticipated expenses or where the anticipated proceeds derived from Austral's operations are insufficient to cover any unforeseen increases in development or production costs associated with the Expansion Projects.

If the financial performance of Austral is not sufficient to satisfy any unforeseen increases in development or production costs associated with its mining and production operations , Austral will be required to raise additional equity or debt. There can be no assurance that any such equity or debt funding will be available to Austral on favourable terms or at all. Failure to obtain appropriate financing on a timely basis will affect the development and commercialisation of the Austral Group operations. If Austral raises additional funds through the issue of equity securities, this will result in dilution to the existing Austral Shareholders and potentially a change of control of Austral.

(u) **Exchange rate risk**

The revenues, earnings, assets and liabilities of Austral may be exposed adversely to exchange rate fluctuations. Austral's revenue may be denominated in Australian Dollars or a foreign currency, such as United States Dollars. As a result, fluctuations in exchange rates could result in unanticipated and material fluctuations in the financial results of Austral.

(v) **Industrial risk**

Industrial disruptions, work stoppages and accidents in the course of Austral's operations could result in losses and delays, which may adversely affect Austral's operations and profitability.

(w) **Insurance arrangements**

Austral intends to ensure that insurance is maintained within ranges of coverage that Austral believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance, however, can be given that Austral will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

Moreover, insurance against risks such as business interruption, environmental pollution or other hazards as a result of exploration, development and production activities is not generally available to Austral or to other companies in the copper industry on acceptable terms. Austral might also become subject to liability for pollution or other hazards that may not be insured against or which Austral may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Austral to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(x) **Land access risk**

Austral's projects are located in Queensland. Access to land in Queensland for mining and exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and regulatory requirements within the jurisdiction where Austral operates. Any non-performance or non-compliance by or dispute with any contract counterparty or party granting land access could affect Austral's ability to access its projects and associated infrastructure which will affect operations and financial performance generally.

(y) **Government policy**

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Queensland or at the federal level, may have an adverse effect on the assets, operations and ultimately the financial performance of Austral. These factors may ultimately affect the financial performance of Austral and the market price of its securities.

In addition to the normal level of income tax imposed on all industries, Austral may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

Changing attitudes to environmental, land care, cultural heritage, together with the nature of the political process, provide the possibility for future policy changes in Queensland and federally. There is a risk that such changes may affect Austral's exploration and development plans or, indeed, its rights and/or obligations with respect to the tenements.

(z) **Reliance on Key Personnel**

Austral currently has a team of executives and senior personnel to progress its development, exploration and evaluation programme, within the time frames and within the costs structure as currently envisaged. The timing and costs associated with this programme could be influenced by the loss of existing key personnel or a failure to secure and retain additional key personnel as Austral's exploration and mining programme develops. The resulting impact from such loss would be dependent upon the quality and timing of the employee's replacement. Although the key personnel of Austral have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and evaluating resources projects, there is no guarantee or assurance that they will be successful in their objectives.

8.4 General risks relating to the Merged Group

(a) **Investment risk**

There are a number of risks associated with any stock market investment. The market price of Austral Shares can be expected to rise and fall in accordance with general market conditions and factors and there can be no certainty that, following listing, an active market for the Austral Shares will develop.

The value of the Austral Shares will be determined by the stock market and will be subject to a range of factors beyond the control of Austral or the Austral Directors. These factors include movements in local and international stock exchanges, local interest rates and exchange rates, domestic and international economic and political conditions, government taxation, market supply, competition and demand and other legal, regulatory or policy changes.

The trading price after listing may also be affected by the financial and operating performance of Austral.

(b) **Share Market Risk**

The market price of Austral Shares and other securities can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration and mining companies in particular.

There are a number of factors (both national and international) that may affect the share market price and neither Austral nor the Austral Directors have control of these factors.

(c) **Taxation**

The acquisition and disposal of Austral Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All Austral Shareholders are urged to obtain independent financial advice about the consequences of acquiring Austral Shares from a taxation point of view and generally.

(d) **Force majeure events**

Acts of terrorism, an outbreak of international hostilities, pandemics or fires, floods, earthquakes, labour strikes, civil wars and other natural disasters may cause an adverse

change in investor sentiment with respect to Austral specifically or the stock market more generally, which could have a negative impact on the value of an investment in the Austral Shares.

(e) **Speculative nature of investment**

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may materially affect the financial performance of Austral and the value of the Austral Shares. The Austral Shares carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. An investment in Austral should be considered as speculative and investors should consult their professional advisers before deciding whether to apply for Austral Shares.

8.5 Risks related to Hammer Metals if the Scheme is not implemented

If the Scheme does not proceed, Hammer Metals will continue as a standalone entity, and intends to continue with its existing strategy, and Hammer Metals Shareholders will retain their Hammer Metals Shares. In these circumstances, Hammer Metals may be subject to the risks as summarised in this Section 8.5. As a standalone entity, Hammer Metals will remain exposed to the risks outlined in Section 8.4, save to the extent that those risks are derived from the Merged Group's exposure to Austral, its business or operations.

(a) **Hammer Metals Shareholders will not receive the Scheme Consideration**

If the Scheme is not implemented, Hammer Metals Shareholders will retain their Hammer Metals Shares and will not receive the Scheme Consideration (or in the case of Ineligible Holders, they will not receive their pro rata share of the Sale Proceeds from the Scheme Sale Agent). If the Scheme is not implemented, Hammer Metals will remain listed on ASX and would continue to operate its business. In those circumstances, Hammer Metals Shareholders will continue to be exposed to the risks and benefits of owning Hammer Metals Shares.

(b) **The benefits associated with the Merged Group may not be realised**

If the Scheme is not implemented, Hammer Metals will remain listed on ASX as a standalone entity and may not be able to achieve certain of the benefits anticipated from the Merged Group.

(c) **The trading price of Hammer Metals Shares may fall below its recent trading price, in the absence of an equivalent or Superior Proposal**

The trading price of Hammer Metals Shares on ASX is affected by many variables, including but not limited to national and global economic financial conditions, the market's response to the Scheme, changes in gold and other commodity prices, market perceptions of Hammer Metals and the liquidity of financial markets. There can be no assurance that such fluctuations will not affect the price of Hammer Metals Shares in the future if the Scheme does not proceed.

If the Scheme is not implemented and no equivalent or Superior Proposal emerges, it is possible that the price of Hammer Metals Shares will fall below the level at which they have been trading since the Scheme was announced. Information about the historical trading price of Hammer Metals Shares is contained in Section 5.12. Hammer Metals Shares carry no guarantee with respect to the payment of dividends, returns of capital or market value, and are a speculative investment. The trading price of Hammer Metals Shares on ASX on the Last Practicable Date is not a reliable indicator as to the potential future trading price of Hammer Metals Shares. There is no guarantee of liquidity or that there will be an active market for Hammer Metals Shares. Some of the factors which may adversely impact the price of Hammer Metals Shares include those listed in Section 8.4.

(d) **Transaction costs already incurred**

If the Scheme is not implemented, Hammer Metals' transaction costs will be borne by Hammer Metals alone. Hammer Metals may also be required to pay the Break Fee to Austral, depending on the circumstances in which the Scheme does not proceed and will be required to repay the Loan Facility. Further information regarding the transactions costs and the circumstances in which the Break Fee and Loan Facility are detailed in Sections 10.6 and 11.7.

(e) **Risks as a standalone entity**

If the Scheme is not implemented, and no Superior Proposal emerges, Hammer Metals intends to continue with its existing strategy and an investment in Hammer Metals Securities will continue to be exposed to various further risk factors, including those which currently apply to a securityholder in Hammer Metals. As a standalone entity, Hammer Metals will remain exposed to the number of risks outlined in Sections 8.3 and 8.4, save to the extent that those risks are derived from the Merged Group's exposure to Austral, its businesses or operations.

(f) **Future capital requirements**

If the Scheme is not implemented, Hammer Metals expects that it will need to raise additional funds shortly following the termination of the Scheme Implementation Deed to (i) repay amounts that have been drawn down and remain unpaid under the Loan Facility and (ii) provide working capital to fund Hammer Metals' ongoing activities. Additional funding may be sourced from share issues, the sale of non-core assets, entering into off-take related funding arrangements or longer-term debt financing.

The ability of Hammer Metals to meet its future capital requirements will depend on its continued capacity to access funding sources and/or debt facilities. Funding via additional equity issues may be dilutive to Hammer Metals Shareholders and, if available, debt financing may be subject to Hammer Metals agreeing to certain debt covenants. If Hammer Metals is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, exploration programmes and plans for its projects, as the case may be. There is no guarantee that Hammer Metals will be able to secure any additional funding as and when required, or to secure funding on terms favourable to Hammer Metals.

9. Tax Implications for Hammer Metals Shareholders

9.1 Australian tax outline

This Section provides a general and high-level description of the Australian tax consequences of the Scheme (assuming it becomes Effective) for Scheme Shareholders upon the implementation of the Scheme. It does not constitute tax advice and should not be relied upon as such.

The description is based upon the Australian law and administrative practice in effect as at the Last Practicable Date but is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of a Hammer Metals Shareholder. Hammer Metals Shareholders should seek independent professional advice in relation to their own particular circumstances.

The income tax comments set out below are relevant only to those Hammer Metals Shareholders who hold their Hammer Metals Shares on capital account. The description does not address the Australian income tax consequences for Hammer Metals Shareholders who:

(a) hold their Hammer Metals Shares for the purposes of speculation or a business of dealing in securities (for example, as trading stock);

(b) acquired their Hammer Metals Shares pursuant to an employee share, option or rights plan;

(c) are financial institutions, insurance / life insurance companies, partnerships, superannuation funds, tax exempt organisations or temporary residents;

(d) are Australian residents who hold their Hammer Metals Shares as part of an enterprise carried on at or through a permanent establishment in a foreign country;

(e) change their tax residence while holding Hammer Metals Shares;

(f) invest indirectly into Hammer Metals Shares through directed portfolio services, master funds or other portfolio administration services;

(g) are dealers in Hammer Metals Shares;

(h) are subject to the taxation of financial arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their Hammer Metals Shares; or

(i) are Ineligible Holders.

Hammer Metals Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the income tax consequences of the Scheme under the laws of their country of residence, as well as under Australian law.

9.2 Australian resident Hammer Metals Shareholders

(a) **General**

The following is a general summary of the Australian income tax implications expected to arise for certain Australian resident Hammer Metals Shareholders on implementation of the Scheme. As this summary is necessarily general in nature, Hammer Metals Shareholders should consult with a professional tax adviser regarding their particular circumstances.

(b) **ATO Class Ruling**

Hammer Metals is in the process of applying to the ATO for a class ruling to confirm certain specific Australian income tax implications for certain Hammer Metals Shareholders in relation to their disposal of Hammer Metals Shares under the Scheme (including the availability of scrip-for-scrip roll-over relief in relation to the Scheme) (**ATO Class Ruling**).

The final ATO Class Ruling is not expected to be issued until after implementation of the Scheme. It is anticipated that the ATO's views to be expressed in the ATO Class Ruling will be generally consistent with the summary of the key implications set out below. It is possible, however, that the ATO may take a different view to the consequences below.

(c) **Disposal of Hammer Metals Shares**

The disposal of Hammer Metals Shares by Hammer Metals Shareholders to Austral gives rise to a CGT event for the Hammer Metals Shareholders. The timing of the CGT event should be the date the Hammer Metals Shares are disposed of, which will occur on the Implementation Date. In the absence of CGT roll-over relief (discussed below), the following income tax consequences are expected to arise for the Hammer Metals Shareholders. A Hammer Metals Shareholder will generate:

(i) a capital gain if the capital proceeds from the disposal of their Hammer Metals Shares are greater than the cost base of their Hammer Metals Shares; or

(ii) a capital loss if the capital proceeds from the disposal of their Hammer Metals Shares are less than the reduced cost base of their Hammer Metals Shares.

(d) **Capital proceeds received under the Scheme**

The capital proceeds received for the disposal of a Hammer Metals Shareholder's Hammer Metals Shares should be equal to the market value of the Scheme Consideration received by them (determined on the Implementation Date).

(e) **Cost base and reduced cost base**

The cost base (and reduced cost base) of the Hammer Metals Shares should generally be equal to the cost of acquiring that Hammer Metals Share plus any certain incidental costs of acquisition, ownership and disposal (such as brokerage fees and legal costs). The reduced cost base of a Hammer Metals Share is determined in a manner similar to the cost base although some differences in the calculation of reduced cost base do exist depending on a Hammer Metals Shareholder's individual circumstances. The cost base and reduced cost base of each Hammer Metals Share will depend on the individual circumstances of each Hammer Metals Shareholder.

(f) **CGT discount**

The CGT discount may apply to individuals, complying superannuation entities or trustees that have held Hammer Metals Shares for at least 12 months (not including the date of acquisition or the date of disposal) prior to the CGT event. The CGT discount is:

(i) 50% in the case of individuals and trustees; or

(ii) 33.3% for complying superannuation entities.

For trustees, the ultimate availability of the discount for beneficiaries of the trusts will depend on the particular circumstances of the beneficiaries.

Companies that hold Hammer Metals Shares are not eligible for the CGT discount.

If the Hammer Metals Shareholder makes a discounted capital gain, any current year and/or carried forward capital losses will be applied to reduce the undiscounted capital gain before the relevant CGT discount is applied. The resulting amount is then included in the Hammer Metals Shareholder's net capital gain for the income year and included in assessable income.

The CGT discount rules relating to trusts are complex. Accordingly, we recommend trustees seek their own independent advice on how the CGT discount applies to them and the trust's beneficiaries.

(g) **Capital gains and capital losses**

Capital gains (prior to any CGT discount) and capital losses of a taxpayer in an income year are aggregated to determine whether there is a net capital gain. Any net capital gain is included in the assessable income of the relevant Hammer Metals Shareholder and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset future capital gains (subject to satisfaction of loss recoupment tests for certain taxpayers).

(h) **Scrip-for-scrip Roll-Over Relief from CGT**

Scrip-for-scrip roll-over relief allows taxpayers to defer a capital gain made by a taxpayer if, broadly, under a single arrangement, a taxpayer exchanges a share in a company for a share in another company, or an option to acquire shares in a company for an option to acquire shares in another company, in certain circumstances (**Roll-Over Relief**). Hammer Metals is seeking confirmation that Roll-Over Relief is available for certain Hammer Metals Shareholders in the ATO Class Ruling.

For Australian resident Hammer Metals Shareholders who exchange their Hammer Metals Shares for New Austral Shares and would otherwise realise a capital gain in respect of the disposal of their Hammer Metals Shares, Roll-Over Relief should be available if they choose to obtain Roll-Over Relief. Broadly, the consequences of an Australian resident Hammer Metals Shareholder choosing Roll-Over Relief would be that:

(i) any capital gain made upon the disposal of the Hammer Metals Shares will be deferred;

(ii) the first element of cost base (and reduced cost base) of the New Austral Shares is determined by attributing, on a reasonable basis, the existing cost base (and reduced cost base) of their original Hammer Metals Shares for which the New Austral Shares were exchanged; and

(iii) for the purposes of determining future eligibility of the CGT discount, a Hammer Metals Shareholder will be deemed to have acquired their New Austral Shares at the time that they originally acquired, or are deemed to have acquired, their Hammer Metals Shares.

Hammer Metals Shareholders who duly elect to choose Roll-Over Relief should not include any capital gain from the disposal of their Hammer Metals Shares in their net capital gain calculation for the year in which the Implementation Date occurs.

Hammer Metals Shareholders do not need to inform the ATO, or document their choice to claim Roll-Over Relief in any particular way, other than to complete their income tax return in a manner consistent with their choice.

For Hammer Metals Shareholders who do not qualify for Roll-Over Relief or choose not to obtain Roll-Over Relief, the general CGT treatment outlined in Section 9.2(c) should apply. If a Hammer Metals Shareholder makes a capital loss as a result of disposing of their Hammer Metals Shares under the Scheme, Roll-Over Relief will not be available. However, this loss may be used to offset capital gains in the same or subsequent income years (subject to satisfying certain conditions). The capital loss cannot be offset against ordinary income or carried back to offset net capital gains arising in earlier income years.

The benefit of choosing Roll-Over Relief will depend on the individual circumstances of each Hammer Metals Shareholder and therefore Hammer Metals Shareholders should seek professional tax advice.

9.3 Non-resident Hammer Metals Shareholders

For a Hammer Metals Shareholder who:

(a) is not a resident of Australia for Australian tax purposes; and

(b) does not hold or use (and has not at any time held or used) their Hammer Metals Shares in carrying on a business through a permanent establishment in Australia,

you will generally not have to pay Australian tax on any capital gain when you dispose of your Hammer Metals Shares, unless they are "indirect Australian real property interests". The Hammer Metals Shares will be "indirect Australian real property interests" if both of the following requirements are satisfied:

(a) you hold a "non-portfolio interest" in Hammer Metals; and

(b) the Hammer Metals Shares pass the "principal asset test".

If either element is absent, any capital gain made on the disposal of your Hammer Metals Shares should not be subject to income tax in Australia (i.e. it should be disregarded for Australian tax purposes).

You will hold a "non-portfolio interest" in Hammer Metals if you (together with your associates as defined in section 318 of the *Income Tax Assessment Act 1997* (Cth)) own, or owned, throughout a 12 month period during the 24 month period preceding the sale of your Hammer Metals Shares, 10% or more of (broadly) all of the shares in Hammer Metals.

Broadly, the Hammer Metals Shares would pass the "principal asset test" if the market value of Hammer Metals' direct and indirect interests in Australian land (including leases, and mining, quarrying or prospecting rights) is more than the market value of its other assets at the time of the Implementation Date. Detailed calculations are necessary to determine the results of the "principal asset test".

Hammer Metals expects that the Hammer Metals Shares will pass the "principal asset test" given the nature of the assets it holds.

If you cannot disregard your capital gain, Roll-Over Relief should only be available if immediately after you acquire the Scheme Consideration:

(a) you hold or use your New Austral Shares in carrying on business through a permanent establishment in Australia; or

(b) both of the following apply:

  (i) you hold a "non-portfolio interest" in Austral (refer to the description above); and

  (ii) more than 50% of Austral's value is attributable to direct or indirect interests in "taxable Australian real property" (as defined in the *Income Tax Assessment Act 1997* (Cth)).

You should also seek advice from your tax adviser as to the taxation implications of the Scheme in your country of residence.

9.4 Foreign resident capital gains withholding tax

Under the foreign resident capital gains tax withholding (**FRCGW**) rules in subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth), Austral may have the obligation to withhold an amount of up to 15% of the Scheme Consideration payable to you and pay such amount to the ATO, if certain criteria are satisfied including that (very broadly) your Hammer Metals Shares are "indirect Australian real property interests" (described above). If Austral determines or reasonably believes that it has an obligation to withhold and make the above payment, Austral may withhold the applicable FRCGW amount from the Scheme Consideration payable to you and pay that amount to the ATO. This mechanism may be facilitated through the Scheme Sale Facility. If so, you will only receive the net proceeds and will be taken to receive the full Scheme Consideration, such that Austral will be discharged of any liability to pay that amount of the Scheme Consideration.

Depending on your specific circumstances, you may be entitled to apply to the ATO, before the disposal of your Hammer Metals Shares, for the ATO to vary and reduce the rate of withholding below 15% of the Scheme Consideration (including to nil) (**Variation Notice**).

(a) Declaration for non-withholding of FRCGW

Austral may request certain Scheme Shareholders provide Austral with either:

(i) a Variation Notice; or

(ii) a completed declaration to the effect that, for a specified period (during which period the Scheme is implemented), either:

(A) you are an Australian resident for Australian tax purposes (**Australian Residency Declaration**); or

(B) your Hammer Metals Shares, do not satisfy the non-portfolio test (see above) and/or do not satisfy the principal asset test (see above) (**Non-Portfolio Interest Declaration**).

If Austral requests you to provide a Variation Notice before Austral acquires your Hammer Metals Shares, and you provide a valid Variation Notice before that time, Austral should withhold, under the FRCGW regime, the amount required to be withheld in accordance with the Variation Notice.

If Austral requests you to provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Austral before Austral acquires your Hammer Metals Shares, and you provide such a declaration, Austral should not deduct any amount for FRCGW from the Scheme Consideration payable to you, unless Austral knows or reasonably believes the declaration to be false, or the period specified in the declaration includes days later than 6 months after the day the declaration was made.

If Austral requests that you provide a Variation Notice, Australian Residency Declaration or Non-Portfolio Interest Declaration and you do not provide any of these before Austral acquires your Hammer Metals Shares, it is expected that Austral will withhold the applicable FRCGW amount from the Scheme Consideration payable to you.

(b) Credit for FRCGW tax

Any amount withheld from the Scheme Consideration for FRCGW is not a final tax. You should be entitled to claim a credit in your Australian income tax return for the relevant income year, for any amount withheld for FRCGW and remitted by Austral in respect of your Hammer Metals Shares. To the extent the FRCGW tax exceeds your final Australian tax liability for the disposal of your Hammer Metals Shares, you should be entitled to a refund of the difference.

9.5 Goods and services tax (GST)

Hammer Metals Shareholders should not be liable for GST in respect of a disposal of their Hammer Metals Shares under the Scheme. If Hammer Metals Shareholders incur GST on acquisitions (e.g. GST on legal, financial or tax advice they seek), to the extent that any of these acquisitions relate to the disposal of their Hammer Metals Shares, they may not be entitled to claim input tax credits or may only be entitled to reduced input tax credits in relation to any GST incurred on these acquisitions. Hammer Metals Shareholders should seek independent tax advice in relation to their individual circumstances.

9.6 Stamp duty

Hammer Metals Shareholders should not be liable for any stamp duty in any Australian State or Territory in relation to the disposal of their Hammer Metals Shares.

10. Information about the Scheme

10.1 Key steps in the Scheme

(a) **Scheme Meeting**

The Court has ordered that the Scheme Meeting be held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting for the purposes of approving the Scheme Resolution. The Notice of Scheme Meeting detailing the Scheme Resolution is included in Annexure D.

To be passed, the Scheme Resolution must be approved by the Requisite Majorities of Hammer Metals Shareholders, being:

(i) unless the Court orders otherwise, a majority in number (more than 50%) of Hammer Metals Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of corporate Hammer Metals Shareholders, body corporate representative); and

(ii) at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting.

Hammer Metals Shareholders who are registered on the Hammer Metals Share Register at 5:00pm (AWST) on Saturday, 7 November 2026 will be entitled to vote on the Scheme.

Instructions on how to attend and vote at the Scheme Meeting in person, or to appoint a proxy to attend and vote on your behalf, are detailed in Section 4 and the Notice of Scheme Meeting included in Annexure D.

Voting is not compulsory. However, the Hammer Metals Directors unanimously recommend that Hammer Metals Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals Shareholders.[30]

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of Hammer Metals Shareholders and the Court. If this occurs, your Hammer Metals Shares will be transferred to Austral and you will receive the Scheme Consideration even if you did not vote on, or voted against, the Scheme.

The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to ASX (www.asx.com.au).

(b) **Court approval of the Scheme**

Hammer Metals will apply to the Court for orders approving the Scheme if:

(i) the Scheme Resolution is approved by the Requisite Majorities of Hammer Metals Shareholders at the Scheme Meeting; and

(ii) all conditions precedent to the Scheme have been satisfied or waived (where capable of waiver).

The Second Court Hearing is scheduled to take place at 10:15am (AWST) on Friday, 13 November 2026. Any Hammer Metals Shareholder or, with the Court's permission, any other interested person, may appear at the Second Court Hearing.

(c) **Effective Date**

If the Court approves the Scheme at the Second Court Hearing, Hammer Metals will lodge an office copy of the Court order with ASIC. The Scheme will become Effective upon lodgement

[30] In relation to the unanimous recommendation of the Hammer Metals Directors, Hammer Metals Shareholders should note that the Hammer Metals Directors will receive certain benefits in connection with the Scheme, which are described in footnote 3 in the Letter from the Non-Executive Chairman of Hammer Metals and in Section 3.12.

of the Court order with ASIC and Hammer Metals will give notice of this event by announcement to ASX.

Once the Scheme becomes Effective:

(i) Austral is bound to provide, or procure the provision of, the Scheme Consideration on the Implementation Date;

(ii) each Scheme Shareholder, without the need for any further action, irrevocably appoints Hammer Metals and each of the Hammer Metals Directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purposes of enforcing the Deed Poll against Austral (see Section 10.1(i) for further information); and

(iii) subject to Austral providing, or procuring the provision of, the Scheme Consideration to Scheme Shareholders (or to the Scheme Sale Agent in respect of Ineligible Holders), Hammer Metals will become bound to take the steps required for Austral to become the holder of all Hammer Metals Shares.

(d) **Suspension of trading**

Hammer Metals Shares will continue to trade on ASX until the Effective Date. Hammer Metals intends to apply to ASX for Hammer Metals Shares to be suspended from trading on ASX with effect from the close of trading on the Effective Date.

(e) **Record Date**

Hammer Metals Shareholders (other than Ineligible Holders) who are registered on the Hammer Metals Share Register on the Record Date (currently expected to be 7:00pm (Sydney time) on Wednesday, 18 November 2026) will be entitled to receive the Scheme Consideration in respect of the Hammer Metals Shares they hold at that time. Further information regarding the issue of the Scheme Consideration is detailed in Section 3.2.

Ineligible Holders will be entitled to receive their pro rata share of the Sale Proceeds from the sale of the New Austral Shares to which they would have otherwise been entitled to receive in accordance with the Scheme Sale Facility, as detailed in Sections 3.5, 3.6 and 3.7.

(f) **Dealings on or prior to the Record Date**

For the purposes of determining which Hammer Metals Shareholders are eligible to participate in the Scheme, dealings in Hammer Metals Shares will be recognised only if:

(i) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Hammer Metals Share Register as the holder of the relevant Hammer Metals Shares on or before the Record Date (and the transferee remains registered as at the Record Date); and

(ii) in all other cases, registrable transmission applications or transfers in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Record Date at the place where the Hammer Metals Share Register is kept (and the transferee remains registered as at the Record Date).

For the purposes of determining entitlements under the Scheme, Hammer Metals will not accept for registration, nor recognise for any purpose, any transmission application or transfer or other request in respect of Hammer Metals Shares received after the Record Date, or received by the Record Date but not in registrable or actionable form, as appropriate.

(g) **Dealings after the Record Date**

For the purpose of determining entitlements to the Scheme Consideration, Hammer Metals must maintain the Hammer Metals Share Register in its form as at the Record Date until the Scheme Consideration has been provided to all Hammer Metals Shareholders and Austral has been entered in the Hammer Metals Share Register as the holder of all the Hammer Metals Shares. The Hammer Metals Share Register in this form will solely determine entitlements to the Scheme Consideration.

Following the Record Date:

(i) all statements of holding for Hammer Metals Shares (other than statements of holding in favour of Austral) will cease to have effect as documents of title in respect of those Hammer Metals Shares; and

(ii) each entry on the Hammer Metals Share Register (other than entries on the Hammer Metals Share Register in respect of Austral) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Hammer Metals Shares relating to that entry.

(h) **Implementation Date**

If the Scheme becomes Effective, Scheme Shareholders (other than Ineligible Holders) will be issued the Scheme Consideration on the Implementation Date. Subject to the provision of the Scheme Consideration to Scheme Shareholders (or to the Scheme Sale Agent in respect of Ineligible Holders), all Hammer Metals Shares will be transferred to Austral.

On the Implementation Date, Austral will also issue to the Scheme Sale Agent those New Austral Shares to which Ineligible Holders would otherwise have been entitled to receive under the Scheme. Refer to Section 3.7 for further details regarding the Scheme Sale Facility and the timing for payment of the Sale Proceeds to Ineligible Holders.

Austral must procure that a share certificate or holding statement (or equivalent document evidencing title) is sent to the registered address in the Hammer Metals Share Register of each Scheme Shareholder (other than an Ineligible Holder) representing the number of New Austral Shares issued to the Scheme Shareholder pursuant to the Scheme.

(i) **Deed Poll**

Austral has executed the Deed Poll pursuant to which Austral has undertaken to provide (or procure the provision of) the Scheme Consideration to each Scheme Shareholder under the Scheme, subject to the Scheme becoming Effective.

Under the Scheme, each Scheme Shareholder irrevocably appoints Hammer Metals and each of the Hammer Metals Directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purposes of:

(i) enforcing the Deed Poll against Austral; and

(ii) executing any document or doing or taking any other act necessary, desirable or expedient to give effect to the Scheme and the transactions contemplated by it. This includes executing a proper instrument of transfer in respect of the Scheme Shares.

A copy of the Deed Poll is contained at Annexure C.

10.2 Warranties provided by each Hammer Metals Shareholder

Under the terms of the Scheme, each Scheme Shareholder is taken to have warranted to Hammer Metals and Austral, and authorised Hammer Metals as its attorney and agent to warrant to Austral that:

(a) all their Scheme Shares (including all rights and entitlements attaching to them as at the Implementation Date) which are transferred to Austral under the Scheme will, at the date of transfer, be fully paid and free from all Encumbrances; and

(b) they have full power and capacity to sell and transfer their Scheme Shares (including all rights and entitlements attaching to them as at the Implementation Date) to Austral under the Scheme.

10.3 Despatch of holding statements

As soon as reasonably practicable after the Implementation Date, Austral will procure the dispatch of holding statements to Scheme Shareholders (other than Ineligible Holders) representing the Scheme Consideration issued to them.

Hammer Metals Shareholders should ensure that their mailing address and other contact details in the Hammer Metals Share Register are up-to-date by the Record Date to ensure they receive their holding statement. Holding statements will be sent to the registered addresses of the Scheme Shareholders (other than Ineligible Holders) as shown in the Hammer Metals Share Register as at the Record Date.

It is expected that the holding statements will be despatched within 5 Business Days after the Implementation Date.

10.4 Commencement of trading in New Austral Shares on ASX

Trading in Austral Shares issued under the Scheme on the ASX is expected to commence from the first Business Day after the Implementation Date. The actual dates will be announced to ASX and published on the Austral website (https://www.australres.com/).

10.5 Delisting of Hammer Metals

If the Scheme becomes Effective, on or after the Implementation Date, Hammer Metals will apply for termination of the quotation of Hammer Metals Shares on ASX and for Hammer Metals to be removed from the official list of ASX.

10.6 Summary of Scheme Implementation Deed

On 11 August 2026, Hammer Metals and Austral entered into the Scheme Implementation Deed, pursuant to which the parties agreed to implement the Scheme.

A summary of the key terms of the Scheme Implementation Deed is detailed below. A full copy of the Scheme Implementation Deed is available on ASX's website (https://www.asx.com.au/) and Hammer Metals' website (https://hammermetals.com.au/investors/asx-announcements/).

(a) **Board Recommendation (Clause 2)**

Hammer Metals must procure that the Hammer Metals Board collectively, and the Hammer Metals Directors individually, do not withdraw, qualify or adversely change, modify or revise (including, without limitation, by making any public statement supporting, endorsing or recommending a Competing Proposal, or to the effect that the Hammer Metals Director no longer supports the Scheme) their recommendation or voting intention prior to the Implementation Date, unless:

(i) in circumstances where Hammer Metals has complied with its exclusivity obligations (described in Section 10.6(e)), the Hammer Metals Board has determined that a Competing Proposal constitutes a Superior Proposal;

(ii) the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interests of Hammer Metals Shareholders or, having previously concluded that the Scheme is in the best interests of Hammer Metals Shareholders, withdraws or adversely changes that conclusion;

(iii) the withdrawal, qualification or adverse change, modification or revision is required by the Court, ASIC or the Takeovers Panel.

(b) **Conditions Precedent**

The Scheme is subject to the following Conditions Precedent being satisfied or, where applicable, waived, in accordance with the terms of the Scheme Implementation Deed on or prior to the Second Court Date.

#	Condition Precedent	Status as at Last Practicable Date
1.	(**Independent Expert**) The Independent Expert issues the Independent Expert's Report on or before the time when the Scheme Booklet is registered with ASIC which concludes that the Scheme is in the best	The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of Hammer Metals Shareholders, in the

#	Condition Precedent	Status as at Last Practicable Date
	interests of Hammer Metals Shareholders, and the Independent Expert does not withdraw, qualify or adversely change its conclusion in any written update to the Independent Expert's Report or withdraw its Independent Expert's Report before 8:00am on the Second Court Date.	absence of a Superior Proposal and has not changed or withdrawn its conclusion. Refer to Annexure A for further information.
2.	**(Court approval)** The Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme either unconditionally or on conditions that do not impose unduly onerous obligations on either party (acting reasonably).	The Second Court Hearing is scheduled for 10:15am (AWST) on Friday, 13 November 2026.
3.	**(Regulatory Approvals)** Before 8:00am on the Second Court Date: (a) ASIC and ASX issue or provide all consents, waivers, relief or approvals, or have done any other acts, which Hammer Metals and Austral consider (each acting reasonably) are necessary to implement the Scheme, and those consents, waivers, relief, approvals or other acts have not been withdrawn, cancelled or revoked (or have become subject to notice of such thing); and (b) any other approvals, consents, waivers, exemptions or declarations that are required by law, or by any Government Agency, or which the parties agree are desirable, to implement the Scheme are granted, given, made or obtained on an unconditional basis and remain in full force and effect in all respects, and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of any intention to do any such thing), provided that if such reliefs, waivers, confirmations, exemptions, consents, approvals, declarations or other acts (as the case may be) are subject to conditions those conditions must be acceptable to both parties acting reasonably.	Refer to Section 11.3.
4.	**(Hammer Metals Shareholder approval)** Hammer Metals Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act.	The Scheme Meeting is scheduled for Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting.
5.	(**No restraints**) As at 8:00am on the Second Court Date: (a) there is not in effect any permanent or temporary restraining order, permanent	To be confirmed prior to the Second Court Hearing. As at the Last Practicable Date, no Restraint of the kind contemplated

#	Condition Precedent	Status as at Last Practicable Date
	or temporary injunction or other final or preliminary decision, order, decree or ruling issued by any court of competent jurisdiction or Government Agency; (b) no action or investigation by any Government Agency is announced, commenced or threatened; (c) there is not in effect any law, rule or regulation; (d) no application is made to any Government Agency; or (e) there is not in effect any other legal restraint or prohibition, (each, a **Restraint**) in consequence of, or in connection with the Scheme, that: (f) restrains, prohibits or materially impedes the implementation of the Scheme, or the rights of Austral in respect of Hammer Metals or the Hammer Metals Shares to be acquired under the Scheme; or (g) requires the divestiture by Austral of any Hammer Metals Shares or the divestiture of any assets of the Austral Group or Hammer Metals Group, unless such order, injunction, decision, decree, action, investigation or application has been disposed of to the satisfaction of Austral in its absolute discretion or is otherwise no longer effective or enforceable by 8:00am on the Second Court Date.	by this Condition Precedent has occurred.
6.	**(No Hammer Metals Prescribed Occurrence)** No Hammer Metals Prescribed Occurrence occurs, or becomes known to Austral, between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.	Hammer Metals is not aware of anything that would cause this Condition Precedent not to be satisfied.
7.	**(No Hammer Metals Material Adverse Change)** No Hammer Metals Material Adverse Change occurs, is announced, is disclosed to, discovered by, or otherwise becomes known to, Austral, between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.	Hammer Metals is not aware of anything that would cause this Condition Precedent not to be satisfied.
8.	**(No Hammer Metals Regulated Event)** No Hammer Metals Regulated Event occurs, or becomes known to Austral, between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.	Hammer Metals is not aware of anything that would cause this Condition Precedent not to be satisfied.

#	Condition Precedent	Status as at Last Practicable Date
9.	**(No Austral Prescribed Occurrence)** No Austral Prescribed Occurrence occurs, or becomes known to Hammer Metals, between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.	Austral is not aware of anything that would cause this Condition Precedent not to be satisfied.
10.	**(No Austral Material Adverse Change)** No Austral Material Adverse Change occurs, is announced, is disclosed to, discovered by, or otherwise becomes known to, Hammer Metals, between the date of the Scheme Implementation Deed and 8:00am on the Second Court Date.	Austral is not aware of anything that would cause this Condition Precedent not to be satisfied.
11.	**(Hammer Metals Board Recommendation)** Between and including the date of the Scheme Implementation Deed and the date of the Scheme Meeting none of the Hammer Metals Directors fails to make, changes, qualifies or withdraws their recommendation or voting intention.	Hammer Metals is not aware of anything that would cause this Condition Precedent not to be satisfied.
12.	**(Hammer Metals Warranty)** The Hammer Metals Warranties are true and correct in all respects, in each case as at 8:00am on the Second Court Date as though made on and as of that time (unless expressed to be given as of a particular date, in which case such representations and warranties are true and correct as at that date).	Hammer Metals is not aware of anything that would cause this Condition Precedent not to be satisfied.
13.	**(Austral Warranty)** The Austral Warranties are true and correct in all respects, in each case as at 8:00am on the Second Court Date as though made on and as of that time (unless expressed to be given as of a particular date, in which case such representations and warranties are true and correct as at that date).	Austral is not aware of anything that would cause this Condition Precedent not to be satisfied.
14.	**(Performance Rights and Options)** Hammer Metals has taken all necessary steps by 8:00am on the Second Court Date to ensure that: (a) all outstanding Performance Rights vest (in which case such Performance Rights vest on or after the Effective Date), or otherwise lapse, before the Record Date, other than Performance Rights subject to cancellation deeds; (b) the holder of the Management Performance Rights enters into a cancellation deed with Hammer Metals and Austral (in a form acceptable to Hammer Metals and Austral, acting reasonably) pursuant to which the holder, subject to relevant security terms and any required ASX waiver,	Satisfied.

#	Condition Precedent	Status as at Last Practicable Date
	agrees to his Management Performance Rights being cancelled for consideration; and (c) all outstanding Options are exercised (in which case such Options will be exercised prior to the Record Date), or otherwise lapse, before the Record Date, other than Options subject to cancellation deeds.	
15.	**(Material Change of Control Rights – Scheme)** Any Third Party that holds or has the benefit of any Material Change of Control Rights with respect to the implementation of the Scheme agrees to waive or not enforce those rights on terms acceptable to Austral, acting reasonably.	Satisfied.
16.	**(Material Change of Control Rights – Demerger)** Any Third Party that holds or has the benefit of any Material Change of Control Rights with respect to the implementation of the Demerger agrees to waive or not enforce those rights on terms acceptable to Hammer Metals, acting reasonably.	Satisfied.
17.	**(Third Party Consents)** All other approvals of a Third Party which are necessary to implement the Scheme are obtained.	Satisfied.
18.	**(Demerger Approval)** Hammer Metals Shareholders approve the reduction of capital relating to the Demerger in accordance with sections 256B and 256C of the Corporations Act and (if required) ASX Listing Rule 11.4.1(b)**.**	The Demerger Meeting is scheduled for 10:00am (AWST) on Monday, 9 November 2026.
19.	**(Demerger Deed)** The Demerger Deed is executed by Hammer Metals and the SpinCo Group on terms approved in writing by Austral (not to be unreasonably withheld, delayed or conditioned) and remains in full force and effect as at 8:00am on the Second Court Date.	Satisfied. Refer to the Demerger Materials in Annexure E for further information.

(c) **Conduct of Hammer Metals business (clause 6)**

Until the Implementation Date, Hammer Metals must carry on, and must procure that each Hammer Metals Group Member carries on, its business and operations in the ordinary and usual course, consistent with an approved budget and with the manner of past conduct. In addition, subject to some exceptions, Hammer Metals must not undertake certain specific activities relating to the conduct of its business without the consent of Austral. Hammer Metals' conduct of business restrictions (and exceptions) are detailed in full in clauses 6.1 to 6.3 (inclusive) of the Scheme Implementation Deed.

Until the Implementation Date, subject to certain exceptions, Austral must carry out its business and operations in a manner consistent with past conduct, unless Hammer Metals consents otherwise. Austral's conduct of business restrictions (and exceptions) are detailed in full in clauses 6.4 and 6.5 of the Scheme Implementation Deed.

(b) **Hammer Metals Performance Rights (clause 6)**

Hammer Metals must ensure that, prior to the Record Date, all Hammer Metals Performance Rights are either vested and converted into Hammer Metals Shares in accordance with their terms of issue, cancelled or extinguished under an irrevocable binding deed with the holder (on terms approved in writing by Austral), or lapsed, forfeited, or expired, such that no Hammer Metals Performance Rights remain on issue as at the Record Date, other than those subject to cancellation deeds.

Hammer Metals and Austral must use reasonable endeavours (acting reasonably and in good faith) to procure, as soon as possible after the date of the Scheme Implementation Deed and, in any event, prior to 8:00am on the Second Court Date, that the holders of the Management Performance Rights enters into a deed with Hammer Metals and Austral pursuant to which the holder, subject to relevant security terms and any required ASX waiver, agrees to his Management Performance Rights being cancelled in exchange for such fractional number of Austral Shares per Management Performance Right as would have been issued to the holder of the Management Performance Rights had they been converted into Hammer Metals Shares prior to the Record Date, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date.

(c) **Hammer Metals Options (clause 6)**

The parties must use reasonable endeavours, acting co-operatively and in good faith, to procure that each holder of Hammer Metals Options enters into a deed with Hammer Metals and Austral as soon as practicable after the date of the Scheme Implementation Deed and in any event prior to 8:00am on the Second Court Date pursuant to which the holder, subject to relevant security terms and any required ASX waiver:

(i) may, subject to the Scheme becoming Effective, exercise their Hammer Metals Options and receive Hammer Metals Shares prior to the Record Date; or

(ii) to the extent their Hammer Metals Options are not exercised before the Record Date, agrees to their Hammer Metals Options being cancelled in exchange for the consideration per Hammer Metals Option, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date.

(d) **Demerger (clause 7)**

Hammer Metals and Austral acknowledge and agree that Hammer Metals intends to demerge the non-core Gold Assets by undertaking a capital reduction and pro rata in-specie distribution of SpinCo Shares, with SpinCo holding all of the Gold Assets of Hammer Metals.

Hammer Metals must use its best endeavours to obtain approval of the Demerger Resolution.

(e) **Exclusivity (clause 8)**

The Scheme Implementation Deed contains the following customary exclusivity provisions applicable to Hammer Metals during the Exclusivity Period:

(i) (**No existing discussion**) Hammer Metals represents and warrants to Austral that, as at the execution of the Scheme Implementation Deed:

(A) neither Hammer Metals nor any of its representatives is party to any agreement, arrangement or understanding with any person in connection with, or with a view to obtaining, or which could reasonably be expected to encourage, a Competing Proposal;

(B) neither Hammer Metals nor any of its representatives is participating in any negotiations or communications with, and Hammer Metals and its representatives have ceased any existing negotiations, discussions or other communications with, have ceased to continue to provide any non-public information to, and have terminated all due diligence data room access granted to, any person in connection with or with a view to obtaining, or which could reasonably be expected to encourage or lead to, an actual, proposed or potential Competing Proposal; and

(C) it has agreed not to waive the provisions of any confidentiality or standstill agreement with any Third Party;

(ii) (**No shop**) during the Exclusivity Period, Hammer Metals must not, and must ensure that each of its representatives and any other person on its behalf, do not, directly or indirectly solicit, initiate, encourage or invite any approaches, enquiries, proposals or discussions with a view to obtaining, or which could reasonably be expected to encourage or lead to, any actual, proposed or potential Competing Proposal. Hammer Metals must also not announce or communicate any intention, willingness or decision to do or otherwise become obliged to do any of the aforementioned things with a view to obtaining, or which may reasonably be expected to encourage or lead to, the making of any actual, proposed or potential Competing Proposal;

(iii) (**No talk**) subject to Section 10.6(e)(vi), during the Exclusivity Period, Hammer Metals must not, and must ensure that each of its representatives and any other person on its behalf do not, directly or indirectly:

(A) negotiate, accept or enter into any agreement or arrangement regarding any actual, proposed or potential Competing Proposal, or approach, enquiry, expression of interest, offer, proposal, discussion, negotiation or other communication in connection with or with a view to obtaining, or which could reasonably be expected to encourage or lead to, any actual, proposed or potential Competing Proposal; or

(B) announce or communicate to any person any intention, willingness or decision to do or otherwise become obliged to do any of the aforementioned things;

(iv) (**No due diligence**) subject to Section 10.6(e)(vi), during the Exclusivity Period, Hammer Metals must not, and must ensure that none of its representatives, directly or indirectly;

(A) solicit, facilitate or encourage any person to undertake or continue any due diligence investigation in respect of Hammer Metals or the Hammer Metals Group, or any business, asset or affairs of the Hammer Metals Group in connection with or with a view to obtaining, or which could reasonably be expected to encourage or lead to an actual, proposed or potential Competing Proposal;

(B) disclose, provide or make available to any person (other than Austral or its representatives) or permit any such person to receive, any non-public information which was not available to them immediately prior to the date of the Scheme Implementation Deed, in connection with or with a view to obtaining, or which may reasonably be expected to encourage or lead to any person, formulating, developing, finalising, submitting or announcing, or assisting in the formulation, development, finalisation, submission or announcement of, any actual, proposed or potential Competing Proposal; or

(C) announce or communicate to any person any intention, willingness or decision to do or otherwise become obliged to do any of the aforementioned things;

(v) (**Notification of approaches**) during the Exclusivity Period, Hammer Metals must notify Austral in writing as soon as practicable, and in any event by 5:00pm on the next Business Day, if Hammer Metals or any of its representatives becomes aware of any approach, proposal, expression of interest, communication or request for non-public information in connection with, or which could reasonably be expected to lead to, any actual, proposed or potential Competing Proposal. The notification must include all material details of that actual, proposed or potential Competing Proposal;

(vi) (**Fiduciary exception**) the "no talk" and "no due diligence" restrictions referred to above do not apply to the extent that they would restrict Hammer Metals or the

Hammer Metals Board from taking, or refusing to take, any action in relation to a bona fide Competing Proposal (which was not brought about in connection with a breach of Hammer Metals' exclusivity obligations), provided that, before taking or refusing to take that action, the Hammer Metals Board has determined in good faith that:

(A) after consultation with its financial advisers and after receiving written legal advice from its external legal advisers, the Competing Proposal is, or could reasonably be expected to become, a Superior Proposal; and

(B) after receiving written legal advice from its external legal advisers, that compliance with the "no talk" and/or "no due diligence" restrictions (as applicable) would constitute, or would be reasonably likely to constitute, a breach of the fiduciary or statutory duties of the Hammer Metals Board; and

(vii) (**Matching Right**) Hammer Metals:

(A) must ensure that the Hammer Metals Directors do not withdraw, qualify or adversely change their recommendation or voting intention, publicly support a Competing Proposal, or publicly oppose the Scheme, subject to limited exceptions; and

(B) must not, and must ensure each Hammer Metals Group Member and each of its representatives do not, directly or indirectly, enter into any agreement, arrangement or understanding (whether or not in writing) or otherwise become obliged to undertake or give effect to, or for the implementation of, any actual, proposed or potential Competing Proposal, or that may be reasonably expected to lead to a Competing Proposal,

unless:

(C) the Hammer Metals Board, acting in good faith and reasonably, made the determination required under the fiduciary exception in clause 8.6 and notified Austral accordingly;

(D) Hammer Metals has provided Austral with written notice of the material terms of the Competing Proposal, the Hammer Metals Board's determinations, and the reasons why the Competing Proposal is a Superior Proposal;

(E) Austral is given until at least 11:59pm on the fifth Business Day after the notice referred to in Section 10.6(e)(vii)(D) was given to Austral (**Matching Period**) to announce or formally provide a matching, equivalent or superior counterproposal (**Counterproposal**); and

(F) either Austral has not announced or provided Hammer Metals with a Counterproposal before the expiry of the Matching Period or Austral has announced or provided Hammer Metals with a Counterproposal and the Hammer Metals Board has determined, in good faith and acting reasonably, that such Counterproposal would not produce an equivalent or superior outcome for Hammer Metals Shareholders as a whole compared to the Competing Proposal.

If Austral announces or provides Hammer Metals with a Counterproposal, the Hammer Metals Board must consider that Counterproposal promptly and as soon as reasonably practicable, and in any event within two Business Days after receiving it. Hammer Metals must then, within 24 hours of the Hammer Metals Board making its determination, give Austral written notice of that determination and the reasons for it.

If the Hammer Metals Board determines that Austral's Counterproposal would provide an equivalent or superior outcome for Hammer Metals Shareholders, Hammer Metals must use its best endeavours to agree the necessary amendments to the transaction documents which are necessary to implement the Counterproposal, in each case as soon as reasonably practicable (for a period of not less than three Business Days after Hammer Metals delivers the notice of their determination regarding the

Counterproposal to Austral) and ensure that its directors recommend Austral's Counterproposal instead of the Competing Proposal.

Each new Competing Proposal, and each material variation or modification to an existing Competing Proposal, is treated as a new proposal, meaning the full process must be followed again each time.

(f) **Break Fee (clause 9)**

Hammer Metals has agreed to pay the Break Fee to Austral in the following circumstances:

(i) if during the Exclusivity Period, any Hammer Metals Director:

(A) fails to make his recommendation or give his voting intention;

(B) withdraws, qualifies or adversely changes, modifies or revises his recommendation (including by making any public statement supporting, endorsing or recommending a Competing Proposal, or to the effect that he no longer supports the Scheme); or

(C) makes a public statement indicating he no longer recommends the Scheme, no longer recommends that Hammer Metals Shareholders vote in favour of it, or otherwise publicly recommends, supports or endorses a Competing Proposal,

other than in circumstances where:

(A) the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interests of Hammer Metals Shareholders, or having previously concluded that the Scheme is in the best interests of Hammer Metals Shareholders withdraws or adversely changes that conclusion;

(B) the withdrawal, qualification or adverse change, modification or revision is required to comply with an order of a court of competent jurisdiction, ASIC or the Takeovers Panel;

(ii) if, at any time before the End Date, a Competing Proposal of any kind is announced and within 12 months of the End Date a Third Party (or an Associate of that Third Party):

(A) completes a Competing Proposal of the kind referred to in paragraphs (b)(ii) or (b)(iii) of the definition of Competing Proposal;

(B) enters into an agreement, arrangement or understanding with Hammer Metals, with another Hammer Metals Group Member, or the board of directors of any of the foregoing entities, which is of the kind referred to in paragraph (a) of the definition of Competing Proposal; or

(C) acquires (alone or in aggregate) a Relevant Interest in Hammer Metals Shares exceeding the relevant thresholds stipulated in the definition of Competing Proposal and in the manner contemplated in such definition, or otherwise acquires (alone or together with another Third Party) Control of Hammer Metals;

(iii) the Hammer Metals Board determines that a Competing Proposal is a Superior Proposal, and Hammer Metals subsequently terminates the Scheme Implementation Deed in accordance with clause 12.3(b) (refer to Section 10.6(h)(iii)(B)); or

(iv) Austral validly terminates the Scheme Implementation Deed in accordance with clause 12.1(b) or 12.2(a) for a material and wilful breach (refer to Sections 10.6(h)(i)(B) and 10.6(h)(ii)(A)).

No Break Fee will be payable by Hammer Metals if the Scheme becomes Effective.

(g) **Representations and warranties (clause 10)**

Hammer Metals and Austral give each other representations and warranties as outlined in the Scheme Implementation Deed, subject to certain qualifications and limitations, which are customary for a transaction of this nature. The details regarding the representations and warranties are set out in full in clause 10 of the Scheme Implementation Deed.

(h) **Termination (Clause 12)**

(i) Either Hammer Metals or Austral (**Terminating Party**) may terminate the Scheme Implementation Deed:

(A) for breach or non-fulfilment of a Condition Precedent and the parties are unable to reach an agreement or proceed with the Scheme by alternative methods or to extend the relevant deadlines (except where the failure of such Condition Precedent is due to a breach of the Scheme Implementation Deed by the party seeking to terminate);

(B) with written notice any time before 8.00 am on the Second Court Date if the other party (**Defaulting Party**) commits a breach of the Scheme Implementation Deed (other than a breach of warranty), provided that the breach is material in the context of the Scheme Implementation Deed and the Scheme taken as a whole, the Terminating Party has given written notice to the Defaulting Party setting out the relevant circumstances and stating an intention to terminate, the relevant circumstances, if capable of remedy, have not been remedied within 10 Business Days from the date of such notice is given and the Terminating Party is not in material breach of the Scheme Implementation Deed;

(C) if the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, and after consultation between the parties as to whether to appeal the Court's decision, the parties agree not to appeal the Court's decision or an independent senior counsel advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date; or

(D) if the Scheme has not become Effective on or before the End Date.

(ii) Austral may terminate the Scheme Implementation Deed at any time before 8:00am on the Second Court Date if:

(A) Hammer Metals is in breach of a Hammer Metals warranty or the Hammer Metals warranty becomes untrue, the breach is material in the context of the Scheme as a whole, Austral gives notice of the breach and its intention to terminate, and the breach remains unremedied after 10 Business Days (or the shorter period ending at 5:00pm on the Business Day before the Second Court Date) after the date on which the notice is given;

(B) any Hammer Metals Director (whether or not permitted to do so under the Scheme Implementation Deed) fails to make his recommendation or voting intention in accordance with the Scheme Implementation Deed, withdraws, qualifies, adversely changes or revises his recommendation or voting intention, or publicly supports or endorses a Competing Proposal. However, a statement to the effect that no action should be taken by Hammer Metals Shareholders pending the assessment of a Competing Proposal by the Hammer Metals Board will not (in and of itself) give rise to a termination right; or

(C) the Hammer Metals Board determines that a Competing Proposal is a Superior Proposal, or a Hammer Metals Group Member enters into an agreement, arrangement or understanding pursuant to which Hammer Metals

becomes obliged to pursue, give effect to and/or implement a Competing Proposal.

(iii) Hammer Metals may terminate the Scheme Implementation Deed at any time before 8:00am on the Second Court Date if:

(A) Austral is in breach of an Austral warranty or an Austral warranty becomes untrue, the breach is material in the context of the Scheme as a whole, Austral gives notice of the breach and its intention to terminate, and the breach remains unremedied after 10 Business Days (or the shorter period ending at 5:00pm on the Business Day before the Second Court Date) after the date on which the notice is given;

(B) the Hammer Metals Board or a majority of Hammer Metals Directors has changed, withdrawn or qualified their recommendation of the Scheme after:

(1) determining that a Competing Proposal is a Superior Proposal, but only after Austral's matching rights have been exhausted and any Counterproposal has been evaluated; or

(2) the Independent Expert concludes in its final, dated, signed copy of the Independent Expert's Report (or any update or variation) that the Scheme is not in the best interests of Hammer Metals Shareholders.

11. Additional information

11.1 Introduction

This Section 11:

(a) outlines the statutory information required under section 412(1) of the Corporations Act and Part 3 of Schedule 8 of the Corporations Regulations; and

(b) includes additional information that the Hammer Metals Directors consider may be material to a decision on how to vote on the Scheme Resolution,

but only to the extent that such information is not otherwise disclosed in other Sections of this Scheme Booklet.

11.2 Benefits and agreements in connection with the Scheme

(a) **Treatment of Hammer Metals Performance Rights**

As at the Last Practicable Date, Hammer Metals had a total of 4,000,000 Hammer Metals Performance Rights (excluding the Management Performance Rights) on issue.

Pursuant to clause 6.9 of the Scheme Implementation Deed, Hammer Metals must ensure that prior to the Record Date, all Hammer Metals Performance Rights are vested and either convert into Hammer Metals Shares, are cancelled or extinguished pursuant to an irrevocable binding deed entered into between Hammer Metals and the holder of the relevant Hammer Metals Performance Rights before the Record Date or are lapsed, forfeited or have expired, such that there are no outstanding Hammer Metals Performance Rights as at the Record Date.

Excluding the Management Performance Rights, the terms of the Hammer Metals Performance Rights provide that the vesting conditions for all unvested Hammer Metals Performance Rights will be deemed to be automatically vested upon Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour, by the Requisite Majorities, of the Scheme and the Court, by order, approves the Scheme.

Automatic vesting of the Hammer Metals Performance Rights (excluding the Management Performance Rights) will therefore occur immediately upon the Court approving the Scheme at the Second Court Hearing. One Hammer Metals Share will be issued for every Hammer Metals Performance Right (excluding the Management Performance Rights) exercised prior to the Record Date. Hammer Metals confirms receipt of notice from the holder of the Hammer Metals Performance Rights (excluding the Management Performance Rights) that they intend to exercise their Hammer Metals Performance Rights upon vesting.

There are 3,000,000 Management Performance Rights on issue as at the Last Practicable Date held by Mr Thomas, Managing Director of Hammer Metals.

In accordance with clause 6.9 of the Scheme Implementation Deed, on 30 September 2026, Hammer Metals, Austral and Mr Thomas entered into a Performance Right Cancellation Deed (**Performance Right Cancellation Deed**) pursuant to which Mr Thomas has agreed to his Management Performance Rights being cancelled in exchange for such fractional number of Austral Shares per Management Performance Right as would have been issued to Mr Thomas had they been converted into Hammer Metals Shares prior to the Record Date, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date.

Pursuant to the Scheme Implementation Deed, Austral has agreed to provide, or procure the provision of, the consideration referred to above to Mr Thomas on the Implementation Date.

(b) **Treatment of Hammer Metals Options**

There are 29,500,000 Hammer Metals Options on issue as at the Last Practicable Date held by the Hammer Metals Directors and certain employees of Hammer Metals (**Hammer Metals Optionholders**).

In accordance with clause 6.9 of the Scheme Implementation Deed, on 30 September 2026, Hammer Metals and Austral entered into an Option Cancellation Deed with each of the Hammer Metals Optionholders (**Option Cancellation Deed**) pursuant to which:

(i) the relevant Hammer Metals Optionholder may, subject to the Scheme becoming Effective, exercise their Hammer Metals Options and receive Hammer Metals Shares prior to the Record Date; or

(ii) to the extent their Hammer Metals Options are not exercised before the Record Date, the relevant Hammer Metals Optionholder agrees to their Hammer Metals Options being cancelled in exchange for cash consideration, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date.

Pursuant to the Scheme Implementation Deed, Austral has agreed to provide, or procure the provision of, the consideration referred to above to the relevant Hammer Metals Optionholders on the Implementation Date.

(c) **Deeds of indemnity, access and insurance**

Hammer Metals has entered into deeds of indemnity, access and insurance with directors and officers of the Hammer Metals Group, which are on customary terms.

Hammer Metals pays premiums in respect of a directors' and officers' insurance policy for the benefit of directors and officers of any Hammer Metals Group Member. Hammer Metals may, prior to the Implementation Date, enter into arrangements to secure directors' and officers' run-off insurance for any current or former director and officer of any Hammer Metals Group Member for up to a seven-year period from the later of the Implementation Date or the date of their retirement from office.

Austral has provided various undertakings under clause 6.12 of the Scheme Implementation Deed in support of these insurances, including an undertaking to ensure that directors' and officers' run off insurance cover is maintained for any current or former director or officer of any Hammer Metals Group Member.

Clause 6.11 of the Scheme Implementation Deed also provides for certain releases by Austral of each current and former director, officer or employee of any Hammer Metals Group Member as is customary for transactions such as the Scheme.

(d) **Interests of Hammer Metals Directors and senior management and benefits payable**

All the Hammer Metals Directors will resign from their office with Hammer Metals upon the Scheme being implemented as described in Section 5.8.

Refer to Section 3.12 for details around certain payments that may be made or benefits payable upon termination of certain arrangements with senior management of Hammer Metals in connection with the Scheme.

Refer to Section 7.5 for further information on Austral's intentions with the Merged Group following the Implementation Date.

(e) **Other interests of Hammer Metals Directors and senior management and benefits payable**

Except as outlined in this Section 11.2, there are no payments or other benefits that are proposed to be made or given to any director or officer of any Hammer Metals Group Member as compensation for loss of, or as consideration for or in connection with retirement from, office in a Hammer Metals Group Member.

11.3 ASIC and ASX relief

(a) **ASIC Relief**

ASIC has granted relief from the requirement in paragraph 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations to disclose in the Scheme Booklet any payments to directors

and officers that are not made in connection with, or conditional upon, the outcome of the Scheme.

ASIC has made an in-principle decision to grant an exemption to Austral from certain requirements that Austral may otherwise be required to comply with in order to operate the Scheme Sale Facility, including:

(i) subsection 911A(1) of the Corporations Act for the provision of the following financial services:

(A) dealing in an interest in the Scheme Sale Facility; and

(B) the provision of general advice in relation to an interest in the Scheme Sale Facility;

(ii) section 601ED(5) of the Corporations Act in relation to the Scheme Sale Facility; and

(iii) divisions 2 to 5A of Part 7.9 of the Corporations Act in relation to an interest in the Scheme Sale Facility or an invitation to participate in the Scheme Sale Facility (as applicable).

(b) **ASX Relief**

Listing Rule 6.23.2 provides that the cancellation of options for consideration requires shareholder approval. Hammer Metals has been granted a waiver from Listing Rule 6.23.2 to permit the Hammer Metals Options and Management Performance Rights to be cancelled for consideration without requiring the approval of Hammer Metals Shareholders, subject to the Scheme becoming Effective.

The waiver application was made on the basis that Hammer Metals Shareholders are provided with information of the proposed treatment of Hammer Metals Options and Management Performance Rights in this Scheme Booklet, including the cancellation and the consideration payable for their cancellation, and are therefore able to consider this information when determining whether to vote in favour of the Scheme.

11.4 Foreign jurisdictions

This Scheme Booklet complies with Australian disclosure requirements. These disclosure requirements may be different to those in other countries. It is important that Hammer Metals Shareholders who reside outside Australia for tax purposes or who are liable for tax outside Australia seek specific tax advice in relation to the Australian and overseas tax consequences of the Scheme.

Based on the information available, Hammer Metals Shareholders whose addresses are shown in the Hammer Metals Share Register on the Record Date as being in the following jurisdictions will be entitled to receive this Scheme Booklet and have New Austral Shares issued to them under the Scheme applicable to them subject to any qualifications set out below in respect of that jurisdiction:

(a) Hong Kong;

(b) New Zealand;

(c) Switzerland;

(d) Singapore;

(e) United Kingdom; and

(f) any other jurisdiction agreed in writing by the parties (each acting reasonably) or unless Austral determines (in its sole and absolute discretion) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the Scheme Consideration when the Scheme becomes Effective.

Nominees and custodians who hold Hammer Metals Shares on behalf of a beneficial owner resident outside Australia, Hong Kong, New Zealand, Switzerland, Singapore and the United Kingdom may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of Hammer Metals Limited.

11.5 Foreign jurisdiction disclaimers

(a) **Hong Kong**

WARNING: The contents of this Scheme Booklet have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Scheme. If you are in any doubt about any of the contents of this Scheme Booklet, you should obtain independent professional advice.

This Scheme Booklet does not constitute an offer or invitation to the public in Hong Kong to acquire or subscribe for or dispose of any securities. This Scheme Booklet also does not constitute a prospectus (as defined in section 2(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)) or notice, circular, brochure or advertisement offering any securities to the public for subscription or purchase or calculated to invite such offers by the public to subscribe for or purchase any securities, nor is it an advertisement, invitation or document containing an advertisement or invitation falling within the meaning of section 103 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or cause to be issued this Scheme Booklet in Hong Kong, other than to persons who are "professional investors" (as defined in the Securities and Futures Ordinance and any rules made thereunder) or in other circumstances that do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

No person may issue or have in its possession for the purposes of issue, this Scheme Booklet or any advertisement, invitation or document relating to these securities, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any such advertisement, invitation or document relating to securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

Copies of this Scheme Booklet may be issued to Hammer Metals Shareholders in Hong Kong in a manner that does not constitute any issue, circulation or distribution of this Scheme Booklet, or any offer or an invitation in respect of these securities, to the public in Hong Kong. This Scheme Booklet is for the exclusive use of Hammer Metals Shareholders in connection with the Scheme. No steps have been taken to register or seek authorisation for the issue of this Scheme Booklet in Hong Kong.

This Scheme Booklet is confidential to the person to whom it is addressed and no person to whom a copy of this Scheme Booklet is issued may issue, circulate, distribute, publish, reproduce or disclose (in whole or in part) this Scheme Booklet to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with consideration of the Scheme by Hammer Metals Shareholders

(b) **New Zealand**

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law. The offer of Austral Shares under the Scheme is being made to existing Hammer Metals Shareholders in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law.

(c) **Switzerland**

The Austral Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Scheme Booklet nor any other offering material relating to the Austral Shares constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act (FinSA) or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this Scheme Booklet nor any other offering

material relating to the Austral Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Scheme Booklet nor any other offering material relating to the Austral Shares has been, or will be, filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this Scheme Booklet will not be filed with, and the offer of Austral Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This Scheme Booklet may be distributed in Switzerland only to existing Hammer Metals Shareholders and is not for general circulation in Switzerland.

(d) **Singapore**

This Scheme Booklet and any other document relating to the Scheme have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore and the Scheme is not regulated by any financial supervisory authority in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act 2001 (the "SFA") will not apply.

This Scheme Booklet and any other document relating to the Scheme may not be made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4) Division 1, Part 13 of the SFA, including the exemption under section 273(1)(c) of the SFA, or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to Austral Shares being subsequently offered for sale to any other party in Singapore. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

This Scheme Booklet is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, or distributed to any other person. Any investment referred to in this Scheme Booklet may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investment.

Neither Hammer Metals nor Austral is in the business of dealing in securities or holds itself out, or purports to hold itself out, to be doing so. As such, Hammer Metals and Austral are neither licensed nor exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.

(e) **United Kingdom**

Neither this Scheme Booklet nor any other document relating to the Scheme has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of Regulation 21 of The Public Offers and Admissions to Trading Regulations 2024 ("POATRs") has been published or is required to be published in respect of the Austral Shares.

This Scheme Booklet may be distributed only to existing Hammer Metals Shareholders and does not constitute an offer of relevant securities to the public within the meaning of the POATRs.

11.6 Creditors of Hammer Metals

The Scheme, if implemented, are not expected to materially prejudice Hammer Metals' ability to pay its creditors, as the Scheme involves the acquisition of Hammer Metals Shares by Austral as consideration. No material new liability (other than the costs of the transaction) is expected to be incurred by Hammer Metals as a consequence of the Scheme (except for the Break Fee, if payable by Hammer Metals). Hammer Metals has paid and is paying all of its creditors within normal terms of trade and is solvent and trading in an ordinary commercial manner.

11.7 Fees and Expenses

Each of the persons named in Section 11.8 as performing a function in a professional, advisory or other capacity in connection with the Scheme and the preparation of this Scheme Booklet, will be entitled to receive professional fees charged in accordance with their normal basis of charging.

If the Scheme and Demerger are implemented, Hammer Metals estimates that it will incur approximately $2.85 million (excluding GST) in transaction costs relating to the Scheme and Demerger which includes fees and expenses for professional services paid or payable to the persons listed in Section 11.8 and other fees and expenses associated with the Court proceedings, printing and distribution of the Scheme Booklet, convening and holding the Scheme Meeting and Demerger Meeting and other general and administrative expenses.

If the Scheme and Demerger are not implemented, Hammer Metals expects to pay approximately $1.37 million (excluding GST) in transaction costs, being costs that have already been incurred as at the Last Practicable Date or that will be incurred even if the Scheme is not implemented (but excluding any Break Fee that may be payable).

11.8 Consents and disclosures

The following parties have given, and have not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named:

(a) BDO Corporate Finance Australia Pty Ltd as Independent Expert;

(b) MinVal Pty Ltd as Independent Technical Specialist;

(c) Thomsons as legal adviser to Hammer Metals;

(d) Argonaut Corporate Finance Ltd as financial adviser to Hammer Metals;

(e) Automic Pty Ltd as the Registry; and

(f) Austral.

The Independent Expert has given and has not withdrawn before the date of this Scheme Booklet its consent to be named in this Scheme Booklet in the form and context in which it is named, the inclusion of the Independent Expert's Report contained at Annexure A to this Scheme Booklet and to the references to the Independent Expert's Report in this Scheme Booklet being made in the form and context in which each such reference is included.

The Independent Technical Specialist has given and has not withdrawn before the date of this Scheme Booklet its consent to be named in this Scheme Booklet in the form and context in which it is named, the inclusion of the Independent Technical Specialist's Report in the Independent Expert's Report and to the references to the Independent Technical Specialist's Report in the Independent Expert's Report being made in the form and context in which each such reference is included.

Austral has given and has not withdrawn before the date of this Scheme Booklet its consent to be named in this Scheme Booklet in the form and context in which it is named and to the inclusion of the Austral Information in this Scheme Booklet in the form and context in which it appears.

Each person named in this Section 11.8:

(a) has not authorised or caused the issue of this Scheme Booklet;

(b) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this Section 11.10; and

(c) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statements (if any) included in this Scheme Booklet with the consent of that party as specified in this Section 11.10.

11.9 Competent Persons' Statements and compliance statements

(a) **Hammer Metals**

Unless otherwise noted, information in this Scheme Booklet that relates to Mineral Resources for the Kalman Deposit is extracted from Hammer Metals' ASX announcement titled "Kalman

Resource Upgrade Lifts CuEq Inventory to over 530KT" released to the ASX on 8 May 2023 which is available on Hammer Metals' website https://hammermetals.com.au/. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

Unless otherwise noted, information in this Scheme Booklet that relates to Mineral Resources for the Jubilee Deposit is extracted from Hammer Metals' ASX announcement titled "Maiden Mineral Resource Estimate - Jubilee Project" released to the ASX on 20 December 2018 which is available on Hammer Metals' website https://hammermetals.com.au/. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

Unless otherwise noted, information in this Scheme Booklet that relates to Mineral Resources for the Lakeview Deposit is extracted from Hammer Metals' ASX announcement titled "Lakeview Maiden Mineral Resource Estimate" released to the ASX on 21 December 2022 which is available on Hammer Metals' website https://hammermetals.com.au/. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

Unless otherwise noted, information in this Scheme Booklet that relates to Mineral Resources for the Overlander Deposit is extracted from Hammer Metals' ASX announcement titled "Overlander Copper Resource Updated" released to the ASX on 26 August 2015 which is available on the Australian Stock Exchange website https://www.asx.com.au/markets/trade-our-cash-market/announcements.hmx. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

Unless otherwise noted, information in this Scheme Booklet that relates to Mineral Resources for the Orelia North Deposit is extracted from Hammer Metals' ASX announcement titled "Maiden Resource Estimate For Orelia North Gold Deposit, Yandal, WA" released to the ASX on 24 July 2024 which is available on the Australian Stock Exchange website https://www.asx.com.au/markets/trade-our-cash-market/announcements.hmx. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

(b) **Austral**

Unless otherwise noted, information in this Scheme Booklet that relates to Austral's Mineral Resources and Ore Reserves, Austral confirms that it is not aware of any new information or data that materially affects the estimates of Mineral Resources and Ore Reserves as reported in the Scheme Booklet and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Austral confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements. The Mineral Resources and Ore Reserves have been previously reported as "Prospectus" on 1 November 2021,

"Maiden Mineral Resource at Enterprise" on 9 August 2022, "Significant Increase of McLeod Hill Copper Mineral Resource" on 20 May 2024, "Mount Kelly Heap Leach Mineral Resource" on 28 October 2024, "Acquisition of Rocklands to Transform Austral" on 3 July 2025 and "Prospectus" on 4 September 2025. Austral confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcements.

11.10 Supplementary information

If, between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date, Hammer Metals becomes aware of any of the following:

(a) a material statement in this Scheme Booklet is false or misleading or deceptive;

(b) a material omission from this Scheme Booklet;

(c) a significant change affecting a matter included in this Scheme Booklet; or

(d) a significant new matter that has arisen and that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

Hammer Metals will make available supplementary material to Hammer Metals Shareholders. Hammer Metals intends to make available any supplementary material by releasing that material to its ASX market announcements platform (https://www.asx.com.au/) and posting the supplementary document to Hammer Metals' website (https://hammermetals.com.au/). Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, Hammer Metals may also send such supplementary materials to Hammer Metals Shareholders.

11.11 Other material information

Except as detailed in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of Hammer Metals which has not previously been disclosed to Hammer Metals Shareholders.

11.12 Directors' statement

The issue of the Scheme Booklet has been authorised by the Hammer Metals Board, and the Scheme Booklet has been signed for and on behalf of the Hammer Metals Directors. Each Hammer Metals Director has given (and has not withdrawn) his consent to lodgement of this Scheme Booklet with ASIC for registration.

Signed for and on behalf of Hammer Metals Limited.



Russell Davis
Non-Executive Chairman
Hammer Metals Limited

12. Glossary

In this Scheme Booklet, unless the context requires otherwise:

Accounting Standards	has the meaning given to that term in the Corporations Act.
Announcement Date	means the date the proposed Scheme was announced on ASX, being 11 August 2026.
Annexure	means an annexure to this Scheme Booklet.
ASIC	means the Australian Securities and Investments Commission.
Associates	has the meaning given in the Corporations Act.
ASX	means ASX Limited (ABN 98 008 624 691) or, where the context requires, the financial market operated by it.
ASX Listing Rules or Listing Rules	means the official listing rules of ASX.
ATO	means the Australian Taxation Office.
ATO Class Ruling	has the meaning given in section 9.2(b).
AUD or $	means Australian dollars.
Austral	means Austral Resources Australia Ltd (ACN 142 485 470).
Austral Board	means the board of directors of Austral.
Austral Director	means a director of Austral.
Austral Group	means Austral and each of its Related Bodies Corporate, and a reference to an 'Austral Group Member' is to Austral or any of its Related Bodies Corporate.
Austral Information	means information relating to the Austral Group, the Merged Group and the Scheme Consideration provided by or on behalf of Austral to Hammer Metals or its representatives for inclusion in the Scheme Booklet (or any amendments or supplements), in each case, excluding any information relating to the Hammer Metals Group provided by or on behalf of Hammer Metals to Austral or its representatives and used by Austral in connection with the preparation of the Merged Group Information, and the aspects of the Independent Expert's Report that do not relate to the Austral Group, any independent technical report and any description of the taxation effect of the Transaction on Scheme Shareholders.
Austral Interested Persons	has the meaning given in Section 6.19.
Austral Material Adverse Change	means an event, change, condition, circumstance, thing, occurrence or matter: (a) that occurs after the date of this deed; or (b) that occurs on, or occurred before, the date of this deed but that only becomes known to Hammer Metals, or is only announced or publicly disclosed, after the date of this deed,

(each a **Specified Event**), whether individually or when aggregated with all the other Specified Events, has had or is reasonably likely to have, the effect of:

(i) diminishing the net assets of the Austral Group (taken as a whole) (calculated in accordance with the Accounting Standards) by $2,700,000 or more, as compared to what the net assets of the Austral Group (taken as a whole) (calculated in accordance with the Accounting Standards) could reasonably be expected to have been but for such Specified Event;

(ii) materially adversely affecting the status or terms of (or rights attaching to) some or all of the key Austral tenements or the ability of an Austral Group Member to exploit them;

(iii) materially adversely affecting the status or terms of (or rights attaching to) any material permits, licences, authorisations or any other approvals held or disclosed as being held by the Austral Group; or

(iv) any Austral Group Member being unable to carry on its business in substantially the same manner as carried on in the 12 months prior to the date of this deed or being unable to execute and implement its intended activities and business objectives previously announced to the ASX during the 12 month period immediately prior to the date of this deed,

in each case other than an event, change, condition, circumstance, thing, occurrence or matter:

(c) which is required or expressly permitted by the Transaction Documents;

(d) which is fairly disclosed in the Austral disclosure materials;

(e) to the extent it was fairly disclosed in an announcement made by Austral to the ASX in the 12 months prior to the date of this deed or in the Austral relevant searches;

(f) to the extent it was actually known to Hammer Metals or its Related Bodies Corporate prior to the date of this deed (which does not include knowledge of the generic risk of the relevant event, change, condition, matter, circumstance or thing occurring, but does include knowledge of a specific risk of the relevant event, change, condition, matter, circumstance or thing occurring);

(g) which Hammer Metals has approved, consented to or requested in writing; or

(h) which result or arise from or in connection with:

(i) changes in rates relating to Tax, or changes in exchange rates or interest rates;

	(ii) general economic, political, trading or business conditions, or changes to them, including changes or disruptions to, or fluctuations in, domestic or international financial markets or consumer demand, or changes in interest rates, foreign currency exchange rates or commodity prices, other than where such matters have a materially disproportionate effect on the Austral Group as compared to other businesses operating in the same market segments as the Austral Group; (iii) acts of terrorism, war (whether or not declared and including without limitation the current conflict in Ukraine and Iran), natural disaster or adverse weather conditions; or (iv) any actual or proposed change in any law, regulation or policy, or in any accounting principle or standard, including in relation to Tax, or in the interpretation or application of any of the foregoing, and when determining whether an Austral Material Adverse Change has occurred, taking into account any amounts which are recovered or are recoverable under the Austral Group's insurance policies.
Austral Option	means an unlisted option issued by Austral to acquire an unissued Austral Share.
Austral Performance Right	means a right issued by Austral which entitles the holder to an unissued Austral Share.
Austral Plan	has the meaning given in Section 6.15.
Austral Prescribed Occurrence	means the occurrence of any of the following events: (a) Austral converting all or any of its securities into a larger or smaller number of securities; (b) Austral resolving to reduce its share capital in any material way or resolving to re-classify, combine, split, redeem or re-purchase directly or indirectly any of its shares; (c) any Austral Group Member: (i) entering into a buy back agreement; or (ii) resolving to approve the terms of a buy back agreement under the Corporations Act; (d) an Austral Group Member acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of, any asset, business, share or other security or entering into any corporate transaction (including, but not limited to, the entry into a joint venture agreement or grant of a royalty in respect of any tenements held by the Austral Group): (i) if such event, action, transaction, investment, matter or thing was to occur on or after the date that is three weeks prior to the Scheme

	Meeting, if the value of which exceeds $1,300,000; or (ii) if such event, action, transaction, investment, matter or thing was to occur before the date that is three weeks prior to the Scheme Meeting, if it requires Austral shareholder approval under the ASX Listing Rules or Corporations Act; (e) any Austral Group member issuing, or agreeing to issue, shares or any convertible notes or any other security convertible into shares, for any reason whatsoever at a price or conversion or exercise price (as the case may be) that is less than an Austral Share price of $0.062 per Austral Share; (f) Austral agreeing to pay, declaring or paying a dividend or any other form of distribution of profits or return of capital to its members; (g) any Austral Group Member disposing, or agreeing to dispose of, any business, securities, assets or undertakings of the Austral Group with a value of more than $1,300,000; (h) an Austral Group Member being deregistered as a company or otherwise dissolved except in the case of an Austral Group Member with less than $1,300,000 in net assets as at the date of this deed; (i) an insolvency event occurring in relation to any Austral Group Member (other than an Austral Group Member with less than $1,300,000 in net assets as at the date of this deed); (j) Austral ceases to be admitted to the official list of ASX or Austral Shares cease to be quoted by ASX or are suspended from quotation for more than five Business Days; or (k) subject to Hammer Metals not being in material breach of, or material default under the Bridging Loan Agreement, Austral is in material breach of, or material default under, the Bridging Loan Agreement or such other financial accommodation as may be provided by Austral to Hammer Metals from time to time, including if Austral fails to advance the maximum principal amount under the Bridging Loan Agreement to Hammer Metals in accordance with the terms of that document and fails to remedy such breach within five Business Days after Austral receives written notice from Hammer Metals of the breach, other than an event: (l) required to be done by Austral under the Transaction Documents; (m) required by law or by order of a court or Government Agency; (n) that Hammer Metals has approved, consented to or requested in writing;

	(o) that has been fairly disclosed by Austral in the Austral Disclosure Materials, provided that if such event, action, transaction, investment, matter or thing is one that would otherwise be an Austral Prescribed Occurrence under (d)(ii) of this definition above, in order for this exclusion to apply, the relevant matter must have taken place, been actioned and/or announced by Austral on a date that is not less than three weeks prior to the Scheme Meeting; or to the extent it was fairly disclosed in an announcement made by Austral to the ASX in the 12 months prior to the date of this deed or the Austral Relevant Searches.
Austral Share	means a fully paid ordinary share in the capital of Austral.
Austral Shareholder	means a registered holder of one or more Austral Shares.
AWST	means Australian Western Standard Time.
Break Fee	means $731,863.
Bridging Loan Agreement	means the binding working capital facility agreement entered into between Austral and Hammer Metals on or around the date of this deed pursuant to which Austral has agreed to loan Hammer Metals up to $6,000,000.
Business Day	(a) when used in relation to the Implementation Date and the Record Date, has the meaning given in the ASX Listing Rules; and (b) in all other cases, means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.
Carnegie	means Carnegie Exploration Pty Ltd (ACN 124 801 467).
CGT	means capital gains tax.
Competent Person	has the meaning given in the JORC Code.
Competing Proposal	means any offer, proposal, expression of interest, transaction, agreement or arrangement (whether existing before, on or after the date of this deed) which, if entered into or completed substantially in accordance with its terms, would: (a) require or otherwise lead to the Transaction not being implemented or being able to be implemented substantially in accordance with the terms of the Transaction Documents or will result in Hammer Metals being required to abandon, or otherwise fail to proceed with, the Transaction; or (b) result in a Third Party either alone or together with any of its Associates, directly or indirectly in a single transaction or a series of related transactions: (i) acquiring, receiving, becoming the holder of, having the right to acquire, or otherwise obtaining: (A) a Relevant Interest in;

(B) a legal, beneficial or economic interest (including by way of any equity swap, contract for difference or other derivative, or similar transaction or arrangement) in; or

(C) control of,

20% or more, or 10% or more in respect of a proposal concerning a subscription for a new issue of Hammer Metals Shares only, of the issued Hammer Metals Shares or of the share capital of any other Hammer Metals Group Member;

(ii) acquiring, receiving, becoming the holder of, having the right to acquire, or otherwise obtaining:

(A) a legal, beneficial or economic interest (including by way of one or more derivative contracts, an equity or economic swap, contract for difference or other derivative, or similar transaction or arrangement) in; or

(B) control of,

all or substantially all of the business, property or assets of the Hammer Metals Group (taken as a whole);

(iii) acquiring Control of Hammer Metals or any Hammer Metals Group Member;

(iv) otherwise acquiring or merging or being stapled with Hammer Metals or any Hammer Metals Group Member; or

(v) acquiring or acquiring an interest (including by way of joint venture, the granting of a royalty interest or otherwise) in any of the Hammer Metals Tenements or any transaction or series of transactions that have the same or similar economic effect (other than in accordance with existing contractual agreements as fairly disclosed in the Hammer Metals disclosure materials),

in each case, whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, shareholder approved acquisition, capital reduction, buy back, lease, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement, recapitalisation, refinancing or other transaction or arrangement. For the avoidance of doubt, each successive material modification or variation of any proposal, offer, expression of interest, agreement,

	arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.
Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	means the *Corporations Act 2001* (Cth).
Corporations Regulations	means the *Corporations Regulations 2001* (Cth).
Counterproposal	has the meaning given in clause 8.7(a)(v) of the Scheme Implementation Deed.
Court	means the Federal Court of Australia, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Hammer Metals and Austral.
Deed Poll	means the deed poll under which Austral covenants in favour of the Scheme Shareholders to perform the obligations attributed to it under the Scheme, in the form of Annexure C or in such other form as is agreed in writing between the parties.
Demerger	means the demerger of the SpinCo Group from the Hammer Metals Group to be effected by a capital reduction in Hammer Metals and in-specie distribution of all of the SpinCo Shares to Hammer Metals Shareholders on the Demerger Implementation Date in accordance with the Demerger Deed.
Demerger Deed	means the deed to be entered into between Hammer Metals, SpinCo and the SpinCo Group relating to the implementation of the Demerger.
Demerger Ineligible Shareholder	has the meaning given in Annexure E.
Demerger Materials	means the Demerger Meeting materials detailed in Annexure E.
Demerger Meeting	means the meeting of Hammer Metals Shareholders at which Hammer Metals Shareholders will vote on the Demerger Resolution (including any meeting following an adjournment or postponement of that meeting).
Demerger Record Date	means the record date for determining entitlements to SpinCo Shares pursuant to the capital reduction comprised in the Demerger, being, 7:00pm (Sydney time) on Wednesday, 18 November 2026.
Demerger Resolution	means the resolution set out in the Notice of Demerger Meeting contained in Annexure E.
Demerger Sale Agent	means a person or persons holding a valid Australian Financial Services Licence who is or are appointed by SpinCo to sell the SpinCo Shares that would otherwise be transferred or distributed to or for the benefit of Demerger Ineligible Shareholders under the terms of the Demerger.
Effective	means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.
Effective Date	means the date on which the Scheme becomes Effective.

Eligible Hammer Metals Shareholders	means a person registered as a holder of Hammer Metals Shares on the Demerger Record Date, other than a Demerger Ineligible Shareholder.
Excluded Shareholder	means any Austral Group Member who is a Hammer Metals Shareholder as at the Record Date.
Expansion Projects	means Austral's copper and other commodity projects and future potential production with mine optimisation and prefeasibility studies being undertaken at the Austral Group's Mt Clark/Flying Horse and Lady Colleen Project Areas, other than on or within the Anthill Project Mining Tenement.
FRCGW	has the meaning given in Section 9.4.
GST	means goods and services tax or similar value added tax levied or imposed in Australia under the GST Law.
GST Law	has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
Hammer Metals or the Company	means Hammer Metals Limited (ACN 095 092 158).
Hammer Metals Board	means the board of directors of Hammer Metals.
Hammer Metals Director	means a duly appointed director of Hammer Metals.
Hammer Metals Financial Information	has the meaning given in Section 5.10.
Hammer Metals Group	means Hammer Metals and each of its Related Bodies Corporate but excluding the SpinCo Group, and a reference to a **'Hammer Metals Group Member**' is to Hammer Metals or any of its Related Bodies Corporate but excluding the SpinCo Group.
Hammer Metals Incentive Plan	means the "Hammer Metals Employee Incentive Plan", approved by Hammer Metals Shareholders on 17 November 2023.
Hammer Metals Information	means all the information in the Scheme Booklet (or any amendments or supplements) other than the Austral Information and the Independent Expert's Report, and includes any information about the Hammer Metals Group: (a) provided by Hammer Metals to Austral in writing for use in the preparation of the Merged Group Information; or (b) obtained by Austral from an announcement made by Hammer Metals to ASX or from a publicly available document lodged by Hammer Metals with ASIC (to the extent such information has not been superseded by later announcements made by Hammer Metals to ASX or publicly available documents lodged by Hammer Metals with ASIC), and used in the preparation of the Merged Group Information.
Hammer Metals Material Adverse Change	means an event, change, condition, circumstance, thing, occurrence or matter: (a) that occurs after the date of this deed; or

	(b) that occurs on, or occurred before, the date of this deed but that only becomes known to Austral, or is only announced or publicly disclosed, after the date of this deed, (each a **Specified Event**), whether individually or when aggregated with all the other Specified Events, has had or is reasonably likely to have the effect of: (a) diminishing the net assets of the Hammer Metals Group (taken as a whole) (calculated in accordance with the Accounting Standards) by $100,000 or more, as compared to what the net assets of the Hammer Metals Group (taken as a whole) (calculated in accordance with the Accounting Standards) could reasonably be expected to have been but for such Specified Event; (b) materially adversely affecting the status or terms of (or rights attaching to) some or all of the Hammer Metals Tenements or the ability of a Hammer Metals Group Member to exploit them; (c) materially adversely affecting the status or terms of (or rights attaching to) any material permits, licences, authorisations or any other approvals held or disclosed as being held by the Hammer Metals Group; or (d) any Hammer Metals Group Member being unable to carry on its business in substantially the same manner as carried on in the 12 months prior to the date of this deed or being unable to execute and implement its intended activities and business objectives previously announced to the ASX during the three month period immediately prior to the date of this deed, in each case other than an event, change, condition, circumstance, thing, occurrence or matter: (e) which is required or expressly permitted by the Transaction Documents, the Restructure or the SpinCo Demerger Documents; (f) which is fairly disclosed in the Hammer Metals Disclosure Materials; (g) to the extent it was fairly disclosed in an announcement made by Hammer Metals to the ASX in the 12 months prior to the date of this deed or the Hammer Metals relevant searches; (h) to the extent it was actually known to Austral prior to the date of this deed (which does not include knowledge of the generic risk of the relevant event, change, condition, matter, circumstance or thing occurring, but does include knowledge of a specific risk of the relevant event, change, condition, matter, circumstance or thing occurring); (i) which Austral has approved, consented to or requested in writing; (j) which result or arise from or in connection with:

	(i) changes in rates relating to Tax, or changes in exchange rates or interest rates; (ii) general economic, political, trading or business conditions, or changes to them, including changes or disruptions to, or fluctuations in, domestic or international financial markets or consumer demand, or changes in interest rates, foreign currency exchange rates or commodity prices, other than where such matters have a materially disproportionate effect on the Hammer Metals Group as compared to other businesses operating in the same market segments as the Hammer Metals Group; (iii) acts of terrorism, war (whether or not declared and including without limitation the current conflict in Ukraine and Iran), natural disaster or adverse weather conditions; or (iv) any actual or proposed change in any law, regulation or policy, or in any accounting principle or standard, including in relation to Tax, or in the interpretation or application of any of the foregoing, and when determining whether a Hammer Metals Material Adverse Change has occurred, taking into account any amounts which are recovered or are recoverable under the Hammer Metals Group's insurance policies.
Hammer Metals Option	means an unlisted option issued by Hammer Metals to acquire an unissued Hammer Metals Share.
Hammer Metals Performance Right	means a right issued by Hammer Metals which entitles the holder to an unissued Hammer Metals Share.
Hammer Metals Prescribed Occurrence	means the occurrence of any of the following events: (a) any Hammer Metals Group Member converting all or any of its securities into a larger or smaller number of securities; (b) any Hammer Metals Group Member resolving to reduce its share capital in any way or resolving to re-classify, combine, split, redeem or re-purchase directly or indirectly any of its shares; (c) any Hammer Metals Group Member: (i) entering into a buy back agreement; or (ii) resolving to approve the terms of a buy back agreement under the Corporations Act; (d) any Hammer Metals Group Member issuing shares, or granting an option or a performance right or similar right over its shares or agreeing to make such an issue or grant of such an option or a performance right or similar right or agreeing to pay any cash consideration to any person in performance or settlement of any obligation to grant an option or a performance right or similar right

	over its shares, other than to a directly or indirectly wholly-owned Subsidiary of Hammer Metals or pursuant to the exercise of Performance Rights or Options before the Record Date where that Performance Right or Option was on issue immediately before the date of this deed; (e) any Hammer Metals Group Member issuing, or agreeing to issue, convertible notes or any other security convertible into shares; (f) Hammer Metals announcing, making, declaring, paying or distributing any dividend, bonus or other distribution or share of its profits or assets, or returning, or agreeing to return, any capital to its members (whether in cash or in specie); (g) any Hammer Metals Group Member disposing, or agreeing to dispose of, any business, securities, assets or undertakings of the Hammer Metals Group with a value of more than $100,000, individually or in aggregate; (h) any Hammer Metals Group Member creating, or agreeing to create, any Encumbrance over any of its business or property other than in the ordinary course of business or as permitted under its existing contractual arrangements as fairly disclosed in the Hammer Metals Disclosure Materials; (i) a Hammer Metals Group Member making any change to its constitution or proposing to pass any resolution of shareholders or any class of shareholders; (j) a Hammer Metals Group Member being deregistered as a company or otherwise dissolved; (k) an insolvency event occurring in relation to any Hammer Metals Group Member; (l) Hammer Metals ceases to be admitted to the official list of ASX or Hammer Metals Shares cease to be quoted by ASX or are suspended from quotation for more than five Business Days; or (m) subject to Austral not being in material breach of, or material default under the Bridging Loan Agreement, Austral has exercised its discretion and undertaken one or more of the acceleration actions permitted under the Bridging Loan Agreement following the occurrence of a continuing "Event of Default" as that term is defined in the Bridging Loan Agreement, other than an event: (n) required to be done by Hammer Metals under the Transaction Documents, the Restructure or the SpinCo Demerger Documents; (o) required by law or by order of a court or Government Agency; (p) that Austral has expressly consented to, in writing;

	(q) that has been fairly disclosed by Hammer Metals in the Hammer Metals Disclosure Materials; (r) to the extent it was fairly disclosed in an announcement made by Hammer Metals to the ASX in the 12 months prior to the date of this deed or the Hammer Metals Relevant Searches; or (s) required to be undertaken or procured by the Hammer Metals Group to substitute or replace any funding not otherwise provided or advanced by Austral under the Bridging Loan Agreement where Austral commits a Austral Prescribed Occurrence under sub-clause (k) of that definition in not doing so.
Hammer Metals Regulated Event	means the occurrence of any of the following: (a) subject to (d), a Hammer Metals Group Member acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of, any asset, business, share or other security or entering into any corporate transaction, the value of which exceeds $100,000; (b) a Hammer Metals Group Member commencing business activities or line of business not already carried out as at the date of this deed, whether by way of acquisition or otherwise; (c) Hammer Metals Group Member entering into, or resolving to enter into, a transaction with any related party (as defined in section 228 of the Corporations Act) of Hammer Metals, other than a related party which is a Hammer Metals Group Member; a Hammer Metals Group Member: (d) a Hammer Metals Group Member: (i) acquiring, leasing or disposing of (in full or in part); (ii) creating, or agreeing to create, any Security Interest over; (iii) agreeing, offering or proposing to acquire (including by way of conditional agreement or option), lease or dispose of (in full or in part); or (iv) announcing or proposing a bid, or tendering for, any Hammer Metals Tenement or any business, assets, entity, undertaking or rights relating to any Hammer Metals Tenement (including the granting to a third party of any rights or interests, the entry into of a joint venture agreement or grant of a royalty in respect of any Hammer Metals Tenement); (e) a Hammer Metals Group Member entering into a contract or commitment restraining a Hammer Metals Group Member from competing with any person or conducting activities in any market;

(f) a Hammer Metals Group Member:

(i) entering into or agreeing to enter into a material contract (as defined in the Scheme Implementation Deed);

(ii) terminating, amending or extending in a material manner a material contract or amending any other contract in such a manner that it becomes a material contract;

(iii) not renewing a material contract;

(iv) save in respect of the Bridging Loan Agreement, entering into any contract or commitment (including in respect of financial indebtedness) requiring payments by the Hammer Metals Group in excess of $100,000 (individually or in aggregate);

(v) agreeing to incur or incurring:

(A) any capital expenditure of more than $100,000 (individually or in aggregate);

(B) other than the Larvotto loan agreement, the Larvotto scheme implementation deed or the Bridging Loan Agreement, any financial indebtedness;

(C) waiving any material rights or Third Party default; or

(D) accepting any compromise of a matter less than the full compensation due to a Hammer Metals Group Member where the financial impact of the compromise on the Hammer Metals Group is reasonably expected to be more than $100,000 (individually or in aggregate);

(g) a Hammer Metals Group Member providing financial accommodation (which includes the giving of a guarantee of, or security for, or indemnity in connection with the obligations of any person or any undertaking to pay) to any person other than to another Hammer Metals Group Member (irrespective of what form of financial indebtedness that accommodation takes);

(h) a Hammer Metals Group Member entering into any agreement, arrangement or transaction with respect to derivative instruments (including swaps, futures contracts, forward commitments, commodity derivatives or options) or similar instruments;

(i) a Hammer Metals Group Member entering into or altering, varying or amending any employment, consulting, severance or similar agreement or arrangement with one or more of its directors, officers, other executives, employees or consultants, or accelerating or otherwise increasing compensation or benefits for any of the above, in each case other than

	pursuant to contractual arrangements in effect on the date of this deed and which have been fairly disclosed in the Hammer Metals Disclosure Material; (j) a Hammer Metals Group Member agreeing to accelerate the rights of any person to receive any benefit under any employee incentive plan, vary any employee incentive plan or introduce a new employee incentive plan, other than in respect of an actual, contemplated or likely change of Control of Hammer Metals; (k) a Hammer Metals Group Member amending the terms attaching to or associated with any securities issued by that member; (l) a Hammer Metals Group Member paying any of its directors, officers, other executives, employees or consultants a termination, bonus or retention payment, other than where the payment is made in accordance with both: (i) applicable law and the ASX Listing Rules; and (ii) contractual arrangements in effect on the date of this deed and which have been fairly disclosed in the Hammer Metals Disclosure Material; (m) a Hammer Metals Group Member making or agreeing to make any award or any certified agreement, enterprise agreement, workplace agreement or other collective agreement; (n) a Hammer Metals Group Member amending in any respect any arrangement with one of its advisers, or entering into any arrangements with a new Adviser; (o) a Hammer Metals Group Member changing any accounting policy applied by them to report their financial position other than any change in policy required by a change in Accounting Standards; (p) a Hammer Metals Group Member commencing any litigation or similar proceeding, other than in connection with this deed; (q) a Hammer Metals Group Member waives, forgives, settles or compromises claims that it has against any other person between the date of this deed and the Implementation Date with an aggregate value in excess of $100,000; (r) a Hammer Metals Group Member forgives any loans given in favour to any other person; (s) a Hammer Metals Group Member fails to comply in all material respects with all laws and regulations applicable to its business or does or omits to do anything which might result in the termination, revocation, suspension, modification or non-renewal of any authorisation held by it;

	(t) a Hammer Metals Group Member varying or waiving its rights in any materially adverse respect, or terminates, cancels, surrenders, forfeits or allows to lapse or expire (without renewal on terms and conditions that are no less favourable to the Hammer Metals Group) any material licence, lease, authorisation or any Hammer Metals Tenement; (u) a Hammer Metals Group Member postponing the payment of trade creditors or accelerates the collection of trade debtors, in each case having regard to the policies applied for such payment and collection in the 12 months prior to the date of this deed other than in the ordinary course of business; (v) notice is given to any Hammer Metals Group Member of any material investigation, prosecution, arbitration, litigation or dispute threatened against a Hammer Metals Group Member that is not frivolous or vexatious (**Material Proceedings**), or circumstances arising which could reasonably be expected to give rise to any such Material Proceedings; (w) a Hammer Metals Group Member committing to, entering into or commencing any drilling program other than those in existence as at the date of this deed; (x) a Hammer Metals Group Member undertaking any economic study (regardless of how preliminary) with respect to the development of the Hammer Metals Tenements (or some of them), including retaining any consultants or advisers with respect to such a study; or (y) a Hammer Metals Group Member authorises, procures or commits or agrees to do any of the matters set out above, other than an event: (z) required to be done or contemplated by Hammer Metals under the Transaction Documents, the Larvotto Loan Agreement, the Larvotto SID, the Bridging Loan Agreement, the budget, the Restructure or the SpinCo Demerger Documents; (aa) required by law or by order of a court or Government Agency; (bb) that Austral has approved, consented to or requested in writing; (cc) that has been fairly disclosed by Hammer Metals in the Hammer Metals Disclosure Materials; (dd) required to be done under contractual arrangements with joint venture partners that have been fairly disclosed by Hammer Metals in the Hammer Metals Disclosure Materials, including any Encumbrance (such as a caveat) or other obligation that a Hammer Metals Group Member may be required to undertake, action, perfect, enforce or otherwise comply with; (ee) in respect of the current approximate 3km reverse circulation drilling and exploration program announced

	by Hammer Metals on ASX on 28 April 2026, together with Hammer Metals' other obligations under the collaborative exploration initiative scheme announced on ASX on 26 March 2026 and as fairly disclosed in the Hammer Metals Materials; (ff) excluding in connection with limb (d) of this definition, to the extent it was fairly disclosed in an announcement made by Hammer Metals to the ASX in the 12 months prior to the date of this deed or the Hammer Metals Relevant Searches; or (gg) required to be undertaken or procured by the Hammer Metals Group to substitute or replace any funding not otherwise provided or advanced by Austral under the Bridging Loan Agreement in circumstances where Austral commits an Austral Prescribed Occurrence under sub-clause (k) of that definition in not doing so.
Hammer Metals Security	means a Hammer Metals Share, Hammer Metals Performance Right or Hammer Metals Option (as applicable).
Hammer Metals Share	means a fully paid ordinary share in the capital of Hammer Metals.
Hammer Metals Shareholder	means a registered holder of one or more Hammer Metals Shares, as shown in the Hammer Metals Share Register.
Hammer Metals Share Register	means the register of members maintained by, or on behalf of, Hammer Metals in accordance with the Corporations Act.
Hammer Metals Warranty	means the representations and warranties of Hammer Metals set out in Schedule 1 of the Scheme Implementation Deed
Implementation Date	means the fifth Business Day after the Record Date or such other day after the Record Date as Hammer Metals and Austral agree in writing or is ordered by the Court.
Ineligible Foreign Holder	means any Scheme Shareholder whose address shown on the Hammer Metals Share Register as at the Record Date is in a place outside Australia, New Zealand, Hong Kong, Singapore, Switzerland and the United Kingdom, or any other jurisdiction agreed in writing by the parties (each acting reasonably) or unless Austral determines (in its sole and absolute discretion) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the Scheme Consideration when the Scheme becomes Effective.
Ineligible Holder	means Ineligible Foreign Holders and Non-electing Small Shareholders.
Independent Expert	means BDO Corporate Finance Australia Pty Ltd, the independent expert in respect of the Scheme appointed by Hammer Metals.
Independent Expert's Report	means the report of the Independent Expert, as set out in Annexure A.
Independent Technical Specialist	means MinVal Pty Ltd.
Independent Technical Specialist's Report	means the report of the Independent Technical Specialist, as set out in Appendix 4 of the Independent Expert's Report.

JORC Code	means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition).
Last Practicable Date	means Wednesday, 30 September 2026, being the last practicable date to prepare information before finalising this Scheme Booklet for registration by ASIC.
Larvotto	means Larvotto Resources Limited ACN 645 596 238.
Larvotto Break Fee	means the break fee payable by Hammer Metals to Larvotto in connection with the Larvotto Scheme (being, $550,389).
Larvotto Loan	means the loan provided by Larvotto to Hammer Metals under and pursuant to a loan agreement entered into by and between Larvotto and Hammer Metals on 11 June 2026.
Larvotto Scheme	means the scheme of arrangement under Part 5.1 of the Corporations Act pursuant to which Larvotto proposed to acquire all of the issued Hammer Metals Shares in accordance with the scheme implementation deed entered into between Hammer Metals and Larvotto on 11 June 2026.
Loan Facility	has the meaning given in Section 5.7(b).
Management Performance Right	means the 3,000,000 performance rights (exercisable into Hammer Metals Shares, subject to the satisfaction of certain vesting conditions) issued to Mr Daniel Thomas on 3 December 2024, subject to the terms and conditions as detailed in the Hammer Metals Notice of Annual General Meeting dated 14 October 2024.
Marketable Parcel	means $500 worth of New Austral Shares assessed by reference to the highest closing price of Austral Shares on ASX beginning on the date the Scheme Booklet is registered by ASIC under section 412(6) of the Corporations Act and ending on the Effective Date.
Material Change of Control Rights	means any change of control, unilateral termination or other similar rights or provisions in respect of the Hammer Metals Tenements, the material contracts or the authorisations to which Hammer Metals or another Hammer Metals Group Member is a party or has the benefit of, in respect of which the exercise of the change of control, termination or other similar rights or provisions or the breach or non-compliance of such contract or authorisation (including noncompliance for failing to obtain the relevant party's consent to a change of control) would constitute or be reasonably likely to constitute a Hammer Metals Material Adverse Change, and which may be triggered by or exercised in response to implementation of the Scheme or the SpinCo Demerger.
Merged Group	means the combination of the Hammer Metals Group and the Austral Group, as comprised by Austral and its Subsidiaries following implementation of the Scheme.
Merged Group Information	means any information in the Scheme Booklet or any supplementary disclosure to Hammer Metals Shareholders in respect of the Scheme, regarding the Merged Group.
Mineral Resource	has the meaning given in the JORC Code.
New Austral Shares	means an Austral Share to be issued under the Scheme.

Non-Electing Small Shareholder	means a Small Shareholder who has not provided the Registry with an Opt-out Notice in accordance with the terms of the Scheme.
Option Cancellation Deeds	has the meaning given in Section 11.2(b).
Opt-out Notice	means a notice by a Small Shareholder requesting to receive the Scheme Consideration in accordance with the Scheme.
Performance Right Cancellation Deed	has the meaning given in Section 11.2(a).
Proxy Form	means the proxy form accompanying the Notice of Scheme Meeting or the Notice of Demerger Meeting (as applicable).
Record Date	means 7:00pm (Sydney time) on the second Business Day after the Effective Date, or such other time and date as Hammer Metals and Austral agree in writing (currently expected to be 7:00pm (Sydney time) on Wednesday, 18 November 2026).
Related Body Corporate	has the meaning given in the Corporations Act.
Relevant Austral Shares	has the meaning given in Section 3.7.
Relevant Interest	has the meaning given in the Corporations Act.
Requisite Majorities	means, unless the Court orders otherwise, a majority in number (more than 50%) of Hammer Metals Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney, or in the case of corporate Hammer Metals Shareholders, body corporate representative), and at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Hammer Metals Shareholders present and voting (either in person or by proxy, attorney or, in the case of corporate Hammer Metals Shareholders, body corporate representative).
Rights	means all accretions, rights and benefits attaching to, or arising from, the Scheme Shares directly or indirectly, including any capital returns, all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by Hammer Metals.
Roll-Over Relief	has the meaning given in section 9.2(h).
Sale Proceeds	means the proceeds of the sale referred to in clause 5.3 of the Scheme Implementation Deed after the Scheme Sale Agent or Austral (as applicable) has deducted any applicable brokerage, foreign exchange, stamp duty and other selling costs, taxes (including withholding tax) and charges.
Scheme	means the scheme of arrangement between Hammer Metals and the Scheme Shareholders pursuant to which all of the Scheme Shares will be transferred to Austral under Part 5.1 of the Corporations Act, in consideration for the Scheme Consideration, in the form of Annexure B of the of the Scheme Implementation Deed or such other form as agreed in writing between Hammer Metals and Austral subject to any alterations or conditions that are made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Austral and Hammer Metals.

Scheme Booklet	means the scheme booklet prepared in respect of the Scheme pursuant to section 412 of the Corporations Act and in accordance with the terms of this deed (including clause 4.2(j)(i) of the Scheme Implementation Deed) to be dispatched to the Hammer Metals Shareholders and which must include or be accompanied by: (a) a copy of the Scheme; (b) an explanatory statement complying with the requirements of the Corporations Act, the Corporations Regulations and ASIC Regulatory Guide 60; (c) the Independent Expert's Report; (d) a copy or summary of this deed; (e) a copy of the executed Deed Poll; (f) a notice of the Scheme Meeting; and (g) a proxy form(s).
Scheme Consideration	means the consideration to be provided by or on behalf of Austral to each Scheme Shareholder for the transfer of each Scheme Share under the Scheme (subject to clauses 5.2 and 5.4 of the Scheme Implementation Deed), being 1.2903 New Austral Shares for every one Scheme Share held by a Scheme Shareholder in accordance with the Deed Poll.
Scheme Implementation Deed	means the scheme implementation deed dated 11 August 2026 between Hammer Metals and Austral, a copy of which was released to the ASX by Hammer Metals on 11 August 2026.
Scheme Meeting	means the meeting of Hammer Metals Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme, including any adjournment or postponement thereof.
Scheme Resolution	means a resolution to approve the Scheme under section 411(4)(a)(ii) of the Corporations Act.
Scheme Sale Agent	means a person appointed by Austral to sell the New Austral Shares that would otherwise be issued to or for the benefit of Ineligible Holders under the terms of the Scheme.
Scheme Sale Facility	means the share sale facility operated by the Scheme Sale Agent.
Scheme Share	means a Hammer Metals Share held by a Scheme Shareholder as at the Record Date.
Scheme Shareholder	means a Hammer Metals Shareholder as at the Record Date (other than an Excluded Shareholder).
Second Court Date	means the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.
Section	means a section of this Scheme Booklet.

Security Interest	means any mortgage, charge, pledge, lien, assignment or other security interest or any other arrangement (including a right of set off or combination) entered into for the purpose of conferring a priority, including any security interest as defined in section 9 of the Corporations Act or in the *Personal Property Securities Act 2009* (Cth).
Share Registry	Automic Pty Ltd (ACN 152 260 814).
Share Splitting	means the splitting by a holder of Hammer Metals Shares into two or more parcels of Hammer Metals Shares whether or not it results in any change in the beneficial ownership of Hammer Metals Shares.
Small Shareholder	means a Scheme Shareholder (other than an Ineligible Foreign Holder) who based on their holding of Scheme Shares on the Record Date, would on implementation of the Scheme, be entitled to receive less than a Marketable Parcel of New Austral Shares as Scheme Consideration.
SpinCo	means Carnegie Resources Limited (ACN 701 952 865).
SpinCo Demerger Documents	means the Demerger Deed and any other document which is necessary or desirable to be entered into between Hammer Metals, SpinCo and a Hammer Metals Group Member in relation to the Demerger to be in agreed form as between Hammer Metals and Austral (acting reasonably) prior to execution thereof, with any amendments to such documents requiring the prior written consent of Austral (such consent not to be unreasonably withheld, delayed or conditioned).
SpinCo Group	means SpinCo and each of its Subsidiaries.
Subsidiary	has the meaning given in the Corporations Act.
Superior Proposal	means a bona fide Competing Proposal: (a) of the kind referred to in paragraphs (a), (b)(ii), (b)(iii), (b)(iv) or (b)(v) of the definition of Competing Proposal of the Scheme Implementation Deed; (b) not resulting from a breach by Hammer Metals of any of its obligations under clause 7.6(c) of the Scheme Implementation Deed (it being understood that any actions by Hammer Metals' representatives not permitted by clause 8 of the Scheme Implementation Deed will be deemed to be a breach by Hammer Metals for the purposes hereof), which the Hammer Metals Board, acting in good faith and after having obtained advice from their Legal advisers and financial advisers, determines: (c) is reasonably capable of being valued and completed in accordance with its terms and within a reasonable time; and (d) would, if completed substantially in accordance with its terms, be more favourable to Hammer Metals Shareholders (as a whole) than the Transaction or Counterproposal, in each case taking into account all aspects of the Competing Proposal, including its conditions, the identity, reputation and

	the financial condition of the person making such proposal and all relevant legal, regulatory and financial matters (including the price, value and form of consideration, funding, proposed timing) and other matters affecting the probability of the Competing Proposal being completed.
SX-EW	means solvent extraction and electrowinning.
Tax Act	means the *Income Tax Assessment Act 1997* (Cth), the *Income Tax Assessment 1936* (Cth) and the Taxation Administration Act, as applicable.
Third Party	means a person other than Austral, Hammer Metals and their respective Associates.
Trading Day	has the meaning given in the Listing Rules.
Transaction Documents	means the Scheme Implementation Deed, the Scheme, the Deed Poll and any other documents agreed in writing between Hammer Metals and Austral.
Transactions	means the Demerger and the Scheme.
Voting Power	has the meaning given in the Corporations Act.
VWAP	means volume weighted average price, as that term is defined in the Listing Rules.

Annexure A

Independent Expert's Report

IDEAS | PEOPLE | TRUST

Hammer Metals Limited

Independent Expert's Report

1 October 2026

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FINANCIAL SERVICES GUIDE

Dated: 1 October 2026

This Financial Services Guide (**FSG**) helps you decide whether to use any of the financial services offered by BDO Corporate Finance Australia Pty Ltd (**BDO Corporate Finance, we, us, our**).

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- Who we are and how we can be contacted
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

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Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

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Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: http://www.afca.org.au

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You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au

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Appendix 1 – Glossary and copyright notice

Appendix 2 – Valuation Methodologies

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Appendix 4 - Independent Specialist Report prepared by MinVal Pty Ltd

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1 October 2026

The Directors
Hammer Metals Limited
Suite 2, Level 2, 41 Colin Street
West Perth WA 6005

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 11 August 2026, Hammer Metals Limited (**'Hammer'** or **'the Company'**) announced that it had entered into a binding Scheme Implementation Deed (**'SID'**) with Austral Resources Australia Limited (**'Austral'**) pursuant to which Austral will acquire 100% of the issued share capital in Hammer by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (*Cth*) (**'Corporations Act'** or **'the Act'**) (**'the Scheme'**).

Under the terms of the SID, each eligible Hammer shareholder (**'Shareholder'**) will receive 1.2903 new fully paid ordinary shares in Austral (**'New Austral Shares'**) for every Hammer share held on the Scheme record date (**'Scheme Consideration'**).

Concurrent to the Scheme, Hammer's Western Australian (**'WA'**) gold assets (**'Non-Core Assets'**) held in its subsidiary Carnegie Exploration Pty Ltd (**'Carnegie'**) will be demerged via a capital reduction and in-specie share distribution to Hammer Shareholders (**'Demerger'**). Carnegie (or such other entity incorporated for the purposes of undertaking the Demerger) (**'SpinCo'**) will be an unlisted public company upon implementation of the Demerger. The capital reduction to affect the Demerger will be subject to Hammer Shareholder approval. Eligible Hammer shareholders will indicatively receive one fully paid ordinary share in SpinCo for every 35 Hammer shares held, with the final number of SpinCo shares to be distributed to eligible Hammer shareholders to be determined based on the number of Hammer shares on issue as at the Demerger Record Date.

The Scheme and Demerger (together, **'the Transaction'**) are inter-conditional. The Demerger is conditional upon, amongst other things, the Scheme becoming effective, and the Scheme is conditional upon Hammer Shareholders approving the capital reduction to affect the Demerger.

We refer to Hammer and Austral together following implementation of the Scheme as the '**Merged Group**'.

In connection with entry into the SID, Hammer and Austral have entered into a binding loan agreement for a loan facility of up to $6.0 million to support Hammer through the Scheme implementation period (**'Austral Loan Facility'**). The Austral Loan Facility is unsecured and interest-free for as long as the SID remains in effect. If the SID is terminated, the loan will become payable in accordance with its terms, with interest applying from termination in certain circumstances.

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Terminated SID with Larvotto Resources Limited

On 11 June 2026, Hammer announced that it entered into a binding scheme implementation deed with Larvotto Resources Limited (**'Larvotto'**) pursuant to which Larvotto proposed to acquire all of the issued securities in Hammer by way of a scheme of arrangement (**'Larvotto Scheme'**). Hammer and Larvotto also entered into a binding loan agreement for a loan facility of up to $4.0 million **('Larvotto Loan'**). Subsequently, Hammer received a binding proposal from Austral which was deemed by Hammer to be a "superior proposal" to the Larvotto Scheme. On 10 August 2026, Larvotto announced its intention not to exercise its matching rights. On 11 August 2026, Hammer terminated the scheme implementation deed with Larvotto and entered into Scheme Implementation Deed with Austral. The first draw down under the Austral Loan Facility was used to, amongst other matters, repay the outstanding Larvotto Loan and to pay a break fee to Larvotto (**'Larvotto Break Fee'**).

All figures in our Report are quoted in Australian dollars (**'AUD'** or **'$'**) unless otherwise stated.

2. Summary and opinion

2.1 Requirement for the report

The directors of Hammer have requested that BDO Corporate Finance Australia Pty Ltd ('**BDO**') prepare an independent expert's report (**'our Report'**) to express an opinion as to whether the Scheme is fair and reasonable and in the best interests of the Shareholders of Hammer.

Our Report is prepared pursuant to section 411 of the Corporations Act and relevant Corporations Regulations and is to be included in the scheme booklet for Hammer to assist Shareholders in their decision whether to approve the Scheme (**'Scheme Booklet'**).

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('**ASIC**') Regulatory Guide 60 'Schemes of arrangements' (**'RG 60'**), Regulatory Guide 111 'Content of expert reports' (**'RG 111'**) and Regulatory Guide 112 'Independence of experts' (**'RG 112'**).

In arriving at our opinion, we have assessed the terms of the Scheme as outlined in the body of this Report. We have considered the following:

- How the value of a Hammer share, excluding the demerged assets prior to the Scheme (on a controlling interest basis) compares to the value of the Scheme Consideration, being 1.2903 New Austral Shares following the Scheme (on a minority interest basis).
- The likelihood of an alternative offer being made to Hammer.
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Scheme.
- The position of Shareholders should the Scheme not proceed.

2.3 Opinion

We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable and in the best interests to Shareholders.

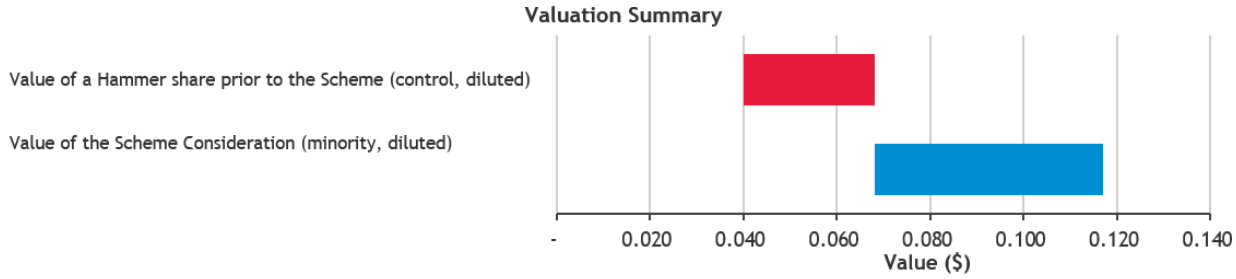
2.4 Fairness

In Section 12, we compared the value of a Hammer share (on a controlling interest and diluted basis) prior to the Scheme, to the Scheme Consideration, being 1.2903 New Austral Shares (on a minority interest and diluted basis), as detailed below.

	Ref.	Low $	Preferred $	High $
Value of a Hammer share prior to the Scheme (on a controlling interest and diluted basis)	10.3	0.040	0.054	0.068
Value of 1.2903 New Austral Shares following the Scheme (on a minority interest and diluted basis)	11.3	0.068	0.091	0.117

Source: BDO analysis

The above valuation ranges are graphically presented below:



Source: BDO analysis

The above pricing indicates that, in the absence of a superior proposal, the Scheme is fair for Shareholders.

We consider the Scheme to be fair to Shareholders because the value of the Scheme Consideration on a minority interest and diluted basis is greater than our assessed valuation range of a Hammer share prior to the Scheme on a controlling interest and diluted basis.

2.5 Reasonableness

We have considered the analysis in Section 13 of this Report, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal, we consider that the Scheme is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
13.2	The Scheme is fair for Shareholders	13.3	Dilution of Shareholders' interests and exposure to the Mt Isa Project
13.2	Potential operating synergies from the consolidation of complementary assets	13.3	The Scheme may not align with Shareholders' risk preferences
13.2	Shareholders will gain exposure to Austral's existing operations, which includes two processing facilities	13.3	Scheme Consideration is entirely scrip
13.2	Improved ability to advance Hammer's Mt Isa assets	13.3	Exposure to the Non-Core Assets will be held in a public unlisted company
13.2	Creates a larger and more diversified company		
13.2	Shareholders are not foregoing an opportunity to receive a control premium in the future		
13.2	Retention of exposure to Hammer's Non-Core Assets		

Other key matters we have considered include:

Section	Description
13.1	Alternative proposal
13.4	Consequences of not approving the Scheme
13.5	Tax implications

3. Scope of the Report

3.1 Purpose of the Report

The Scheme is to be implemented pursuant to section 411 of the Corporations Act. Part 3 of Schedule 8 to the *Corporations Regulations 2001* (‘**Regulations**’) prescribes the information to be sent to shareholders in relation to schemes of arrangement pursuant to section 411 of the Corporations Act (‘**Section 411**’).

An independent expert’s report must be obtained by a scheme company if:

- There is one or more common directors; or
- The other party to the scheme holds 30% or more of the voting shares in the scheme company.

The expert must be independent and must state whether or not, in their opinion, the proposed scheme is in the best interest of the members of the company the subject of the scheme and set out the reasons for that opinion.

There are no common directors of Hammer and Austral, nor is there any party to the Scheme which holds 30% or more of the scheme company, being Hammer. Accordingly, an independent expert’s report is not required under the Regulations.

Notwithstanding the fact that there is no requirement to engage an independent expert to report on the Scheme, pursuant to the SID, the Scheme is subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Shareholders.

Accordingly, the directors of Hammer have requested that BDO prepare this independent expert’s report and provide an opinion as to whether the Scheme is fair and reasonable and in the best interests of Shareholders.

3.2 Regulatory guidance

Neither the Corporations Act nor the Regulations defines the term ‘in the best interests of’. In determining whether the Scheme is in the best interests of Shareholders, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

A key matter under RG 111 that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transaction is comparable to a takeover bid and is therefore representative of a change of ‘control’ transaction.

In the circumstance of a scheme that achieves the same outcome as a takeover bid, RG 111 suggests that the form of the analysis undertaken by the independent expert should be substantially the same as for a takeover. Independent expert reports required under the Act in the circumstance of a takeover are required to provide an opinion as to whether or not the takeover bid is ‘fair and reasonable’. While there is no definition of ‘fair and reasonable’, RG 111 provides some guidance as to how the terms should be interpreted in a range of circumstances.

RG 111 suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

Schemes of arrangement pursuant to Section 411 can encompass a wide range of transactions. Accordingly, ‘in the best interests’ must be capable of a broad interpretation to meet the particular circumstances of each transaction. This involves a judgment on the part of the expert as to the overall

commercial effect of the transaction, the circumstances that have led to the transaction and the alternatives available. The expert must weigh up the advantages and disadvantages of the proposed transaction and form an overall view as to whether shareholders are likely to be better off if the proposed transaction is implemented than if it is not. This assessment is the same as that required for a 'fair and reasonable' assessment in the case of a takeover. If the expert would conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, the expert will also be able to conclude that the scheme is in the best interests of shareholders. An opinion of 'in the best interests' does not imply the best possible outcome for shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in three parts:

- A comparison between the value of a Hammer share (on a controlling interest basis) and the value of the Scheme Consideration, being 1.2903 New Austral Shares (on a minority interest basis) (fairness – see Section 12 'Is the Scheme Fair?').
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the Scheme, after reference to the value derived above (reasonableness – see Section 13 'Is the Scheme Reasonable?').
- A consideration of whether the Scheme is in the best interests of Shareholders.

RG 111 states that if a transaction is fair and reasonable then the expert can conclude that the transaction is in the best interests of shareholders. If a transaction is not fair but reasonable an expert can still conclude that the transaction is in the best interests of shareholders. If a transaction is neither fair nor reasonable then the expert would conclude that the transaction is not in the best interests of shareholders.

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Transaction

4.1 Overview

On 11 August 2026, Hammer announced that it had entered into a binding SID with Austral, pursuant to which Austral will acquire 100% of the issued share capital of Hammer by way of a scheme of arrangement under Part 5.1 of the Corporations Act. Upon implementation of the Scheme, Hammer will become a wholly owned subsidiary of Austral and will be removed from the official list of the Australian Securities Exchange ('**ASX**').

Under the terms of the Scheme, Hammer Shareholders will receive 1.2903 New Austral Shares for each Hammer share held on the Record Date.

Based on Hammer's fully diluted share capital, upon implementation of the Scheme, Hammer Shareholders are expected to hold approximately 31% of Austral following the Scheme.

Following implementation of the Scheme, Hammer's Mt Isa copper and critical minerals portfolio will be combined with Austral's existing projects.

Concurrently with the Scheme, Hammer's Non-Core Assets currently held in Carnegie will be demerged via a capital reduction and in-specie distribution of shares in the entity incorporated for the purposes of the Demerger, to Shareholders. SpinCo will be an unlisted public company upon implementation of the Demerger. Under the terms of the Demerger, Shareholders will indicatively receive one SpinCo share for every 35 Hammer shares held, with the final number of SpinCo shares to be issued to eligible Hammer shareholders to be confirmed on the Demerger Record Date. The Scheme and the Demerger are inter-conditional. The Demerger is conditional upon, amongst other things, the Scheme becoming effective, and the Scheme is conditional upon Hammer Shareholders approving the capital reduction to affect the Demerger.

4.2 Austral Loan Facility

Hammer and Austral have entered into a biding loan agreement for an unsecured loan facility of up to $6.0 million to support Hammer through the transaction implementation period. The Austral Loan Facility is available for drawdown in accordance with an agreed budget and cashflow plan and is intended to fund:

- Repayment of the Larvotto Loan
- Payment of the Larvotto Break Fee (being $550,389) following termination of the Larvotto SID
- Hammer's ongoing operations and general working capital requirements through to implementation of the Scheme

The Austral Loan Facility will be available until a date that is six calendar months from the date of execution of the SID.

No interest will accrue except in certain circumstances set out in the loan agreement.

The Austral Loan Facility (together with any outstanding and capitalised interest) is repayable:

- Immediately, if an event of default has occurred;
- within 30 days of termination of the SID if the Break Fee is payable by Hammer
- within four months of termination of the SID if the Break Fee is not payable by Hammer
- within six months of termination of the SID, in the event of a material breach of the SID, a breach of warranty by Austral or the independent expert concludes that the Scheme is not in the best interests of Hammer shareholders

- if implementation of the Scheme occurs, such date as notified by Austral to Hammer in writing

As at the date of our report, Hammer has drawn down $3 million under the Austral Loan Facility.

4.3 Conditions precedent

The implementation of the Scheme is subject to various conditions precedent, including, but not limited to:

- The independent expert concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer Shareholders
- Approval of the Scheme by the Court
- All necessary regulatory approvals, consents, waivers and relief being obtained, including any required approvals from ASIC and ASX
- Approval of the Scheme by Hammer Shareholders by the requisite majorities required under the Corporations Act
- Approval of the reduction of capital relating to the Demerger by Hammer Shareholders
- Execution of the Demerger by Hammer and SpinCo on terms approved by Austral.

Full details of the conditions precedent of the Scheme are set out in section 10.6 of the Scheme Booklet.

4.4 Demerger

Hammer's Non-Core Assets currently held in Carnegie will be demerged via a capital reduction and in-specie distribution of shares in SpinCo; the entity incorporated for the purposes of the Demerger, to Shareholders.

Hammer and SpinCo have proposed to enter into a Demerger Implementation Deed under which Hammer will demerge SpinCo via a capital reduction and in-specie distribution of SpinCo shares to Hammer Shareholders. Under the Demerger, Shareholders will indicatively receive one fully paid ordinary share in SpinCo for every 35 Hammer shares held, with the final number of SpinCo shares to be issued to eligible Hammer shareholders to be confirmed on the Demerger Record Date. The capital reduction to effect the Demerger will be subject to Shareholder approval (**'Demerger Resolution'**).

The composition of SpinCo's assets will include the Bronzewing South Gold Project, the Orelia North Gold Project and the Mt Sefton Gold Project, all of which are located in WA. SpinCo will also receive $700,000 cash as part of the Demerger (subject to the deductions contemplated in the SID).

SpinCo will be an unlisted public company upon implementation of the Demerger.

Full details of the Demerger can be found in Section 5.2 of the Scheme Booklet, and the Notice of Demerger Meeting accompanying the Scheme Booklet.

The Scheme is conditional on the Demerger Resolution being approved. Accordingly, if the Demerger Resolution is not approved by Hammer Shareholders (and Hammer does not otherwise waive the condition to the Scheme relating to the Demerger), the Scheme will not proceed.

Our Report does not opine on the Demerger, and we do not specifically undertake a valuation of the Non-Core Assets in our valuation of Hammer, noting however the economic exposure to the non core assets is unchanged as Hammer shareholders retain their proportionate interest.

4.5 Break Fee

The SID contains a break fee arrangement under which Hammer may be required to pay Austral a break fee of $731,863 (**'Break Fee'**) in certain circumstances outlined in Section 10.6 of the Scheme Booklet. The Break Fee is payable only once and is not payable if the Scheme becomes effective.

4.6 Hammer performance rights and options

The SID requires Hammer to ensure that no options or performance rights remain outstanding on the Record Date.

It is intended that outstanding Hammer performance rights (**'Hammer Performance Rights'**) will either vest and convert into Hammer shares, lapse, or be cancelled. Hammer must issue such number of shares as required by the terms of the Hammer Performance Rights at least one business day before the Record Date so holders can participate as Shareholders in the Scheme and receive the Scheme Consideration.

Holders of Hammer options (**'Hammer Options'**) may elect to exercise their options prior to the Record Date so holders can participate as Shareholders in the Scheme and receive the Scheme Consideration, or, if unexercised, have their options cancelled for cash consideration.

BDO note that in the event that the Hammer Options are not exercised before the Scheme Record Date and are therefore cancelled in exchange for a prescribed amount of cash consideration per option, the maximum cash to be paid to holders of the Hammer Options by Austral will be approximately $1.21 million.

Hammer's Managing Director holds 3.0 million performance rights (**'Hammer Management Performance Rights'**). He has entered into a Performance Right Cancellation Deed with Austral and Hammer, pursuant to which he has agreed to his Management Performance Rights being cancelled in exchange for such fractional number of Austral Shares, as would have been issued had they been converted into Hammer shares prior to the Record Date.

4.7 Capital structure if the Scheme is implemented

The table below summarises the capital structure of the Merged Group following the implementation of the Scheme.

Capital structure of the Merged Group following the Scheme	
Hammer shares held by eligible Shareholders	892,758,700
Add: Hammer Performance Rights to be converted to Hammer shares prior to the Scheme	4,000,000
Hammer shares available to receive the Scheme Consideration	**926,258,700**
New Austral Shares that Shareholders will receive for every Hammer share held	*1.2903*
New Austral Shares to be issued to Shareholders	**1,195,151,601**
Austral shares on issue prior to the Scheme	2,654,856,580
Add: Hammer Management Performance Rights to be cancelled in exchange for New Austral Shares	3,870,900
Merged Group shares on issue following the Scheme	**3,853,879,081**
% of shares in the Merged Group to be held by Hammer Shareholders	31.0%
% of shares in the Merged Group to be held by Austral Shareholders	69.0%

Source: BDO analysis

We note that the above table assumes the exercise of all Hammer Performance Rights prior to the Record Date, so holders can participate as Shareholders in the Scheme and receive the Scheme Consideration. We have assumed the Hammer Management Performance Rights will be cancelled in exchange for New Austral Shares and have therefore excluded these from our analysis above. We have assumed the Hammer Options will be cancelled for cash consideration, in line with the Scheme Booklet.

5. Profile of Hammer

5.1 Overview

Hammer is an ASX-listed exploration company primarily focused on copper and gold exploration. Hammer's primary focus is its Mount Isa Project ('**Mt Isa Project**') located in north-west Queensland. The Company also holds a 100% interest in the Bronzewing South Project ('**Bronzewing Project**') located in WA.

The Company was incorporated in 2000 as Midas Resources Limited and listed on the ASX in 2003, before changing its name to Hammer Metals Limited in 2014. The Company is based in West Perth, WA.

The current directors of Hammer are:

- Russell Davis – Non-Executive Chairman
- Daniel Thomas – Managing Director
- James Croser – Non-Executive Director
- David Church – Non-Executive Director.

5.2 Mt Isa Project

The Mt Isa Project comprises tenements covering approximately 3,400 square kilometres ('**km^2**') in the Mount Isa region of north-west Queensland, predominantly prospective for iron oxide copper-gold ('**IOCG**').

The Mt Isa Project is made up of several principal deposits within an approximate 35 kilometre ('**km**') radius. All the principal deposits are 100% owned by Hammer, except for Jubilee, in which the Company holds a 51% operating interest. Details of these principal deposits comprising the Mt Isa Project, including recent exploration activities, are summarised below:

- **Kalman:** Hammer's flagship and most advanced asset, containing the majority of the Company's resources. Kalman is a copper-gold deposit also containing molybdenum and rhenium. During March and April of 2026, Hammer commenced a resource definition drilling program aimed at upgrading portions of the existing Mineral Resource Estimate ('**MRE**'), testing additional near-surface mineralisation and supporting an upgraded MRE. The drilling program forms part of the Company's strategy to advance Kalman towards a maiden Scoping Study, which is expected to assess the development potential of the deposit and may incorporate nearby Hammer-owned copper-gold resources. Initial drilling results confirmed broad zones of copper, gold, molybdenum and rhenium mineralisation, supporting the scale and continuity of the deposit.
- **Overlander North and Overlander South:** Copper-cobalt deposits located approximately 6km west of Kalman that the Company expects to provide a strategic, near-surface target with potential for development as a satellite open-pit mining operation. Hammer intends to assess Overlander alongside Kalman as part of its regional development strategy and forthcoming scoping studies.
- **Lakeview:** A copper-gold deposit located close to Kalman and identified as a potential satellite deposit to be incorporated into future development studies. The deposit is expected to be evaluated as part of the planned scoping study on Kalman and nearby copper-gold resources.
- **Jubilee:** A copper-gold deposit with the potential to provide additional resource inventory and longer-term development optionality. Hammer has a 51% interest in the Jubilee deposit, which is

held under the Mt Frosty Joint Venture (**'Mt Frosty JV'**) with Mount Isa Mines Limited (a subsidiary of Glencore PLC (**'Glencore'**)).

- **Elaine:** A historic IOGC deposit with an existing MRE prepared by previous owners. The Company considers Elaine a lower development priority than Kalman, however, it notes the deposit provides additional resource optionality for the broader project.
- **Mt Philp:** A deposit containing a historic iron ore resource, with the MRE prepared by previous owners. The broader Mt Philp project is prospective for IOCG-style mineralisation.

The Mt Isa Project hosts multiple MREs classified in the indicated and inferred categories. Details on the MRE can be found in the independent technical specialist report (**'ISR'**) prepared by MinVal Pty Ltd (**'MinVal'**) included in Appendix 4 of our Report.

Details of additional prospects comprising the Mt Isa Project, are summarised below:

- **Black Rock:** Located within the Mount Isa region, the Black Rock target is prospective for IOGC, with maiden drilling completed in July 2026.
- **Hardway:** A copper and rare earth element prospect within Hammer's Mt Isa tenure package, where exploration activities have focused on assessing the scale and continuity of the mineralised system.

Joint venture agreements

Hammer has five active joint ventures undertaking early-stage exploration across approximately 526km^2 of tenure within the Mt Isa Project, which are detailed as follows:

- The Company holds an 80% interest in the Dronfield Joint Venture (**'Dronfield JV'**) with Kabiri Pty Ltd, which was established in 2013.
- Hammer holds a 51% interest in the Mt Frosty JV with Glencore, established in 2017, managing exploration programs intended to develop the Jubilee deposit. The parties jointly fund exploration activities in proportion to their participating interests.
- In April 2024, Hammer announced it had sold up to a 70% interest in three sub-blocks at its Mount Hope South tenement to Carnaby Resources Limited (**'Carnaby Resources'**) for total consideration of up to $20 million (**'Mt Hope JV'**). Carnaby Resources acquired an initial 51% interest in May 2024 upon Hammer receiving consideration comprising $4 million in cash and $5 million in Carnaby Resources shares. Upon a decision to mine, Carnaby Resources will pay an additional $5 million in cash to Hammer and Carnaby Resources' interest will increase to 70%. A final payment of $6 million will be made to Hammer upon a final investment decision for any separate new development on the sub-blocks, which could include prospects such as South Hope, Mount Hope Underground Extensions, and The Stubby. As at the date of our Report, Carnaby Resources retains the 51% interest in the Mt Hope JV.
- In October 2024, the Company secured the option to acquire an 80% interest in the Lady Jenny mining leases from Corella Valley Corporation Pty Ltd (**'Corella'**) located close to Hammer's major Mt Isa Project deposits. An option payment fee of $150,000 was paid comprising $100,000 in cash and $50,000 in Hammer shares. The option provides Hammer with 24 months to accurately define the size and grade of a potential resource on the property with a payment of $500,000 required to secure the 80% interest in the project. Lady Jenny is a historic underground and open-pit copper mining operation covering approximately 0.26 km^2. Hammer has completed 11 reverse circulation

drill holes, identifying copper and gold mineralisation. The Company has until October 2026 to exercise its purchase option.

- In May 2024, Hammer entered into a farm-in and joint venture agreement with South32 Limited (**'South32'**) over the Isa Valley Project area within Hammer's broader Mt Isa Project tenure package (**'Isa Valley JV'**). Under the agreement, South32 is responsible for managing and funding exploration activities and may earn up to an 80% interest in the Isa Valley JV by meeting staged expenditure commitments. In June 2026, Hammer announced that South32 had elected to proceed to Stage 3 of the earn-in agreement, committing a further $3 million of exploration expenditure over three years to earn a 70% interest. The decision followed encouraging exploration results and further supports the prospectivity of the surrounding Mt Isa tenure package. Upon completion of Stage 3, South32 may earn an additional 10% interest in the Isa Valley JV by sole funding a Pre-Feasibility Study (**'PFS'**) for a mine development on the tenement area and any other Isa Valley JV expenditure.

The following joint venture agreements were withdrawn from during 2026:

- In June 2024, the Bullrush Joint Venture ('**Bullrush JV**') was established with Sumitomo Metal Mining Oceania Pty Ltd (**'SMMO'**), whereby SMMO could earn an 80% interest in the Bullrush Project. On 5 June 2026, SMMO informed Hammer of its intention to withdraw from the Bullrush JV.
- An agreement with Japan Oil, Gas and Metals National Corporation (**'JOGMEC'**) was signed in November 2019 and covers sections of Even Steven, Mount Philp, Dronfield West and Malbon targets (**'Mt Isa East JV'**). During the financial year ended 30 June 2022, JOGMEC and SMMO signed an agreement whereby JOGMEC would transfer its position within the Mt Isa East JV to SMMO. During the financial year ended 30 June 2024, SMMO completed its fifth stage of the farm-in and earned the right to a 60% interest. On 4 November 2025, SMMO and Hammer reached an agreement under which the Mt Isa East JV returned ownership of the Mount Philip and Even-Steven project areas to 100% Hammer ownership. On 17 July 2026, SMMO informed Hammer of its withdrawal from the entire Mt Isa East JV, with Hammer expected to retain the remaining joint venture tenements following completion of the withdrawal process.

Further information on the Mt Isa Project can be found in the ISR prepared by MinVal included in Appendix 4 of our Report.

5.3 Bronzewing South Project

The Bronzewing Project forms part of Hammer's Non-Core Assets and is located within the Yandal Greenstone Belt, in the northeastern Goldfields region of WA. Hammer holds a 100% interest in approximately 290km^2 of tenure. The Company acquired this project in 2019 through the acquisition of Carnegie Exploration Pty Ltd.

Hammer's exploration activities have focused on the Bronzewing South, Orelia Trend and Kens Bore prospects, resulting in the delineation of an inferred Mineral Resource at the North Orelia deposit. The North Orelia deposit is subject to a Mining Lease application to support future commercialisation pathways.

Recent drilling at Bronzewing South Project identified broad zones of alteration, brecciation and quartz-carbonate veining, supporting the prospectivity of the gold system. Subsequent work has generated several new exploration targets, with follow-up RC and diamond drilling planned to further assess mineralisation potential.

In addition to gold exploration, Hammer has identified several lithium targets located east of the Kathleen Valley Granite, approximately 40km from the Kathleen Valley Lithium Project. Soil geochemistry and rock chip sampling programs completed during 2022 identified a lithium-bearing zone at the Tapenade prospect, with rock chip results of up to 0.65% lithium oxide.

Further details on the Bronzewing South Project can be found in Section 5.5 of the Scheme Booklet.

5.4 Other Hammer assets

5.4.1. Mount Sefton Project

The Mount Sefton Project is an early-stage gold exploration project located within the Mount Sefton Greenstone Belt in Western Australia, approximately 75km south-west of the Gruyere Gold Mine. Hammer secured an option to acquire the project in 2025 which it exercised during the year ended 30 June 2026, and considers it prospective for gold mineralisation, with exploration focused on identifying and expanding JORC-compliant gold resources.

5.5 Recent Corporate Events

Capital raising

In May 2023, Hammer announced a placement to raise approximately $3.72 million through the issue of 62 million new fully paid ordinary shares at an issue price of $0.06 per share. The funds raised were used to support exploration and drilling activities across the Mt Isa Project, advancement of studies at the Kalman deposit and exploration activities at the Company's Bronzewing Project in WA. The placement completed by July 2023.

Acquisitions and Divestments

In April 2024, Hammer announced the sale of a 70% interest in three sub-blocks within the Mount Hope prospect to Carnaby Resources for consideration of up to $20 million. Initial consideration comprised $4.0 million in cash and $5.0 million in Carnaby Resources shares, with a further $11.0 million payable upon the achievement of future development milestones. Hammer retained a 30% interest in the sub-blocks, including participation in future profits and a free-carried position through to production on any new development, while securing funding to accelerate exploration across its broader Mt Isa portfolio. In September 2025, Hammer sold 6,366,001 Carnaby Resources shares for proceeds of approximately $1.9 million.

In June 2026, Hammer announced a scheme of arrangement with Larvotto, under which Larvotto would acquire 100% of Hammer's issued securities, while Hammer's Yandal gold assets would be demerged into a separate entity and distributed to Hammer shareholders. In connection with the Larvotto Scheme, Hammer and Larvotto entered into the Larvotto Loan.

In August 2026, Hammer announced that it had received a binding proposal from Austral which the Hammer Board determined constituted a superior proposal to the Larvotto transaction. Following the matching rights process, Hammer entered into a SID with Austral under substantially the same structure, comprising the acquisition of Hammer through a scheme of arrangement and the demerger of the Yandal gold assets. Concurrent with the Scheme, and as outlined in Section 4.2 of our Report, Hammer and Austral have entered into a biding loan agreement for an unsecured loan facility of up to $6.0 million to support Hammer through the transaction implementation period. As at the date of our Report, Hammer has drawn down $3.0 million under the Austral Loan Facility.

Recent earn-in, farm-in and joint venture agreements

The following joint ventures agreements were recently established by the Company:

- Mt Hope JV: Under the agreement entered in 2024, Carnaby Resources acquired an initial 51% interest in three sub-blocks for $4.0 million cash and $5.0 million in shares, with the potential to increase its interest to 70% through a further $5.0 million payment upon a mining decision. Hammer also retains exposure to future project development through profit-sharing arrangements, a further $6.0 million milestone payment and potential royalty rights.
- Isa Valley JV: Under the agreement entered in 2024, South32 will fund an initial 900 metre drill program (representing a $0.15 million investment) and may earn a 70% interest in the Isa Valley prospect through exploration expenditure of up to $3.00 million within three years. South32 may extend the earn-in period by one year through an additional $1.00 million investment (for a total of $4.00 million) and can increase its interest to 80% by free-carrying Hammer through completion of a PFS. South32 will manage and operate the exploration program.
- Bullrush JV: Under the agreement entered in 2024, Sumitomo committed to fund an initial 2,000 m drilling program and may earn a 51% interest through $4.50 million of exploration expenditure over four years. Sumitomo can increase its interest to 60% through a further $2.00 million investment within 12 months and, if Hammer elects not to contribute its pro-rata share thereafter, may increase its interest to 80% by free-carrying Hammer through completion of a PFS.
- MIEJV: In November 2025, Hammer announced that it had regained 100% ownership of the Mount Philp and Even-Steven areas within the MIEJV following an agreement with Sumitomo. The transaction returned the Trafalgar deposit and a number of exploration targets to Hammer's sole ownership, providing greater flexibility to advance exploration across the project area.

Option agreements

In October 2024, Hammer secured the option to acquire an 80% interest in the Lady Jenny mining leases from Corella, located close to Hammer's major Mt Isa Project deposits. The key terms included an option payment of $150,000, comprising $100,000 in cash and $50,000 in Hammer shares, with the shares subject to a six-month escrow period. The agreement provided Hammer with a 24-month option period to assess the project's resource potential, after which a further payment of $500,000 would be required to secure an 80% interest in the project.

In November 2025, Hammer announced that it had secured an option to acquire the Mount Sefton Gold Project (**'Mt Sefton Project'**) from Casino Mining Pty Ltd in WA. The Mt Sefton Project is located within the Mount Sefton Greenstone Belt, approximately 75km south-west of the Gruyere Gold Mine. The key terms included an initial payment of $10,000 and the transfer of operatorship to Hammer, followed by a further $30,000 payment and the grant of a 0.5% net smelter return (**'NSR'**) upon execution of a agreement with the Yilka Talintji Aboriginal Corporation RNTBC. Additional milestone payments of $500,000 and $1.0 million, payable in cash or scrip (subject to any required approvals), are triggered upon the definition of an Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) (**'JORC'**) compliant gold resources exceeding 100koz and 250koz, respectively. Hammer retains the ability to withdraw from the project if an agreement is not reached or if further resources cannot be defined.

Government grant

In April 2024, Hammer announced that it had been awarded $300,000 under the Queensland Government's Collaborative Exploration Initiative (**'CEI'**) to fund a diamond drilling program at the Hardway prospect. The program was designed to test the depth extensions of the copper and rare earth mineral system discovered by the Company and improve its understanding of the underlying mineralisation.

In March 2026, Hammer announced that it had been awarded approximately $336,000 of the Queensland Government's CEI. The grants were awarded for deep diamond drilling at the Kalman West prospect and a magneto telluric survey at the Isa Valley prospect, targeting sediment-hosted base metal mineralisation and evaluating the potential scale of the broader Mount Isa mineral system.

5.6 Historical Consolidated Statements of Financial Position

Historical Consolidated Statements of Financial Position	Audited as at 30-Jun-26 $	Audited as at 30-Jun-25 $	Audited as at 30-Jun-24 $
CURRENT ASSETS			
Cash and cash equivalents	1,530,850	2,559,394	5,228,612
Trade and other receivables	71,685	145,815	172,227
TOTAL CURRENT ASSETS	**1,602,535**	**2,705,209**	**5,400,839**
NON-CURRENT ASSETS			
Other financial assets	118,698	3,633,385	4,615,933
Plant and equipment	4,163	5,136	3,006
Right-of-use assets	57,956	141,368	177,663
Exploration and evaluation expenditure	31,285,719	27,901,337	26,540,119
TOTAL NON-CURRENT ASSETS	**31,466,536**	**31,681,226**	**31,336,721**
TOTAL ASSETS	**33,069,071**	**34,386,435**	**36,737,560**
CURRENT LIABILITIES			
Trade and other payables	713,753	740,140	660,677
Borrowings	1,000,000	-	-
Employee leave liabilities	-	135,358	-
Lease liabilities	33,801	89,155	108,892
TOTAL CURRENT LIABILITIES	**1,747,554**	**964,653**	**769,569**
NON-CURRENT LIABILITIES			
Lease liabilities	18,789	52,134	68,696
TOTAL NON-CURRENT LIABILITIES	**18,789**	**52,134**	**68,696**
TOTAL LIABILITIES	**1,766,343**	**1,016,787**	**838,265**
NET ASSETS	**31,302,728**	**33,369,648**	**35,899,295**
EQUITY			
Share capital	67,117,154	66,859,386	66,810,197
Reserves	619,134	748,748	787,618
Accumulated losses	(36,433,560)	(34,238,486)	(31,698,520)
TOTAL EQUITY	**31,302,728**	**33,369,648**	**35,899,295**

Source: Hammer's audited financial statements for the years ended 30 June 2024, 30 June 2025 and 30 June 2026

We note that the Company's auditor outlined the existence of material uncertainty relating to the Company's ability to continue as a going concern in its audit reports for the years ended 30 June 2025 and 30 June 2026. The Company's auditor outlined that the events and conditions, including the Company's generated losses and operating cash outflows, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Commentary on Historical Consolidated Statements of Financial Position

- Cash and cash equivalents decreased from $5.23 million as at 30 June 2024 to $2.56 million as at 30 June 2025. This was primarily due to exploration expenditure net of reimbursements received for exploration expenditure incurred on behalf of farm-in partners and government grants.

- Cash and cash equivalents decreased from $2.56 million as at 30 June 2025 to $1.53 million as at 30 June 2026. The decrease was primarily due to exploration expenditure net of reimbursements received for exploration expenditure incurred on behalf of farm-in partners of $2.27 million and payments to suppliers and employees of $1.76 million, partially offset by the sale of investments of $2.88 million relating to the disposal of Hammer's shareholding in Carnaby Resources as outlined in Section 5.5, and proceeds from borrowings of $1.00 million, which relates to the draw down of the Larvotto Loan.
- Other financial assets decreased from $3.63 million as at 30 June 2025 to $0.12 million as at 30 June 2026. This decrease was primarily attributable to the disposal of Hammer's Carnaby Resources shareholding. The remaining financial assets comprise investments in shares of companies listed on the ASX and the Toronto Stock Exchange Venture Exchange (**'TSXV'**).
- Right-of-use-assets and lease liabilities relate to property leases and the lease of motor vehicles.
- Exploration and evaluation expenditure represents certain expenditure capitalised in line with the Company's accounting policy. The Company's policy recognises exploration and evaluation expenditure as an asset where the rights to tenure of the area of interest are current and either the expenditure is expected to be recovered through the development, commercial exploitation or sale of the area of interest, or where exploration activities have not yet advanced to a stage that permits a reasonable assessment of the existence of economically recoverable reserves, with active and significant operations continuing within the area of interest. Exploration and evaluation expenditure increased from $27.90 million as at 30 June 2025 to $31.29 million as at 30 June 2026, due to $3.58 million of exploration and evaluation expenditure incurred during the period and $10,000 in tenements acquired at Mt Sefton, partially offset by $201,772 in exploration written off relating to tenements that were relinquished.
- Borrowings of $1.00 million as at 30 June 2026 relate to the Larvotto Loan, as outlined in Section 5.5 of our Report.

5.7 Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-26 $	Audited for the year ended 30-Jun-25 $	Audited for the year ended 30-Jun-24 $
Other income	141,033	227,320	177,062
Sale of tenement	-	-	9,000,000
Marketing expenses	(99,620)	(122,119)	(81,454)
Administrative expenses	(927,500)	(524,250)	(969,253)
Employee benefits expense	(271,803)	(259,501)	(249,704)
Share based payments	(130,386)	(344,480)	(339,357)
Occupancy expenses	(57,661)	(61,551)	(43,636)
Depreciation and amortisation	(84,385)	(92,305)	(97,929)
Exploration written off	(201,772)	(907,190)	(599,610)
Net fair value gain/(loss) on financial assets at FVTPL	(630,345)	(978,158)	(611,596)
Other expenses	(2,156)	-	(1,026)
Profit/(loss) from operating activities	**(2,264,595)**	**(3,062,234)**	**6,183,497**
Finance income	77,612	150,939	99,097
Finance expenses	(8,091)	(12,021)	(12,010)
Profit/(loss) before income tax	**(2,195,074)**	**(2,923,316)**	**6,270,584**
Income tax benefit	-	-	-
Net profit/(loss) for the year from continuing operations	**(2,195,074)**	**(2,923,316)**	**6,270,584**

Source: Hammer's audited financial statements for the years ended 30 June 2024, 30 June 2025 and 30 June 2026.

We note that the Company's auditor outlined the existence of material uncertainty relating to the Company's ability to continue as a going concern in its audit reports for the years ended 30 June 2025 and 30 June 2026. The Company's auditor outlined that the events and conditions, including the Company's generated losses and operating cash outflows, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Commentary on Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

- Other income represents management fees from farm-in partners and other undisclosed income.
- Sale of tenement of $9.00 million for the year ended 30 June 2024 related to the partial sale of three sub-blocks held under the Mount Hope JV to Carnaby Resources, comprising $4.00 million in cash and $5.00 million in Carnaby Resources shares, as detailed in Section 5.5.

5.8 Capital structure

The share structure of Hammer as at 11 September 2026 is outlined below:

	Number
Total ordinary shares on issue	892,758,700
Top 20 shareholders	492,012,255
Top 20 shareholders - % of shares on issue	55.11%

Source: Hammer share registry

The range of shares held in Hammer as at 11 September 2026 is as follows:

Range of shares held	No. of ordinary shareholders	No. of ordinary shares	Percentage of issued shares (%)
1 - 1,000	181	33,639	0.00%
1,001 - 5,000	110	398,495	0.04%
5,001 - 10,000	365	2,898,664	0.32%
10,001 - 100,000	1,233	49,767,066	5.57%
100,001 - and over	655	839,660,836	94.05%
Total	**2,544**	**892,758,700**	**100.00%**

Source: Hammer share registry

The ordinary shares held by the most significant shareholders as at 11 September 2026 are detailed below:

Name	No. of ordinary shares	Percentage of issued shares (%)
Mr Zbigniew Waldemar Lubieniecki	60,085,588	6.73%
Central Mutual (Investments) Pty Ltd	79,992,294	8.96%
Zenith Pacific Limited	58,000,000	6.50%
Davis Family Capital Pty Ltd	46,500,000	5.21%
Subtotal	**244,577,882**	**27.40%**
Others	648,180,818	72.60%
Total	**892,758,700**	**100.00%**

Source: Hammer share registry

The options on issue in Hammer as at 11 September 2026 are outlined below:

Description	Number of options	Exercise price ($)	Expiry Date
Non-Executive Director Options	4,500,000	0.07	30-Nov-26
Non-Executive Director Options	5,500,000	0.08	30-Nov-26
Management Options – Tranche 1	2,000,000	0.08	30-Nov-26
Management Options – Tranche 2	2,000,000	0.08	30-Nov-26
Employee Incentive Options 2024	7,000,000	0.06	28-Oct-28
Related Party Options – Tranche 1	2,000,000	0.07	02-Dec-28
Related Party Options – Tranche 2	1,500,000	0.08	02-Dec-28
Director Options	5,000,000	0.06	30-Nov-28
Total options on issue	**29,500,000**		

Source: Hammer's audited financial statements for the year ended 30 June 2026

The performance rights on issue in Hammer as at 11 September 2026 are outlined below:

Description	Number of rights	Date of issue	Expiry Date
Management Performance Rights – 1A	500,000	15-Dec-23	15-Dec-27
Management Performance Rights – 1B	500,000	15-Dec-23	15-Dec-27
Management Performance Rights – 2A	500,000	15-Dec-23	15-Dec-27
Management Performance Rights – 2B	500,000	15-Dec-23	15-Dec-27
Management Performance Rights – 3	2,000,000	15-Dec-23	15-Dec-27
Related Party Performance Rights – T1	1,000,000	15-Nov-24	15-Nov-27
Related Party Performance Rights – T2	1,000,000	15-Nov-24	15-Nov-27
Related Party Performance Rights – T3	1,000,000	15-Nov-24	15-Nov-27
Total performance rights on issue	**7,000,000**		
Vested and exercisable	**2,000,000**		

Source: Hammer's audited financial statements for the year ended 30 June 2026

According to Hammer's audited financial statements for the year ended 30 June 2026, there were 2,000,000 vested and exercisable performance rights at the end of the period.

Terms of the Hammer Performance Rights

- Tranche 1A Management Performance Rights vest upon the continuous service for a period of 12 months from the date of issue
- Tranche 1B Management Performance Rights vest upon the continuous service for a period of 12 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 50% over the 15-day VWAP prior to the issue date, or $0.078
- Tranche 2A Management Performance Rights vest upon the continuous service for a period of 24 months from the date of issue
- Tranche 2B Management Performance Rights vest upon the continuous service for a period of 24 months from the date of issue and the share price of the Company's shares listed on the ASX achieving a premium of 100% over the 15-day VWAP prior to the issue date, or $0.104
- Tranche 3 Management Performance Rights vest upon the completion (to the Board's satisfaction) of a material transaction to the value of a minimum of 30% of the Company's market capitalisation, determined based on the 30-day VWAP immediately prior to the completion or announcement of the transaction.

Terms of the Hammer Management Performance Rights

Hammer's Managing Director holds 3.0 million Hammer Management Performance Rights. The terms of the Hammer Management Performance Rights are as follows:

- Tranche 1 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant MRE of 50,000 tonnes Cu or equivalent KPI at the sole discretion of the Board
- Tranche 2 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant MRE of 100,000 tonnes Cu or equivalent KPI at the sole discretion of the Board
- Tranche 1 Related Party Performance Rights will vest subject to the Company announcing a new JORC 2012 compliant MRE of 200,000 tonnes Cu or equivalent KPI at the sole discretion of the Board.

6. Profile of Austral

6.1 Overview

Austral is an ASX-listed copper producer and explorer with operations in Queensland. Its assets include the Mt Kelly solvent extraction and electrowinning ('**SX-EW**') facility and the Rocklands sulphide concentrator. Austral currently produces approximately 800 to 1,000 tonnes of copper cathode per month from its Mt Kelly SX-EW facility, which is supplied by ore from the company's Anthill mine. Austral emerged from receivership in mid-2024 and was requoted on the official list of the ASX in November 2025. Austral is headquartered in Brisbane.

The current directors of Austral are:

- David Newling– Non-Executive Chair
- Daniel Jauncey - Non-Executive Director;
- David Quinlivan - Non-Executive Director
- Michael Hansel - Non-Executive Director
- Neil Meadows - Non-Executive Director
- Sean Westbrook - Non-Executive Director

Following the implementation of the Scheme Austral will appoint one existing Hammer Director to the board.

Austral's operations and mineral assets are located in the Mount Isa–Cloncurry region of north-west Queensland. The Company's asset portfolio comprises the Mt Kelly processing facility and associated Western Operations, including the Anthill and Lady Annie deposits, together with the Rocklands Copper Project and Lady Loretta Project. Austral's strategy is to establish an integrated regional copper business using its oxide processing infrastructure at Mt Kelly and sulphide processing infrastructure at Rocklands.

6.2 Mt Kelly

The Mt Kelly SX-EW processing facility ('**Mt Kelly**') is located approximately 110km north of Mount Isa and forms the central processing hub for Austral's Western Operations. The facility processes copper oxide ore using heap leaching, solvent extraction and electrowinning to produce London Metal Exchange grade copper cathode.

Mt Kelly has historically processed ore sourced from the Anthill deposit and other deposits within Austral's Western Operations. Austral has stated that it intends to maintain and expand copper production capability at Mt Kelly, supported by exploration and resource development across its surrounding tenure.

6.3 Anthill Project

The Anthill Project ('**Anthill**') is an open-pit copper oxide deposit located north-west of the Mt Kelly processing facility. The Anthill deposit has been the primary source of ore for the Mt Kelly processing operation, with ore mined from the project transported by road to Mt Kelly for processing. Open pit mining of Anthill commenced on 7 January 2022 and continued through until early 2026. Operations at the project have now transitioned to care and maintenance.

Activities during the June 2026 quarter focused on drawing down remaining ore stockpiles and hauling the final ore to the Mt Kelly ROM pad. At the end of the June 2026 quarter, the Anthill ROM stockpile had been fully depleted, with 74kt of ore remaining at the Mt Kelly ROM stockpile containing approximately

1,208 tonnes of copper, while the balance of Anthill ore had been stacked on the heap leach to support ongoing copper production.

6.4 Rocklands Copper Project

Austral acquired the Rocklands Copper Project ('**Rocklands**') in 2025 through the acquisition of Copper Resources Australia Pty Ltd. Rocklands is located approximately 17km west of Cloncurry and comprises a permitted copper mine, a nominal 3.0 million tonnes per annum processing facility and associated infrastructure ('**Rocklands Processing Hub**').

Rocklands contains copper-gold sulphide and oxide mineralisation and forms the cornerstone of Austral's eastern processing hub. The acquisition expanded Austral's processing capability beyond copper oxide ore and provides a potential pathway to process sulphide ore from Austral's existing and future mineral assets, as well as potential third-party feed sources within the Mount Isa–Cloncurry region.

Austral is progressing the refurbishment and restart of Rocklands. As part of the planned revised processing circuit, Austral acquired a 4.75 megawatt semi-autogenous grinding mill to replace the existing three-stage cone crushing circuit with a simplified semi-autogenous grinding mill and pebble crusher configuration. The revised circuit is intended to support the planned 3.0 million tonnes per annum Rocklands Processing Hub.

In August 2026, Austral announced that the QIC Queensland Critical Minerals Fund would provide $15 million through a non-dilutive royalty financing arrangement to support growth initiatives at Rocklands. The funding is intended to support an expansion scoping study and assessment of alternative power options. The expansion study will assess increasing Rocklands Processing Hub capacity from 3.0 million tonnes per annum to approximately 4.5 million to 6.0 million tonnes per annum.

6.5 Lady Annie Project

The Lady Annie Project (**'Lady Annie'**) comprises a series of copper oxide deposits located within Austral's Western Operations and historically supplied ore to the Mt Kelly processing facility. The project includes existing open pits, mineral resources and exploration targets located within Austral's broader north-west Queensland tenure package.

Austral's recent exploration strategy has included assessment of extensions to the Lady Annie mineralisation, with expenditure from its February 2026 capital raising allocated to exploration of the Lady Annie pit extension.

6.6 Lady Loretta Project

The Lady Loretta Project (**'Lady Loretta'**) is a zinc-lead-silver deposit located approximately 140km north-west of Mount Isa. Austral entered into arrangements to acquire the Lady Loretta mining lease and associated exploration permits as part of its broader regional consolidation strategy.

The acquisition provides Austral with additional mineral resources and infrastructure within the Mount Isa region. Austral considers Lady Loretta to offer potential operational, infrastructure and exploration synergies with its existing regional asset base.

Further information on Austral's Projects is contained in the Independent Technical Specialists Report in Appendix 4.

6.7 Recent corporate events

Corporate restructuring and recapitalisation

During 2024 Austral emerged from receivership after entering into a Framework Agreement with entities related to Glencore (the '**Glencore Entities**'), Secover Pty Ltd ('**Secover**') and Thiess Pty Ltd, that discharged secured debt. Austral further progressed restructuring during 2025 undertaking the Rocklands acquisition detailed below and a capital raising in conjunction with being reinstated to quotation on the ASX.

As part of the restructure, Austral entered into the Anthill Project Agreement ('**APA**') with the Glencore Entities and Secover, to facilitate the repayment of funds advanced by the Glencore Entities and Secover for the acquisition of the Anthill Project. On 28 July 2026, the parties agreed to terminate the APA which left Austral entitled to 100% of the economic benefit of the Anthill Project. The settlement consideration was $37.6 million in cash and the issue of 159,830,504 Austral shares.

Acquisitions

In July 2025, Austral executed a deed of company arrangement with Copper Resources Australia Limited to acquire Rocklands. The consideration was $18 million in cash in addition to Austral shares and options. The cash consideration was funded via borrowings from Glencore. The facility with Glencore established for the purchase of Rocklands was repaid in full on 7 May 2026. In addition to the loan facility with Glencore, Austral also entered into an offtake agreement with Glencore under which Austral agreed to sell 100% of copper concentrate derived from Austral tenements, as well as a tolling agreement under which Austral agreed to grant Glencore tolling capacity at the Rocklands Processing Hub for the purposes of tolling copper concentrate.

In April 2026, Austral also completed the acquisition of the Lady Loretta mining lease and associated exploration permits. These transactions were intended to consolidate regional infrastructure and expand potential feed sources for Austral's operations and development portfolio. Under the transaction terms, Austral received $55.9 million from Glencore, with approximately $14.4 million applied to cash-back the estimated rehabilitation bond for the Lady Loretta mine. Austral will pay Glencore a 2.5% Net Smelter Return royalty on all copper oxide and sulphide production from the Lady Loretta tenements.

Capital raisings

In October 2025, Austral received binding commitments for a $40 million placement at $0.05 per share. The proceeds were intended to support balance-sheet recapitalisation, acquisition integration, exploration, Rocklands development and working capital ('**2025 Capital Raising**').

In February 2026, Austral received commitments for a $65 million two-tranche placement at $0.09 per share, including a $15 million cornerstone investment from the QIC Critical Minerals and Battery Technology Fund ('**2026 Capital Raising**'). Austral also proposed a targeted $5 million shareholder offer. The proceeds were intended to accelerate production and exploration activities and strengthen the balance sheet, a total of approximately $972,000 before costs was raised under the plan.

Royalty Agreement

On 7 August 2026 Austral announced the QIC Queensland Critical Minerals Fund ('**QCMF**') invested $15 million through a royalty financing arrangement. Austral will pay royalties based on production at Rocklands with QCMF receiving:

- a 0.80% royalty on gross revenue for the first 200,000 tonnes of contained copper produced; and
- 0.30% royalty on gross revenue for the next 200,000 tonnes of contained copper produced, after which the royalty ceases.

6.8 Historical Consolidated Statements of Financial Position

Historical Consolidated Statements of Financial Position	Reviewed as at 30-Jun-26 $'000	Audited as at 31-Dec-25 $'000	Audited as at 31-Dec-24 $'000
CURRENT ASSETS			
Cash and cash equivalents	72,315	19,304	79
Trade and other receivables	7,501	6,230	1,479
Prepayments	4,018	1,236	682
Inventories	2,363	2,181	50,664
Other assets	561	578	1,416
TOTAL CURRENT ASSETS	**86,758**	**29,529**	**54,320**
NON-CURRENT ASSETS			
Financial assets	67,875	52,447	37,211
Property, plant and equipment	48,302	30,445	52,730
Right-of-use assets	20	67	2,706
Exploration and evaluation assets	2,645	1,975	1,668
TOTAL NON-CURRENT ASSETS	**118,842**	**84,934**	**94,315**
TOTAL ASSETS	**205,600**	**114,463**	**148,635**
CURRENT LIABILITIES			
Trade and other payables	7,465	1,942	57,474
Borrowings	-	10,160	81,396
Employee benefits	1,066	1,336	856
Lease liabilities	21	68	1,710
TOTAL CURRENT LIABILITIES	**8,552**	**13,506**	**141,436**
NON-CURRENT LIABILITIES			
Provisions	68,766	52,094	36,913
Borrowings	-	12,492	-
Employee benefits	91	60	-
Lease liabilities	-	-	1,504
TOTAL NON-CURRENT LIABILITIES	**68,857**	**64,646**	**38,417**
TOTAL LIABILITIES	**77,409**	**78,152**	**179,853**
NET ASSETS	**128,191**	**36,311**	**(31,218)**
EQUITY			
Issued capital	194,823	128,200	71,546
Reserves	322	320	1,923
Accumulated losses	(66,954)	(92,209)	(104,687)
TOTAL EQUITY	**128,191**	**36,311**	**(31,218)**

Source: Austral's reviewed financial statements for the half year ended 30 June 2026 and audited financial statements for the years ended 31 December 2025 and 31 December 2024

Commentary on Historical Consolidated Statements of Financial Position

- Cash and cash equivalents increased from $0.08 million as at 31 December 2024 to $19.30 million as at 31 December 2025, principally reflecting $40.00 million of equity proceeds from the 2025 Capital Raising and $22.70 million of new borrowings. This was partly offset by $17.88 million of operating cash outflows, $19.57 million of payments for property plant and equipment, share issue

costs and financing repayments. This movement occurred as part of Austral's recapitalisation and Rocklands acquisition.

- Cash and cash equivalents increased from $19.30 million as at 31 December 2025 to $72.31 million at as 30 June 2026, principally reflecting $62.98 million from the 2026 Capital Raising and $41.01 million of cash acquired through the acquisition of Lady Loretta. This was partly offset by $20.82 million of borrowings repaid, $8.70 million of operating cash outflows, tenement payments, the acquisition of plant and stripping activities.
- Inventory decreased from $50.66 million as at 31 December 2024 to $2.18 million as at 31 December 2025 because the Anthill Project was classified as a discontinued operation and transferred under the Anthill Production Agreement on 2 September 2025. The remaining balance comprised spare parts and consumables.
- Property, plant and equipment relates solely to assets used for mining related activities. Property, plant and equipment decreased from $52.73 million as at 31 December 2024 to $30.45 million as at 31 December 2025, reflecting substantial depreciation and amortisation of stripping activity capitalised and the derecognition of Anthill-related assets, offset by additions and the acquisition of Rocklands plant and equipment. Property, plant and equipment increased to $48.30 million as at 30 June 2026, mainly due to $19.39 million of additions, including $10.68 million of capitalised stripping activity. As well as the stripping activity asset of $10.68 million, property plant and equipment at 30 June 2026 comprises mobile equipment of $34.57 million, mine development of $1.61 million, capital works in progress of $1.33 million, and office equipment, furniture and fittings of $0.12 million.
- Other financial assets increased from $37.21 million as at 31 December 2024 to $67.88 million as at 30 June 2026, primarily reflecting additional term deposits and security deposits supporting environmental financial assurance obligations, including Rocklands.
- Provisions of $68.77 million as at 30 June 2026 relate to mine rehabilitation and closure provisions for Austral's projects. This amount reflects the present value of rehabilitation costs expected to be incurred over the life of mine/when the mine properties cease operations. The increase from 31 December 2025 reflects the rehabilitation provision taken on as part of the Lady Loretta acquisition.
- Borrowings have decreased since 2024, reflecting the corporate restructuring activities undertaken as discussed in Section 6.3, and full repayment of the Glencore facility established for the purchase of the Rocklands operations in May 2026.

6.9 Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income	Reviewed for the half-year ended 30-Jun-26 $'000	Audited for the year ended 31-Dec-25 $'000	Audited for the year ended 31-Dec-24 $'000
Revenue			
Management fees	1,434	3,529	-
Other income	1,496	3,545	8,695
Gain on acquisition	41,007	-	-
	43,937	7,074	8,695
Expenses			
Care and maintenance	(3,090)	(2,560)	-
Administration expenses	(1,783)	(1,671)	(2,671)
Depreciation and amortisation expense	(1,534)	(1,683)	(1,288)
Share based payments	(5,232)	396	325
Exploration and resource development	(1,181)	-	-
Environment management	(1,309)	-	-
Finance expenses	(2,485)	(2,176)	(1,629)
Other operating expenses	(4,465)	(4,460)	(4,739)
Impairment	(136)	-	-
Net foreign exchange gain/(loss)	2,533	359	566
Profit/(loss) before income tax expense from continuing operations	**25,255**	**(4,721)**	**(741)**
Income tax expense	-	-	-
Profit/(loss) after income tax from discontinued operations	-	16,565	(21,879)
Profit/(loss) before income tax expense for the year	**25,255**	**11,874**	**(22,620)**
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive profit/(loss) for the year	**25,255**	**11,874**	**(22,620)**

Source: Austral's reviewed financial statements for the half year ended 30 June 2026 and audited financial statements for the years ended 31 December 2025 and 31 December 2024. Note there is a $30,000 presentation difference between the total comprehensive profit for 2025 and the constituent items.

Commentary on Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income

- The gain on acquisition of $41.01 million during the half year ended 30 June 2026 relates to the acquisition of Lady Loretta.
- Revenues and costs from the Anthill project are not reflected in the company's consolidated profit or loss statement. In accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* (**'AASB 5'**), from the date of execution of the APA, the consolidated entity ceased to have substantive decision-making authority and the ability to direct the relevant activities of the Anthill Project. Accordingly, the Anthill Project met the criteria to be classified as a discontinued operation in accordance with AASB 5. For the period 3 September 2025 to 30 June 2026 the Anthill operations are not recorded in the consolidated entity's financial results.

6.10 Capital structure

The share structure of Austral as at 13 September 2026 is outlined below:

	Number
Total ordinary shares on issue	2,654,856,580
Top 20 shareholders	1,828,704,968
Top 20 shareholders - % of shares on issue	68.88%

Source: Austral share registry

The range of shares held in Austral as at 13 September 2026 is as follows:

Range of shares held	No. of ordinary shareholders	No. of ordinary shares	Percentage of issued shares (%)
1 - 1,000	62	24,157	0.00%
1,001 - 5,000	415	1,393,969	0.05%
5,001 - 10,000	595	4,916,929	0.19%
10,001 - 100,000	1,843	77,148,543	2.91%
100,001 - and over	1,078	2,571,372,982	96.86%
Total	**3,993**	**2,654,856,580**	**100.00%**

Source: Austral share registry

The ordinary shares held by the most significant shareholders as at the date of our Report are detailed below:

Name	No. of ordinary shares	Percentage of issued shares (%)
Thiess Group Investments Pty Ltd	279,600,000	10.53%
Velrosso Pty Ltd	267,084,921	10.06%
Yellow Gear Pty Ltd	195,100,000	7.35%
Subtotal	**741,784,921**	**27.94%**
Others	1,913,071,659	72.06%
Total	**2,654,856,580**	**100.00%**

Source: Austral share registry

The options and performance rights on issue in Austral as at the date of our Report are outlined below:

Description	Number of options	Exercise price ($)	Expiry Date
Options	2,464,900	0.075	24-Oct-27

Source: Austral's Appendix 2A announcement

Description	Number of rights	Date of issue	Expiry Date
Performance rights	10,000,000	20-May-26	31-Dec-30

Source: Austral's reviewed financial statements for the half-year ended 30 June 2026

The performance rights were issued to a Non-Executive Director of Austral. The performance rights vest upon Austral's ordinary shares trading above $0.20 per share for five consecutive trading days on which Austral shares have traded.

7. Economic analysis

Hammer and Austral are both primarily exposed to the risks and opportunities of the Australian market through the geographical location of their projects and their respective listings on the ASX. Therefore, we have presented an analysis of the Australian economy to the extent they relate to our assessment.

7.1 Australia

At its August 2026 Monetary Policy Decision meeting, the Reserve Bank of Australia ('**RBA**') maintained the cash rate target at 4.35%, following three increases totalling 75 basis points during the first half of 2026. The RBA noted that inflation remained above its target range of 2% to 3%, although the inflationary effects associated with the conflict in the Middle East had been less severe than anticipated in its May 2026 forecasts. The RBA also observed that short-term inflation expectations had eased from their earlier peaks but remained elevated and concluded that inflation was likely to remain high for some time.

According to Anders Magnusson (Chief Economist at BDO Australia), disruptions to trade flows through the Strait of Hormuz, a critical global energy corridor, have constrained the flow of oil, liquefied natural gas ('**LNG**') and fertiliser, contributing to higher global energy and input costs. These effects have transmitted through to the Australian economy via increased fuel, transport and agricultural input costs, placing upward pressure on inflation. While elevated LNG prices may provide some offset through higher export revenues, the net impact is likely uneven across the economy, with cost pressures broadly borne by households and non-energy sectors.

Inflation data for the June 2026 quarter indicated that price pressures remain elevated, notwithstanding headline inflation moderating to 3.9% over the year to the June 2026 quarter. This was materially below the 4.8% forecast in the RBA's May 2026 Statement on Monetary Policy and primarily reflected lower-than-expected automotive fuel and travel prices. However, trimmed mean inflation, which provides an indication of underlying inflationary pressures, increased to 3.6% over the year to the June 2026 quarter, from 3.5% over the year to the March 2026 quarter. The RBA attributed the continued strength in underlying inflation to ongoing capacity pressures within the economy and the pass-through of higher input costs associated with the Middle East conflict.

The seasonally adjusted unemployment rate remained unchanged at 4.4% between May and June 2026. Labour market conditions had eased by slightly more than anticipated but continued to be assessed as somewhat tighter than a level consistent with full employment. Leading indicators, including job advertisements and vacancies, were consistent with labour market conditions remaining broadly stable in the near term or easing gradually. While wage growth remained steady in early 2026, broader measures of labour costs moderated from recent levels.

The RBA observed that financial conditions had tightened following the increases in the cash rate target implemented earlier in 2026, with banks passing those increases through to deposit and lending rates. While consumer spending growth and demand for new housing loans has eased broadly in line with expectations, business investment remains strong, particularly for AI-related investment.

In the 2026–27 Commonwealth Budget, the federal government proposed replacing the existing 50% capital gains tax discount with inflation-adjusted indexation and introducing a minimum 30% tax rate on real capital gains from 1 July 2027. On 4 June 2026, the proposed changes were passed by the House of Representatives and are pending approval from the Senate. Industry bodies, including the Association of Mining and Exploration Companies and the Minerals Council of Australia, have raised concerns that the proposed changes would adversely impact the investment attractiveness of the mineral exploration sector.

Both organisations are actively lobbying the government for an exemption for mineral exploration investors, warning that reduced investor appetite could result in less capital and fewer drilling programs.

Outlook

The RBA expects economic growth to remain subdued during 2026, reflecting the effects of higher inflation on household disposable income, weaker conditions in the established housing market and the increases in the cash rate implemented earlier in the year. Economic growth is expected to recover gradually over the remainder of the forecast period as some of these headwinds ease. However, growth is forecast to remain below the economy's potential growth rate, reflecting the RBA's assumption that financial conditions will remain somewhat restrictive.

Labour market conditions are expected to ease gradually as subdued economic growth weighs on demand for labour. The RBA forecasts the unemployment rate to increase to 4.8% by the end of 2028, while employment growth is expected to remain positive. The anticipated moderation in aggregate demand is expected to bring demand and the economy's productive capacity broadly into balance during 2027, with some spare capacity emerging thereafter.

Inflation is expected to remain elevated in the near term due to ongoing domestic capacity pressures and the continued pass-through of conflict-related input costs. Trimmed mean inflation is forecast to remain above 3% until mid-2027 before declining to 2.5%, being the midpoint of the RBA's target range, by early 2028. Headline inflation is forecast to return to the target range of 2% to 3% by early 2027 and to be at, or slightly below, the midpoint of that range during 2028.

The RBA reaffirmed its commitment to achieving price stability and full employment and remains focused on ensuring that high inflation does not become embedded in the economy. The RBA noted that monetary policy is currently somewhat restrictive and is expected to assist in reducing capacity pressures and returning inflation sustainably to target over time. The RBA will continue to assess incoming evolving risks to the outlook and remains prepared to adjust monetary policy as necessary to support the achievement of its objectives.

Source: www.rba.gov.au Statement by the Monetary Policy Board: Monetary Policy Decision dated 11 August 2026 and prior periods, the Australian Bureau of Statistics, Expert insight: The energy crisis – what it means for our clients and what comes next by BDO Australia Chief Economist Anders Magnusson

8. Industry analysis

Hammer is a copper-focused exploration company with exposure to gold and rare earths through its Mt Isa Project portfolio. Hammer and Austral will combine to form a merged copper-focused mining group with operations based in Queensland. Accordingly, in this Report we have presented an overview of the mining sector, with a focus on copper and gold mining industries to the extent relevant to our assessment of the Scheme.

8.1 Copper

Copper is a soft, tough and malleable metal which is highly sought after due to its importance in a variety of practical applications. Copper is very ductile and a good conductor of electricity which is why it is used in electrical wires, electrical generators and in electronic goods such as radios and TVs. Copper is also used in motor vehicle radiators, air conditioners and heating systems because it is a good conductor of heat. More recently, copper has been replacing aluminium in computer chips. Copper is also one of the few materials that does not degrade or lose its chemical properties during the recycling process. Therefore, recycling of copper has the positive effect of efficiently reducing waste and extending the life of existing resources.

Due to some of the applications outlined above, copper is going to be an extremely important resource in the energy transition. As fossil fuels are phased out, technologies that were previously fossil fuel powered will need to be electrified. As an example, electric vehicles use four times as much copper as petrol-fuelled cars. This will lead to increased demand for copper as the world looks to achieve its climate change related targets.

Open pit mining is widely utilised in most copper producing countries except for in Australia where approximately 93% of copper is extracted through underground mining. Copper is often found in conjunction with gold, lead, cobalt or zinc, and a number of industry operators mine these metals and ores as well.

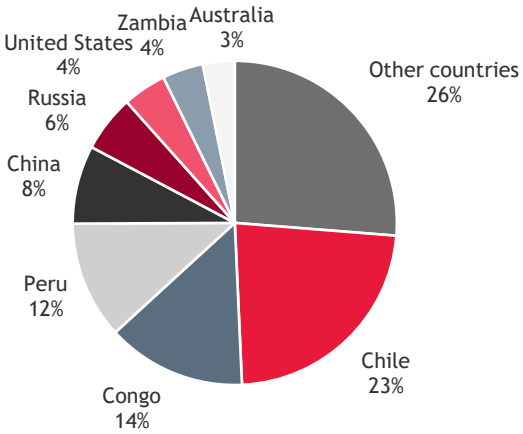
There are two main copper ore types of concern, copper oxide ores and copper sulphide ores. The majority of the global copper supply comes from sulphide copper ores. Sulphide ores are the most profitable as they have a high copper content as well as the copper being more easily extracted than oxide ores. While oxide ores are more abundant than sulphide ores, they are not as popular due to their lower grade.

The extraction of copper from sulphides involves a beneficiation process which produces a concentrate. The concentrate generally contains between 25% and 30% copper depending on the type of copper containing minerals being processed. However, this may be as high as 60% copper in certain circumstances. The concentrate is then processed in a smelter.

Copper production and reserves

The USGS estimates that overall global copper production in 2025 remained relatively unchanged from 2024. As for demand, the International Copper Association expects the green energy transition to drive consumption of copper from 28.3 million tonnes in 2020 to 40.9 million tonnes in 2040. This equates to compounded annual growth rate (‘**CAGR**’) of 1.85%.

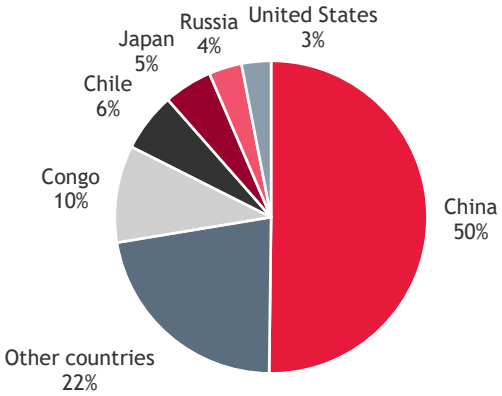
Global Copper Mine Production 2025



Source: U.S. Geological Survey and BDO Analysis

Despite Chile being the largest mine producer, China is the leading refinery producer of copper globally.

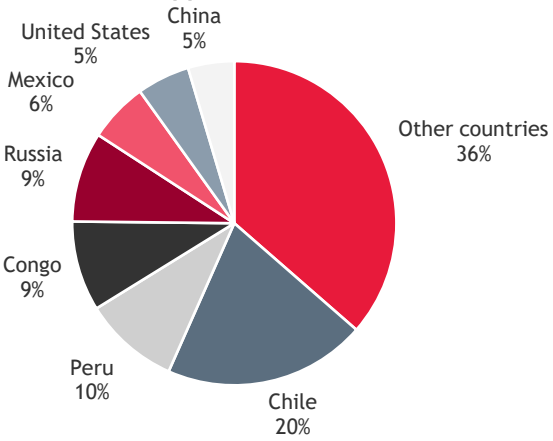
Global Copper Refinery Production 2025



Source: U.S. Geological Survey and BDO Analysis

Chile also has the largest copper reserves globally, with Peru's and Congo's reserves following as the second largest, according to the USGS. As depicted below, the USGS estimates that collectively, Chile, Peru and Congo account for approximately 40% of global copper reserves.

Global Copper Reserves 2025

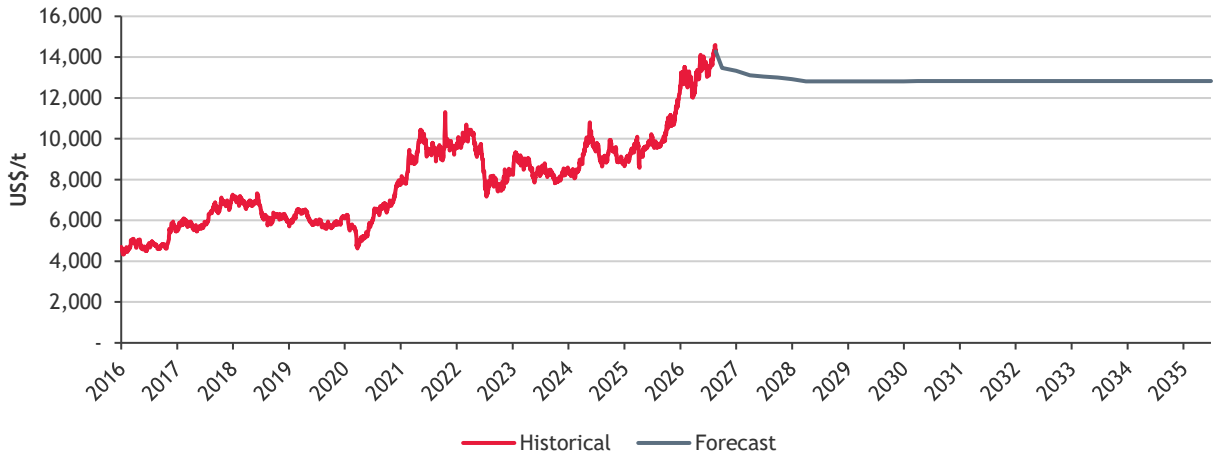


Source: U.S. Geological Survey and BDO Analysis

Copper prices

The US$ price for copper is quoted on the London Metal Exchange (**'LME'**). A key driver of the copper price relates to stock levels held in the LME warehouses, being large global copper depositories. Like zinc, copper prices are driven heavily by Chinese demand and mine production. The global balance between demand for and supply of copper, along with speculative influences, determines the price.

Copper spot and forecast price



Source: S&P Capital IQ up to 21 August 2026 and BDO Analysis

The figure above illustrates the historical fluctuations in the copper spot prices from January 2016 to July 2026, sourced from S&P Capital IQ, as well as forecasts for copper prices for the remainder of 2026 to 2035 based on forecast data from Consensus Economics.

Between 2016 and 2017, the copper price steadily declined, before increasing in mid-February 2017, due to a strike at the world's largest copper mine Escondida, located in Chile. The average copper price traded around US$7,000/t for most of 2018 but then traded lower around US$6,000/t for most of 2019.

Through 2020, global uncertainty and low confidence resulting from the emergence of the COVID-19 pandemic was a major influence in the decline in copper prices, with prices dropping to a 4-year low of US$4,625/t in March 2020. A decline in global production, coupled with an improvement in copper demand from China, caused prices to spike over the remainder of the year, with copper prices reaching US$11,000/t in October 2021.

Throughout the second half of 2022 demand for copper was capped by the war in Ukraine, global inflation, disrupted industrial activity and a stronger US dollar. Prices increased in the fourth quarter of 2022, reaching US$8,500/t in December as a result of supply disruptions in Latin America. A decrease in industrial activity and uncertainty stemming from global inflationary pressures caused prices to fall across the first half of 2023, before rebounding at the beginning of 2024. This was due to constrained supply, record low inventories and growing demand from renewable sectors.

Copper prices were more volatile in 2024, increasing significantly to almost US$11,000/t in May 2024, propelled by strong demand related to the global energy transition and limited supply growth. Subsequently, copper prices trended downwards to close at approximately US$8,600/t at the end of December 2024, weighed down by the failure of Chinese fiscal stimulus measures and a prolonged downtown in the Chinese property market.

In early 2025, the copper market faced heightened uncertainty driven by potential US policy shifts, particularly proposed tariffs on copper imports under the Trump administration. Given the United States' reliance on imported copper, these measures raised concerns over higher domestic costs and contributed

to increased market volatility. Copper prices rose from approximately US$8,700/t in early January 2025 to around US$9,500/t by the end of February, before fluctuating through mid-year.

After prices strengthened in late October to just over US$11,000/t, copper prices increased to a peak of US$13,524/t in late January 2026. The increase was driven primarily by tariff measures targeting unrefined and semi-finished copper products, which tightened supply and elevated arbitrage conditions. As these impacts stabilised, pricing reverted to underlying market fundamentals, with additional support from China's restrictions on new smelting capacity.

During the beginning of 2026, elevated geopolitical uncertainty, particularly related to the conflict in the Middle East, alongside rising energy costs, inflationary pressures, and a stronger US dollar, weighed on demand expectations and constrained copper prices. This led to a decline to approximately US$12,100/t in late March 2026.

Prices subsequently recovered to around US$14,100/t by mid-May, supported in part by improved sentiment regarding Chinese demand. However, ongoing geopolitical uncertainty and elevated global inventories, including LME stocks exceeding 400,000 t, have continued to limit upward price momentum.

From June to the end of July 2026, prices ranged between approximately US$13,000/t and US$14,000/t. Toward the end of July, prices trended upwards, reflecting ongoing supply tightness, strong demand linked to AI-related applications, and stockpiling driven by US tariffs. The 30 June 2026 deadline for the US to announce that copper tariffs will include refined metals passed with no announcement, allowing continued inflows into the US after markets front-loaded shipments in the lead up to the deadline.

Copper prices increased by more than US$1,300/t during July and August to reach record highs of nearly US$14,600/t. The surge in prices reflects an exacerbation to the supply tightness that the copper market has become characterised by, as The Democratic Republic of Congo announced a ban to the export of copper and cobalt concentrates during August.

The medium-term forecast copper price is expected to experience a downward trend from current levels to approximately US$13,300/t by the end of 2026, before decreasing further during 2027 from approximately US$13,100/t at the beginning of the year to US$12,900/t by the end of that year. Based on Consensus Economics pricing and BDO analysis, the copper price is forecast to sit at approximately US$12,800/t from 2028 through to the end of 2031.

Source: S&P Capital IQ, Consensus Economics survey dated 17 August 2026, IBISWorld, US Geological Survey, and BDO Analysis.

8.2 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years. More recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine, and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies, and therefore, provides a safe haven investment during periods of economic uncertainty.

The mining and mineral processing techniques applied to gold is determined by the nature of the ore deposit. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grinding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below.

Gold supply (t)	2019	2020	2021	2022	2023	2024	2025
Mine production	3,596	3,482	3,589	3,625	3,644	3,650	3,672
Net producer hedging	6	(39)	(7)	(13)	17	(54)	(74)
Recycled gold	1,276	1,293	1,136	1,140	1,237	1,365	1,404
Total supply	**4,878**	**4,736**	**4,718**	**4,752**	**4,899**	**4,962**	**5,002**

Source: World Gold Council Statistics (29 January 2026)

Heightened geopolitical and economic uncertainty following 2025's record surge in gold prices is expected to keep demand strong in 2026, with central bank accumulation remaining a major structural driver as institutions continue diversifying reserves and responding to persistent global risks. Continued large-scale purchases from central banks, alongside concerns about slowing global growth and sustained safe-haven demand are anticipated to further support the commodity. However, if United States (**'US'**) monetary policy turns more restrictive, geopolitical tensions ease, or the US economy achieves a stronger-than-expected soft landing, the resulting stronger US dollar and reduced risk perception could lead to gold divestment in 2026.

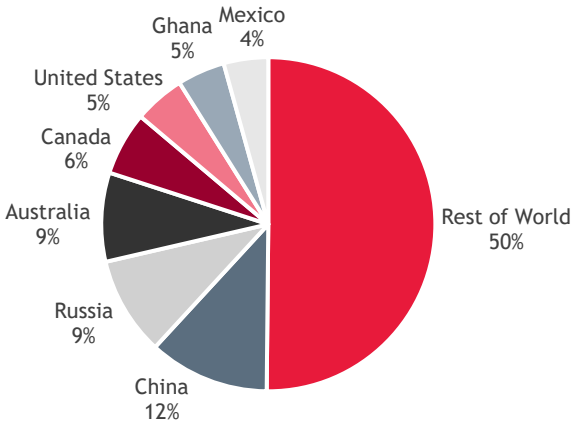
Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing, and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

The gold industry is geographically diverse, with China, Australia and Russia leading global gold production. According to the U.S. Geological Survey (**'USGS'**), total estimated gold ore mined globally for 2025 was approximately 3,250 metric tonnes. The charts below illustrate the estimated global gold production and reserves by country for 2025.

Gold production and reserves

The USGS estimates that overall global gold production in 2025 remained relatively unchanged from 2024 as production decreases in the US, Australia, Brazil and Indonesia were more than offset by production increases in China, Ghana, Peru and Uzbekistan.

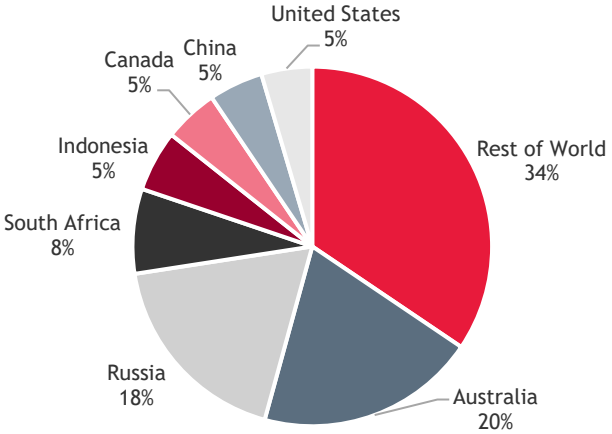
Global Gold Mine Production 2025



Source: USGS and BDO analysis

Despite China leading global gold production in 2025, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 46% of global gold reserves.

Global Gold Reserves 2025

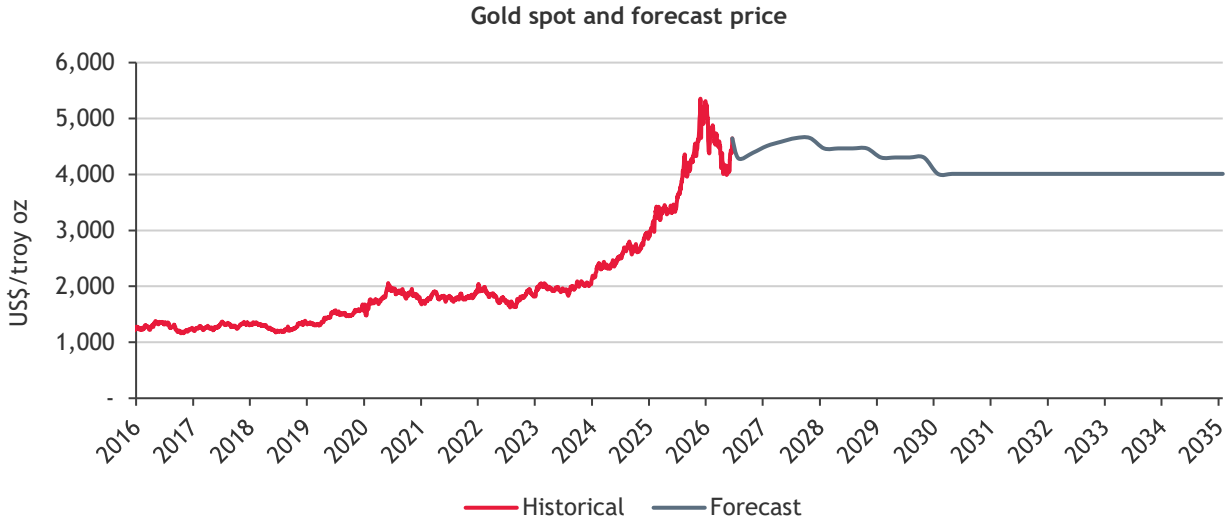


Source: USGS and BDO analysis

According to USGS, Australia's gold reserves amount to 13,000 metric tonnes, representing approximately 20% of global reserves and the largest held by any one country.

Gold prices

The figure below illustrates the historical movements in the gold spot price from January 2016 to August 2026, sourced from S&P Capital IQ, together with forecast gold prices for the remainder of 2026 through to 2035 based on Consensus Economics data.



Source: S&P Capital IQ to 21 August 2026 and BDO analysis

Between 2016 and 2019, the gold price generally traded within a range of approximately US$1,100/oz to US$1,400/oz. During 2020, gold prices became more volatile, with demand for gold increasing amid uncertainty associated with the COVID-19 pandemic, as investors sought safe-haven assets. The rise in gold prices during this period was further supported by significant monetary stimulus implemented by central banks globally.

Following Russia's invasion of Ukraine in February 2022, the gold price increased above US$1,900/oz, reaching a peak of US$2,039/oz in March. The increase reflected heightened geopolitical uncertainty and the concerns regarding the economic impact of sanctions imposed on Russia. In May 2022, gold prices declined to approximately US$1,800/oz, as the US Federal Reserve commenced an aggressive monetary tightening cycle in response to elevated inflation. Gold prices continued to weaken through to September 2022, before recovering as US inflation began to moderate, the US dollar weakened, and central banks increased their purchases of gold as part of broader reserve diversification strategies.

During January and February 2024, gold largely traded above US$2,000/oz. In March 2024, gold prices increased rapidly to above US$2,400/oz, supported by ongoing geopolitical tensions in Ukraine and the Middle East, persistent inflationary pressures, and continued central bank accumulation, particularly among emerging market economies. In late October 2024, gold prices increased above US$2,700/oz, reaching a ten-year high, driven by continued geopolitical uncertainty, the lead-up to the 2024 US presidential election, and US economic data supportive of potential interest rate cuts.

In early 2025, gold prices continued their upward trajectory, surpassing US$3,000/oz in March before rising above US$4,000/oz in October, and reaching US$4,400/oz by year-end. This increase was supported by continued central banks purchases, a weaker US dollar associated with easing US monetary policy, and ongoing geopolitical uncertainty, including tensions in the Middle East, global trade disruptions linked to US tariffs measures, and continuing instability in Ukraine.

In January 2026, the gold price reached an all-time high, briefly surpassing US$5,200/oz as geopolitical risks continued to support demand for gold. Contributing factors included heightened tensions involving Iran, developments involving Venezuela, and broader geopolitical disputes involving Greenland. However, during February 2026, gold prices came under downward pressure as the conflict in Iran escalated, and declined to approximately US$4,700/oz. This reflected profit-taking following record highs, a strengthening US dollar, higher US Treasury yields, and reduced expectations for near-term rate cuts by

the Federal Reserve amid persistent inflation. Concurrently, some selling pressure arose as investors sought liquidity during period of equity market volatility.

In April 2026, gold prices initially strengthened, supported by a weaker US dollar. However, gains were constrained by expectations of a potential de-escalation in Middle East tensions. Subsequently, renewed geopolitical tensions placed upward pressure on oil prices and increased volatility across financial markets. At the same time, a rebound in the US dollar, supported by safe-haven demand, higher bond yields and rising inflation expectations, placed downward pressure on gold prices.

Gold prices subsequently weakened through to the end of July 2026 as investor risk appetite improved, equity markets strengthened and market volatility moderated, reducing demand for safe-haven assets. Investor demand for gold-backed exchange-traded funds also softened, while expectations that US interest rates would remain elevated for longer increased the opportunity cost of holding non-yielding assets such as gold. The de-escalation of tensions in the Middle East further reduced safe-haven demand, with the gold price declining to its lowest level of 2026 at just below US$4,000/oz in mid-July 2026.

During August 2026, Gold prices reached over US$4,600/oz, their highest levels since May 2026. Sentiment for gold shifted as themes that previously hindered inflows during July reversed. A series of weaker than expected US data releases suggested a softer labour market and subdued inflation, reducing the likelihood of near-term policy tightening while the US dollar weakened. The continuation of the conflict in the Middle East also helped buoy the commodity.

The gold price is expected to fall from current levels to around US$4,400/oz by the end of 2026, before increasing to a range of approximately US$4,500 to US$4,700/oz in 2027. Prices are then forecast to moderate in 2028 to approximately US$4,500/oz, before further decreasing to approximately US$4,300/oz in 2029, and US$4,000/oz in 2030.

Source: S&P Capital IQ, Consensus Economics survey dated 17 August 2026, IBISWorld, US Geological Survey, World Gold Council, Reuters, and BDO analysis.

9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings (**'FME'**)
- Discounted cash flow (**'DCF'**)
- Quoted market price basis (**'QMP'**)
- Net asset value (**'NAV'**)
- Market based assessment, such as a Resource Multiple or a recent capital raising.

A summary of each of these methodologies is outlined in Appendix 2 of our Report.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

It is possible for a combination of different methodologies to be used together to determine an overall value, where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' valuation (**'Sum-of-Parts'**).

The approach using Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methodologies as described above. The component parts are then valued using the NAV methodology, which involves aggregating the estimated fair market value of each component part.

9.1 Valuation of a Hammer share prior to the Scheme

In our assessment of the value of a Hammer share prior to the Scheme, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the fair market value of a company by assessing the realisable value of each of its component parts. The value of each component part may be determined using different methodologies and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value.
- QMP as our secondary methodology, which represents the value that a Shareholder may receive for a Hammer share if it were sold on market prior to the announcement of the Scheme. The value derived from this methodology reflects a minority interest value. Given our valuation assessment of a Hammer share prior to the Scheme is on a controlling interest basis, we have applied a premium for control to our QMP value.

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Hammer share prior to the Scheme, by aggregating the fair market values of its underlying assets and liabilities.

We have considered the following component parts in our valuation of Hammer prior to the Scheme:

- The value of Hammer's mineral assets, comprising the Mineral Resource and exploration potential, having reliance on the valuation performed by an independent technical specialist, MinVal
- The value of Hammer's other assets and liabilities, not included in the other components of the Sum-of-Parts valuation, using the NAV methodology
- Transaction costs that have or will be incurred by Hammer prior to the implementation of the Scheme, regardless of if the Scheme completes.

We have chosen these methodologies for the following reasons:

- The core value of Hammer lies in the future cash flows to be generated from its mineral assets. Given that Hammer's mineral assets are not currently generating revenue or cash flows, we have commissioned an independent technical specialist to perform a market valuation of Hammer's mineral assets. The value of Hammer's mineral assets was assessed using different valuation methodologies by MinVal, which is set out in its ISR in Appendix 4. However, there are other assets and liabilities of Hammer that are not suited to the valuation approaches used to value its mineral assets. Where different approaches are used to value different components of a business, a Sum-of-Parts approach is the most appropriate valuation methodology to employ.
- As outlined in Section 4.4, the Company will spin out its Non-Core Assets prior to the Scheme being implemented. Accordingly, we have not instructed MinVal to perform a valuation of the Non-Core Assets, as Shareholders' exposure to these assets is the same prior to and following the Scheme.
- We have adopted the QMP methodology as our secondary approach. The QMP methodology is relevant to consider as the shares of Hammer are listed on the ASX, therefore reflecting the value that a Shareholder would have received for a share sold on the market prior to the announcement of the Scheme. This means there is a regulated and observable market where Hammer's shares can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid, and the market should be fully informed of the Company's activities. We have analysed the liquidity of Hammer's shares in assessing whether the application of the QMP methodology is appropriate in Section 10.2 of our Report. We note that the QMP value of a Hammer share will inherently reflect the value of the Non-Core Assets as these had not been demerged at the date of our analysis.
- Hammer has no foreseeable future net cash inflows from its mineral assets on which we would have sufficient reasonable grounds to rely, in accordance with ASIC Regulatory Guide 170 '*Prospective Financial Information*' ('**RG 170**') and ASIC Information Sheet 214: *Mining and resources: Forward-looking statements* '('**IS 214**'). Therefore, we do not consider the application of the DCF approach to be appropriate.
- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Further, the FME methodology is not considered to be appropriate for valuing finite-life assets, such as mineral assets. Therefore, we do not consider the application of the FME approach to be appropriate.

Independent Technical Specialist

In performing our valuation of a Hammer share prior to the Scheme, we have relied on the ISR prepared by MinVal, which includes an assessment of the market value of Hammer's mineral assets.

MinVal's ISR has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) (**'VALMIN Code'**) and the JORC Code. We are satisfied with the valuation methodologies adopted by MinVal, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by MinVal are referred to in the respective sections of our Report and further detailed in the ISR contained in Appendix 4.

9.2 Valuation of the Scheme Consideration

The Scheme Consideration comprises 1.2903 New Austral Shares for every Hammer share held. In our assessment of the value of 1.2903 New Austral Shares, we have first assessed the value of one New Austral Share following the Scheme (on a minority interest basis) and then multiplied this value by 1.2903 to derive the value of the Scheme Consideration.

In valuing a New Austral Share, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the fair market value of a company by assessing the realisable value of each of its component parts. The value of each component part may be determined using different methodologies and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value, to which we then apply a minority interest discount.
- QMP as our secondary methodology, utilising the QMP of Austral shares in the period following the announcement of the Scheme, which is considered to reflect the value of a share in the Merged Group. The value derived from this methodology reflects a minority interest value.

Under RG 111.34 it is noted that if, in a scrip bid, the target is likely to become a controlled entity of the bidder, the bidder's securities can also be valued using a notionally combined entity. However, it should still be noted that the accepting holders are likely to hold minority interests in that combined entity. Therefore, on the basis that Shareholders will hold minority interests in Austral following the Scheme, we have assessed the value of the Scheme Consideration on a minority interest basis.

We have employed the Sum-of-Parts methodology in estimating the fair market value of a New Austral Share, by aggregating the fair market values of its underlying assets and liabilities. We have considered the following component parts in our valuation of the Merged Group:

- The value of Hammer prior to the Scheme (on a controlling interest basis), as assessed in Section 10.1 of our Report
- The value of Austral's mineral assets, including the value of Austral's Mineral Resource, exploration potential, Mt Kelly project, Rocklands Processing Hub and other associated plant and equipment infrastructure (**'Austral's Mineral and Infrastructure Assets'**), having reliance on the valuation performed by MinVal
- The value of Austral's other assets and liabilities not included in the other components of the Sum-of-Parts valuation, using the NAV methodology
- Transaction costs in relation to the Scheme
- Application of a minority interest discount.

We have chosen the above methodologies for the following reasons:

- The core value of Austral lies in the future cash flows to be generated from Austral's Mineral and Infrastructure Assets. We have commissioned MinVal to perform a market valuation of Austral's Mineral and Infrastructure Assets. The value of these assets were assessed using different valuation methodologies by MinVal, which is set out in its ISR in Appendix 4. However, there are other assets and liabilities of Austral that are not suited to the valuation approaches used to value these assets. Where different approaches are used to value different components of a business, a Sum-of-Parts approach is the most appropriate valuation methodology to employ.
- We have adopted the QMP methodology as our secondary approach. The QMP of Austral shares in the period following the announcement of the Scheme is considered to be an indicator of the

value of a share in the Merged Group, as the market participants are fully informed as to the terms of the Schemes, with the price reflecting the market's view of value if the Scheme is implemented. Therefore, the QMP of Austral shares following the announcement of the Scheme represents the combined value of Austral and Hammer, and the associated dilution from the issue of the New Austral Shares under the Scheme. Market pricing following the announcement of a transaction can be volatile, and as such, we have assessed the QMP of Austral's shares on the ASX on a volume-weighted average price ('**VWAP**') basis over several time periods following the announcement of the Scheme to smooth the daily price fluctuations. Further, for the QMP methodology to be considered appropriate, the listed shares should be liquid, and the market should be fully informed of the company's activities. We have analysed the liquidity of Austral's shares following the announcement of the Scheme in Section 11.1 in assessing whether the application of the QMP methodology is appropriate.

- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Further, the FME methodology is not considered to be appropriate for valuing finite-life assets, such as mineral assets. Therefore, we do not consider the application of the FME approach to be appropriate.

Independent Technical Specialist

In performing our valuation of a New Austral Share, we have relied on the ISR prepared by MinVal, which includes an assessment of the market value of Austral's Mineral and Infrastructure Assets.

MinVal's ISR has been prepared in accordance with the VALMIN Code and the JORC Code. We are satisfied with the valuation methodologies adopted by MinVal, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by MinVal are referred to in the respective sections of our Report and further detailed in the ISR contained in Appendix 4.

10. Valuation of a Hammer share prior to the Scheme

10.1 Sum-of-Parts Valuation

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Hammer share prior to the Scheme (on a controlling interest basis), by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the following:

- The value of Hammer's mineral assets comprising the Mineral Resource and exploration potential, having reliance on the valuation performed by MinVal
- The value of Hammer's other assets and liabilities not included in the other components of the Sum-of-Parts valuation, using the NAV methodology
- Transaction costs incurred by Hammer prior to the implementation of the Scheme, regardless of if the Scheme completes.

Our Sum-of-Parts valuation of Hammer prior to the Scheme is set out in the table below:

Sum-of-Parts valuation of a Hammer share prior to the Scheme	Ref.	Low $'000	Preferred $'000	High $'000
Value of Hammer's mineral assets	10.1.1	38,200	50,800	63,600
Value of Hammer's other assets and liabilities	10.1.2	(1,233)	(1,233)	(1,233)
Transaction-related costs	10.1.3	(1,370)	(1,370)	(1,370)
Value of Hammer prior to the Scheme (control)		**35,597**	**48,197**	**60,997**
Number of Hammer shares on issue prior to the Scheme	10.1.4	892,758,700	892,758,700	892,758,700
Value of a Hammer share prior to the Scheme ($) (control)		**0.040**	**0.054**	**0.068**
Value of a Hammer share prior to the Scheme ($) (control, diluted)	10.1.5	**0.040**	**0.054**	**0.068**

Source: BDO analysis

Based on the above, we have assessed the value of a Hammer share prior to the Scheme (on a controlling interest and diluted basis) to be in the range of $0.040 and $0.068, with a preferred value of $0.054.

The diluted value of a Hammer share prior to the Scheme has been adjusted for the cash that would be received and the increase in the number of shares outstanding, for the notional exercise of any in-the-money securities, based on our undiluted value of a Hammer share prior to the Scheme under our low, preferred and high valuation scenarios, respectively, as well as the exercise of the vested Hammer Performance Rights. Further details are contained in Section 10.1.5 of our Report.

10.1.1 Valuation of Hammer's mineral assets

In performing our valuation of Hammer's mineral assets, we have relied on the ISR prepared by MinVal, an independent technical specialist. We instructed MinVal to perform an independent market valuation of Hammer's mineral assets.

MinVal considered various valuation methodologies, including the comparable transactions method as the primary valuation methodology of the Mineral Resources, the geoscientific approach as the primary methodology for the exploration potential, the yardstick approach as the secondary methodology for the Mineral Resources, and the prospectivity enhancement multiplier approach as the secondary methodology for the exploration potential. As discussed in its ISR, MinVal has elected to adopt the assessed values

implied by the comparable transactions methodology in forming its valuation range for the Mineral Resources, and the assessed values implied by the geoscientific approach in forming its valuation range for the exploration potential.

The range of values for Hammer's mineral assets as assessed by MinVal is summarised below.

Value of Hammer's mineral assets	Low $'000	Preferred $'000	High $'000
Mineral Resource	34,100	45,300	56,700
Exploration potential	4,100	5,500	6,900
Total value of Hammer's Mineral Assets	**38,200**	**50,800**	**63,600**

Source: ISR prepared by MinVal

Further information on MinVal's approach and conclusions are detailed in its ISR contained in Appendix 4.

10.1.2 Valuation of Hammer's other assets and liabilities

The other assets and liabilities of Hammer represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with Hammer, and our analysis of the other assets and liabilities, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

A summary of the other assets and liabilities identified is shown below:

Other assets and liabilities	Notes	Audited as at 30-Jun-26 $	Adjusted value $
CURRENT ASSETS			
Cash and cash equivalents	a	1,530,850	2,280,461
Trade and other receivables		71,685	71,685
TOTAL CURRENT ASSETS		**1,602,535**	**2,352,146**
NON-CURRENT ASSETS			
Other financial assets	b	118,698	118,698
Plant and equipment		4,163	4,163
Right-of-use assets		57,956	57,956
Exploration and evaluation expenditure	c	31,285,719	-
TOTAL NON-CURRENT ASSETS		**31,466,536**	**180,817**
TOTAL ASSETS		**33,069,071**	**2,532,963**
CURRENT LIABILITIES			
Trade and other payables		713,753	713,753
Borrowings	d	1,000,000	3,000,000
Lease liabilities		33,801	33,801
TOTAL CURRENT LIABILITIES		**1,747,554**	**3,747,554**
NON-CURRENT LIABILITIES			
Lease liabilities		18,789	18,789
TOTAL NON-CURRENT LIABILITIES		**18,789**	**18,789**
TOTAL LIABILITIES		**1,766,343**	**3,766,343**
NET ASSETS		**31,302,728**	**(1,233,380)**

Source: Hammer's audited financial statements for the year ended 30 June 2026 and BDO analysis

We have been advised that there have not been any significant changes to the net assets of Hammer since 30 June 2026, and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the audited position as at 30 June 2026, we have obtained supporting documentation to validate the adjusted values used.

We note the following in relation to the above valuation of Hammer's other assets and liabilities:

Note a) Cash and cash equivalents

We have adjusted the balance of cash and cash equivalents to reflect the transactions that have occurred since 30 June 2026 up to the date of our Report.

These adjustments are set out below:

Cash and cash equivalents	$
Audited as at 30 June 2026	1,530,850
Add: cash received from draw down of Austral Loan	3,000,000
Less: repayment of Larvotto Loan	(1,000,000)
Less: payment of Larvotto Break Fee	(550,389)
Less: transfer of cash to Spin Co	(700,000)
Adjusted cash and cash equivalents	**2,280,461**

Source: Hammer's audited financial statements for the year ended 30 June 2026, Scheme Booklet and BDO analysis

Refer to Section 4 for information on the Austral Loan, Larvotto Loan, Larvotto Break Fee and the transfer of cash to Spin Co.

Note b) Other financial assets

Hammer's other financial assets at 30 June 2026 relate to equity investments in several ASX and TSXV-listed companies. We have analysed the value of Hammer's equity investments based on the 30-day VWAPs of each investment, however, we consider the difference to the audited position at 30 June 2026 to be immaterial. Therefore, we have not adjusted the book value of Hammer's other financial assets.

Note c) Exploration and evaluation expenditure

We have adjusted the balance of capitalised exploration and evaluation expenditure to nil, as these assets are already accounted for within MinVal's valuation of Hammer's mineral assets in Section 10.1.1.

Note d) Borrowings

We have adjusted the borrowings balance to reflect the repayment of the Larvotto Loan and the drawdown of $3.0 million under the Austral Loan Facility, as outlined in the cash and cash equivalents adjustment above and in Section 4 of our Report.

10.1.3 Transaction costs

We have reflected the transaction costs that are expected to be incurred by Hammer subsequent to 30 June 2026, regardless of whether the Scheme proceeds.

The transaction costs to be incurred by Hammer regardless of whether the Scheme proceeds have been estimated to be $1.37 million as detailed in the Scheme Booklet.

We have not considered the transaction costs that have been incurred by Hammer prior to 30 June 2026, as these costs are reflected in the adjusted cash position as determined in Section 10.1.2.

10.1.4 Number of Hammer shares on issue

As detailed Section 5.8, the number of Hammer shares on issue as at the date of our Report is 892,758,700, which we have adopted in our Sum-of-Parts valuation.

We note that the Company has 29,500,000 unlisted options on issue as at the date of our Report, as set out in Section 5.8 of our Report. We have reflected the dilutionary impact from the notional exercise of the in-the-money options in our valuation of a Hammer share prior to the Scheme on a diluted basis in Section 10.1.5.

We note that the Company has 7,000,000 performance rights on issue as at the date of our Report, including 4,000,000 Hammer Performance Rights and 3,000,000 Hammer Management Performance Rights.

As outlined in Section 5.8, 2,000,000 performance rights have vested and are exercisable as at the date of our Report. We have included these performance rights in our analysis of the value of a Hammer share prior to the Scheme on a diluted basis in Section 10.1.5.

The remaining performance rights will vest on achievement of various performance hurdles as outlined in Section 5.8 of our Report. As at the date of our Report, these performance rights have not vested and as such, we have not reflected the dilutionary impact of these in the number of Hammer shares on issue prior to the Scheme. Furthermore, we consider there to be insufficient reasonable grounds for us to determine the timing and likelihood of the vesting conditions being achieved. Therefore, we have not reflected the dilutionary impact from the vesting and exercise of the performance rights in our valuation of a Hammer share prior to the Scheme.

10.1.5 Value of a Hammer share prior to the Scheme on a diluted basis

In assessing the diluted value of a Hammer share prior to the Scheme, we have adjusted for the cash that would be received, and the increase in the number of shares outstanding, for the notional exercise of any in-the-money Hammer Options on issue prior to the Scheme, and the exercise of the vested and exercisable performance rights as at the date of our Report.

We have assessed whether the options would be exercised under each of the low, preferred and high valuation scenarios of the undiluted value of a Hammer share prior to the Scheme. Details on Hammer's issued securities can be found in Section 5.8.

This is summarised in the table and accompanying notes below:

Value of a Hammer share prior to the Scheme (diluted)	Ref.	Low $'000	Preferred $'000	High $'000
Value of Hammer prior to the Scheme (control, undiluted)	10.1	35,597	48,197	60,997
Add: cash from notional exercise of in-the-money options	a	-	-	720
Value of Hammer prior to the Scheme		**35,597**	**48,197**	**61,717**
Adjusted number of Hammer shares on issue prior to the Scheme	b	894,758,700	894,758,700	906,758,700
Value of a Hammer share prior to the Scheme (control, diluted) ($)		**0.040**	**0.054**	**0.068**

Source: BDO analysis

Note a) Cash received from notional exercise of in-the-money options

The share price used to determine whether the options are in-the-money was the Sum-of-Parts undiluted value per Hammer share prior to the Scheme, on a controlling interest basis as set out in Section 10.1, of $0.040, $0.054 and $0.068 under our low, preferred and high scenarios, respectively.

A summary of the options that are deemed to be in-the-money under our low, preferred and high scenarios is presented in the table below:

Description	Number	Low	Preferred	High
Non-Executive Director Options expiring 30-Nov-26 exercisable at $0.07	4,500,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Non-Executive Director Options expiring 30-Nov-26 exercisable at $0.08	5,500,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Management Options – Tranche 1 expiring 30-Nov-26 exercisable at $0.08	2,000,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Management Options – Tranche 2 expiring 30-Nov-26 exercisable at $0.08	2,000,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Employee Incentive Options 2024 expiring 28-Oct-28 exercisable at $0.06	7,000,000	Out-of-the-money	Out-of-the-money	In-the-money
Related Party Options – Tranche 1 expiring 02-Dec-28 exercisable at $0.07	2,000,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Related Party Options – Tranche 2 expiring 02-Dec-28 exercisable at $0.08	1,500,000	Out-of-the-money	Out-of-the-money	Out-of-the-money
Director Options expiring 30-Nov-28 exercisable at $0.06	5,000,000	Out-of-the-money	Out-of-the-money	In-the-money
Total "in-the-money" options		**-**	**-**	**12,000,000**
Cash raised on notional exercise ($)		**-**	**-**	**720,000**

Source: BDO analysis

We note that in the event that all Hammer Options are exercised, $2,055,000 would be raised.

Note b) Adjusted shares on issue including the notional exercise of in-the-money options and vested performance rights

The notional exercise of the in-the-money options and the exercise of the vested performance rights would increase the number of shares on issue as summarised below:

Adjusted shares on issue prior to the Scheme	Low	Preferred	High
Number of shares on issue prior to the Scheme	892,758,700	892,758,700	892,758,700
Shares issued from notional exercise of in-the-money options	-	-	12,000,000
Shares issued from conversion of vested performance rights to Hammer shares	2,000,000	2,000,000	2,000,000
Total adjusted shares on issue prior to the Scheme	**894,758,700**	**894,758,700**	**906,758,700**

Source: BDO analysis

10.2 QMP valuation

To provide a comparison to the valuation of Hammer in Section 10.1, we have also assessed the QMP of a Hammer share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.43 suggests that when considering the value of a company's shares for the purposes of a control transaction the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- Control over decision making and strategic direction.
- Access to underlying cash flows.
- Control over dividend policies.
- Access to potential tax losses.

Under the Scheme, Austral seeks to obtain 100% of the shares in Hammer and therefore should pay a premium for control.

Therefore, our calculation of the QMP of a Hammer share including a premium for control has been prepared in two parts. The first part is to calculate the QMP of a Hammer share on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a QMP value that includes a premium for control.

Minority interest value

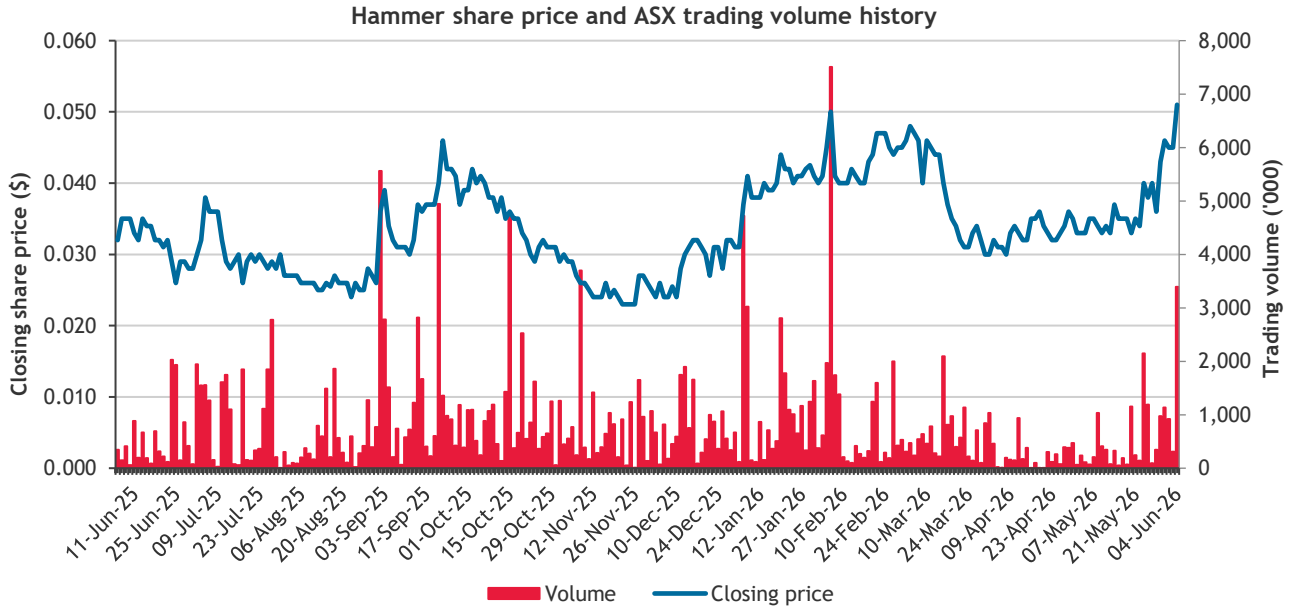
Our analysis of the QMP of a Hammer share is based on the pricing prior to the announcement of the Larvotto Scheme on 11 June 2026.

We have adopted this approach because Hammer's share price following the announcement of the Larvotto Scheme and prior to the announcement of the Austral Scheme may have incorporated the market's assessment of the value and expected benefits of the Larvotto Scheme, rather than reflecting the underlying standalone value of Hammer. Accordingly, trading prices during this period may not provide a reliable basis for assessing the value of a Hammer share prior to the Austral Scheme.

We also note that the consideration offered under the Larvotto Scheme represented a premium to Hammer's prevailing share price immediately prior to the announcement. As a result, trading prices following the announcement of the Larvotto Scheme are likely to have reflected the value attributed by the market to the Larvotto Scheme. Consequently, these trading prices would not be representative of the market value of a Hammer share prior to the Austral Scheme.

However, we have considered the value of a Hammer share following the announcement of the Larvotto Scheme and the Austral Scheme when we have considered reasonableness in Section 13.4.

Information on the Larvotto Scheme was announced to the market on 11 June 2026. However, Hammer was in a trading halt from partway through the trading day on 4 June 2026 until the announcement of the Larvotto Scheme. Therefore, we have assessed the QMP of a Hammer share over a 12-month period to 4 June 2026, being the last day of trading prior to the announcement of the Larvotto Scheme. The following chart provides a summary of the closing share price movements and trading volume of Hammer shares over this period.



Source: S&P Capital IQ and BDO analysis

The closing price of a Hammer share over the period from 4 June 2025 to 4 June 2026 ranged from a low of $0.023 on 26 November 2025 to a high of $0.051 on 4 June 2026. The largest day of single trading over the assessed period was 5 February 2026, when 7,509,514 shares were traded.

To provide further analysis of the QMP of a Hammer share, we have also considered the VWAP for 10-, 30-, 60- and 90-day periods to 4 June 2026, being the last trading day prior to the announcement of the Larvotto Scheme.

Share price per unit	4-Jun-26	10 days	30 days	60 days	90 days
Closing price	$0.051				
VWAP		$0.045	$0.041	$0.038	$0.042

Source: S&P Capital IQ and BDO analysis

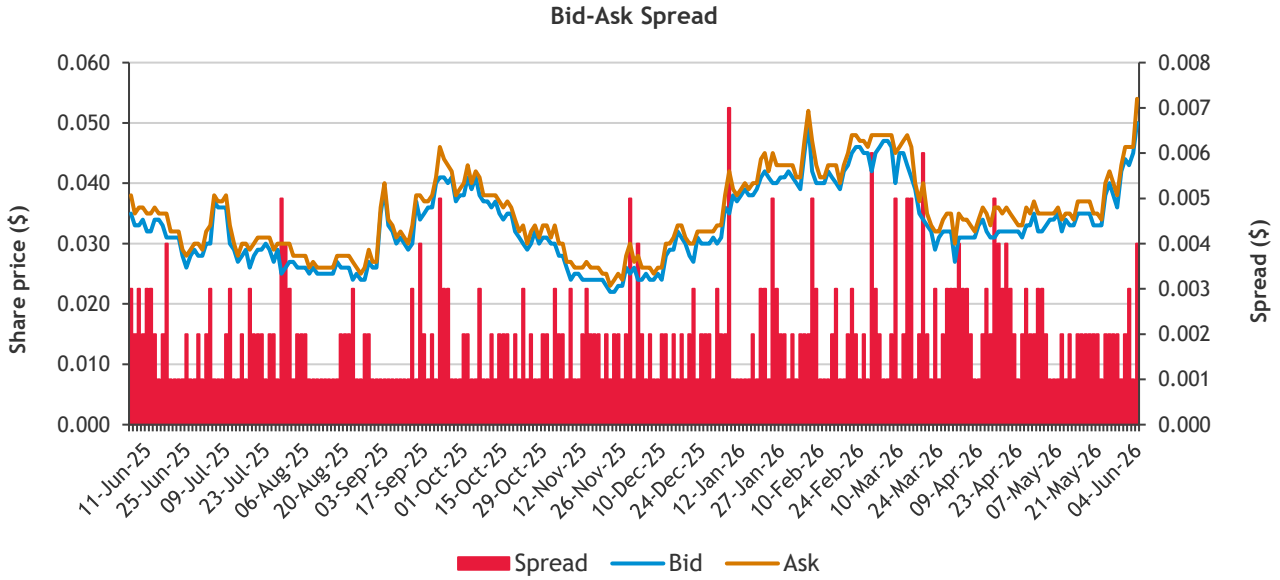
The above VWAPs are prior to the date of the announcement of the Larvotto Scheme, to avoid the influence of any changes in the price of a Hammer share that have occurred since the Larvotto Scheme was announced.

An analysis of the volume of trading in Hammer shares over the 180-trading day period to 4 June 2026 is set out below:

Trading days	Closing share price low	Closing share price high	Cumulative volume traded	As a % of issued capital
1 day	$0.051	$0.051	3,394,743	0.38%
10 days	$0.034	$0.051	10,644,631	1.19%
30 days	$0.032	$0.051	16,827,255	1.88%
60 days	$0.030	$0.051	30,140,206	3.38%
90 days	$0.030	$0.051	57,617,054	6.45%
180 days	$0.023	$0.051	143,166,790	16.04%

Source: S&P Capital IQ and BDO analysis

Additionally, we have considered the bid-ask spread of Hammer shares over the twelve-month period prior to the announcement of the Larvotto Scheme, which is outlined in the graph below.



Source: S&P Capital IQ and BDO analysis

We calculated the average spread over the period from 4 June 2025 to 4 June 2026 to be $0.002, which equates to approximately 5.84% of the prevailing share price over that period.

The above analysis indicates that Hammer's shares display a low level of liquidity, with 16.04% of the Company's issued capital being traded over the assessed 180 trading day period. RG 111.86 states that for the QMP methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale.

We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities.
- Approximately 1% of a company's securities are traded on a weekly basis.
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company.
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Hammer, we consider the shares to display a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average over the assessed period, with 16.04% of Hammer's issued capital being traded over a 180-day period, prior to the announcement of the Larvotto Scheme. In addition, of the 53 weeks in which our analysis is based on, more than 1% of the Company's securities had been traded in 2 of those weeks.

Based on the above, we have assessed the value of a Hammer share on a QMP basis, after excluding trading prices following the announcement of both the Larvotto Scheme and the Austral Scheme, to be in the range of $0.040 to $0.050.

QMP including control premium

Based on our analysis in Appendix 3, we consider an appropriate premium for control to be in the range of 25% to 35%. Applying a control premium to Hammer's QMP results in the following QMP including a premium for control:

QMP valuation of a Hammer share prior to the Scheme	Low $	Preferred $	High $
QMP of a Hammer share prior to the Scheme (minority interest basis)	0.040	0.045	0.050
Control premium (Appendix 3)	*25%*	*30%*	*35%*
QMP valuation of a Hammer share prior to the Scheme (controlling interest basis)	**0.050**	**0.059**	**0.068**

Source: BDO analysis

Therefore, our valuation of a Hammer share prior to the Scheme based on the QMP methodology and including a premium for control is between $0.050 and $0.068, with our preferred value being the rounded midpoint of $0.060. We have selected the midpoint as the preferred value as there is no reason for us to select a value on either end of the above assessed range.

10.3 Assessment of the value of a Hammer share prior to the Scheme

The results of the valuations performed are summarised in the table below:

Valuation of a Hammer share prior to the Scheme	Ref.	Low $	Preferred $	High $
Sum-of-Parts (controlling interest and diluted basis)	10.1	0.040	0.054	0.068
QMP (controlling interest basis)	10.2	0.050	0.059	0.068

Source: BDO analysis

We note from the table above that the values derived under the Sum-of-Parts approach are lower than the values derived under the QMP approach. This difference may be explained by the following:

- Valuations of exploration and development assets prepared by independent technical specialists may differ from market-based valuations. MinVal valued Hammer's mineral assets in accordance with the VALMIN Code, JORC Code and ASIC's Regulatory Guide, whereas market participants are not subject to these requirements and may apply different technical and economic assumptions, including expectations regarding the potential upside or downside of the exploration assets as market conditions change.
- As outlined in our liquidity analysis in Section 10.2, Hammer shares display a low level of liquidity. Accordingly, the market price may not fully reflect the underlying value of a Hammer share. We consider the value range derived under the QMP approach to be broadly supportive of the value range derived under the Sum-of-Parts approach.

We consider the QMP value range to be broadly supportive of the value range derived under the Sum-of-Parts approach. However, we consider the Sum-of-Parts approach to be the most appropriate primary methodology to value a Hammer share prior to the Scheme, as the core value of the Company lies in its Mineral Resources and exploration potential, which have been independently valued by MinVal in accordance with the VALMIN Code, JORC Code and ASIC's Regulatory Guides.

Further, the QMP approach is only appropriate where there is a liquid and active market for a company's shares. Given the low liquidity of Hammer shares identified in Section 10.2, we have used the QMP approach only as a broad cross-check. Accordingly, our adopted valuation range is based solely on the value derived under the Sum-of-Parts approach.

Based on the results above, we consider the value of a Hammer share prior to the Scheme to be between $0.040 and $0.068, with a preferred value of $0.054.

11. Valuation of Scheme Consideration

The Scheme Consideration comprises 1.2903 New Austral Shares for every Hammer share held. In valuing the Scheme Consideration, we have adopted the Sum-of-Parts methodology to assess the value of a New Austral Share (on a minority interest basis). We have then multiplied this by 1.2903 to derive the value of the Scheme Consideration.

When assessing non-cash consideration in control transactions, RG 111.31 suggests that a comparison should be made between the value of the securities being offered (allowing for a minority discount) and the value of the target entity's securities, assuming 100% of the securities are available for sale. This comparison reflects the fact that:

- The acquirer is obtaining or increasing control of the target; and
- The security holders in the target will be receiving scrip constituting minority interests in the combined entity.

Further, under RG 111.34 it is noted that if, in a scrip bid, the target is likely to become a controlled entity of the bidder, the bidder's securities can also be valued using a notionally combined entity. However, it should still be noted that the accepting holders are likely to hold minority interests in that combined entity.

Therefore, we have assessed the value of a New Austral Share on a minority interest basis.

11.1 Sum-of-Parts valuation of the Scheme Consideration

We have employed the Sum-of-Parts methodology to estimate the fair market value of a New Austral Share on a minority interest basis, and as such, the value of the Scheme Consideration. Under this approach, we have aggregated the estimated fair market values of the Merged Group's underlying assets and liabilities, having consideration to the following:

- The value of Hammer prior to the Scheme (on a controlling interest basis), as assessed in Section 10.1 of our Report. This has been included on an undiluted basis as the Hammer Options, Hammer Performance Rights and Hammer Management Performance Rights are considered within the Merged Group's shares on issue following the Scheme.
- The value of Austral's Mineral and Infrastructure Assets, having reliance on the valuations performed by MinVal
- The value of Austral's other assets and liabilities not included in the other components of the Sum-of-Parts valuation, determined using the NAV methodology
- Transaction costs associated with the Scheme
- The adjusted number of shares expected to be on issue in the Merged Group following implementation of the Scheme
- The application of a minority interest discount.

Our Sum-of-Parts valuation of the Scheme Consideration is set out in the table below:

Sum-of-Parts valuation of the Scheme Consideration	Ref.	Low $'000	Preferred $'000	High $'000
Value of Hammer prior to the Scheme (control)	10.1	35,597	48,197	60,997
Value of Austral's Mineral and Infrastructure Assets	11.1.1	202,900	270,400	338,200
Value of Austral's other assets and liabilities	11.1.2	38,433	38,433	39,093
Transaction-related costs	11.1.3	(5,464)	(5,464)	(5,464)
Value of the Merged Group following the Scheme (control)		**271,465**	**351,565**	**432,825**
Merged Group shares on issue following the Scheme	11.1.4	3,815,815,231	3,815,815,231	3,831,298,831
Value of a New Austral Share following the Scheme (control) ($)		**0.071**	**0.092**	**0.113**
Minority interest discount	*11.1.5*	***26%***	***23%***	***20%***
Value of a New Austral Share (minority) ($)		**0.053**	**0.071**	**0.090**
Exchange ratio		***1.2903***	***1.2903***	***1.2903***
Value of the Scheme Consideration (minority) ($)		**0.068**	**0.091**	**0.117**
Value of the Scheme Consideration (minority, diluted) ($)	11.1.6	**0.068**	**0.091**	**0.117**

Source: BDO analysis

Based on the above, we have assessed the value of the Scheme Consideration (on a minority interest and diluted basis) to be in the range of $0.068 and $0.117, with a preferred value of $0.091.

11.1.1. Valuation of Austral's Mineral and Infrastructure Assets

In performing our valuation of Austral's Mineral Resources, exploration potential, Mt Kelly project, Rocklands Processing Hub and other associated plant and equipment infrastructure, we have relied on the ISR prepared by MinVal, an independent technical specialist. We instructed MinVal to perform an independent market valuation of these assets.

MinVal considered various valuation methodologies, including the comparable transactions method as the primary methodology for the Mineral Resources, the income/DCF approach as the primary methodology for Mt Kelly, and the geoscientific approach as the primary methodology for the exploration potential.

MinVal considered the yardstick approach as the secondary methodology for the Mineral Resources and Mt Kelly, and the geoscientific or prospectivity enhancement multiplier approach as the secondary methodology for the exploration potential.

As discussed in its ISR, MinVal has adopted values implied by comparable transactions in forming its valuation range for the Mineral Resources, the values implied by the income/DCF approach in forming its valuation range for Mt Kelly which is a heap leach operation currently producing, and the values implied by the geoscientific approach in forming its valuation range for the exploration potential.

MinVal has assessed the market value of the Mt Kelly operations and considers that for valuation purposes, there is reasonable grounds on which to perform a DCF analysis. Further details of the DCF approach are set out in MinVals ISR in Appendix 4.

Since forecasts relate to the future, they may be affected by unforeseen events and they depend, in part, on the effectiveness of management's actions in implementing the plans on which the forecasts are based. Accordingly, actual results may vary materially from the forecasts included in the MinVal report, as it is often the case that some events and circumstances frequently do not occur as expected, or are not

anticipated, and those differences may be material. However, BDO note that value of the Mt Kelly operations derived from the DCF approach is broadly supported by MinVal's secondary valuation which utilises the Yardstick approach. Additionally, if the value of the Mt Kelly operations were to be excluded from the value of the Scheme Consideration it would not alter our fairness conclusion.

As outlined in its ISR, MinVal has assessed the likely market value of the equipment located at Rocklands and the Lady Loretta Project. MinVal has not included the value of the processing plant and associated infrastructure at Mt Kelly, as this equipment is required to generate the income used within the primary valuation method for Mt Kelly.

MinVal considers it likely that the Rocklands Processing Hub would be recommissioned on site to process the material contained in the Mineral Resource valuation. The equipment has been valued on a basis with this being considered, while the equipment that is not likely to be used has been valued assuming a market value on an as is where is basis.

The range of values for Austral's Mineral and Infrastructure Assets as assessed by MinVal is summarised below.

Value of Austral's Mineral and Infrastructure Assets	Low $'000	Preferred $'000	High $'000
Mineral Resource	44,900	59,800	74,800
Mt Kelly	24,300	32,400	40,500
Exploration potential	17,800	23,700	29,700
Rocklands Processing Hub, associated equipment and infrastructure	91,100	121,500	151,900
Lady Loretta plant and equipment	24,800	33,000	41,300
Total value of Austral's Mineral and Infrastructure Assets	**202,900**	**270,400**	**338,200**

Source: ISR prepared by MinVal

Further information on MinVal's approach and conclusions are detailed in its ISR contained in Appendix 4.

11.1.2. Valuation of Austral's other assets and liabilities

The other assets and liabilities of Austral represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with Austral, and our analysis of the other assets and liabilities, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

A summary of the other assets and liabilities identified is shown below:

Austral's other assets and liabilities	Notes	Reviewed as at 30-Jun-26 $'000	Adjusted value Low $'000	Adjusted value Preferred $'000	Adjusted value High $'000
CURRENT ASSETS					
Cash and cash equivalents	a	72,315	30,504	30,504	31,164
Trade and other receivables	b	7,501	10,501	10,501	10,501
Prepayments		4,018	4,018	4,018	4,018
Inventories		2,363	2,363	2,363	2,363
Other assets		561	561	561	561
TOTAL CURRENT ASSETS		**86,758**	**47,947**	**47,947**	**48,607**
NON-CURRENT ASSETS					
Financial assets		67,875	67,875	67,875	67,875

Austral's other assets and liabilities	Notes	Reviewed as at 30-Jun-26 $'000	Adjusted value Low $'000	Adjusted value Preferred $'000	Adjusted value High $'000
Property, plant and equipment	c	48,302	-	-	-
Right-of-use assets		20	20	20	20
Exploration and evaluation assets	d	2,645	-	-	-
TOTAL NON-CURRENT ASSETS		**118,842**	**67,895**	**67,895**	**67,895**
TOTAL ASSETS		**205,600**	**115,842**	**115,842**	**116,502**
CURRENT LIABILITIES					
Trade and other payables		7,465	7,465	7,465	7,465
Employee benefits		1,066	1,066	1,066	1,066
Lease liabilities		21	21	21	21
TOTAL CURRENT LIABILITIES		**8,552**	**8,552**	**8,552**	**8,552**
NON-CURRENT LIABILITIES					
Provisions		68,766	68,766	68,766	68,766
Employee benefits		91	91	91	91
TOTAL NON-CURRENT LIABILITIES		**68,857**	**68,857**	**68,857**	**68,857**
TOTAL LIABILITIES		**77,409**	**77,409**	**77,409**	**77,409**
NET ASSETS		**128,191**	**38,433**	**38,433**	**39,093**

Source: Austral's reviewed financial statements for the half-year ended 30 June 2026 and BDO analysis

We have been advised that there have not been any significant changes to the net assets of Austral since 30 June 2026, and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the reviewed position as at 30 June 2026, we have obtained supporting documentation to validate the adjusted values used.

We note the following in relation to the above valuation of Austral's other assets and liabilities:

Note a) Cash and cash equivalents

We have adjusted cash and cash equivalents to reflect the $3.0 million drawn down under the Austral Loan Facility from 30 June 2026 to the date of our Report, the settlement of the APA as outlined in Section 6.7, and the cash consideration payable to the holders of the Hammer Options which will not be converted into Hammer shares prior to the Scheme under each of our low, preferred and high valuation scenarios.

The Hammer Options which will not be converted into Hammer shares prior to the Scheme are the Hammer Options outlined in Section 10.1.5 of our Report which are "out-of-the-money" under our low, preferred and high valuation scenarios based on our Sum-of-Parts valuation of a Hammer share prior to the Scheme on a controlling interest basis.

We have calculated the total cash consideration payable for the cancellation of the "out-of-the-money" options based on the option consideration per option if the options are not exercised, as outlined in Schedule 6 of the SID.

Our adjustments are outlined in the table below:

Cash and cash equivalents	Low $'000	Preferred $'000	High $'000
Reviewed as at 30 June 2026	72,315	72,315	72,315
Amount provided to Hammer for draw down of Austral Loan	(3,000)	(3,000)	(3,000)
Payment relating to the Anthill settlement	(37,600)	(37,600)	(37,600)

Cash and cash equivalents	Low $'000	Preferred $'000	High $'000
Cash consideration payable for cancellation of Hammer Options	(1,212)	(1,212)	(552)
Adjusted cash and cash equivalents	**30,504**	**30,504**	**31,164**

Source: Austral's reviewed financial statements for the half-year ended 30 June 2026 and BDO analysis

BDO note that the Hammer Options deemed "in-the-money" based on our analysis in Section 10.1.5 have been included in our analysis of the number of Merged Group Shares on issue following the Scheme in Section 11.1.6.

Note b) Trade and other receivables

We have adjusted the trade and other receivables to recognise the $3.0 million receivable under the Austral Loan Facility from 30 June 2026 to the date of our Report.

Note c) Property, plant and equipment

The book value of property, plant and equipment at 30 June 2026 relates to plant and equipment used for mining related activities. The value of the mining related plant and equipment is reflected in MinVal's valuation of Austral's Mineral and Infrastructure Assets which has been valued separately in Section 11.1.1. Therefore, we have adjusted the balance of property, plant and equipment to nil.

Note d) Exploration and evaluation assets

We have adjusted the exploration and evaluation assets to nil, as these assets are also accounted for within MinVal's valuation of Austral's Mineral and Infrastructure Assets in Section 11.1.1.

11.1.3. Transaction costs

In connection with the Scheme, Hammer and Austral have estimated the transaction costs expected to be incurred if the Scheme is implemented. As detailed in the Scheme Booklet, these amounts comprise:

- Hammer's transaction costs expected to be incurred as a result of the implementation of the Scheme
- Austral's transaction costs in relation to the Scheme.

Consistent with our treatment of transaction costs in Section 10.1.3, we have included only those costs that have been, or are expected to be, incurred after 30 June 2026. Costs incurred on or before that date have not been included as they are already reflected in our valuation of Hammer's and Austral's other assets and liabilities.

We have already included the value of the transaction costs that have or will be incurred by Hammer regardless of whether the Scheme completes in our Sum-of-Parts valuation of the Scheme Consideration, within the value of Hammer prior to the Scheme. Therefore, our analysis below includes only transaction costs expected to be incurred by Hammer if the Scheme is successfully implemented.

A breakdown of the estimated transaction costs is set out below:

Transaction costs	$'000
Hammer's estimated share of transaction costs assuming the Scheme is implemented	1,480
Austral's estimated share of transaction costs	3,984
Total transaction costs	**5,464**

Source: Scheme Booklet and discussions with management of Hammer and Austral

11.1.4. Number of Merged Group shares on issue following the Scheme

In calculating the number of Merged Group shares on issue following the Scheme, we have assumed the following:

- All outstanding Hammer Performance Rights will vest and be exercised before the Scheme Record Date, with the resulting Hammer shares participating in the Scheme on the same basis as all other eligible Hammer shares. Under the SID, Hammer must ensure that all outstanding Hammer Performance Rights either vest or lapse before the Scheme Record Date. For the purposes of our analysis, we have assumed that the Hammer Board will exercise its discretion to accelerate the vesting of all outstanding Hammer Performance Rights and that those rights will subsequently be exercised and converted into Hammer shares before the Scheme Record Date;
- In our assessment of the value of the Scheme Consideration under the high value, we have assumed that the Hammer Options that are deemed to be "in-the-money" under the high value of our Sum-of-Parts valuation of a Hammer share prior to the Scheme (as outlined in Section 10.1.5) will convert to Hammer shares and therefore be available to receive the Scheme Consideration. This results in an approximate 15.48 million additional Merged Group shares on issue following the Scheme under the high valuation scenario, compared to our low and preferred scenarios;
- All Hammer shares on issue that are eligible to participate in the Scheme will be exchanged for New Austral Shares, based on the exchange ratio of 1.2903 New Austral Shares for each eligible Hammer share held;
- The Hammer Management Performance Rights will be cancelled and converted into New Austral Shares under the same exchange ratio as above.

We note that Austral have 10,000,000 unvested performance rights on issue as at the date of our Report. These performance rights will vest on achievement of the performance hurdles as outlined in Section 6.10. As at the date of our Report, these performance rights have not vested and as such, we have not reflected the dilutionary impact of these in the number of Merged Group shares on issue following the Scheme. Furthermore, we consider there to be insufficient reasonable grounds for us to determine the timing and likelihood of the vesting conditions being achieved. Therefore, we have not reflected the dilutionary impact from the vesting and exercise of the performance rights in our valuation of a New Austral Share.

We also note that Austral has 2,464,900 unlisted options on issue as at the date of our Report, as set out in Section 6.10 of our Report. We have reflected the dilutionary impact from the notional exercise of the in-the-money options in our valuation of a New Austral Share on a diluted basis in Section 11.1.6.

The Hammer Options that are not deemed to be "in-the-money" in Section 10.1.5 are assumed to be cancelled for cash consideration, which has been incorporated into our valuation of Austral's other assets and liabilities in Section 11.1.2.

Based on the above, the share structure of the Merged Group following implementation of the Scheme under our each of our low, preferred and high scenarios is summarised in the table below:

Capital structure of the Merged Group following the Scheme	Low	Preferred	High
Hammer shares held by eligible Shareholders	892,758,700	892,758,700	892,758,700
Add: Hammer Performance Rights to be exercised prior to the Scheme	4,000,000	4,000,000	4,000,000
Add: Hammer Options to be converted prior to the Scheme	-	-	12,000,000

Capital structure of the Merged Group following the Scheme	Low	Preferred	High
Hammer shares available to receive the Scheme Consideration	**896,758,700**	**896,758,700**	**908,758,700**
New Austral Shares that Shareholders will receive for every Hammer share held	*1.2903*	*1.2903*	*1.2903*
New Austral Shares to be issued to Shareholders	**1,157,087,751**	**1,157,087,751**	**1,172,571,351**
Austral shares on issue prior to the Scheme	2,654,856,580	2,654,856,580	2,654,856,580
Add: Austral shares issued for cancelled Hammer Management Performance Rights	3,870,900	3,870,900	3,870,900
Merged Group shares on issue following the Scheme	**3,815,815,231**	**3,815,815,231**	**3,831,298,831**

Source: Scheme Booklet and BDO analysis

11.1.5. Minority interest discount

The value of a New Austral Share derived under the Sum-of-Parts approach reflects the value of a controlling interest in Austral. A controlling interest provides the holder with the ability to influence the operations, strategic direction and value of the company.

However, if the Scheme is implemented, Hammer Shareholders will hold minority interests in Austral, meaning that their individual holding will not be considered significant enough to have an individual influence in the operations of Austral.

Therefore, we applied a minority interest discount to the value of a New Austral Share derived under the Sum-of-Parts approach. The minority discount represents the inverse of the applicable control premium and is calculated using the formula: 1 – [1 / (1 + control premium)].

Based on our analysis set out in Appendix 3, we consider an appropriate control premium to be in the range of 25% to 35%, with a midpoint of 30%. This corresponds to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

11.1.6. Value of the Scheme Consideration on a diluted basis

In assessing the diluted value of the Scheme Consideration, we have adjusted for the cash that would be received, and the increase in the number of shares outstanding, for the notional exercise of any in-the-money Austral options on issue.

We have assessed whether the options would be exercised under each of the low, preferred and high valuation scenarios of the undiluted value of a New Austral Share following the Scheme on a controlling interest basis. Details on Austral's issued securities can be found in Section 6.10.

This is summarised in the table and accompanying notes below:

Value of the Scheme Consideration (diluted)	Ref.	Low $'000	Preferred $'000	High $'000
Value of the Merged Group following the Scheme (control, undiluted)	11.1	271,465	351,565	432,825
Add: cash from notional exercise of in-the-money options	a	-	185	185
Value of the Merged Group following the Scheme (control)		**271,465**	**351,750**	**433,010**
Adjusted number of Merged Group shares on issue following the Scheme	b	3,815,815,231	3,818,280,131	3,833,763,731

Value of the Scheme Consideration (diluted)	Ref.	Low $'000	Preferred $'000	High $'000
Value of a New Austral Share prior to the Scheme (control, diluted) ($)		**0.071**	**0.092**	**0.113**
Minority interest discount	*11.1.5*	***26%***	***23%***	***20%***
Value of a New Austral Share (minority, diluted) ($)		**0.053**	**0.071**	**0.090**
Exchange ratio		***1.2903***	***1.2903***	***1.2903***
Value of the Scheme Consideration (minority, diluted) ($)		**0.068**	**0.091**	**0.117**

Source: BDO analysis

Note a) Cash received from notional exercise of in-the-money options

The share price used to determine whether the options are in-the-money was the Sum-of-Parts undiluted value per New Austral Share following the Scheme, on a controlling interest basis as set out in Section 11.1, of $0.071, $0.092 and $0.113 under our low, preferred and high scenarios, respectively.

A summary of the options that are deemed to be in-the-money under our low, preferred and high scenarios is presented in the table below:

Description	Number	Low	Preferred	High
Options expiring 24-Oct-27 exercisable at $0.075	2,464,900	Out-of-the-money	In-the-money	In-the-money
Total "in-the-money" options		**-**	**2,464,900**	**2,464,900**
Cash raised on notional exercise ($)		**-**	**184,868**	**184,868**

Source: BDO analysis

Note b) Adjusted shares on issue including the notional exercise of in-the-money options

The notional exercise of the in-the-money options would increase the number of shares on issue as summarised below:

Adjusted Merged Group shares on issue following the Scheme	Low	Preferred	High
Number of Merged Group shares on issue following the Scheme	3,815,815,231	3,815,815,231	3,831,298,831
Shares issued from notional exercise of in-the-money options	-	2,464,900	2,464,900
Adjusted number of Merged Group shares on issue following the Scheme	**3,815,815,231**	**3,818,280,131**	**3,833,763,731**

Source: BDO analysis

11.2 Post-announcement QMP of a New Austral Share

The Scheme Consideration comprises 1.2903 New Austral Shares for every Hammer share held. In valuing the Scheme Consideration, we have adopted the QMP valuation methodology to assess the value of 1.2903 New Austral Shares. The value derived from this methodology reflects a minority interest value.

Assessing non-cash consideration in control transactions

When assessing non-cash consideration in control transactions, RG 111.31 suggests that a comparison should be made between the value of the securities being offered (allowing for a minority discount) and the value of the target entity's securities, assuming 100% of the securities are available for sale. This comparison reflects the fact that:

- the acquirer is obtaining or increasing control of the target; and
- the security holders in the target will be receiving scrip constituting minority interests in the combined entity.

RG 111.32 suggests that if we use the quoted market price of securities to value the offered consideration, then we must consider and comment on:

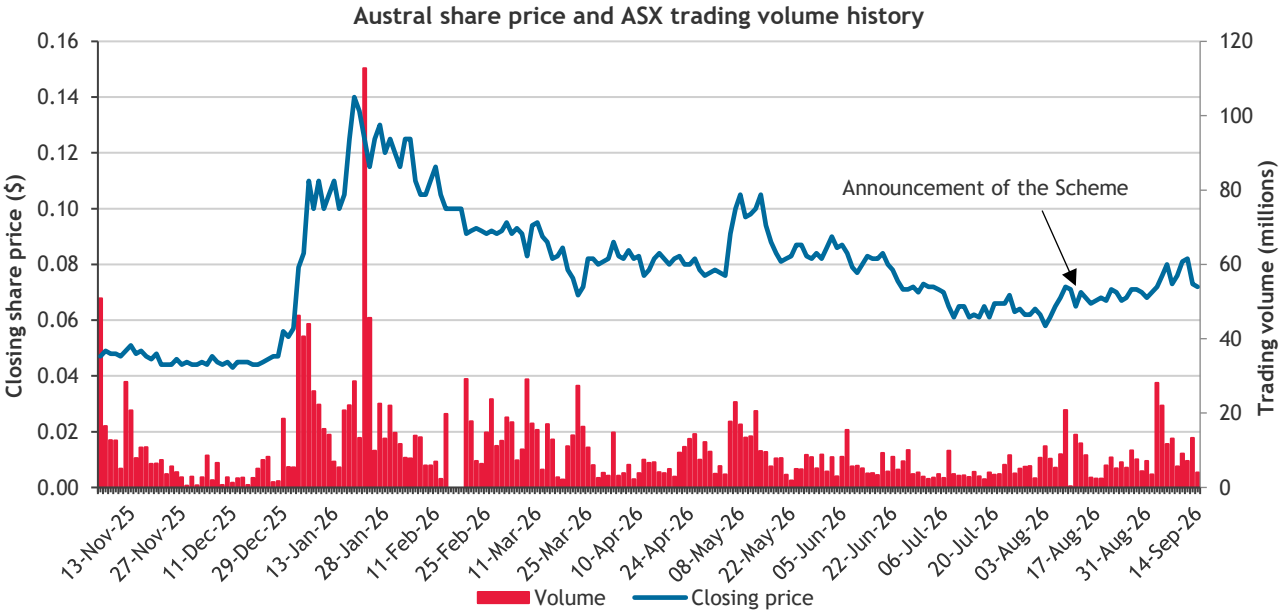
- the depth of the market for those securities;
- the volatility of the market price; and
- whether or not the market value is likely to represent the value if the takeover bid is successful.

Under RG 111.34 it is noted that if, in a scrip bid, the target is likely to become a controlled entity of the bidder, the bidder's securities can also be valued using a notionally combined entity. However, it should still be noted that the accepting holders are likely to hold minority interests in that combined entity. Therefore, we have assessed the quoted market price for an Austral share on a minority interest basis.

Post-announcement pricing of Austral

We have used the QMP of Austral shares following the announcement of the Scheme as a proxy for the value of a New Austral Share. In our view, Austral's share price during this period provides an indicator of the value of a share in the Merged Group, as market participants are fully informed of the terms of the Scheme, and Austral's share price therefore reflects the market's collective assessment of the value of a share in the Merged Group on a minority interest basis, including the acquisition of Hammer and the associated dilution from issuing the Scheme Consideration. Accordingly, our QMP analysis is based on the trading price of Austral shares from 11 August 2026, being the date on which the Scheme was announced.

A graph of Austral's share price and trading volume leading up to, and following the announcement of the Scheme is set out below.



Source: S&P Capital IQ, BDO analysis

The Scheme was announced on 11 August 2026. On the date that the Scheme was announced, Austral's share price closed at $0.065, down from a closing price of $0.071 on the previous trading day. On that day, 14,211,488 shares were traded, representing approximately 0.57% of Austral's issued capital. Following the announcement of the Scheme, the closing share price of Austral has trended upwards, reaching a high of $0.082 on 10 September 2026.

To provide further analysis of the market prices for an Austral share post the announcement of the Scheme, we have also considered the weighted average market price for the below periods following the announcement up to 14 September 2026:

Share price per unit	14-Sept-26	5 days	10 days	15 days	20 days	From announcement to 14-Sept-26 (25 days)
Closing price	$0.072					
VWAP		$0.076	$0.075	$0.073	$0.073	$0.072

Source: S&P Capital IQ, BDO analysis

In accordance with the guidance in RG 111, we also consider it appropriate to assess the liquidity of Austral shares before utilising the QMP methodology to value a New Austral Share. The table below sets out the liquidity of Austral shares as proxied by the volume traded as a percentage of the number of shares on issue. We have conducted this analysis over the post-announcement period from 11 August 2026 to 14 September 2026 in order to determine whether we consider the Austral shares to trade in a liquid and active market in the period following the announcement of the Scheme.

Trading days	Closing share price low	Closing share price high	Cumulative volume traded	As a % of issued capital
1 day (11-Aug-26)	$0.065	$0.065	14,211,488	0.57%
5 days	$0.065	$0.070	39,720,973	1.59%
10 days	$0.065	$0.071	68,024,556	2.73%
20 days	$0.065	$0.080	180,696,039	7.24%
To 14-Sep-26 (25 days)	$0.065	$0.082	220,029,048	8.82%

Source: S&P Capital IQ, BDO analysis

RG 111.86 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Austral, we consider the shares to display a high level of liquidity, with 8.82% of Austral's shares being traded in the 25-trading day period following the announcement of the Scheme, indicating that more than 1% of securities have been traded weekly on average since the announcement of the Scheme. Of the 5 weeks in which our analysis is based on, more than 1% of the Austral's securities had been traded in all of those weeks, with approximately 1.47% of Austral's securities being traded weekly on average over this period.

We have also analysed the liquidity of Austral shares over the 180-trading day period up to 10 August 2026, being the last trading day prior to the announcement of the Scheme, in order to determine whether there is sufficient trading in Austral shares historically in order to rely on the QMP approach.

Trading days	Closing share price low	Closing share price high	Cumulative volume traded	As a % of issued capital
1 day	$0.071	$0.071	279,363	0.01%
10 days	$0.058	$0.072	75,812,808	3.04%
30 days	$0.058	$0.073	156,529,559	6.27%
60 days	$0.058	$0.090	342,213,357	13.72%
90 days	$0.058	$0.105	612,883,706	24.56%
180 days	$0.043	$0.140	1,756,290,072	81.28%

Source: S&P Capital IQ, BDO analysis

The table above indicates that Austral's shares display a high level of liquidity, with 81.28% of Austral's issued capital being traded in the 180-trading day period prior to the announcement of the Scheme, highlighting that more than 1% of securities have been traded weekly on average over this period. Of the 38 weeks in which this analysis is based, more than 1% of Austral's securities has been traded in 29 of those weeks, with 2.26% of Austral's securities being traded weekly on average over this period.

Based on the analysis above, we consider Austral shares to be sufficiently liquid for post-announcement trading pricing to provide a reliable basis for assessing the value of a New Austral Share. Accordingly, we consider Austral's post-announcement trading prices to provide relevant market-based evidence of the value of a New Austral Share on a minority interest basis. Further, there does not appear to be any market wide or industry events that have occurred between the announcement of the Scheme and the date of our analysis that would distort our assessment of the impact of the Scheme on the value of an Austral share following the Scheme.

Our assessment of the value of a New Austral Share utilising the QMP of Austral's shares following the announcement of the Scheme, which is reflective of the value of a New Austral Share (on a minority interest basis), is between $0.070 and $0.080, with a rounded midpoint value of $0.075.

Based on the above, our QMP valuation of the Scheme Consideration is set out in the table below:

QMP valuation of the Scheme Consideration	Low	Preferred	High
QMP valuation of a New Austral share following the Scheme (minority interest basis) ($)	0.070	0.075	0.080
Number of Austral shares that Shareholders will receive for each share held in Hammer	*1.2903*	*1.2903*	*1.2903*
QMP valuation of the Scheme Consideration (minority) ($)	**0.090**	**0.097**	**0.103**

Source: BDO analysis

11.3 Assessment of the value of the Scheme Consideration

The results of the valuations performed are summarised in the table below:

Value of the Scheme Consideration	Ref.	Low	Preferred	High
		$	$	$
Sum-of-Parts (minority interest and diluted basis)	11.1	0.068	0.091	0.117
QMP (minority interest basis)	11.2	0.090	0.097	0.103

Source: BDO analysis

The Sum-of-Parts valuation of the Merged Group is driven by the mineral asset valuation of Hammer, and Austral's Mineral and Infrastructure Asset valuation, which have all been independently valued by MinVal in accordance with the VALMIN Code, JORC Code and ASIC's Regulatory Guides.

As discussed in Section 10.3, investors are not governed by these industry codes and therefore may be basing their valuations on different technical and economic assumptions.

While the analysis in Section 11.2 indicated that there was a liquid and active market for Austral shares both prior to and following the announcement of the Scheme, we consider the Sum-of-Parts approach to be the most appropriate methodology to value the Scheme Consideration. This is because the core value of the Merged Group lies in its Mineral Resources, exploration potential, Mt Kelly operation, Rocklands Processing hub and other plant and equipment and associated infrastructure, which have been independently valued by MinVal in accordance with the VALMIN Code, JORC Code and ASIC's Regulatory Guides.

We consider the value range derived under the QMP approach to be broadly supportive of the value range derived under the Sum-of-Parts approach.

Based on the results above, we consider the value the Scheme Consideration to be between $0.068 and $0.117, with a preferred value of $0.091.

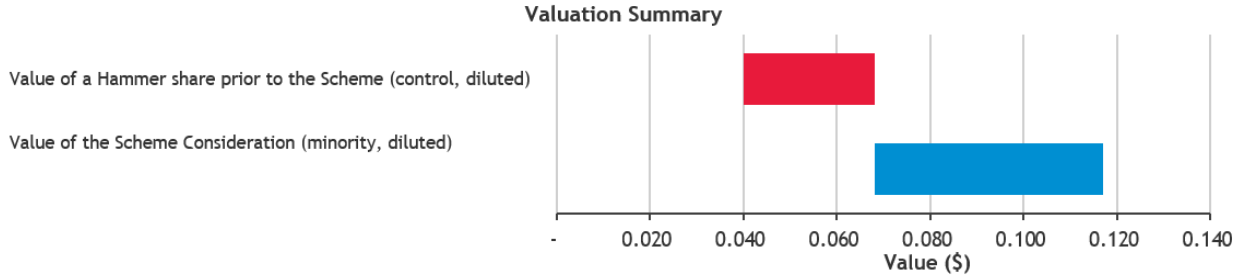
12. Is the Scheme fair?

The value of a Hammer share prior to the Scheme (on a controlling interest and diluted basis) and the value of the Scheme Consideration, being 1.2903 New Austral Shares (on a minority interest and diluted basis) is compared below:

Fairness assessment	Ref.	Low $	Preferred $	High $
Value of a Hammer share prior to the Scheme (controlling interest and diluted basis)	10.3	0.040	0.054	0.068
Value of the Scheme Consideration (minority interest and diluted basis)	11.3	0.068	0.091	0.117

Source: BDO analysis

The above valuation ranges are graphically presented below:



Source: BDO analysis

The above pricing indicates that, in the absence of a superior proposal, the Scheme is fair for Shareholders.

We consider the Scheme to be fair to Shareholders because the value of the Scheme Consideration on a minority interest and diluted basis is greater than our assessed valuation range of a Hammer share prior to the Scheme on a controlling interest and diluted basis.

13. Is the Scheme reasonable?

We have considered the analysis below, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal we consider that the Scheme is reasonable for Shareholders.

13.1 Alternative proposal

We are unaware of any alternative proposal that might offer the Shareholders of Hammer a premium over the value resulting from the Scheme.

13.2 Advantages of approving the Scheme

We have considered the following advantages in our assessment of whether the Scheme is reasonable.

Advantage	Description
The Scheme is fair for Shareholders	As set out in Section 12, the Scheme is fair. RG 111 states that an offer is reasonable if it is fair.
Potential operating synergies from the consolidation of complementary assets	The Scheme will consolidate the Hammer and Austral assets in the Mt Isa region. Given the proximity of these two projects, there are potential operational synergies which may improve efficiencies within the business. Hammer's Kalman deposit is located approximately 60km from Austral's Rocklands Processing Hub and may represent a potential future source of sulphide ore feed for Austral's proposed restart of the Rocklands Processing Hub. We note that we do not have reasonable grounds to include such synergies in our valuation of the Scheme Consideration and therefore have not included it in our fairness assessment.
Shareholders will gain exposure to Austral's existing operations, which includes two processing facilities	Hammer shareholders currently do not have direct exposure to a producing asset or operating cash flow. If the Scheme is implemented, Hammer shareholders will become shareholders in a company which currently produces copper cathode. Additionally, they will also get exposure to Austral's two processing facilities, being the Mt Kelly facility and the Rocklands Processing Hub; a copper-gold sulphide concentrator. Accordingly, Hammer shareholders will transition from holding shares in an exploration company to holding shares in a larger resources company with producing assets and a substantial development-stage copper portfolio.

Advantage	Description
Improved ability to advance Hammer's Mt Isa assets	The advancement of Hammer's Mt Isa portfolio is expected to require further exploration, resource definition, technical studies and development expenditure. On a standalone basis, Hammer would likely need to raise additional equity or debt funding to support these activities, which may increase funding risk and/or dilute existing shareholders. In contrast, the Merged Group is expected to have greater financial capacity than Hammer on a standalone basis, with Austral having a substantial reviewed cash balance of $72.3 million at 30 June 2026 and expected cash inflows from copper cathode production.
Creates a larger and more diversified company	Based on the pre-Scheme market capitalisations of both Hammer and Austral, if the Scheme is implemented, then the proposed Merged Group would have an implied market capitalisation of approximately $234.49 million. Hammer Shareholders would receive shares in a larger ASX-listed group with an established operation, a broader and more diversified asset base, and potential for improved access to debt and equity capital markets. The increased scale of the Merged Group is expected to provide Shareholders with exposure to a larger free float and improved share trading liquidity.
Shareholders are not foregoing the opportunity to receive a control premium in the future	Pursuant to ASIC's regulatory guides, we have assessed the Scheme as a control transaction. Notwithstanding, no individual shareholder will hold a controlling interest in the Merged Group, with the largest shareholders being Velrosso Pty Ltd who will hold approximately 8%, Thiess Group Investments Pty Ltd at approximately 7%, and Yellow Gear Pty Ltd, Moose 2.0 Pty Ltd and Daniel Jauncey (collectively) who will hold approximately 6% (on a diluted basis) of the issued capital of the Merged Group. Based on shareholdings as at the date of our Report, no other shareholder will hold 5% or more of the issued capital of the Merged Group. Therefore, if the Scheme is implemented, it does not preclude Shareholders from receiving a control premium in the future and is unlikely to deter a future takeover offer from being made.
Retention of exposure to Hammer's Non-Core Assets	In addition to receiving New Austral Shares under the Scheme, Hammer Shareholders are proposed to receive shares in SpinCo, which will hold Hammer's WA Non-Core Assets. Accordingly, Hammer Shareholders will retain exposure to the potential value of those assets while also participating in the future performance of the Merged Group.

13.3 Disadvantages of approving the Scheme

We have considered the following disadvantages in our assessment of whether the Scheme is reasonable.

Disadvantage	Description
Dilution of Shareholders' interests and exposure to the Mt Isa Project	Following the implementation of the Scheme, Shareholders' interests will be diluted from holding 100% of the assets of Hammer to holding approximately 30.4% of Austral. Therefore, Shareholders' ability to participate in the potential upside of the Mt Isa Project will be reduced as a result of the dilution.
The Scheme may not align with Shareholders' risk preferences	Although we consider the exposure to a producing asset to be an advantage for Shareholders more broadly, it may be considered a disadvantage to particular Shareholders, if their risk preferences do not align with holding shares in the Merged Group.
Scheme Consideration is entirely scrip	Shareholders do not receive an immediate cash exit, therefore, the value ultimately received depends on Austral's future share price. A decline in Austral's share price following implementation of the Scheme could reduce the effective value of the Scheme Consideration received.
Exposure to the Non-Core Assets will be held in a public unlisted company	Following implementation of the Scheme, Shareholders will hold an interest in SpinCo, which will initially be an unlisted public company. As a result, there will be no established market on which SpinCo shares can be traded immediately following the Scheme and Demerger, which may limit liquidity for Shareholders. Although it is intended that SpinCo pursue an initial public offering and ASX listing in due course, there is no guarantee that such a listing will be successfully completed.

13.4 Consequences of not approving the Scheme

Repayment of the Austral Loan Facility

Austral has agreed to provide Hammer with a $6.0 million loan facility, and we note that as at the date of our Report, Hammer has drawn down $3.0 million of the Austral Loan Facility. Timing of repayment of the drawn down amount will be a function of the circumstances in which the Scheme process concludes. Should the SID be terminated because the Scheme is not approved by the requisite majorities of Shareholders but Hammer Directors have continued to unanimously recommend that Shareholders vote in favour of the Scheme, then Hammer must repay the amounts drawn under the Loan Facility (plus any accrued interest) within four months of the termination of the SID.

Funding Requirements

Should the Scheme not proceed, Hammer will assess its near-term funding requirements and determine the level of capital is needed to continue advancing development activities at the Mount Isa Project.

Although Hammer is not aware of any factors that would prevent it from obtaining funding from shareholders, capital markets, or other sources, there is no guarantee that such funding will be available at the relevant time or on favourable terms.

Demerger will not be implemented

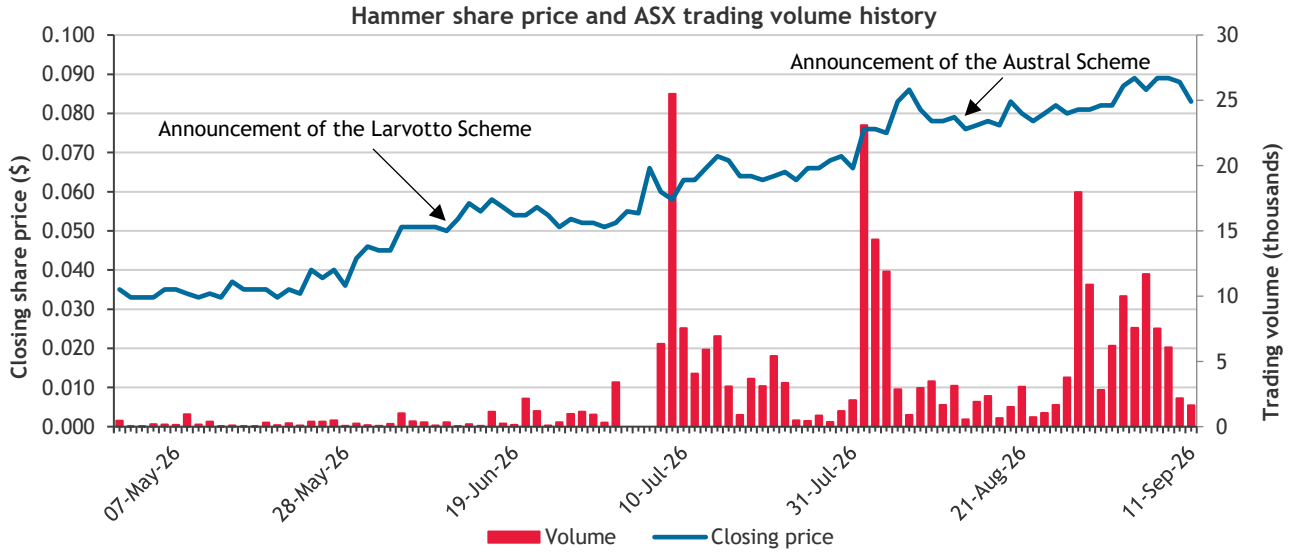
The Demerger is conditional on implementation of the Scheme. Accordingly, if the Scheme is not approved and implemented, the Demerger will not proceed, and Shareholders will not receive shares in SpinCo. Hammer will therefore continue to hold and manage both its core and non-core assets as part of a single corporate group.

Transaction costs

If the Scheme is not implemented, transaction costs of approximately $2.85 million will be borne by Hammer with no achieved outcome. In addition to this, there is a potential Break Fee of $731,863 that may be payable to Austral, depending on the circumstances under which the Scheme does not proceed. The conditions around the payment of the Break Fee are set out in Section 10.6 of the Scheme Booklet.

Potential impact on share price

We have analysed movements in Hammer's share price since the Scheme was announced. A graph of Hammer's share price and trading volume leading up to and following the announcement of the Scheme is set out below.



Source: S&P Capital IQ

The Larvotto Scheme was announced on 11 June 2026. On the date of the announcement, Hammer's share price closed at $0.050, down from a closing price of $0.051 on the previous trading day. On this day, 6,335,487 Hammer shares were traded, representing approximately 0.71% of Hammer's current issued capital.

On 7 July 2026, Hammer announced that the Company had received a competing proposal from Austral, on this date the share price closed at $0.066, up 21.10% from the prior trading day. Additionally, 23,086,228 Hammer shares were traded, representing approximately 2.59% of Hammer's current issued capital.

The Austral Scheme was announced on 11 August 2026. On the date of the announcement, Hammer's share price closed at $0.078, down from a closing price of $0.081 on the previous trading day. On this day, 11,680,217 Hammer shares were traded, representing approximately 1.31% of Hammer's current issued capital.

Hammer's share price has generally trended upwards since the announcement of the Scheme, reaching a closing price of $0.089 on 4 September, 8 September and 9 September 2026.

Based on the above, it is possible that if the Scheme is not approved, then Hammer's share price may decline to levels observed prior to the announcement of the Austral Scheme.

13.5 Tax implications

Shareholders are directed to Section 9 of the Scheme Booklet for a more detailed explanation of the tax implications of the Scheme for Shareholders. We emphasise that the tax circumstances of each security holder can differ significantly, and individual shareholders are advised to obtain their own specific advice.

14. Sources of information

This report has been based on the following information:

- Draft Scheme Booklet on or about the date of this report
- Audited financial statements of Hammer for the years ended 30 June 2024, 30 June 2025 and 30 June 2026
- Audited financial statements of Austral for the years ended 31 December 2024 and 31 December 2025
- Reviewed financial statements of Austral for the half year ended 30 June 2026
- Independent Specialist Report prepared by MinVal
- Scheme Implementation Deed dated 11 August 2026
- Reserve Bank of Australia, Statement by the Monetary Policy Board: Monetary Policy Decision dated 11 August 2026 and prior periods.
- Australian Bureau of Statistics
- BDO Australia Chief Economist Anders Magnusson, Expert Insight: The energy crisis – what it means for our clients and what comes next
- S&P Capital IQ to September 2026
- Consensus Economics
- World Gold Council Statistics
- US Geological Survey (USGS)
- Announcements made by Hammer and Austral available through the ASX
- Discussions with Directors and Management of Hammer
- IBISWorld
- Share registry information from Hammer and Austral
- Reuters

15. Independence

BDO Corporate Finance Australia Pty Ltd is entitled to receive a fee of $90,000 (excluding GST and reimbursement of out-of-pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance Australia Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance Australia Pty Ltd has been indemnified by Hammer in respect of any claim arising from BDO Corporate Finance Australia Pty Ltd's reliance on information provided by Hammer, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance Australia Pty Ltd has considered its independence with respect to Hammer, Austral and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance Australia Pty Ltd's opinion it is independent of Hammer, Austral, and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance Australia Pty Ltd, have had within the past two years any professional relationship with Hammer, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Hammer and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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BDO Corporate Finance Australia Pty Ltd is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms.

16. Qualifications

BDO Corporate Finance Australia Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance Australia Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Adam Myers and Ashton Lombardo of BDO Corporate Finance Australia Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Adam Myers is a Fellow of Chartered Accountants Australia & New Zealand and a member of the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

Ashton Lombardo is a member of the Australian Institute of Chartered Accountants, is a CA BV Specialist and is member of the committee established to develop and maintain the VALMIN Code. Ashton has over fifteen years of experience in Corporate Finance and has facilitated the preparation of numerous independent expert's reports and valuations. Ashton has a Bachelor of Economics and a Bachelor of Commerce from the University of Western Australia and has completed a Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

17. Disclaimers and consents

This report has been prepared at the request of Hammer for inclusion in the Scheme Booklet which will be sent to all Hammer shareholders. Hammer engaged BDO Corporate Finance Australia Pty Ltd to prepare an independent expert's report to consider Austral's acquisition of 100% of the issued capital in Hammer by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001*.

BDO Corporate Finance Australia Pty Ltd hereby consents to this report accompanying the above Scheme Booklet. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement, or letter without the prior written consent of BDO Corporate Finance Australia Pty Ltd.

BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance Australia Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to the Scheme. BDO Corporate Finance Australia Pty Ltd provides no warranty as to the adequacy, effectiveness, or completeness of the due diligence process.

The opinion of BDO Corporate Finance Australia Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications, it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Scheme, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the shareholders of Hammer, or any other party.

BDO Corporate Finance Australia Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Hammer and Austral. The valuer engaged for the mineral asset valuation, Minval, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation are appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance Australia Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and the date of the Scheme meeting.

Yours faithfully

BDO CORPORATE FINANCE AUSTRALIA PTY LTD



Adam Myers
Director



Ashton Lombardo
Director

Appendix 1 – Glossary of Terms

Reference	Definition
$	Australian dollars
2025 Capital Raising	Austral's $40 million placement announced in October 2025 at an issue price of $0.05 per share
2026 Capital Raising	Austral's $65 million two-tranche placement announced in February 2026 at an issue price of $0.09 per share
AASB 5	Australian Accounting Standard AASB 5, Non-current Assets Held for Sale and Discontinued Operations
the Act	The Corporations Act 2001 (Cth)
Anthill	Austral's open-pit copper oxide deposit north-west of Mt Kelly, historically the principal source of ore for the Mt Kelly processing operation and now on care and maintenance
APA	The Anthill Project Agreement between Austral, the Glencore Entities and Secover relating to the Anthill Project
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225, Valuation Services, which sets professional requirements for members undertaking valuation services
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD	Australian dollars
Austral	Austral Resources Australia Limited, the ASX-listed bidder under the Scheme
Austral Loan Facility	The unsecured loan facility of up to $6.0 million made available by Austral to support Hammer through the Scheme implementation period, interest-free while the SID remains in effect, subject to its terms
Austral's Mineral and Infrastructure Assets	Austral's Mineral Resources, exploration potential, Mt Kelly operation, Rocklands Processing Hub and associated plant, equipment and infrastructure, as valued by MinVal for the Report
BDO	BDO Corporate Finance Australia Pty Ltd
Break Fee	The fee of $731,863 that Hammer may be required to pay Austral in specified circumstances under the SID, but not if the Scheme becomes effective
Bronzewing Project	Hammer's Bronzewing South gold exploration project located in Western Australia
Bullrush JV	The former joint venture between Hammer and SMMO over the Bullrush Project, from which SMMO withdrew in June 2026
CAGR	Compound annual growth rate, being the constant annual rate that would produce the same change in a value between the beginning and end of a specified period
Carnaby Resources	Carnaby Resources Limited
Carnegie	Carnegie Exploration Pty Ltd, the Hammer subsidiary holding the Non-Core Assets
CEI	The Queensland Government's Collaborative Exploration Initiative
the Company	Hammer Metals Limited
Corella	Corella Valley Corporation Pty Ltd
Corporations Act	The Corporations Act 2001 (Cth), the principal Australian legislation governing companies, financial markets and schemes of arrangement

Reference	Definition
DCF	Discounted cash flow, a valuation methodology that estimates value by discounting forecast future net cash flows and any terminal value to present value using a rate reflecting the risks of those cash flows
Demerger	The proposed separation of Hammer's Non-Core Assets through a capital reduction and in-specie distribution of SpinCo shares to eligible Hammer Shareholders
Demerger Resolution	The resolution seeking Hammer Shareholder approval for the capital reduction required to implement the Demerger
Dronfield JV	The joint venture between Hammer and Kabiri Pty Ltd over the Dronfield project area
FME	Future maintainable earnings, being an estimate of the sustainable earnings a business is expected to generate under normal operating conditions and used as the earnings base in a capitalisation valuation
Glencore	Glencore PLC
Glencore Entities	Entities related to Glencore Limited that participated in Austral's restructuring arrangements
Hammer	Hammer Metals Limited, the ASX-listed target company under the Scheme
Hammer Management Performance Rights	The 3.0 million performance rights held by Hammer's Managing Director that are proposed to be cancelled in exchange for Austral shares
Hammer Options	Options issued by Hammer that may be exercised before the Record Date or cancelled for agreed cash consideration
Hammer Performance Rights	Performance rights issued by Hammer that are intended to vest and convert, lapse or be cancelled before the Record Date
IOCG	Iron oxide copper-gold, a class of mineral deposit characterised by copper and gold mineralisation associated with abundant iron oxides
IS 214	ASIC Information Sheet 214, Mining and resources: Forward-looking statements, which provides guidance on forward-looking statements by mining and resources entities
Isa Valley JV	The farm-in and joint venture between Hammer and South32 over the Isa Valley Project area
ISR	The Independent Specialist Report prepared by MinVal and included in Appendix 4 of the Report, containing technical assessments and valuations of relevant mineral assets and associated infrastructure
JOGMEC	Japan Oil, Gas and Metals National Corporation
JORC	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition), which establishes minimum standards for public reporting of exploration and mineral resource information
km	Kilometre
km2	Square kilometres
Lady Annie	Austral's series of copper oxide deposits within its Western Operations that historically supplied ore to Mt Kelly
Lady Loretta	Austral's zinc-lead-silver project approximately 140 kilometres north-west of Mount Isa, comprising a mining lease, exploration permits and associated infrastructure
Larvotto	Larvotto Resources Limited
Larvotto Break Fee	The break fee paid to Larvotto following termination of the Larvotto scheme implementation deed
Larvotto Loan	The loan facility of up to $4.0 million previously provided by Larvotto to Hammer in connection with the Larvotto Scheme

Reference	Definition
Larvotto Scheme	The terminated proposal under which Larvotto would have acquired all issued securities in Hammer by scheme of arrangement
LME	London Metal Exchange
LNG	Liquefied natural gas
Merged Group	Hammer and Austral as a combined group following implementation of the Scheme, with Hammer becoming a wholly owned subsidiary of Austral
MinVal	MinVal Pty Ltd, the independent technical specialist whose ISR assesses the market value of relevant mineral assets and associated infrastructure
MRE	Mineral Resource Estimate, being an estimate of the quantity, grade and geological characteristics of a mineral resource prepared from available exploration and technical information
Mt Frosty JV	The joint venture between Hammer and Mount Isa Mines Limited relating to the Jubilee deposit
Mt Hope JV	The joint venture relating to three sub-blocks at Hammer's Mount Hope South tenement in which Carnaby Resources holds a 51% interest
Mt Isa East JV	The former joint venture covering project areas within Hammer's Mt Isa tenure package, from which SMMO withdrew in July 2026
Mt Isa Project	Hammer's principal copper, gold and critical-minerals exploration portfolio in the Mount Isa region of north-west Queensland
Mt Kelly	Austral's solvent extraction and electrowinning processing facility and central processing hub for its Western Operations, producing copper cathode from copper oxide ore
Mt Sefton Project	Hammer's early-stage Mount Sefton gold exploration project in Western Australia
NAV	Net asset value, an asset-based valuation methodology that aggregates the assessed market values of an entity's assets and deducts its liabilities
New Austral Shares	New fully paid ordinary shares in Austral to be issued to eligible Hammer Shareholders as Scheme Consideration
Non-Core Assets	Hammer's Western Australian gold assets proposed to be transferred to SpinCo as part of the Demerger
NSR	Net smelter return, generally a royalty calculated by reference to gross proceeds from mineral sales after specified transport, treatment, refining or related deductions
our Report	The Independent Expert's Report prepared by BDO
PFS	Pre-Feasibility Study, an intermediate technical and economic study that assesses a mineral project's development options and supports evaluation of whether further, more detailed study is warranted
QCMF	The QIC Queensland Critical Minerals Fund
QMP	Quoted market price, a valuation methodology that uses observable trading prices for listed securities, subject to consideration of market liquidity, activity, information and volatility
RBA	Reserve Bank of Australia
Regulations	The Corporations Regulations 2001 (Cth)
RG 111	ASIC Regulatory Guide 111, Content of expert reports, which guides the assessment and presentation of fairness, reasonableness and best-interest's opinions in expert reports
RG 112	ASIC Regulatory Guide 112, Independence of experts, which provides guidance on the independence requirements applying to experts

Reference	Definition
RG 170	ASIC Regulatory Guide 170, Prospective financial information, which provides guidance relevant to the use and disclosure of forward-looking financial information
RG 60	ASIC Regulatory Guide 60, Schemes of arrangement, which provides guidance on ASIC's approach to schemes of arrangement
Rocklands	Austral's Rocklands Copper Project near Cloncurry, comprising a permitted copper mine, processing facility and associated infrastructure
Rocklands Processing Hub	The permitted mineral processing facility and associated infrastructure at the Rocklands Copper Project, currently designed for nominal throughput of 3.0 million tonnes per annum
the Scheme	The proposed scheme of arrangement under Part 5.1 of the Corporations Act by which Austral will acquire 100% of the issued securities in Hammer
Scheme Booklet	The scheme booklet to be provided to Hammer Shareholders in connection with the Scheme
Scheme Consideration	The consideration payable under the Scheme, comprising 1.2903 New Austral Shares for each eligible Hammer share held on the Scheme Record Date
Secover	Secover Pty Ltd
Section 411	Section 411 of the Corporations Act, which governs schemes of arrangement
Shareholder	An eligible registered holder of Hammer shares entitled to participate in the Scheme
SID	The binding Scheme Implementation Deed between Hammer and Austral that governs the parties' obligations in relation to the Scheme
SMMO	Sumitomo Metal Mining Oceania Pty Ltd
South32	South32 Limited
SpinCo	The unlisted public company that will hold Hammer's Non-Core Assets following implementation of the Demerger
Sum-of-Parts	A valuation approach under which the separate assets and liabilities of an entity are valued using the methodologies appropriate to each component and then aggregated to determine the entity's overall value
SX-EW	Solvent extraction and electrowinning, a hydrometallurgical process that purifies copper-bearing solutions and deposits copper metal to produce copper cathode
the Transaction	The Scheme and the Demerger, considered together as an inter-conditional transaction
TSXV	Toronto Stock Exchange Venture Exchange, a Canadian public market focused principally on early-stage and growth companies
US	United States
USGS	United States Geological Survey
VALMIN Code	The Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition), which sets professional and disclosure standards for public technical assessments and valuations of mineral assets
VWAP	Volume-weighted average price, calculated by weighting each traded price by the corresponding trading volume over the relevant period
WA	Western Australia

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Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted market price basis*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax or earnings before interest, tax, depreciation and amortisation. The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

5 *Market-based assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

Appendix 3 – Premium for control

We have reviewed the control premiums on completed transactions, paid by acquirers of ASX-listed general mining companies and all ASX-listed companies over the period from July 2016 to August 2026.

In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e., less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

ASX-listed general mining companies

Year	Number of transactions	Average deal value ($m)	Average control premium (%)
2026	4	171	37.18
2025	13	1,182	30.96
2024	12	481	38.35
2023	13	174	31.68
2022	8	2,099	24.85
2021	6	1,235	29.89
2020	7	447	34.04
2019	10	165	37.84
2018	7	96	30.41
2017	4	44	56.93
2016	10	72	44.15

Source: Bloomberg, S&P Capital IQ and BDO analysis

ASX-listed companies

Year	Number of transactions	Average deal value ($m)	Average control premium (%)
2026	9	641	38.07
2025	30	760	30.89
2024	43	625	28.74
2023	35	281	27.41
2022	37	2,349	23.60
2021	28	802	35.17
2020	16	246	40.43
2019	29	3,170	32.83
2018	25	1,185	31.15
2017	23	887	37.07
2016	28	365	38.53

Source: Bloomberg, S&P Capital IQ and BDO analysis

The mean and median of the entire data sets comprising control transactions from 2016 onwards for ASX listed general mining companies and all ASX-listed companies are set below:

Entire data set metrics	ASX-listed mining companies		All ASX-listed companies	
	Deal value ($m)	Control premium (%)	Deal value ($m)	Control premium (%)
Mean	557.89	35.07	1,091.11	31.71
Median	63.95	30.42	118.56	27.77

Source: Bloomberg, S&P Capital IQ and BDO analysis

In arriving at an appropriate control premium to apply, we note that observed control premiums can vary due to the following:

- Nature and magnitude of non-operating assets.
- Nature and magnitude of discretionary expenses.
- Perceived quality of existing management.
- Nature and magnitude of business opportunities not currently being exploited.
- Ability to integrate the acquiree into the acquirer's business.
- Level of pre-announcement speculation of the transaction.
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we consider completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceed to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of ASX-listed general mining companies and all ASX-listed companies is approximately 35.07% and 31.71%, respectively. However, in assessing the transactions included in the table above, we noted that control premiums appeared to be positively skewed for the general mining and broader ASX-listed group of companies. In population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 30.42% for ASX-listed general mining companies and 27.77% for all ASX-listed companies.

Based on the above, we consider an appropriate premium for control to be between 25% and 35%, with our preferred value being a midpoint of 30%.

The minority interest discount is based on the inverse of the control premium and is calculated using the formula 1 – (1/[1+control premium]). The assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26% with a rounded midpoint of 23% being our preferred minority interest discount.

Appendix 4 – Independent Specialist Report

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MinVal

INDEPENDENT TECHNICAL SPECIALIST AND VALUATION REPORT ON THE MINERAL ASSETS OF HAMMER METALS LIMITED & AUSTRAL RESOURCES LIMITED

Presented To: BDO Australia (acting for Hammer Metals Limited)

Hammer Metals Ltd

AUSTRAL RESOURCES

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Executive Summary

MinVal Pty Ltd (**MinVal)** was engaged by Hammer Metals Limited ABN 87 095 092 158 (**HMX**, or **Hammer** or the **Company**) but instructed by BDO Corporate Finance Australia Pty Ltd (**BDO**) to prepare an Independent Technical Assessment Report (**ITAR** or the **Report**), including an independent opinion on the market valuation of the mineral assets owned by Hammer including the Mount Isa Copper Gold and Minerals Project and the Mount Isa Joint Venture Projects, but excluding the assets to be spun out. Also assessed and valued are the mineral assets owned by (**AR1** or **Austral)**, including the Western Project (including Lady Annie/ Mt Kelly, Anthill) and the Eastern Project (Rocklands, Miranda, and Cameron Project) and any other mineral assets of Austral and Hammer, excluding the assets to be spun out, which MinVal consider to have material value, collectively (the **Projects**).

MinVal's report is intended for inclusion within a Scheme Booklet to be provided to the shareholders of the Company. The Scheme Booklet is to provide Hammer shareholders with the information they require to make an informed decision on whether to approve a scheme of arrangement, whereby Austral's wholly owned nominee will acquire all of the issued and outstanding ordinary shares of Hammer other than those held by Austral and other members of the Austral Group or any person to the extent they hold Hammer Shares on behalf of or for the benefit of any member of the Austral Group (Excluded Shareholders) ("Scheme"). Under the terms of the Scheme, Hammer shareholders (other than Excluded Shareholders) will receive 1.2903 of a common share of Austral for each Hammer share held on the Scheme record date.-Existing shareholders of Austral and Hammer will own approximately 69% and 31% on a fully diluted in-the-money basis of Austral upon implementation of the Transaction.

MinVal's Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**).

Key Findings

Hammer Metals Projects

Hammer holds approximately 3,400km^2 of exploration permits for minerals within the Mt Isa Inlier focussing on copper, gold and base metals mineralisation. Hammer Metals' Yandal Gold Project in Western Australia will not be discussed in this report. Hammer has five Joint Venture (JV) interests covering 526km^2 out of its ~3400km^2 position in the Mount Isa region. Hammer has retained a 100% interest in ~2,940km^2 of tenure and a 100% interest in its JORC (2012) Mineral Resources at Kalman, Overlander and Lakeview. The projects are located within the Mount Isa Province, hosted by Paleoproterozoic to Mesoproterozoic meta-sedimentary and meta-volcanic sequences.

The Kalman deposit is characterised as a structurally controlled polymetallic system within a major shear corridor. It displays a distinct zonation from a central, high-grade molybdenum-rhenium core to an outer copper-gold zone, influenced by late-stage magmatic fluids. The Overlander Deposits comprises shear-hosted copper and cobalt mineralisation within highly altered basaltic and metasedimentary packages of the Corella Formation. The Jubilee and Lakeview deposits are structurally controlled, high-grade quartz-chalcopyrite-pyrrhotite vein systems hosted along north-trending shear zones. Jubilee sits within the Mt Frosty Joint Venture near the Barkly Highway. The

Elaine Deposit is positioned further south-east along the structural trend from Jubilee; this deposit represents a complex metasomatic/skarn or IOCG-style copper-gold system with additional REE (rare earth element) and uranium anomalies. Across its portfolio, Hammer has a strong pipeline of exploration prospects and targets throughout its large tenure holding, that sit adjacent to or along strike from its existing deposits and on major structures.

Hammer Metals has positioned itself as a potential hub-and-spoke operator anchored around the Kalman Project and nearby satellite deposits including Overlander, Jubilee and Lakeview. Hammer's portfolio is supported by strategic partnerships and joint ventures with major international mining companies including Glencore and South32.

Austral Resources Projects

Austral' holds approximately 2,206 km^2 of exploration permits for minerals within the Mount Isa Inlier with a focus on copper and gold mineralisation. Austral has a 100% interest in its exploration permits for minerals, with the exception of EPM 15126 in which it has an 80% interest. The portfolio is grouped into five principal project areas: Lady Annie–Mt Kelly, Anthill, Rocklands, Cameron River and Miranda. The projects span two distinct geological settings, with the western projects hosted predominantly by Paleoproterozoic to Mesoproterozoic sedimentary successions, and the eastern projects occurring within metamorphosed and deformed metasedimentary and metavolcanic sequences.

The Western Projects, including Lady Annie, Mt Kelly and Anthill, are characterised by structurally controlled, sediment-hosted hydrothermal copper mineralisation associated with major regional fault and shear systems. These deposits are situated close to existing heap leach (HL) and solvent extraction–electrowinning (SX-EW) infrastructure. Exploration has also identified additional opportunities, including the Canyon discovery near the Mt Kelly processing facility and several under-tested structural targets. The Western Projects, inclusive of the Enterprise Inferred Mineral Resource situated to the east, have an Inferred, Indicated and Measured Mineral Resources of 51.2 million tonnes at 0.73% copper applying a cut-off of 0.3% copper. An additional 22.6 million tonnes at 0.2% copper, applying a cut-off of 0.14% copper, is within a heap leach stockpile present at the Mt Kelly operation. Following depletion of the Anthill Ore Reserve during the March 2026 quarter, there no Ore Reserves are included in the Western Projects.

The Eastern Projects includes the Rocklands, Miranda and Cameron River projects and occur within strongly deformed and metamorphosed geological sequences with associated calc silicate alteration. Structural faulting facilitating hydrothermal fluid ingression is associated with the regional potential for copper and base-metal mineralisation. Across the portfolio, continued exploration of regional structures, shear zones and deeper sulphide systems provides opportunities for both brownfield Mineral Resource growth and greenfield discoveries. There is an Inferred and Indicated Mineral Resource at Rocklands of 11.26 million tonnes at 0.69% copper, applying a cut-off of 0.25% in the sulphide and 0.5% in oxide, transitional and native copper. In addition, an Inferred Mineral Resource of 1.15 Mt @ 0.55% copper is stockpiled at the mine. No Ore Reserves are current at the Rocklands mine or Eastern projects.

Austral has a substantial and multiple strategically located copper Mineral Resources near its existing processing infrastructure. Exploration prospectivity in the region is strong, with multiple targets throughout the tenement holdings. The current lack of Ore Reserves affects confidence in financial and mine planning criteria and could be detrimental to the future utilisation of Austral's processing infrastructure.

Valuation Detail

MinVal has provided an opinion on the likely value of the mineral assets of Hammer and Austral, considering the technical information available as at the Valuation Date as described further in the body of this report.

There are declared copper and gold MREs within some of the mineral projects considered which have been prepared and reported following the guidelines of JORC. MinVal has reviewed these at a high-level and considers that these are reasonable and form the most appropriate inputs to the mineral asset valuation. It is uncertain whether future exploration will result in the definition of any further MREs on any of the Hammer and Austral tenure.

There are no current Ore Reserves within any of the Austral or Hammer Projects.

Exploration Results are documented in the body of the Report and MinVal considers that these show the potential of surrounding tenure that contribute some value as outlined below.

The exploration Projects were primarily valued using a comparable transaction method based on resource multiples for MREs with additional value added using the geoscientific / Kilburn method for the Exploration Results on the adjacent tenements. Secondary valuations for the mineral assets were estimated using the Yardstick Method for the MREs and adding additional value via the cost-based prospectivity enhancement multiplier (PEM) method for the Exploration Results that were not included in the MREs.

An income approach has been undertaken for the material contained in Austral's Mt Kelly Project where heap leach material continues to be treated by heap leaching oxide copper mineralisation sourced from now depleted Ore Reserves. A secondary valuation was undertaken for the Mt Kelly Project using a yardstick approach.

Significant additional value is attributed to the extensive processing infrastructure and equipment that is on care and maintenance at the Rocklands and Lady Loretta Projects owned by Austral. The processing plants and associated equipment was inspected during the site visit and a value attributed based on the assumption that the majority of the processing infrastructure will be re-commissioned with the Mineral Resources forming the basis of that future operation however as there are no Ore Reserves an income approach is not considered reasonable for the Rocklands Project or other projects that include the processing infrastructure or equipment.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

As shown in Figure 14, the copper price has surged from ~US$7,400/t in mid-2022 to US$14,490.24 on 4 September 2026. MinVal notes that copper hit an all-time record high of ~US$14,800/t on 9 September 2026. In MinVal's professional opinion, this current copper price is highly likely to result in extended market interest in copper properties, especially those in low sovereign risk jurisdictions.

In MinVal's opinion, the likely market value of the Hammer Projects is between **$38.1 million** and **$63.5 million** with a preferred valuation of **$50.8 million**. Likewise, the likely market value of the Austral Projects including the fixed plant, equipment and infrastructure is between **$192.2 million** and **$320.4 million** with a preferred valuation of **$256.3 million**.

1. Introduction

MinVal Pty Ltd (**MinVal)** was engaged by Hammer Metals Limited (ABN: 87 095 092 158; ASX: **HMX, Hammer,** or the **Company**) but instructed by BDO Corporate Finance Australia Pty Ltd (**BDO**) to prepare an Independent Technical Assessment Report (**ITAR** or the **Report**), including an independent opinion on the market valuation of numerous assets held by Hammer and Austral Resources Limited (ABN: 50 142 485 470, ASX: **AR1** or **Austral**). These include:

Hammer Metals Limited (Figure 1):

- Mount Isa Copper Gold and Critical Minerals Project (100% HMX) including Mineral Resources at:
  - Kalman (100% HMX).
  - Elaine (100% HMX).
  - Overlander (100% HMX).
  - Jubilee (51% HMX).
  - Lakeview (100% HMX); and
- Bullrush (100% HMX Previously diluting to 20-40%, SMMO withdrew from the JV on 5 June 2026).
- Mount Isa Joint Venture Projects, specifically:
  - Isa Valley JV, (HMX diluting to 30%, South32 earning up to 70%).
  - Mt Hope Sub Block JV (49% HMX).
  - Mount Isa East JV (to become 100% HMX, SMMO withdrew from the JV on 17 July 2026).
  - Mount Dorothy and Cobalt Ridge Joint Ventures (80% HMX); and
  - Lady Jenny (HMX option to acquire 80%).

Austral Resources Limited (Figure 2):

- The Western and Eastern Project portfolios including those with Mineral Resources at:
  - Lady Annie / Mt Kelly (100% AR1).
  - Anthill (100% AR1); and
  - Rocklands (100% AR1).

Both companies also hold extensive regional early-stage exploration projects distal to the Project areas in which Mineral Resources are reported.

The Yandal gold Project, owned by Hammer, will be transferred to a new company, Yandal Gold Co, with current Hammer shareholders receiving shares in Yandal Gold Co by way of an in-specie distribution. Therefore, the Yandal Gold Project will not be valued as a part of this Report.

MinVal's report is intended for inclusion within an Independent Expert's Report **(IER**) to be provided to the shareholders of the Company, in relation to the proposed transaction, where Austral Resources Limited (**Austral**) (ASX: **AR1**) has agreed to acquire all of the issued and outstanding ordinary shares of Hammer by way of a court approved **Scheme of Arrangement** under Australia's Corporations Act 2001 (Cth) (**Transaction** or **Scheme**), subject to the satisfaction of various conditions.

On implementation of the Transaction, the two companies will combine by adding Hammer mineral assets to Austral's existing portfolio, which includes near term production being the Mt Kelly Heap Leach operation and associated infrastructure. Hammer shareholders will retain exposure to the development upside of Hammer's Queensland assets, while participating in the near-term planned production and cash flow potential of Mt Kelly and Rocklands Projects.

Under the terms of the Transaction, Hammer shareholders will receive 1.2903 Austral shares for every Hammer Share held on the Scheme record date. Existing shareholders of Austral and Hammer will own approximately 69% and 31%, respectively, on a fully diluted basis, of Austral upon implementation of the Transaction.

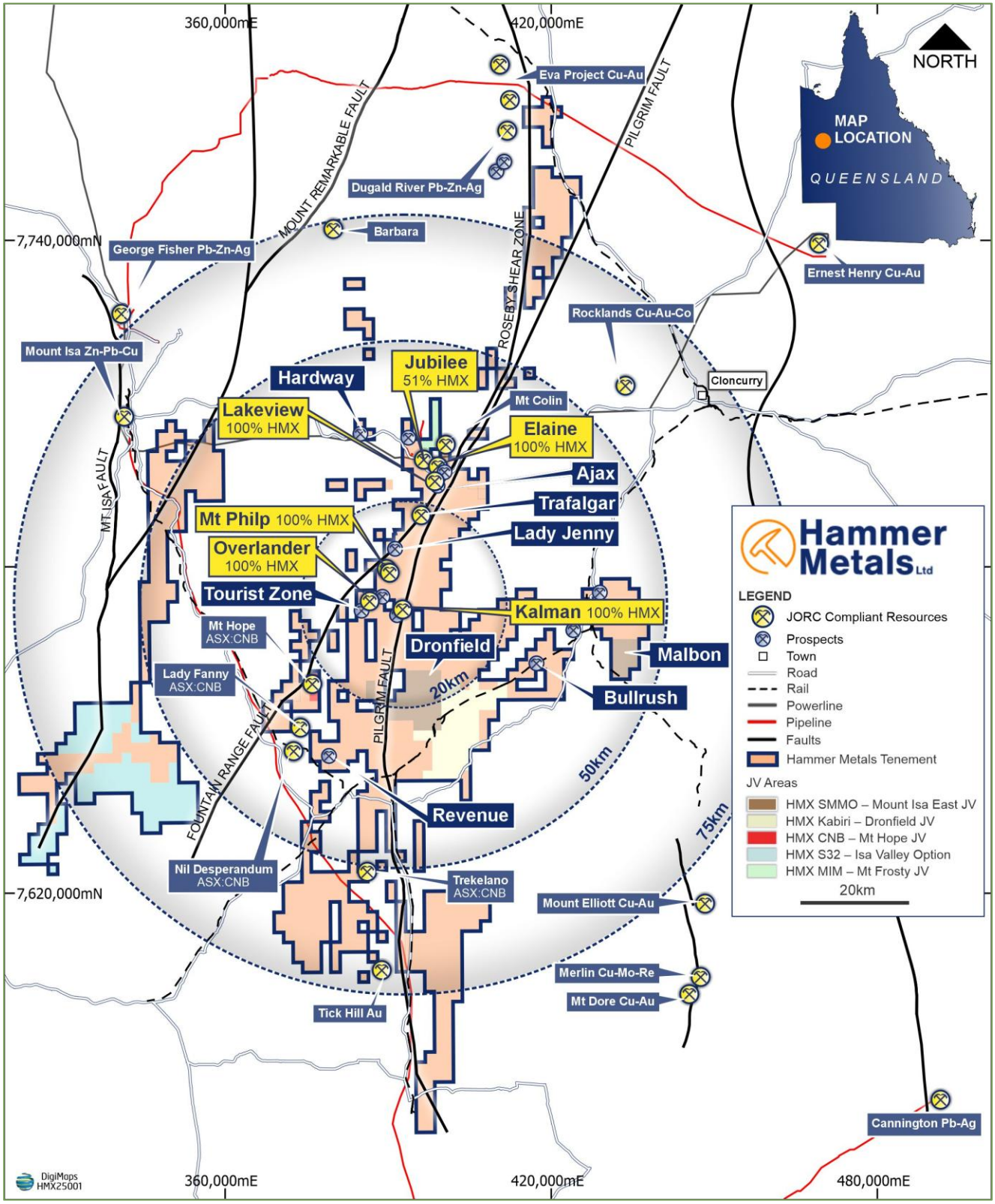


Figure 1: Hammer combined portfolio

Note: *Hammer tenement boundaries may have subsequent variation from date of release*

Source: HMX

BDO's report is required to provide an opinion on whether the Scheme is fair and reasonable and in the best interests of Hammer shareholders other than Excluded Shareholders and, given the nature of the assets of Hammer and Austral, BDO require MinVal to act as a Specialist to assist BDO with their opinion.

MinVal's Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC).

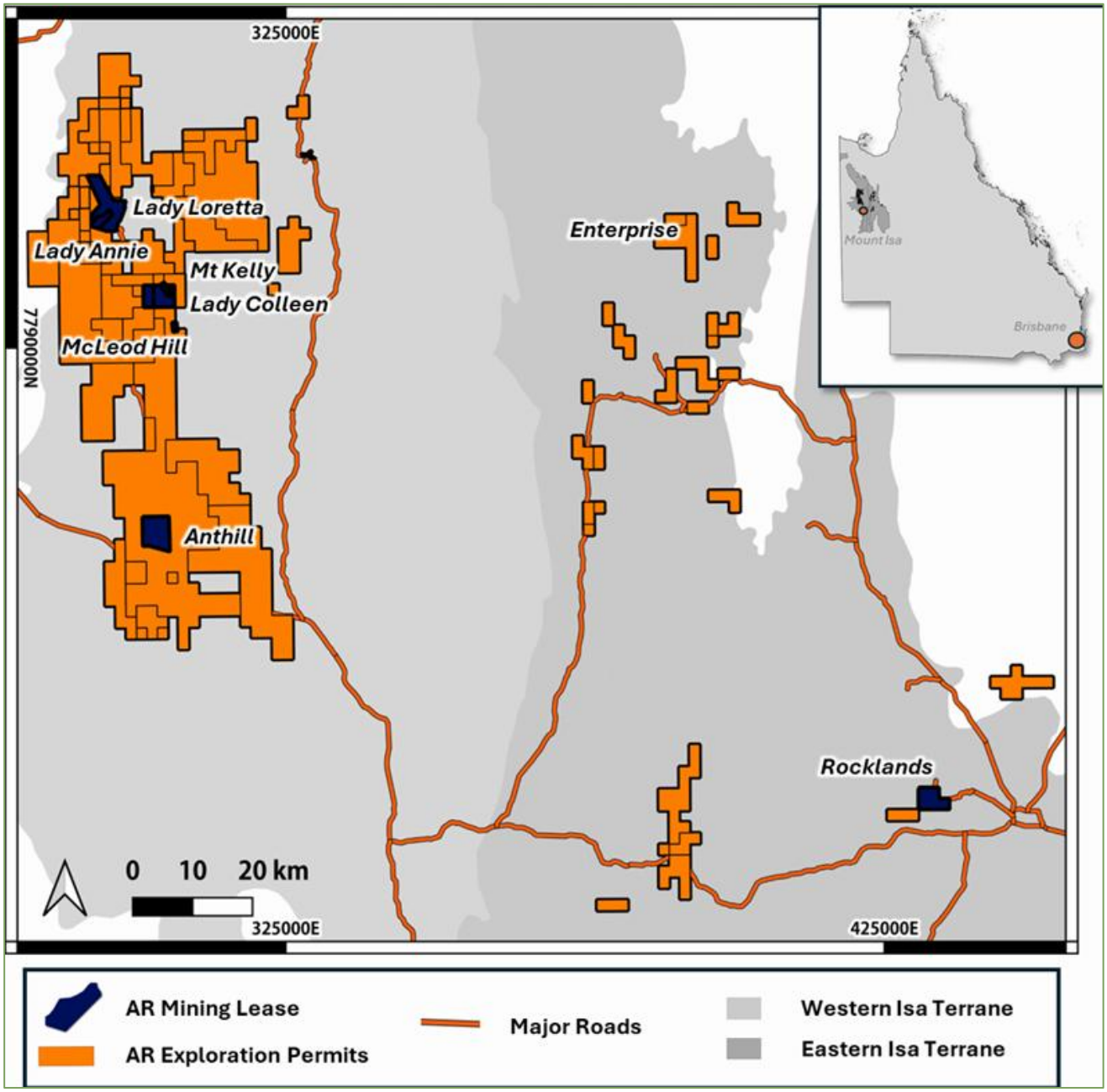


Figure 2: Austral combined portfolio
Note: *Austral tenement boundaries may have subsequent variation from date of release*
Source: AR1 ASX Annual Report 30 March 2026

1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

In preparing the ITAR, MinVal has applied the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). These codes are also requirements under Australian Securities and Investments Commission (**ASIC**) rules and guidelines and the listing rules of the Australian Securities Exchange (**ASX**).

This Report is a public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Hammer and Austral and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2. Scope of Work

MinVal's primary obligation in preparing this ITAR is to independently describe and value the Mineral Assets of each company applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the Projects.

MinVal has compiled the Report based on the principle of reviewing and interrogating both the documentation of the company involved and their consultants, and other previous exploration within the area. This Report is a summary of the work conducted, completed, and Reported by the companies from pegging or acquisition of the Projects to 4 September 2026 based on information supplied to MinVal by both companies, and other information sourced in the public domain, to the extent required by the VALMIN and JORC Codes.

This Report is intended to be a public document, and it has been prepared in the format of an ITAR, in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – The VALMIN Code (2015 edition). MinVal understands that HMX require the Report to append to the BDO IER in obtaining approval of the proposed transaction.

1.3. Statement of Independence

MinVal was engaged to prepare a report to describe and value the mineral projects of HMX and AR1. This work was conducted applying the principles of the JORC and VALMIN Codes, ASIC Regulatory Guide 111 Content of expert Reports (RG111) and ASIC Regulatory Guide 112 Independence of Experts (RG112).

MinVal and its employees and associates has not, within the past two years had any association with HMX, AR1, their individual employees, or any interest in the securities of HMX and AR1 or potential interests, nor are MinVal, its employees or associates expected to be employed by either Company after the proposed transaction, which could be regarded as affecting MinVal's ability to give an independent, objective, and unbiased opinion. MinVal will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated to be between $105,000 to $115,000 (ex GST).

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Mr Trivindren Naidoo, Dr Louis Bucci as the primary authors, with assistance from Mr Paul Dunbar, Ms Ivy Chen, Mr Peter Rooke, Mr Sebastian Gray and Mr Nathan Sexton as a secondary authors, valuation specialists and peer reviewers.

The Report and information that relates to geology, mineral asset valuation, and exploration potential is based on information compiled by Mr Paul Dunbar BSc (Hons) Geol, MSc MINEX, Fellow of the AusIMM and a member of the AIG, Mr Trivindren Naidoo, MSc (Expl. Geol.) BSc Hons (Geology) Grad. Cert (MinEnrgEcon.) Grad.Cert (Business) Fellow of the AusIMM, Dr Louis Bucci, PhD (Economic Geology), BAppSc (Hons), Member of the AIG, and Ms Ivy Chen B App. Sc (Multi), Post Grad Dip Natural Resources, a Fellow of the AusIMM.

Mr Dunbar is the Principal and Director of MinVal and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. Mr Naidoo and Dr Bucci and Ms Chen are Principals at MinVal. Mr Naidoo, Dr Bucci and Ms Chen have sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposits under consideration and to the activity being undertaken to qualify as Competent Persons under the 2012 JORC Code and Specialists under VALMIN. Mr Dunbar, Mr Naidoo, Dr Bucci and Ms Chen consent to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

Between 10 September 2026, and the date of this Report, nothing has come to the attention of MinVal unless otherwise noted in the Report that would cause any material change to the conclusions. The valuation date for the Report is 10 September 2026.

1.5. Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Queensland. In relation to the tenement standing, MinVal has relied on spot checking the information publicly available on the Landtracker website, the Queensland government's GeoResGlobe website and the S&P Global Capital IQ platform. On this basis MinVal has confirmed the tenements which constitute the Projects held by Hammer and Austral are in good standing.

In respect of the information contained in this Report, MinVal has relied on Information and reports obtained from the public domain including but not limited to:

- Various ASX releases of HMX and AR1
- Annual Technical Reports for the tenements
- Annual Reports of HMX and AR1
- Quarterly Reports of HMX and AR1
- Company Presentations of HMX and AR1
- ASX releases detailing exploration activities
- Various ASX releases from previous owners and neighbouring companies
- Government Regional datasets, including geological mapping and explanatory notes

Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by the companies where it has been considered necessary. MinVal has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. MinVal has assessed the content of these reports and information and confirm that the contents are reasonable and that they meet the reasonable grounds requirements.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this Report, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2026/89.

1.6. Site visit

A site visit was undertaken by MinVal to the Austral assets, namely the Lady Annie - Mt Kelly and Rocklands Projects, both of which include extensive processing and related site infrastructure and civil works, and which are situated in the Mt Isa region. The site visit was undertaken by MinVal Lead Valuation Principal Mr Paul Dunbar, and MinVal associate Processing Engineer Mr Peter Rooke, and was carried out on the 25th and 26th of August 2026. The scope was to review the property, plant and equipment of Rocklands and Mt Kelly, and associated infrastructure.

At this stage, a site visit to Hammer's Projects is not considered to be material as the Projects are at a Pre-developmental or Exploration stage. During the Austral site visit the MinVal team briefly visited one small project owned by Hammer (the Lady Jenny ML) however access to the main Hammer assets was not possible due to an unseasonal rain event. MinVal has access to Hammer's completed technical reports that have been reviewed to inform the valuation. It is anticipated that MinVal can place reliance on site visit reports by other independent consultants. Mr Paul Dunbar, MinVal Lead Valuation Principal has sufficient knowledge and experience of copper-gold and critical minerals deposits in Queensland and particularly the Mt Isa region to form MinVal's assessment and is satisfied that there is sufficient current information available to allow an informed evaluation to be made without site inspection. In MinVal's opinion a site visit would not materially add benefit to the report.

MinVal notes that based on information released in Hammer and Austral ASX and Company reports (and JORC Table 1 documentation where relevant), the Competent Persons for the Hammer and Austral Mineral Resource Estimates (MREs) undertook site visits or had placed reliance on other persons judged qualified and competent to do so.

Both Hammer and Austral have further confirmed that as per Hammer's 2025 annual report (ASX: HMX 31 October 2025) and Austral's 2025 annual report (ASX: AR1 30 March 2026) and half yearly reports, both companies are not aware of any new information or data that materially affects the information disclosed in the public domain, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

2. Hammer Metals Projects

The Hammer Metals Projects included in the proposed transaction represent several undeveloped copper, gold and critical minerals assets in the Mt Isa district, Queensland (Figure 1). The Company also has the Yandal gold Project in Western Australia, but this asset will be transferred to a new company (Yandal Gold Co) and is no longer dealt with in this Report.

Several of Hammer's Projects contain reported Mineral Resource Estimates (**MREs**), including Kalman, Jubilee, Overlander and Lakeview, which have been reported in accordance with the JORC Code (2012). A number of other Projects also contain historical Mineral Resource estimates reported under the JORC Code (2004). In total, Hammer controls approximately 3,400 km^2 of tenure in the Mt Isa district with both development and exploration upside. A detailed list of Hammer tenements included in this Valuation Report is presented in Appendix A.

The Company's strategy is centred on building a potential hub-and-spoke operating model anchored around the Kalman Project and nearby satellite deposits including Overlander, Jubilee and Lakeview. Hammer's portfolio is supported by strategic partnerships and joint ventures with major international mining companies including Glencore and South32.

Table 1: Hammer Metals Limited Mineral Resource Inventory

Deposit	Tonnes Mt	Contained CuEq %	Recovered CuEq %	Cu %	Au g/t	Co %	Mo %	Re g/t	Fe %	Contained Copper Tonnes	Contained Gold Ounces
Kalman (Updated)	39.2	1.27	1.07	0.53	0.27	-	0.10	2.1	-	208,360	343,000
Jubilee (51% HMX)	1.4	-	-	1.41	0.62	-	-	-	-	10,070	28,300
Overlander	1.8	-	-	1.20	-	0.05	-	-	-	21,120	
Lakeview	0.6	-	-	1.03	0.30					5,950	5,700
Orelia North	1.48				1.15					N/A	54,500
Mount Philp (36.6% HMX)	30.5	-	-	-	-	-	-	-	39.00	N/A	
Total										**245,500**	**431,500**

Note: (1) Includes Kalman Recovered Copper Equivalent Metal.

Note: (2) Does not include substantial Au or Co by-product credits from Jubilee, Overlander or Lakeview.

Note: (3) Where no contribution of metal by-product credits are included, no metallurgical recoveries have been adopted.

Note: (4) Attributable to HMX.

Note: Mount Philp is now 100% HMX
Source: HMX Annual Report 2025

The Kalman, Jubilee, Lakeview, Overlander, Elaine and Mt Philp Iron Ore Deposits are located within the Mount Isa Inlier (specifically the Mount Isa Province) in northwest Queensland. This Proterozoic province is one of the world's most heavily mineralized base-metal terrains. Hammer Metals' projects are clustered within the Eastern Fold Belt—primarily inside the Mary Kathleen Domain—and are bound or influenced by major crustal-scale structures such as the Pilgrim Fault Zone.

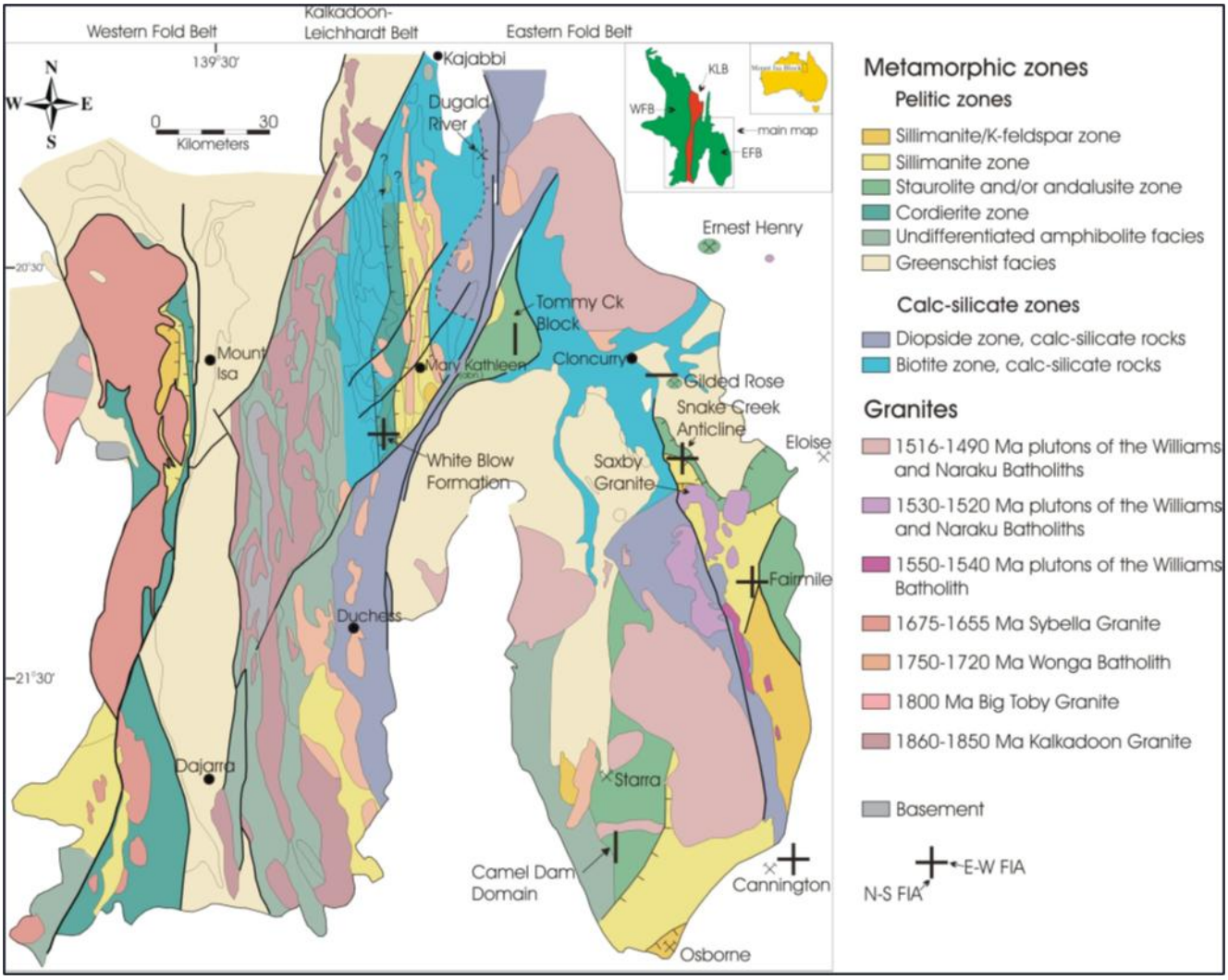


Figure 3: Regional Geology of the Mt Isa Inlier

Note: *Mt Isa Inlier, showing major mines and key areas in the Eastern Fold Belt*

Source: Total Systems Analysis of the Mt Isa Eastern Succession_2003

2.1. Regional Geological Setting and Mineralisation Controls

The Eastern Fold Belt (Figure 3) is characterized by Paleoproterozoic to Mesoproterozoic meta-sedimentary and meta-volcanic sequences that underwent intense deformation and metamorphism during the Isan Orogeny (~1600–1500 Ma). The regional stratigraphy of the host rocks is dominated by the Mary Kathleen Group (principally the calcareous and silicate-rich rocks of the Corella Formation) and underlying felsic volcanics of the Argylla Formation. The regional metamorphic grade varies from upper greenschist to amphibolite facies, resulting in extensive marble, calc-silicate rocks, quartzites, and amphibolites.

The most critical factor for mineralisation across these projects is the structural control. The Pilgrim Fault Zone is the major north-striking, crustal-scale strike-slip suture zone running along the western margin of the Mary Kathleen Domain. It is considered the primary conduit for deep-seated hydrothermal fluids.

The Hammer deposits sit within localized dilational splays, shear corridors, or rheological boundaries (e.g., contacts between competent dolerites/intrusives and less competent metasediments) which are thought to have been generated during the brittle-ductile phases of the Isan Orogeny. The region was heavily overprinted by Mesoproterozoic granitic magmatism, which provided the thermal

engines and fluid sources for diverse mineralisation styles. The projects exhibit widespread, intense regional sodium-calcium (Na-Ca) alteration (albite-actinolite-clinopyroxene), followed by localized potassic (K-feldspar-biotite), silica, and iron-sulphide overprints closely associated with ore deposition.

The regional setting supports a spectrum of deposit types, ranging from multi-element intrusive-related hydrothermal systems to shear-hosted copper-gold and Iron Oxide Copper-Gold (**IOCG**) variants, specifically in the following deposits:

- Kalman (Cu-Au-Mo-Re): A structurally controlled polymetallic system within a major shear corridor. It displays a distinct zonation from a central, high-grade molybdenum-rhenium core to an outer copper-gold zone, influenced by late-stage magmatic fluids.
- Overlander (Cu-Co): Located approximately 6km west of Kalman, this deposit comprises shear-hosted copper and cobalt mineralisation within highly altered basaltic and metasedimentary packages of the Corella Formation.
- Jubilee & Lakeview (Cu-Au): Structurally controlled, high-grade quartz-chalcopyrite-pyrrhotite vein systems hosted along north-trending shear zones. Jubilee sits within the Mt Frosty Joint Venture near the Barkly Highway.
- Elaine (Cu-Au): Positioned further south-east along the structural trend from Jubilee, this deposit represents a complex metasomatic/skarn or IOCG-style copper-gold system with additional REE (rare earth element) and uranium anomalies.

2.2. Tenure

Hammer's tenure in the Mt Isa region is listed in Appendix A and consists of 44 tenements, 9 of which are under application. The information summarised in Appendix A was provided to MinVal by Hammer and their tenement managers, Hetherington Exploration & Mining Title Services (QLD) Pty Ltd.

MinVal has relied on spot checking of the tenure information provided to us against information publicly available on the Landtracker website, the Queensland government's GeoResGlobe website and the S&P Global Capital IQ platform.

Hammer has five Joint Venture (**JV**) interests covering ~526 km^2 out of its ~3,400 km^2 position in the Mount Isa region (Table 2). Hammer has retained a 100% interest in ~2,100 km^2 of tenure and a 100% interest in its JORC (2012) Mineral Resources at Kalman, Overlander and Lakeview.

Table 2: Summary of Hammer Joint Ventures within the Mount Isa Project

Joint Venture	Partner	HMX Interest	Blocks	Area (km^2)	Proportion of Tenure
Mt Frosty JV	Mount Isa Mines Limited	51%	9	29	1%
Dronfield JV	Kabiri Resources Pty Ltd	80%	44	141	4%
Mt Hope JV	Carnaby Resources Limited	49%	3	10	0%
Isa Valley JV	South32 Group Operations Pty Ltd	100%	100	320	9%
Mt Dorothy and Cobalt Ridge JV	Global Energy Metals Corporation	80%	8	26	1%
Lady Jenny ML (Option)	Corella Valley Corporation Pty Ltd	0% (Option)	N/A	<1	0%
Total			164	526	15%

Source: HMX

In June 2026, HMX announced that South32 had notified it of its election to proceed with Stage 3 of the Isa Valley Earn-in agreement, whereby South32 is required to spend A$3million in exploration expenditure during Stage 3 to earn a 70% interest in the tenement and JV.

Additionally, HMX announced in June 2026 that Sumitomo Metal Mining Oceania (**SMMO**) had informed Hammer of its intention to withdraw from the Bullrush Project, and HMX announced in July 2026 that SMMO had informed Hammer of its intention to withdraw from the Mount Isa East JV. MinVal understands that the interest in the Bullrush Project and Mount Isa East JV that SMMO earned will revert to Hammer.

2.3. Kalman Deposit

2.3.1. Location and Access

The Kalman Project is located within the Eastern Succession of the Mount Isa Inlier, positioned centrally within Hammer's tenure (Figure 1). It includes the Kalman Deposit located within EPM13870 and EPM26775. Kalman is located approximately 30 km to the northeast of Duchess Township, accessed by unsealed station tracks via the sealed road of the Barkly Highway from Mt Isa towards Cloncurry. During the rainy season, excessive rainfall can impede access across station tracks and drainage systems.

2.3.2. Geological Setting and Mineralisation

The Kalman Deposit is located on the Pilgrim Fault Zone, a significant crustal suture, interpreted to act as a major control separating the Wonga and Quamby-Malbon Sub-Provinces. The deposit is hosted by calc-silicate rocks of the Corella Formation and is characterised by multiple stacked, semi-vertical shears and intersecting fracture sets that generally sit sub-parallel to fractures and northerly trending brittle-ductile zones (ASX: HMX 8 May 2023). Metalliferous fluids are interpreted as sourced from the Overlander Granite ~5 km west of the deposit, with Kalman considered an intrusion-related polymetallic system, concentrated adjacent to the intersection of fracture sets and deformation zones proximally to the Pilgrim Fault (see Haren Consulting, 2023).

2.3.3. Exploration

This description of Exploration and Exploration Data is summarised from Hammer ASX Release dated 8 May 2023 and from unpublished internal document Kalman Mineral Resource Estimate, May 2023. Haren Consulting.

Exploration at the Kalman deposit commenced in the 1970's and included diamond drilling (**DDH**), reverse circulation (**RC**) drilling and trenching by several operators. The historical data is incomplete as no assay data is present for the 8 DDH drillholes completed by Texins and only 8 of the 14 holes are documented. There are no records for costeaning completed by PIMEX.

PIMEX completed drilling over the northern half of the deposit area between 1988-1992 and Mount Isa Mines (**MIM**) targeted the southern half between 1990-1993, completing 10 DDH for 2,079 m and 22 RC holes for 2,613 m.

Between 2005-2008, Cerro Resources Ltd (**Cerro**) completed 53 DDH holes and 19 RC holes through several drilling phases. SMD subsequently drilled 15 shallow RC holes for 2,195 m in 2011, replacing poorly located KAL series holes from the 1980's. Cerro completed definition drilling at approximately

100m section spacing, targeting mineralised intersections at approximately 100 m down-dip spacing. The main DDH campaign was drilled for 29,068 m over 50 holes.

In 2014, Hammer completed 8 infill RC holes for 1,452 m, intersecting significant shallow molybdenum, rhenium and copper mineralisation in several holes. In 2016 Hammer, completed drillhole K-140 and a further 17 DDH holes between 2021-2023, which included K-150A, a replacement drillhole for K-150 which was abandoned at 58 m (Figure 4).

In 2026, as part of an effort to upgrade the MRE from Inferred to Indicated close to the base of the current pit optimisations, Hammer completed 8 RC holes.

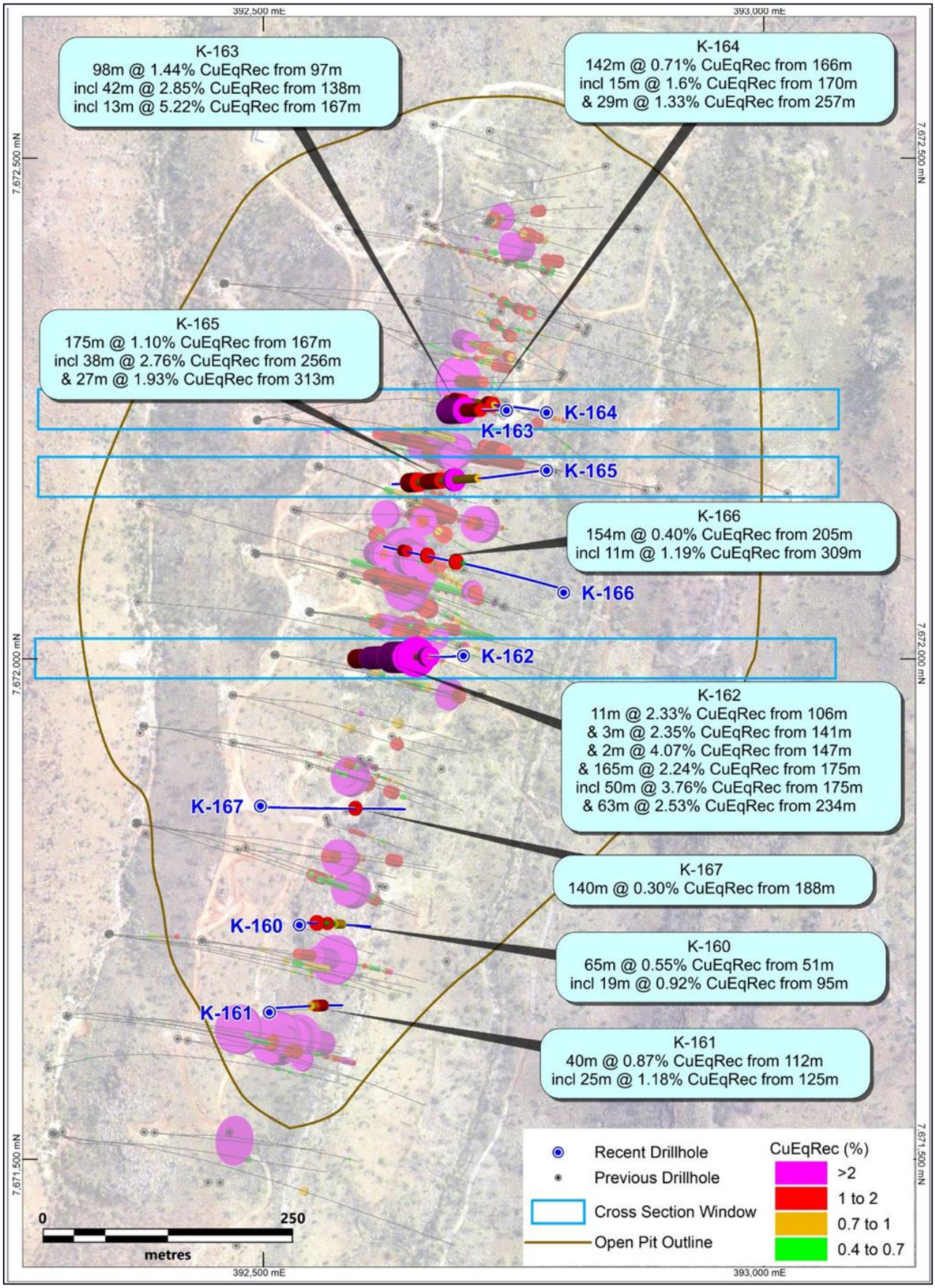


Figure 4: Plan view of drilling at the Kalman Deposit

Source: ASX HMX 6 August 2026

2.3.4. Exploration Data

All drill hole data used in copper equivalent (**CuEq**) estimations has been made public through a series of company announcements to the ASX of exploration results and resource estimates, notably that of 15 September 2014, 19 November 2014, 15 February 2022 and 13 February 2023.

The Kalman deposit was sampled by DDH, RC drilling and trenching. The 2023 Mineral Resource estimate used 73 DDH and 37 RC holes totalling 42,703.5 m, from a broader database of 155 drill and trench records totalling 52,176 m. PIMEX drilling and trench data were excluded from estimation but used to assist mineralisation-domain interpretation. NQ core was generally sampled as half-core over 1 m intervals or geological boundaries, while RC samples were collected using a face-sampling bit, cyclone and riffle splitter. If samples were wet, they were recorded for later review. In the 2026 RC drilling campaign, 4 m composite samples were taken when mineralisation was not visible. Within target intervals, 1 m splits were sampled.

DDH and RC drilling were the principal drilling techniques used. DDH drilling comprised approximately 87% of the drilled metres, generally using 47.6 mm NQ core, with hole depths ranging from 73–998 m. RC drilling comprised the remaining 13%, with depths of 36–334 m.

Diamond core was generally competent and intact, and RC recoveries were considered excellent. Core was oriented where possible and reconstructed into continuous runs, while RC samples were visually assessed for recovery and moisture. No relationship between recovery and grade or evidence of material-loss sampling bias was identified; however, diamond recovery records are not retained in the database.

Recent drilling was logged in detail for lithology, alteration, mineralisation, weathering, colour and structure, with most historical holes also geologically logged. Cerro, SMD and Hammer routinely photographed diamond core wet and dry. Approximately 40,508.5 m, representing 95% of drilling within the modelled area, was logged.

Diamond core was cut in half by core saw, with half-core submitted for analysis. RC samples were predominantly dry and collected at 1 m intervals, except for the PN series sampled over 2 m intervals, before being riffle split at the rig. Sample masses of 3–5 kg for core and 2–5 kg for RC chips were considered representative. Standards and field duplicates were each inserted every 20 samples, producing an overall QAQC insertion rate of 10%. The 2026 campaign had standards inserted at a rate of 1 per 25 samples and duplicates were inserted at approximately at a rate of 1 per 50 samples.

Samples were analysed by ALS using fire assay/AAS for gold and aqua regia/ICP-MS for base metals. Anomalous molybdenum intervals were re-assayed for Mo and Re using four-acid digestion/ICP-MS. Regular matrix-matched standards covering relevant Cu and Mo grades returned acceptable results with no obvious analytical bias. No geophysical measurements were used to determine resource-grade concentrations.

Cerro, SMD and Hammer drill collars were surveyed by DGPS using the Trimble satellite network, with repeat collar surveys showing insignificant variation. Downhole surveys were generally completed at regular intervals using Eastman cameras and later Ranger or Reflex electronic instruments. Coordinates were recorded in the MGA94 grid, and LiDAR data were used to construct the topographic surface.

Drilling is generally spaced 100–120 m along strike, with 50–60 m infill and comparable down-dip spacing. This spacing adequately defines the geological and grade continuity required to construct coherent mineralisation-domain wireframes. Samples were composited to 1 m using best-fit methods. Continuity was considered sufficient to support Indicated and Inferred Mineral Resource classifications under the 2012 JORC Code. Drill holes were predominantly oriented at an azimuth of

90–98° and a dip of −60°, drilling approximately perpendicular to the mineralised trends. Steeper holes were used for deeper targets. No orientation-related sampling bias was identified.

DDH half-core and RC samples were individually numbered, packed in poly bags, palletised and shrink-wrapped for transport. Hammer RC samples were transported by company personnel to ALS Mount Isa before transfer to Townsville or Brisbane where required. Sample-security information is unavailable for historical DDH drilling.

Bulk-density measurements were collected at 5 m intervals using approximately 10 cm lengths of whole core. Samples were sealed with hairspray and weighed in air and water, with a 23 g correction applied for sample-cage buoyancy. Check measurements calculated from core-cylinder dimensions agreed with the primary method to within ±1%.

Haren identified no correlation between bulk density and the elements of interest.

A total of 1,074 measurements supported an average dry bulk density of 2.7 t/m^3 for mineralised material. A further 4,359 measurements returned an average dry bulk density of 2.8 t/m^3 for un-mineralised material. Density values were applied on a dry basis; no moisture-content testing was undertaken.

2.3.5. MinVal Comment on Exploration Data

The drilling techniques utilised to drill the holes that were sampled and subsequently used in the estimations on the Kalman Deposit are described above and include DDH and RC drilling.

The reports state that a comprehensive database of all drilling and analytical data has been maintained by Hammer. However, the data has been reviewed by RPM the independent consultants undertaking resource estimations in 2012, and by Haren Consulting (Haren) in 2023 who have undertaken steps to verify the adequacy of the 2023 drilling data for the updated mineral resource.

MinVal consider the data appear adequate to support mineral resource estimation.

2.3.6. Mineral Resource Estimate

An updated Mineral Resource estimate for the Kalman deposit was announced by Hammer on May 8, 2023, in accordance with JORC Code 2012 and is summarised in Table 3. The previous iteration of the Kalman MRE was reported by Hammer on September 27, 2016. The updated MRE included the 2023 drilling programs.

The information in the following section is sourced from updated mineral resource estimates for the Kalman deposit reported publicly via ASX announcements by Hammer as follows:

- Kalman Resource Upgrade on May 8, 2023

Based on mineral resource estimates for the Kalman deposit provided by Hammer as follows:

- Kalman Mineral Resource Estimate, May 2023. Haren Consulting (unpublished).

All the wireframe interpretation, block modelling, geostatistical studies, grade interpolation and classification work for the MREs reported above were undertaken by Haren Consulting in 2016 and 2023 and is originally based off the 2012 MRE done by Runge Pincock Minarco Consulting (**RPM**). The most recent MRE update after 2016 has involved drilling additional holes and lowering cut-off grades compared to the previous MRE.

Table 3: Mineral Resource Estimate for the Kalman Deposit

Kalman Mineral Resource

Classification	Mining Method	CuEq Cut-off	Tonnes Kt [1]	CuEq Cont. % [3]	CuEq Rec. % [2,3,4]	Cu %	Au g/t	Ag g/t	Mo %	Re g/t	Contained CuEq Metal (Kt) [1]	Recovered CuEq Metal (Kt) [1]
Indicated	Open Pit	0.4%	17,120	1.04	0.87	0.43	0.22	1.2	0.08	1.7	180	150
Inferred	Open Pit	0.4%	10,540	1.11	0.93	0.40	0.21	1.3	0.10	2.2	120	100
Inferred	Underground	1.0%	11,530	1.78	1.48	0.80	0.41	2.2	0.12	2.7	200	170
Total			**39,190**	**1.27**	**1.07**	**0.53**	**0.27**	**1.5**	**0.10**	**2.1**	**500**	**420**

*Note: (1) The recovered copper equivalent equation is: CuEq Recovered = 0.86*Cu + (0.74*0.771051*Au) + (0.74*0.008336*Ag) + (0.86*4.857143*Mo) + (0.77*0.023334*Re).*

Note: (2) Copper Equivalent Price assumptions are: Cu: US$7,714/t (US$3.50/lb); Au: US$1,850/oz; Ag: US$20/oz; Mo: US$37,468/t (or US$17/lb); and Re: US$1,800/kg.

Note: (3) Recovery assumptions are: Cu 86%; Au 74%; Ag 74%; Mo 86%; and Re 77%..

Note: (4) Transition from Open to Underground Mining based on prior optimisation studies set at 75mRL. Surface RL is approximately 425mRL.

Source: ASX HMX 31 Oct 2025

Cu, Au, Ag, Mo and Re (CuEq) were estimated using Ordinary Kriging, with dynamic anisotropic search ellipses in Datamine software. The various steps of the estimation were reported to have been as follows:

- Interpretations were guided by regional geology and local field observations.
- Mineralisation wireframes were created to constrain the estimate, with high- and low-grade sub-domains.
- Data was composited to 1m.
- Top cuts were used to address the influence of extreme grade values and were determined through statistical analysis. Top-cuts were generally not severe with relatively few composites affected.
- Parent block dimensions were 5 m x 10 m x 10 m with sub cells of 1.25 m x 1.25 m x 1.25 m.
- Kriging neighbourhood testing and drill hole spacing were considered for the final block model.
- Selective mining units were not modelled.
- Density was averaged for mineralised and un-mineralised material, and dry bulk density values of 2.7 t/m^3 (mineralised material) and 2.8 t/m^3 (un-mineralised material) were applied.
- Cut-offs of 0.4% CuEq for open cut material above 75m RL and 1.0% CuEq for underground material below 75m RL of 1.0% CuEq were applied to report the Mineral Resource.

2.3.7. MinVal Resource Review Comments

In MinVal's opinion, the classification categories applied appropriately reflects the confidence ascribed to the data quality, interpretation and estimation approach. MinVal considers the estimation to be appropriate to support a valuation reported in accordance with the VALMIN Code.

2.3.8. Development Potential

The Company has recently completed an 8 hole RC program, aiming to increase the proportion of Indicated Resources relative to Inferred Resources (Figure 5) to support a Scoping Study that is

planned to be completed moving forward. The deposit still has potential to be drilled along strike and at depth.

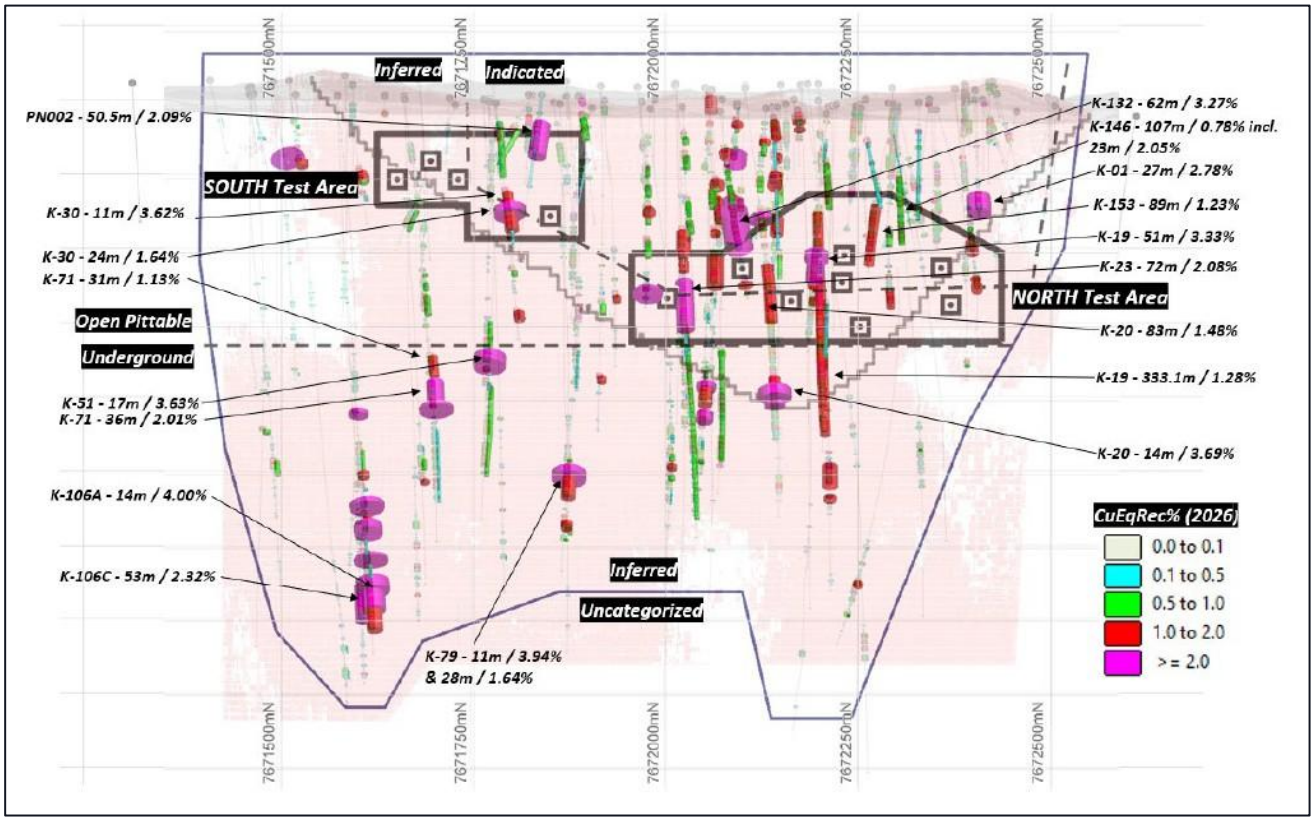


Figure 5: Cross section of the Kalman Deposit

Note: Section is looking east and shows the proposed piercing points of the recent drilling to extend known mineralisation and extend the Indicated Resource.

Source: ASX HMX 29 April 2026

2.4. Jubilee Deposit

2.4.1. Location and Access

The Jubilee Deposit is situated at the northern section of Hammer's tenure (Figure 1). The Jubilee Deposit sits within the EPM14467 lease which is located approximately 60 km east of Mount Isa and is accessed via unsealed station tracks after the sealed Barkly Highway or Mary Kathleen Mine Road. During the rainy season, excessive rainfall can impede access across station tracks and drainage systems. See Appendix A for more details on tenure.

2.4.2. Geological Setting and Mineralisation

This description of Exploration and Exploration Data is summarised from Hammer ASX Release dated 20 December 2018 and from unpublished internal documents Mineral Resource Estimation of the Jubilee Copper Deposit, 12 December 2018. H&SC Consultants Pty Ltd.

The Jubilee deposit is hosted within the Corella Formation approximately 200 m from the contact with the Argylla formation which consist of strongly deformed metasedimentary and felsic metavolcanic rocks. The mineralisation sequence parallels a moderate foliation which strikes to the north-northwest and dips moderately to the west. There is a steep north dipping, east-northwest striking, strike slip fault with a dextral movement sense that displaces mineralisation by 30 m.

2.4.3. Exploration

This description of Exploration and Exploration Data is summarised from Hammer ASX Release dated 20 December 2018 and from unpublished internal documents Mineral Resource Estimation of the Jubilee Copper Deposit, 12 December 2018. H&SC Consultants Pty Ltd.

Historically, the Jubilee deposit was mined by open pit method. Activities were very small scale, roughly depressing 1-2 m depth with the largest pit roughly 48 x 10 m in size. Hammer does not have any of the mining data for these mining activities.

Previous exploration over the tenement area has been conducted by a number of parties since 1955, including Rio Tinto, Mary Kathleen Uranium, Uranerz, MIM, Delta Gold and China Yunnan Copper (**CYU**). CYU drilled the general deposit area during 2011-2012, drilling 19 RC holes for 3,286 m. In 2018. Hammer drilled a total of 26 holes, for 2,450 m, comprising 23 RC holes for 2,189 m and 3 DDH for 261 m.

Metallurgical work on 19 diamond half core samples was completed. Samples came from the 3 DDH holes and were combined into 1 composite sample that underwent SMC testing, multi-element head analysis, bench rougher flotation tests, comminution tests, gravity tests and mineralogical analysis. The composite head grade was 2.77 g/t Au and 2.85% Cu. With chalcopyrite and pyrite being the dominant sulphides. Flotation recovered 99.3% of Cu and 87.2% of Au, gravity recovered 15.0 to 18.9% of the -80 mm Au.

2.4.4. Exploration Data

All drill hole data used in Cu, Au and Co estimations has been made public through a series of company announcements to the ASX of exploration results and resource estimates, notably that of 20 December 2017, 25 January 2018, 15 March 2018, 27 August 2018 and 20 December 2018.

The Jubilee deposit was sampled by numerous phases of RC and DDH drilling. The 2018 Mineral Resource estimate used 42 RC holes and 3 DDH holes totalling 5,736 m. RC samples were collected using a face-sampling bit and samples were taken at 1 m intervals within mineralised zones and 4 m composites outside of identified mineralised zones. Samples were slit using riffle or cone splitters. DDH drilling was done using NQ3 standard tube with core half cut and sampled at 1 m intervals determined by geology. Hole depths ranged from 54 m to 354 m.

There is limited RC recovery information. Core was orientated where possible. RC samples were visually assessed for wet, damp or small samples. No correlation between recovery and grade has been seen.

Recent drilling was logged in detail for lithology, alteration, mineralisation, weathering, colour and structure, with most historical holes also geologically logged

DDH core and RC samples were submitted for analysis, with sample sizes of 2-5 kg for RC chips deemed appropriate. In the Hammer drilling campaigns, standards were inserted every 22nd sample (either standard or a blank) and a duplicate was inserted every 78th sample. CYU inserted a standard every 20th sample.

Samples were analysed by ALS using fusion fire assay/AAS for gold and aqua regia/ICP-AES for base metals. Hammer used fusion fire assay/AAS for gold and four acid (HF)/ICP-MS for base metals. Regular matrix-matched standards covering relevant Cu and Au grades returned acceptable results with no obvious analytical bias. No geophysical measurements were used to determine resource-grade concentrations.

Only 6 of the 45 drillholes were located using GPS, the rest were located by DGPS. 20 holes were down hole surveyed at 30 m intervals using a multi-shot tool, the remaining holes were surveyed at 5 m intervals using a gyro. LiDAR data was used to create a topographic surface and confirmed by GPS drill hole locations.

Drilling is generally spaced 50 m along strike. Drillholes are predominantly orientated at an average azimuth of 82°, close to perpendicular to the strike of mineralisation. Dips of the drillholes average -60°. Drillholes targeting deeper mineralisation were drilled at steeper dips.

DDH and RC samples were collected in individually pre-numbered calico bags. Hammer personnel transported the samples to ALS Mount Isa, where ALS prepared the samples and transported samples to its Townsville or Brisbane laboratories as required.

Bulk density measurements were collected from 102 measurements obtained by Archimedes method from 3 DDH holes throughout the deposit. Values applied to the resource model were 2.891 (fresh mineralised), 2.859 (fresh waste), 2.6 (slightly weathered) and 2.46 (highly weathered).

2.4.5. MinVal Comment on Exploration Data

The drilling techniques utilised to drill the holes that were sampled and subsequently used in the estimations on the Jubilee Deposit are described above and include DDH and RC drilling.

The reports state that a comprehensive database of all drilling and analytical data has been maintained by Hammer, but this is not publicly available for review by MinVal. However, the data has been reviewed by H&SC Consultants (**H&SC**) the independent consultants undertaking resource estimations in 2018 who have undertaken steps to verify the adequacy of the drilling data for the mineral resource.

MinVal consider the data appear adequate to support mineral resource estimation.

2.4.6. Mineral Resource Estimate

A Maiden Mineral Resource estimate for the Jubilee deposit was announced by Hammer on December 12, 2018, in accordance with JORC Code 2012 and is summarised in Table 4.

Table 4: Mineral Resource estimate for the Jubilee Deposit

Category	Domain	Tonnes (Mt)	Cu %	Cu (t)	Au g/t CUT	Au (ounces) CUT
Inferred	Mod-Slightly Weathered	0.07	1.51	1,000	0.55	1,200
Inferred	Fresh	1.34	1.41	19,000	0.63	27,100
Inferred	**Total:**	**1.41**	**1.41**	**20,000**	**0.62**	**28,300**

(Totals may not sum exactly due minor rounding errors)

Source: ASX HMX 31 Oct 2025

The information in the following section is sourced from mineral resource estimates for the Jubilee deposit reported publicly via ASX announcements by Hammer as follows:

- Maiden Mineral Resource Estimate for the Jubilee Copper-Gold Deposit on December 12, 2018

Based on mineral resource estimates for the Jubilee deposit provided by Hammer as follows:

- Mineral Resource Estimation of the Jubilee Copper Deposit, December 12, 2018. H&SC Consultants (unpublished).

All the wireframe interpretation, block modelling, geostatistical studies, grade interpolation and classification work for the MREs reported above were undertaken by H&SC in 2018. The MRE update involved 42 RC holes and 3 DDH drill holes consisting of 5,736 m and 4,391 Cu, Au and Co assays.

Grades were estimated using ordinary kriging with anisotropically orientated search ellipsoids. The various steps of the estimation were as follow:

- Interpretations were guided by regional geology, local field observations and drilling
- Data was composited to 1 m.
- Two models were created using 0.05% Cu (model a) and 0.1% Cu (Model B) and compared. The 0.1% Cu model (B) was reported, as this cutoff better reflected the preferred more selective mining method.
- Top cuts were required for gold due to extreme grades values and were determined through statistical analysis.
- Parent block dimensions were 1 m x 12.5 m x 5 m with sub-cells of 0.5 m x 6.25 m x 2.5 m.
- Selective mining units were not modelled.
- Bulk density values were assigned based on the 102 measurements obtained. The densities used were 2.891 (fresh mineralised), 2.859 (fresh waste), 2.6 (slightly weathered) and 2.46 (highly weathered).
- 19 half core samples combined into 1 sample was subjected to SMC testing, multi-element head analysis, bench rougher flotation tests, comminution tests, gravity tests and mineralogical analysis.
- A cut-off of 0.5% Cu for open pit mining has been applied for reporting of the Mineral Resource.

2.4.7. MinVal Resource Review Comments

In MinVal's opinion, the Inferred categorisation appropriately reflects the confidence attributed to the data quality, interpretation and estimation approach. The model is suitable to support a valuation reported in accordance with the VALMIN Code

2.4.8. Development Potential

Since the completion of the Mineral Resource estimate and pit optimisation study, Hammer has not progressed the Jubilee project. MinVal acknowledges that further drilling will need to be done to confirm the possibility of several lodes and better define grade continuity and mineralisation controls. Overall, this could upgrade or downgrade resource. Drilling to the north and drilling down dip to the south (Figure 6) seems viable for extending mineralisation at Jubilee.

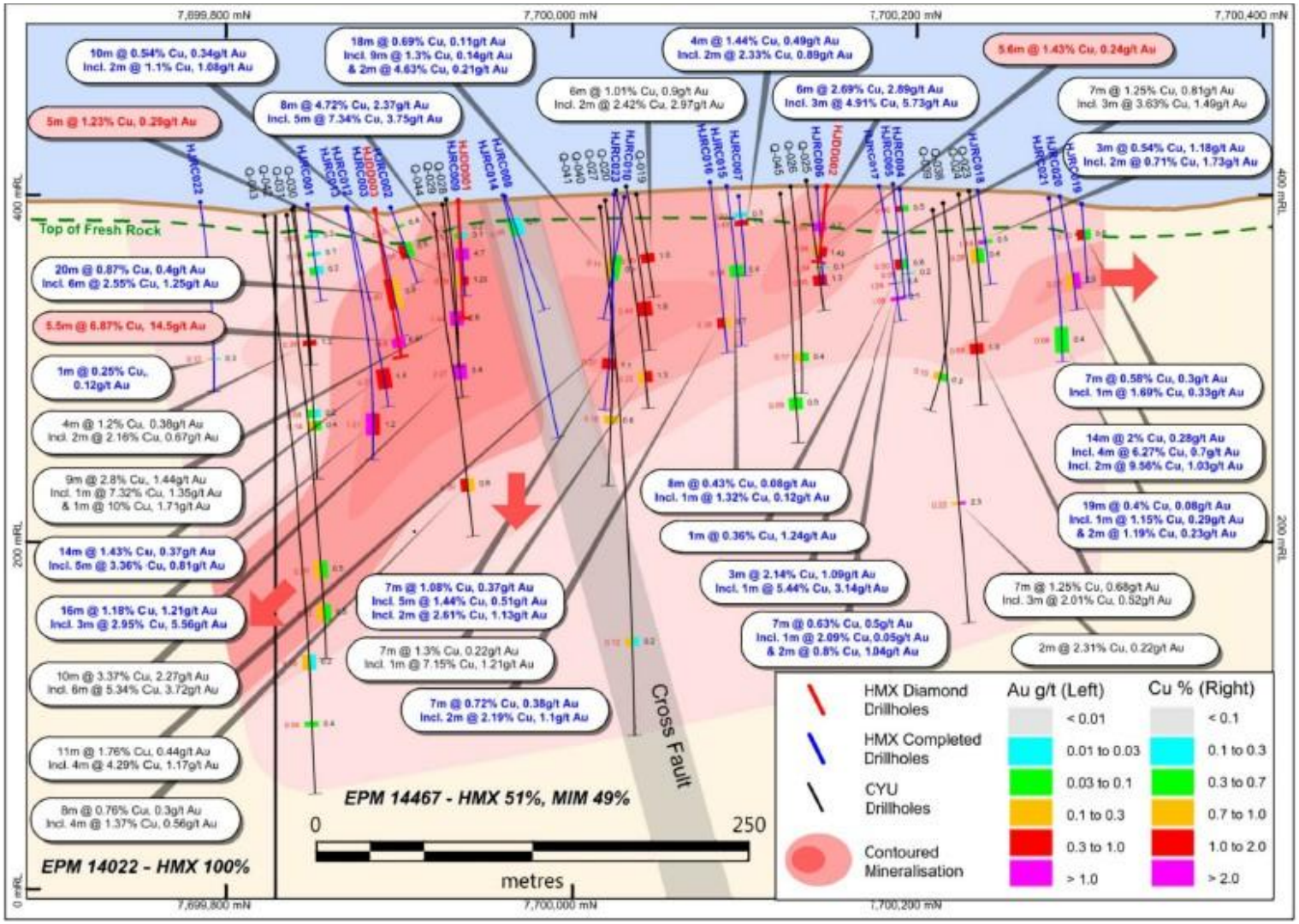


Figure 6: Jubilee Deposit long section looking west
Source: ASX HMX 27 Aug 2018

2.5. Lakeview Deposit

2.5.1. Location and Access

The Lakeview Deposit is situated in the northern portion of Hammer's tenure holding (Figure 1), 60 km northeast of Duchess Township and is accessed via unsealed station tracks after sealed road of the Barkly Highway. During the rainy season, excessive rainfall can impede access across station tracks and drainage systems. The deposit sits within the EPM26775 lease. See Appendix A for more details on tenure.

2.5.2. Geological Setting and Mineralisation

The deposit resides within the Mary Kathleen Fold Belt in the Eastern Succession of the Mount Isa Inlier. It is hosted inside the Corella Formation, under 200 m away from the underlying contact with the Argylla Formation.

Mineralisation occurs as up to three parallel lenses dipping to the north between 65° to 75°. A north-trending shear zone interrupts the lenses, imparting a sigmoidal geometry to the architecture. Mineralisation is tied to sulphidic quartz vein domains consisting of chalcopyrite, pyrite, and pyrrhotite. The lenses remain open down-dip.

2.5.3. Exploration

This description of Exploration and Exploration Data is summarised from Hammer ASX Release dated 21 December 2022 and from unpublished internal documents Mineral Resource Estimate of the Lakeview Copper Deposit, August 2022. GEOWiZ Consulting.

Historical workings extend over approximately 350 m of strike with production records indicating mining during the 1960's and 1970's, with 1,213 tons of ore reportedly extracted at 16% Cu. The shafts have been dug along the mineralised structure.

Exploration over the region has been carried out by multiple parties, including Rio Tinto, Mary Kathleen Uranium, Uranerz, MIM, Delta Gold and Kings Minerals NL.

In 2021, Hammer completed an initial 300 m, 4 hole RC drilling program intersecting shallow copper and gold mineralisation. A follow up 9 hole RC drilling program was completed for 1,080 m.

2.5.4. Exploration Data

The Lakeview deposit 2022 MRE is supported by 13 RC holes totalling 1,380 m and yielding 717 samples, all drilled by Hammer. Drilling utilized a Sandvik DE840 rig with a face-sampling bit with a diameter of approximately 5.25 inches. Target intervals or suspected mineralisation was sampled as 1 m splits, otherwise 2 or 4 m composite samples were taken Down-hole surveys were conducted using a gyro.

RC recoveries were recorded in excess of 80%, as the recoveries were typically low in the first 5 m of each drill hole. No relationship between recovery and grade or evidence of material-loss sampling bias was identified.

All drilling was logged geologically. Quantitative Portable XRF readings were taken on metre intervals on site.

RC samples were predominantly taken at 1 m intervals. Where multiple metre intervals were sampled at 2 or 4 m composites, they were riffle split at each metre interval and combined to produce at

composite sample. Mineralised sections were 1 m interval sampled. Standards were inserted at a rate of 1 per 25 samples and duplicate samples were taken at a rate of approximately 1 in 50 samples.

Samples were analysed at SGS and ALS using Fire assay with AAS finish for gold (50g charge) and 4-acid digest followed by ICP-MS finish for a comprehensive element suite. 18 select samples underwent Gas Pycnometric analysis to determine specific gravity. Hammer internally assessed the use of QAQC and determined the Cu and Au assay performance was within acceptable limits and shows no systematic bias.

The Hammer drill collars were surveyed by DGPS. Downhole surveys were completed using either gyro or digital down-hole camera. LiDAR data were used to construct a topographic surface.

Drilling was generally spaced at 40 m along 7 fences with an approximate down plunge intercept separation between 40m to 60m. The drillholes were generally drilled at an azimuth of 166° degrees and dip averages of -57°. Drilling is orientated close to perpendicular to the strike of mineralisation, which has a dip of -65° to -75° to the north. Orientation of the drilling is at a high angle to the strike and dip of the mineralisation.

Pre-numbered bags were utilised and packed in sealed polywoven bags and were transported to ALS by company personnel.

Bulk-density measurements were collected via Gas Pycnometric analysis where 30 analyses were taken. Average densities were assigned as 2.9 g/cm^3 for fresh mineralisation, 2.5 g/cm^3 for fresh waste, and 2.6 g/cm^3 for oxide mineralisation.

2.5.5. MinVal Comment on Exploration Data

The drilling techniques utilised to drill the holes that were sampled and subsequently used in the estimations on the Lakeview Deposit are described above and include RC drilling.

The reports state that a database of all drilling and analytical data has been maintained by Hammer. However, the data has been reviewed by GEOWiZ Consulting (**Geowiz**) the independent consultants undertaking resource estimations in 2022, who have undertaken steps to verify the adequacy of the 2021 drilling data for the mineral resource. Geowiz noted it made minor corrections to the data and did not receive original assay reports for CYU. Geowiz considered the database adequate for resource estimation at the Inferred level.

MinVal consider the data appear adequate to support mineral resource estimation.

2.5.6. Mineral Resource Estimate

A Maiden Mineral Resource estimate for the Lakeview deposit was announced by Hammer on December 21, 2022, in accordance with JORC Code 2012 and is summarised in Table 5.

Table 5: Mineral Resource Estimate for the Lakeview Deposit

(Reported at 0.3% Cu cut-off)

Lakeview Mineral Resource

Classification	Tonnes Mt	Cu %	Au g/t	Cu Tonnes	Au Ounces
Inferred	0.59	1.02	0.30	6,049	5,706

Source: ASX HMX 31 Oct 2025

The information in the following section is sourced from mineral resource estimates for the Lakeview deposit reported publicly via ASX announcements by Hammer as follows:

- Lakeview Initial Mineral Resource on December 21, 2022

Based on mineral resource estimates for the Lakeview deposit provided by Hammer as follows:

- Lakeview Mineral Resource Estimate, August 2022. GEOWiZ Consulting (unpublished).

All the wireframe interpretation, block modelling, geostatistical studies, grade interpolation and classification work for the MREs reported above were undertaken by Geowiz in 2021 and uses the 13 RC holes totalling 1,380m and yielding 717 samples from the 2021 campaign.

Ordinary kriging was used to estimate copper and gold, using the following approach:

- Interpretations were guided by regional geology, local field observations and drilling
- Mineralised lodes were manually coded using a nominal 0.3% Cu cut-off and used to constrain the resource modelling.
- Data was composited to 1 m.
- Three mineralised domains were created using geological modelling in Leapfrog
- Statistical analysis was carried out, and top cuts were applied to the Cu and Au composites on a domain by domain basis.
- Top cuts were used to address the influence of extreme grade values and were determined through statistical analysis.
- Variography was based on one-metre composited data from the mineralized domains.
- Parent block dimensions used for the estimation were 10 m x 4 m x 5 m with sub cells of 5 m x 2 m x 2.5 m.
- Ordinary kriging used for estimating Cu and Au in each domain. An orientated "ellipsoid" search was used to select data for interpolation in each domain.
- Selective mining units were not modelled.
- An average density of 2.9 g/cm^3 was assigned based on the 18 samples taken within the interpreted mineralized zones.
- A cut-off of 0.3% Cu for open pit mining has been applied for reporting of the Mineral Resource.

2.5.7. MinVal Resource Review Comments

In MinVal's opinion, the Inferred categorisation appropriately reflects the confidence attributed to the data quality, interpretation and estimation approach. The model is suitable to support a valuation reported in accordance with the VALMIN Code.

2.5.8. Development Potential

Since the completion of the Mineral Resource estimate and pit optimisation study, Hammer has not progressed the Lakeview project. MinVal acknowledges that further drilling will need to be done to better define grade continuity and mineralisation controls. Overall, this could upgrade or downgrade resource. Mineralisation is still open along strike and at depth (Figure 7). MinVal notes the company has reported it is currently completing a Scoping Study at the Lakeview deposit.

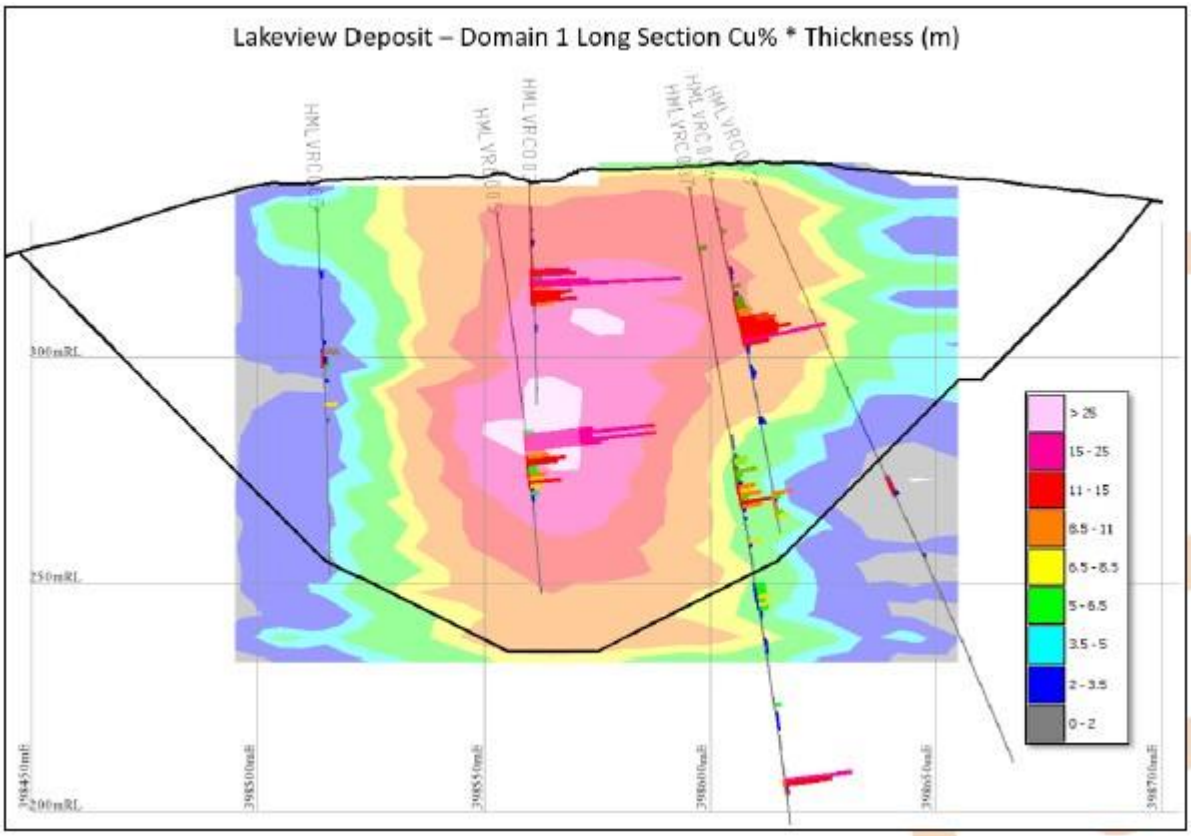


Figure 7: Lakeview Deposit long section looking north
Source: ASX HMX 21 Dec 2022

2.6. Overlander Deposit

2.6.1. Location and Access

The Overlander Deposit is situated 6 km southeast of Hammer's Kalman Deposit (Figure 1). The Project consists of two deposits, Overlander North and Overlander South Deposits. The deposits sit within the EPM 26776 lease which is located 60 km northeast of Duchess Township and is accessed via unsealed station tracks, after the sealed Barkly Highway. During the rainy season, excessive rainfall can impede access across station tracks and drainage systems. See Appendix A for more details on tenure.

2.6.2. Geological Setting and Mineralisation

The deposit is hosted within rhyolitic volcanics and metasediments of the Corella Formation, proximal to the Overlander Granite, which is offset by the northeast trending Overlander Fault by approximately 1.5 km. Copper mineralisation is observed at the contact between the rhyolite and western metasediments.

2.6.3. Exploration

This description of Exploration and Exploration Data is summarised from Hammer ASX Release dated 24 July 2014 and from unpublished internal documents Mineral Resource Estimation of the Overlander North – Overlander South Mineral Resources, August 2015. Haren Consulting Pty Ltd.

Previous exploration done by Carpentaria Exploration Company (**CEC**) in the 1970's included 1 DDH for 132 m which contains no geological information at Overlander North, and 15 holes for 289 m at Overlander South. Between 2005-2006, Kings Minerals completed 2 RC holes for 294 m at Overlander

North, and 9 DDH holes for 1,324 m at Overlander South. Kings Minerals completed a soil sampling program using a 50 m x 200 m grid in 2006.

Since acquisition, Hammer has completed two rounds of drilling at Overlander North between 2013-2015, which includes 21 RC holes for 2,773 m and 1 DDH hole for 522 m. At Overlander South, between 2013-2014 Hammer completed 10 RC holes for 1,000 m. In 2022, 3 RC holes were drilled for 734 m at Overlander, with 2 testing the southern margin of the system, and 1 testing the eastern margin of Overlander North. 2 DDH holes for 869 m was drilled at Overlander South.

During 2015, Hammer completed magnetic, gravity and Induced Polarisation (**IP**) surveys, identifying anomalies at Overlander North.

To the west of Overlander North, Hammer completed geological mapping and IP surveys identifying drill targets that were drilled in 2016 by 3 DDH holes. In 2024, Hammer drilled 2 RC holes into Overlander Central following soil anomalism on the western side of the Overlander shear.

2.6.4. Exploration Data

Between 2013-2015 a total of 55 drillholes for 6,334 m has been drilled between Overlander North and Overlander South. Drilling utilised a Drill Torque Ltd Schramm 650 RC rig with a face sampling bit. Target intervals or suspected mineralisation was sampled as 1 m splits. 4 m composite samples were taken outside of the interpreted mineralisation zones. Diamond core was half cut over geologically defined intervals and samples. In 2016 DDH holes were drilled using DDH1. The drill used was a Sandvik DE840 drill rig. In 2023, RC holes were drilled by Remote drilling using a Hydco 70 drilling rig using RC drilling method. Historically drilled holes by Kings Minerals were sampled every 1 metre in the RC programs, while DDH completed by CEC was sampled at lengths based off geological contact and visible mineralisation. Drill holes completed by Hammer were down-hole surveyed in rod at 30 m intervals, taking magnetic susceptibility readings to accurately identify which surveys had inaccurate azimuths due to magnetite concentrations.

Recoveries were visually estimated and recorded in the drill logs. The range of recoveries was between 80-90% with localised variations near the surface of the oxidised zones. Core recovery was calculated by measuring recovered core and comparing it to drilled intervals. RC drilling utilised a booster and auxiliary compressor to drill the holes dry. No sample recovery bias has been observed through mineralised zones.

All drilling completed by Hammer and Kings Minerals is logged geologically. Hammer has recorded lithology, alteration and mineralisation, weathering, colour and structures. The CEC drilling has not been logged geologically.

RC samples were predominantly taken at 1 m intervals, where they were rifle split and bagged. Where multiple metre intervals were sampled at either 2 or 4 m composites depending on the year/program. Samples were taken by scooping/spearing the one metre piles, re-bagging and numbering the 4 m composites. Diamond core was sampled at varying lengths and was cut in half by core saw for sampling. From 2013-2015, standards were inserted at a rate of 1 per 20 samples and duplicate samples were taken at a rate of approximately 1 in 20 samples. RC field duplicates were collected by rifle splitting on site. Half core duplicates have not been collected. In the drilling campaigns from 2016 onwards, standards were taken at a rate of 1 per 25 samples and duplicate at a rate of 1 per 50.

From 2013-2015, samples were analysed at ALS for a range of elements using 4-acid digest by ME-ICP61 or Aqua regia digest by ME-ICP41. Cu values that assayed greater than 10,000ppm were re-assayed at Cu-OG62. Au was analysed using Fire Assay by Au-AA21, Au-AA25 or Au-AA26 determined by AAS. In 2016, Hammer used SGS laboratories, having samples analysed for a range of

elements using 4-acid digest by ME-ICPOES and MS. Gold was analysed in every sample using Fire assay by AAS. Historical assay method information is not available. Hammer internally assessed the use of QAQC and determined the Cu and Au assay performance was within acceptable limits and shows no systematic bias.

The Hammer drill collars were surveyed originally by GPS but have since been re-surveyed by DGPS except for drillholes OVRC029 to OVRC031 and OVD001. Helicopter borne magnetic survey data was used to construct a topographic surface.

Drilling is spaced on a 40 m x 20 m pattern. The holes are drilled at a dip of between -55° to -60°. The drilling is designed to intersect the steeply dipping mineralised structure of approximately 70-90°. The estimated true width of reported intercepts is 70-80% of down hole width.

Between 2013-2015, pre-numbered bags were utilised for the RC drilling done by Hammer. The samples were transported to the ALS Laboratory in Mount Isa by company personnel. ALS then transported samples to its Townsville or Brisbane laboratories as required. No information available for historical DDH samples. The same method was carried out for the 2016 campaign, however, Hammer utilised SGS in Townsville, delivered by Carrier.

Bulk-density values are based on Overlander North and Overlander South material, predominately from fresh material. Oxide and transitional material densities used in the 2014 MRE of Overlander North. Values used were 2.84 t/m^3, 2.6 t/m^3 and 2.3 t/m^3 for fresh, transitional and oxide mineralisation, respectively. Thes values were also used for the Overlander South MRE.

2.6.5. MinVal Comment on Exploration Data

The 2013-2015 drilling techniques utilised to drill the holes that were sampled and subsequently used in the estimations on the Overlander North and Overlander South Deposit are described above and include reverse circulation and diamond.

The reports state that a database of all drilling and analytical data has been maintained by Hammer. However, the data used in the MRE has been reviewed by Haren, the independent consultants undertaking resource estimations in 2015, who have undertaken steps to verify the adequacy of the 2013-2015 drilling data for the mineral resource. Haren noted it removed or altered several survey points due to errors caused by presence of magnetite. Haren considered the database adequate for resource estimation at the Inferred level.

Post MRE, the data has been reviewed internally.

MinVal consider the data appear adequate to support mineral resource estimation.

2.6.6. Mineral Resource Estimate

An updated Mineral Resource estimate for the Overlander North and Overlander South deposits were announced by Hammer on August 26, 2015, and July 24, 2014, respectively, in accordance with JORC Code 2012 and is summarised in Table 6.

Table 6: Mineral Resource Estimates for the Overlander North and Overlander South Deposits

OVERLANDER NORTH AND SOUTH DEPOSITS JORC 2012 MINERAL RESOURCE ESTIMATES

(AUGUST 26, 2015)

(Reported at 0.7% Cu cut-off)

Overlander North Mineral Resource

CLASSIFICATION	TONNES	Cu %	Co PPM	Cu TONNES	Co TONNES
Indicated	253,000	1.4	254	3,414	64
Inferred	870,000	1.3	456	11,350	396
Total	**1,123,000**	**1.3**	**410**	**14,764**	**461**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence
Note: (2) Totals may differ due to rounding

Overlander South Mineral Resource

CLASSIFICATION	TONNES	Cu %	Co PPM	Cu TONNES	Co TONNES
Indicated	-	-	-	-	-
Inferred	649,000	1.0	500	6,352	327
Total	**649,000**	**1.0**	**500**	**6,352**	**327**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence
Note: (2) Totals may differ due to rounding

Overlander North and South Combined Mineral Resource

CLASSIFICATION	TONNES	Cu %	Co PPM	Cu TONNES	Co TONNES
Indicated	253,000	1.4	254	3,414	64
Inferred	1,518,000	1.2	476	17,700	723
Total	**1,772,000**	**1.2**	**445**	**21,112**	**788**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence
Note: (2) Totals may differ due to rounding

Source: ASX HMX 31 Oct 2025

The information in the following section is sourced from mineral resource estimates for the Overlander North and Overlander South deposit reported publicly via ASX announcements by Hammer as follows:

- Overlander Copper Resources on July 24, 2014
- Overlander Copper Resource Updated August 26, 2015.

Based on mineral resource estimates for the Overlander North and Overlander South deposit provided by Hammer as follows:

- Overlander North – Overlander South Mineral Resource, August 2015. Haren Consulting (unpublished).

All the wireframe interpretation, block modelling, geostatistical studies, grade interpolation and classification work for the MREs reported above were undertaken by Haren in 2014 and 2015 and uses the 48 RC holes totalling 4,356 m and 11 DDH holes totalling 1,978 m.

Copper and cobalt were estimated with ordinary kriging, with oriented ellipsoid searches using dynamic anisotropy from the CAE Studio software suite. The estimation process is as follows:

- Interpretations were guided by regional geology and local field observations.
- A 3D mineralisation wireframe was created to domain the mineralised data.

- Compositing of data to 1 m using the best fit method.
- A low-grade mineralization envelope was created using 0.1% Cu or 150 ppm Co cut-off for low grade mineralization. High grade copper mineralization envelope was created using a 0.4% cut-off and high-grade Co mineralization at 150 ppm cut-off.
- Top cuts in Co zones were used to address the influence of extreme grade values and were determined through statistical analysis using Supervisor software. No top cuts were applied for Cu.
- Parent block dimensions used for the estimation of the Overlander North deposit were 20 m x 2.5 m x 10m with sub cells of 5 m x 0.625 m x 2.5 m For the Overlander South deposit, parent block dimensions used for the estimation were 20 m x 5 m x 10 m with sub cells of 5 m x 1.25 m x 2.5 m.
- The consideration of drill hole spacing was used to select the parent block sizes for both deposits.
- Selective mining units were not modelled.
- Bulk density has been calculated using 205 measurements, so that an average density is applied for oxide, transitional and fresh material with bulk density values of 2.3 t/m^3, 2.6 t/m^3 and 2.84 t/m^3 respectively.
- A cut-off of 0.7% Cu for Open Pit surface mining has been applied for reporting of the Mineral Resources.

2.6.7. MinVal Resource Review Comments

In MinVal's opinion, the Inferred categorisation appropriately reflects the confidence attributed to the data quality, interpretation and estimation approach. The model is suitable to support a valuation reported in accordance with the VALMIN Code.

2.6.8. Development Potential

MinVal acknowledges that further drilling will need to be done to better define grade continuity and mineralisation controls. Overall, this could upgrade or downgrade resource. Mineralisation is still open along strike and at depth, with further drilling along strike from the pits presents opportunity to discover additional resources (Figure 8). MinVal notes the company has reported it is currently completing a Scoping Study at the Overlander deposits.

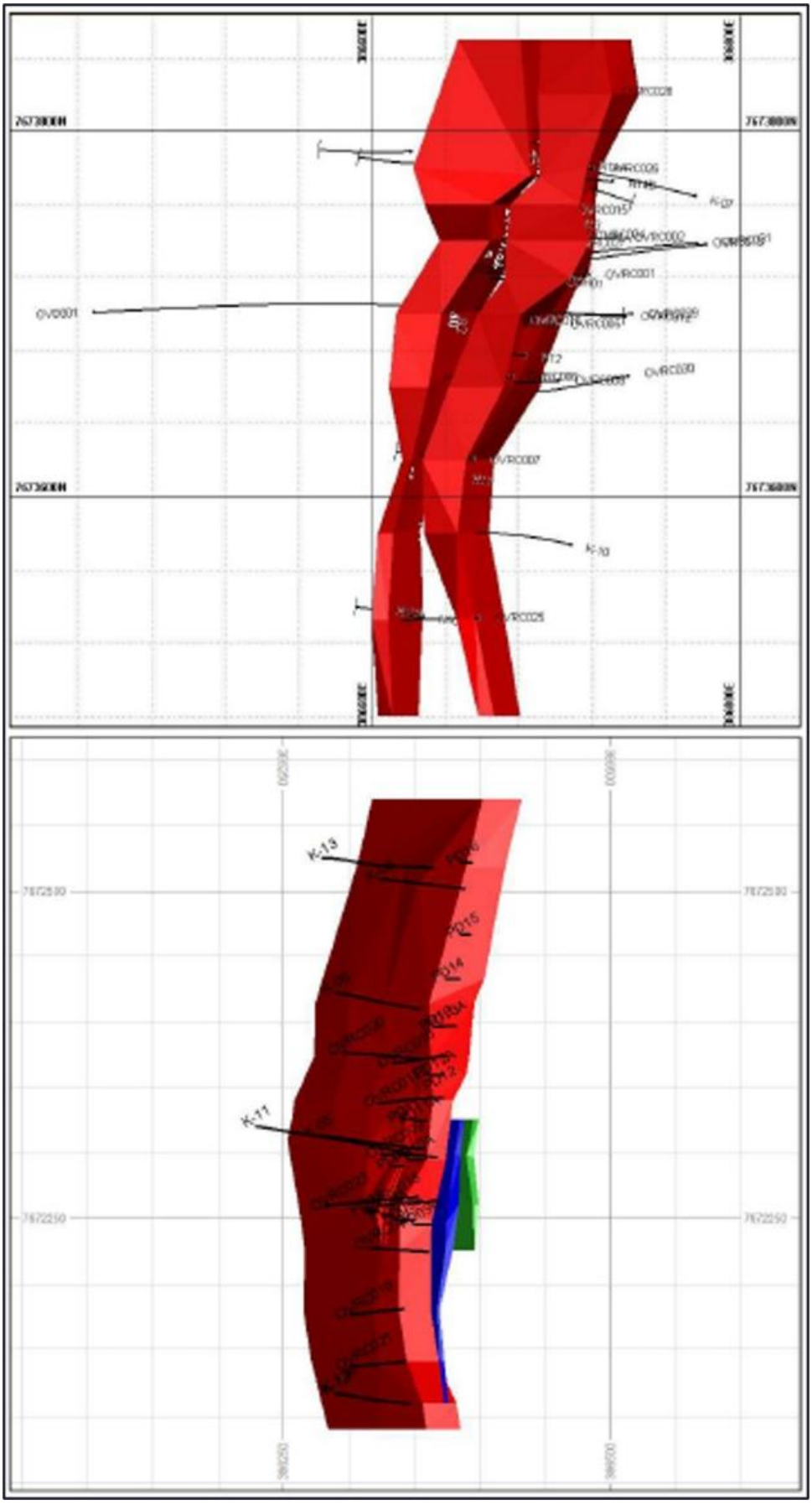


Figure 8: Overlander North and South Deposit mineralisation wireframes

Note: *The first image relates to Overlander North and the bottom image relates to Overlander South.*

Source: Overlander North – Overlander South Mineral Resource, August 2015. Haren Consulting (unpublished)

2.7. Elaine Deposit

2.7.1. Location and Access

The Elaine Deposit is situated 6 km southeast of Hammer's Kalman Deposit (Figure 1) The Elaine Deposit sits within the EPM 14022 lease which was acquired by Hammer in 2017. The tenure is located 50 km east of Mt Isa and is accessed via unsealed station tracks after the sealed Barkly Highway. During the rainy season, excessive rainfall can impede access across station tracks and drainage systems. See Appendix A for more details on tenure.

2.7.2. Geological Setting and Mineralisation

The Elaine deposit lies on the western limb of the Mary Kathleen syncline near its southern closure and is cut by the north-northwest-trending Mary Kathleen shear zone. Its geology comprises of folded and faulted marble, quartzite, several schist and calc-silicate units, quartz diorite intrusions, and garnet-diopside skarn. Scapolite-diopside calc-silicate is the most extensive unit, while siliceous feldspar-diopside calc-silicate forms prominent ridges in the southwest.

The project area contains two related mineralised areas. Southern stratiform mineralisation is dominated by uranium, thorium and LREEs within scapolite-diopside and garnetite-diopside skarn, commonly associated with fractures, breccias, allanite and uraninite. The larger northern area is hosted by a near-vertical northeast-trending shear containing skarn and biotite schist. It is dominated by copper and cobalt, with LREEs, lower-grade thorium and uranium, and locally narrow, very high-grade gold zones.

2.7.3. Exploration

This description of Exploration and Exploration Data is summarised from unpublished internal documents:

- Updated Resource Estimate for the Elaine Project, Queensland, Australia, October 19, 2012. Mine Development Associates.
- Elaine Site Visit Report, Unpublished internal company report from Mine Development Associates, Ristorcelli S, Ristorcelli P, 2012

The Elanie Project had been explored between 1950-1980 by Western Nuclear Inc, Minerals Ventures Ltd, Mary Kathleen Uranium Ltd under JV with Rio Tinto Mining Company of Australia Pty Ltd and Australian Oil Exploration Ltd. Minerals Ventures Ltd completed 11 drill holes and Mary Kathleen Uranium Ltd drilled 19 holes. During this time, geological and alteration mapping, and scintillometer surveying was completed. Several east striking and moderately north dipping lenses of mineralisation was identified in scapolite-diopside rock at the surface.

From 2004 Goldsearch completed 4 RC holes, soil geochemistry surveys, ground IP and magnetic surveys, detailed mapping and gamma-ray spectrometer sampling. Goldsearch drilled another 6 holes to follow up anomalies from the previous mapping and sampling.

CYU completed mapping, geophysical surveys and numerous geochemical sampling programs over the area identifying a zone of copper mineralisation. CYU completed 34 DDH holes and 1 RC hole from 2009-2012. In 2011, CYU completed EM surveying and a DHEM survey where they identified an east striking, south dipping body open in both directions.

In 2018, Hammer drilled 2 RC holes for 322 m testing mineralisation extension away from the deposit. Since 2018, no material work has been completed at the Elaine deposit.

2.7.4. Mineral Resource Estimate

A Mineral Resource Estimate for the Elaine deposit was announced by CYU on October 18, 2012, in accordance with JORC Code 2004 and is shown in Table 7. Thus, it is considered to be a historical mineral resource.

Table 7: Mineral Resource Estimate for the Elaine Deposit

CuEq cut-off %	Mt	CuEq %	Cu %	Au g/t
0.10	64.34	0.34	0.31	0.05
0.20	32.77	0.54	0.49	0.08
0.25	26.10	0.62	0.56	0.09
0.30	22.81	0.67	0.60	0.10
0.40	17.81	0.76	0.68	0.12
0.50	15.05	0.82	0.73	0.13
0.60	12.47	0.88	0.77	0.15
0.70	**9.31**	**0.95**	**0.82**	**0.19**
0.80	6.46	1.04	0.87	0.25

Note: *This MRE has been reported in accordance with JORC Code 2004.*

Source: ASX HMX 29 Oct 2021

Information contained in the 2012 announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Hammer has confirmed that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcements continue to apply and have not materially changed. MinVal notes significant movement in the gold price.

2.7.5. MinVal Resource Review Comments

MinVal consider that significant expenditure for drilling and study work may be required to be able to report a Mineral Resource Estimate for the Elaine Deposit in accordance with the current edition of the JORC Code. MinVal has therefore elected value the Elaine Deposit on the basis of a historic mineral resource.

2.7.6. Development Potential

Since the completion of the 2 RC holes in 2018, Hammer has not progressed the Elaine project. MinVal acknowledges that further drilling will need to be done to better define grade continuity and mineralisation controls. Overall, this could upgrade or downgrade resource. Mineralisation is still open along strike and at depth.

2.8. Mt Philp Iron Ore Deposit

2.8.1. Location and Access

The Mt Philp Iron Ore Deposit is situated 6 km northwest of Hammer's Kalman Deposit (Figure 1). The Mt Philp Deposit sits within the EPM 26775 lease which was acquired by Hammer in 2013. The tenure

is located 60 km northeast of Duchess Township and is accessed by unsealed station tracks via the sealed Barkly Highway, during the rainy season, excessive rainfall can impede access across station tracks and drainage systems. See Appendix A for more details on tenure.

2.8.2. Geological Setting and Mineralisation

The Mount Philp Ironstone is a continuous north-northeast trending stratigraphic unit that sits within the Proterozoic Corella Formation. The Corella Formation is locally divided into an eastern calcsilicate sequence and a western siliclastic sequence, separated by the Mount Philp Ironstone. The ironstone grades from Haematitic quartzite in the south, through the banded siliceous ironstone, to massive hematitic ironstone in the north.

Mineralisation is mainly present as Hematite, with minor magnetite porphyroblasts adjacent to faulting. The deposit is zoned into two area, with the northern area dominated by massive hematite while the southern area has richer silica content. Banded and massive varieties of siliceous hematite is recognised.

2.8.3. Exploration

The Australian Bureau of Mineral Resources, Geology and Geophysics (now Geoscience Australia) identified high prospectivity for the Mount Philp Ironstone. Prior to 2007, no other exploration work is known to have occurred.

From 2007, Cerro drilled 7 RC holes for 1,441 m to test outcropping ironstone. The southern RC holes failed to test the targets properly. The two RC holes drilled into the north tested the targets effectively. From 2010, Cerro completed surface mapping and rock chip sampling and followed with 42 DDH hole and 6 RC holes for 3,801 m, drilling on a 100 m pattern across the strike length of the ironstone. In 2012, Cerro completed a MRE for the Mt Philp Deposit.

From 2013, Hammer completed work on the surrounding prospects, no longer focusing on the Mt Philp deposit.

2.8.4. Mineral Resource Estimate

A Mineral Resource Estimate for the Mt Philp deposit was announced by Cerro on January 31, 2012, in accordance with JORC Code 2004 and is shown in Table 8. Thus, it is considered to be a historical mineral resource.

Table 8: Mineral Resource estimate for the Mt Philp Deposit

Mt Philp Mineral Resource

Classification	Tonnes	Fe %	P %	SiO2 %	Al203 %	TiO2 %	LOI %
Indicated	19,110,000	41	0.02	38	1.3	0.38	0.29
Inferred	11,400,000	34	0.02	48	2.0	0.46	0.31
Total	**30,510,000**	**39**	**0.02**	**42**	**1.6**	**0.41**	**0.30**

Note: (1) Numbers rounded to two significant figures to reflect appropriate levels of confidence.

Note: (2) Totals may differ due to rounding.

Source: ASX HMX 31 Oct 2025

Information contained in the 2012 announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the

information has not materially changed since it was last reported. Hammer has confirmed that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcements continue to apply and have not materially changed. MinVal notes that this estimate has been included in the mineral resource inventory quoted in Hammer's 2025 Annual Report, however MinVal considers that the confidence that can be attributed to an estimate reported in accordance with the JORC Code 2004 is of materially lower confidence compared to a contemporary estimate.

2.8.5. MinVal Resource Review Comments

MinVal consider that significant expenditure for drilling and study work may be required to be able to report a Mineral Resource Estimate for the Mt Philp Iron Ore Deposit in accordance with the current edition of the JORC Code.

The Mt Philp deposit is located on the same tenement as the Kalman and Lakeview deposits. MinVal has elected to value the tenement on the basis of the Kalman and Lakeview Mineral Resources and therefore has not valued the Mt Philp deposit.

In MinVal's opinion the Mt Philp Iron Ore Deposit does not have a material market value.

2.9. Exploration Potential

2.9.1. Overview

The Tourist Zone is located approximately 8 km west of the Kalman Deposit (Figure 1), associated with shear zone style mineralisation. Drilling targeted an anomalous >1km strike length of copper and gold mineralisation. Intercepts included (ASX: HMX 30 November 2023):

- 35m @ 0.55% Cu and 0.10g/t Au from 35m in HMTZRC003
- 30m @ 0.8% Cu and 0.24g/t Au from 121m in HMTZRC001, including 15m @ 1.13% Cu and 0.24g/t Au; and
- 12m @ 1.14% Cu and 0.18g/t Au from 107m in HMTZRC002, including 2m @ 3.02% Cu and 0.53g/t Au.

The Mascotte and Revenue Trends are located approximately 10 km southwest of the Kalman Deposit (Figure 1) and sits within the Corella formation and cut by the Mascotte Fault. Previously drilled copper-gold mineralisation intersected by Hammer in drillhole HMMARC014 are as follows (ASX: HMX 17 June 2025):

- 6m @ 1.25% Cu and 0.23g/t Au from 111m, including:2m @ 2.80% Cu and 0.39g/t Au from 111m.
- 7m @ 0.74% Cu and 0.13g/t Au from 129m, including 1m @ 1.72% Cu and 0.24g/t Au from 131m

Hammer reported that the mineralisation was poddy and discontinuous within the vein-hosted system, with down-dip potential to be considered for future drilling. A VTEM survey and follow up EM survey over the general Mascotte and Revenue trend area identified two priority conductivity targets with seven lower priority targets.

The Sisters Prospect is located approximately 30 km south of the Kalman Deposit (Figure 1) sitting along the Pilgrim fault. Hammer completed soil sampling across the structural corridor in 2024 identifying four anomalies, two co-incident copper-gold anomalies and two gold anomalies.

The Overlander Granite – REE target is located adjacent to the Overlander Deposit (Figure 9). Regional reconnaissance soil sampling along the Wonga Intrusive suite in 2024 confirmed the Overlander Granite as an A-type granite with elevated REE signatures. Numerous zones of anomalous maximum total rare earth yttrium oxide (TREYO) was identified from the program. Other zones of anomalous Nd and Pr were identified in the western portion of the target area.

The Kalman West Prospect sits within 500 m of the Kalman Deposit (Figure 1). The prospect sits within the Ballara-Pilgrim fault corridor and is proximal to the Kalman Cu-Au-Mo-Re system. Recent field mapping of graphitic units within the Corella Formation, mainly the Kalman West Schist (KWS), a graphitic and variably sulphidic muscovite schist. Previous drilling in hole HMKWRC009 intersected broad zones of anomalous base-metal mineralisation, intercepts included (ASX: HMX 14 October 2021):

- 37m at 0.14% Cu from 8m (including 1m @ 1.86% Pb and 0.31% Zn).
- 10m at 0.19% Cu from 84m (including 1m @ 0.42% Pb and 0.65% Zn); and
- 7m at 0.19g/t Au from 120m.

Hammer has received a grant or collaborative exploration incentive (CEI) of $176,000 from the Queensland Government to undertake a first-pass DDH program targeting SEDEX style and sediment hosted copper.

The Keyser Prospect sits approximately 10 km southwest of the Kalman Deposit (Figure 1). The Company completed a 306 soil sample campaign over the Keyser area in 2025 identifying a 500 m long gold anomaly that sits along the Ballara Fault within the Corella Formation, proximal to an ENE-trending fault. Further sampling completed over part of the anomaly identified anomalous mineralisation hosted within oxidised brecciated siliceous host rocks and quartz vein breccia with surficial hematite staining.

The Orphan East target sits 22 km south-east of the Kalman Deposit (Figure 1), sitting within the Wimberu Granite and displays strong magnetite, hematite and potassium feldspar alteration, indicative of an IOCG style system. The targets were identified from geophysical surveys and geochemical sampling completed in 2016 under the Newmont-Hammer Metals JV. Two geophysical targets are planned to be drill tested using RC drilling.

The Redback target sits 24 km north of the Kalman Deposit (Figure 1) and occurs along the structural corridor that hosts a historical gold mine at Tick Hill. The target was identified in the 1980's from soil and stream sampling and was drilled by WMC where they identified gold mineralisation. Soil sampling completed across the area confirmed a broad 3 km long gold anomaly.

The Bullsrush target is located approximately 30 km from the Kalman Deposit (Figure 1). The Project area sits over the Wimberu granite. In 2025, 3 DDH were drilled for 1,350 m targeting IOCG style mineralisation in zones of lower magnetic response coincident with elevated gravity responses for copper and gold mineralisation. The drilling identified copper sulphides related to regional Na-Ca magnetite alteration and hematite-K-feldspar alteration associated with Na-Ca magnetite depletion, with significant intercepts including (ASX: HMX 20 March 2026):

- 4m at 0.40% Cu from 259m and 1m at 0.31% Cu from 305m in HMBRDD006; and
- 1m at 0.26% Cu from 413m and 1m at 0.18% Cu and 0.11% Mo from 494m in HMBRDD007.

The Isa Valley Option project is located approximately 50 km to the southwest of the Kalman Deposit (Figure 1). In late 2025, 4 RC holes for 1,166 m were drilled into mapped Mount Isa Group sediments on the Mount Annable Fault, targeting conductive and geochemically anomalous responses. Sections

of graphitic shales within the Mount Isa Group sediments were anomalously elevated for zinc, with intercepts including (ASX: HMX 20 March 2026):

- 12m at 0.15% Zn from 268m in MA25RC001; and
- 10m at 0.12% Zn from 76m in MA25RC002.

A CEI grant of $160,000 will fund a 3 line Magnetotelluric (MT) survey across the Mount Isa fault that will be completed in the near future.

The Lady Jenny JV Project sits approximately 15 km northwest of the Kalman Deposit on the Lady Jenny mining lease (Figure 1). In late 2024, 11 RC holes for 1,343 m, testing the geometry, grade and style of Cu-Au mineralisation beneath the historical open pit. Drilling intersected interpreted multiple plunging mineralised shoots beneath the pit with intercepts including (ASX: HMX 20 February 2025):

- 32m @ 1.05% Cu and 0.22 g/t Au from 14m in HMLJRC005 (estimated true width ~25m), including: 20m @ 1.35% Cu and 0.30 g/t Au from 16m; and
- 26m @ 0.67% Cu and 0.34 g/t Au from 37m in HMLJRC008 (estimated true width ~21m), including: 1m @ 9.08% Cu and 4.4 g/t Au from 42m.

Further drilling is proposed to test mineralisation under the southern portion of the pit.

The Black Rock Prospect sits approximately 35 km north of the Kalman Deposit (Figure 9). Historical drilling has identified broad zones of copper and gold mineralisation over an approximate strike of 1.2 km and mineralised envelope true width of up to 60 m. Drill results include (ASX: HMX Hammer Metals to Acquire Sunset and Black Rock Copper-gold Projects. 30 October 2018):

- 78m @ 0.54% Cu and 0.13g/t Au from 140 m (CAMD003).
- 94m @ 0.44% Cu from 159m (DDH-PN1, no gold assays).
- 98m @ 0.30% Cu, including 3m @ 4.05% Cu and 0.59g/t Au from 85m (CAMC033); and
- 70m @ 0.33% Cu, including 5m @ 1.08% Cu and 0.23g/t Au from 206m (CAMC028).

The Yellowstone Prospect sits approximately 25 km north of the Kalman Deposit (Figure 9). Yellowstone displays a 10 km trend of anomalous copper and gold mineralisation associated with a 250 m x 100 m alteration zone at surface. Drill testing by Hammer intersected (ASX: HMX 10 March 2026):

- 53.9m at 0.42%Cu from 55.45m in YDH-2, including: 1.1m at 2.4% Cu from 55.45m, 7.6m at 1.2% Cu from 94m.

Within the Mount Hope JV lies the South Hope Prospect which is located approximately 60 km southwest of the Kalman Deposit (Figure 1). Hammer previously drilled beneath the shallow historical open pit that was mined in the 1960's to 1970's, intersecting significant mineralisation. The Maiden MRE for South Hope is shown in Table 9 ASX: HMX 27 Jan 2026.

The Trafalgar Prospect sits approximately 20 km north northeast of the Kalman Deposit (Figure 9), proximal to the Fountain Range Fault The area has numerous old workings and historical drilling work completed. Old workings define a 4.5 km trend of broad copper mineralisation. The historical drilling has intersected copper and gold mineralisation. The area displays mineralisation styles consistent with iron oxide-copper-gold (IOCG) style systems. Moving forward, Hammer plan to undertake a resource assessment at Trafalgar (ASX: HMX March Quarterly 2026).

The Pearl Prospect is located approximately 20 km north northwest of the Kalman Deposit (Figure 9). Pearl sits on the Trafalgar to Jubilee trend and is marked by numerous copper workings and shafts

along an 800 m strike length. Under the previous JV agreement, 5 RC holes for 990 m was drilled intersected significant intercepts. Hammer plans to drill test Pearl moving forward.

The Even Steven Prospect sits approximately 15 km north northeast of the Kalman Deposit (Figure 9), along the western side of the Pilgrim Fault. Even-Steven is characterised by a 6 km long ridge of coincident magnetic and gravity anomalies that presents outcropping albite magnetite alteration and a zone of copper and gold anomalism from soil samples.

The Jimmy Creek Prospect sits approximately10 km northeast of the Kalman Deposit (Figure 9), along the Pilgrim Fault, containing similar lithologies to the Kalman Deposit. Previously completed IP surveys and rock chip sampling has confirmed prospectivity for IOCG style mineralisation at Jimmy Creek.

Table 9: Mount Hope JV - South Hope MRE

(South Hope 0.5% CuEq Cut-off above 300mRL)

Class	Mount Hope Deposit	Tonnes Mt	Cu %	Au ppm	CuEq %	Cu t	Au Oz	CuEq t
Indicated	Central[1]	7.2	1.7	0.3	2.0	124,500	66,800	142,200
	North[1]	1.2	1.2	0.2	1.3	14,400	7,700	16,400
	South Hope[2]							
	Total	**8.5**	**1.6**	**0.3**	**1.9**	**138,900**	**74,500**	**158,600**
Inferred	Central[1]	1.7	1.1	0.2	1.2	18,700	9,700	21,300
	North[1]	0.7	1.2	0.2	1.4	9,000	4,300	10,100
	South Hope[2]	0.3	1.7	0.3	2.0	4,900	2,600	5,600
	Total	**2.5**	**1.2**	**0.2**	**1.3**	**32,600**	**16,600**	**36,900**
Total	Central[1]	9.0	1.6	0.3	1.8	143,200	76,500	163,400
	North[1]	2.0	1.2	0.2	1.4	23,400	12,000	26,600
	South Hope[2]	0.3	1.7	0.3	2.0	4,900	2,600	5,600
	Total	**11.2**	**1.5**	**0.3**	**1.7**	**171,500**	**91,100**	**195,600**

Note: Rounding discrepancies may occur.

Note: The CuEq calculation is CuEq=Cu% + (Au_ppm * 0.85) and is based on review of consensus forecast prices of US$8,505/t for copper and US$2,520/oz for gold, exchange rate of 0.63 and recovery of 95% copper and 85% gold as demonstrated in preliminary metallurgical test work carried out in 2023. It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Reference 1: 98% of the combined Mount Hope Central and North deposits occur on ML90240, 100% owned by Carnaby Resources Ltd. The Inferred mineral resource includes 0.2Mt @ 0.9% Cu and 0.1g/t Au for 1.0% CuEq occurring outside ML90240 and within EPM26777 that is under Joint Venture with Hammer Metals Limited (ASX: HMX) and where Carnaby holds 51% of the deposit with a right to earn up to 70%.

Reference 2: The South Hope deposit occurs outside of ML90240 on EPM26777 which is under Joint Venture with Hammer Metals Limited (ASX: HMX) where Carnaby holds 51% of the deposit with a right to earn up to 70% and the balance is held by Hammer Metals Limited.

Note: This table comes from an announcement released by Carnaby Resources that was appended to Hammer's release from the 27 January 2026.

Source: ASX: HMX 27 Jan 2026

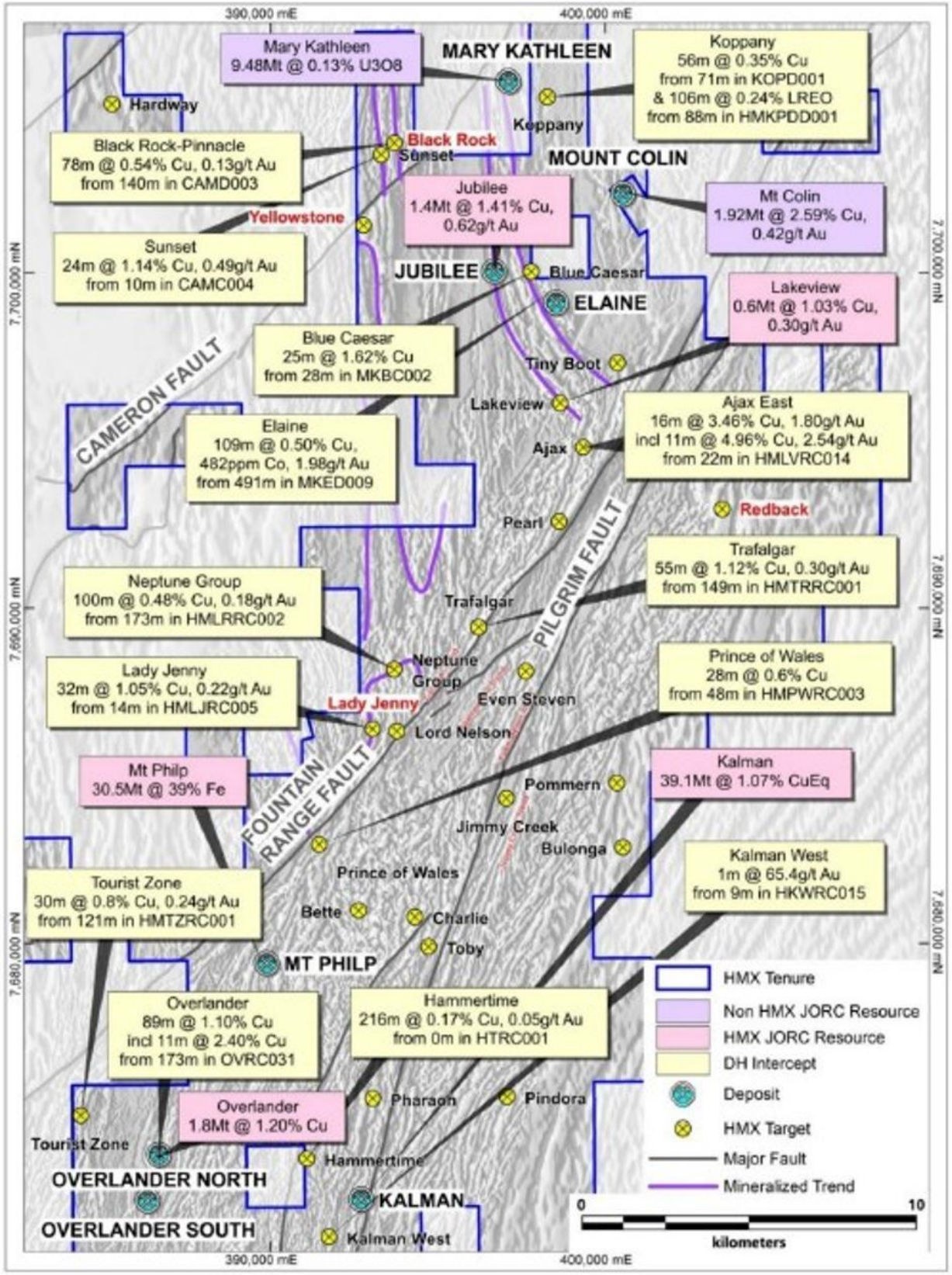


Figure 9: Regional Prospects and Targets

Source: ASX HMX 29 Apr 2026

2.9.2. Assessment

MinVal considers the regional exploration focused tenure/targets listed in Appendix A hold potential for hosting copper, gold, molybdenum, rhenium, cobalt and REE mineralisation. Exploration activities have been carried out over the numerous targets with some drilling intersecting mineralisation.

For the purpose of this report, the prospectivity of Hammer's tenements for copper, gold, molybdenum, rhenium and REE is considered material to the value of the tenements, however, far greater value resides in the defined copper-gold mineralisation for which Mineral Resources have been estimated and scoping studies are currently underway.

2.10. Risks and Opportunities

2.10.1. Risks

Key risks include reliance on Inferred and historical Mineral Resource estimates that require substantial additional drilling, validation and expenditure to improve confidence and achieve JORC Code (2012) compliance. There are some historical data limitations across several projects that may require re-drilling, while recent partner withdrawals have returned greater funding and operational responsibility to Hammer.

2.10.2. Opportunities

Hammer Metals holds a large, highly prospective tenure portfolio in the Mount Isa region, supported by established Mineral Resources, wholly owned assets, strategic JV partnerships and CEI government exploration funding. Its hub-and-spoke strategy, centred on Kalman and nearby deposits, provides potential development opportunities, while mineralisation at the deposits remaining open along strike and at depth offers opportunities for further resource growth. There is potential upside across multiple prospects e.g., Kalman West, Tourist Zone, Mascotte/Revenue, Lady Jenny, Black Rock, and Trafalgar.

3. Austral Resources Projects

Austral's projects are located within the Mount Isa Inlier (Figure 2), a regionally prospective geological province hosting significant copper and base-metal mineralisation. The project portfolio spans two principal geological settings, with the Western Projects situated within Paleoproterozoic to Mesoproterozoic sedimentary rocks of the western Mount Isa Inlier, and the Eastern Projects located within the Eastern Fold Belt of the Mount Isa Inlier (Figure 12).

Austral holds a number of mining leases and exploration permits across the project areas, supporting both ongoing mining and exploration activities targeting structurally hosted copper mineralisation.

3.1. Regional Geological Setting and Mineralisation Controls

Austral's portfolio is divided between a Western and Eastern Project tenure, that is further divided into 5 project groups: Lady Annie - Mt Kelly, Anthill, Rocklands, Cameron River and Miranda (Figure 12).

The Western Projects are positioned within Paleoproterozoic to Mesoproterozoic sedimentary successions of McArthur Basin equivalent units, primarily the Paradise Creek Formation and Mt Ida Siltstone of the Namara Group (Figure 10). These sequences formed through major intracontinental rifting, basin sedimentation, volcanism, and the Isan Orogeny (Luck and Neave, 2025). The broader Lady Annie, Mt Kelly and Anthill project areas are spatially associated with a regional north to northwest-trending structural corridor forming part of the Mt Gordon Fault Zone network. Deformation and episodic fault reactivation during the Isan Orogeny are interpreted to have generated secondary fracture networks that provided pathways for hydrothermal fluid flow. Copper mineralisation is interpreted to occur within sediment-hosted, structurally controlled hydrothermal systems associated with the regional fault network.

The Eastern Projects are situated within Paleoproterozoic to Mesoproterozoic metasedimentary and metavolcanic sequences (Figure 11) that underwent intense deformation and metamorphism during the Isan Orogeny. Regionally, the stratigraphy is dominated by the Mary Kathleen Group (principally the Corella Formation) and underlying felsic volcanics of the Argylla Formation (Giles *et al*, 2006). Upper greenschist to amphibolite facies metamorphism has resulted in extensive marble and calc-silicate alteration development, with base and precious metal mineralisation interpreted as structurally controlled, strongly influenced by the north-northwest-trending Rocklands Fault Zone and associated splays (GSoQ, 2020). Mineralisation is locally associated with intense hydrothermal brecciation, albitisation, and metasomatism, with some interpretations linking potential fluid sources to the Williams-Naraku batholith and associated intrusions (GSoQ, 2020).

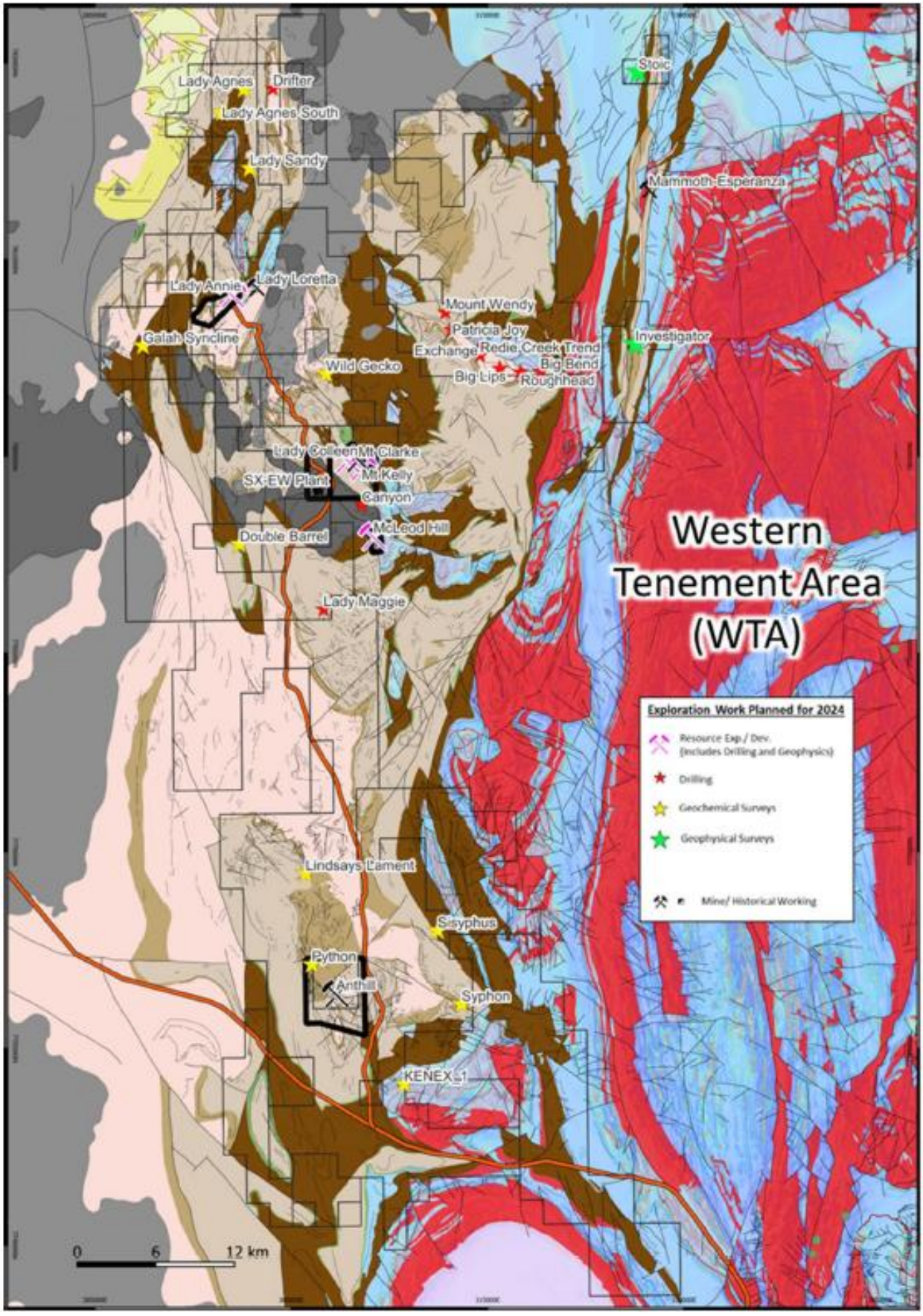


Figure 10: Western tenement geology

Note: *Tenement boundaries differ from date of plan production*

Source: Drew and Neave, 2025

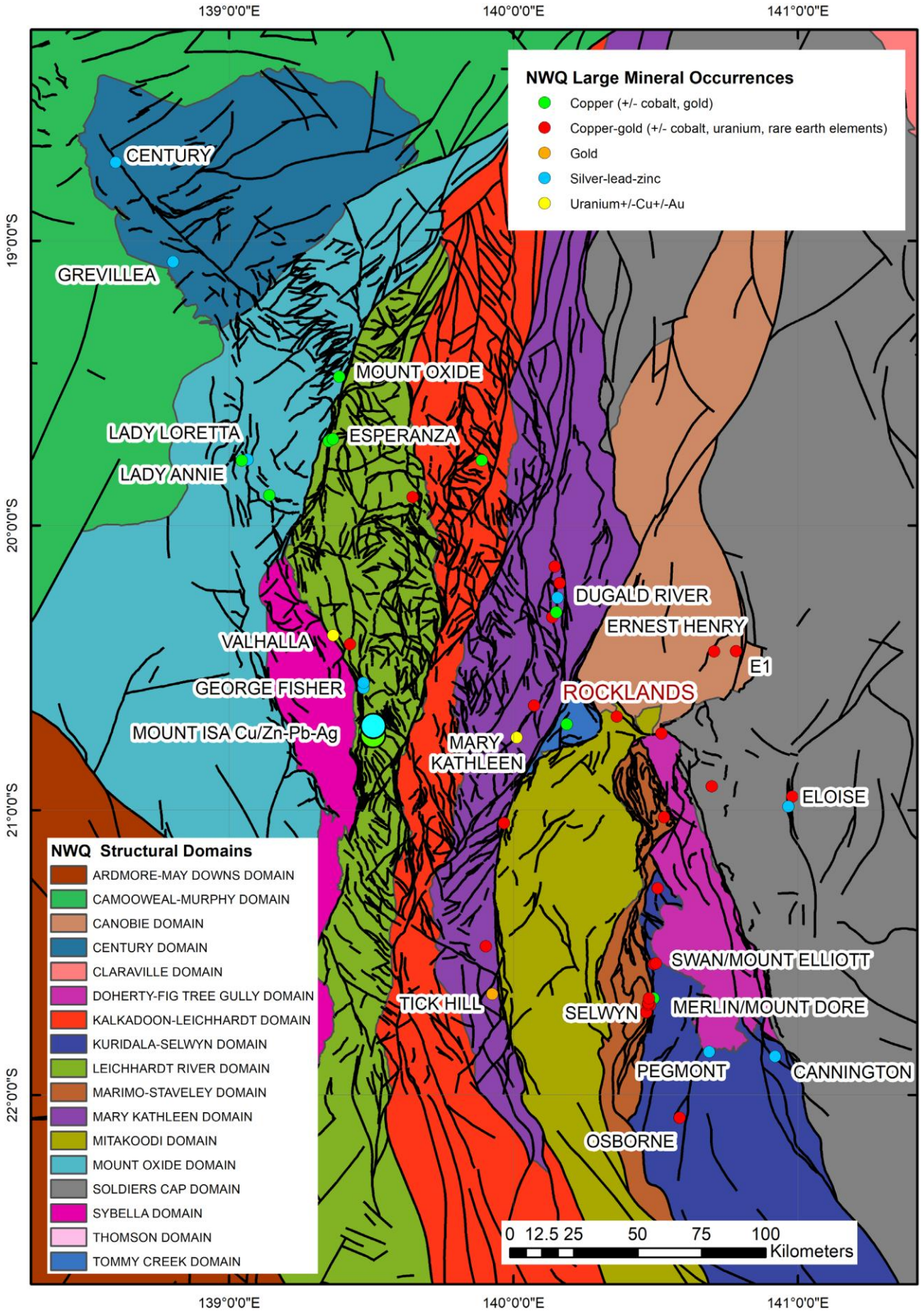


Figure 11: Rocklands regional geology

Source: Geological Survey of Queensland (GSoQ, 2020)

3.2. Tenure

In total Austral holds 2206km^2 of tenure (Figure 2, Figure 12). Austral has retained a 100% interest in 2,145km^2 of tenure and a 100% interest in its JORC (2012) Mineral Resources as listed in Table 10 inclusive. For EPM 15126, Austral holds an 80% interest covering 61.3km^2. Austral holds thirty-seven exploration mining permits (EPM) and twenty mining leases (including those required for infrastructure). The Western projects total twenty EPM and cover 1,782 km^2, with seventeen mining leases covering 86km^2. At the Eastern projects, Austral holds seventeen EPM covering 318km^2, with three mining leases covering 20km^2. A detailed list of Austral tenements, as provided by Austral to MinVal, is included in this Valuation Report and presented in Appendix B.

Equity in this tenement formed part of the assets sold by CopperCo to Cape Lambert in 2009 and subsequently to CST Minerals Ltd in May 2010. On 22 July 2019, Austral Resources Lady Annie Pty Ltd (ARLA) acquired CST Minerals Lady Annie Pty Ltd's 80% interest in the tenement through the acquisition of CST Minerals Australia Pty Ltd and its subsidiaries, including CST Minerals Lady Annie Pty Ltd (CSTLA) and CST Minerals Exploration Pty Ltd (CSTEXP), by Kombi Mining Pty Ltd. (ASX: AR1 01 November 2021).

MinVal has relied on spot checking of the tenure information provided to us against information publicly available on the Landtracker website, the Queensland government's GeoResGlobe website and the S&P Global Capital IQ platform.

3.3. Western Projects

3.3.1. Location and Access

The Western Projects are represented by the western group of tenements held by Austral, located approximately 120 km north of Mount Isa mainly via the Barkly Highway, followed by maintained local unsealed regional and mine-access haul roads (Figure 2, Figure 12). They comprise the Lady Annie–Mt Kelly–Anthill portfolio, including the Lady Annie, Lady Brenda, Flying Horse, Mt Clarke, Lady Colleen, McLeod Hill, Swagman and Anthill deposits. These deposits include numerous Mineral Resource Estimates (**MREs**) and production areas associated with the Mt Kelly Heap Leach (**HL**) and Solvent Extraction Electro Winning (**SX-EW**) operations as outlined below. As announced on 16 February 2026 Austral acquired 100% of Noranda Pacific Pty Ltd, the owner and operator of the Lady Loretta mine, associated EPMs, processing infrastructure and mining camp. The transaction completed on 30 April 2026.

A detailed list of Austral's Western Project tenements included in this Valuation Report is presented in Appendix B, as provided to MinVal by Austral. MinVal has relied on spot checking of the tenure information provided to us against information publicly available on the Landtracker website, the Queensland government's GeoResGlobe website and the S&P Global Capital IQ platform.

3.3.2. Geological Setting and Mineralisation

The Western Projects are hosted predominantly within deformed early- to mid-Proterozoic sedimentary successions of the western Mount Isa Inlier. The individual deposits occupy different stratigraphic units, but share a strong spatial relationship with major faults, shear zones and subsidiary structural corridors.

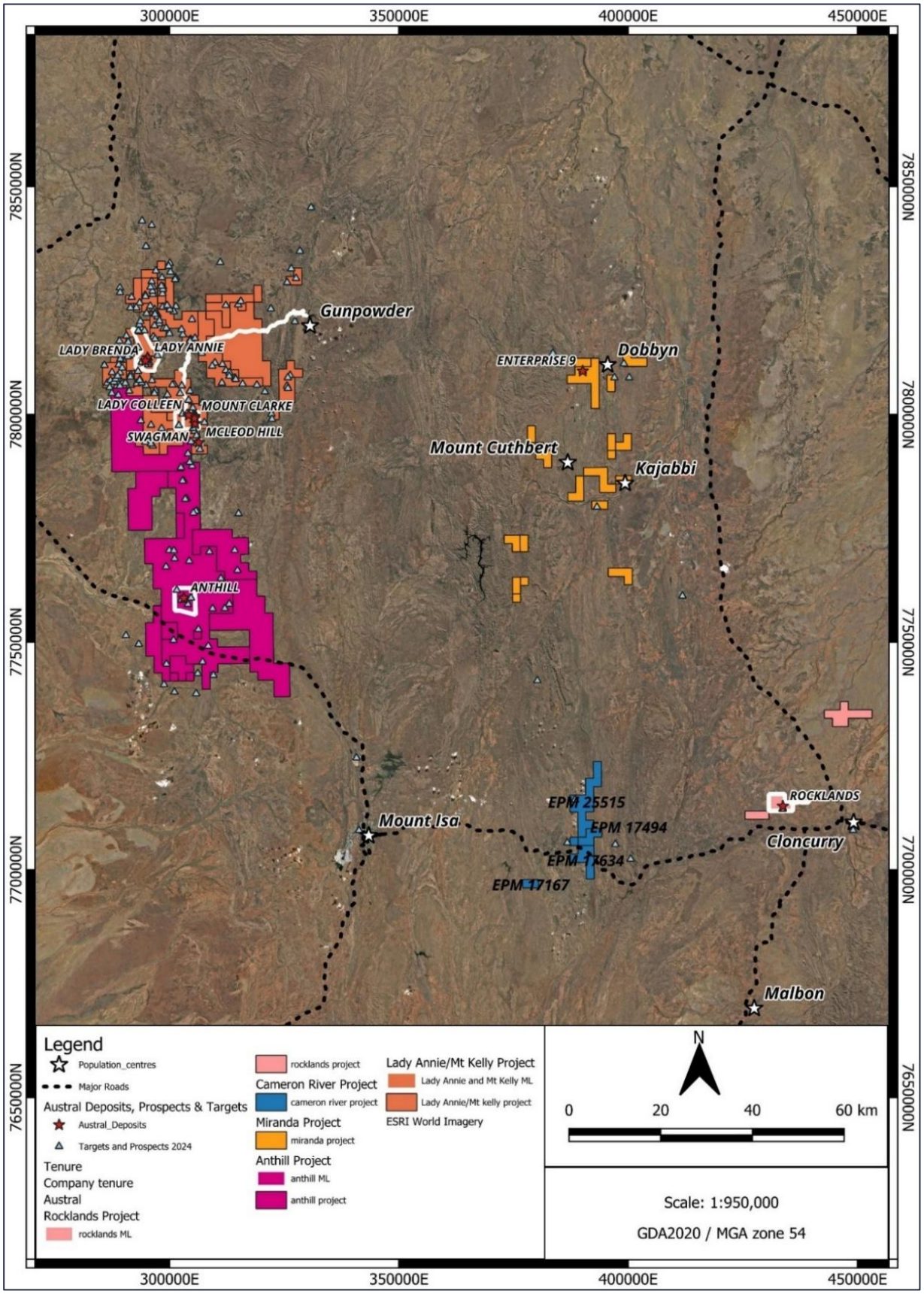


Figure 12: Location of Austral's Western and Eastern Projects

Source: Austral

The broader Lady Annie mining area is located within the north-trending Lady Loretta High Strain Zone and is hosted within a fault-bounded and gently folded blocks of the Paradise Creek and Upper Gunpowder Creek formations, with the nearby Lady Brenda deposit hosted within dolomitic, carbonaceous and argillaceous sandstones and siltstones (ASX: AR1 6 June 2022). For the Flying Horse, Mt Clarke, Lady Colleen, McLeod Hill and Swagman deposits, host rocks are dominated by siltstones and dolomitic siltstones of the McNamara Group, with the Anthill deposit hosted predominantly within the Esperanza Formation (principally dolomitic siltstones).

Mineralisation within the Western Projects can broadly be characterised as sediment-hosted, structurally controlled hydrothermal copper systems. Mineralisation is localised within faults, shear zones, breccias and silicified sedimentary units, with the more permeable or reactive dolomitic horizons providing favourable sites for fluid flow and copper deposition. At Lady Annie and Lady Brenda, primary copper sulphide mineralisation is structurally controlled and commonly associated with well-developed fault-related silicification. Subsequent weathering and oxidation have removed much of the original dolomite from the upper parts of the deposits, leaving ferruginous silty sandstones and kaolinitic sandy siltstones hosting the oxide and transitional copper zones (ASX: AR1 ASX 6 June 2022).

Within the Mt Kelly district, mineralisation is associated with multiple phases of brecciation and veining developed along major fault zones. The same broad structural model applies at Swagman and McLeod Hill, while mineralisation at Lady Colleen is concentrated within a structurally favourable sedimentary sequence that includes brittle dolomitic siltstone overlying graphitic shale. Austral interprets dolomitic units as preferred permeability horizons for mineralising fluids, with strong weathering having produced a substantial oxide profile in which much of the original carbonate component has been removed.

3.3.3. Exploration History

Lady Annie – Mt Kelly Project Mining Leases

The project mining leases consist of ML5426, ML5435, ML5446, ML5447, ML5448, ML5474, ML5476, ML5478, ML5568, ML90168, ML90168, ML 90169, ML90170, ML90178, ML90179, ML90184.

The Lady Annie and Mt Kelly areas have been explored by reverse circulation (**RC**) and diamond hole (**DDH**) drilling since 1964, with the most drilling completed during 2004. Buka Minerals acquired Lady Annie and Lady Loretta in 1996; CopperCo acquired and developed the project from 2004, with mining commencing at Mt Clarke in April 2007 and Lady Annie in October 2008. The Mt Kelly processing plant was commissioned in October 2007, and Austral acquired the project from CST in 2019 (Luck & Neave, 2025).

Recent exploration has included RC drilling at Lady Annie, Mt Kelly and McLeod Hill and DDH drilling at Lady Colleen and Flying Horse. Lady Annie drilling in 2023 comprised 18 RC holes for 1,424 m and extended oxide mineralisation northeast and northwest of the pit. Lady Colleen drilling confirmed continuity of high-grade mineralisation. McLeod Hill drilling increased the reported Mineral Resource to 1.7 Mt at 0.6% Cu (ASX: AR1, 25 July 2024). Exploration planning subsequently focused on Lady Annie Deeps, Flying Horse, Lady Colleen, McLeod Hill and Canyon.

Lady Annie – Mt Kelly Project Exploration Permits

The exploration permits for the Lady Annie/ Mt Kelly project consists of EPM14693, EPM15126, EPM16240, EPM16241, EPM16242, EPM16243, EPM17088, EPM17415, EPM17422, EPM17469, EPM17533, EPM17789, EPM27979, EPM28349 and EPM28881.

EPM 14693 –Judenham Creek

Historical work comprised geological mapping, stream-sediment, soil and rock-chip sampling, aeromagnetic, radiometric, gravity induced polarization (**IP**) and electromagnetic (**EM**) surveys and limited drilling, generally without significant base-metal results. CST subsequently completed integrated geophysical interpretation, predictive targeting and 56 RAB holes for 4,263 m at Double Barrel. Drilling identified sub-economic Pb-Zn-Cu anomalism. The zinc anomaly remained open northward. Later activity was limited to rehabilitation, research collaboration and data review. (Orr, 2021/02).

EPM 15126 – Battle Creek

Early exploration targeted alluvial diamonds, followed by regional Cu-Pb-Zn exploration comprising airborne geophysics, stream, soil and rock-chip sampling and limited drilling. CopperCo collected 1,097 soil samples, and CST completed a further 680 sample survey near the McNamara Fault. Subsequent work included fixed wing airborne electromagnetic system (**TEMPEST EM**), radiometric interpretation, reconnaissance, CSIRO-supported predictive modelling, development of the Iris target and a project-wide target review completed in 2020. (Orr, 2021/12a).

EPM 16240 – Eastern Creek

Between 1969-1974, CEC drill tested the Investigator Fault, drilling 5 DDH holes with insignificant results. Four DDH and 14 percussion holes were drilled by Anaconda between 1980 and 1982, but results were low grade. Between 2012-2019 CST completed 17 RC holes and 1 water bore for 2,657 m, and 105 RAB holes for 6,265 m. Following drilling, TEMPEST EM, geological mapping and integrated target generation was completed. Austral completed a tenement-wide target review in 2020 following their acquisition of the lease (Orr 2021/12b).

EPM 16241 – MGF Zone

Historical datasets comprised geological mapping, surface geochemistry, drilling and a 2010 magnetic-radiometric survey. CST undertook data compilation, reconnaissance mapping, TEMPEST EM, soil sampling at Torpedo and integrated structural, geochemical and predictive targeting. Austral subsequently completed a tenement-wide review in 2020 (Orr 2020/12e).

EPM 16242 – Mt Kelly East

Earlier explorers conducted regional geological, geochemical and geophysical programs from the mid-1970s. From 2012, CST completed prospecting, soil and rock-chip sampling, TEMPEST EM and magnetic inversion modelling, followed by drilling at the Patterson Prospect, Dividend prospect and Exchange prospect. RAB drilling included 16 holes at Manu, 35 holes at Rhona Maria, 17 holes at Redie Creek and 9 holes at Swagman. Austral completed a tenement wide target review in 2020 (Orr 2021/12c).

EPM 16243 – Lady Maggie

Historical exploration by MIM, Aberfoyle, BHP, Placer, Copper Resources Australia (**CRA**) and CopperCo included geological and geochemical surveys, geophysics and drilling. From 2010, CST completed 19 RC holes at Lady Maggie, together with soil and rock-chip sampling. Additional drilling tested Lady Agnes (9 RAB and 1 RC hole, Lady Agnes North (2 RAB holes) and South (3 RAB and 1 RC hole(s), Mt Hope (2 RC holes) and Tellus (13 RAB holes). The results were generally low grade or failed to identify significant copper mineralisation. Regional EM, geochemical and predictive targeting programs were also completed. (Orr, 2021/07).

EPM 17088 – Drifter

Historical exploration comprised surface geochemistry and versatile time domain electromagnetics (**VTEM**), EM and IP surveys targeting Mount Isa-style mineralisation. CST completed prospect mapping and 72 RAB and 14 RC holes. An initial RAB intersection of 37 m at 1.07% Cu was not replicated by follow-up RC drilling, downgrading the Drifter Fault as a standalone target, although widespread low-grade Cu-Pb-Zn anomalism was identified beneath cover. In 2023, Austral collected surface rock-chip values up to 16.05% Cu at Drifter (ASX: AR1, 06 April 2023; Orr 2021/07).

EPM 17415 – Mt Kelly West

Historical exploration was largely limited to regional magnetics and four soil-sampling campaigns. CST completed data compilation, mapping and rock-chip sampling at Amy's Pocket, regional soil-lag sampling, TEMPEST EM and integrated target generation. Amy's Pocket was subsequently tested by 11 RC holes for 957 m in 2022 (*ASX 31 October 2022)*. Drilling encountered irregular, discontinuous and sub-economic oxide mineralisation, and no further exploration was proposed at that time (ASX: AR1, 31 October 2022; Orr, 2022/01).

EPM 17422 – Lady Annie West

Historical work by Carpentaria Exploration delineated a 600 m by 100 m copper soil anomaly at Climax. Carpentaria drilled 4 RAB holes but failed to intersect significant mineralisation. Later surface sampling and percussion drilling around the Galah Syncline by Shell Company and BHP Minerals Ltd were also unsuccessful. CST completed TEMPEST EM, mapping and predictive targeting, followed by1 RAB hole at Jaffas Find and 2 RAB holes at Tims Find for a combined 179 m (Orr, 2020/09)

EPM 17469 – Lady Annie West 2

Pre-CST exploration was limited to regional reconnaissance, with no historical drilling within the licence. CST completed mapping, rock-chip sampling, TEMPEST EM and 25 RAB holes for 1,588 m at Dougs Hope and Last Chance. Dougs Hope returned coincident Cu-Pb-Zn anomalism over approximately 2 km, warranting follow-up. Last Chance returned only weak zinc anomalism. Following re-interpretation of the TEMPEST EM data, 12 EM conductors were identified, including one high-priority target (Orr, 2021/07b).

EPM 17533 – Mt Kelly West 2

Historical work included geochemical and geophysical surveys and diamond drilling of an EM anomaly that intersected 13 m of elevated Cu-Zn. CST subsequently completed airborne EM, surface geochemistry and 7 RAB holes for 499 m at Tellus and Xanadu. Xanadu returned only weak zinc anomalism. Exploration during 2019 was restricted to data review (Orr 2021/02b).

EPM 17789 – Lady Annie Regional

The licence covers a long history of copper, lead-zinc, phosphate and diamond exploration involving mapping, geochemical sampling, airborne and ground geophysics and drilling. CST completed 78 RAB holes at Lady Jane, defining a 1 km-long Cu anomaly peaking at 1,415 ppm, and 70 RAB holes for 4,589 m across Dougs Hope, Galah, Tims Hope, Jaffas Find, Wild Gecko and Barratts Bend. TEMPEST interpretation identified 44 conductors. Glencore commenced drilling at Galah Creek in 2023 under the Lady Annie regional JV (Orr 2021/02)

EPM 27979 and EPM 28349

No lease-specific exploration history or results are available for these EPMs.

EPM 28881 – Canyon

Canyon was granted in December 2025 following identification of several copper-oxide targets within approximately 3 km of the Mt Kelly processing facility. The licence also covers the interpreted northwest continuation of the McLeod Hill mineralised system. First-pass drilling at Canyon subsequently intersected a previously unrecognised oxide system, including 24 m at 1.03% Cu from 74 m in MTKC0734 (ASX: AR1 31 July 2026).

Anthill Project Mining Leases

Mining lease at Anthill is ML90233.

Anthill was drilled between 1972 and 2012, with most work completed during 2010–2012 using RC, DDH and RC with diamond-tail methods. The deposit was converted to mining-lease status in 2017. In late 2022, Austral completed 41 RC holes for 3,412 m, defining a continuous Cu-As anomalous structural corridor and demonstrating that more than 30% of the mining lease remained ineffectively tested. A further 39 RC holes for 3,320 m were completed during the September 2023 quarter (ASX: AR1 31 October 2023; Orr, 2021/12d).

Anthill Project Exploration Permits

The exploration permits for the Anthill project consists of EPM16244, EPM18817, EPM27978, EPM27980, EPM28325.

EPM 16244 – Buckley River

Exploration since the 1990s comprised geological mapping, stream, soil and rock-chip sampling, geophysical surveys, drilling and integrated predictive targeting. Work contributed to the delineation and development of the Anthill deposit. In 2023, Austral completed 11 RC holes for 882 m at Python North (Orr 2021/12d; ASX: AR1 31 October 2023).

EPM 18817 – Old May Downs

Historical exploration included surface geochemistry, IP, EM, magnetics, radiometrics and shallow percussion, RAB and DDH drilling. Several Pb-Zn-Cu occurrences were investigated, but grades were considered sub-economic. CST subsequently defined the H-Carl and Max-Ent 24 targets using historical compilation, predictive modelling and structural interpretation. Most of the Max-Ent 24 target area was relinquished in 2020 (Orr 2021/02b).

EPM 27980 and 27978

No lease-specific exploration history or results are available for these EPMs.

EPM 28325 – Dingo

The includes the historical Lady Maggie surface and underground workings. Historical drilling returned oxide intersections including 58 m at 0.97% Cu from surface, including 15 m at 1.75% Cu, and sulphide intersections including 17 m at 2.01% Cu from 59 m, including 6 m at 4.70% Cu (ASX: AR1 31 October 2023). Cultural heritage surveys and environmental approvals were subsequently completed to support planned follow-up drilling (ASX: AR1 29 January 2025).

3.3.4. MinVal Comment on Exploration History

Exploration across the Lady Annie and Mt Kelly mining leases and associated EPM's has enabled the progression from early exploitation through adits and small-scale workings to targeted, near-mine resource extensions that have enabled the commission and development of base metal mining

operations. Targeting of structural hosted copper though geophysics and reassessment of brownfield sites has enabled extensions to mineralisation and increased regional prospectivity. Historic exploration shows the prospectivity of the western region to host further structurally hosted copper occurrences, such as at the Canyon prospect.

3.3.5. Mineral Resource Estimates

The Western Projects comprise Mineral Resource estimates at numerous deposits (Table 10). The MREs have been completed by WSP, (Luck and Neave 2025) with subsequent reviews and updates as based on depletion from mining. Previous Mineral Resource estimates were produced by Golders, Snowden and ResEval using ordinary kriging and inverse distance, reported on a head grade basis.

In situ Mineral Resources at the Western projects as of 30 March 2026 in the Austral Annual 2025 report total 51.2Mt at 0.73% Cu (Table 10). The Resources are reported across the following material types:

- 11.02 Mt of oxide material
- 15.14Mt of transition material
- 25.09 million tonnes of sulphide material

The in situ Mineral Resource estimate is reported at a 0.30% Cu cut-off , with the exception of Lady Colleen, which used a 0.5% Cu cut-off. Mineral Resources were reported to depths considered accessible to open pit mining.

No major issues with sampling and assaying were identified by reviews undertaken in 2007 and 2008 by Maxwell Geoservice, Snowden 2010 and Golder 2012 (Luck and Neave, 2025).

3.3.6. MinVal Mineral Resource Comments

MinVal notes that there are no Ore Reserves in the Western projects following the depletion of the Anthill Ore Reserve (ASX: AR1 30 April 2026).

Drill spacing is adequate. Blanks, duplicates and standards were implemented after 2008. QAQC procedures were not implemented prior to 2008. Some checking has been carried out historically on these samples and this indicates no material variance (Luck and Neave, 2025). Twinning of holes was conducted at the Lady Annie deposit, and this indicated some variance in grade, a small number of holes were twinned at Anthill and McLeod Hill has no twinned hole.

Lady Annie and Mt Kelly (Lady Colleen, Mt Clarke and Flying Horse) have had adequate density measurements totalling 6177 and 2551 respectively, Swagman and McLeod Hill density is assigned upon the Mt Kelly area. All tonnes and densities are reported on a dry basis.

The Mineral Resource estimates in MinVal's opinion are valid although further density work is required to support the measured portion of the Swagman and MacLeod Hill models.

3.4. Ore Reserve Estimates

There are no Ore Reserves in the Western projects following the depletion of the Anthill Ore Reserve (ASX: AR1 30 April 2026) which was depleted during the March 2026 quarter.

3.5. Previous Production

Within the Western Projects there are several deposits that have previously been exploited, these are the Lady Loretta, Ant Hill and Mt Kelly Projects.

The Lady Loretta base metal deposit was discovered in the late 1960's with the deposit exploited by Glencore between 2012 to 2015 and again from 2018 to late 2025 when the Ore Reserves were depleted. Austral acquired the Project as announced in February 2026 with the transaction completed on 30 April 2026 (AR1 ASX release 30 April 2026)

The Anthill oxide copper deposits was exploited by Austral with mining commencing in August 2022 and first commercial production announced on 9 January 2023 (ASX: AR1 9 January 2023). The deposit consists of two separate pits, the west pit and the east pit, the west pit was completed in January 2025 with the east pit completed and the Ore Reserves for the Project depleted in the march quarter of 2026. The in the March quarterly report Austral reported that there were stockpiles at Anthill totalling 225,000t containing approximately 1,334t of copper. The final stockpiles were transported to the Mt Kelly Heap Leach and SXEW processing plant in the June quarter 2026. During the site visit there were no stockpiles at Anthill confirming the remainder of the stockpiles had been transported and stacked on the Mt Kelly Heap Leach pads. On 28 July 2026 Austral terminated the Anthill Project Agreement therefore providing Austral full control of the Mt Kelly Processing facility and also full ownership of any of the copper produced from the Anthill Project.

As detailed above the Lady Annie and Mt Kelly Project consists of several previously exploited deposits with the Mt Kelly heap leach pads and SXEW processing infrastructure, initially constructed in 2007, generating up to 30,000t/a of copper cathode from the four open pits, being Lady Annie, Lady Brenda, Mount Clarke and Flying Horse. Based on information contained in the Heap Leach Mineral Resource estimate, dated 1 October 2024, a total of 22.6Mt has been placed within the Heap Leach pads with total contained copper being 192.81Kt of copper and 148.23kt of copper produced. Since the MRE was reported an additional 2.824Mt has been stacked on the leach pads with the total contained copper estimated to be 21.31kt of copper. Production since the Mineral Resource was estimated totals 13.46kt of copper. Note there is a slight difference between the contained copper in the leach pads compared to Table 16 due to MinVal assuming that 0.05% the copper will not be extractable.

3.6. Processing Plants, Equipment and Infrastructure

Within the Western Projects there is significant equipment, infrastructure, accommodation camps, processing plants predominantly located in two specific Projects, being the Mt Kelly Project and the Lady Loretta Project.

The infrastructure detailed in this report is not an extensive list of all the equipment located within the project but a summary list of the equipment that were observed and are considered material to the overall value of the Austral assets.

Within the valuation section the value of this equipment has been detailed based on a preliminary assessment of the equipment with the values generated on comparable equipment from similar projects that have been reported in the public domain or the best estimate of the likely replacement value of the equipment with appropriate discounts to account for the second had nature of the equipment. Where there are no direct comparable estimates of the equipment there has been escalation or contraction of the costs to account for the scale of the comparable equipment and an appropriate inflation adjustment.

Where the equipment if it is not considered likely to be required in the potential processing options currently being considered by Austral the value is an assessment of the likely market value of the equipment sold on an as is where is basis.

The details of the processing infrastructure, equipment and mining camps within the Western Projects are summarised below.

Lady Loretta

Facilities all in excellent condition and adjacent to decline:

The equipment was operational in December 2025 when the Ore Reserves within the Lady Loretta deposit were depleted. The Lady Loretta transaction initially announced on 16 February 2026 was completed on 30 April 2026 (ASX: AR1 30 April 2026) Under the transaction terms, Austral acquired the Lady Loretta mine, associated EPMs, processing infrastructure and mining camp

The processing infrastructure observed during the site visit included

- crushing plant
- paste plant
- shift change rooms
- offices
- Fuel farm
- Workshops, warehouses and spare equipment
- Mobile equipment
- 12 MW power station with overhead line to Mt Kelly

Accommodation

A 200 person, high-quality camp with separate management houses, pool, laundries, gym, tennis court, basketball court, grassed areas, an adjacent older ~150 room camp is also supported by the newer camp.

Mt Kelly and Lady Annie

Process Plant

Nominal 30,000t/a copper solvent extraction and electro winning. Plant which was originally commissioned in 2007 and was refurbished by Austral in 2021.

The plant is in good condition, well-maintained and currently processing the heap leach material located adjacent to the processing plant.

The plant is targeting throughput of ~27,000t/a.

The heap leach pads are currently being treated by two separate methods, one is the standard leaching via applying sulphuric acid via a series of drippers and "wobblers" with the solution being collected by a multiple leach drains, pipes and channels into to several lined processing dams. The second approach is targeting the deeper historic pads, cells and lifts of the Heap Leach Pads with acid being injected into the cells via a series of injection wells into the deeper now isolated pads. The Mineral Resource undertaken for the heap leach pads estimates that several of the deeper isolated cells or pads contain considerable copper grades which were isolated prior to full or effective copper extraction either due to previous operational constraints, acid availability or lower copper prices. This injection method is an innovative approach to re leach previous copper rich pads and is best compared to in-situ leaching of other styles of mineralisation. This injection method had only commenced two days prior to the site visit; therefore, the effectiveness of this approach is as yet not known however liquid was observed exiting several of the leach pipes from the deeper cells which appeared to contain dissolved copper based on the colour of the liquid from the leach pipes. If this leaching approach is not successful then the alternative approach is to rehandle the heap leach pads and re-irrigate the material using a conventional approach. The cost of rehandling the heap leach

pads was included in the assumptions that were used in the reasonable prospects of eventual economic extraction when the Mineral Resource estimate was undertaken.

Ore treatment

- Crushing plant
- agglomerator – replacement drum has been procured and was largely installed before the site visit
- overland and grasshopper conveyors
- ore stacker

Facilities

- acid receival and storage, other reagents.
- workshops (HV and LV)
- Mobile equipment
- fuel farm
- admin, process, exploration offices and facilities
- water supply pipelines from bore field and Lady Loretta

Accommodation

150 man camp and amenities, good quality.

3.7. Environmental

There are several aspects that require rehabilitation within the Projects, these are mostly associated with the previous pits, haul roads, water bores, accommodation camps and the heap leach pads. MinVal believes there are cash backed environmental bonds in place for the required rehabilitation associated with the previous and future rehabilitation requirements, as these are cash backed and they are reviewed and updated on an annual basis MinVal considers that the rehabilitation liabilities are covered by the current environmental bonds. Therefore, the valuations contained within this report are after the environmental rehabilitation requirements are considered.

Table 10: Austral's Reported Mineral Resources, excluding Rocklands

Deposit	Material Type	Cut-off Grade (Cu %)	Measured Mt	Measured Cu (%)	Measured Ca (%)	Measured Mg (%)	Indicated Mt	Indicated Cu (%)	Indicated Ca (%)	Indicated Mg (%)	Inferred Mt	Inferred Cu (%)	Inferred Ca (%)	Inferred Mg (%)	Total Mt	Total Cu (%)	Total Ca (%)	Total Mg (%)
Anthill	Oxide	0.30	0.50	0.47	0.40	0.30	2.91	**0.52**	0.50	0.40	0.14	0.37	0.30	0.30	3.55	**0.51**	0.40	0.40
	Transition	0.30	0.21	0.84	5.50	3.20	1.59	**0.71**	5.60	3.20	0.26	0.47	5.50	3.30	2.06	**0.70**	5.60	3.20
	Sulphide	0.30	0.02	0.70	5.90	3.40	0.84	**0.61**	5.50	3.10	1.67	0.54	6.50	3.90	2.53	**0.57**	6.20	3.70
Anthill	**Total**	**0.30**	**0.72**	**0.59**	**2.00**	**1.20**	**5.34**	**0.59**	**2.80**	**1.70**	**2.07**	**0.52**	**6.00**	**3.60**	**8.13**	**0.57**	**3.50**	**2.10**
Lady Annie	Oxide	0.30	0.51	0.56	1.00	0.60	1.35	**0.44**	0.50	0.50	0.03	0.40	0.40	0.70	1.89	**0.47**	0.60	0.50
	Transition	0.30	1.94	0.68	8.00	4.70	3.33	**0.83**	8.10	4.90	0.12	0.57	9.20	5.80	5.39	**0.77**	8.10	4.80
	Sulphide	0.30	0.55	0.91	8.30	4.90	3.84	**0.89**	9.70	5.90	0.49	0.58	10.40	6.50	4.88	**0.86**	9.60	5.90
Lady Annie	**Total**	**0.30**	**3.00**	**0.70**	**6.90**	**4.00**	**8.52**	**0.80**	**7.60**	**4.60**	**0.64**	**0.57**	**9.70**	**6.10**	**12.16**	**0.76**	**7.50**	**4.60**
Lady Brenda	Oxide	0.30	0.33	0.43	1.60	1.00	2.76	**0.39**	1.30	0.90	0.16	0.35	2.20	1.40	3.25	**0.39**	1.40	1.00
	Transition	0.30	0.29	0.57	10.20	5.80	2.99	**0.52**	8.90	5.20	0.65	0.46	7.40	4.60	3.94	**0.51**	8.70	5.10
	Sulphide	0.30	0.02	0.42	2.60	1.30	0.45	**0.56**	10.40	6.20	0.37	0.45	7.10	4.20	0.84	**0.51**	8.70	5.20
Lady Brenda	**Total**	**0.30**	**0.64**	**0.49**	**5.50**	**3.20**	**6.20**	**0.47**	**5.60**	**3.40**	**1.18**	**0.44**	**6.60**	**4.00**	**8.03**	**0.46**	**5.70**	**3.50**
Flying Horse	Oxide	0.30	0.72	0.47	0.70	0.70	0.57	**0.44**	0.60	0.60	0.01	0.34	0.10	0.10	1.30	**0.46**	0.60	0.60
	Transition	0.30	0.76	0.59	5.00	2.90	1.37	**0.61**	4.30	2.60	0.06	0.56	2.70	1.50	2.19	**0.60**	4.50	2.60
	Sulphide	0.30	0.95	1.16	5.10	2.90	5.75	**0.85**	5.90	3.40	4.01	0.77	5.20	3.10	10.71	**0.85**	5.50	3.30
Flying Horse	**Total**	**0.30**	**2.42**	**0.78**	**3.80**	**2.20**	**7.69**	**0.78**	**5.20**	**3.00**	**4.08**	**0.77**	**5.10**	**3.10**	**14.20**	**0.77**	**4.90**	**2.90**
Mt Clarke	Oxide	0.30	0.15	0.46	0.40	0.60	0.35	**0.43**	0.20	0.50	0.02	0.48	0.30	0.80	0.52	**0.44**	0.30	0.50
	Transition	0.30	0.41	0.55	1.50	1.00	0.16	**0.47**	2.20	1.30	0.00	0.46	6.40	2.80	0.57	**0.53**	1.70	1.10
	Sulphide	0.30	0.36	0.61	1.20	0.80	0.69	**0.57**	1.90	1.20	0.50	0.55	2.40	1.40	1.55	**0.57**	1.90	1.20
Mt Clarke	**Total**	**0.30**	**0.92**	**0.56**	**1.20**	**0.80**	**1.20**	**0.52**	**1.50**	**1.00**	**0.52**	**0.55**	**2.40**	**1.40**	**2.64**	**0.54**	**1.50**	**1.00**
Lady Colleen	Oxide	0.50	<0.01	0.77	3.00	1.50	<0.01	**0.80**	2.50	1.30	–	–	–	–	<0.01	**0.79**	2.70	1.40
	Transition	0.50	0.13	0.85	2.00	1.00	0.18	**0.99**	3.40	1.70	<0.01	0.61	8.50	4.70	0.32	**0.93**	2.90	1.40
	Sulphide	0.50	0.49	1.70	4.00	2.20	1.96	**1.91**	4.50	2.40	0.37	1.50	5.90	3.10	2.82	**1.82**	4.60	2.50

Deposit	Material Type	Cut-off Grade (Cu %)	Measured Mt	Measured Cu (%)	Measured Ca (%)	Measured Mg (%)	Indicated Mt	Indicated Cu (%)	Indicated Ca (%)	Indicated Mg (%)	Inferred Mt	Inferred Cu (%)	Inferred Ca (%)	Inferred Mg (%)	Total Mt	Total Cu (%)	Total Ca (%)	Total Mg (%)
Lady Colleen	**Total**	**0.50**	**0.63**	**1.51**	**3.60**	**1.90**	**2.14**	**1.83**	**4.40**	**2.40**	**0.37**	**1.49**	**5.90**	**3.20**	**3.15**	**1.73**	**4.40**	**2.40**
McLeod Hill	Oxide	0.30	–	–	–	–	0.18	**0.36**	0.00	3.30	0.14	0.36	0.10	1.80	0.32	**0.36**	0.10	2.60
	Transition	0.30	–	–	–	–	0.22	**0.88**	0.50	2.40	0.36	0.63	0.40	0.80	0.58	**0.73**	0.40	1.40
	Sulphide	0.30	–	–	–	–	0.19	**0.75**	0.70	2.40	0.60	0.66	1.10	2.80	0.79	**0.68**	1.00	2.70
McLeod Hill	**Total**	**0.30**	**–**	**–**	**–**	**–**	**0.59**	**0.68**	**0.40**	**2.70**	**1.09**	**0.61**	**0.70**	**2.00**	**1.68**	**0.64**	**0.60**	**2.30**
Swagman	Oxide	0.30	0.14	0.67	–	–	0.03	**0.62**	–	–	0.02	0.53	–	–	0.19	**0.65**	–	–
	Transition	0.30	–	–	–	–	0.07	**0.60**	–	–	0.04	0.45	–	–	0.11	**0.55**	–	–
	Sulphide	0.30	–	–	–	–	–	**–**	–	–	0.03	0.45	–	–	0.03	**0.45**	–	–
Swagman	**Total**	**0.30**	**0.14**	**0.67**	**–**	**–**	**0.10**	**0.61**	**–**	**–**	**0.09**	**0.47**	**–**	**–**	**0.33**	**0.60**	**–**	**–**
Enterprise	Oxide	0.30	–	–	–	–	–	**–**	–	–	–	–	–	–	–	**–**	–	–
	Transition	0.30	–	–	–	–	–	**–**	–	–	–	–	–	–	–	**–**	–	–
	Sulphide	0.30	–	–	–	–	–	**–**	–	–	0.95	0.97	–	–	0.95	**0.97**	–	–
Enterprise	**Total**	**0.30**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.95**	**0.97**	**–**	**–**	**0.95**	**0.97**	**–**	**–**
Total	Oxide		2.35	0.50	0.80	0.60	8.15	**0.45**	0.70	0.70	0.52	0.37	0.90	1.10	11.02	**0.46**	0.80	0.70
	Transition		3.74	0.65	6.50	3.80	9.91	**0.68**	7.10	4.20	1.49	0.52	5.30	3.40	15.14	**0.66**	6.70	4.00
	Sulphide		2.39	1.12	5.00	2.90	13.72	**0.97**	6.60	3.90	8.99	0.73	5.40	3.40	25.09	**0.90**	6.00	3.60
Total	**Total**		**8.50**	**0.74**	**4.50**	**2.70**	**31.80**	**0.75**	**5.20**	**3.20**	**11.00**	**0.69**	**5.20**	**3.30**	**51.20**	**0.73**	**5.10**	**3.10**
Mt Kelly Heap Leach	Heap Leach Stockpile	0.14	–	–	–	–	–	**–**	–	–	22.60	0.20	–	–	22.60	**0.20**	–	–
Total			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**22.60**	**0.20**	**–**	**–**	**22.60**	**0.20**	**–**	**–**

Source: Austral Annual Report (2025) and WSP Report Project No PS200048.

3.8. Eastern Projects

3.8.1. Location and Access

The Eastern Projects are represented by the remaining tenements held by Austral. These include the Rocklands open pits and processing facility located approximately 17–20 km west-northwest of Cloncurry. Rocklands is accessed via an established western mine access road connecting with the Barkly Highway corridor (Figure 12). The Cameron River project is approximately 50 km east and the Miranda tenements 80 km south southeast of Rocklands. Access to individual prospects is from the Barkly Highway (Cameron River tenements) and Burke Developmental Road (Miranda Projects) respectively, then via local station, exploration and mine roads, with road condition and wet-season accessibility varying by prospect. Numerous Mineral Resource estimates across in-situ and stockpile inventories are reported for the Rocklands area as outlined in Table 11 and Table 12 EPM's and ML's for the Eastern Projects are listed in Appendix B.

3.8.2. Geological Setting and Mineralisation

The Eastern Projects occur within the Eastern Fold Belt of the Mount Isa Inlier and are hosted by a varied assemblage of metamorphosed volcano-sedimentary rocks, granitoids and intrusive mafic rocks (ASX: AR1 01 November; 2021).

At Rocklands, mineralisation is hosted within metamorphosed Mesoproterozoic volcano-sedimentary rocks and intrusive dolerites (ASX: AR1 3 July 2025). The principal mineralised structures are subparallel, northwest-striking and generally steeply dipping shear and brecciated zones. Historical work identified several subparallel mineralised regions forming a broader structural corridor extending for several kilometres. This broader corridor requires testing.

Within the Miranda Project, the Enterprise project is reportedly hosted along the faulted contact between the Kalkadoon Granodiorite and Leichhardt Volcanics. Other Miranda prospects share aspects of this structural, lithological and geophysical setting. The Cameron River prospects are characterised by lithological contact controls including the Argylla Formation–Ballara Quartzite contact within the Mary Kathleen Belt (e.g. Little Beauty and parts of Bald Hills), and the faulted margin of the Hardway Granite and altered Leichhardt Volcanics (e.g. Neptune and Lost Weekend). Most recent drilling at Snow Queen suggests a controlling faulted contact between the Hardway Granite and Corella Formation.

Mineralisation commonly occurs within brecciated shear zones, along faulted intrusive–volcanic or intrusive–sedimentary contacts, and within zones of iron-oxide, sodic and calc-silicate alteration (Blake 1987).

3.8.3. Exploration History

Rocklands Project Tenements

Rocklands project consists of ML90177, EPM17295 and EPM18054.

The Rocklands deposits were discovered in 2006 through drilling around the historic Double Oxide workings. Intensive exploration during 2006–2007 defined multiple mineralised trends, followed by infill resource drilling through to 2013. Earlier CRA and other investigations between 1987 and 1994 had described an approximately 6 km-long shear zone containing multiple subparallel mineralised zones (Kentwell, 2019).

In 2026, Austral commenced an 18 hole RC/DDH validation program initially planned for approximately 2,567 m at Las Minerale and Double Oxide. With the drilling, multi-element assaying, acid-solubility testing, comminution characterisation and grind-sweep flotation tests were completed. The program was designed to improve resource confidence and validate geological, mineralogical and processing controls (ASX: AR1 30 April 2026).

EPM 17295 – Cloncurry North 2

Historical exploration targeted roll-front uranium and, subsequently, magnetic features considered prospective for Ernest Henry-style mineralisation, a subtype iron oxide copper gold occurrence in the Mt Isa Inlier. Magnetic anomalies were generally explained by magnetite alteration, mafic intrusions or altered sedimentary and intrusive rafts, with no significant mineralising system identified. From 2012-2020 CST completed a HeliSAM survey and 18 AC/RAB holes for 892 m; results did not indicate an economic Cu-Au deposit, and no follow-up drilling was recommended *(*Orr L 2021/07c).

EPM18054.- Morris

Located immediately southwest Rocklands. Sub audio magnetics surveys identified a conductivity target with characteristics compared to Las Minerale orebody and a chargeability target along strike from historic copper occurrences. The tenement's geology, including dolerite intrusions within the prospective Overhang Jaspilite Unit, is favourable for Rocklands-style mineralisation (ASX: CuDECO 30 January 2013).

Cameron River Project Exploration Permits

The Cameron Project consists of EPM17167, EPM17494, EPM17634, EPM25515

Regional exploration initially focused on uranium following the Mary Kathleen discovery, followed by copper-gold exploration involving mapping, geochemical sampling, airborne and ground geophysics and drilling. Recent work culminated in the 2026 Snow Queen copper-gold discovery. (ASX: AR1 31 July 2026).

EPM 17167 – Cameron River West

Historical programs included regional mapping, radiometrics, electromagnetics and stream-sediment and rock-chip sampling. Follow-up drilling at the Mount Dorothy prospect south of the current licence returned 26 m at 0.86% Cu from 24 m, but mineralisation was considered intermittent and sub-economic. CST's work between 2012-2020 was principally desktop compilation, prospectivity review and CSIRO-supported predictive targeting (Orr 2021/07d).

EPM 17494 – Cameron River 2

Historical exploration targeted uranium and structurally controlled copper and gold mineralisation. CST completed data compilation, reconnaissance mapping, magnetic interpretation and target generation, followed by 2 RC holes for 147 m at Rock Hill. No significant drilling results were reported. (Orr 2021/12e).

EPM 17634 – Cameron River 3

Historical work included regional geochemistry, mapping, airborne and ground geophysics and drilling. CST undertook mapping and rock-chip sampling at Trumby, Lightning Strike, Snow Queen, Lucky Strike, Santa Maria, Mt Frosty, Kurrajong, Bullseye Hill and Vera, supported by magnetic inversion, ground-magnetic interpretation and termite-mound sampling. In 2026, initial drilling at Snow Queen returned 10 m at 7.52% Cu, 9.28 g/t Ag and 0.25 g/t Au from 35 m, prompting

expanded drilling along Snow Queen and the Santa Maria trend (ASX: AR1 31 July 2026; Orr, 2020/02).

EPM 25515 – Little Beauty

Historical exploration comprised regional geological, geochemical, radiometric and magnetic surveys, with locally high-grade but narrow copper gold rock-chip results at Peta, Little Beauty Extended and Little Beauty North. CST completed 8 RC holes for 644 m at Neptune, intersecting sulphide-bearing zones generally of 20–30 m at approximately 0.3% Cu from about 30 m downhole. (Orr, 2022/08)

Miranda Project Exploration Permits

Miranda Project tenements consist of EPM17298, EPM17527, EPM17525, EPM17530, EPM17535, EPM17646, EPM17855, EPM17856, EPM17859, EPM17861, and EPM26068

Historical activity across the Miranda licences was dominated by reconnaissance geochemistry, airborne magnetics, radiometrics and EM surveys, geological compilation and limited prospect-scale investigation. From 2012, CST undertook systematic historical-data compilation, TerraSearch prospectivity ranking, geophysical reprocessing, Max-Ent modelling and field reconnaissance. In June 2024, 37 of Austral's 2,535 surface XRF analyses were collected across the Miranda Project, with infill sampling of identified anomalies continuing (ASX: AR1 25 July 2024).

EPM 17298 – Miranda 3

Historical exploration from 1950 comprised geological mapping, rock chip and soil sampling, airborne EM, IP, magnetic, and gravity surveys, and drilling. From 2012-2020, CST carried out open-file compilation, airborne magnetic, radiometric and EM interpretation, TerraSearch completed a prospectivity ranking and CSIRO-supported predictive modelling (Orr 2021/07a).

EPM 17525 – Miranda 10

Historical exploration comprised minor soil, stream-sediment and rock-chip sampling, with no drilling. One rock-chip sample returned 620 ppm Cu, and prospect 989110 was recognised near intersecting structural and magnetic lineaments. From 2012-2020 CST completed data compilation, reconnaissance, rock-chip sampling and integrated structural, stratigraphic and geochemical prospectivity assessment. Austral has completed a review of the tenement package identifying 16 target areas (Orr 2021/07b).

EPM 17527 – Miranda 8

The area has been explored since the 1950's by numerous companies. From 2012-2020, CST completed desktop review, geochemical sampling, prospectivity studies and drill testing at Bald Hills, Map, Elsie and Enterprise. Follow-up at Enterprise included ground geophysics, resource drilling, mapping, termite-mound geochemistry, petrography and mineralogical studies. A subsequent maiden Enterprise Inferred Mineral Resource was reported as 0.58 Mt at 1.3% Cu at a 0.7% Cu cut-off to 85 m depth, with the mineralised system remaining open at depth (ASX: AR1 31 October 2022; Orr 2021/07c). The Enterprise Inferred Mineral Resource has been grouped into the Eastern projects by Austral's reporting (ASX: AR1 30 March 2026) and can be viewed in Table 10.

EPM 17530 – Miranda 6

Historical work includes regional stream-sediment sampling and airborne magnetic, radiometric and EM surveys. From 2012-2020, CST completed historical compilation, field reconnaissance, geophysical reprocessing and structural-stratigraphic prospectivity ranking. No drilling has been completed (Orr 2021/07e).

EPM 17535 – Miranda 9

Historical exploration was limited to regional geochemical and airborne geophysical surveys, with generally low copper gold values. From 2012, CST completed data compilation, reconnaissance, geophysical reprocessing and integrated prospectivity ranking. No drilling has been completed (Orr, 2021/08a).

EPM 17646 – Miranda 13

Historical work comprised stream-sediment and rock-chip sampling, with rock-chip assays of up to 2.3% Cu. From 2012 CST completed data compilation, reconnaissance and integrated structural, stratigraphic, geophysical and geochemical target ranking. No drilling has been completed (Orr, 2021/08b).

EPM 17855 – Miranda 19

The licence has received limited historical exploration, principally stream-sediment sampling, and contains one recorded unnamed copper prospect. From 2012 CST subsequently completed data compilation, reconnaissance and prospectivity ranking. No drilling was reported (Orr, 2021/08c).

EPM 17856 – Miranda 15

Historical stream-sediment and rock-chip sampling identified several strong copper gold anomalies, including rock-chip results of 37.3% Cu with 0.17 g/t Au and 0.69% Cu with 2.88 g/t Au. From 2012 CST completed reconnaissance, further rock-chip sampling, geophysical reprocessing and prospectivity assessment. No drilling was reported (Orr, 2021/08d).

EPM 17859 – Miranda 18

Historical exploration was limited. From 2012 CST completed data compilation, reconnaissance, rock-chip sampling, geophysical reprocessing and structural-stratigraphic prospectivity ranking. No drilling has been completed (Orr, 2021/08e).

EPM 17861 – Miranda 16

Historical work comprised regional stream-sediment and rock-chip sampling and partial airborne EM coverage. No established prospects were recorded; the best cited rock-chip results ranged from 427 to 609 ppm Cu. From 2012-2020 CST's subsequent work focused on compilation, reconnaissance and prospectivity modelling, with no drilling reported (Orr, 2021/08f).

EPM 26068 – Miranda 21

Historical exploration was restricted to reconnaissance stream-sediment sampling and airborne magnetics, with no drilling. From 2016-2019 CST completed historical-data review, geophysical reprocessing and prospectivity mapping while the ground formed part of EPM 17527; no follow-up targets were recommended within the relevant sub-blocks. Later activity was limited to CSIRO and UNSW collaborative studies (Orr, 2021/02c).

3.8.4. MinVal Comment on Exploration History

Discoveries including the Rocklands deposits in 2006 led to increased exploration and resource drilling. Data compilation and field programs by CST and Austral have enabled historical anomalies to be worked in to drill targets. These targets include the 2026 high-grade copper-silver-gold intercepts

at the Cameron River Project's Snow Queen prospect (ASX: AR1 31 July 2026) and the 0.58 Mt at 1.3% copper maiden Inferred Mineral Resource at the Miranda Project's Enterprise prospect (ASX: AR1 09 August 2022). The structures throughout the region have enabled the migration of hydrothermal mineralised fluids the have enabled copper prospectivity throughout the region. In MinVal's opinion the projects are prospective for the discovery of further copper occurrences.

3.8.5. Mineral Resource Estimates

The insitu Mineral Resources at Rockland, as of 01November 2024, total 11.26 Mt at 0.69% Cu and 0.13 g/t Au (ASX: AR1 30 March 2026, Table 11). The Resources are reported across the following material types:

- 10.22 Mt of sulphide material.
- 0.52 Mt of oxide and transitional material; and
- 0.52 Mt of native copper material.

The in situ Mineral Resource estimate is reported at a 0.25% Cu cut-off for sulphide material and a 0.5% Cu cut-off for non-sulphide material. Resources are reported within a February 2024 optimised pit shell for a revenue factor of 1.5 and below the as-mined pit surface at the end of mining in October 2024. Rocklands Indicated Resources comprise 81% of the Resource tonnes and 85% of contained copper.

Table 11: Reported in situ Mineral Resources at Rocklands

Material Type	Cu Cut-off (%)	Indicated Tonnes (Mt)	Indicated Cu (%)	Indicated Au (g/t)	Inferred Tonnes (Mt)	Inferred Cu (%)	Inferred Au (g/t)	Total Tonnes (Mt)	Total Cu (%)	Total Au (g/t)
Sulphide	0.25	8.13	0.67	0.14	2.09	0.51	0.10	10.22	0.64	0.13
Oxide+Trans.	0.50	0.50	0.95	0.14	0.01	0.71	0.15	0.52	0.94	0.14
Native Copper	0.50	0.49	1.38	0.18	0.04	2.62	0.28	0.52	1.47	0.18
TOTAL	**0.25/0.50**	**9.12**	**0.72**	**0.14**	**2.14**	**0.55**	**0.11**	**11.26**	**0.69**	**0.13**

Source: Austral Annual 2025 Report dated 30 March 2026, and Berry 2025.

Notes: Resources are reported within a CRA pit optimisation using a revenue factor of 1.5. Totals may not add due to rounding.

The Rocklands Project also contains stockpiles of material from historic mining campaigns by various operators (i.e. CuDeco and CRA). Commensurate Mineral Resource estimates at a 0.25% Cu cut-off for sulphide material and a 0.5% Cu cut-off for non-sulphide material were prepared by derisk (Berry, 2025). The totalled Stockpile Mineral Resources as of 1 November 2024 is 1.15 Mt @ 0.55% Cu (Table 12). The global stockpile inventory totals 2.71Mt, with the main stockpile locations shown in Figure 13.

Derisk Geomining Consultants analysed the Rocklands Mineral Resource in 2025 (Berry, 2025) and chose to assign a category of Inferred Resources to all CuDeco stockpiles and all hybrid stockpiles consisting of either mixtures of two or more CuDeco stockpiles, or mixtures of CuDeco and CRA stockpiles. Derisk report that this category was chosen primarily because of uncertainties with sampling representativity. Derisk further assigned a category of Indicated Resources to those stockpiles created by CRA given they were estimated using blast hole sampling, truck counts, and monthly surveys.

Table 12: Reported Stockpiles at Rocklands

Stockpile	Stockpile Name	Material type	Tonnes (dry t)	Cu Grade (%)	Cu Cut-off (%)	Mineral Resource (t)	Mineral Resource Cu (%)
Cudeco	5_WWD BG2	Blended grade	584,054	0.33	0.25	584,054	0.33
Cudeco	1_SAT_LGO	Oxide/Transitional	72,423	0.79	0.50	72,423	0.79
Cudeco	4_SAT_LGO	Oxide/Transitional	171,661	0.58	0.50	171,661	0.58
Cudeco	12_SAT_HGO_NC	Oxide/Transitional	38,673	0.90	0.50	38,673	0.90
Cudeco	6_WWRD_HGO	Oxide/Transitional	114,308	0.75	0.50	114,308	0.75
Cudeco	7_WWD_LGO1	Oxide/Transitional	402,015	0.38	0.50	–	–
Cudeco	9b_SAT_HGF_NC	Primary Sulphide	4,245	0.40	0.25	4,245	0.40
Cudeco	8_SAT_LGG	Gravity	182,221	0.25	0.50	–	–
Hybrid	2_SAT_HGO	Oxide/Transitional	71,452	0.81	0.50	71,452	0.81
Hybrid	5_SAT_Chalcocite	Transitional	370	1.61	0.50	370	1.61
Hybrid	9a_SAT_HGF_NC	Primary Sulphide	3,000	0.33	0.25	3,000	0.33
Hybrid	3_SAT_HGG	Gravity	77,441	0.05	0.50	77,441	0.05
Hybrid	6_SAT_LGG	Gravity	93,451	0.48	0.50	–	–
Hybrid	13_SAT_HGO_NC	Oxide/Transitional	7,801	1.34	0.50	7,801	1.34
CRA	TRANS ROM	Transitional	1,299	0.78	0.50	1,299	0.78
CRA	LG ROM	Primary Sulphide	532,179	0.22	0.25	–	–
CRA	OXIDE ROM	Oxide	320	0.46	0.50	–	–
CRA	SG off ROM (NWD)	Primary Sulphide	19,574	0.16	0.25	–	–
CRA	SG off ROM (WWD)	Primary Sulphide	199,247	0.16	0.25	–	–
CRA	TRANS off ROM	Transitional	123,131	0.38	0.50	–	–
CRA	CRA 2HGO ROM	Oxide/Transitional	7,879	0.98	0.50	7,879	0.98
Transitional/Primary – Flotation Feed*					**0.25**	**591,299**	**0.34**
Oxide/Transitional – Non-flotation Feed*					**0.50**	**485,866**	**0.73**
Native Copper Rich – Gravity Feed*					**0.50**	**77,441**	**1.05**
TOTAL			**2,706,744**	**0.40**	**0.25/0.50**	**1,154,606**	**0.55**

Notes: *Stockpile resources reported at cut-off ranging from 0.25% Cu to 0.50% Cu.*

*Details in this table are as reported. MinVal believes that further testwork is underway to further define the nature of the material.

Source: Austral Annual 2025 Report dated 30 March 2026, and Berry 2025.

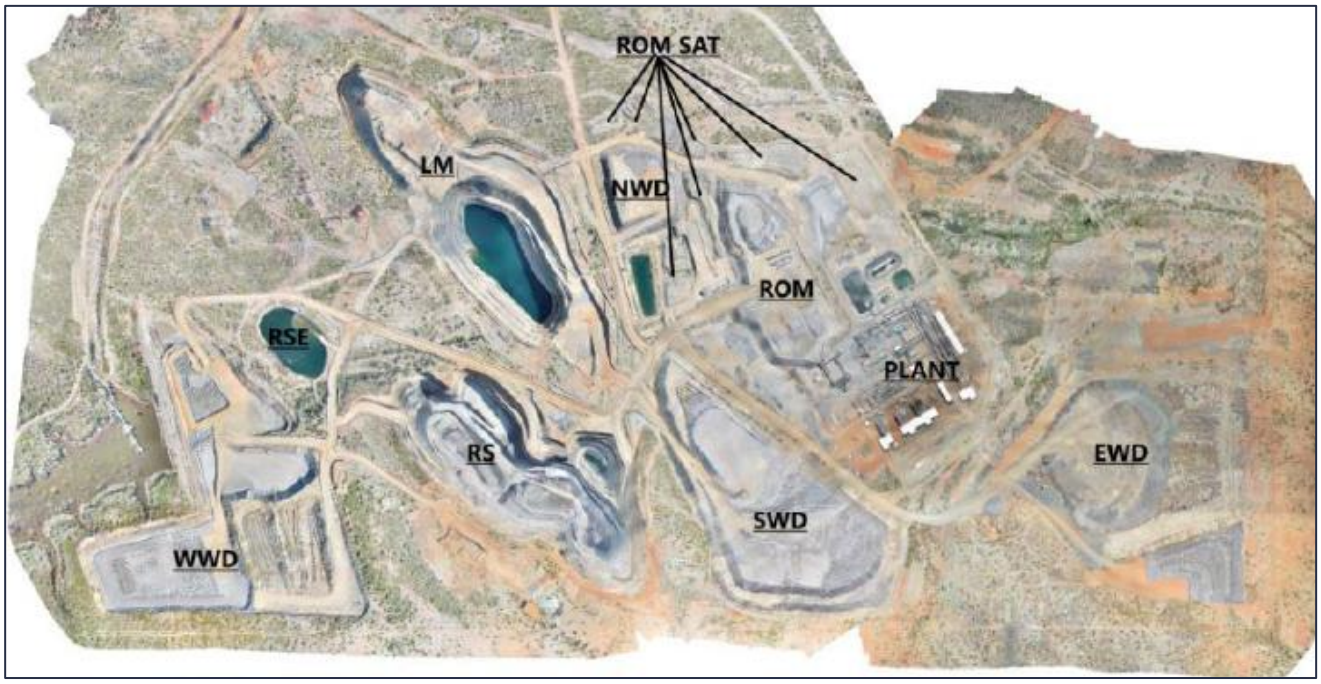


Figure 13: Plan of the Rocklands Project site and main stockpile location.

Notes: Labels denote stockpile names as presented in Table 12.

Source: Snowden Optiro Fatal Flaw Report (Guthrie, 2025)

3.8.6. MinVal Mineral Resource Review Comments

A fatal flaw review was based on Snowden's assessment (Guthrie, 2025) of the SRK (2019) Rocklands Mineral Resource Estimate Report. The general geology section is considered high-level, with no material issues identified. However, concerns were identified regarding the quality and suitability of the resource data. The QAQC dataset is considered flawed, particularly because duplicate samples were not collected using the same methodology as the primary samples. Grade control data quality is also questionable, with drill orientations not suitable for modelling, making accurate resource-to-grade-control reconciliation difficult.

The mineralisation interpretation may overstate the extent of mineralisation relative to the available resource drilling and assay data. Differences in grade distributions and geometallurgical oxidation classifications between blast-hole data, resource drilling and the block model are present. In particular, the oxidation model appears to underestimate the extent of transition material, potentially resulting in an overstatement of available sulphide material.

These issues contribute to discrepancies between resource and mill grades, which may affect mine planning and stockpiling strategies. Lower-than-estimated mining recoveries further indicate that refinements to the resource model are required. Overall, the resource classification may not fully reflect the risks and uncertainties inherent in the underlying data at Rocklands.

3.9. Processing Plants, Equipment and Infrastructure

Within the Eastern Projects there is significant processing plants, equipment, infrastructure, an accommodation camp, located in the Rocklands Project.

As for the processing plant, equipment and infrastructure for the Western Project the infrastructure detailed in this report is not an extensive list of all the equipment located within the project but a summary list of the equipment that were observed and are considered material to the overall value of the Austral.

Within the valuation section the value of this equipment has been detailed based on a preliminary assessment of the equipment with the values generated on comparable equipment from similar projects that have been reported in the public domain or the best estimate of the likely replacement value of the equipment with appropriate discounts to account for the second had nature of the equipment. Where there are no direct comparable estimates of the equipment there has been escalation or contraction of the costs to account for the scale of the comparable equipment and an appropriate inflation adjustment.

Where the equipment if it is not considered likely to be required in the potential processing options currently being considered by Austral the value is an assessment of the likely market value of the equipment on an as is where is basis.

The details of the processing infrastructure, equipment and mining camps within the Rocklands Projects are detailed below.

Rocklands

Process Plant

- A 3Mt/a (nameplate capacity) concentrator was commissioned in August 2016.
- Detailed engineering and fabrication of the plant (as constructed) was carried out in China.
- Plant was designed to handle various feeds and, depending on feed produced either copper, pyrite, or magnetite concentrates through parallel circuits.

- Copper production apparently never achieved nameplate capacity mainly due to front-end / comminution circuit restrictions.
- The jigging, spirals, magnetic concentrators, filtration and other equipment used pyrite and magnetic circuits are redundant and do not appear to have been commissioned.

Process Changes

Redesign of process by CMD Consulting Pty Ltd targeting 3.0 million tonnes per annum throughput with Austral aiming for constant 2.7 MTPA.

The revised flowsheet retains the existing ROM bin and primary crusher but then feeding direct to a SAG mill. Previous secondary, tertiary and quaternary gyratory crushers, screening and crushed ore bin are deleted and have been removed. Crushed material will go via a crushed ore bin directly to a newly acquired SAG mill with one of the gyratory crushers being installed as a scats crusher. Material will be classified in the cyclone circuit with oversize material going to the ball mill and back to classification. Undersized material will go direct to flotation.

Detail design has been completed for new front-end by GR Engineering Services (GRES).

The redundant crushing, screening and conveyors have been removed. MinVal understands that civil works are about to start for the new mill feed and SAG mill with further works and modifications proceeding through the next 6 months.

It is understood that existing equipment is generally suitable for the 3 MTPA throughput with only 1 of the filtration and concentrate storage facilities being required. Existing onstream analysis (OSA) and control systems will be modified, as necessary.

A possible future expansion could use much of the redundant flotation, filtration and concentrate storage areas.

Plant equipment looks to be in generally good condition with only limited external corrosion noted. Areas of chutes, hoppers, launders and the like where concentrate or sulphide material may have remained may have corrosion and should be inspected. Moisture may have entered motors and gearboxes. All equipment will require thorough inspection and replacement of any damaged or worn internals before commissioning commences.

Infrastructure

Site infrastructure is suitable for all proposed activities. We were unable to inspect inside the stores but are informed with spares and consumables. Accommodation (which was not inspected) is in Cloncurry.

Site Buildings include:

- Administration and other offices
- crib rooms
- plant offices and facilities
- Laboratory
- workshops
- stores building
- power station (approximately 25 MW). Investigation is underway on replacement of existing power station with power from the existing overhead line.
- Mobile equipment including 2 x excavator, 2 x mobile cranes, mobile crushers, 6 x busses, light and heavy vehicles.

3.10. Environmental and Heritage

There are several areas that will require rehabilitation on completion of the mining activities, these include rehabilitation of the waste rock dumps, capping of the tailings storage facilities, re-shaping the ROM pads, removal of the plant and associated concrete footings, buildings and equipment. MinVal understands that the cash backed rehabilitation bonds are reviewed on an annual basis and are believed to be sufficient to complete all the rehabilitation requirements however an additional in MinVal's opinion an additional rehabilitation allowance should be included in any financial analysis prior to re-commencing mining and processing activities within the Rocklands Project. No addition al allowance has been specifically included in the valuation of the Project however MinVal considers that the value attributed to the Property Plant and Equipment has been discounted sufficiently to allow for additional rehabilitation should it be required and the processing plant not be restarted.

Possible delays in approvals related to amendments, dependent on timeframes of applying will need to be factored into recommencement of operations.

Native title agreements with the Kalkadoon and Mitakoodi and Mayi peoples include financial and community benefit commitments.

3.11. Risks and Opportunities

3.11.1. Risks

Western project

Risks that have been identified include QAQC procedures which were not implemented before 2008, implying some uncertainty in older drill data. The Mineral Resources of McLeod Hill and Swagman have had density measurements assigned from the Mt Kelly region, which is nearby and of a similar geology. However further density data is required to support the Measured portions of the Swagman and McLeod Hill Mineral Resources.

Exploration risk remains across the broader tenure, with numerous historical targets returning low-grade, discontinuous or poddy mineralisation, as anomalies have not always translated into strong drill targets. A lack of Ore Reserves following depletion of the Anthill in March 2026 (ASX: AR1 30 April 2026), means the existing Mineral Resources require further economic analysis to assess economic viability.

Eastern Project

Rocklands risks relate to Mineral Resource confidence, data quality, exploration uncertainty and metallurgical performance. This will require further drilling to confirm the grade distribution and the reliability of models. Resource and recovery risk of the current model may overstate recoverable copper, affecting the underling pit optimisation and project long-term planning. Delays in pit dewatering and tailings storage expansion could impact restart timelines. There is a potential financial risk identified in the derisk report (Guthire, 2025) due to the project's financial viability being dependent on the resource model accuracy and mining cost. Securing external processing partnerships may assist in increasing feed to the plant and optimising plant efficiency.

The high-grade drill results from Snow Queen demonstrate exploration potential but requires to further drilling before the scale and continuity can be established. The Rocklands stockpile inventory also presents a risk associated with grade variability.

Outcomes of ongoing metallurgical testwork at Las Minerale and Double Oxide remain uncertain, with recovery, grind requirements and reagent consumption potentially affecting processing economics.

MinVal notes that there is a limited process inventory and a resulting short mine life of about three to four years if the toll treatment of third party ore supply is not considered or secured.

3.11.2. Opportunities

Western project

Austral holds twenty EPM over 1782 km^2 in its Western projects, providing a large exploration footprint across the highly prospective western Mount Isa Inlier. Austral holds 100% of its JORC 2012 Mineral Resources and all EPM's, with the exception of a single EPM tenement. The Western Projects benefit from established mining leases a long exploration and mining history, established infrastructure and proximity to the Mt Kelly processing facility, providing opportunities for near-mine Mineral Resource discoveries and growth to be utilised through the existing plant and infrastructure.

The Western Project Mineral Resources totals 51.2 Mt at 0.73% Cu, comprising of oxide, transition and sulphide material (ASX: AR1 30 March 2026), which offers a substantial inventory for future development. Exploration has demonstrated continued potential for extensions and new discoveries, particularly where structural targeting and reinterpretation of historical datasets have identified underexplored anomalies. Recent results at Canyon, including 24 m at 1.03% Cu (ASX: AR1 31 July 2026), and historical high-grade mineralisation at Dingo provide examples of the remaining exploration upside. Several licences also contain untested or ineffectively tested areas, while extensive historical dataset and geophysical coverage provide opportunities to generate additional drill targets.

Eastern project

Rocklands provides a substantial foundation for future development, with 11.26 Mt at 0.69% Cu and 0.13 g/t Au of which Indicated Mineral Resources represent approximately 81% of the tonnes. In addition, the 2.71 Mt global stockpile inventory, including an estimated 1.15 Mt at 0.55% Cu, presents an opportunity for near-term feed (ASX: AR1 30 March 2026). The 2026 RC and diamond validation drilling, multi-element assaying and grind-sweep flotation testwork at Las Minerale and Double Oxide provide further opportunities to improve mineral resource confidence, define additional mineralisation and optimise future metallurgical processing strategies (ASX: AR1 30 April 2026). The Rocklands mine has substantial plant and infrastructure associated with the mine, shortening the timeline required to recommence operations.

Regionally, in the Eastern projects, seventeen EPM cover 318km^2 of prospective ground and host multiple targets including a maiden Mineral Resource of 0.58 Mt at 1.3% Cu at Enterprise (ASX: AR1 31 October 2022, Table 10) and the Cameron River projects Snow Queen prospect that returned high grade drill results of 10 m at 7.52% Cu, 9.28 g/t Ag and 0.25 g/t Au (ASX: AR1 30 July 2026). The region is prospective for new discoveries associated with deep-seated structures which have provided pathways from hydrothermal copper enriched fluids.

MinVal also considers that there are several other opportunities associated with the combined Western and Eastern Project operations, the most significant is the ability to back load material between the two sites for example oxide material in the Eastern projects could be back loaded to the Western Projects should sufficient sulphide material be identified to transport to the Rocklands sulphide processing facility. Additionally, any trucks moving from Rocklands toward the western project tenements would pass through Mt Isa therefore providing a logistical synergies for the

transport of sulphide concentrates to Mt Isa for processing. MinVal has been informed that the additional costs of transporting sulphide material from the Western Projects to Rocklands rather than processing the material at Mt Isa is approximately $10/t more than if the material were treated in Mt Isa. This additional cost is likely to be offset by lower processing costs at Rocklands when compared to the likely toll milling costs through third party processing infrastructure in the Mt Isa region. Overall there are considered to be multiple logistical advantages to processing sulphide material from the Western Projects at Rocklands and processing oxide material in the Eastern Projects within the Mt Kelly heap leach and SXEW facilities.

Additional synergies and opportunities exist for Austral to process third party material of either oxide or sulphide material in their two processing hubs, this includes material that may be secured should the proposed transaction between Austral and Hammer complete.

4. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 13 and provides a guide as to the most applicable valuation techniques for different assets. Refer to Appendix J for discussions on these techniques.

Table 13: VALMIN Code 2015 valuation approaches suitable for mineral Properties.

Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

In accordance with the definitions used in the VALMIN Code, HMX's Kalman, Jubilee, Lakeview, Overlander and Elaine prospects are best described as Advanced Exploration to Pre-Development Projects. They all have current or historic Mineral Resources, and do not have current Ore Reserves. HMX's regional exploration portfolio, including the various joint ventures, are considered Exploration Projects.

The Mt Philp deposit is located on the same tenement as the northern portion of the Kalman and Lakeview deposits. MinVal has elected to value the tenement on the basis of the Kalman and Lakeview Mineral Resources and therefore has not valued additional value for the Mt Philp deposit. Given the low grade of the Mt Philp Iron Ore Mineral Resource MinVal considers that its market value is not material.

For AR1, the Projects with currently reported MREs are best described as Pre-Development Projects. Although it is noted that material for some of the deposits is either actively being mined or is intended to be exploited in the near term, no Ore Reserves are reported. As such, MinVal has chosen to classify them as pre-development Projects. AR1's remaining tenements constitute their regional exploration portfolio and are considered Exploration Projects. MinVal notes that the Mt Kelly Heap Leach pads have been reported as inferred Mineral Resources however in MinVal's professional opinion these are best valued as being material that is in circuit or being processed, as such these are suitable to be valued using an income approach. Due to the uncertainty associated with the metallurgical extraction and costs associated with the Mt Kelly project significant discounts have been applied to the metallurgical recovery, high assumed operating costs and a moderate residual copper grade in the leach pads have been assumed in the cashflow model below.

In MinVal's opinion, the HMX and AR1 Projects with declared MREs should be valued using a comparable transaction method based on Resource Multiples as a primary valuation method (with appropriate discounts applied), with a secondary valuation being a yardstick approach. Additional valuations, being a Geoscientific or Kilburn approach, a Prospectivity Enhanced Multiple (PEM) and area-based comparable transactions have been used where appropriate, to determine the value of the exploration potential. This has been applied within the tenements distal from the currently estimated Mineral Resources, and for the Projects lacking Mineral Resources.

Due to the lack of current feasibility studies to support the reported Ore Reserves, MinVal considers that it would not be reasonable to use cashflow modelling methods such as NPV to assess the current

market value of most of the assets. The one exception to this is the Mt Kelly heap leach Project which is currently producing copper cathode via a heap leach processing of material sources from previous Ore Reserves. In MinVal's opinion a discounted cashflow valuation approach is reasonable with the material contained within the Heap Leach pads considered to be material in circuit and being processed and is therefore reasonable to use an income approach for the material included in the Mt Kelly Heap Leach Mineral Resource estimate.

4.1. Previous Valuations

MinVal has requested any previous valuations for the projects and has not been provided with any previous valuations. MinVal believes that a valuation would likely have been done as a part of the 444GA court process associated with the Rocklands DOCA where Austral acquired the Project however MinVal has not been able to locate the valuation report.

4.2. Valuation Subject to Change

The valuation of any mineral property is subject to several critical inputs most of these change over time and this valuation is using information available as of 4 September 2026 being the valuation date of this Report and considering information up to 4 September 2026. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While MinVal has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of MinVal.

As at the date of this Report in MinVal's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

4.3. General Assumptions

The HMX and AR1 mineral Projects have been valued using appropriate methodologies as described in Table 13 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to MinVal is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenements controlled by the respective companies, and not the companies, their shares or market value.
- That the information relating to mineral rights, tenement security and statutory obligations were fairly stated to MinVal and that the mineral licenses will remain active.
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe.
- That the owners of the mineral assets can obtain the required funding to continue exploration activities.
- The metal prices used in this report are as of 4 September 2026, being

- Copper US$14,490.24/t (S&P Global Capital IQ)
- Gold US$4,491.70/oz (Mining News First Call email 4 September 2026)

- The US$ - A$ exchange rate of 0.7200 (www.xe.com) on 4 September 2026.
- All currency in this Report are Australian Dollars or A$, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US$.

4.4. Copper Market Analysis

As the Projects being valued in this Report are dominantly prospective for copper, it is important to note the current market conditions and supply and demand fundamentals of the market. Figure 14 shows the LME Grade A copper cash price in US$/t for the five years prior to the valuation date.

Over this period, the copper price initially declined but strengthened materially during 2025, increasing from approximately US$8,700/t at the beginning of the year to approximately US$12,500/t by year-end. This upward trend continued during 2026, with the price reaching a five-year high of approximately US$14,100/t in May 2026 and trading at approximately US$13,900/t immediately prior to the valuation date.

The increase in copper prices reflects a combination of strengthening demand and constrained supply. Demand has been supported by continued investment in electricity transmission and distribution networks, renewable energy, electric vehicles and increasingly copper-intensive digital and data-centre infrastructure. At the same time, mine supply has been affected by operational disruptions, declining grades at some major operations, extended development and permitting timeframes for new projects, and constraints affecting copper processing inputs. Geopolitical instability, higher energy costs, disruption to international shipping and uncertainty surrounding trade restrictions and tariffs have placed further pressure on global supply chains.

MinVal considers the current copper market to be highly attractive, with prices at or near record nominal levels. However, the market remains volatile and exposed to global economic conditions, particularly the strength of industrial activity and commodity demand in China.

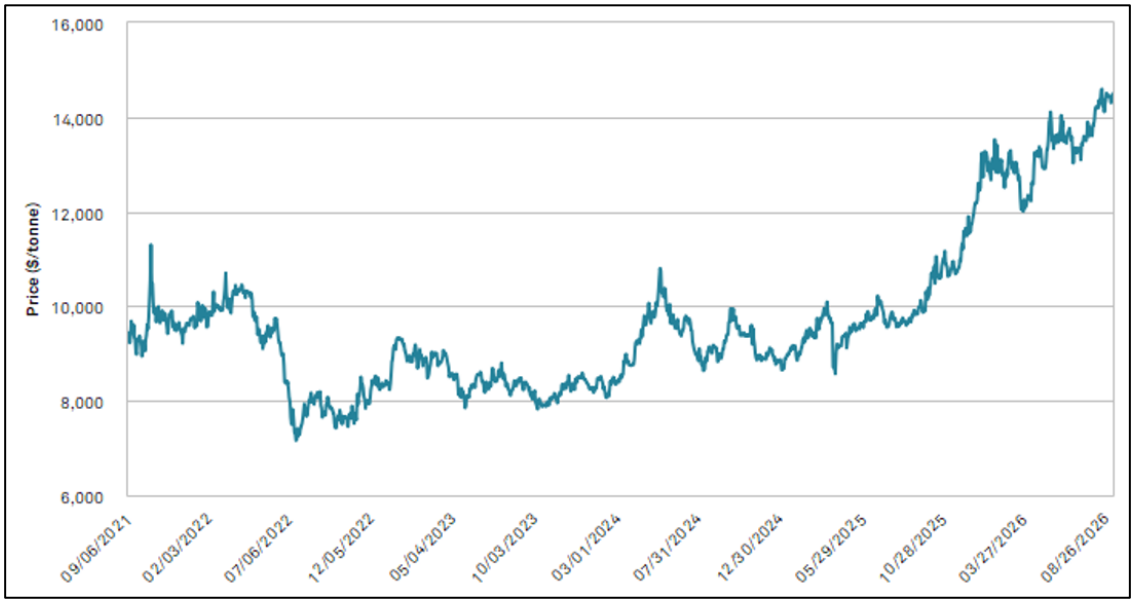


Figure 14: Five Year Spot Copper Price US$/tonne

Source: S&P Global Capital IQ

4.5. Valuation of Mineral Assets

There are several valuation methods that are suitable for advanced properties including the following:

- Financial modelling including discounted cash flow (DCF) valuations (usually limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Resolution Transactions
- Yardstick valuations

Although Mineral Resources have been estimated for some of the Projects as at the Valuation Date, the available technical studies were not sufficiently current or comprehensive to support the use of Mineral Resource estimates on unmined material as the basis for a DCF valuation approach, however for the Mt Kelly Heap Leach Mineral Resource estimates MinVal considers that these are essentially material in circuit or being processed and therefore a reasonable basis exits for use in an income approach however appropriate discounts have been applied to account for the identified risks associated with the extraction of the copper contained within the Heap Leach pads.

4.6. Comparable Market Based Transactions – Resource or Area Based Multiples

A comparable transaction multiples valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the area of a project that has transacted, or on the total resource base acquired. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transactions being used are recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, S&P Capital IQ subscription database, a database compiled by MinVal for exploration stage.

This valuation method is often the primary valuation method for exploration or advanced (pre-development) projects. More advanced projects would typically be valued using an income approach due to the modifying factors for a mining operation being better defined.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain, however often the lack of transaction makes this difficult. Normalisation of the commodity to the current price attempts to render these transactions comparable.

4.7. Exploration Asset Valuation

To generate a value of an Early-stage Exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic).
- Joint Resolution terms based on the Properties' area; and
- A prospectivity enhancement multiplier (PEM).
- A rule of thumb valuation for early-stage, pre-resource projects.

5. Valuation of the Mineral Assets

The principal mineral assets valued in this Report are presented in Appendix A (Hammer Metals) and Appendix B (Austral Resources). This valuation has been undertaken applying the guidelines of the VALMIN Code and is on an equity basis.

MinVal has undertaken a valuation based on two techniques suitable for the different stages of the various aspects of the Projects for both Companies. The Mineral Resources (and the area proximal to the resources) have been valued using a comparable transaction (resource multiple) approach as the primary method with a yardstick method used as a supporting approach. The lack of current feasibility studies or Ore Reserves for the Hammer assets renders the use of cashflow modelling methods such as NPV unreasonable in this case. This is also the case for the reported Ore Reserves for the Austral assets.

The exploration potential away from the Mineral Resources has been valued using a geoscientific valuation as the primary method with a Prospectivity Enhancement Multiplier (PEM) valuation undertaken in support of the geoscientific valuation. The valuations are all conducted on an equity basis.

The value of the copper metal currently contained in the Mt Kelly Heap Leach has been assessed using a modified discounted cashflow approach, with a yardstick approach used as a secondary valuation method.

Below is a table identifying aspect of the various Projects and the valuation methods used in their valuation.

Company	Project or Asset	Primary Valuation	Secondary Valuation
Hammer	Mineral Resources	Comparable Transactions (Resource Multiples)	Yardstick
	Exploration Potential	Geoscientific	PEM
Austral	Mineral Resources	Comparable Transactions (Resource Multiples)	Yardstick
	Exploration Potential	Geoscientific	PEM
	Mt Kelly Heap Leach Operation	Income Approach	Yardstick
	Plant, Equipment and Infrastructure*	Estimated value in use	N/A

Note * Excludes Mt Kelly Plant and Equipment as that is required to generate the income

5.1. Comparable Transactions – Resource Based

MinVal undertook a search of copper (gold) project-based transactions of projects with declared Mineral Resources from Queensland, Australia, for the past 6 years. The following criteria were used to identify comparable copper (gold) transactions.

- Project transaction announced after 1 January 2020,
- excluding projects that:
    - no value was able to be determined for the transaction, or
    - project equity transacted was less than 10%, or
    - the transaction value was negligible or could not be determined.

The projects that are the subject of these transactions include both "current" and "historic" Resources. MinVal therefore considers it reasonable to value the historic Mineral Resource at Elaine, as well as the current Mineral Resources, on the basis of this transaction set.

These criteria resulted in a total of 11 potentially comparable transactions, that are detailed and analysed in Appendix C.

MinVal considered the valuation of the Mineral Resources both on the basis of contained copper and on the basis of contained copper equivalent (copper, gold and silver). The preferred values were not materially different, as the valuation factor drops and the base that it is applied to rises when considering contained equivalent tonnes. MinVal therefore considers it most appropriate to value the projects on the basis of contained copper.

5.2. Comparable Transactions Valuation of Hammer Metals Mineral Resources

For the Hammer Projects with Mineral Resources, 5 of the 11 transactions were omitted as they were not considered early stage resource projects. Using the copper price at the date of each transaction, the resource multiples for the transactions were normalised to the copper price at the valuation date. Due to the observed variation in the copper price over this period (Figure 14), the normalising ratio was between 1.4 and 2.2 which results in a higher normalised price. Overall, the median normalised resource multiple for the 6 comparable transactions was A$141.11/t Cu, and MinVal has selected the normalised median as most appropriate in assessing the value of Hammers copper resources. The median was selected as this minimised the effects of outliers (high or low).

MinVal considers restricting the valuation range to 25% above and below the midpoint value to be reasonable, given the observed comparable transactions have a large range, and the uncertainty in mineral resource estimation.

Applying the selected preferred resource multiples to Hammer's copper resources results in the valuation summarised in Table 14. US$/t multiples were converted to A$/t multiples using the 4 September 2026 exchange rate of US$0.72 to A$1.00.

Table 14: Hammer Metals Comparable Transaction Copper Resource Multiple Valuation

Project	Equity	Resources (Total) (Cu Mt)	Preferred Multiple (A$/t)	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Kalman	100%	0.21	141.11	22.0	29.3	36.6
Elaine	100%	0.08	141.11	8.1	10.8	13.5
Jubilee	51%	0.02	141.11	1.1	1.4	1.8
Overlander	100%	0.02	141.11	2.3	3.0	3.8
Lakeview	100%	0.01	141.11	0.6	0.8	1.0
Total		***0.33***		***34.0***	***45.3***	***56.7***

Note values have been appropriately rounded.

5.3. Comparable Transactions Valuation of Austral Resources' Mineral Resources

For the Austral Projects, 4 of the 11 transactions were omitted due to them including substantial Ore Reserves. Using the copper price at the date of each transaction, the resource multiples for the transactions were normalised to the copper price at the valuation date. Due to the observed variation in the copper price over this period (Figure 14), the normalising ratio was between 1.4 and 2.2 which results in a much higher normalised price. Overall, the median normalised resource multiple for the 7 comparable transactions was A$144.71/t Cu, and MinVal has selected the normalised median as most appropriate in assessing the value of Austal's copper resources. The median was selected as this minimised the effects of outliers (high or low).

MinVal considers restricting the valuation range to 25% above and below the midpoint value to be reasonable, given the observed comparable transactions have a large range, and the uncertainty in mineral resource estimation. To account for MinVal's view on risks to the Mineral Resources, in MinVal's professional opinion, the current market discount is likely to be on the order of 10%.

Applying the selected preferred resource multiples to Austral's copper resources results in the valuation summarised in Table 15. US$/t multiples were converted to A$/t multiples using the 4 September 2026 exchange rate of US$072 to A$1.00. Note that the Mt Kelly Heap was not valued using this method.

Table 15: Austral Resources Comparable Transaction Copper Resource Multiple Valuation

Project	Equity	Resources (Cu Mt) (Total)	Preferred Multiple	Lower Valuation (-25%) (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (+25%) (A$ M)
Rocklands in situ Resource	100%	0.08	144.71	8.43	11.24	14.05
Rocklands Stockpiles	100%	0.01	144.71	0.69	0.92	1.15
Anthill	100%	0.05	144.71	5.03	6.71	8.38
Lady Annie	100%	0.09	144.71	10.03	13.37	16.72
Lady Brenda	100%	0.04	144.71	4.00	5.34	6.67
Flying Horse	100%	0.11	144.71	11.86	15.81	19.76
Mt Clarke	100%	0.01	144.71	1.55	2.06	2.58
Lady Colleen	100%	0.05	144.71	5.90	7.86	9.83
McLeod Hill	100%	0.01	144.71	1.17	1.56	1.94
Swagman	100%	0.00	144.71	0.21	0.29	0.36
Enterprise	100%	0.01	144.71	1.00	1.33	1.67
Total Mineral Resources				49.9	66.5	83.1
Total Mineral Resources Valuation	***Market discount***		***10%***	***44.9***	***59.8***	***74.8***

Note appropriate rounding has been applied.

5.4. Income Approach Mt Kelly Heap Leach Project

MinVal has assessed the likely market value of the currently operating Mt Kelly Heap Leach operation.

For valuation purposes in MinVal's professional opinion, the material within the Heap Leach pads should be considered as material in circuit. The material that has been placed within the Heap Leach pads is dominantly sourced from Ore Reserves from Anthill and other deposits. Mining from these deposits has ceased and the previously reported Ore Reserves depleted. After mining the material transported from the various deposits to the Mt Kelly processing facility for processing and addition to the leach pads. The mined mineralisation was processed by crushing, agglomeration, the addition of sulphuric acid, conveying and stacking on the heap leach pads where additional acid has been applied to leach the copper from the oxide material. During the processing the tonnes processed and conveyed to the heap leach pads was recorded by Austral. Sampling of the material was undertaken by automated sampling methods. In the 1 October 2024 Mineral Resource estimate report, it was documented that over 4,850 routine samples were collected during the stacking of the material on the leach pads. MinVal understands that the sampling and weighing of the material placed on the pads continued and was the basis of the reported stacked tonnes of material and the tonnes of contained copper (or copper grades) detailed in the various Austral quarterly reports. These quarterly reports also detailed the tonnes of copper cathode produced at Mt Kelly. During the site visit MinVal observed that the production of copper cathode was continuing from the Heap Leach pads.

MinVal considers that there is a reasonable basis to classify the material within the heap leach pads as material being processed or in circuit.

Therefore, MinVal considers that there is a reasonable basis to value the Mt Kelly Heap Leach operation using an income approach.

The contained copper contained within the Heap Leach pads has been estimated with the 1 October 2024 Mineral Resource estimate as the basis with additional material that has been stacked on the pads since the MRE added to the contained tonnes and contained copper with the copper produced since 1 October 2024 deducted from the inventory. Additionally, MinVal has assumed that 0.05% of the Acid soluble copper within the pads will not be recovered with this reduction included in the contained copper available to be extracted. Table 16 below summarises the estimated contained copper within the heap leach pads.

Table 16 Mt Kelly Estimated Contained Copper at the valuation date

Material	Tonnes (kt)	Cu Grade (Cu%)	Contained Copper (kt)
October 2024 MRE	22590	0.15%	33.88
Material Added since October 2024	2,824	0.71%	20.18
Production since October 2024			13.456
Total			40.61

Note The in situ grades have all been reduced by 0.05% due to the assumption that there will not be full extraction of the acid soluble copper contained in the pads. Appropriate rounding has been applied.

In generating the modelled cashflow for the heap leach MinVal has made the following assumptions.

- The financial model is based on four financial years starting 1 July 2026 and is for FY27, FY28, FY29 and FY30
- MinVal has no production information since the end of the June quarter however did observe copper cathode being produced during the site visit
- The Project will continue for four years with production equal over each year

- Metallurgical recovery set to 40%. The reported historical recovery has been between 80% and 84%. MinVal notes that Austral has reported that its projected copper production for FY27 is approximately 5,840t of copper cathode, this equates to approximately 14% of the copper contained within the leach pads. If that production rate were projected over the assumed four year production timeframe this would equate to a recovery of approximately 57%. MinVal considers that the production would likely reduce over the duration of the operation and therefore considers that an overall recovery of 40% is reasonable.
- Copper cathode would be 16,243t or average 4,060t per year, MinVal notes that Austral has reported that for the next 12 months approximately 5,800t of copper cathode will be produced.
- Copper prices have been assumed to be US$5.50/lb when assuming a 0.70 exchange rate this equates to A$17,321/t. According to S&P Capital IQ the average consensus copper price between 2027 – 2030 is US$5.71/lb.
- The annual revenue, based on 4,060t of copper cathode would be ~$70.3 million.
- The assumed operating costs would be ~$56.3million or approximately $4.7 million per month. This is based on 80% of the revenue. MinVal has reviewed and modified the Austral cashflow model. After removing the expenditure associated with mining and processing of the unmined Mineral Resources, the costs in the Austral cashflow model are higher than what would be incurred if the model were restricted to only processing the Mt Kelly heap leach pads. Additionally, should the injection method of copper extraction be unsuccessful then the assumed costs are sufficient to allow reworking of the heap leach pads, as detailed in the Mineral Resource estimate report, to allow production to revert to the more conventional dripper addition of acid to the leach pads. MinVal therefore considers the assumed operating costs to be appropriately conservative.
- Overall, this would result in an annual free cash flow of ~$14.1 million per year.
- A rehabilitation estimate of $10million has been added to the end of the assumed production profile to account for the rehabilitation requirements, while this is likely covered by the existing rehabilitation bonds, an additional allowance has been included should rehandling of the heap leach pad require an increase in the pad size and rehabilitation requirements.
- Given the uncertainty associated with the costs, metallurgical recovery and the mineral resource estimate, MinVal has assigned a discount rate of 20%. While this is higher than would usually be considered reasonable for a DCF model associated with Ore Reserves it is considered reasonable as it accounts for the lower confidence associated with the modifying factors for the processing of the heap leach pads.

Overall, the valuation is shown Table 17 in below.

Table 17 Mt Kelly DCF valuation

Year	FY27	FY28	FY29	FY30	FY31	Total
Assumed Production (t)	4,060	4,060	4,060	4,060	0	
Assumed Copper Price (A$/t)	17,321	17,321	17,321	17,321		
Revenue (A$ million)	70.3	70.3	70.3	70.3		281.4
Costs (80% of revenue) (A$ million)	56.3	56.3	56.3	56.3	10.0	235.1
Cash Flow	14.1	14.1	14.1	14.1	-10.0	46.3
Discount Rate	20%					
NPV $_{(20)}$ (A$ million)	**32.4**					

Note appropriate rounding has been applied

Based on the assumptions detailed above, in MinVal's opinion the Mt Kelly Heap Leach operation has a market value of approximately $32.4 million. To generate a range in the likely values MinVal has assessed that the range would likely be +\- 25% from the NPV detailed above.

Therefore, MinVal considers that the Mt Kelly Heap Leach operation has a market value between **$24.3 million** and **$40.5 million** with a preferred valuation of **$32.4 million**.

5.5. Yardstick Valuation

As detailed above the yardstick method can also be considered as a valuation approach, particularly as a cross check or supporting valuation technique to support the valuation generated by a comparable transaction method. This method is typically used as a supporting approach for valuation of Ore Reserves and / or Mineral Resources and is based on a percentage of the current metal price.

For Mineral Resource estimates, a common yardstick value would be between 0.5% and 5% of the current commodity price, dependent on the Mineral Resource classification as at the valuation date. For lower classification levels such as Inferred Mineral Resources this percentage is lower reflecting the higher uncertainty compared to Indicated or Measured categories. The risks relating to the resources described above have been incorporated into the Yardstick approach. The yardstick multiples are commonly used for gold transactions and has been developed by the valuation industry as a basis of possible project valuations based on a large dataset of gold transactions. For resources where a concentrate is generated, in MinVal's opinion a 50% discount should be applied to the yardstick valuation to account for the additional costs of logistics and transport of the concentrate to a market.

To maintain consistency with the Comparable Transactions method, MinVal has only considered contained copper in the Yardstick valuation.

The copper prices used in the Yardstick valuation is as of 4 September 2026, being A$20,125.33/t (US$14,490.24/t and US$0.72 / A$1.00).

To account for MinVal's view on risks to the Austral mineral Resources, in MinVal's professional opinion, the current market discount is likely to be in the order of 10%.

A concentrate payability of 50% was used.

The copper resource valuations applying the Yardstick method for Hammer and Austral's Projects are summarised in Table 18 and Table 19, respectively.

Refer to Appendix D and Appendix E for detailed Yardstick valuations for Hammer and Austral Projects respectively, per Resource category.

Table 18: Yardstick Valuation of Hammer Metals Mineral Resources

Project	Reserve, Resource (Mt contained Cu)	Low (A$ million)	Mid (A$ million)	High (A$ million)
Kalman	0.21	28.3	42.4	56.6
Elaine	0.08	7.7	11.5	15.4
Jubilee	0.02	1.0	1.5	2.0
Overlander	0.02	1.8	2.7	3.6
Lakeview	0.01	0.6	0.9	1.2
Combined Total Mineral Resources	**0.33**	**39.4**	**59.1**	**78.8**
Concentrate discount factor	**50%**			
Combined Total Mineral Resources Valuation		**19.7**	**29.5**	**39.4**

Table 19: Yardstick Valuation of Austral Resources Mineral Resources

Project	Reserve, Resource (Mt contained Cu)	Low (A$ million)	Mid (A$ million)	High (A$ million)
Rocklands in situ	0.078	14.40	21.6	28.8
Rocklands Stockpiles	0.006	3.83	5.1	6.39
Anthill	0.043	14.09	20.9	27.7
Lady Annie	0.092	26.76	38.0	49.3
Lady Brenda	0.037	8.28	12.1	15.9
Flying Horse	0.109	26.63	38.0	49.5
Mt Clarke	0.014	4.65	6.5	8.3
Lady Colleen	0.054	14.18	20.3	26.4
McLeod Hill	0.011	1.48	2.2	3.0
Swagman	0.002	0.73	1.0	1.3
Enterprise	0.009	0.93	1.4	1.9
Combined Total Mineral Resources	**0.501**	115.96	167.16	218.36
Market discount for Resource risk	***10%***	104.37	150.44	196.52
Concentrate discount factor	***50%***			
Combined Total Mineral Resources Valuation		52.18	75.22	98.26
Mt Kelly Heap Leach	0.045	27.29	36.4	45.5

Note appropriate rounding has been applied. The Mt Kelly Heap Leach MRE has been valued as measured mineral resources due to the material being considered in circuit and currently being processed, it is noted that the valuation from this approach is slightly higher than the income approach and is therefore considered a reasonable supporting valuation approach.

5.6. Geoscientific Valuation

There are several key inputs that are fundamental to deriving a robust Geoscientific or Kilburn valuation. These inputs ensure the Specialist has a comprehensive understanding of the regional geological setting, the mineralisation styles present within both the broader district and the subject tenements, and access to all relevant geological and exploration data. Collectively, this information provides the basis for an informed assessment of prospectivity and ensures that project rankings are supported by a thorough technical understanding of the assets being valued.

In addition to ensuring the rankings are correct, deriving the base acquisition costs (BAC) is critical, as that is the primary driver of the final value. The BAC is typically derived from the minimum exploration expenditure commitment required to maintain tenure. However, unlike several Australian jurisdictions, Queensland does not prescribe statutory minimum expenditure commitments for EPMs. Instead, applicants are required to submit a proposed exploration program, which is assessed by the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development, for reasonableness as part of the application process. Consequently, Queensland does not provide an objective, prescribed expenditure benchmark that can be directly applied for valuation purposes.

To establish a consistent and transparent basis for estimating minimum exploration holding costs, MinVal has adopted the statutory minimum expenditure framework applicable to Exploration Licences in Western Australia as a proxy. Although the legislative mechanisms differ, the exploration tenure systems in Queensland and Western Australia are considered broadly comparable in terms of tenure rights and work program expectations. Accordingly, MinVal considers the Western Australian

expenditure schedule to provide an appropriate benchmark for estimating the minimum exploration expenditure necessary to effectively explore and assess tenure.

A comparative assessment of the Queensland and Western Australian regulatory frameworks is presented in Table 20. Based on this assessment, MinVal has adopted an exploration expenditure commitment of A$1,000 per sub-block per annum for Years 1–3 and A$3,000 per sub-block per annum for Years 4–5. These amounts represent benchmark exploration expenditure only and exclude tenement application fees, annual rent and other statutory charges.

Table 20: Results of Western Australia and Queensland Minimum expenditure analysis

Feature	Western Australia (Exploration Licence)	Queensland (EPM)
Tenure Unit	Graticular block (approximately 300–340 ha)	Sub-block (approximately 300 ha)
Expenditure Framework	Statutory minimum annual expenditure prescribed by legislation	Outcomes-based exploration program approved by the Department
Years 1–3	A$1,000 per block (minimum A$10,000 per licence)	No prescribed minimum expenditure. Typical industry expenditure of approximately A$1,000–2,500 per sub-block.
Years 4–5	A$1,500 per block	No prescribed minimum expenditure. Typical expenditure generally increases to approximately A$3,000–5,000+ per sub-block as exploration advances.
Annual Rent	Approximately A$29.30/ha	Nil (Queensland Zero Rent Initiative in effect until 31 August 2028)

Based on the previous exploration work within the EPMs, MinVal has ranked portions of the total Project areas as being a defined prospect or target, proximal to a prospect, distal from a prospect and remote from a prospect.

5.7. Geoscientific Valuation of Hammer Metals Exploration Projects

The Geoscientific rankings were derived for each tenement of the EPMs, with the Off-Property Criteria considered to be between 1.0 and 2.0, the On-Property Criteria between 1.0 and 2.0, the Anomaly Factor between 0.9 and 4.0 while the Geology Criteria are between 0.9 and 2.5. When these ranking criteria are combined with the BAC, this has determined the technical value.

A 20% market premium has been applied to the technical value to account for the current high copper price. A 10% discount was applied to reflect the requirements in Queensland for regulatory, heritage and environmental approvals. The Technical and Market Values are shown in Appendix F, which also details all of the ranking criteria, and BAC for each of the EPMs valued.

The Technical Valuation is the company's equity in the tenement multiplied by the BAC multiplied by each of the ranking factors in series outlined in Appendix F while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

MinVal has not assigned a value using this method to the licences on which the declared Mineral Resources are located, as these licences have been valued on the basis of the Mineral Resources they contain. Likewise, MinVal has not valued the licence applications that have not as yet been granted, as there is no certainty that the applications will be granted, either in part or in full.

This results in a total Market Value for the Hammer EPMs of between **$2.3 million** and **$8.7 million** with a preferred valuation of **$5.5 million**. MinVal considers that a reasonable range of valuations

would be ±25% from the preferred valuation. This results in a MinVal preferred market valuation of between **$4.1 million** and **$6.9 million** with a preferred valuation of **$5.5 million**.

5.8. Geoscientific Valuation Austral Resources Exploration Projects

The Geoscientific rankings were derived for each tenement of the EPMs, with the Off-Property Criteria considered to be between 1.0 and 2.0, the On-Property Criteria between 1.0 and 1.5, the Anomaly Factor between 1.0 and 4.0 while the Geology Criteria are between 1.5 and 2.5. When these ranking criteria are combined with the BAC, this has determined the technical value.

A 20% market premium has been applied to the technical value to account for the current high copper price. A 10% discount was applied to reflect the requirements in Queensland for regulatory, heritage and environmental approvals. The Technical and Market Values are shown in Appendix G, which also details all of the ranking criteria, and BAC for each of the EPMs valued.

The Technical Valuation is the company's equity in the tenement multiplied by the BAC multiplied by each of the ranking factors in series outlined in Appendix G while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

This results in a total Market Value for the Austral EPMs of between **$4.8 million** and **$14.3 million** with a preferred valuation of **$9.6 million.** MinVal considers that a reasonable range of valuations would be ±25% from the preferred valuation. This results in a MinVal preferred market valuation of between **$7.2 million** and **$12.0 million** with a preferred valuation of **$9.6 million**.

5.9. Prospectivity Enhancement Multiplier (PEM) Valuation

MinVal has reviewed the exploration expenditure since the grant of the licences, as provided by Hammer and Austral for the Queensland tenure.

A Prospectivity Enhancement Multiplier (PEM) valuation can also be considered as a viable valuation approach, particularly as a cross check or supporting valuation technique to support the valuation generated by the comparable transaction method or Geoscience method.

Commonly used Prospectivity Enhancement Multipliers (PEM) used in this valuation method are described in Appendix J. The PEM is applied to the effective exploration spend on a tenement, i.e. the money spent actively exploring the tenement, which excludes holding costs such as tenement management and rent.

The valuations of each of the Hammer tenements is detailed in Appendix H, and the valuations of each of the Austral tenements is detailed in Appendix I.

This results in a total value for the Hammer EPMs based on the PEM method of between **$5.3 million** and **$7.0 million** with a preferred valuation of **$6.2 million**.

Likewise, a total value for the Austral EPMs based on the PEM method of between **$9.2 million** and **$11.8 million** with a preferred valuation of **$10.5 million**.

5.10. Plant and Equipment Valuation

The value of the plant and equipment located within the Austral Projects has been conducted by Mr Peter Rooke. Peter is a highly experienced engineer who has over 50 years of experience in Minerals Industry Project Development, including in management, estimating and review of capital costs for lump sum or reimbursable projects as well as feasibility studies and project execution worldwide. Experience has included major processing plants and infrastructure for the precious metals, base

metals, iron ore and diamond industries. Peter has managed over 26 major projects including large copper projects for major copper producers in Zambia, Panama, and Indonesia along with over 20 studies and review of capital and operating cost estimates for base metal development projects in Australia, Panama, Zambia, Namibia, Spain, Finland, Indonesia, the Democratic Republic of Congo and the Philippines.

As detailed in the technical sections of this Report during the site visit MinVal has assessed the likely market value of the equipment that is located on the various Austral Projects, in particular the Rocklands and Lady Loretta Projects. While there has been an assessment of a possible market value of the SXEW processing plant and associated infrastructure within the Mt Kelly Project this is not used in the valuation as that equipment is required to generate the income used as the primary valuation method for Mt Kelly. While not used in the overall value of Austral, the value of the Mt Kelly equipment and infrastructure is estimated to have a market value of approximately $43 million.

Overall, as MinVal considers that it is likely that the Rocklands plant would be recommissioned on site to process the sulphide material contained in the various Mineral Resource estimates the equipment has been valued assuming the plant and equipment are recommissioned and used in a future development of the assets owned by Austral and potentially as a hub for processing third party material from the region. The equipment that is not likely to be used valued assuming a market value for the equipment on an as is where is basis.

The tables below detail the estimated market value of the Rocklands and Lady Loretta plant and equipment.

Therefore, MinVal considers that the Rocklands Processing plant, associated equipment and infrastructure would likely have a market value of A$121.5 million while the Lady Loretta plant and equipment would have a value of approximately $33.0 million. It is reasonable to assume the range in likely values would be +\- 20% from these estimated values

Table 21 Estimated Value of the Rocklands Plant, Equipment and Infrastructure

Asset	Description	Condition	Estimated Value (A$ M)
Processing Plant	Jaw Crusher, Sag Mill not delivered but purchased, Ball Mill, Verti mills x 2, Float Circuit, Thickener, Filter Presses Concentrator Sheds	Good condition some sections unused	100
Processing Plant	Refurbishment Cost – Austral estimated at A$15M		-20
Power Station	26 MW	Near new well maintained	10
Native Copper circuit	Gravity separators x 10, conveyors etc	New - second hand value	10
Spares / Stores	Not inspected informed value of $15m	New - second hand value	7
Offices crib rooms, toilets		Reasonable Condition	1
Onsite Lab	Fully operating and fitted out laboratory	Good Condition	1
Mobile Equipment	mobile crushers. 80t crane, 40t crane, busses x 6, excavators x 2, front end loaders x 3	Good Condition	10
Sheds	Several sheds	Good Condition	0.5
LV workshops	located near Core Sheds	Good Condition	0.5
Fuel Storage		Good Condition	0.5
Accommodation	Not inspected	Unknown	1
Total			121.5

Note appropriate rounding has been applied

Table 22 Estimated Value of the Lady Loretta Plant, Equipment and Infrastructure

Asset	Description	Condition	Estimated Value (A$ M)
Crushing	~500t/hr Jaw crusher and assorted conveyors	Good Condition	5
Paste Plant	~500t/hr paste plant	Good Condition	10
Fuel Farms	x2	Good Condition	1
Change Rooms		Good Condition	0.5
Offices		Good Condition	0.5
Underground Rescue and Equipment		Good Condition	0.5
Mobile Equipment	Various cranes, loaders and ambulances etc	Good Condition	1
HV workshops	Fitted out	Good Condition	1
Power Plant	12MW	Good Condition	5
Stores and sheds		new - second hand value	5
200 Room Camp	ensuite rooms, wet messes, kitchens, gym x 3, pool x 2 recreational facilities	Good Condition	2
150 Room Camp	Older camp	reasonable Condition	1
3 x Management Houses		As New	0.5
Total			33.0

Note appropriate rounding has been applied

6. Preferred Valuations

Based on the valuation techniques detailed above, Table 23 and Table 24 provide a summaries of the different valuations derived for the Hammer and Austral assets respectively.

Figure 15 and Figure 16 graphically shows the valuation range and midpoint valuation for the Projects.

The Mineral Resources have been valued based on the contained copper using a Comparable Transaction (Resource Multiple) approach. This method is supported by a Yardstick valuation.

MinVal's preferred valuation for the exploration potential within the Projects is based on the Geoscientific Valuation approach. This is supported by the cost-based PEM approach.

The MinVal preferred valuation is based on a 25% range from the midpoint valuation of the Comparable Transactions in the case of the Mineral Resources, and a 25% range from the midpoint of the Geoscientific valuation in the case of the exploration tenure.

The value of the fixed plant, mobile equipment and infrastructure Table 24 is based on the size of the equipment and an estimate of the likely market value or on a value in use basis not a replacement value which would be significantly higher, especially for the Rocklands processing plant.

Table 23: Summary valuation of the Hammer Projects by method (A$M)

Asset	Valuation Technique	Priority	Lower Valuation	Preferred Valuation	Upper Valuation
Kalman	Comparable Transactions (A$/oz)	**Primary**	**22.0**	**29.3**	**36.6**
	Yardstick	Supporting	28.3	42.4	56.6
Jubilee (51%)	Comparable Transactions (A$/oz)	**Primary**	**1.1**	**1.4**	**1.8**
	Yardstick	Supporting	1.0	1.5	2.0
Lakeview	Comparable Transactions (A$/oz)	**Primary**	**0.6**	**0.8**	**1.0**
	Yardstick	Supporting	0.6	0.9	1.2
Overlander	Comparable Transactions (A$/oz)	**Primary**	**2.3**	**3.0**	**3.8**
	Yardstick	Supporting	1.8	2.7	3.6
Elaine	Comparable Transactions (A$/oz)	**Primary**	**8.1**	**10.8**	**13.5**
	Yardstick	Supporting	7.7	11.5	15.4
Exploration Potential	Geoscientific	Primary	2.3	5.5	8.7
	MinVal Preferred Geoscientific	**MinVal Preferred**	**4.1**	**5.5**	**6.9**
	PEM	Supporting	5.3	6.2	7.0
Total	Total Primary	Primary	36.3	50.8	65.4
Total	**Total MinVal Preferred**		**38.1**	**50.8**	**63.5**

Note the totals may not add due to rounding in the valuations and appropriate rounding has been applied.

Table 24: Summary valuation of the Austral Projects, plant and equipment by method (A$M)

Asset	Valuation Technique	Priority	Lower Valuation	Preferred Valuation	Upper Valuation
Austral MREs	Comparable Transactions (A$/t Cu)	**Primary**	**44.9**	**59.8**	**74.8**
	Yardstick	Supporting	50.3	72.4	94.4
Mt Kelly Heap	Income / DCF	**Primary**	**24.3**	**32.4**	**40.5**
	Yardstick	Supporting	27.3	36.4	45.5
Exploration Potential	Geoscientific	Primary	4.8	9.6	14.3
	Geoscientific - MinVal	**MinVal Preferred**	**7.2**	**9.6**	**12.0**
	PEM	Supporting	9.2	10.5	11.8
Plant and Equipment	Rocklands	**Primary**	91.1	121.5	151.9
	Lady Loretta	**Primary**	**24.8**	**33.0**	**41.3**
	Mt Kelly - not used			**43.6**	
Total	**Total MinVal Preferred**	**Primary**	**192.2**	**256.3**	**320.4**

Note the totals may not add due to rounding in the valuations and appropriate rounding has been applied.

In MinVal's professional opinion, this currently elevated copper price is likely to result in heightened market interest in copper properties, especially advanced projects in low sovereign risk jurisdictions.

In MinVal's opinion, the likely market value of the Hammer Projects is between **$38.1 million** and **$63.5 million** with a preferred valuation of **$50.8 million**. Likewise, the likely market value of the Austral Projects including the fixed plant, equipment and infrastructure is between **$192.2 million** and **$320.4 million** with a preferred valuation of **$256.3 million**.

Figure 15: Hammer Valuation Summary by method

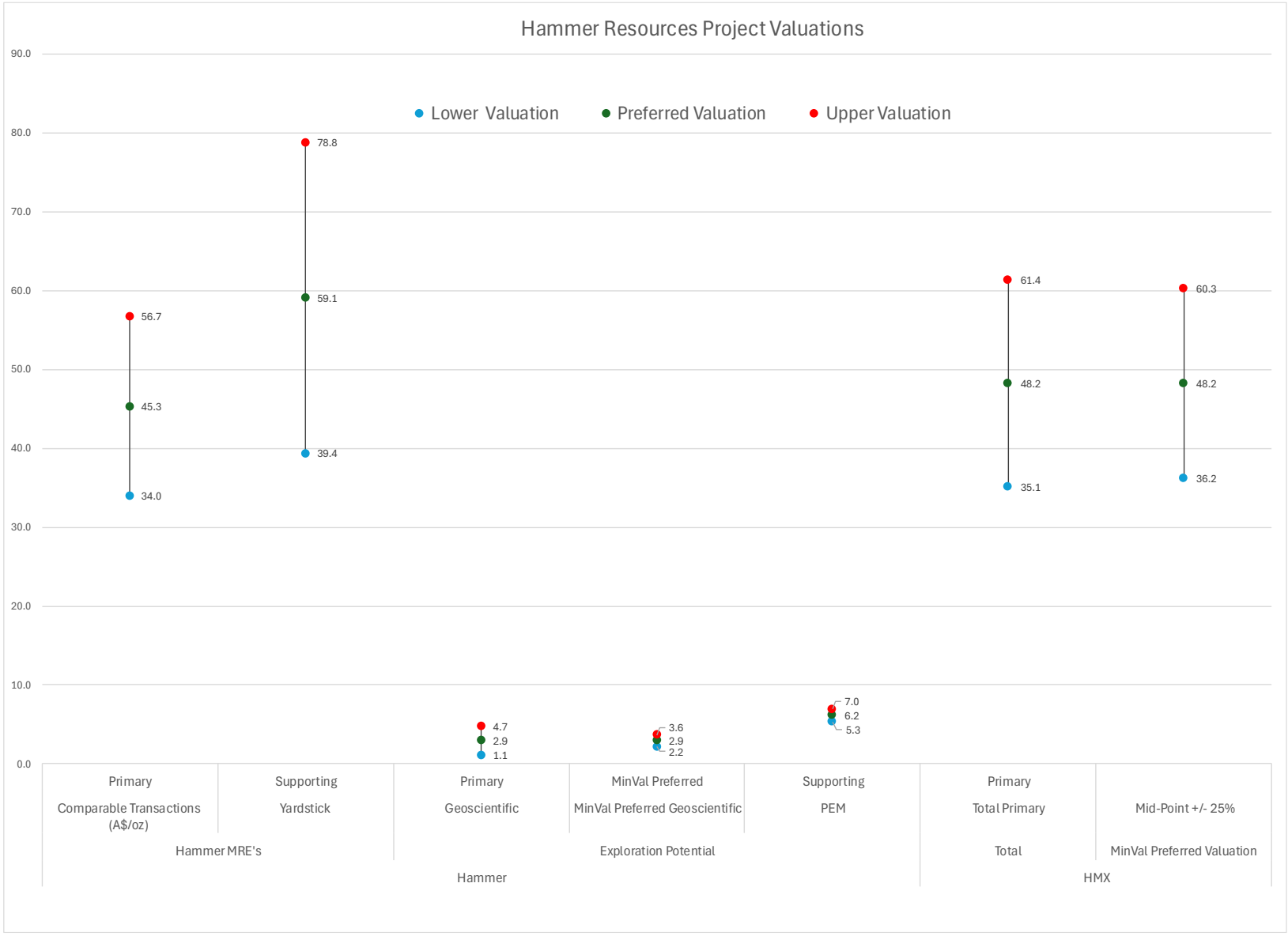


Figure 16: Austral Valuation Summary by method



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Orr L, (2021/07c) Austral Resources Exploration Pty Ltd EPM 17295 Cloncurry North 2 Annual Report. Period ending 23rd January 2021. July 2021.

Orr L, (2021/07d) Austral Resources Exploration Pty Ltd EPM 17167 - Cameron River West Annual Report. Period ending 23rd January 2021. July 2021.

Orr L., (2021/07e) EPM17530 – Miranda 6 Annual Report. Period ending 8th February 2021. July 2021.

Orr L., (2021/08a) Austral Resources Exploration Pty Ltd EPM17535 – Miranda 9. Annual Report. Period ending 8th February 2021. August 2021.

Orr L., (2021/08b) Austral Resources Exploration Pty Ltd EPM 17646 – Miranda 13 Annual Report. Period ending 8th February 2021. August 2021.

Orr L., (2021/08c) Austral Resources Exploration Pty Ltd EPM 17855 – Miranda 19 Annual Report. Period ending 8th February 2021. August 2021.

Orr L., (2021/08d) Austral Resources Exploration Pty Ltd EPM 17856 – Miranda 15 Annual Report. Period ending 8th February 2021. August 2021.

Orr L., (2021/08e) Austral Resources Exploration Pty Ltd EPM 17859 – Miranda 18 Annual Report. Period ending 8th February 2021. August 2021.

Orr L., (2021/08f) Austral Resources Exploration Pty Ltd EPM 17861 – Miranda 16 Annual Report. Period ending 8th February 2021. August 2021.

Orr L. (2021/09) Austral Resources Lady Annie Pty Ltd EPM 16243 – Lady Maggie Annual Report. Period 11th January 2020 to 10th January 2021. September 2021.

Orr L. (2021/02) Austral Resources Lady Annie Pty Ltd EPM17789 Lady Annie Regional Annual Report. February 2021.

Orr L. (2021/02b) Austral Resources Lady Annie Pty Ltd EPM 18817 – Old May Downs Annual Report. Period ending 16th September 2020. February 2021.

Orr L. (2021/02c) Austral Resources Exploration Pty Ltd EPM 26068 – Miranda 21 Annual Report. Period ending 16th October 2020. February 2021

Orr L. (2021/07a) Austral Resources Exploration Pty Ltd EPM 17298 – MIRANDA 3 ANNUAL REPORT. Period ending 23rd January 2021. July 2021.

Orr L. (2021/07b) Austral Resources Exploration Pty Ltd EPM17525 – Miranda 10 ANNUAL REPORT. Period ending 8th February 2021. July 2021

Orr L. (2021/07c) Austral Resources Exploration Pty Ltd EPM 17527 – Miranda 8 ANNUAL REPORT. Period ending 8th February 2021. Grant 9/02/2012 Expires 8/02/2022. Prepared by L. Orr, July 2021.

Orr L. (2021/12a) Austral Resources Operations Pty Ltd EPM 15126 Battle Creek Annual Report Period ending 30th May 2021. December 2021.

Orr L. (2021/12b) Austral Resources Operations Pty Ltd EPM 16240 - Eastern Creek Annual Report. Period 26th April 2020 to 25th April 2021. December 2021).

Orr L., (2021/12c) Austral Resources Operations Pty Ltd EPM 16242 Mt Kelly East Annual Report. Period ending 25th April 2021. Granted 26th April 2012, Expires 25th April 2023. Prepared by L. Orr, December 2021.

Orr L., (2021/12d) Austral Resources Operations Pty Ltd EPM 16244 "Buckley River" Annual Report. Period 8/04/2020 to 7/04/2021. December 2021

Orr L., (2021/12e) Austral Resources Exploration Pty Ltd EPM 17494 – Cameron River 2 Annual Report. Period ending 22nd April 2021. December 2021.

Orr L., (2020/12e) Austral Resources Operations Pty Ltd EPM 16241 – MGF Zone Annual Report. Period ending 25th April 2021. December 2020.

Orr L., (2020/09) Austral Resources Lady Annie Pty Ltd EPM 17422 – Lady Annie West Annual Report Period ending 8/08/2020. 6 September 2020

Orr L., (2020/02) Austral Resources Exploration Pty Ltd EPM17634 – Cameron River 3 Annual Report. Period ending 26th October 2020. February 2020

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Appendix A Hammer Metals Tenure

Resource	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status	Comment
	EPM 11919(^ KP)	Cameron River	Mt. Dockerell Mining Pty Ltd (MDM)	16/07/2003	15/07/2030	19.25	100%	Granted	Subject to 1.5% NSR. SMMO through the Mount Isa East JV have assumed 63.4% ownership in 1 block of the total of 6 blocks comprising the tenement
Kalman	EPM 13870 (^^ KP)	Pelican	Mt. Dockerell Mining Pty Ltd (MDM)	1/04/2005	31/03/2030	70.58	100%	Granted	Subject to 2% NSR
	EPM 18084 (KP)	Dronfield	Mt. Dockerell Mining Pty Ltd (MDM)	29/11/2011	28/11/2026	141.15	80%	Granted	
	EPM 25165(^ KP)	Cameron River 4	Mt. Dockerell Mining Pty Ltd (MDM)	8/04/2014	7/04/2029	12.83	100%	Granted	Subject to 1.5% NSR
	EPM 26474 (KP)	Enterprise	Mt. Dockerell Mining Pty Ltd (MDM)	13/08/2018	12/08/2028	57.74	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 5 blocks of the total of 18 blocks comprising the tenement
	EPM 26511 (KP)	Sling Shot	Mt. Dockerell Mining Pty Ltd (MDM)	13/08/2018	12/08/2028	35.29	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 3 blocks of the total of 11 blocks comprising the tenement
	EPM 26628 (KP)	Argylla	Mt. Dockerell Mining Pty Ltd (MDM)	3/05/2018	2/05/2028	80.20	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 1 blocks of the total of 29 blocks comprising the tenement

Resource	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status	Comment
	EPM 26694 (KP)	Mt Philp	Mt. Dockerell Mining Pty Ltd (MDM)	13/12/2018	12/12/2028	6.42	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in the tenement
Kalman, Lakeview, Mt Philp	EPM 26775(* % KP)	Pilgrim North	Mt. Dockerell Mining Pty Ltd (MDM)	16/11/2018	15/11/2028	266.26	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 28 blocks of the total of 90 blocks comprising the tenement. GEMC through the Mt Cobalt JV have a 20% ownership in 4 blocks of the total of 90 blocks comprising the tenement. These blocks are subject to a 1% NSR.
Overlander	EPM 26776 (KP)	Pilgrim Central	Mt. Dockerell Mining Pty Ltd (MDM)	16/11/2018	15/11/2028	54.54	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 11 blocks of the total of 17 blocks comprising the tenement
	EPM 26777 (** KP)	Pilgrim South	Mt. Dockerell Mining Pty Ltd (MDM)	16/11/2018	15/11/2028	343.26	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 8 blocks of the total of 108 blocks comprising the tenement CNB though the Mt Isa Hope JV has assumed a 51% interest in 3 blocks of the total of

Resource	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status	Comment
									108 blocks comprising the tenement.
	EPM 26902 (KP)	Marriage	Mt. Dockerell Mining Pty Ltd (MDM)	30/04/2019	29/04/2029	28.87	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in the tenement
	EPM 26904 (KP)	Lady Jenny	Mt. Dockerell Mining Pty Ltd (MDM)	30/04/2019	20/04/2029	6.42	100%	Granted	
	EPM 27018 (KP)	Dingo Creek	Mt. Dockerell Mining Pty Ltd (MDM)	30/04/2019	29/04/2029	86.62	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 9 blocks of the total of 27 blocks comprising the tenement
	EPM27469 (% KP)	Mount Moran	Mt. Dockerell Mining Pty Ltd (MDM)	3/11/2020	2/11/2030	19.25	100%	Granted	
	EPM 27470 (KP)	China Wall	Mt. Dockerell Mining Pty Ltd (MDM)	12/11/2020	11/11/2030	19.25	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 4 blocks of the total of 10 blocks comprising the tenement
	EPM 27806 (KP)	Roos	Mt. Dockerell Mining Pty Ltd (MDM)	26/08/2021	26/08/2026	25.66	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in the tenement
	EPM 27815 (KP)	Lady Vampire	Mt. Dockerell Mining Pty Ltd (MDM)	26/08/2021	26/08/2026	22.46	100%	Granted	
	EPM 27861 (KP)	Saint Mungo	Mt. Dockerell Mining Pty Ltd (MDM)	5/10/2021	4/10/2026	12.83	100%	Granted	
	EPM 28285	The Plus	Mt. Dockerell Mining Pty Ltd (MDM)	19/08/2024	18/08/2029	35.29	100%	Granted	
	EPM 28903 (KP)	Pandora	Mt. Dockerell Mining Pty Ltd (MDM)	28/08/2024	27/08/2029	12.83	100%	Granted	

Resource	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status	Comment
	EPM 29265	Top Tank	Mt. Dockerell Mining Pty Ltd (MDM)			121.90	100%	Application	Top Tank Application
	EPM 29316	Galah Bore	Mt. Dockerell Mining Pty Ltd (MDM)			320.80	100%	Application	Galah Bore Application
	EPM 29347 (%)	Olympic	Mt. Dockerell Mining Pty Ltd (MDM)			9.62	100%	Application	Olympic Application
	EPM 29451	Alligator Creek	Mt. Dockerell Mining Pty Ltd (MDM)			9.62	100%	Application	Alligator Creek Application
	EPM 29595	Shire Bore	Mt. Dockerell Mining Pty Ltd (MDM)			9.62	100%	Application	Shire Bore Application
	EPM 12205 (KP)	Cloncurry	Mulga Minerals Pty Ltd (MM)	6/09/2004	6/09/2026	25.66	100%	Granted	
	EPM 14019 (% KP)	South Mary K	Mulga Minerals Pty Ltd (MM)	18/07/2003	17/07/2027	25.66	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 3 blocks of the total of 8 blocks comprising the tenement. GEMC through the Mt Dorothy JV have a 20% ownership in 2 blocks of the total of 8 blocks comprising the tenement. These blocks are subject to a 1% NSR.
Elaine	EPM 14022 (KP)	North Mary K	Mulga Minerals Pty Ltd (MM)	31/07/2003	30/07/2026	22.46	100%	Granted	
Jubilee	EPM 14467 (KP)	Mt Frosty	Mulga Minerals Pty Ltd (MM)	16/03/2025	15/03/2030	28.87	51%	Granted	Mount Isa Mines Limited through the Mt Frosty JV has a 49% ownership with both parties contributing to pro-rata.
	EPM 25145 (KP)	Green Creek	Mulga Minerals Pty Ltd (MM)	8/08/2014	7/08/2029	38.50	100%	Granted	
	EPM 25866 (KP)	Malbon	Mulga Minerals Pty Ltd (MM)	3/05/2016	2/05/2026	96.24	100%	Granted	SMMO through the Bullrush JV is undertaking a staged earn in on 27 blocks of the total of 41 blocks

Resource	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status	Comment
									comprising this tenement
	EPM 25867 (KP)	Mt Jasper	Mulga Minerals Pty Ltd (MM)	3/05/2016	2/05/2027	6.42	100%	Granted	
	EPM 26126 (IVP)	Cathay	Mulga Minerals Pty Ltd (MM)	24/11/2021	23/11/2026	96.24	100%	Granted	
	EPM 26127 (IVP)	Resolve	Mulga Minerals Pty Ltd (MM)	27/02/2022	26/02/2027	102.66	100%	Granted	
	EPM 26130 (% KP)	El Questro	Mulga Minerals Pty Ltd (MM)	21/11/2021	20/11/2026	80.20	100%	Granted	SMMO through the Mount Isa East JV have assumed 63.4% ownership in 11 blocks of the total of 25 blocks comprising the tenement
	EPM 26512 (IVP)	Black Angel	Mulga Minerals Pty Ltd (MM)	11/03/2019	10/03/2029	96.24	100%	Granted	
	EPM 27355 (KP)	Pioneer	Mulga Minerals Pty Ltd (MM)	1/09/2020	31/08/2030	25.66	100%	Granted	
	EPM 29066	Dipvale	Mulga Minerals Pty Ltd (MM)	13/08/2025	12/08/2030	125.11	100%	Granted	
	EPM 29436	Capsize Creek	Mulga Minerals Pty Ltd (MM)			32.08	100%	Application	Capsize Creek Application
	EPM 29469	Why Not	Mulga Minerals Pty Ltd (MM)			32.08	100%	Application	Why Not Application
	EPM 28189 (IVP)	Resolve Extended	Hammer Bulk Commodities (HBC)	1/11/2022	31/10/2027	320.80	100%	Granted	S32 through the Isa Valley JV has entered into a Joint Venture on 100 of the 100 sub-blocks comprising this tenement
	EPM 28921	Ashover	Hammer Bulk Commodities (HBC)			153.98	100%	Application	Ashover Application
	EPM 29170	Fort William	Hammer Bulk Commodities (HBC)			311.18	100%	Application	Fort William Application

Notes: (IVP) - Isa Valley Project, (KP) - Kalman Project, (^) - CST Royalty Applicable, (^^) - Syndicated Metals Ltd Royalty applicable, (*) - Portions of this tenement subject to Santana Royalty, (**) - 3 sub blocks of this tenement within the Mt Hope JV, (%) - Portions of this tenement attributable to the GEMC Mt Dorothy and Cobalt Ridge Joint Ventures

Appendix B Austral Resources Tenure

Project	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status
Lady Annie	EPM 14693	Judenham Creek	Austral Resources Operations Pty Ltd	28/09/2016	27/09/2028	16.10	100%	Granted
	EPM 15126	Battle Creek	Austral Resources Operations Pty Ltd	31/05/2017	30/05/2028	61.26	80%	Granted
Lady Annie	EPM 16240	Eastern Creek	Austral Resources Operations Pty Ltd	26/04/2017	25/04/2028	35.44	100%	Granted
Lady Annie	EPM 16241	Mgf Zone	Austral Resources Operations Pty Ltd	26/04/2017	25/04/2026	9.68	100%	Renewal Granted
Lady Annie	EPM 16242	Mount Kelly East	Austral Resources Operations Pty Ltd	26/04/2017	25/04/2028	83.76	100%	Granted
Lady Annie	EPM 16243	Lady Maggie	Austral Resources Operations Pty Ltd	11/01/2015	10/01/2029	80.56	100%	Granted
Lady Annie	EPM 16244	Buckley River	Austral Resources Operations Pty Ltd	8/04/2015	7/04/2028	456.31	100%	Granted
Lady Annie	EPM 17088	Drifter	Austral Resources Operations Pty Ltd	11/01/2015	10/01/2029	9.68	100%	Granted
Cameron River	EPM 17167	Cameron River West	Austral Resources Exploration Pty Ltd	24/01/2017	23/01/2028	6.40	100%	Granted
	EPM 17295	Cloncurry North #2	Austral Resources Exploration Pty Ltd	24/01/2017	23/01/2028	28.87	100%	Granted
Miranda	EPM 17298	Miranda # 3	Austral Resources Exploration Pty Ltd	24/01/2017	23/01/2028	12.86	100%	Granted
Lady Annie	EPM 17415	Mount Kelly West	Austral Resources Operations Pty Ltd	30/04/2015	29/04/2027	9.66	100%	Granted
Lady Annie	EPM 17422	Lady Annie West	Austral Resources Operations Pty Ltd	9/08/2017	8/08/2028	29.01	100%	Granted
Lady Annie	EPM 17469	Lady Annie West 2	Austral Resources Operations Pty Ltd	9/02/2015	8/02/2027	6.44	100%	Granted
Cameron River	EPM 17494	Cameron River 2	Austral Resources Exploration Pty Ltd	23/04/2015	22/04/2027	12.81	100%	Granted
Miranda	EPM 17525	Miranda 10	Austral Resources Exploration Pty Ltd	9/02/2015	8/02/2027	12.89	100%	Granted
Miranda	EPM 17527	Miranda 8	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2027	86.92	100%	Granted
Miranda	EPM 17530	Miranda 6	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	12.88	100%	Granted
Lady Annie	EPM 17533	Mount Kelly West 2	Austral Resources Operations Pty Ltd	27/10/2016	26/10/2028	35.42	100%	Granted
Miranda	EPM 17535	Miranda 9	Austral Resources Exploration Pty Ltd	9/02/2015	8/02/2029	6.44	100%	Granted
Cameron River	EPM 17634	Cameron River 3	Austral Resources Exploration Pty Ltd	27/10/2016	26/10/2028	25.62	100%	Granted
Miranda	EPM 17646	Miranda 13	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	12.86	100%	Granted
Lady Annie	EPM 17789	Lady Annie Regional	Austral Resources Operations Pty Ltd	7/10/2016	6/10/2028	93.43	100%	Granted
Miranda	EPM 17855	Miranda 19	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	6.43	100%	Granted
Miranda	EPM 17856	Miranda 15	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	12.88	100%	Granted
Miranda	EPM 17859	Miranda 18	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	9.65	100%	Granted
Miranda	EPM 17861	Miranda 16	Austral Resources Exploration Pty Ltd	9/02/2017	8/02/2029	6.44	100%	Granted
Lady Annie	EPM 18817	Old May Downs	Austral Resources Operations Pty Ltd	17/09/2013	16/09/2027	44.95	100%	Granted
Cameron River	EPM 25515	Little Beauty	Austral Resources Exploration Pty Ltd	2/04/2015	1/04/2026	48.07	100%	Renewal lodged
Miranda	EPM 26068	Enterprise	Austral Resources Exploration Pty Ltd	17/10/2016	16/10/2026	6.44	100%	Granted
Lady Annie	EPM 27978	Lima	Austral Resources Operations Pty Ltd	4/07/2022	3/07/2027	179.85	100%	Granted
Lady Annie	EPM 27979	Battle Creek 2	Austral Resources Operations Pty Ltd	16/05/2022	15/05/2027	232.10	100%	Granted
Lady Annie	EPM 27980	Waggaboonya	Austral Resources Operations Pty Ltd	4/07/2022	3/07/2027	176.87	100%	Granted
	EPM 28325	Dingo	Austral Resources Operations Pty Ltd	7/07/2023	6/07/2028	202.73	100%	Granted

Project	Tenement	Lease Name	Holder	Grant Date	Expiry Date	Area (km^2)	Equity Interest	Status
	EPM 28349	Spex	Austral Resources Operations Pty Ltd	9/08/2023	8/08/2028	3.22	100%	Granted
	EPM 28881	Canyon	Austral Resources Operations Pty Ltd	4/12/2025	3/12/2030	16.10	100%	Granted
	EPM 18054	Morris Creek	Copper Resources Australia Pty Ltd	26/04/2012	25/04/2027	9.61	100%	Granted
	ML 5426	Mcleod Hill	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2027	0.04	100%	Renewal lodged
	ML 5435	Mt Kelly	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2024	0.04	100%	Renewal lodged
	ML 5446	Flying Horse, No 1	Austral Resources Operations Pty Ltd	14/02/1974	28/02/2031	0.28	100%	Granted
	ML 5447	Spinifex Queen	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2031	0.28	100%	Granted
	ML 5448	Flying Horse, No 2	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2031	0.08	100%	Granted
	ML 5474	Suzie No 6	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2031	1.30	100%	Granted
	ML 5476	Suzie No 12	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2031	1.11	100%	Granted
	ML 5478	Suzie No 14	Austral Resources Operations Pty Ltd	10/01/1974	31/01/2031	0.13	100%	Granted
	ML 90168	Mt Clarke	Austral Resources Operations Pty Ltd	14/12/2006	31/12/2027	0.04	100%	Granted
	ML 90169	Mt Kelly West	Austral Resources Operations Pty Ltd	14/12/2006	31/12/2027	6.44	100%	Granted
	ML 90170	Mt Kelly West Extended	Austral Resources Operations Pty Ltd	14/12/2006	31/12/2027	11.18	100%	Granted
	ML 90178	Mt Kelly	Austral Resources Operations Pty Ltd	9/08/2007	31/08/2028	3.54	100%	Granted
	ML 90179	Lady Annie	Austral Resources Operations Pty Ltd	17/07/2008	31/07/2029	4.90	100%	Granted
	ML 90184	Birla Infrastructure	Austral Resources Operations Pty Ltd	17/08/2008	31/07/2029	0.09	100%	Granted
	ML 90233	Anthill	Austral Resources Operations Pty Ltd	15/10/2017	31/10/2035	23.76	100%	Granted
	ML 90177	Las Minerale	Copper Resources Australia Pty Ltd	8/12/2011	31/12/2041	16.01	100%	Granted
	ML 90188	Las Minerale 2	Copper Resources Australia Pty Ltd	9/12/2011	31/12/2041	3.20	100%	Granted
	ML 90219	Transport Corridor	Copper Resources Australia Pty Ltd	10/05/2012	31/05/2042	0.35	100%	Granted
	ML 5568	Lady Loretta	Noranda Pacific Pty Ltd	26/01/1984	31/01/2026	32.64	100%	Renewal lodged
	ML 90239	Transport Powerline	Noranda Pacific Pty Ltd	20/11/2012	30/09/2031	0.18	100%	Granted

Appendix C Comparable Queensland Copper Resource Transactions

Buyer / Target	Date	Deal Summary	Contained R&R Cu (t)	Deal Value (A$ M)	Property	Equity (%)	Cu Price (US$/t)	Normalisation Ratio	Resource Multiple A$/t	Normalised A$/t
Moonlight Resources Limited/Clermont Project	28/08/2025	Moonlight Resources Pty Ltd paid A$250,000 in cash and issued A$3.25 worth of its shares not exceeding 19.9% of Moonlight's share capital immediately following listing on ASX to acquire Clermont Project from Diatreme Resources Limited.	36,000	3.50	Clermont Project	100%	9,735.21	1.5	97.2	144.7
South32 Limited/Isa Valley Project	27/05/2024	South32 Limited will pay A$25,000 on initial screening with ionic leach soil sampling and field assessment of the tenement, incur A$3.15 million in capital expenditure and by sole funding on Pre-Feasibility Study to acquire an 80% interest in Isa Valley Project from Hammer Metals Limited.	187,972	0.03	Isa Valley Project	80%	10,204.59	1.4	0.1	0.2
Carnaby Resources Limited/Three sub-	2/04/2024	Carnaby Resources Ltd. will A$15 million in cash and will issue A$5 million worth of	164,476	20.41	Mt Hope South tenement	70%	8,888.06	1.6	124.1	202.3

Buyer / Target	Date	Deal Summary	Contained R&R Cu (t)	Deal Value (A$ M)	Property	Equity (%)	Cu Price (US$/t)	Normalisation Ratio	Resource Multiple A$/t	Normalised A$/t
blocks at Mt Hope South tenement		shares as non-contingent future payments to be escrowed for 12 months to acquire 70% stake in three sub-blocks at Mt Hope South tenement from Hammer Metals Ltd.								
QMines Limited/Develin Creek Project	28/08/2023	QMines Limited paid A$2.50 million in cash and A$2 million in stock plus additional work commitments to acquire Develin Creek project from Zenith Minerals Limited.	57,000	4.50	Develin Creek Project	100%	8,319.25	1.7	78.9	137.5
Sibanye Stillwater Limited/New Century Resources Limited	21/02/2023	Sibanye Stillwater Limited has acquired all the remaining approximately 80.11% stake in New Century Resources Limited. New Century Resources Limited is a base metal producer with zinc assets and a brownfield copper development project.	941,303	119.89		80%	9,183.50	1.6	127	201
Harmony Gold Mining Company	6/10/2022	Harmony Gold Mining Company Limited has	1,445,737	356.32		100%	7,649.75	1.9	246	467

Buyer / Target	Date	Deal Summary	Contained R&R Cu (t)	Deal Value (A$ M)	Property	Equity (%)	Cu Price (US$/t)	Normalisation Ratio	Resource Multiple A$/t	Normalised A$/t
Limited/Eva Copper Project		acquired Eva Copper Project from Copper Mountain Mining Corporation. Eva Copper Project is based in Queensland, Australia.								
AIC Mines Limited/Demetallica Limited	19/09/2022	AIC Mines Limited exchanged 1 share of its common stock for every 1.3 outstanding share of Demetallica Limited to acquire Demetallica Limited from Minotaur Exploration Ltd.	231,400	41.89	Demetallica properties	100%	7,826.50	1.8	181	335
Aeris Resources Limited/Round Oak Minerals Pty Limited	28/04/2022	Aeris Resources Limited has acquired Round Oak Minerals Pty Limited from Washington H. Soul Pattinson and Company Limited.		234.00			9,696.00	1.5	461	689
Minerals Mining and Metallurgy Limited/Mt Margaret Copper Project	4/04/2022	Minerals Mining and Metallurgy Limited would have acquired Mt Margaret Copper Project from Glencore plc. Mt Margaret Copper Project is located in Queensland, Australia.		10.00	Mt Margaret		10,451.75	1.4	3	4
AIC Mines Limited/Eloise Copper Mine	31/08/2021	AIC Mines Ltd. paid A$5 million in cash and issued 80.0 million shares of its	65,561	27.00	Eloise Copper Mine	100%	9,528.25	1.5	412	626

Buyer / Target	Date	Deal Summary	Contained R&R Cu (t)	Deal Value (A$ M)	Property	Equity (%)	Cu Price (US$/t)	Normalisation Ratio	Resource Multiple A$/t	Normalised A$/t
		common stock worth A$20 million to acquire Eloise Copper mine from FMR Investments Pty Ltd. AIC Mines Ltd. paid contingent payment of A$2 million in cash payable six months after completion if certain production milestones are achieved.								
Tartana Resources Limited/Mother Lode Pty Ltd.	21/07/2020	Tartana Resources Ltd. issued 4.0 million shares of its common stock to acquire Mother Lode Pty Ltd.	50,000	0.50	Mother Lode properties	100%	6,544.45	2.2	10	22

Appendix D Hammer Metals Yardstick Valuations

Deposit	Equity	Grouping	Classification	Cu (Mt)	Low Factor	High Factor	Low Value (A$M)	Preferred Value (A$M)	High Value (A$M)
Kalman	100%	OP	Indicated	0.07353	1%	2%	14.8	22.2	29.6
			Inferred	0.042	0.5%	1%	4.2	6.3	8.5
		UG	Inferred	0.092	0.5%	1%	9.3	13.9	18.5
		Total		*0.20753*			*28.3*	*42.4*	*56.6*
Elaine	100%		Inferred	0.076342	0.5%	1%	7.7	11.5	15.4
Jubilee	51%	Weathered	Inferred	0.001057	0.5%	1%	0.05	0.08	0.11
		Fresh	Inferred	0.018894	0.5%	1%	0.97	1.45	1.94
		Total		*0.01995*			*1.02*	*1.54*	*2.05*
Overlander	100%	North	Indicated	0.003542	1%	2%	0.0	0.0	0.0
			Inferred	0.01131	0.5%	1%	1.1	1.7	2.3
		South	Inferred	0.00649	0.5%	1%	0.7	1.0	1.3
		Total		*0.021342*			*1.8*	*2.7*	*3.6*
Lakeview	100%	Fresh	Inferred	0.005088	0.5%	1%	0.5	0.8	1.0
		Oxide	Inferred	0.00084	0.5%	1%	0.1	0.1	0.2
		Total		*0.005928*			*0.6*	*0.9*	*1.2*

Note appropriate rounding has been applied.

Appendix E Austral Resources Yardstick Valuations

Rocklands in situ (Sulph+ OX-Trans +Nat Cu)	Total Contained Cu (Mt)
Measured	**0.000**
Indicated	**0.066**
Inferred	**0.012**
Exploration Target	**0.000**
Proved	**0.000**
Probable	**0.000**
Total	**0.078**

Yardstick Multiples - Cu		
	Low	**High**
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Rocklands in situ (Sulph + OX-Trans + Nat Cu)	Low	Mid	High
Reserves	$-	$-	$-
Measured	$-	$-	$-
Indicated	$13.22	$19.82	$26.43
Inferred	$1.18	$1.78	$2.37
Expl Targets	$-	$-	$-
Valuation A$	**14.4**	**21.6**	**28.8**

Rocklands Stockpiles	Total Contained Cu (Mt)
Measured	**0.006**
Indicated	**0.000**
Inferred	**0.000**
Exploration Target	**0.000**
Proved	**0.000**
Probable	**0.000**

Rocklands Stockpiles	Total Contained Cu (Mt)
Total	0.006

Yardstick Multiples - Cu	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Rocklands Stockpiles	Low	Mid	High
Reserves	$-	$-	$-
Measured	$3.83	$5.11	$6.39
Indicated	$-	$-	$-
Inferred	$-	$-	$-
Expl Targets	$-	$-	$-
Valuation A$	**$3.83**	**$5.11**	**$6.39**

Anthill	Total Contained Cu (Mt)
Measured	0.004
Indicated	0.032
Inferred	0.011
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.046

Yardstick Multiples - Cu	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%

Anthill	Total Contained Cu (Mt)		
Reserves	5%	10%	
Concentrate Payability	100%	100%	
Anthill	**Low**	**Mid**	**High**
Reserves	$-	$-	$-
Measured	$2.56	$3.42	$4.27
Indicated	$6.34	$9.51	$12.68
Inferred	$1.08	$1.62	$2.17
Expl Targets	$-	$-	$-
Valuation AUS$	**$9.99**	**$14.56**	**$19.12**

Lady Annie	Total Contained Cu (Mt)		
Measured	0.021		
Indicated	0.068		
Inferred	0.004		
Exploration Target	0.000		
Proved	0.000		
Probable	0.000		
Total	0.092		
Yardstick Multiples - Cu			
	Low	High	
Expl Targets	0.25%	0.50%	
Inferred	0.50%	1%	
Indicated	1%	2%	
Measured	3%	5%	
Reserves	5%	10%	
Concentrate Payability	100%	100%	
Lady Annie	**Low**	**Mid**	**High**
Reserves	$-	$-	$-
Measured	$12.68	$16.91	$21.13
Indicated	$13.72	$20.58	$27.43
Inferred	$0.37	$0.55	$0.73
Expl Targets	$-	$-	$-

Lady Annie	Total Contained Cu (Mt)		
Valuation A$	$26.76	$38.03	$49.30

Lady Brenda	Total Contained Cu (Mt)
Measured	0.003
Indicated	0.029
Inferred	0.005
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.037

Yardstick Multiples - Cu	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Lady Brenda	Low	Mid	High
Reserves	$-	$-	$-
Measured	$1.89	$2.52	$3.16
Indicated	$5.86	$8.80	$11.73
Inferred	$0.52	$0.78	$1.04
Expl Targets	$-	$-	$-
Valuation A$	$8.28	$12.10	$15.93

Flying Horse	Total Contained Cu (Mt)
Measured	0.019
Indicated	0.060
Inferred	0.031

Flying Horse	Total Contained Cu (Mt)
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.109

Yardstick Multiples - Cu	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Flying Horse	Low	Mid	High
Reserves	$-	$-	$-
Measured	$11.40	$15.20	$18.99
Indicated	$12.07	$18.11	$24.14
Inferred	$3.16	$4.74	$6.32
Expl Targets	$-	$-	$-
Valuation AUS$	$26.63	$38.04	$49.46

Mt Clarke	Total Contained Cu (Mt)
Measured	0.005
Indicated	0.006
Inferred	0.003
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.014

Yardstick Multiples - Cu	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%

Flying Horse	Total Contained Cu (Mt)		
Indicated	1%	2%	
Measured	3%	5%	
Reserves	5%	10%	
Concentrate Payability	100%	100%	
Mt Clarke	**Low**	**Mid**	**High**
Reserves	$-	$-	$-
Measured	$3.11	$4.15	$5.18
Indicated	$1.26	$1.88	$2.51
Inferred	$0.29	$0.43	$0.58
Expl Targets	$-	$-	$-
Valuation A$	**$4.65**	**$6.46**	**$8.27**

Lady Colleen	Total Contained Cu (Mt)
Measured	0.010
Indicated	0.039
Inferred	0.006
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.054

Yardstick Multiples - Cu

	Low	High	
Expl Targets	0.25%	0.50%	
Inferred	0.50%	1%	
Indicated	1%	2%	
Measured	3%	5%	
Reserves	5%	10%	
Concentrate Payability	100%	100%	
Lady Colleen	**Low**	**Mid**	**High**
Reserves	$-	$-	$-
Measured	$5.74	$7.66	$9.57

Lady Colleen	Total Contained Cu (Mt)		
Indicated	$7.88	$11.82	$15.76
Inferred	$0.55	$0.83	$1.11
Expl Targets	$-	$-	$-
Valuation A$	**$14.18**	**$20.31**	**$26.45**

McLeod Hill	Total Contained Cu (Mt)
Measured	**0.000**
Indicated	**0.004**
Inferred	**0.007**
Exploration Target	**0.000**
Proved	**0.000**
Probable	**0.000**
Total	**0.011**

Yardstick Multiples - Cu

	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

McLeod Hill	Low	Mid	High
Reserves	$-	$-	$-
Measured	$-	$-	$-
Indicated	$0.81	$1.21	$1.61
Inferred	$0.67	$1.00	$1.34
Expl Targets	$-	$-	$-
Valuation A$	**$1.48**	**$2.21**	**$2.95**

Swagman	Total Contained Cu (Mt)
Measured	0.001
Indicated	0.001
Inferred	0.000
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.002

Yardstick Multiples - Cu

	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Swagman	Low	Mid	High
Reserves	$-	$-	$-
Measured	$0.57	$0.76	$0.94
Indicated	$0.12	$0.18	$0.25
Inferred	$0.04	$0.06	$0.09
Expl Targets	$-	$-	$-
Valuation A$	**$0.73**	**$1.00**	**$1.27**

Enterprise	Total Contained Cu (Mt)
Measured	0.000
Indicated	0.000
Inferred	0.009
Exploration Target	0.000
Proved	0.000
Probable	0.000

Enterprise	Total Contained Cu (Mt)
Total	0.009

Yardstick Multiples - Cu

	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%
Measured	3%	5%
Reserves	5%	10%
Concentrate Payability	100%	100%

Enterprise	Low	Mid	High
Reserves	$-	$-	$-
Measured	$-	$-	$-
Indicated	$-	$-	$-
Inferred	$0.93	$1.39	$1.85
Expl Targets	$-	$-	$-
Valuation A$	$0.93	$1.39	$1.85

Mt Kelly Heap	Total Contained Cu (Mt)
Measured	0.045
Indicated	0.000
Inferred	0.000
Exploration Target	0.000
Proved	0.000
Probable	0.000
Total	0.045

Yardstick Multiples - Cu

	Low	High
Expl Targets	0.25%	0.50%
Inferred	0.50%	1%
Indicated	1%	2%

Mt Kelly Heap	Total Contained Cu (Mt)		
Measured	3%	5%	
Reserves	5%	10%	
Concentrate Payability	100%	100%	

Mt Kelly Heap	Low	Mid	High
Reserves	$-	$-	$-
Measured	$27.29	$36.39	$45.48
Indicated	$-	$-	$-
Inferred	$-	$-	$-
Expl Targets	$-	$-	$-
Valuation AU$	**$27.29**	**$36.39**	**$45.48**

Note appropriate rounding has been applied.

Appendix F Hammer Metals Geoscientific Valuation

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology high
EPM 11919(^ KP)	Cameron River	100%	19.25	Granted	1.5	2.0	1.0	1.5	1.5	1.7	1.0	1.5
EPM 13870 (^^ KP)	Pelican	100%	70.58	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 18084 (KP)	Dronfield	80%	141.15	Granted	1.0	1.5	1.0	1.5	1.5	1.7	1.0	1.5
EPM 25165(^ KP)	Cameron River 4	100%	12.83	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 26474 (KP)	Enterprise	100%	57.74	Granted	1.0	1.5	1.3	1.5	1.2	1.5	1.0	1.5
EPM 26511 (KP)	Sling Shot	100%	35.29	Granted	1.0	1.5	1.0	1.5	1.3	1.5	1.0	1.5
EPM 26628 (KP)	Argylla	100%	80.20	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 26694 (KP)	Mt Philp	100%	6.42	Granted	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5
EPM 26775(* % KP)	Pilgrim North	100%	266.26	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 26776 (KP)	Pilgrim Central	100%	54.54	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 26777 (KP)**	Pilgrim South	100%	343.26	Granted	1.0	1.5	1.3	1.5	1.3	1.5	1.0	1.5
EPM 26902 (KP)	Marriage	100%	28.87	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 26904 (KP)	Lady Jenny	100%	6.42	Granted	1.0	1.5	1.3	1.5	1.2	1.5	1.0	1.5
EPM 27018 (KP)	Dingo Creek	100%	86.62	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM27469 (% KP)	Mount Moran	100%	19.25	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 27470 (KP)	China Wall	100%	19.25	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 27806 (KP)	Roos	100%	25.66	Granted	1.0	1.5	1.2	1.5	1.2	1.5	1.0	1.5

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology high
EPM 27815 (KP)	Lady Vampire	100%	22.46	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 27861 (KP)	Saint Mungo	100%	12.83	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 28285	The Plus	100%	35.29	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 28903 (KP)	Pandora	100%	12.83	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 29265	Top Tank	100%	121.90	Application	1.0	1.2	1.0	1.2	0.9	1.0	0.9	1.2
EPM 29316	Galah Bore	100%	320.80	Application	1.0	1.2	1.0	1.2	0.9	1.0	0.9	1.2
EPM 29347 (%)	Olympic	100%	9.62	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 29451	Alligator Creek	100%	9.62	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 29595	Shire Bore	100%	9.62	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 12205 (KP)	Cloncurry	100%	25.66	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 14019 (% KP)	South Mary K	100%	25.66	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 14022 (KP)	North Mary K	100%	22.46	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 14467 (KP)	Mt Frosty	51%	28.87	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 25145 (KP)	Green Creek	100%	38.50	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 25866 (KP)	Malbon	100%	96.24	Granted	1.0	1.5	1.0	1.5	1.3	1.5	1.0	1.5
EPM 25867 (KP)	Mt Jasper	100%	6.42	Granted	1.0	1.2	1.0	1.2	0.9	1.2	0.9	1.3
EPM 26126 (IVP)	Cathay	100%	96.24	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 26127 (IVP)	Resolve	100%	102.66	Granted	1.0	1.5	1.0	1.5	1.3	1.5	0.9	1.2
EPM 26130 (% KP)	El Questro	100%	80.20	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 26512 (IVP)	Black Angel	100%	96.24	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5

Tenement	Lease Name	Company Equity	Area (km²)	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology high
EPM 27355 (KP)	Pioneer	100%	25.66	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 29066	Dipvale	100%	125.11	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 29436	Capsize Creek	100%	32.08	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 29469	Why Not	100%	32.08	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 28189 (IVP)	Resolve Extended	100%	320.80	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 28921	Ashover	100%	153.98	Application	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 29170	Fort William	100%	311.18	Application	1.0	1.2	1.0	1.1	1.0	1.5	0.9	1.0

Tenement	Lease Name	Company Equity	Area (km²)	BHC	Valued by Resource ?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 11919(^ KP)	Cameron River	100%	19.25	19,248	No	0.04	0.10	0.15	90%	120%	0.05	0.10	0.16
EPM 13870 (^^ KP)	Pelican	100%	70.58	70,576	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 18084 (KP)	Dronfield	80%	141.15	141,150	No	0.17	0.41	0.65	90%	120%	0.18	0.44	0.70
EPM 25165(^ KP)	Cameron River 4	100%	12.83	12,830	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07
EPM 26474 (KP)	Enterprise	100%	57.74	57,744	No	0.09	0.19	0.29	90%	120%	0.10	0.21	0.32
EPM 26511 (KP)	Sling Shot	100%	35.29	35,288	No	0.05	0.11	0.18	90%	120%	0.05	0.12	0.19

Tenement	Lease Name	Company Equity	Area (km^2)	BHC	Valued by Resource ?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 26628 (KP)	Argylla	100%	80.20	80,200	No	0.10	0.25	0.41	90%	120%	0.10	0.27	0.44
EPM 26694 (KP)	Mt Philp	100%	6.42	6,416	No	0.01	0.03	0.04	90%	120%	0.01	0.03	0.05
EPM 26775(* % KP)	Pilgrim North	100%	266.26	266,260	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 26776 (KP)	Pilgrim Central	100%	54.54	54,536	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 26777 (KP)**	Pilgrim South	100%	343.26	343,260	No	0.58	1.16	1.74	90%	120%	0.63	1.25	1.88
EPM 26902 (KP)	Marriage	100%	28.87	28,872	No	0.03	0.09	0.15	90%	120%	0.04	0.10	0.16
EPM 26904 (KP)	Lady Jenny	100%	6.42	6,416	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.04
EPM 27018 (KP)	Dingo Creek	100%	86.62	86,616	No	0.10	0.27	0.44	90%	120%	0.11	0.29	0.47
EPM27469 (% KP)	Mount Moran	100%	19.25	19,248	No	0.02	0.06	0.10	90%	120%	0.02	0.06	0.11
EPM 27470 (KP)	China Wall	100%	19.25	19,250	No	0.02	0.06	0.10	90%	120%	0.02	0.06	0.11
EPM 27806 (KP)	Roos	100%	25.66	25,660	No	0.04	0.08	0.13	90%	120%	0.04	0.09	0.14
EPM 27815 (KP)	Lady Vampire	100%	22.46	22,460	No	0.03	0.07	0.11	90%	120%	0.03	0.08	0.12
EPM 27861 (KP)	Saint Mungo	100%	12.83	12,830	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07

Tenement	Lease Name	Company Equity	Area (km²)	BHC	Valued by Resource?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 28285	The Plus	100%	35.29	11,646	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.06
EPM 28903 (KP)	Pandora	100%	12.83	4,234	No	0.00	0.01	0.02	90%	120%	0.00	0.01	0.02
EPM 29265	Top Tank	100%	121.90	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29316	Galah Bore	100%	320.80	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29347 (%)	Olympic	100%	9.62	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29451	Alligator Creek	100%	9.62	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29595	Shire Bore	100%	9.62	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 12205 (KP)	Cloncurry	100%	25.66	25,660	No	0.03	0.08	0.13	90%	120%	0.03	0.09	0.14
EPM 14019 (% KP)	South Mary K	100%	25.66	25,664	No	0.03	0.08	0.13	90%	120%	0.03	0.08	0.14
EPM 14022 (KP)	North Mary K	100%	22.46	22,456	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 14467 (KP)	Mt Frosty	51%	28.87	9,528	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 25145 (KP)	Green Creek	100%	38.50	38,496	No	0.04	0.12	0.19	90%	120%	0.04	0.13	0.21
EPM 25866 (KP)	Malbon	100%	96.26	96,240	No	0.13	0.31	0.49	90%	120%	0.14	0.33	0.53
EPM 25867 (KP)	Mt Jasper	100%	6.42	6,420	No	0.01	0.01	0.01	90%	120%	0.01	0.01	0.02

Tenement	Lease Name	Company Equity	Area (km^2)	BHC	Valued by Resource ?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 26126 (IVP)	Cathay	100%	96.24	96,240	No	0.12	0.30	0.49	90%	120%	0.12	0.33	0.53
EPM 26127 (IVP)	Resolve	100%	102.66	33,876	No	0.04	0.09	0.14	90%	120%	0.04	0.10	0.15
EPM 26130 (% KP)	El Questro	100%	80.20	80,200	No	0.10	0.25	0.41	90%	120%	0.10	0.27	0.44
EPM 26512 (IVP)	Black Angel	100%	96.24	96,240	No	0.10	0.29	0.49	90%	120%	0.10	0.32	0.53
EPM 27355 (KP)	Pioneer	100%	25.66	25,660	No	0.03	0.08	0.13	90%	120%	0.03	0.09	0.14
EPM 29066	Dipvale	100%	125.11	41,287	No	0.05	0.13	0.21	90%	120%	0.05	0.14	0.23
EPM 29436	Capsize Creek	100%	32.08	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29469	Why Not	100%	32.08	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 28189 (IVP)	Resolve Extended	100%	320.80	105,864	No	0.13	0.33	0.54	90%	120%	0.14	0.36	0.58
EPM 28921	Ashover	100%	153.98	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		
EPM 29170	Fort William	100%	311.18	-	No	0.00	0.00	0.00	90%	120%	Applications not valued		

Appendix G Austral Resources Geoscientific Valuation

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology high
EPM 14693	JUDENHAM CREEK	100%	16.10	Granted	1.5	2.0	1.0	1.5	1.5	1.7	1.0	1.5
EPM 15126	BATTLE CREEK	80%	61.26	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 16240	EASTERN CREEK	100%	35.44	Granted	1.0	1.5	1.0	1.5	1.5	1.7	1.0	1.5
EPM 16241	MGF ZONE	100%	9.68	Renewal Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 16242	MOUNT KELLY EAST	100%	83.76	Granted	1.0	1.5	1.3	1.5	1.2	1.5	1.0	1.5
EPM 16243	LADY MAGGIE	100%	80.56	Granted	1.0	1.5	1.0	1.5	1.3	1.5	1.0	1.5
EPM 16244	BUCKLEY RIVER	100%	456.31	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 17088	DRIFTER	100%	9.68	Granted	1.5	2.0	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17167	CAMERON RIVER WEST	100%	6.40	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 17295	CLONCURRY NORTH #2	100%	28.87	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 17298	MIRANDA # 3	100%	12.86	Granted	1.0	1.5	1.3	1.5	1.3	1.5	1.0	1.5
EPM 17415	MOUNT KELLY WEST	100%	9.66	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 17422	LADY ANNIE WEST	100%	29.01	Granted	1.0	1.5	1.3	1.5	1.2	1.5	1.0	1.5
EPM 17469	LADY ANNIE WEST 2	100%	6.44	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 17494	CAMERON RIVER 2	100%	12.81	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17525	MIRANDA 10	100%	12.89	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17527	MIRANDA 8	100%	86.92	Granted	1.0	1.5	1.2	1.5	1.2	1.5	1.0	1.5
EPM 17530	MIRANDA 6	100%	12.88	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 17533	MOUNT KELLY WEST 2	100%	35.42	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17535	MIRANDA 9	100%	6.44	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17634	CAMERON RIVER 3	100%	25.62	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology high
EPM 17646	MIRANDA 13	100%	12.86	Granted	1.0	1.2	1.0	1.2	0.9	1.0	0.9	1.2
EPM 17789	LADY ANNIE REGIONAL	100%	93.43	Granted	1.0	1.2	1.0	1.2	0.9	1.0	0.9	1.2
EPM 17855	MIRANDA 19	100%	6.43	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17856	MIRANDA 15	100%	12.88	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 17859	MIRANDA 18	100%	9.65	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 17861	MIRANDA 16	100%	6.44	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 18817	OLD MAY DOWNS	100%	44.95	Granted	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 25515	LITTLE BEAUTY	100%	48.07	Renewal lodged	1.5	2.0	1.5	2.0	3.5	4.0	2.0	2.5
EPM 26068	ENTERPRISE	100%	6.44	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 27978	LIMA	100%	179.85	Granted	1.0	1.5	1.0	1.5	1.3	1.5	1.0	1.5
EPM 27979	BATTLE CREEK 2	100%	232.10	Granted	1.0	1.2	1.0	1.2	0.9	1.2	0.9	1.3
EPM 27980	WAGGABOONYA	100%	176.87	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 28325	DINGO	100%	202.73	Granted	1.0	1.5	1.0	1.5	1.3	1.5	0.9	1.2
EPM 28349	SPEX	100%	3.22	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5
EPM 28881	CANYON	100%	16.10	Granted	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5
EPM 18054	MORRIS CREEK	100%	9.61	Granted	1.0	1.5	1.0	1.5	1.2	1.5	1.0	1.5

Tenement	Lease Name	Company Equity	Area (km^2)	BAC	Valued by Resource?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 14693	JUDENHAM CREEK	100%	16.10	15,000	No	0.03	0.07	0.11	90%	120%	0.04	0.08	0.12
EPM 15126	BATTLE CREEK	80%	61.26	57,000	No	0.72	1.27	1.82	90%	120%	0.78	1.37	1.97
EPM 16240	EASTERN CREEK	100%	35.44	33,000	No	0.05	0.12	0.19	90%	120%	0.05	0.13	0.20
EPM 16241	MGF ZONE	100%	9.68	9,000	No	0.01	0.03	0.05	90%	120%	0.01	0.03	0.05
EPM 16242	MOUNT KELLY EAST	100%	83.76	78,000	No	0.12	0.26	0.39	90%	120%	0.13	0.28	0.43
EPM 16243	LADY MAGGIE	100%	80.56	75,000	No	0.10	0.24	0.38	90%	120%	0.11	0.26	0.41
EPM 16244	BUCKLEY RIVER	100%	456.31	426,000	No	0.51	1.33	2.16	90%	120%	0.55	1.44	2.33
EPM 17088	DRIFTER	100%	9.68	9,000	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07
EPM 17167	CAMERON RIVER WEST	100%	6.40	6,000	No	0.09	0.17	0.24	90%	120%	0.10	0.18	0.26
EPM 17295	CLONCURRY NORTH #2	100%	28.87	27,000	No	0.43	0.75	1.08	90%	120%	0.46	0.81	1.17
EPM 17298	MIRANDA # 3	100%	12.86	12,000	No	0.02	0.04	0.06	90%	120%	0.02	0.04	0.07
EPM 17415	MOUNT KELLY WEST	100%	9.66	9,000	No	0.01	0.03	0.05	90%	120%	0.01	0.03	0.05
EPM 17422	LADY ANNIE WEST	100%	29.01	27,000	No	0.04	0.09	0.14	90%	120%	0.05	0.10	0.15
EPM 17469	LADY ANNIE WEST 2	100%	6.44	6,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 17494	CAMERON RIVER 2	100%	12.81	12,000	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07
EPM 17525	MIRANDA 10	100%	12.89	12,000	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07
EPM 17527	MIRANDA 8	100%	86.92	81,000	Yes	0.00	0.00	0.00	90%	120%	Valued by Resource		
EPM 17530	MIRANDA 6	100%	12.88	12,000	No	0.01	0.04	0.06	90%	120%	0.02	0.04	0.07
EPM 17533	MOUNT KELLY WEST 2	100%	35.42	33,000	No	0.03	0.10	0.17	90%	120%	0.04	0.11	0.18
EPM 17535	MIRANDA 9	100%	6.44	6,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 17634	CAMERON RIVER 3	100%	25.62	24,000	No	0.02	0.07	0.12	90%	120%	0.03	0.08	0.13

Tenement	Lease Name	Company Equity	Area (km^2)	BAC	Valued by Resource?	Low	Mid	High	Locational Discount / Premium	Market Discount / Premium	Low	Mid	High
EPM 17646	MIRANDA 13	100%	12.86	12,000	No	0.01	0.02	0.02	90%	120%	0.01	0.02	0.02
EPM 17789	LADY ANNIE REGIONAL	100%	93.43	87,000	No	0.07	0.11	0.15	90%	120%	0.08	0.12	0.16
EPM 17855	MIRANDA 19	100%	6.43	6,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 17856	MIRANDA 15	100%	12.88	12,000	No	0.01	0.04	0.06	90%	120%	0.01	0.04	0.07
EPM 17859	MIRANDA 18	100%	9.65	9,000	No	0.01	0.03	0.05	90%	120%	0.01	0.03	0.05
EPM 17861	MIRANDA 16	100%	6.44	6,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 18817	OLD MAY DOWNS	100%	44.95	42,000	No	0.66	1.17	1.68	90%	120%	0.71	1.26	1.81
EPM 25515	LITTLE BEAUTY	100%	48.07	45,000	No	0.71	1.25	1.80	90%	120%	0.77	1.35	1.94
EPM 26068	ENTERPRISE	100%	6.44	6,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 27978	LIMA	100%	179.85	56,000	No	0.07	0.18	0.28	90%	120%	0.08	0.19	0.31
EPM 27979	BATTLE CREEK 2	100%	232.10	72,000	No	0.06	0.11	0.16	90%	120%	0.06	0.12	0.17
EPM 27980	WAGGABOONYA	100%	176.87	55,000	No	0.07	0.17	0.28	90%	120%	0.07	0.19	0.30
EPM 28325	DINGO	100%	202.73	63,000	No	0.07	0.16	0.26	90%	120%	0.08	0.18	0.28
EPM 28349	SPEX	100%	3.22	1,000	No	0.00	0.00	0.01	90%	120%	0.00	0.00	0.01
EPM 28881	CANYON	100%	16.10	5,000	No	0.01	0.02	0.03	90%	120%	0.01	0.02	0.03
EPM 18054	MORRIS CREEK	100%	9.61	9,000	No	0.01	0.03	0.05	90%	120%	0.01	0.03	0.05

Note appropriate rounding has been applied.

Appendix H Hammer Metals Prospectivity Enhancement Multiplier Valuations

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
EPM 11919(^ KP)	Cameron River	100%	19.25	Granted	$190,571.86	1.3	1.5	0.25	0.27	0.29
EPM 13870 (^^ KP)	Pelican	100%	70.58	Granted	$1,292,764.68	2.5	3.0		Valued by Resource	
EPM 18084 (KP)	Dronfield	80%	141.15	Granted	$290,003.82	1.3	1.5	0.30	0.32	0.35
EPM 25165(^ KP)	Cameron River 4	100%	12.83	Granted	$156,634.75	1.0	1.3	0.16	0.18	0.20
EPM 26474 (KP)	Enterprise	100%	57.74	Granted	$549,114.41	1.0	1.3	0.55	0.63	0.71
EPM 26511 (KP)	Sling Shot	100%	35.29	Granted	$146,399.98	1.0	1.3	0.15	0.17	0.19
EPM 26628 (KP)	Argylla	100%	80.20	Granted	$167,139.80	1.0	1.3	0.17	0.19	0.22
EPM 26694 (KP)	Mt Philp	100%	6.42	Granted	$156,281.21	1.0	1.3	0.06	0.07	0.08
EPM 26775(* % KP)	Pilgrim North	100%	266.26	Granted	$4,797,647.90	2.5	3.0		Valued by Resource	
EPM 26776 (KP)	Pilgrim Central	100%	54.54	Granted	$2,491,538.15	2.5	3.0		Valued by Resource	
EPM 26777 (KP)**	Pilgrim South	100%	343.26	Granted	$2,248,591.01	1.0	1.3	2.25	2.59	2.92
EPM 26902 (KP)	Marriage	100%	28.87	Granted	$174,648.47	1.0	1.3	0.07	0.08	0.09
EPM 26904 (KP)	Lady Jenny	100%	6.42	Granted	$699,141.85	1.0	1.3	0.70	0.80	0.91
EPM 27018 (KP)	Dingo Creek	100%	86.62	Granted	$246,359.55	1.0	1.3	0.25	0.28	0.32
EPM27469 (% KP)	Mount Moran	100%	19.25	Granted	$62,927.38	1.0	1.3	0.06	0.07	0.08
EPM 27470 (KP)	China Wall	100%	19.25	Granted	$89,983.94	1.0	1.3	0.09	0.10	0.12
EPM 27806 (KP)	Roos	100%	25.66	Granted	$79,679.40	1.0	1.3	0.03	0.04	0.04
EPM 27815 (KP)	Lady Vampire	100%	22.46	Granted	$107,735.56	1.0	1.3	0.11	0.12	0.14
EPM 27861 (KP)	Saint Mungo	100%	12.83	Granted	$93,751.25	1.0	1.3	0.09	0.11	0.12
EPM 28285	The Plus	100%	35.29	Granted	$23,824.52	1.0	1.3	0.02	0.03	0.03
EPM 28903 (KP)	Pandora	100%	12.83	Granted	$7,098.04	1.0	1.3	0.01	0.01	0.01
EPM 29265	Top Tank	100%	121.90	Application	$-	1.0	1.3		Applications not valued	

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
EPM 29316	Galah Bore	100%	320.80	Application	$-	1.0	1.3		Applications not valued	
EPM 29347 (%)	Olympic	100%	9.62	Application	$-	1.0	1.3		Applications not valued	
EPM 29451	Alligator Creek	100%	9.62	Application	$-	1.0	1.3		Applications not valued	
EPM 29595	Shire Bore	100%	9.62	Application	$-	1.0	1.3		Applications not valued	
EPM 12205 (KP)	Cloncurry	100%	25.66	Granted	$182,990.63	1.0	1.3	0.18	0.21	0.24
EPM 14019 (% KP)	South Mary K	100%	25.66	Granted	$460,193.95	1.0	1.3	0.46	0.53	0.60
EPM 14022 (KP)	North Mary K	100%	22.46	Granted	$1,499,179.10	2.5	3.0		Valued by Resource	
EPM 14467 (KP)	Mt Frosty	51%	28.87	Granted	$445,897.65	2.5	3.0		Valued by Resource	
EPM 25145 (KP)	Green Creek	100%	38.50	Granted	$273,625.17	1.0	1.3	0.27	0.31	0.36
EPM 25866 (KP)	Malbon	100%	96.24	Granted	$2,584,841.95	1.0	1.3	2.58	2.97	3.36
EPM 25867 (KP)	Mt Jasper	100%	6.42	Granted	$124,917.47	1.0	1.3	0.12	0.14	0.16
EPM 26126 (IVP)	Cathay	100%	96.24	Granted	$248,372.86	1.0	1.3	0.25	0.29	0.32
EPM 26127 (IVP)	Resolve	100%	102.66	Granted	$273,448.57	1.0	1.3	0.27	0.31	0.36
EPM 26130 (% KP)	El Questro	100%	80.20	Granted	$584,706.71	1.0	1.3	0.58	0.67	0.76
EPM 26512 (IVP)	Black Angel	100%	96.24	Granted	$253,718.94	1.0	1.3	0.25	0.29	0.33
EPM 27355 (KP)	Pioneer	100%	25.66	Granted	$135,518.14	1.0	1.3	0.14	0.16	0.18
EPM 29066	Dipvale	100%	125.11	Granted	$-	1.0	1.3		Applications not valued	
EPM 29436	Capsize Creek	100%	32.08	Application	$-	1.0	1.3		Applications not valued	
EPM 29469	Why Not	100%	32.08	Application	$-	1.0	1.3		Applications not valued	
EPM 28189 (IVP)	Resolve Extended	100%	320.80	Granted	$101,866.30	1.0	1.3	0.10	0.12	0.13
EPM 28921	Ashover	100%	153.98	Application	$-	1.0	1.3		Applications not valued	
EPM 29170	Fort William	100%	311.18	Application	$-	1.0	1.3		Applications not valued	

Note appropriate rounding has been applied.

Appendix I Austral Resources Prospectivity Enhancement Multiplier Valuations

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
EPM 14693	JUDENHAM CREEK	100%	16.10	Granted	$63,006.00	1.3	1.5	0.08	0.09	0.09
EPM 15126	BATTLE CREEK	80%	61.26	Granted	$205,186.00	2.5	3.0	0.41	0.45	0.49
EPM 16240	EASTERN CREEK	100%	35.44	Granted	$152,455.00	1.3	1.5	0.20	0.21	0.23
EPM 16241	MGF ZONE	100%	9.68	Renewal Granted	$76,167.00	1.0	1.3	0.08	0.09	0.10
EPM 16242	MOUNT KELLY EAST	100%	83.76	Granted	$328,668.00	1.0	1.3	0.33	0.38	0.43
EPM 16243	LADY MAGGIE	100%	80.56	Granted	$404,279.00	1.0	1.3	0.40	0.46	0.53
EPM 16244	BUCKLEY RIVER	100%	456.31	Granted	$1,558,899.00	1.0	1.3	1.56	1.79	2.03
EPM 17088	DRIFTER	100%	9.68	Granted	$124,379.00	1.0	1.3	0.12	0.14	0.16
EPM 17167	CAMERON RIVER WEST	100%	6.40	Granted	$63,908.00	2.5	3.0	0.16	0.18	0.19
EPM 17295	CLONCURRY NORTH #2	100%	28.87	Granted	$95,890.00	2.5	3.0	0.24	0.26	0.29
EPM 17298	MIRANDA # 3	100%	12.86	Granted	$89,864.00	1.0	1.3	0.09	0.10	0.12
EPM 17415	MOUNT KELLY WEST	100%	9.66	Granted	$209,997.00	1.0	1.3	0.21	0.24	0.27
EPM 17422	LADY ANNIE WEST	100%	29.01	Granted	$266,288.00	1.0	1.3	0.27	0.31	0.35
EPM 17469	LADY ANNIE WEST 2	100%	6.44	Granted	$94,388.00	1.0	1.3	0.09	0.11	0.12

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
EPM 17494	CAMERON RIVER 2	100%	12.81	Granted	$70,946.00	1.0	1.3	0.07	0.08	0.09
EPM 17525	MIRANDA 10	100%	12.89	Granted	$65,567.00	1.0	1.3	0.07	0.08	0.09
EPM 17527	MIRANDA 8	100%	86.92	Granted	$299,887.00	1.0	1.3	0.30	0.34	0.39
EPM 17530	MIRANDA 6	100%	12.88	Granted	$73,573.00	1.0	1.3	0.07	0.08	0.10
EPM 17533	MOUNT KELLY WEST 2	100%	35.42	Granted	$111,960.00	1.0	1.3	0.11	0.13	0.15
EPM 17535	MIRANDA 9	100%	6.44	Granted	$46,731.00	1.0	1.3	0.05	0.05	0.06
EPM 17634	CAMERON RIVER 3	100%	25.62	Granted	$129,529.00	1.0	1.3	0.13	0.15	0.17
EPM 17646	MIRANDA 13	100%	12.86	Granted	$61,223.00	1.0	1.3	0.06	0.07	0.08
EPM 17789	LADY ANNIE REGIONAL	100%	93.43	Granted	$1,217,189.00	1.0	1.3	1.22	1.40	1.58
EPM 17855	MIRANDA 19	100%	6.43	Granted	$44,088.00	1.0	1.3	0.04	0.05	0.06
EPM 17856	MIRANDA 15	100%	12.88	Granted	$61,272.00	1.0	1.3	0.06	0.07	0.08
EPM 17859	MIRANDA 18	100%	9.65	Granted	$60,720.00	1.0	1.3	0.06	0.07	0.08
EPM 17861	MIRANDA 16	100%	6.44	Granted	$46,638.00	1.0	1.3	0.05	0.05	0.06
EPM 18817	OLD MAY DOWNS	100%	44.95	Granted	$131,367.00	2.5	3.0	0.33	0.36	0.39
EPM 25515	LITTLE BEAUTY	100%	48.07	Renewal lodged	$193,023.00	2.5	3.0	0.48	0.53	0.58
EPM 26068	ENTERPRISE	100%	6.44	Granted	$86,663.00	1.0	1.3	0.09	0.10	0.11
EPM 27978	LIMA	100%	179.85	Granted	$465,040.00	1.0	1.3	0.47	0.53	0.60
EPM 27979	BATTLE CREEK 2	100%	232.10	Granted	$653,958.00	1.0	1.3	0.65	0.75	0.85

Tenement	Lease Name	Company Equity	Area (km^2)	Status	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
EPM 27980	WAGGABOONYA	100%	176.87	Granted	$426,314.00	1.0	1.3	0.43	0.49	0.55
EPM 28325	DINGO	100%	202.73	Granted	$507,925.00	1.0	1.3	0.51	0.58	0.66
EPM 28349	SPEX	100%	3.22	Granted	$17,773.00	1.0	1.3	0.02	0.02	0.02
EPM 28881	CANYON	100%	16.10	Granted	$-	1.0	1.3	0.00	0.00	0.00
EPM 18054	MORRIS CREEK	100%	9.61	Granted	$31,374.00	1.0	1.3	0.03	0.04	0.04

Note appropriate rounding has been applied.

Appendix J MinVal's Valuation Methodology

Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (**DCF**) valuations (generally limited to Properties with published Ore Reserves)
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource Estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions is derived from various sources including the ASX and other securities exchange releases associated with these transactions; a database is then compiled by MinVal for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would typically be valued using an income approach due to the modifying factors for a mining operation being better defined.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain. The comparable transactions are compiled where Mineral Resources and in some cases Ore Reserves have been estimated.

Yardstick Valuation

A yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot commodity price. Where a project is expected to produce a concentrate, the value is discounted to account for the payability of the product produced. For example while not generally publicly available a concentrate producer would have an offtake agreement with a smelter or concentrate trading company which would include costs associated with a treatment charge, a refining charge, penalties for other deleterious elements in the concentrate, a fee payable for other potentially valuable elements in the concentrate in addition to these costs associated with the production of a concentrate would be the transport and port handling costs, insurance and additional state based royalties. Therefore, where a project generates or is expected to generate a concentrate in MinVal's opinion a 50% discount to the yardstick multiples detailed in Table 1 below are reasonable given the additional costs when compared to a project that generates or is expected to generate gold dore which is the basis of the yardstick multiples detailed below.

Table 1: Typical Yardstick Multiples used for Projects

Resource or Reserve Classification	Lower Yardstick Multiple (% of Spot Price)	Upper Yardstick Multiple (% of Spot Price)
Ore Reserves	5%	10%
Measured Resources (less Proved Reserves)	2%	5%
Indicated Resources (less Probable Reserves)	1%	2%
Inferred Resources	0.5%	1%

Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic)
- Joint Venture terms based on the Properties' area
- A Geoscientific (Kilburn) Valuation
- A prospectivity enhancement multiplier (PEM), and
- A rule of thumb valuation for early stage pre resource projects.

The first two methods are more data driven and market based whilst the second two are cost-based and require subjective judgement by the valuer regarding prospectivity and efficacy of prior exploration. Market-based and cost-based methods are appropriate methods for valuing exploration projects as per Section 8.2 and 8.3 of the VALMIN Code. There are specific reasons which are explained in the body of the Report to justify the methods used in each case.

Comparable Transactions

The methodology to determine the Comparable Transactions valuation is based on a projects area and undertaken using the same methodology as that described for the Comparable Transactions valuation for advanced projects section; however, transactional value is applied to the project area rather than the Mineral Resources or Ore Reserves.

The area based comparable transaction multiples whilst a useful in valuation method is strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas.

Joint Venture Terms

The Joint Venture terms valuation is similar to the Comparable Transactions method based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement.

Goulevitch and Eupene (1994) adapted this method for use in an Australian context, and it is this methodology that MinVal's method is based upon. While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. Further, to account for the large areas inherent in many Australian tenement holdings (as opposed to Canadian holdings), MinVal either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

There are several specific geological inputs that are critical in determining a valid geoscientific or Kilburn valuation. The specialist undertaking the valuation therefore must have a good understanding of the mineralisation styles within the overall region, the tenements and have access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project.

There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost (**BAC**), which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

Table 2 documents the ranking criteria that were used in conjunction with the BAC for the project tenements to determine the technical valuation of the project.

MinVal determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. In addition to ensuring the rankings are correct deriving the BAC is critical as it is the primary driver of the final value.

The technical valuation is determined by multiplying each of the four geoscientific ranking criteria (off-property, on-property, anomaly factor and geological factors) in series with the BAC. This is completed for the lower of the ranked factors and separately with the upper of the rankings to determine the range in the technical valuations.

The technical valuation derived from the ranking factors is also adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions relating to a specific commodity or geological terrain. These adjustments may increase or decrease the technical value to derive the fair market valuation.

The ranking criteria used are defined in the Table 2 below.

Table 2: Ranking Criteria used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria				
Rating	**Off-property factor**	**On-property factor**	**Anomaly factor**	**Geological factor**
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	
2.0	Resource targets identified	Exploration targets identified		Favourable geological setting
2.5			Significant intersections – not correlated on section	
3.0	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

For early-stage Projects (where there are no Mineral Resources estimated), MinVal considers the Geoscientific (Kilburn) Valuation method to be the most robust due to the interplay between the four geoscientific criteria and is commonly the primary valuation method used for the surrounding exploration potential.

Prospectivity Enhancement Multiplier (PEM) Valuation

It is the view of MinVal that the PEM method is the least transparent and most subjective valuation method as this method depends only on an assessment of the effectiveness of the previous and recent exploration expenditure. MinVal uses the expenditure for the past five years for a PEM valuation approach as it is sufficient time for a project to advance to a more advanced exploration stage with Mineral Resources estimated which would then be valued using a comparable transaction, resource multiple approach.

Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (**PEM**) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific

Property and commodity being evaluated. Onley (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria typically used by MinVal are outlined in Table 3 below.

Table 3: Prospectivity Enhancement Multiplier (PEM) ranking criteria

Range	Criteria
0.2 – 0.5	Exploration downgrades the potential
0.5 – 1	Exploration has maintained the potential
1.0 – 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting, mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

MinVal considers the PEM valuation method as a secondary valuation method. MinVal in general prefers to use resource multiples or area-based multiples generated from Comparable Transactions if a JORC 2012 resource has been estimated on the project however, if there are no comparable transactions, then a PEM is considered a viable valuation method.

Glossary

Below are brief descriptions of some terms used in this Report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral Mineralogy Database (webmineral.com) and Wikipedia (Wikipedia).

The terms listed below are taken from the 2015 VALMIN Code (The VALMIN Code - 2015 Edition).

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the Report.

Australasian means Australia, New Zealand, Papua New Guinea and their offshore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the *Australian Corporations Act 2001 (Cth)*.

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1 of the VALMIN Code.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to https://www.jorc.org/ for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of Reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the *Corporations Act*.

Independent Expert Report means a Public Report as may be required by the *Corporations Act*, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of Reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 of the VALMIN Code for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the Report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being Reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 of the VALMIN Code for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes considering mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design considering geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resource is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging, etc.).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Ore Reserve is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resources and **Petroleum Reserves** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to Society of Petroleum Engineers (SPE) | Oil & Gas Membership Association for further information.

Practitioner is an Expert as defined in the *Corporations Act,* who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of Reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

(a) admits members primarily based on their academic qualifications and professional experience.

(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build goodwill.

Public Report means a Report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 of the VALMIN Code for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the Report.

Reasonableness implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or **Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities have the meaning as defined in the *Corporations Act*.

Securities Experts are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the *Corporations Act*, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of Reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialists are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the Report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

Annexure B

Scheme of Arrangement

Thomsons

Scheme of Arrangement

between

Hammer Metals Limited
ACN 095 092 158
(**Hammer Metals**)

and

Scheme Shareholders

Thomsons

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This scheme of arrangement is made

between	**Hammer Metals Limited** ACN 095 092 158 of Suite 2, Level 2, 41 Colin St, West Perth WA 6005 (**Hammer Metals**)
and	Each registered holder of the Hammer Metals Shares as at the Record Date (other than an Excluded Shareholder) (**Scheme Shareholders**)

1 Interpretation

1.1 Definitions

In this Scheme, except where the context otherwise requires:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or, as the context required, the financial market known as "Australian Securities Exchange" or "ASX" operated by ASX Limited.

ATO means the Australian Taxation Office.

Austral means Austral Resources Australia Ltd ACN 142 485 470.

Austral Constitution means the constitution of Austral (as amended from time to time).

Austral Group means Austral and each of its Related Bodies Corporate, and a reference to an '**Austral Group Member**' is to Austral or any of its Related Bodies Corporate.

Austral Nominee has the meaning given in clause 3(a).

Austral Share means a fully paid ordinary share in the capital of Austral.

Austral Share Register means the register of members of Austral maintained in accordance with the Corporations Act.

Business Day:

(a) when used in relation to the Implementation Date and the Record Date, has the meaning given in the Listing Rules; and

(b) in all other cases, means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

CHESS means the clearing house electronic sub-register system of share transfers operated by ASX Settlement and Transfer Corporation Pty Ltd.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Hammer Metals and Austral.

Deed Poll means the deed poll under which Austral covenants in favour of the Scheme Shareholders to perform the obligations attributed to it under the Scheme in the form of Annexure A, or such other form as is agreed in writing between Hammer Metals and Austral.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

End Date means 31 January 2027, or such later date as Hammer Metals and Austral may agree in writing.

Excluded Shareholder means any Austral Group Member who is a Hammer Metals Shareholder as at the Record Date.

First Court Date means the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act directing Hammer Metals to convene the Scheme Meeting is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the First Court Hearing.

Government Agency means any foreign or Australian government or governmental, semi governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian and includes the ASX, and any other relevant stock exchange, ASIC, the Takeovers Panel, the Australian Foreign Investment Review Board, the ATO.

Hammer Metals Registry means Automic Pty Ltd ACN 152 260 814.

Hammer Metals Share means a fully paid ordinary share in the capital of Hammer Metals.

Hammer Metals Share Register means the register of members of Hammer Metals maintained in accordance with the Corporations Act.

Hammer Metals Shareholder means a registered holder of one or more Hammer Metals Shares, as shown in the Hammer Metals Share Register.

Implementation Date means the fifth Business Day after the Record Date or such other day after the Record Date as Hammer Metals and Austral agree in writing or is ordered by the Court.

Ineligible Foreign Shareholder means any Scheme Shareholder whose address shown on the Hammer Metals Share Register as at the Record Date is in a place outside Australia, New Zealand, Hong Kong, Singapore, Switzerland and the United Kingdom, or any other jurisdiction agreed in writing by Hammer Metals and Austral (each acting reasonably) or unless Austral determines (in its sole and absolute discretion) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the Scheme Consideration when the Scheme becomes Effective.

ITAA 1997 means the *Income Tax Assessment Act 1997* (Cth).

Listing Rules means the official listing rules of the ASX as amended from time to time.

New Austral Share means an Austral Share to be issued under the Scheme.

Non-electing Small Shareholder means a Small Shareholder who has not provided the Hammer Metals Registry with an Opt out Notice in accordance with the terms of the Scheme.

Opt out Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration in accordance with the Scheme.

Record Date means 7:00pm (Sydney time) on the second Business Day after the Effective Date, or such other time and date as Hammer Metals and Austral agree in writing.

Registered Address means in relation to a Hammer Metals Shareholder, the address of that Hammer Metals Shareholder shown in the Hammer Metals Share Register.

Related Body Corporate has the meaning given in the Corporations Act.

Relevant Austral Shares has the meaning given in clause 7.8(c).

Rights means all accretions, rights and benefits attaching to, or arising from, the Scheme Shares directly or indirectly, including any capital returns, all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by Hammer Metals.

Sale Agent means a person appointed by Austral to sell the Relevant Austral Shares, in accordance with clause 7.8, that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders and Non-electing Small Shareholders under the terms of the Scheme.

Scheme means the scheme of arrangement between Hammer Metals and the Scheme Shareholders pursuant to which all of the Scheme Shares will be transferred to Austral under Part 5.1 of the Corporations Act, in consideration for the Scheme Consideration, as set out in this document, subject to any alterations or conditions that are made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Austral and Hammer Metals.

Scheme Consideration means the consideration to be provided by or on behalf of Austral to each Scheme Shareholder for the transfer of each Scheme Share under the Scheme (subject to clauses 7.4 and 7.8), being 1.2903 New Austral Shares for every one Scheme Share held by a Scheme Shareholder in accordance with the Deed Poll.

Scheme Implementation Deed means the Scheme Implementation Deed dated on or about 11 August 2026 between Hammer Metals and Austral, as may be amended or varied from time to time.

Scheme Meeting means the meeting of Hammer Metals Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme, including any adjournment or postponement thereof.

Scheme Share means a Hammer Metals Share held by a Scheme Shareholder as at the Record Date.

Scheme Shareholder means a Hammer Metals Shareholder as at the Record Date (other than an Excluded Shareholder).

Second Court Date means the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the Second Court Hearing.

Security Interest means any security interest, including:

(a) a ‘Security Interest’ within the meaning of section 9 of the Corporations Act;

(b) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property; and

(c) any right of first refusal, pre-emptive right or any similar restriction.

Share Scheme Transfer means one or more duly completed and executed proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all Scheme Shares.

Share Splitting means the splitting by a holder of Hammer Metals Shares into two or more parcels of Hammer Metals Shares whether or not it results in any change in beneficial ownership of the Hammer Metals Shares.

Small Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who based on their holding of Scheme Shares on the Record Date, would on implementation of the Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New Austral Shares (assessed by reference to the highest closing price of Austral

Shares on ASX beginning on the date the Scheme Booklet is registered by ASIC under section 412(6) of the Corporations Act and ending on the Effective Date) as Scheme Consideration.

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act.

1.2 Interpretation

Headings are for ease of reference only and do not affect interpretation. In this document, the following rules apply unless the context requires otherwise:

(a) the singular includes the plural, and the converse also applies;

(b) the meaning of general words is not limited by specific examples introduced by 'including', 'for example', 'such as' or similar expressions;

(c) a gender includes other genders;

(d) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;

(e) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this document, and a reference to this document includes any schedule or annexure;

(f) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;

(g) a reference to A$, $A, dollar or $ is to the lawful currency of Australia;

(h) a reference to time is, unless otherwise indicated, a reference to that time in Perth, Western Australia;

(i) a reference to a party is to a party to this document, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;

(j) a reference to a person includes a natural person, partnership, body corporate, joint venture, association, governmental or local authority or agency or other entity or organisation;

(k) a reference to 'law' includes common law, principles of equity and legislation (including regulations);

(l) a reference to legislation or to a provision of legislation (including a listing rule or operating rule of a financial market or of a clearing and settlement facility) includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;

(m) a reference to 'regulations' includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);

(n) a reference to a body (including an institute, association or authority), other than a party to this document, whether statutory or not:

(i) which ceases to exist; or

(ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions;

(o) a reference to an agreement other than this document includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;

(p) a word or expression defined in the Scheme Implementation Deed, and which is not defined in clause 1.1, has the meaning given to it in the Scheme Implementation Deed;

(q) a word or expression defined in the Corporations Act, and which is not defined in clause 1.1 or the Scheme Implementation Deed, has the meaning given to it in the Corporations Act;

(r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;

(s) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;

(t) if an act prescribed under this document to be done by a party on or by a given day is done after 5:00pm on that day, it is taken to be done on the next day;

(u) a reference to the Listing Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party;

(v) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this document or any part of it;

(w) a reference to something being 'reasonably likely' (or to a similar expression) is a reference to that thing being more likely than not to occur, when assessed objectively; and

(x) a reference to conduct includes an omission, statement or undertaking, whether or not in writing.

1.3 Business Day

If a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

2 Preliminary

2.1 Austral Resources Australia Ltd

Austral is:

(a) a public company limited by shares;

(b) incorporated in Australia and registered in Victoria; and

(c) admitted to the official list of ASX and Austral Shares are quoted for trading on the ASX.

2.2 Hammer Metals Limited

Hammer Metals is:

(a) a public company limited by shares;

(b) incorporated in Australia and registered in Western Australia; and

(c) admitted to the official list of ASX and Hammer Metals Shares are quoted for trading on the ASX.

2.3 If the Scheme becomes Effective

If this Scheme becomes Effective, then each of the following will occur on the Implementation Date:

(a) all Scheme Shares, and all the Rights attaching to them as at the Implementation Date, will be transferred to Austral;

(b) in consideration for the transfer of each Scheme Share to Austral, Austral will provide, or cause to be provided, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of this Scheme and the Deed Poll; and

(c) Hammer Metals will enter the name of Austral in the Hammer Metals Share Register as the holder of all Scheme Shares in accordance with the terms of this Scheme.

2.4 Scheme Implementation Deed

Austral and Hammer Metals have agreed by executing the Scheme Implementation Deed to implement the terms of this Scheme.

2.5 Deed Poll

This Scheme attributes actions to Austral but does not itself impose an obligation on it to perform those actions. Austral has executed the Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders to perform (or procure the performance of) the obligations attributable to Austral under this Scheme, including to provide, or cause to be provided, the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme.

3 Austral Nominee

(a) Austral may nominate any wholly owned Subsidiary of Austral (**Austral Nominee**) to acquire the Scheme Shares under this Scheme by giving written notice to Hammer Metals on or before the date that is 10 Business Days before the First Court Date.

(b) If Austral nominates the Austral Nominee to acquire the Scheme Shares under the Scheme, then:

(i) references in this Scheme to Austral acquiring the Scheme Shares under this Scheme are to be read as references to the Austral Nominee doing so;

(ii) other references in this Scheme to Austral are to be read as references to Austral or the Austral Nominee, other than to the extent those provisions relate to the New Austral Shares which will always be fully paid ordinary shares in the capital of Austral (and not the Austral Nominee);

(iii) the parties must procure that the Scheme Shares transferred under this Scheme are transferred to the Austral Nominee, rather than Austral;

(iv) the parties must procure that the Scheme and Deed Poll are entered into in a form so as to reflect, or are amended to reflect, the Austral Nominee acquiring the Scheme Shares under the Scheme;

(v) Austral must procure that the Austral Nominee complies with the relevant obligations of Austral under this Scheme, and enters into a deed of accession on terms acceptable to Hammer Metals (acting reasonably); and

(vi) any such nomination will not relieve Austral of its obligations under this Scheme, including the obligation to provide, or cause to be provided, the Scheme Consideration in accordance with the terms of this Scheme, provided that Austral will not be in breach of this Scheme for failing to perform an obligation of Austral if that obligation is fully discharged by the Austral Nominee.

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4 Conditions precedent

4.1 Conditions precedent to the Scheme

This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

(a) as at 8:00am on the Second Court Date, all of the conditions precedent in clause 3.1 of the Scheme Implementation Deed having been satisfied or waived (other than the condition precedent relating to Court approval set out in clause 3.1(b) of the Scheme Implementation Deed) in accordance with the terms of the Scheme Implementation Deed;

(b) neither the Scheme Implementation Deed nor the Deed Poll is terminated in accordance with their respective terms before 8:00am on the Second Court Date;

(c) the Court making orders approving this Scheme pursuant to section 411(4)(b) of the Corporations Act, including any alterations made or required by the Court under 411(4)(b) of the Corporations Act and agreed to by Austral and Hammer Metals (such agreement not to be unreasonably withheld or delayed);

(d) such other alterations or conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme and agreed to by Austral and Hammer Metals (such agreement not to be unreasonably withheld or delayed) having been satisfied or waived; and

(e) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme on or before the End Date.

4.2 Certificate in relation to conditions precedent

(a) Austral and Hammer Metals must each provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, signed for and on behalf of the relevant party in the form of a deed confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 4.1 (other than the conditions precedent in clauses 4.1(c), 4.1(d) and 4.1(e)) have been satisfied or waived.

(b) The certificate given by each of Austral and Hammer Metals pursuant to clause 4.2(a) will constitute conclusive evidence of whether the conditions precedent referred to in clause 4.1 (other than the conditions precedent in clauses 4.1(c), 4.1(d) and 4.1(e)) have been satisfied or waived.

5 Scheme

5.1 Effective Date

Subject to clause 4, this Scheme will come into effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

5.2 End Date

Without limiting any rights or obligations under the Scheme Implementation Deed, this Scheme will lapse and be of no further force or effect if:

(a) the Effective Date does not occur on or before the End Date; or

(b) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with their respective terms,

unless Austral and Hammer Metals otherwise agree in writing.

6 Implementation of the Scheme

6.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 4.1 (other than the condition precedent in clause 4.1(e)) are satisfied, Hammer Metals must lodge with ASIC, in accordance with section 411(10) of the Corporations Act, an office copy of the Court order made under section 411(4)(b) of the Corporations Act approving this Scheme as soon as reasonably practicable and, in any event, before 4:00pm on the first Business Day after the date on which the Court order was made (or such date as Austral and Hammer Metals agree in writing).

6.2 Transfer and registration of Scheme Shares

Subject to this Scheme becoming Effective, on the Implementation Date, but subject to the provision of the Scheme Consideration for the Scheme Shares in accordance with clause 7 and Austral having provided Hammer Metals with written confirmation of the provision of the Scheme Consideration:

(a) the Scheme Shares, together with all Rights as at the Implementation Date, must be transferred to Austral, without the need for any further act by any Scheme Shareholder (other than acts performed by Hammer Metals as attorney and agent for Scheme Shareholders under clause 10), by:

(i) Hammer Metals delivering to Austral a duly completed and executed Share Scheme Transfer to transfer all of the Scheme Shares to Austral, duly executed by Hammer Metals on behalf of each Scheme Shareholder as their agent and attorney, for registration; and

(ii) Austral duly executing the Share Scheme Transfer, attending to stamping of the Share Scheme Transfer (if required) and delivering it to Hammer Metals for registration; and

(b) immediately after receipt of the duly executed Share Scheme Transfer, Hammer Metals must enter, or procure the entry of, the name of Austral in the Hammer Metals Share Register as the holder of all Scheme Shares transferred to Austral in accordance with the terms of this Scheme.

6.3 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to Austral of the Scheme Shares, each Scheme Shareholder will be entitled to receive, and Austral will provide, or cause to be provided, to each Scheme Shareholder (subject to the terms of this Scheme), the Scheme Consideration in respect of each of their Scheme Shares in accordance with clause 7 and the Deed Poll.

6.4 Title and rights in Scheme Shares

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder (other than Ineligible Foreign Shareholders and Non-electing Small Shareholders), Austral will be beneficially entitled to the Scheme Shares (including all of the Rights attaching to such Scheme Shares as at the Implementation Date) transferred to it under this Scheme.

6.5 Warranty by Scheme Shareholders

(a) Each Scheme Shareholder is deemed (by operation of this Scheme and without the need for any further act by the Scheme Shareholder) to have warranted to Austral and Hammer Metals on the Implementation Date, and, to the extent enforceable, to have appointed and authorised Hammer Metals as that Scheme Shareholder's agent and attorney to warrant to Austral on the Implementation Date, that:

(i) all their Scheme Shares (including any Rights attaching to their Scheme Shares) transferred to Austral under this Scheme will, as at the time of the transfer, be fully paid and free from all Security Interests of any kind whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme;

(ii) they have full power and capacity to sell and to transfer their Scheme Shares (including any Rights) to Austral under this Scheme; and

(iii) they have no existing right to be issued any Hammer Metals Shares or any other Hammer Metals securities.

(b) Hammer Metals undertakes in favour of each Scheme Shareholder that it will provide such warranty, to the extent enforceable, to Austral as agent and attorney for each Scheme Shareholder.

6.6 Transfer free of Security Interests

To the extent permitted by law, all Scheme Shares (including any Rights) which are transferred to Austral under this Scheme will, at the time of the transfer of them to Austral, be fully paid and free from all Security Interests of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme.

6.7 Appointment of Austral as sole proxy

(a) Subject to the provision of the Scheme Consideration for the Scheme Shares as contemplated by clause 7, on and from the Implementation Date until Hammer Metals registers Austral as the holder of all of the Scheme Shares in the Hammer Metals Share Register, each Scheme Shareholder (by operation of this Scheme and without the need for any further act by the Scheme Shareholder):

(i) is deemed to have irrevocably appointed Hammer Metals as attorney and agent (and directed Hammer Metals in such capacity) to appoint Austral and any of Austral's directors, secretaries and officers nominated by Austral, as its sole proxy, and where applicable corporate representative, to attend shareholders' meetings, exercise the votes attaching to Scheme Shares registered in the name of that Scheme Shareholder and sign any shareholders resolution;

(ii) must not attend or vote at any of those meetings or sign any resolutions referred to in clause 6.7(a)(i), whether in person, by proxy or by corporate representative (other than pursuant to clause 6.7(a)(i));

(iii) must take all other actions in the capacity of the registered holder of Scheme Shares as Austral directs; and

(iv) acknowledges and agrees that in exercising the powers referred to in clause 6.7(a)(i), Austral and any directors, secretaries and officers nominated by Austral under clause 6.7(a)(i) may act in the best interests of Austral as the intended registered holder of the Scheme Shares.

(b) Hammer Metals undertakes in favour of each Scheme Shareholder that it will appoint Austral and any of Austral's directors, secretaries or officers nominated under clause 6.7(a)(i) as that Scheme Shareholder's proxy or, where applicable, corporate representative in accordance with clause 6.7(a)(i).

7 Scheme Consideration

7.1 Consideration under the Scheme

On the Implementation Date, Austral must provide, or cause the provision of, the Scheme Consideration to the Scheme Shareholders (or to the Sale Agent in accordance with clause 7.8) in accordance with this clause 7.

7.2 Scheme Consideration

Subject to the terms and conditions of this Scheme (including clause 7.4 in relation to fractional entitlements, clauses 7.8 and 7.9 of this Scheme in relation to Ineligible Foreign Shareholders and Non-electing Small Shareholders and clause 7.10), the Scheme Consideration will be provided by the issue by Austral of the Scheme Consideration to Scheme Shareholders on the Implementation Date.

7.3 Provision of Scheme Consideration

Subject to the other provisions of this clause 7, the obligations of Austral to provide (or procure the provision of) the Scheme Consideration to the Scheme Shareholders will be satisfied by procuring that:

(a) the name and address of each such Scheme Shareholder is entered into the Austral Share Register on the Implementation Date in respect of the New Austral Shares to which it is entitled under this clause 7; and

(b) a share certificate or holding statement is sent to the Registered Address of each such Scheme Shareholder representing the number of New Austral Shares issued to the Scheme Shareholder pursuant to this Scheme.

7.4 Fractional entitlements

Where the calculation of the number of New Austral Shares to be issued to a particular Scheme Shareholder (or to the Sale Agent in the case of an Ineligible Foreign Shareholder or a Non-electing Small Shareholder) would result in the Scheme Shareholder becoming entitled to a part of a New Austral Share, then any such fractional entitlement:

(a) of 0.5 or more will be rounded up to the nearest whole number; and

(b) of less than 0.5 will be rounded down to the nearest whole number,

of New Austral Shares.

7.5 Shareholder splitting or division

If Austral is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares that result in rounding in accordance with clause 7.4) have, before the Record Date, been party to Share Splitting or division in an attempt to obtain unfair advantage by reference to such rounding, Austral may give notice to those Scheme Shareholders:

(a) setting out their names and Registered Addresses;

(b) stating that opinion; and

(c) attributing the Scheme Shares held by all of them to one of them as specifically identified in the notice,

and, after such notice is given, the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares will, for the purposes of the Scheme and the Deed Poll, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and Registered Addresses are set out in the notice will, for the purposes of the Scheme and the Deed Poll, be taken to hold no Scheme Shares. Austral, in complying with the other provisions of this Scheme and the Deed Poll relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of the specified Scheme

Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of this Scheme and the Deed Poll.

7.6 Scheme Shareholders' agreements

If the Scheme becomes Effective, each Scheme Shareholder (and, to the extent relevant, the Sale Agent) irrevocably:

(a) agrees to the transfer of their Scheme Shares together with all Rights in accordance with this Scheme;

(b) agrees to the variation, cancellation or modification of the Rights attached to their Scheme Shares constituted by or resulting from this Scheme;

(c) agrees to, on the direction of Austral, destroy any holding statements or share certificates relating to their Scheme Shares;

(d) agrees to become a shareholder of Austral, to have their name entered in the Austral Share Register and accepts the New Austral Shares issued to them under this Scheme on the terms and conditions of Austral Constitution;

(e) agrees and acknowledges that the issue of Scheme Consideration in accordance with clause 7.1 constitutes satisfaction of all that person's entitlements under this Scheme;

(f) acknowledges that this Scheme binds Hammer Metals and all of the Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Hammer Metals; and

(g) consents to Hammer Metals and Austral doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it,

in each case, without the need for any further act by that Scheme Shareholder (or the Sale Agent, as applicable).

7.7 Unclaimed monies

(a) Austral may cancel a cheque issued under this clause 7 if the cheque:

(i) is returned to Austral; or

(ii) has not been presented for payment within six months after the date on which the cheque was sent.

(b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Hammer Metals or Austral (or the Hammer Metals Registry or Austral's share registry) (which request may not be made until the date which is 10 Business Days after the Implementation Date), Austral must reissue or procure the reissuance of a cheque that was previously cancelled under clause 7.7(a).

(c) The *Unclaimed Monies Act 1990* (WA) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 6 of that Act).

(d) Any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Hammer Metals.

7.8 Ineligible Foreign Shareholders and Non electing Small Shareholders

(a) Subject to obtaining relevant ASIC relief, if, and to the extent, required, Austral will allow Small Shareholders to elect, by providing a duly completed Opt out Notice to Hammer Metals by no later than 5:00pm on the date that is two Business Days after the Record Date

(**Election Time**) to opt-out of the Sale Facility and receive the Scheme Consideration in accordance with the Scheme.

(b) Small Shareholders who have not provided an Opt Out Notice by the Election Time will be treated as a Non-electing Small Shareholder for the purposes of this clause 7.8.

(c) Austral has no obligation to issue, and will not issue or procure the issue of, any New Austral Shares to:

(i) an Ineligible Foreign Shareholder; or

(ii) a Non-electing Small Shareholder,

and instead will issue (subject to clause 7.4, 7.5 and 7.10) the New Austral Shares that would otherwise have been issued to, or for the benefit of, the Ineligible Foreign Shareholder or the Non-electing Small Shareholder (**Relevant Austral Shares**) to the Sale Agent.

(d) Austral will procure that, as soon as reasonably practicable and in any event not more than 10 Business Days after the Implementation Date, the Sale Agent:

(i) in consultation with Austral, sells or procures the sale of all of the Relevant Austral Shares on the financial market conducted by ASX in such manner, at such price and on such terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Foreign Shareholders and Non-electing Small Shareholders); and

(ii) remits, or procures to be remitted, to Austral the proceeds of sale under clause 7.8(d)(i) (after deducting any applicable brokerage, stamp duty and other selling costs, taxes and charges) in dollars as soon as reasonably practicable and, in any event, within five Business Days of receipt.

(e) Austral must promptly, and in any event within 10 Business Days, after the last sale of Relevant Austral Shares in accordance with clause 7.8(d) pay, or procure the payment, to each Ineligible Foreign Shareholder and Non-electing Small Shareholder the amount calculated in accordance with the following formula and rounded down to the nearest cent:

A = (B ÷ C) x D

Where:

A is the amount to be paid to the Ineligible Foreign Shareholder or Non-electing Small Shareholder (as applicable);

B is the number of Relevant Austral Shares that would otherwise have been issued to that Ineligible Foreign Shareholder or Non-electing Small Shareholder (as applicable) if they had not been an Ineligible Foreign Shareholder or Non-electing Small Shareholder (as applicable), and which were issued to the Sale Agent for sale in accordance with clause 7.8(d);

C is the total number of Relevant Austral Shares which would have been issued to all Ineligible Foreign Shareholders and Non-electing Small Shareholders, and which were issued to the Sale Agent for sale in accordance with clause 7.8(d); and

D is the proceeds of sale (after deducting any applicable brokerage, stamp duty and other selling costs, taxes and charges), being the amount referred to in clause 7.8(d)(ii).

(f) Each Ineligible Foreign Shareholder and Non-electing Small Shareholder acknowledges and agrees that:

(i) none of Austral, Hammer Metals or the Sale Agent give any assurance as to the price that will be achieved for the sale of the Relevant Austral Shares or the amount of proceeds to be received; and

(ii) Austral, Hammer Metals and the Sale Agent each expressly disclaim any fiduciary duty to any Ineligible Foreign Shareholder or Non-electing Small Shareholder which may arise in connection with this clause 7.8.

(g) Austral must pay or procure that each Ineligible Foreign Shareholder and Non-electing Small Shareholder is paid any amounts owing under clause 7.8(e) by either (in the absolute discretion of Austral):

(i) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Shareholder or Non-electing Small Shareholder to Hammer Metals (or the Hammer Metals Registry) and recorded in or for the purposes of the Hammer Metals Share Register at the Record Date; or

(ii) dispatching, or procuring the dispatch, to that Ineligible Foreign Shareholder or Non-electing Small Shareholder by prepaid post to the Registered Address (as at the Record Date) of that Ineligible Foreign Shareholder or Non-electing Small Shareholder, a cheque in the name of that Ineligible Foreign Shareholder or Non-electing Small Shareholder (in the case of joint holders, the cheque will be drawn in the name of the joint holders and dispatched in accordance with the procedures set out in clause 7.12).

(h) Each Ineligible Foreign Shareholder and Non-electing Small Shareholder appoints Austral, and each director and officer of Austral, as its agent to receive on its behalf any financial services guide (or similar or equivalent document) and any other notices (including any updates of those documents) that the Sale Agent is required to provide to the Ineligible Foreign Shareholder or Non-electing Small Shareholder under the Corporations Act or any other applicable law.

(i) Payment of the relevant amounts calculated in accordance with clause 7.8(e) satisfies in full Austral's obligations to the Ineligible Foreign Shareholder or Non-electing Small Shareholder under this Scheme in respect of the Scheme Consideration, and no interest will be payable on any proceeds.

7.9 Other ineligible Scheme Shareholders

Where the issue of New Austral Shares to which a Scheme Shareholder (other than an Ineligible Foreign Shareholder or a Non-electing Small Shareholder) would otherwise be entitled under this Scheme would result in a breach of law:

(a) Austral will issue the maximum possible number of New Austral Shares to the Scheme Shareholder without giving rise to such a breach; and

(b) any further Scheme Consideration to which that Scheme Shareholder is entitled, but the issue of which to the Scheme Shareholder would give rise to such a breach, will instead be issued to the Sale Agent and dealt with under clause 7.8, as if:

(i) references to Ineligible Foreign Shareholders also included that Scheme Shareholder; and

(ii) references to Relevant Austral Shares also included any of that Scheme Shareholder's New Austral Shares that have been issued to the Sale Agent.

7.10 Orders of a Court or Government Agency

(a) If written notice is given to Hammer Metals (or the Hammer Metals Registry) or Austral (or Austral's share registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

(i) requires consideration which would otherwise be provided to a Scheme Shareholder in accordance with this clause 7 to instead be paid or provided to a Government Agency or other third party (either through payment of a sum or the issuance of a security), then Hammer Metals or Austral (as applicable) shall be entitled to procure that provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under this Scheme as having been paid or provided to that Scheme Shareholder); or

(ii) prevents Scheme Consideration being provided to any particular Scheme Shareholder in accordance with this clause 7, or the payment or provision of such Scheme Consideration is otherwise prohibited by applicable law, Hammer Metals or Austral (as applicable) shall be entitled to (as applicable):

(A) direct Austral not to issue (or procure the issue of), or to issue or provide to a trustee or nominee, such number of New Austral Shares as that Scheme Shareholder would otherwise be entitled to under this clause 7; or

(B) in the case of an Ineligible Foreign Shareholder or a Non-electing Small Shareholder, retain an amount, in Australian dollars, equal to the relevant Scheme Shareholder's share of the proceeds calculated in accordance with clause 7.8(e),

until such time as payment or provision of the consideration in accordance with this clause 7 is permitted by that order or direction or otherwise by law.

7.11 Shares to rank equally

Austral covenants in favour of Hammer Metals (in its own right and on behalf of the Scheme Shareholders) that, subject to this Scheme becoming Effective:

(a) the New Austral Shares will, upon their issue, rank equally in all respects with all other Austral Shares then on issue;

(b) it will do everything reasonably necessary to ensure that the New Austral Shares will be quoted on the official list of ASX and commence trading on a normal settlement basis no later than the first Business Day after the Implementation Date;

(c) the New Austral Shares will be duly and validly issued in accordance with applicable laws; and

(d) on issue, each New Austral Share will be fully paid and free from any Security Interest (except for any lien arising under the Austral Constitution).

7.12 Joint holders

In the case of Scheme Shares held in joint names:

(a) any New Austral Shares to be issued under this Scheme must be issued and registered in the names of the joint holders and entry in the Austral Share Register must take place in the same order as the holders' names appear in the Hammer Metals Share Register;

(b) any cheque required to be sent under this Scheme must be payable to the joint holders and sent to the holder whose name appears first in the Hammer Metals Share Register on the Record Date; and

(c) any document required to be sent under this Scheme must be forwarded to either, at the sole discretion of Hammer Metals, the holder whose name appears first in the Hammer Metals Share Register as at the Record Date or to the joint holders.

7.13 Withholding

If Austral is required by Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) or any other law to pay an amount to the ATO on behalf of a Scheme Shareholder in respect of the acquisition of Hammer Metals Shares from certain Scheme Shareholders, Austral:

(a) is entitled to deduct the relevant amounts from the payment of the Scheme Consideration to those Scheme Shareholders (by issuing such lesser number of New Austral Shares to the Scheme Shareholders or Sale Agent, as appropriate) and remit those amounts to the ATO;

(b) will not be obliged to increase the aggregate sum paid to Scheme Shareholders by the amount of the deduction contemplated in clause 7.13(a) and the net aggregate sum payable to those Scheme Shareholders should be taken to be in full and final satisfaction of amounts owing to those Scheme Shareholders; and

(c) must pay any amount to the ATO in the time permitted by law and, if requested in writing by the relevant Scheme Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Scheme Shareholder.

8 Dealings in Scheme Shares

8.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Scheme Shares or other alterations to the Hammer Metals Share Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Hammer Metals Share Register as the holder of the relevant Scheme Shares at the Record Date; and

(b) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before 5:00pm (Perth time) on the day which is the Record Date at the place where the Hammer Metals Share Register is kept,

and Hammer Metals must not accept for registration, nor recognise for any purpose any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

8.2 Hammer Metals Share Register

Hammer Metals must register, or cause to be registered, any registrable transmission applications or transfers of Hammer Metals Shares received in accordance with clause 8.1(b) on or before the Record Date, provided that nothing in this clause 8.2 requires Hammer Metals to register a transfer that would result in a Hammer Metals Shareholder holding a parcel of Hammer Metals Shares that is less than a 'marketable parcel' (as that term is defined in the Listing Rules).

8.3 No disposals after Record Date

If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Shares or deal with or purport to deal with any interest in them after the Record Date in any way except as set out in this Scheme and any such disposal, dealing or purported disposal or dealing will be void, of no legal effect whatsoever and Hammer Metals will be entitled to disregard any such disposal, dealing or purported disposal or dealing.

8.4 Maintenance of Hammer Metals Share Register

For the purpose of determining entitlements to the Scheme Consideration, Hammer Metals must maintain the Hammer Metals Share Register in accordance with the provisions of this clause 8 until the Scheme Consideration has been provided to the Scheme Shareholders and Austral has been entered in the Hammer Metals Share Register as the holder of all the Scheme Shares. The Hammer Metals Share Register in this form will solely determine entitlements to the Scheme Consideration.

8.5 Effect of certificates and holding statements

Subject to provision of the Scheme Consideration and registration of the transfer to Austral contemplated in clauses 6.2 and 8.4, any statements of holding in respect of Scheme Shares will cease to have effect after the Record Date as documents of title in respect of those shares (other than statements of holding in favour of Austral and its successors in title). After the Record Date, each entry current on the Hammer Metals Share Register as at the Record Date (other than entries in respect of Austral or its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Hammer Metals Shares relating to that entry.

8.6 Details of Scheme Shareholders

(a) Within one Business Day after the Record Date, Hammer Metals must ensure that details of the names, Registered Addresses and holdings of Scheme Shares for each Scheme Shareholder, as shown in the Hammer Metals Share Register at the Record Date, are available, and provided, to Austral in such form as Austral reasonably requires.

(b) Each Scheme Shareholder agrees that the information referred to in this clause 8.6 may be disclosed to Austral, its advisers, share registry and other service providers to the extent necessary to effect this Scheme.

8.7 Quotation of Hammer Metals Shares

Hammer Metals must apply to the ASX to suspend trading in the Hammer Metals Shares on the ASX with effect from the close of trading on ASX on the Effective Date, or such other date and time agreed between Hammer Metals and Austral.

8.8 Termination of quotation of Hammer Metals Shares

Hammer Metals must apply:

(a) for termination of the official quotation of Hammer Metals Shares on ASX; and

(b) to have itself removed from the official list of ASX,

in each case with effect on and from the close of trading on the Business Day immediately following the Implementation Date.

9 Instructions and notification

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Hammer Metals that are binding or deemed binding between the Scheme Shareholder and Hammer Metals relating to Hammer Metals or Hammer Metals Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on Hammer Metals Shares; and

(c) notices or other communications from Hammer Metals (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Austral in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Austral and to be a binding instruction, notification or election to, and accepted by, Austral until that instruction, notification or election is revoked or amended in writing addressed to Austral at its registry.

10 Power of attorney

Each Scheme Shareholder, without the need for any further act by any Scheme Shareholder:

(a) on and from the Effective Date, irrevocably appoints Hammer Metals as its attorney and agent for the purpose of enforcing the Deed Poll against Austral; and

(b) on and from the Effective Date, irrevocably appoints Hammer Metals as its attorney and agent for the purpose of executing any document, or doing or taking any other act, necessary or expedient to give effect to this Scheme and the transactions contemplated by it, including the Share Scheme Transfer on the Implementation Date,

and Hammer Metals accepts such appointment. Hammer Metals as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 10 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

11 Notices

11.1 No deemed receipt

If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Hammer Metals, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Hammer Metals' registered office or at the office of the Hammer Metals Share Register.

11.2 Accidental omission

The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Hammer Metals Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

12 General

12.1 Alterations and conditions

If the Court proposes to approve this Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act, and those alterations or conditions have been agreed to by each of Hammer Metals and Austral:

(a) Hammer Metals may, with the prior consent of Austral, by its counsel or solicitor, consent on behalf of all persons concerned to any such alterations or conditions; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which Hammer Metals has consented to pursuant to clause 12.1(a).

12.2 Further assurances

(a) Each Scheme Shareholder and Hammer Metals will execute all documents and do all things necessary or expedient to implement, and perform its obligations under, this Scheme and the transactions contemplated by it.

(b) Without limiting Hammer Metals' other powers under this Scheme, Hammer Metals has power to do all things that it considers necessary or desirable to give effect to this Scheme and the transactions contemplated by it.

12.3 Consent

Each of the Scheme Shareholders:

(a) irrevocably consents to Austral and Hammer Metals doing all things necessary or expedient for or incidental to the implementation of this Scheme; and

(b) acknowledges that this Scheme binds Hammer Metals and all Scheme Shareholders (including those who do not attend the Scheme Meeting or do not vote at that meeting or vote against the Scheme at that Scheme Meeting) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Hammer Metals.

12.4 No liability when acting in good faith

Without prejudice to the parties' rights under the Scheme Implementation Deed, neither Austral nor Hammer Metals, nor any of their respective officers or employees, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

12.5 Enforcement of Deed Poll

Hammer Metals undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Austral on behalf of and as agent and attorney for the Scheme Shareholders.

12.6 Stamp duty

Austral will:

(a) pay all stamp duty (if any) assessed as being payable on this document and with respect to the acquisition of the Scheme Shares pursuant to this Scheme, and any related fines, penalties and interest; and

(b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 12.6(a).

12.7 Scrip for scrip roll-over relief

In the event the Scheme Shareholders are eligible for scrip for scrip roll-over relief, Austral acknowledges it has not made, and will not make, a choice to deny roll-over relief to Scheme Shareholders under subsection 124-795(4) of the ITAA 1997.

13 Governing law

13.1 Governing law and jurisdiction

(a) This document is governed by and is to be construed in accordance with the laws applicable in Western Australia.

(b) Each party irrevocably and unconditionally submits to the non exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

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13.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address set out in the section of this document headed 'Parties'.

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Annexure A

Deed Poll

Not reproduced here.

Annexure C

Deed Poll

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Deed Poll

Austral Resources Australia Ltd ACN 142 485 470

In favour of each Scheme Shareholder

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This deed poll is made on 28 September 2026 | 11:26 AM AEST 2026

By **Austral Resources Australia Ltd** ACN 142 485 470 of RACQ House, Level 9, Suite 902, 60 Edward Street, Brisbane QLD 4000 (**Austral**)

In favour of each Scheme Shareholder

Background

A Austral and Hammer Metals Limited ACN 095 092 158 (**Hammer Metals**) have entered into the Scheme Implementation Deed.

B Hammer Metals has agreed in the Scheme Implementation Deed to propose the Scheme, pursuant to which, subject to the satisfaction or waiver of certain conditions precedent, Austral will acquire all of the Scheme Shares from Scheme Shareholders for the payment of the Scheme Consideration.

C In accordance with the Scheme Implementation Deed, Austral is entering into this Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders that Austral will observe and perform the obligations contemplated of it under the Scheme.

Agreed terms

1 Definitions & Interpretation

1.1 **Definitions**

In this Deed Poll:

Scheme means the scheme of arrangement between Hammer Metals and the Scheme Shareholders pursuant to which all of the Scheme Shares will be transferred to Austral under Part 5.1 of the Corporations Act, in consideration for the Scheme Consideration, subject to any alterations or conditions that are made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Austral and Hammer Metals.

Scheme Implementation Deed means the Scheme Implementation Deed dated on 11 August 2026 between Hammer Metals and Austral, as may be amended or varied from time to time.

All other terms used in this Deed Poll have the same meaning as given to them in the Scheme, unless the context requires otherwise.

1.2 **Interpretation**

The provisions of clauses 1.2 and 1.3 of the Scheme form part of this Deed Poll as if set out in full in this Deed Poll.

2 Nature of Deed Poll

Austral acknowledges that:

(a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it; and

(b) under the Scheme, on and from the Effective Date, each Scheme Shareholder irrevocably appoints Hammer Metals (and Hammer Metals may sub-delegate its functions, authorities or powers to all or any of its directors, officers, secretaries or employees (jointly, severally or

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jointly and severally)) as its attorney and agent for the purpose of enforcing this Deed Poll against Austral.

3 Condition precedent and termination

3.1 **Condition precedent**

The obligations of Austral under this Deed Poll are subject to the Scheme becoming Effective.

3.2 **Termination**

The obligations of Austral under this Deed Poll will automatically terminate and the terms of this Deed Poll will be of no further force or effect:

(a) if the Scheme has not become Effective on or before the End Date; or

(b) if the Scheme Implementation Deed is terminated in accordance with its terms,

unless Austral and Hammer Metals otherwise agree in writing.

3.3 **Consequences of Termination**

If this Deed Poll is terminated under clause 3.2, then, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) Austral is released from its obligations under this Deed Poll; and

(b) each Scheme Shareholder retains any rights, powers or remedies they have against Austral in respect of any breach of this Deed Poll which occurs before this Deed Poll is terminated.

4 Compliance with Scheme obligations

Subject to clause 3, Austral undertakes in favour of each Scheme Shareholder that:

(a) it will observe and perform all obligations contemplated of Austral under the Scheme, including the relevant obligations relating to the provision of the Scheme Consideration in accordance with the terms of the Scheme;

(b) it will undertake all other actions, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme in accordance with the terms of the Scheme; and

(c) all New Austral Shares issued to each Scheme Shareholder in accordance with the Scheme will:

(i) upon their issue rank equally in all respects with all other Austral Shares then on issue;

(ii) be duly and validly issued in accordance with applicable laws; and

(iii) upon their issue be fully paid and free from any Security Interest.

5 Representations and warranties

Austral represents and warrants in favour of each Scheme Shareholder that:

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(a) (**incorporation**) it is validly existing under the laws of its place of incorporation or registration;

(b) (**power**) it has the power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;

(c) (**authority**) it has taken all necessary action to authorise its entry into and performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll;

(d) (**deed enforceable**) its obligations under this Deed Poll are valid and binding and enforceable against it in accordance with their terms and the execution and performance of this Deed Poll will not result in a breach of its constituent documents or any agreement or deed or any writ, order or injunction, rule or regulation to which any Austral Group Member is a party or to which they are bound or require any permit, licence, consent, approval, registration, accreditation, certification or other authorisation from any Government Agency; and

(e) (**no Insolvency Event**) no Insolvency Event (as that term is defined in the Scheme Implementation Deed) has occurred in relation to Austral or any other Austral Group Member nor has any regulatory action of any nature of which Austral is aware been taken or threatened to be taken that would prevent or restrict Austral's ability to fulfil its obligations under this Deed Poll.

6 Continuing obligations

This Deed Poll is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

(a) Austral having fully performed its obligations under this Deed Poll; or

(b) termination of this Deed Poll under clause 3.2.

7 Notices

(a) Notices and other communications in connection with this Deed Poll must be:

(i) in writing;

(ii) sent by an authorised representative of the sender; and

(iii) marked for the attention of the person named below,

and must be:

(iv) left at, or sent by commercial courier to, the address set out below; or

(v) sent by email to the address set out below.

Attention: David Newling

Address: RACQ House, Level 9, Suite 902, 60 Edward Street, Brisbane QLD 4000

Email: david@australres.com

with a copy (for information purposes only) to Michael Hansel GLG Legal – Michael.hansel@glglegal.com.au

(b) If the intended recipient has notified of changed contact details, then communications must be sent to the changed contact details.

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(c) Any notice or other communication given in accordance with clause 7(a) will be deemed to have been duly received:

(i) if sent by delivery, when it is delivered;

(ii) if sent by email:

(A) when the sender receives an automated message confirming delivery; or

(B) one hour after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,

whichever happens first.

(d) If a notice is taken to be received under clause 7(c):

(i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or

(ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day.

8 General

8.1 **Variation**

A provision of this Deed Poll or any right created under it may not be varied, altered or otherwise amended unless:

(a) if the variation, alteration or amendment occurs before the First Court Date, the variation, alteration or amendment is agreed to by Austral and Hammer Metals in writing (which such agreement may be given or withheld without reference to or approval by any Scheme Shareholder); or

(b) if the variation, alteration or amendment occurs on or after the First Court Date, the variation, alteration or amendment is agreed to by Austral and Hammer Metals in writing (which such agreement may be given or withheld without reference to or approval by any Scheme Shareholder) and the Court approves (either at the hearing on the First Court Date, an interlocutory hearing or the hearing on the Second Court Date) that variation, alteration or amendment,

in which event Austral must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation, alteration or amendment.

8.1 **Waiver**

(a) Austral may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.

(b) No Scheme Shareholder may rely on words or conduct of Austral as a waiver of any right unless the waiver is in writing and signed by Austral. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.

(c) Failure to exercise or enforce, a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed Poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or

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further exercise or enforcement, of that or any other right, power or remedy provided by law or under this Deed Poll.

8.2 **Cumulative rights**

The rights, powers and remedies in connection with this Deed Poll are in addition to other rights, powers and remedies given by law or equity or by any agreement, independently of this Deed Poll.

8.3 **Assignment**

(a) The rights and obligations of Austral and each Scheme Shareholder under this Deed Poll are personal. They cannot be assigned, charged or otherwise dealt with without the prior written consent of Austral and Hammer Metals.

(b) Any purported dealing in contravention of clause 8.3(a) is invalid.

8.4 **Further assurances**

Austral will, at its own expense, do all things reasonably required of it by law to give full effect to this Deed Poll and the transactions contemplated by it.

8.5 **Duty**

Austral:

(a) must pay all duty (including stamp duty) and any related fines, penalties and interest in respect of the Scheme and this Deed Poll (including without limitation the acquisition or transfer of Scheme Shares pursuant to the Scheme), the performance of this Deed Poll and each transaction effected by or made under or pursuant to the Scheme and this Deed Poll; and

(b) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 8.5(a).

9 Governing law and jurisdiction

(a) This Deed Poll is governed by and will be construed according to the laws of Western Australia.

(b) Austral irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia and of the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this Deed Poll.

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Executed and delivered as a deed poll

Signed, sealed and delivered by **Austral Resources Australia Ltd ACN 142 485 470** in accordance with section 127 of the *Corporations Act 2001* (Cth):

[Signed by David Quinlivan]

Director

David Quinlivan

Name of Director
BLOCK LETTERS

[Signed by Michael Hansel]

*Director/*Company Secretary

Michael Hansel

Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate

Annexure D

Notice of Scheme Meeting

HAMMER METALS LIMITED

ACN 095 092 158

NOTICE OF SCHEME MEETING

A Scheme Meeting of the Company will be held at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

This Notice of Scheme Meeting, the accompanying Explanatory Memorandum and the Scheme Booklet should be read in their entirety. If Hammer Metals Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment adviser, accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter in this Notice, please do not hesitate to contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

Hammer Metals Shareholders are urged to attend the Scheme Meeting in person or vote by lodging the Proxy Form attached to the Notice of Scheme Meeting.

HAMMER METALS LIMITED
ACN 095 092 158
NOTICE OF SCHEME MEETING

Hammer Metals Limited ACN 095 092 158 (**Hammer Metals** or the **Company**) gives notice that, by order of the Federal Court of Australia (**Court**) made on Friday, 2 October 2026 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of fully paid ordinary shares in Hammer Metals (**Hammer Metals Shareholders**) will be held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting (**Scheme Meeting**).

The Court has also directed that Mr Michael Bowen act as Chair of the Scheme Meeting, or failing him Mr Michael Ng, and has directed the Chair to report the results of the Scheme Meeting to the Court.

The purpose of the Scheme Meeting is to consider and, if thought fit, to approve (with or without alteration or conditions made or required by the Court and consented to in writing by Austral Resources Australia Ltd ACN 142 485 470 (**Austral**) and the Company) a scheme of arrangement proposed to be made between Hammer Metals and the Hammer Metals Shareholders (**Scheme**).

To enable you to make an informed voting decision, important information on the Scheme is set out in the Scheme Booklet accompanying this Notice of Scheme Meeting (**Scheme Booklet**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are provided in the Scheme Booklet.

Unless otherwise defined in Schedule 1, capitalised terms used in this Notice of Scheme Meeting have the same meaning given in Section 12 of the Scheme Booklet.

AGENDA

1. Resolution 1 – Approval of the Scheme

To consider and, if thought fit, to pass with or without amendment the following resolution:

"That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between Hammer Metals and the holders of its fully paid ordinary shares as provided in, and more particularly described in, the Scheme Booklet (of which the Notice of Scheme Meeting convening this meeting forms part) is approved, and the Hammer Metals Board is authorised, subject to the terms of the Scheme Implementation Deed, to agree to such alterations or conditions as are thought fit by the Court and consented to in writing by Hammer Metals and Austral, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions."

BY ORDER OF THE COURT AND THE HAMMER METALS BOARD



Mark Pitts
Company Secretary

Dated: 2 October 2026

HAMMER METALS LIMITED
ACN 095 092 158
EXPLANATORY MEMORANDUM

1 Introduction

This Explanatory Memorandum has been prepared for the information of Hammer Metals Shareholders in connection with the business to be conducted at the Scheme Meeting to be held at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Monday, 9 November 2026 at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting.

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice of Scheme Meeting and the Scheme Booklet. The purpose of this Explanatory Memorandum is to provide information to Hammer Metals Shareholders in deciding whether or not to vote in favour of the Scheme Resolution set out in the Notice of Scheme Meeting.

A copy of the Scheme is set out in Annexure B of the Scheme Booklet.

A Proxy Form accompanies the Notice of Scheme Meeting.

Hammer Metals may be required to make changes to the arrangements for the Scheme Meeting. If there are any updates, Hammer Metals will ensure that Hammer Metals Shareholders are given as much notice as possible. Any changes to the Scheme Meeting will be communicated to Hammer Metals Shareholders electronically via the Company's ASX market announcements platform.

2 Required Voting Majority

In order for the Scheme to become Effective, in addition to requiring the satisfaction or waiver of the other conditions of the Scheme detailed in Section 10.6(b) of the Scheme Booklet, the Scheme Resolution set out in the Notice of Scheme Meeting must be passed at a meeting by:

(a) unless the Court orders otherwise, a majority in number (more than 50%) of Hammer Metals Shareholders present and voting at the Scheme Meeting (whether in person or by proxy, attorney or, in the case of corporate shareholders, a corporate representative); and

(b) at least 75% of the votes cast on the Scheme Resolution at the Scheme Meeting.

The Court has the discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the Scheme Resolution but not by a majority in number of Hammer Metals Shareholders (other than excluded Hammer Metals Shareholders) present and voting at the Scheme Meeting.

Voting at the Scheme Meeting will be by poll rather than by a show of hands.

3 Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme is subject to approval of the Court (with or without alteration or conditions required by the Court). If the Scheme Resolution proposed at the Scheme Meeting is approved by the Requisite Majorities (set out above), and the relevant conditions of the Scheme (other than approval by the Court) are satisfied, or waived (where capable of waiver), by the time required under the Scheme, Hammer Metals intends to apply to the Court for the necessary orders to give effect to the Scheme.

4 Action to be taken by Hammer Metals Shareholders

Hammer Metals Shareholders should read the Notice of Scheme Meeting (including this Explanatory Memorandum) and the remainder of the Scheme Booklet carefully before deciding how to vote on the Scheme Resolution.

5 Entitlement to Vote

For the purposes of the Corporations Act, Hammer Metals Shareholders will be entitled to participate in and vote at the Scheme Meeting if they are a registered holder of Hammer Metals Shares on the Hammer Metals Share Register as at 5:00pm (AWST) on Saturday, 7 November 2026.

6 How to Ask Questions

Hammer Metals Shareholders who would like to ask questions at the Scheme Meeting are encouraged to do so in writing before the Scheme Meeting by emailing their questions to info@hammermetals.com.au prior to 5:00pm (AWST) on Monday, 2 November 2026.

Alternatively, Hammer Metals Shareholders will have an opportunity to ask questions at the Scheme Meeting in person at appropriate times during the Scheme Meeting.

7 How to Vote

The business of the Scheme Meeting affects your shareholding and your vote is important.

Hammer Metals Shareholders entitled to vote at the Scheme Meeting can vote:

(a) by attending the Scheme Meeting physically and voting in person;

(b) by appointing an attorney to attend the Scheme Meeting and vote on their behalf, or, in the case of corporate shareholders, a corporate representative to attend the Scheme Meeting and vote on its behalf; or

(c) by appointing a proxy to attend the Scheme Meeting and vote on their behalf, using the Proxy Form accompanying the Notice of Scheme Meeting.

A personalised Proxy Form accompanies the Notice of Scheme Meeting. The Proxy Form provides full details of how to appoint persons and how to sign and lodge the voting form.

To be valid, Proxy Forms or electronic voting instructions must be received by 11:00am (AWST) on Saturday, 7 November 2026.

8 Voting in Person

To vote in person, attend the Scheme Meeting on the date and at the place set out above. The Scheme Meeting will commence at the later of 11:00am (AWST) and the conclusion of the Demerger Meeting.

Hammer Metals Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Scheme Meeting to allow for registration for the Scheme Meeting. The meeting registration form for the Scheme Meeting is the Proxy Form included with the Notice of Scheme Meeting.

9 Proxies

You can appoint a proxy by completing and returning to the Company's share registry, Automic Pty Ltd (**Share Registry**), the enclosed Proxy Form for the Scheme Meeting. Completed Proxy Forms must be completed and received by the Share Registry by 11:00am (AWST) on Saturday, 7 November 2026, being no later than 48 hours before commencement of the Scheme Meeting by one of the following methods:

(a) **online**: https://portal.automic.com.au/investor/home (to use this facility, Hammer Metals Shareholders will need their SRN or HIN as shown on the front of the Proxy Form as well as their registered postcode/country details);

(b) **by mail:** in the reply-paid envelope provided with the Proxy Form to Automic GPO Box 5193 Sydney NSW 2001;

(c) **in person**: at Automic Level 5, 126 Phillip Street Sydney NSW 2000 Australia;

(d) **by email:** to meetings@automicgroup.com.au; or

(e) **by fax**: to the Share Registry at +61 2 8583 3040 (both within and outside Australia).

If you are entitled to attend and cast a vote at the Scheme Meeting, you may appoint up to two proxies. A proxy may be an individual or a corporation but need not be a Hammer Metals Shareholder. If you appoint two proxies, each proxy may exercise half of your votes if no proportion or number of votes is specified.

If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the Hammer Metals Shareholder's behalf on a poll and the Hammer Metals Shares the subject of the proxy appointment will not be counted in computing the required majority.

If you appoint a proxy but attend the Scheme Meeting yourself, the rights of the proxy to speak and vote on your behalf at the Scheme Meeting will be suspended while you are present. Each proxy will have the right to vote on the Scheme Resolution (to the extent of their appointment) and also to speak at the Scheme Meeting.

If the Chair of the Scheme Meeting is a proxy, either by appointment or default, and the appointment does not provide any voting directions on the Proxy Form, by signing and returning the Proxy Form, the Hammer Metals Shareholder will be expressly authorising the Chair of the Scheme Meeting to cast their vote on the Scheme Resolution as the Chair of the Scheme Meeting sees fit.

The Chair of the Scheme Meeting intends to vote undirected proxies in favour of the Scheme Resolution. If there is a change in how the Chair intends to vote undirected proxies, Hammer Metals will make an announcement to ASX.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

10 Corporate Representatives

A corporation may appoint an individual as a representative to exercise its powers as a Hammer Metals Shareholder or as a Hammer Metals Shareholder's proxy. The appointment must comply with the requirements of section 250D of the Corporations Act. A corporate Hammer Metals Shareholder should obtain a 'Certificate of Appointment of Corporate Representative' form via https://automic.com.au/form/corporate_representative.pdf and complete that form in accordance with its instructions.

The 'Certificate of Appointment of Corporate Representative' form should be provided to the Share Registry no later than 11:00am (AWST) on Saturday, 7 November 2026.

11 Powers of Attorney

If a Hammer Metals Shareholder wishes to appoint an attorney, that Hammer Metals Shareholder will need to provide the Company with an original or certified copy of the power of attorney under which they authorise the attorney to attend and vote at the Scheme Meeting at least 48 hours prior to the commencement of the Scheme Meeting.

Any original or certified copy of a power of attorney should be provided to the Share Registry no later than 11:00am (AWST) on Saturday, 7 November 2026. The original or certified copy of a power of attorney must be delivered by posting it in the reply paid envelope provided (for use in Australia) or by faxing it to the address or fax number provided in Section 9 of this Notice.

12 Joint Holders

In the case where Hammer Metals Shares are held by joint holders, only one of the joint holders is entitled to vote. If more than one Hammer Metals Shareholder votes in respect of jointly held Hammer Metals Shares, only the vote of the Hammer Metals Shareholder whose name appears first in the Hammer Metals Share Register will be counted.

If voting by proxy, the Proxy Form should be signed by all the joint holders.

13 Further Information

If you have any questions, please contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

Schedule 1

Definitions

In the Notice of Scheme Meeting and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Austral means Austral Resources Australia Ltd ACN 142 485 470.

AWST means Australian Western Standard Time.

Chair means the person appointed to chair the Scheme Meeting convened by the Notice of Scheme Meeting.

Company or **Hammer Metals** means Hammer Metals Limited ACN 095 092 158.

Corporations Act means the *Corporations Act 2001* (Cth).

Court has the meaning given in the introductory paragraph of the Notice of Scheme Meeting.

Demerger Meeting means the meeting of Hammer Metals Shareholders at which Hammer Metals Shareholders will vote on the Demerger Resolutions (including any meeting following an adjournment or postponement of that meeting).

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice of Scheme Meeting.

Hammer Metals Board means the board of directors of Hammer Metals.

Hammer Metals Share means a fully paid ordinary share in the capital of the Company.

Hammer Metals Shareholder means a registered holder of a Hammer Metals Share.

Notice of Scheme Meeting or **Notice** means the notice for the Scheme Meeting and includes the agenda, Explanatory Memorandum and the Proxy Form.

Proxy Form means the proxy form attached to the Notice of Scheme Meeting.

Scheme Booklet has the meaning given in the introductory paragraph of the Notice of Scheme Meeting.

Scheme Implementation Deed means the scheme implementation deed dated 11 August 2026 between Hammer Metals and Austral, a copy of which was released to the ASX by Hammer Metals on 11 August 2026.

Scheme Meeting has the meaning given in the introductory paragraph of the Notice of Scheme Meeting.

Scheme Resolution means the resolution proposed pursuant to the Notice of Scheme Meeting.

Section means a section of the Scheme Booklet or this Notice (as the context requires).

Share Registry has the meaning given in Section 9 of this Notice.

Annexure E

Notice of Demerger Meeting & Demerger Meeting Materials

HAMMER METALS LIMITED

ACN 095 092 158

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at 10:00am (AWST) on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005

The business of the Demerger Meeting affects your shareholding and your vote is important.

This Notice and the accompanying Explanatory Memorandum should be read in their entirety. If Hammer Metals Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter in this Notice, please do not hesitate to contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

Hammer Metals Shareholders are urged to vote by lodging the Proxy Form attached to this Notice.

HAMMER METALS LIMITED

ACN 095 092 158

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of shareholders of Hammer Metals Limited (**Company** or **Hammer Metals**) will be held at 10:00am (AWST) on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 (**Meeting, General Meeting or Demerger Meeting**).

If it becomes necessary or appropriate to make alternative arrangements to those set out in this Notice, the Company will notify Hammer Metals Shareholders accordingly via the Company's website at https://hammermetals.com.au/ and the ASX announcements platform.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Hammer Metals Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Hammer Metals Shareholders at 5:00pm (AWST) on Saturday, 7 November 2026.

Terms and abbreviations used in this Notice and the Explanatory Memorandum will, unless the context requires otherwise, have the meaning given to them in Schedule 1.

AGENDA

1 Resolution 1 – Approval for the Capital Reduction and In-specie Distribution of the In-specie Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, for the purposes of sections 256B and 256C of the Corporations Act, and for all other purposes, Hammer Metals Shareholders approve that:

(a) *the issued share capital of the Company be reduced, without cancelling any Hammer Metals Shares, by an amount equal to the market value of the In-specie Shares (as determined by the Hammer Metals Directors), with such amount being applied equally against each Hammer Metals Share on issue on the Demerger Record Date; and*

(b) *the reduction of capital be effected and satisfied by the Company making a pro rata in-specie distribution of the In-specie Shares to all Eligible Hammer Metals Shareholders, and to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders, as at the Demerger Record Date, in accordance with the Constitution, the Listing Rules and as otherwise determined by the Hammer Metals Directors, with the consequence that each Eligible Hammer Metals Shareholder, and the Demerger Sale Agent in respect of Demerger Ineligible Shareholders, on the Demerger Record Date shall be deemed to have consented to becoming a SpinCo Shareholder and being bound by the SpinCo Constitution,*

on the terms and conditions in the Explanatory Memorandum."

BY ORDER OF HAMMER METALS BOARD



Mark Pitts
Company Secretary

Dated: 2 October 2026

HAMMER METALS LIMITED
ACN 095 092 158

EXPLANATORY MEMORANDUM

1 Introduction

This Explanatory Memorandum has been prepared for the information of Hammer Metals Shareholders in connection with the business to be conducted at the Meeting to be held at 10:00am (AWST) on Monday, 9 November 2026 at Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.

This Explanatory Memorandum should be read in conjunction with and forms part of this Notice. The purpose of this Explanatory Memorandum is to provide information to Hammer Metals Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Memorandum includes the following information to assist Hammer Metals Shareholders in deciding how to vote on the Resolutions:

Section 2	General Information
Section 3	Action to be taken by Hammer Metals Shareholders
Section 4	Overview of Hammer Metals and the Demerger
Section 5	Background information on SpinCo and the Gold Assets
Section 6	Australian Tax Consequences
Section 7	Resolution 1 – Approval for the Capital Reduction and In-specie Distribution of the In-specie Shares
Schedule 1	Definitions and Interpretation
Schedule 2	Financial Information for Hammer Metals and SpinCo
Schedule 3	Risks
Schedule 4	Rights attaching to SpinCo Shares
Schedule 5	SpinCo Group Tenements

A Proxy Form is located at the end of this Explanatory Memorandum.

2 General Information

2.1 Overview

The main purpose of this Notice is to:

(a) explain the terms of the Demerger, and the manner in which the Demerger (or parts of the Demerger) will be implemented (if approved); and

(b) provide such information as is prescribed or otherwise material to the decision of Hammer Metals Shareholders whether or not to approve the Resolutions required to give effect to the Demerger.

This Notice includes a statement of all the information known to the Company, as at the date of this Notice, that is material to Hammer Metals Shareholders in deciding how to vote on the Resolutions, as required by section 256C(4) of the Corporations Act.

2.2 Lodgement with ASIC and ASX

A final copy of this Notice has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this Notice.

Hammer Metals Shareholders and their professional advisers are able to obtain, free of charge, a copy of this Notice by contacting the Company at its registered office at Suite 2, Level 2, 41 Colin St, West Perth WA 6005 during normal business hours.

2.3 Forward looking statements

Some of the statements appearing in this Notice may be in the nature of forward-looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'consider', 'foresee', 'aim', 'will' and similar expressions are intended to identify forward-looking statements. Indications of guidance on future production, resources, reserves, sales, capital expenditure, earnings and financial position and performance are also forward-looking statements.

You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties, many of which are outside the Company's control. Those risks and uncertainties include factors and risks specific to the Company and SpinCo such as (without limitation) the status of exploration and mining tenements and applications and the risks associated with the non-grant or expiry of those tenements and applications, liquidity risk, risks associated with the exploration or developmental stage of projects, funding risks, operational risks, changes to government fiscal, monetary and regulatory policies, the impact of actions of governments, the potential difficulties in enforcing agreements and protecting assets, alterations to resource estimates and the imprecise nature of resource and reserve statements, any circumstances adversely affecting areas in which the Company operates, fluctuations in the production, volume and price of commodities, any imposition of significant obligations under environmental regulations, fluctuations in exchange rates, the fluctuating industry and commodity cycles, the impact of inflation on operating and development costs, taxation, regulatory issues and changes in law and accounting policies, the adverse impact of wars, terrorism, political, economic or natural disasters, the impact of changes to interest rates, loss of key personnel and delays in obtaining or inability to obtain any necessary government and regulatory approvals, insurance and occupational health and safety. For more information on the risk factors impacting SpinCo, please refer to Schedule 3.

Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and such deviations are both normal and to be expected. None of the Company, SpinCo, any of their respective officers or any person named in this Notice or involved in the preparation of this Notice make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, and you are cautioned not to place undue reliance on those statements.

The forward-looking statements in this Notice reflect views held only as at the date of this Notice.

2.4 Offers outside of Australia

No action has been taken to register or qualify the In-specie Shares the subject of the proposed In-specie Distribution or otherwise permit a public offer of such securities in any jurisdiction outside Australia.

Based on the information available to the Company, Hammer Metals Shareholders whose addresses are shown in the Hammer Metals Share Register on the Demerger Record Date as being in the following jurisdictions will be entitled to have In-specie Shares distributed to them subject to any qualifications set out below in respect of that jurisdiction:

(a) Australia;

(b) Hong Kong;

(c) Singapore;

(d) Switzerland;

(e) the United Kingdom; and

(f) any other person or jurisdiction in respect of which SpinCo reasonably believes that it is not prohibited and not unduly onerous or impractical to distribute In-specie Shares to a Hammer Metals Shareholder with a registered address in such jurisdiction.

Nominees, custodians and other Hammer Metals Shareholders who hold Hammer Metals Shares on behalf of a beneficial owner who is a resident outside Australia, Hong Kong, Singapore, Switzerland and the United Kingdom may not forward this Notice (or any accompanying document) to anyone outside these countries.

2.5 **Hong Kong**

WARNING: This Notice has not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the In-specie Distribution. If you are in any doubt about any of the contents of this Notice, you should obtain independent professional advice.

This Notice does not constitute an offer or invitation to the public in Hong Kong to acquire or subscribe for or dispose of any securities. This Notice also does not constitute a prospectus (as defined in section 2(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)) or notice, circular, brochure or advertisement offering any securities to the public for subscription or purchase or calculated to invite such offers by the public to subscribe for or purchase any securities, nor is it an advertisement, invitation or document containing an advertisement or invitation falling within the meaning of section 103 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue this Notice in Hong Kong, other than to persons who are "professional investors" (as defined in the Securities and Futures Ordinance and any rules made thereunder) or in other circumstances that do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance or that do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

No person may issue this Notice or any advertisement, invitation or document relating to the In-specie Shares, whether in Hong Kong or elsewhere, that is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any such advertisement, invitation or document relating to securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

This Notice may be issued to a limited number of persons in Hong Kong in a manner which does not constitute any issue, circulation or distribution of this Notice, or any offer or an invitation in respect of these securities, to the public in Hong Kong. This Notice is for the exclusive use of Hammer Metals Shareholders in connection with the In-specie Distribution. No steps have been taken to register or seek authorisation for the issue of this Notice in Hong Kong.

This Notice is confidential to the person to whom it is addressed and no person to whom a copy of this Notice is issued may issue, circulate, distribute, publish, reproduce or disclose (in whole or in part) this Notice to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with consideration of the In-specie Distribution.

2.6 **Singapore**

This Notice and any other document relating to the In-specie Shares have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore and the In-specie Distribution is not regulated by any financial supervisory authority under any legislation in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act 2001 (the **SFA**) will not apply.

This Notice and any other document relating to the In-specie Shares may not be distributed or made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4) Division 1, Part 13 of the SFA, including the exemption under section 273(1)(c) of the SFA, or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to In-specie Shares being subsequently offered for sale to any other party in Singapore. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

This Notice is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, or distributed to any other person.

Nothing in this Notice constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise constitutes a personal recommendation to you.

Neither Hammer Metals nor SpinCo is in the business of dealing in securities or hold itself out or purport to hold itself out to be doing so. As such, Hammer and SpinCo are neither licensed nor exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.

2.7 **Switzerland**

The In-specie Shares will not be listed on the SIX Swiss Exchange (**SIX**) or on any other stock exchange or regulated trading facility in Switzerland. This Notice has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Notice nor any other document relating to the In-specie Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Notice nor any other document relating to the In-specie Shares have been, or will be, filed with or approved by any Swiss regulatory authority. This Notice is personal to the recipient only and not for general circulation in Switzerland.

2.8 **United Kingdom**

Neither this Notice nor any other document relating to the In-specie Distribution has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the In-specie Shares.

This Notice does not constitute an offer of transferable securities to the public within the meaning of the UK Prospectus Regulation or the FSMA. Accordingly, this Notice does not constitute a prospectus for the purposes of the UK Prospectus Regulation or the FSMA.

This Notice is issued on a confidential basis in the United Kingdom to existing Hammer Metals Shareholders. This Notice may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the In-specie Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Hammer Metals.

In the United Kingdom, this Notice is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or (ii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which this Notice relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Notice or any of its contents.

2.9 **No financial product advice**

This Notice does not constitute financial product, taxation or investment advice nor a recommendation in respect of the In-specie Shares. It has been prepared without taking into account the objectives, financial situation or needs of Hammer Metals Shareholders or other persons. Before deciding how to vote or act, Hammer Metals Shareholders should consider the

appropriateness of the information, having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their circumstances.

Neither the Company nor SpinCo is licensed to provide financial product advice. No cooling-off regime applies in respect of the acquisition of In-specie Shares under the In-specie Distribution (whether the regime is provided for by law or otherwise).

2.10 **No internet site is part of this Notice**

No internet site is part of this Notice. The Company maintains a website (https://hammermetals.com.au/). Any reference in this Notice to this internet site is a textual reference only and does not form part of this Notice.

2.11 **Prospectus relief for the offer to transfer SpinCo Shares**

The Corporations Act restricts:

(a) Hammer Metals from disposing of the In-specie Shares to Hammer Metals Shareholders by way of an in specie distribution without issuing a disclosure document; and

(b) the Hammer Metals Shareholders from on-selling their In-specie Shares within the first 12 months after receiving them under an in-specie distribution where a disclosure document has not accompanied the original offer.

The invitation to Hammer Metals Shareholders to vote on the Demerger Resolution constitutes an offer to transfer the In-specie Shares to Hammer Metals Shareholders pursuant to the In-specie Distribution.

ASIC has granted relief from the requirement to issue a disclosure document in conjunction with this Notice, or in respect of the on-sale of the In-specie Shares. This Notice is in substantially the same form as the draft notice of meeting previously provided to ASIC on Wednesday, 16 September 2026.

2.12 **Competent Person's statement**

Unless otherwise noted, information in this Notice that relates to Mineral Resources for the Orelia North Deposit is extracted from Hammer Metals' ASX announcement titled "Maiden Mineral Resource Estimate - Orelia North Gold Deposit" released to the ASX on 24 July 2024 which is available on Hammer Metals' website https://hammermetals.com.au/. Hammer Metals confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, and that all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Hammer Metals confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original announcement.

2.13 **SpinCo Information**

The SpinCo Information has been provided by SpinCo, is the responsibility of SpinCo and is disclosed in this Notice with the consent of SpinCo. To the maximum extent permitted by law, neither Hammer Metals, nor the Hammer Metals Directors, management or advisers assume any responsibility for the accuracy or completeness of the SpinCo Information.

2.14 **Disclaimer**

The Company has prepared the Meeting materials based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the Meeting materials. To the maximum extent permitted by law, Hammer Metals, its Related Bodies Corporate and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Meeting materials or its contents or otherwise arising in connection with it.

2.15 **Other material information**

There is no information material to the making of a decision by a Hammer Metals Shareholder whether or not to approve the Resolutions (being information that is known to any of the Hammer Metals Directors and which has not been previously disclosed to Hammer Metals Shareholders) other than as disclosed in this Notice.

3 Action to be taken by Hammer Metals Shareholders

Hammer Metals Shareholders should read this Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting in person

To vote in person, attend the Meeting on the date and at the place detailed above in Section 1.

Voting by Proxy

A Proxy Form is enclosed with this Notice. This is to be used by Hammer Metals Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Hammer Metals Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions detailed in the Proxy Form. Lodgement of a Proxy Form will not preclude a Hammer Metals Shareholder from attending and voting at the Meeting in person.

Please note that:

(a) a proxy need not be a Hammer Metals Shareholder;

(b) a Hammer Metals Shareholder may appoint a body corporate or an individual as its proxy;

(c) a body corporate appointed as a Hammer Metals Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body corporate may exercise as the Hammer Metals Shareholder's proxy; and

(d) Hammer Metals Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Completed Proxy Forms must be completed and received by the Share Registry by 10:00am (AWST) on Saturday, 7 November 2026, being no later than 48 hours before commencement of the Meeting by one of the following methods:

(a) **online**: https://portal.automic.com.au/investor/home (to use this facility, Hammer Metals Shareholders will need their SRN or HIN as shown on the front of the Proxy Form as well as their registered postcode/country details);

(b) **by mail:** in the reply-paid envelope provided with the Proxy Form to Automic GPO Box 5193 Sydney NSW 2001;

(c) **in person:** at Automic Level 5, 126 Phillip Street Sydney NSW 2000 Australia;

(d) **by email:** to meetings@automicgroup.com.au; or

(e) **by fax:** to the Share Registry at +61 2 8583 3040 (both within and outside Australia).

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3.2 Attendance at the Meeting

If it becomes necessary or appropriate to make alternative arrangements to those detailed in this Notice, Shareholders will be updated via the ASX announcements platform and on the Company's website at https://hammermetals.com.au/.

3.3 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company by emailing info@hammermetals.com.au prior to 5:00pm (AWST) on Monday, 2 November 2026.

Hammer Metals Shareholders will also have the opportunity to submit questions during the Meeting in respect of the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Hammer Metals Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Hammer Metals Shares they hold).

Should you wish to discuss the matters in this Notice, please contact the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays)

4 Overview of Hammer Metals and the Demerger

4.1 Background to Hammer

Hammer Metals is an Australian public company that was incorporated on 16 November 2000 and was first admitted to the Official List in February 2003. Hammer Metals is an exploration company targeting copper, gold, and critical minerals. Its primary focus is its ~3,600 km² tenement portfolio in Queensland's highly mineral-endowed Mount Isa district, alongside the Yandal Gold Project in Western Australia.

Since 2013, when Hammer Metals shifted focus to its Mount Isa copper and critical minerals projects and its Western Australian gold portfolio, Hammer Metals has created significant value through the discovery, definition and advancement of the Mineral Resources in its Mount Isa project portfolio, including the flagship Kalman deposit, and through the continued progression of its Western Australian gold assets.

Further details of Hammer Metals' projects are detailed in Section 5 of the Scheme Booklet.

4.2 Demerger overview

On 11 August 2026, Hammer Metals announced that it entered into a binding Scheme Implementation Deed with Austral pursuant to which Austral will acquire all of the issued shares in Hammer Metals under a scheme of arrangement under Part 5.1 of the Corporations Act (the **Scheme**). If the Scheme is approved by Hammer Metals Shareholders and all other conditions precedent are satisfied, each Hammer Metals Shareholder will transfer their Hammer Metals Shares to Austral in exchange for new Austral Shares. On implementation of the Scheme, Hammer Metals will be a subsidiary of Austral.

In conjunction with the Scheme, Hammer Metals is seeking to undertake a demerger of its Gold Assets into SpinCo, which will be effected by way of a capital reduction and pro rata in-specie distribution of SpinCo Shares pursuant to which each Eligible Hammer Metals Shareholder (or the Demerger Sale Agent, in respect of Demerger Ineligible Shareholder) will indicatively receive one In-specie Share for every 35 Hammer Metals Shares held on the Demerger Record Date (being, 7:00pm (Sydney time) on Wednesday, 18 November 2026)[1]. The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the

[1] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2 of the Scheme Booklet, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the requisite majorities, and the Court, by order, approves the Scheme).

Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

To achieve the Demerger, the Gold Assets, which are currently owned by Carnegie, will be consolidated under SpinCo by way of the Restructure.

The material assets and projects which will be owned by SpinCo following the Restructure and which will be the subject of the Demerger are as follows:

(a) the Bronzewing South Gold Project, being Hammer Metals 100% owned tenement package in the prospective Yandal greenstone belt, located immediately south of the historical Bronzewing gold deposit and covering a prospective gold corridor with multiple underexplored targets;

(b) the Orelia North Gold Project, located ~9.5km north of Northern Star's Orelia gold mining operations and approximately 12km NW of the Bronzewing mine, which hosts a maiden inferred Mineral Resource estimate of 1.48Mt @ 1.15g/t Au for 54.5koz Au and is subject to a mining lease application to support future commercialisation pathways;

(c) an option to acquire the Mt Sefton Gold Project, which is an early-stage gold exploration project located in the underexplored Mt Sefton greenstone belt, ~75km SW of the Gruyere gold deposit, with historical auger sampling having identified gold and pathfinder element anomalism; and

(d) certain other ancillary assets associated with the above-mentioned projects,

(together, the **Gold Assets**). For further information regarding the Gold Assets, refer to Section 5.

Hammer Metals, Carnegie and SpinCo have entered into a demerger implementation deed which sets out the process by which the Demerger will be proposed and implemented by the parties, and also sets out parameters for the relationship between Hammer Metals and SpinCo post the Demerger Implementation Date (**Demerger Deed**).

The Demerger is conditional upon (amongst other matters) the Scheme becoming Effective, and the Scheme is conditional upon Hammer Metals Shareholders approving the Demerger Resolution. Accordingly, if the Demerger Resolution is not passed or the Scheme is not approved by the requisite majority or the Scheme is not approved by the Court, and the conditionality with the Scheme is not waived, the Demerger will not proceed.

4.3 Capital Reduction and In-specie Distribution

The Company is seeking Hammer Metals Shareholder approval under Resolution 1, to enable the Company to reduce its capital by an amount equal to the market value of the In-specie Shares (as determined by the Hammer Metals Directors) to be satisfied through the distribution of the In-specie Shares to Eligible Hammer Metals Shareholders (or in the case of Demerger Ineligible Shareholders, to the Demerger Sale Agent).

The Corporations Act and the Listing Rules set out the procedure and timing for the Capital Reduction. Refer to Section 4.12 for an indicative timetable in respect of the Capital Reduction.

The terms of the Capital Reduction and In-specie Distribution are the same for each Eligible Hammer Metals Shareholder.

Each Eligible Hammer Metals Shareholder (and the Demerger Sale Agent on behalf of each Demerger Ineligible Shareholder) will indicatively receive one In-specie Share for every 35 Hammer Metals Shares held on the Demerger Record Date (with fractional entitlements rounded to the nearest whole number).[2] The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect

[2] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2 of the Scheme Booklet, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the requisite majorities, and the Court, by order, approves the Scheme).

of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

The proposed Demerger will deliver to Eligible Hammer Metals Shareholders (as at the Demerger Record Date) and the Demerger Sale Agent (on behalf of Demerger Ineligible Shareholders) 100% of the issued capital of SpinCo, which in turn will own the Gold Assets, through its 100% shareholding in Carnegie.

4.4 Effect of the Capital Reduction

(a) Effect of the proposed Capital Reduction on Hammer Metals

A pro forma balance sheet of Hammer Metals as at 30 June 2026 is contained in Schedule 2 which shows the financial impact of the Capital Reduction on Hammer Metals.

The accounting value of the Gold Assets as reflected in Hammer Metals' 30 June 2026 financial accounts is approximately $9.4 million and the Hammer Metals Board estimates that the market value of the Gold Assets is approximately $6.4 million, which is the value of the 25,621,577 SpinCo Shares to be issued to Hammer Metals as consideration for the Gold Assets (valued at $0.25 per SpinCo Share) pursuant to the Restructure.

(b) Effect of the proposed Capital Reduction on Hammer Metals Shareholders

The In-specie Shares will be distributed to Eligible Hammer Metals Shareholders (and the Demerger Sale Agent in respect of Demerger Ineligible Shareholders) on a pro rata basis, with fractional entitlements rounded to the nearest whole number. Eligible Hammer Metals Shareholders will not be required to pay any additional consideration for the In-specie Shares. The terms of the Capital Reduction are the same for each Hammer Metals Shareholder (subject to Section 4.11 in respect of Demerger Ineligible Shareholders).

As at the Last Practicable Date, Hammer Metals has 892,758,700 Hammer Metals Shares, 29,500,000 Hammer Metals Options and 7,000,000 Hammer Metals Performance Rights on issue. Refer to Section 5.13 of the Scheme Booklet for more information on the capital structure of Hammer Metals.

As at the Demerger Record Date, it is anticipated that there will be 896,758,700 Hammer Metals Shares on issue following the issue of 4,000,000 Hammer Metals Shares on the vesting and exercise of certain Hammer Metals Performance Rights. No additional Hammer Metals Shares will be issued as a result of the Demerger.

The Hammer Metals Directors indicatively propose to distribute one In-specie Share for every 35 Hammer Metals Shares held by Hammer Metals Shareholders on the Demerger Record Date (with fractional entitlements rounded to the nearest whole number).[3] Therefore, the number of In-specie Shares distributed will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

Assuming that:

(i) 4,000,000 Hammer Metals Performance Rights are vested and exercised, and no Hammer Metals Options are exercised prior to the Demerger Record Date, there will be 896,758,700 Hammer Metals Shares on issue on the Demerger Record Date. Given the number of In-specie Shares, the In-specie Distribution will be undertaken on the basis of one SpinCo Share for every 35 Hammer Metals Shares held as at the Demerger Record Date (noting that fractional entitlements will be rounded to the nearest whole number); and

(ii) 4,000,000 Hammer Metals Performance Rights are vested and exercised, and all unexpired Hammer Metals Options are exercised prior to the Demerger

[3] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2 of the Scheme Booklet, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the requisite majorities, and the Court, by order, approves the Scheme).

Record Date, there will be 929,258,700 Hammer Metals Shares on issue on the Demerger Record Date. Given the number of In-specie Shares, the In-specie Distribution will be undertaken on the basis of one SpinCo Share for every 36 Hammer Metals Shares held as at the Demerger Record Date (noting that fractional entitlements will be rounded to the nearest whole number).

Each Eligible Hammer Metals Shareholder's name will be entered on the register of members of SpinCo with each Eligible Hammer Metals Shareholder being deemed to have consented to becoming a SpinCo Shareholder and being bound by the SpinCo Constitution. Eligible Hammer Metals Shareholders will not be required to pay any consideration for the In-specie Shares distributed to them under the In-specie Distribution.

The number of Hammer Metals Shares held by Hammer Metals Shareholders will not change, and Hammer Metals Shareholders will retain their Hammer Metals Shares in the Company following the Capital Reduction, subject to the subsequent implementation of the Scheme. If the Capital Reduction is implemented, the value of the Hammer Metals Shares may be less than the value of the Hammer Metals Shares held prior to the Capital Reduction because, after the Capital Reduction, the Company will cease to retain a 100% interest in SpinCo and the Gold Assets. The rights attaching to Hammer Metals Shares will not be altered by the Capital Reduction.

Given the Capital Reduction is an equal reduction and the Company will still have positive net assets following the Capital Reduction, the Hammer Metals Directors consider the Capital Reduction is fair and reasonable to Hammer Metals Shareholders as a whole.

4.5 **Rationale for the Demerger**

The Hammer Metals Board is proposing the Demerger with a view to delivering the following benefits to Hammer Metals Shareholders:

(a) to enable the independent growth of the SpinCo Group with an emphasis on growth in the Gold Assets and further gold exploration in Australia;

(b) to enable management to devote greater attention to progressing the Gold Assets and, where appropriate, direct additional resources towards their development;

(c) to make the value attributable to the Gold Assets more readily identifiable by the market and allow Hammer Metals Shareholders to retain exposure to their potential future growth and development through a standalone entity; and

(d) to support the longer-term realisation of value from the Gold Assets, initially through the lower cost structure associated with operating as an unlisted company and potentially thereafter through a corporate transaction (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations.

The proposed Demerger is conditional upon, amongst other matters, the Scheme becoming Effective and the Scheme is conditional upon the Demerger Resolution being approved by Hammer Metals Shareholders.

The Hammer Metals Board considers that the proposed Demerger is in the best interests of Hammer Metals Shareholders as it will allow the newly consolidated SpinCo Group to prioritise resources to further advance the Gold Assets. It will also facilitate the implementation of the Scheme in circumstances where no value has been attributed by Hammer Metals to the Gold Assets under the Scheme.

4.6 **Key steps to implement the Demerger**

Subject to the satisfaction (or waiver) of the Demerger Conditions, the key steps remaining to implement the Demerger are:

(a) Hammer Metals:

(i) procuring that, to the extent not already done so, all of the Gold Assets are held by Carnegie; and

(ii) transferring all of the issued share capital in Carnegie to SpinCo in consideration for 25,621,577 SpinCo Shares,

(together, the **Restructure**);

(b) Hammer Metals convening this Meeting of Hammer Metals Shareholders to consider, and if thought fit, pass the Demerger Resolution; and

(c) subject to the Demerger Resolution being approved by Hammer Metals Shareholders by the requisite majority, 100% of the In-specie Shares being distributed in-specie to Eligible Hammer Metals Shareholders, or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders, on a pro rata basis.

The Demerger will result in two distinct corporate groups:

(a) the SpinCo Group consolidated under SpinCo, which will initially be unlisted and will focus on the advancement of the Gold Assets. For further information on the details of the SpinCo Group corporate structure post-Demerger, refer to Section 5; and

(b) the Hammer Metals Group, which upon implementation of the Scheme will form part of the Merged Group, with Austral remaining listed on the ASX.

4.7 Demerger Conditions

The Demerger will only proceed if all of the following conditions are satisfied or waived (together, the **Demerger Conditions**):

(a) (**Hammer Metals approvals**) Hammer Metals Shareholders approving, by the requisite majority, the Demerger Resolution;

(b) (**Regulatory Approvals**) all regulatory and third party approvals required to give effect to the Demerger having been obtained (either unconditionally or on conditions reasonably satisfactory to Hammer Metals and SpinCo, acting reasonably) and are not revoked, before 8:00am on the Demerger Implementation Date;

(c) (**Restructure**) the Restructure is completed in accordance with the Demerger Deed;

(d) (**Scheme**) the Scheme becoming Effective; and

(e) (**Restraints**) no temporary restraining order, injunction or other legal restraint preventing the Demerger being in effect as at 8:00am on the Demerger Implementation Date.

4.8 Advantages and Disadvantages of the Demerger

The Hammer Metals Directors are of the view that the following non-exhaustive list of advantages and disadvantages may be relevant to a Hammer Metals Shareholder's decision on how to vote on the Demerger Resolution:

(a) **Advantages**

(i) Hammer Metals Shareholders will retain their existing investment in Hammer Metals, will be entitled to the consideration under the Scheme (if the Scheme is implemented) and (other than Demerger Ineligible Shareholders) will also receive a proportionate shareholding in SpinCo. Hammer Metals Shareholders will avoid their collective interests in the Gold Assets being diluted by operation of the Scheme.

(ii) SpinCo will be able to determine and implement its own business plan, centred on growing the Gold Assets and pursuing further gold exploration and development opportunities in Australia.

(iii) Establishing the Gold Assets within the SpinCo Group will permit increased management attention to be given to those assets and may also result in further resources being allocated to their progression.

(iv) Value may be enhanced for Hammer Metals Shareholders by placing the Gold Assets in a standalone vehicle whose sole focus is their advancement. This will mean that the development of those Gold Assets is not influenced by circumstances affecting unrelated projects.

(v) In the view of the Hammer Metals Board, separating the Gold Assets into SpinCo should make the value attributable to those Gold Assets more apparent to the market. It will also enable Hammer Metals Shareholders to retain exposure to any future growth arising from those Gold Assets.

(vi) On the basis of its assessment of the information available, the Hammer Metals Directors consider the Demerger to be in the best interests of Hammer Metals Shareholders.

(b) **Disadvantages**

(i) For so long as SpinCo is an unlisted company, there will be no liquid market for SpinCo Shares and they will therefore not be readily tradeable, so the ability of SpinCo Shareholders to dispose of their SpinCo Shares in a timely manner may be affected. Whilst every effort will be made to unlock the value of the Gold Assets and establish liquidity in SpinCo Shares, there is no guarantee that this will be achieved.

(ii) SpinCo proposes to keep SpinCo Shareholders informed through regular updates. However, while it is not listed on ASX, it will not be required to comply with the continuous disclosure obligations that apply to ASX listed entities.

(iii) The operation of SpinCo as an independent company will give rise to separate administration and management expenses.

(iv) Only limited cash will initially be available to SpinCo to progress the Gold Assets. The continuation of SpinCo's proposed business activities and exploration programs will therefore depend on SpinCo securing sufficient funding, whether by raising capital, debt funding or other means. There is no assurance that the required funding will be secured.

(v) SpinCo Shareholders may incur additional transaction costs if they wish to dispose of their SpinCo Shares (e.g. brokerage costs).

(vi) There is no guarantee that SpinCo Shares will increase in value.

4.9 **Intentions of Hammer Metals**

(a) **Future intentions of Hammer Metals following implementation of the Demerger**

Following implementation of the Demerger and successful implementation of the Scheme, Hammer Metals expects that the development of its projects (excluding the Gold Assets) will be pursued within the Merged Group. For further information regarding Austral's intentions for the Merged Group following the Demerger, please refer to Section 7.5 of the Scheme Booklet.

There are no changes proposed to the Hammer Metals Board as a result of the Demerger. Upon the implementation of the Scheme, however, there will be changes to the Hammer Metals Board. For further information regarding Austral's intentions for the Hammer Metals Board, please refer to Section 7.5 of the Scheme Booklet.

(b) **Future intentions of Hammer Metals if the Demerger Resolution is not approved**

If the Demerger Resolution is not approved by Hammer Metals Shareholders, the Demerger will not be implemented and the Demerger Deed will be terminated.

The consequences of the Demerger not being implemented include the following:

(i) the Scheme will not proceed (unless Hammer Metals waives the relevant condition precedent), which means that Austral will not acquire Hammer Metals and Hammer Metals Shareholders will not receive any consideration in the form of Austral Shares;

(ii) Hammer Metals Shareholders will not receive any SpinCo Shares;

(iii) SpinCo will remain a wholly-owned subsidiary of Hammer Metals;

(iv) you will remain a Hammer Metals Shareholder and continue to be exposed to the risks associated with your investment in Hammer Metals Shares (see Section 8.5 of the Scheme Booklet);

(v) the Hammer Metals Board and management will continue to operate the Gold Assets alongside Hammer Metals' other projects and the Gold Assets may not receive the same level of management focus and resource allocation for advancement in the short term; and

(vi) the expected advantages of the Demerger (set out in Section 4.8(a)) will not be realised.

In the event that neither the Scheme nor the Demerger are implemented, the Hammer Metals Directors intend to continue to operate Hammer Metals in the ordinary course of business and for Hammer Metals to remain listed on ASX.

The Hammer Metals Board believes that the Demerger is the most advantageous outcome for existing Hammer Metals Shareholders, taking account of (amongst other things) the Scheme being conditional upon the Demerger Resolution being approved.

4.10 **Effect of the Demerger on Hammer Metals Shareholders**

(a) **What will you receive?**

If the Demerger is completed, Eligible Hammer Metals Shareholders will indicatively receive one SpinCo Share for every 35 Hammer Metals Shares held on the Demerger Record Date[4]. Any fractional entitlements will be rounded to the nearest whole number. The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date. Please refer to Sections 4.3 and 4.4 for further information.

Hammer Metals Shareholders are not required to contribute any payment for the In-specie Shares which they are entitled to receive under the In-specie Distribution.

(b) **What about Demerger Ineligible Shareholders?**

The In-specie Shares in respect of which a Demerger Ineligible Shareholder would have otherwise been entitled to receive under the In-specie Distribution will not be transferred to such Demerger Ineligible Shareholder and, instead, will be transferred to and sold by the Demerger Sale Agent on behalf of the Demerger Ineligible Shareholder in accordance with the Sale Facility. Refer to Section 4.11 for details regarding the operation of the Sale Facility and the treatment of Demerger Ineligible Shareholders.

(c) **What is the impact on your shareholding in Hammer Metals?**

The number of Hammer Metals Shares that you hold will not change as a result of the Demerger. The rights attaching to your Hammer Metals Shares will also not change.

[4] This assumes there are 896,758,700 Hammer Metals Shares on issue as at the Demerger Record Date (assuming, no Management Performance Rights or Hammer Metals Options are converted or exercised into Hammer Metals Shares prior to the Demerger Record Date and are instead cancelled for cash consideration as contemplated in Section 11.2 of the Scheme Booklet, and assuming 4,000,000 Hammer Metals Performance Rights automatically vest and are converted into Hammer Metals Shares following Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour of the Scheme, by the requisite majorities, and the Court, by order, approves the Scheme).

If the Scheme is implemented, each Hammer Metals Shareholder will transfer their Hammer Metals Shares to Austral in exchange for new Austral Shares. On implementation of the Scheme, Hammer Metals will be a subsidiary of Austral.

(d) **Do you have to do anything to receive your In-specie Shares?**

You must hold Hammer Metals Shares on the Demerger Record Date in order to receive your entitlement under the In-specie Distribution. If the In-specie Distribution completes, you will automatically receive the In-specie Shares you are entitled to receive (unless you are a Demerger Ineligible Shareholder, in which case you will receive the Sale Proceeds in accordance with Section 4.11), even if you vote against the Demerger Resolution or do not vote at all.

(e) **What are the taxation implications of the Demerger?**

A general guide to the taxation implications of the Demerger is set out in Section 6. The description is expressed in terms of the Demerger and is not intended to provide taxation advice in respect of particular circumstances of any Hammer Metals Shareholder. Hammer Metals Shareholders should obtain professional advice as to the taxation implications of the Demerger in their specific circumstances.

(f) **What will happen if the Demerger Resolution is not approved?**

In the event that the Demerger Resolution is not approved by Hammer Metals Shareholders by the requisite majority, the Demerger will not proceed and the In-specie Distribution of the SpinCo Shares to Shareholders will not occur.

The Scheme is conditional upon the Demerger Resolution being passed by Hammer Metals Shareholders by the requisite majority. Accordingly, if the Demerger Resolution is not approved by the Hammer Metals Shareholders, and the condition is not waived by Hammer Metals, then the Scheme will not proceed.

4.11 **Demerger Ineligible Shareholders and the Sale Facility**

Restrictions in certain foreign countries may make it impractical or unlawful for In-specie Shares to be transferred under the In-specie Distribution to Hammer Metals Shareholders in those countries. Hammer Metals has considered the geographical breakdown of the Hammer Metals Share Register and determined that it is unreasonable in the circumstances to extend the In-specie Distribution to Hammer Metals Shareholders whose address is shown in the Hammer Metals Share Register as out of a Permitted Jurisdiction on the basis of:

(i) the limited number of Demerger Ineligible Shareholders;

(ii) the number and value of In-specie Shares that the Demerger Ineligible Shareholders would be offered; and

(iii) the cost of complying with legal or regulatory requirements in those places.

Demerger Ineligible Shareholders with a registered address outside a Permitted Jurisdiction as at the date of this Notice can update their registered address on the Hammer Metals Share Register prior to the Demerger Record Date by contacting the Hammer Metals Information Line on 1300 109 770 (from within Australia) or +61 2 8072 1483 (from outside Australia) Monday to Friday between 6:30am to 5:00pm (AWST) (excluding public holidays).

Demerger Ineligible Shareholders on the Demerger Record Date will not be issued In-specie Shares to which they would otherwise be entitled and instead their In-specie Shares will be issued to the Demerger Sale Agent to be held on their behalf, pending a Liquidity Opportunity.

Upon the sale of the In-specie Shares held on behalf of the Demerger Ineligible Shareholders, the Demerger Sale Agent will pay the net proceeds of the sale to the Demerger Ineligible Shareholders (less brokerage, stamp duty and other selling costs, taxes and charges). The net proceeds will be paid to Demerger Ineligible Shareholders in Australian dollars. The Demerger Sale Agent will deal with and sell the Demerger Ineligible Shareholders' In-specie Shares on a reasonable endeavours basis. None of Hammer Metals, SpinCo or the Demerger Sale Agent accept any liability to the Demerger Ineligible Shareholders for any loss that may be suffered as a result of the sale of the In-specie Shares, including (without limitation) in connection with foreign exchange rates.

As the Capital Reduction is being presented and satisfied by the distribution of In-specie Shares, and there is no guarantee as to the value that might be obtained, the Sale Proceeds to such Demerger Ineligible Shareholders may be more or less than the notional dollar value of the Capital Reduction.

4.12 Indicative timetable

The indicative timetable regarding the Transaction is provided below:

Event	Indicative Date
Latest time and date for lodgement of completed Proxy Forms	10:00am (AWST) on Saturday, 7 November 2026
Time and date for determining eligibility to vote at the Demerger Meeting	5:00pm (AWST) on Saturday, 7 November 2026
General Meeting to approve the Demerger Resolution	Monday, 9 November 2026
Demerger Effective Date	Tuesday, 10 November 2026
Demerger Record Date	7:00pm (Sydney time) on Wednesday, 18 November 2026
Demerger Implementation Date In-specie Distribution of In-specie Shares to Hammer Metals Shareholders	Monday, 23 November 2026
Dispatch of holding statements for In-specie Shares	Tuesday, 24 November 2026

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules, and other applicable laws. The above timetable may change without notice. Any changes to the above timetable will be announced through the Company's ASX market announcements platform and notified on https://hammermetals.com.au/.

4.13 Hammer Metals Board recommendation

After considering all relevant factors, the Hammer Metals Directors unanimously recommend the Hammer Metals Shareholders vote in favour of the Demerger Resolution for the following reasons:

(a) after a full and proper assessment of all available information, they believe that the proposed Demerger is in the best interests of Hammer Metals Shareholders and Hammer Metals;

(b) in the opinion of the Hammer Metals Directors, the advantages of the Demerger outweigh its disadvantages as set out in Section 4.8; and

(c) the Hammer Metals Directors are satisfied that the Demerger is the best option available to realise the value of the Gold Assets in the current circumstances, taking account of the lack of value ascribed to Gold Assets as part of the proposed Scheme.

Each Hammer Metals Director who holds or controls Hammer Metals Shares intends to vote (or cause to be voted) such Hammer Metals Shares in favour of the Demerger Resolution (representing approximately 6.4% of the Hammer Metals Shares on issue).

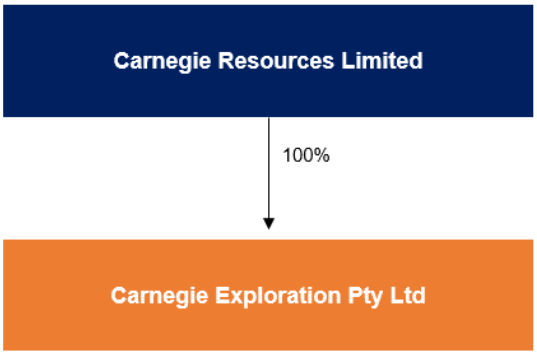
5 Background information on SpinCo and the Gold Assets

5.1 Background on SpinCo

SpinCo is a public unlisted company incorporated on 2 September 2026 in Western Australia for the purposes of the Demerger. As at the date of this Notice, SpinCo is a wholly owned subsidiary of Hammer Metals.

As SpinCo was only recently incorporated, SpinCo currently has a minimal level of operations and has not earned any revenue nor incurred any significant expenses from its activities.

Following completion of the Restructure, Carnegie will be a wholly owned subsidiary of SpinCo. The corporate structure of the SpinCo Group is detailed below:



Immediately following the Demerger Implementation Date, SpinCo will initially be an unlisted public company. The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations. Given SpinCo will not be listed on the ASX immediately following the Demerger, ongoing disclosure of information to SpinCo Shareholders will mostly be by shareholder updates communicated directly to SpinCo Shareholders, and by statutory returns.

In due course, SpinCo intends to replicate Hammer Metals' corporate governance arrangements to the extent appropriate for an unlisted public company.

5.2 Background to the Gold Assets

(a) Orelia North

The Orelia North Gold Deposit is located in the Eastern Goldfields region of Western Australia, approximately 9.5 km north of Northern Star Resources Limited's Orelia operation and about 12.5 km north-west of the Bronzewing Gold Operations.

Orelia North is hosted within a west-dipping mafic and ultramafic sequence and, based on drilling completed to date, comprises multiple moderately west-dipping mineralised lenses. The geological setting is considered prospective for further extensions of gold mineralisation, particularly at depth and along strike.

Hammer Metals commenced drilling at Orelia North in November 2019 and has since undertaken a series of follow-up exploration programs. Those programs have progressively improved Hammer Metals' understanding of the deposit and supported the delineation of a continuous mineralised trend extending over approximately 1.3 km, within a broader 2 km corridor of gold anomalism.

The Orelia North deposit's maiden Inferred Mineral Resource was reported in July 2024 and is estimated to contain 1.48Mt grading 1.15g/t Au for 54.5koz of contained gold, reported at a 0.5g/t Au cut-off. The deposit remains open at depth and offers strong exploration potential along the 2km strike length of gold anomalism.

A mining licence application covering the Orelia North gold deposit in WA was submitted in early 2026 to facilitate the project's progression from study to development. An initial conceptual mining study will aid the identification of potential commercial pathways for mining and toll treatment of the gold deposit.

Recent and planned drilling has targeted extensions to mineralisation identified in earlier programs, including higher-grade and oxide zones. These programs are intended to assess the potential to expand the existing Mineral Resource and further define the scale of the Orelia North system.

(b) **Bronzewing South**

The Bronzewing South Project is located immediately south of the Bronzewing mining centre in Western Australia and includes a number of priority gold targets identified through Hammer's exploration programs.

Exploration to date has focused on the Central Target Zone, located approximately 1.7 km south of the Bronzewing mine, where previous drilling has identified encouraging gold mineralisation. In particular, drilling at the Central Target Zone returned an intercept of 20 m at 1.5 g/t Au from 120 m in drill hole BWSRC037, including 8 m at 2.4 g/t Au and 4 m at 3.9 g/t Au.

Exploration programs in late 2025 focused on the Central Target Zone and the Eastern Boundary Zone with the latter identifying intersected multiple zones of gold mineralisation in hole BWSRCD081 with 8.95m at 1.32g/t Au from 414m including 0.48m at 15.45g/t Au from 416.52m – where visible gold was reported – and 0.55m @ 3.52g/t Au from 422.4m and 6.34m at 1.08g/t Au from 449.66m.

Several key targets remain untested at Bronzewing South, including a potential plunge position of the neighbouring Bronzewing Gold mine (located <100m from the tenement boundary) where Hammer's historical drilling has been restricted to approximately 270m in vertical extent.

A maiden drill hole at the West Gap target in early 2026, also has provided an encouraging target BWSRC091, intersected 4m at 0.78g/t Au from 72m within the saprock zone. This interval sits above a second mineralised zone of 4m at 0.13g/t Au from 108m, located within a ~16m-wide fault zone characterised by quartz veining. The interpreted along-strike continuation of this significant structure is covered by widely spaced historical east west aircore drill lines (~300m), and several shallow aircore holes in this western zone may have fallen short of testing the bedrock. Follow-up aircore and RC drilling are being considered to test this prospective structural corridor, which was highlighted by gravity survey data. The West Gap area remains a priority follow-up target given the wide spaced aircore coverage.

(c) **Mt Sefton**

The Mount Sefton Gold Project comprises exploration licence application E38/4006, over which Hammer Metals has secured an option from Casino Mining Pty Ltd. The project is located within the Mt Sefton Greenstone Belt in Western Australia, approximately 75 km south-west of the Gruyere Gold Mine and 75 km east of Laverton.

The Mt Sefton Greenstone Belt is considered highly prospective for gold mineralisation but remains one of the least explored greenstone belts in Western Australia. Exploration completed to date has been limited, comprising only a single wide-spaced auger soil sampling program across parts of the belt.

That early-stage exploration identified gold and arsenic anomalies in structurally favourable positions. These anomalies are considered encouraging indicators of potential mineralisation and, importantly, remain untested by drilling.

Accordingly, the Mount Sefton Gold Project represents an early-stage exploration opportunity with scope for systematic follow-up work, including geochemical, geological and drilling programs designed to test the identified anomalies and assess the broader gold potential of the belt.

Refer to Schedule 5 for a summary of the SpinCo Group Tenements comprising the Gold Assets.

5.3 **Mineral Resource Estimate for the Gold Asset**

On 24 July 2024, Hammer Metals published the following Mineral Resource estimate for the Orelia North deposit:

Orelia North Deposit - Inferred Mineral Resource Estimate by weathering domain (Au 0.5g/t cut-off) - July 2024			
Domain	**Mt**	**Au (g/t)**	**Au (koz)**
Oxide	0.03	0.80	0.7
Transition	1.35	1.11	48.3
Fresh	0.10	1.74	5.5
Total	**1.48**	**1.15**	**54.5**
Note rounding of total tonnage and metal content			

5.4 **Business model of SpinCo / planned activities for the Gold Asset**

SpinCo's primary focus will be on the exploration and development of the Gold Assets. SpinCo aims to progressively transition from being a junior explorer to, subject to the results of exploration activities, technical studies and the availability of suitable funding, exploiting the value of the Gold Assets by undertaking project development, construction and mining activities through:

(a) conducting further exploration activities at the Gold Assets to grow the Mineral Resource in size and confidence;

(b) undertaking economic and technical assessments of the Gold Assets in line with standard industry practice (for example, the completion of a definitive feasibility study);

(c) subject to the results of the studies referred to above, undertaking project development and construction activities;

(d) ultimately exploiting the Gold Assets through mining operations; and

(e) reviewing other business development opportunities, including joint venture arrangements and other new mineral projects.

If any of the tenements underlying the Gold Assets are deemed economically viable, SpinCo may then develop a plan to extract the resources from the ground, which may involve building a mine, developing processing facilities, and establishing supply chain networks to transport the minerals to manufacturers. Should a tenement, at any stage, be assessed as unlikely to host an economic deposit, then the tenement may be divested and new projects may be pegged or acquired. SpinCo will also continue to assess and review other opportunities for tenement applications or acquisitions and, where deemed appropriate or in the interests of SpinCo Shareholders, SpinCo may expand its portfolio of projects by acquiring additional tenements or mineral rights.

5.5 **Strategy and objectives of SpinCo**

SpinCo's broad objective and primary focus is to create and sustain SpinCo Shareholder value through the exploration and development of the Gold Assets.

Following implementation of the Demerger, SpinCo will:

(a) advance the Gold Assets through expenditure and investment in the relevant projects, subject to any corporate, divestment, joint venture or co-funding opportunities involving the Gold Assets that the SpinCo Board considers may deliver better value; and

(b) pursue other opportunities in the resources sector including pursuing acquisition opportunities that may arise.

The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations.

5.6 Key business model dependencies

On completion of the Demerger, SpinCo will be an unlisted mineral exploration and development company. The key dependencies for SpinCo to meet its objectives are:

(a) the success of planned exploration activities to grow the Mineral Resource in size and confidence;

(b) the success of planned economic and technical assessments of the Gold Assets with respect to material modifying factors such as metallurgy and geotechnical;

(c) the ongoing access to capital for exploration and development at the Gold Assets;

(d) there being sufficient worldwide demand for gold;

(e) the market price of gold products remaining higher than SpinCo's costs of any future production (assuming successful development by SpinCo);

(f) maintaining existing (and securing additional) necessary consents and approvals required to carry out exploration and development activities;

(g) retaining competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and

(h) minimising environmental impacts and complying with environmental and health and safety requirements.

5.7 SpinCo Board and Management

The SpinCo Board and senior management comprises:

(a) **Russell Davis – Non-Executive Chairman**

Mr Russell Davis, BSc (Honours) MBA MAusIMM, is a geologist with more than 40 years' experience in the mineral resources sector. He has worked on the exploration and development of a range of commodities for international and Australian companies, holding senior technical and corporate roles including Chief Mine Geologist, Exploration Manager and Managing Director. Mr Davis was a founding director of Gold Road Resources Limited in 2005 and continued as an executive and then non-executive director until June 2016. He was also a founding director of Syndicated Metals Limited in 2007 and served as Managing Director until March 2012. Mr Davis has been a director of Hammer Metals (Australia) Pty Ltd since its inception in 2012.

(b) **Daniel Thomas – Managing Director**

Mr Daniel Thomas, BSc, MBA, has more than 20 years' experience in operations, corporate development, project management and project finance. He completed undergraduate studies in Chemistry and Geology and holds an MBA from Melbourne Business School. During his career, Mr Thomas has worked across Australia, North America, Asia and Africa in a broad range of commodities, including base and precious metals. Before joining the Company, Mr Thomas was Business Development Manager at Sandfire Resources Limited (ASX: SFR), where he was instrumental in using cash flows generated by the DeGrussa Copper-Gold Mine to grow the company both organically through exploration and through business development initiatives, including acquisitions, investments and joint ventures. Prior to Sandfire Resources Limited, Mr Thomas held roles with Wesfarmers, PTT Asia Pacific Mining and Mitsui E&P Australia.

(c) **James Croser – Non-Executive Director**

Mr James Croser, BEng (Mining Engineering), has more than 25 years' experience in operational and executive roles, with a strong track record of guiding junior ASX-listed companies through periods of significant growth. Most recently, Mr Croser was a founding director of Red Dirt Metals, now Delta Lithium Limited (ASX: DLI), and was involved in the discovery of the Mt Ida lithium deposit in Western Australia.

(d) **Mark Pitts – Company Secretary**

Mr Mark Pitts, B.Bus, FCA, GAICD, is a Chartered Accountant with more than 35 years' experience in statutory reporting and business administration. He has been directly involved with, and has consulted to, a number of public companies while holding senior financial management positions.

5.8 SpinCo Capital Structure

The indicative capital structure of SpinCo following completion of the Demerger is as follows:

Securities	No. of Securities
SpinCo Shares on issue[1]	100
SpinCo Shares to be transferred to Hammer Metals in consideration for the Restructure and distributed in-specie to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders) pursuant to the In-specie Distribution	25,621,577
Total	25,621,677[2]

Notes:

1. 100 SpinCo Shares were issued to Hammer Metals upon incorporation of SpinCo.
2. Total number of SpinCo Shares to be in-specie distributed to Hammer Metals shareholders. Assumes Eligible Hammer Metals Shareholders each receive one SpinCo Share for every 35 Hammer Metals Shares they currently hold as at the Demerger Record Date pursuant to the In-specie Distribution. The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.

5.9 SpinCo Director and senior management proposed interests

The table below details the SpinCo Directors' relevant interests in the securities of Hammer Metals at the Last Practicable Date and the SpinCo Shares that they will receive if the Demerger is approved and all other Demerger Conditions are satisfied:

SpinCo Director	Hammer Metals Shares	Hammer Metals Options [1]	Hammer Metals Performance Rights [2]	Entitlement to SpinCo Shares [3]
Russell Davis	46,500,000	5,000,000 [4]	Nil	1,328,571
Daniel Thomas	9,833,334	6,000,000 [5]	7,000,000 [6]	395,238 [7]
James Croser	Nil	5,000,000 [8]	Nil	Nil

Notes:

1. Hammer Metals Options will be cancelled for consideration as detailed in Section 11.2(b) of the Scheme Booklet.
2. Hammer Metals Performance Rights will either accelerate and vest upon Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour, by the requisite majorities, the Scheme and the Court, by order, approves the Scheme or will be cancelled for consideration as detailed in Section 11.2(a) of the Scheme Booklet.
3. Assumes Eligible Hammer Metals Shareholders each receive one SpinCo Share for every 35 Hammer Metals Shares they currently hold as at the Demerger Record Date pursuant to the In-specie Distribution. The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.
4. Comprises:
   a. 1,500,000 Hammer Metals Options exercisable at $0.07 each on or before 30 November 2026.
   b. 1,000,000 Hammer Metals Options exercisable at $0.07 each on or before 2 December 2028.
   c. 1,500,000 Hammer Metals Options exercisable at $0.08 each on or before 2 December 2028.
   d. 1,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
5. Comprises:
   a. 4,000,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   b. 2,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.
6. Comprises 3,000,000 Management Performance Rights subject to various vesting conditions and expiring 2 December 2027 and 4,000,000 Hammer Metals Performance Rights subject to various vesting conditions and expiring 15 December 2027.
7. This includes the 4,000,000 Performance Rights which accelerate and vest upon Hammer Metals announcing that the Hammer Metals Shareholders have at a court convened meeting voted in favour, by the requisite

majorities, the Scheme and the Court, by order, approves the Scheme, given that such Performance Rights will accelerate and vest prior to the Demerger Record Date.

8. Comprises:
   a. 4,000,000 Hammer Metals Options exercisable at $0.08 each on or before 30 November 2026.
   b. 1,000,000 Hammer Metals Options exercisable at $0.06 each on or before 30 November 2028.

5.10 SpinCo Directors' remuneration

The SpinCo Board has not yet approved an aggregate amount to be paid as non-executive director fees per annum, however, no directors' fees have been paid (or will be paid) by SpinCo until after the Demerger as described above.

5.11 Substantial SpinCo Shareholders

SpinCo is a directly wholly-owned subsidiary of Hammer Metals and Hammer Metals holds 100% of the issued share capital of SpinCo as at the date of this Notice.

Based on information available to Hammer Metals as at the Last Practicable Date, upon the successful implementation of the Demerger, the following persons will have a relevant interest in 5% or more of the SpinCo Shares on issue:

Name of substantial holder	Number of Hammer Metals Shares	Number of SpinCo Shares [1]	Voting Power in SpinCo
Mr Zbigniew Waldemar Lubieniecki	60,085,588	1,716,731	6.7%
Central Mutual (Investments) Pty Ltd [2]	79,648,822	2,275,681	8.88%
Zenith Pacific Limited [3]	66,000,000	1,885,714	7.36%
BNP Paribas Noms Pty Ltd	50,176,500	1,433,614	5.6%
Mr Russell Davis [4]	46,500,000	1,328,571	5.19%

Notes:

1. Assumes Eligible Hammer Metals Shareholders each receive one SpinCo Share for every 35 Hammer Metals Shares they currently hold as at the Demerger Record Date pursuant to the In-specie Distribution. The final number of In-specie Shares to be in-specie distributed to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) will depend on the number of Hammer Metals Shares on issue as at the Demerger Record Date.
2. This represents the shareholding of Central Mutual (Investments) Pty Ltd together with its Associates, Mr Paul Clarke, Mrs Natasha Clarke, National Health Recovery Agents Pty Ltd and Lundie Investments Pty Ltd.
3. Based on the ASIC Form 604 lodged by Zenith Pacific Limited on 20 August 2026, 8,000,000 Hammer Metals Shares are held by an unnamed custodian.
4. Mr Davis is the Non-Executive Chairman of SpinCo.

5.12 Rights attaching to SpinCo Shares

The In-specie Shares will be fully paid and rank equally in all respects with all other SpinCo Shares on issue. A summary of the more significant rights that will attach to the In-specie Shares is set out in Schedule 4.

5.13 SpinCo risk factors

On successful completion of the Demerger, Eligible Hammer Metals Shareholders will become SpinCo Shareholders and should be aware of the general and specific risk factors which may affect SpinCo and the value of its securities. These risks are outlined in Schedule 3.

5.14 SpinCo financial information

A pro forma statement of financial position for SpinCo, reflecting the indicative balance sheet of SpinCo following completion of the Demerger is detailed in Schedule 2.

5.15 **Material contracts**

A summary of SpinCo's material contracts is set out below:

(a) **Demerger Deed**

On 1 October 2026, Hammer Metals, SpinCo and Carnegie entered into the Demerger Deed, which provides the terms of the Demerger.

The Demerger Deed sets out the terms upon which Hammer Metals will conduct and give effect to the Demerger by way of an equal capital reduction and in-specie distribution to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent, in respect of Demerger Ineligible Shareholders) in accordance with sections 256B and 256C of the Corporations Act. It also prescribes the key restructuring steps to be completed in advance of the Demerger, and the agreed principles governing the transition and emergence of the SpinCo Group and the Hammer Metals Group as independent corporate groups.

The material terms of the Demerger Deed are as follows:

(i) (**Demerger Conditions**) The Demerger is subject to and will not proceed unless all of the following conditions have been satisfied (or waived):

(A) Hammer Metals Shareholders approving, by the requisite majority, the Demerger Resolution;

(B) all regulatory and third party approvals required to give effect to the Demerger having been obtained (either unconditionally or on conditions reasonably satisfactory to Hammer Metals and SpinCo, acting reasonably) and are not revoked, before 8:00am (AWST) on the Demerger Implementation Date;

(C) the Restructure is completed;

(D) the Scheme becoming Effective; and

(E) no temporary restraining order, injunction or other legal restraint preventing the Demerger being in effect as at 8:00am (AWST) on the Demerger Implementation Date.

The Demerger Deed may be terminated if the Demerger Conditions are not satisfied. The Demerger Deed may be terminated if the Demerger is not implemented by 31 January 2027 (or such other date as agreed by Hammer Metals and SpinCo).

(ii) (**Demerger Principles**) To give effect to the Demerger, Hammer Metals and SpinCo agreed that the Demerger will be guided by the following overarching principles (together, the **Demerger Principles**):

(A) the SpinCo Group, as opposed to the Hammer Metals Group, will have the entire economic benefit and risk of, and will assume all of the liabilities of, the SpinCo Business as if the SpinCo Group, and not the Hammer Metals Group, owned and operated the SpinCo Business at all times;

(B) the Hammer Metals Group, as opposed to the SpinCo Group, will have the entire economic benefit and risk of, and will assume all of the liabilities of, the Hammer Metals Business as if the Hammer Metals Group, and not the SpinCo Group, owned and operated the Hammer Metals Business at all times;

(C) if the Hammer Metals Group continues to provide support and assistance to the SpinCo Group following the Demerger Implementation Date, the SpinCo Group must pay the Hammer Metals Group's reasonably incurred costs and expenses for providing such support in a manner consistent with the Demerger Deed;

(D) no SpinCo Group Member will have any rights (including any rights to make a claim in relation to the Demerger or the Demerger Deed) against any Hammer Metals Group Member nor any obligations to any Hammer Metals Group Member (except those rights and obligations expressly provided in the Demerger Deed);

(E) no Hammer Metals Group Member will have any rights (including any rights to make a claim in relation to the Demerger or the Demerger Deed) against any SpinCo Group Member nor any obligations to any SpinCo Group Member (except those rights and obligations expressly provided in the Demerger Deed);

(F) Hammer Metals will assume responsibility for any duty, costs and expenses in respect of the Restructure and will indemnify the SpinCo Group in respect of those costs, ensuring that all such duty, costs and expenses that are reasonably ascertainable by each party will be paid by Hammer Metals in full as and when they fall due;

(G) save in respect of any duty for which Hammer Metals is responsible for paying and discharging in accordance with Section 5.15(a)(ii)(F), each of Hammer Metals and SpinCo will assume responsibility for its own tax costs in respect of the Restructure and will indemnify the other in respect of these tax costs;

(H) from the Demerger Implementation Date, each of Hammer Metals and SpinCo will assume responsibility for its own tax, duty, costs and expenses in respect of the Demerger incurred or accrued on or after the Demerger Implementation Date, and will indemnify the other in respect of those costs, ensuring that all such tax, duty, costs and expenses that are reasonably ascertainable by each party will be paid in full as and when they fall due, with Hammer Metals assuming responsibility for any such obligations (excluding tax) incurred or accrued prior to the Demerger Implementation Date, including in respect of maintenance of the SpinCo Group Tenements; and

(I) Hammer Metals will not be responsible for any direct or indirect tax, duty, cost or expense associated with any initial public offering or any other direct or indirect method of SpinCo or its assets being quoted on any recognised securities exchange.

(iii) (**Restructure**) Hammer Metals agrees to sell, and SpinCo agrees to purchase, 100% of the fully paid ordinary shares in Carnegie, free from any security interest, in consideration for 25,621,577 SpinCo Shares. Subject to Hammer Metals' prior written consent, SpinCo may make offers of employment or engagement to any Hammer Metals employees on the same, or substantially the same, terms and conditions upon which such Hammer Metals employee is employed or engaged with the relevant Hammer Metals Group Member. On the Demerger Implementation Date, Hammer Metals must transfer, or procure the transfer of, the SpinCo Group Cash Reserve in immediately available funds to a bank account nominated by SpinCo (subject to the deductions as contemplated in the Scheme Implementation Deed).

(iv) (**Wrong Pockets**) If either Hammer Metals or SpinCo become aware of an asset that should be owned by SpinCo based on the Demerger Principles, the Demerger Deed contains a "wrong pockets" mechanism which facilitates the transfer of the relevant asset.

(v) (**Implementation of the Demerger**) Hammer Metals has agreed to take various steps to implement the Demerger, including:

(A) convening this Meeting to seek Hammer Metals Shareholder approval for the Demerger Resolution;

(B) do all things necessary to effect the Capital Reduction and In-specie Distribution; and

(C) subject to the Demerger Conditions being satisfied (or waived), executing transfers of all of the In-specie Shares to Eligible Hammer Metals Shareholders (or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders).

SpinCo has agreed to take various steps to implement the Demerger, including:

(D) on the Demerger Implementation Date, entering into the share register of SpinCo each Eligible Hammer Metals Shareholder (or the Demerger Sale Agent in respect of Demerger Ineligible Shareholders) and dispatching the relevant holding statements to each Eligible Hammer Metals Shareholder and the Demerger Sale Agent; and

(E) procuring the sale of the In-specie Shares by the Demerger Sale Agent and the payment of the Sale Proceeds (if any) to Demerger Ineligible Shareholders upon the occurrence of a Liquidity Opportunity.

(vi) (**Interim Period Obligations**) Hammer Metals must, and must procure that each Hammer Metals Group Member, (amongst other matters) conducts the SpinCo Business in the ordinary and usual course consistent with its usual business practices and does not make any material change to the nature or scale of the SpinCo Business and substantially in accordance with the conditions attaching to the SpinCo Group Tenements and all applicable laws and regulations.

(vii) (**Transitional and separation arrangements**) Hammer Metals and SpinCo have agreed to a number of transitional and separation arrangements in relation to the retention of business records, transferring personnel and assets, tax payments and reporting.

(viii) (**Release and Indemnity**) Consistent with the Demerger Principles:

(A) SpinCo has provided Hammer Metals with releases and indemnities regarding all claims and liabilities against Hammer Metals relating to all claims concerning the Demerger, the SpinCo Group assets and the SpinCo Business in respect of the events, matters or things that took place, were incurred or accrued on or after the Demerger Implementation Date, save as a result of fraud, negligence or wilful misconduct of any Hammer Metals Group Member; and

(B) Hammer Metals has provided SpinCo with releases and indemnities regarding all claims and liabilities against SpinCo relating to all claims concerning the Demerger, the Hammer Metals assets and the Hammer Metals Business in respect of the events, matters or things that took place, were incurred or accrued on or after the Demerger Implementation Date, save as a result of fraud, negligence or wilful misconduct of any SpinCo Group Member.

(ix) (**Limitations of Liability**) Each of Hammer Metals and SpinCo's aggregate liability in relation to any claim made under Section 5.15(a)(ii)(H) is limited to $250,000. Neither Hammer Metals nor SpinCo are liable for any claim made under Section 5.15(a)(ii)(H) unless the loss that SpinCo or Hammer Metals (as applicable) would be entitled to recover in relation to any individual claim is greater than $25,000 and the loss that SpinCo or Hammer Metals (as applicable) would be entitled to recover in relation to all claims made under Section 5.15(a)(ii)(H) is greater than $50,000. Each of Hammer Metals and SpinCo is not liable in respect of a claim made under Section 5.15(a)(ii)(H) unless Hammer Metals or SpinCo (as applicable) has notified the other party of the claim within six months of the Demerger Implementation Date or 12 months after the lodgement of Hammer Metals' or SpinCo's income tax return for the income year that includes the Demerger Implementation Date.

5.16 **SpinCo Shares not listed on ASX**

Following the Demerger, SpinCo will be an unlisted company and there will not be a liquid market for SpinCo Shares as the SpinCo Shares will not be listed on the ASX nor any other

securities exchange at the time of the distribution to Eligible Hammer Metals Shareholders. Nevertheless, Eligible Hammer Metals Shareholders will be permitted to sell and trade their SpinCo Shares, at their own risk, during this period.

Eligible Hammer Metals Shareholders may contact SpinCo or its share registry to request a share transfer form, which is necessary to give effect to any transfer of SpinCo Shares that they may wish to undertake.

The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations.

Please refer to Schedule 3 for the risks associated with an investment in an unlisted company.

6 Australian Tax Consequences

6.1 Overview

The following is a general summary of the Australian taxation consequences for Australian resident Hammer Metals Shareholders who receive SpinCo Shares pursuant to the Demerger. It does not constitute tax advice and should not be relied upon as such. The income tax comments set out below are relevant only to those Hammer Metals Shareholders who hold their Hammer Metals Shares on capital account. The description does not address the Australian income tax consequences for Hammer Metals Shareholders who:

(a) hold their Hammer Metals Shares for the purposes of speculation or a business of dealing in securities (for example, as trading stock);

(b) acquired their Hammer Metals Shares pursuant to an employee share, option or rights plan;

(c) are financial institutions, insurance / life insurance companies, partnerships, superannuation funds, tax exempt organisations or temporary residents;

(d) are Australian residents who hold their Hammer Metals Shares as part of an enterprise carried on at or through a permanent establishment in a foreign country;

(e) change their tax residence while holding Hammer Metals Shares;

(f) invest indirectly into Hammer Metals Shares through directed portfolio services, master funds or other portfolio administration services;

(g) are dealers in Hammer Metals Shares;

(h) are subject to the taxation of financial arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Hammer Metals Shares; or

(i) are Demerger Ineligible Shareholders.

The information below is not a complete analysis of all taxation implications relevant to the proposed Demerger and all Hammer Metals Shareholders should obtain independent tax advice regarding the income tax and capital gains tax implications specific to their circumstances. The information below does not consider the future tax implications associated with holding or selling the Hammer Metals Shares or SpinCo Shares following implementation of the Demerger. The comments relate to Australian income tax consequences only and not, for instance, Australian stamp duty or goods and services tax implications. Hammer Metals Shareholders who are not residents of Australia for income tax purposes, should also seek independent taxation advice, including in relation to potential withholding tax consequences should a dividend (or deemed dividend) be paid.

The information below has been prepared based on the taxation laws, regulations, rulings and administrative guidance and judicial interpretations as at the date of this Explanatory

Memorandum. It is important to note the ultimate interpretation of taxation law rests with the courts and that the law, and the way the revenue authorities seek to administer the law, may change over time. Accordingly, the information below represents an interpretation of existing law based upon generally accepted interpretations of that law, or taxation consequences in jurisdictions outside Australia.

Australian tax laws are complicated and subject to legislative and interpretive change both prospectively and (occasionally) retrospectively. Changes in the tax law or interpretation of the tax law subsequent to the date of this Explanatory Memorandum may alter the tax treatment of the Demerger.

There could also be implications for Hammer Metals Shareholders in addition to those described above. The information provided below is general in nature and the individual circumstances of each Hammer Metals Shareholder may affect the tax implications of the Demerger for that shareholder. Hammer Metals Shareholders should seek appropriate independent professional advice that considers the tax implications in respect of their own specific circumstances, including any potential tax implications in jurisdictions outside Australia.

6.2 ATO Ruling

Hammer Metals has made an application to the Commissioner of Taxation (**Commissioner**) for a class ruling confirming certain Australian income tax implications of the Demerger for Hammer Metals Shareholders (the **ATO Ruling**), including whether the Commissioner will make a determination under section 45B of the ITAA 1936 to treat a component of the return of capital represented by the distribution of SpinCo Shares to Hammer Metals Shareholders as an assessable dividend.

The ATO has provided preliminary advice confirming the Commissioner's view that Hammer Metals Shareholders will not be eligible for demerger tax relief under Division 125 of the ITAA 1997 (**Demerger Relief**).

The ATO Ruling may or may not be consistent with the outline below. The information below discusses, at a high level, the potential Australian income tax consequences for Hammer Metals Shareholders who are residents of Australia and hold their Hammer Metals Shares on capital account assuming Demerger Relief is not available.

The Hammer Metals Board considers that a decision from the ATO not to grant Demerger Relief should not impact the Demerger and the Demerger may still proceed, if approved by Hammer Metals Shareholders. The Hammer Metals Board considers that a decision from the ATO to make a determination under section 45B of the ITAA 1936 should not impact the Demerger and the Demerger may still proceed, if approved by Hammer Metals Shareholders.

6.3 CGT and income consequences

The Capital Reduction will give rise to a CGT event for Hammer Metals Shareholders representing the distribution of SpinCo Shares. The CGT event will happen at the time Hammer Metals completes the Capital Reduction.

(a) Implications for Australian resident Hammer Metals Shareholders if Demerger Relief is not available

If Demerger Relief is not available and if the Commissioner does not make a determination under section 45B of the ITAA 1936:

(i) Australian resident Hammer Metals Shareholders must reduce the cost base and reduced cost base of the Hammer Metals Shares by the capital return amount (but not below zero);

(ii) if the capital return amount exceeds the cost base in the Hammer Metals Shares, the Australian resident Hammer Metals Shareholder will make a capital gain under CGT event G1 to the extent of the excess;

(iii) Australian resident Hammer Metals Shareholders will have a cost base and reduced cost base in their SpinCo Shares equal to their market value at the time they are transferred to the Hammer Metals Shareholders; and

(iv) for the purposes of determining the availability of the CGT discount on a subsequent sale of SpinCo Shares, Australian resident Hammer Metals Shareholders will be treated as having acquired the SpinCo Shares at the time they are transferred to the Hammer Metals Shareholders (i.e. as at the Demerger Implementation Date). Hammer Metals Shareholders should seek appropriate tax advice to determine the application of the CGT discount (if applicable) in their specific circumstances.

6.4 Application of tax integrity measures

The Commissioner may make a determination under section 45B of the ITAA 1936 to deem certain payments to be treated as taxable unfranked dividends for taxation purposes. Hammer Metals expects the Commissioner to confirm in the ATO Ruling whether he intends to make a determination under section 45B of the ITAA 1936 or not. For completeness, the following is an outline of the potential Australian income tax implications for Australian resident Hammer Metals Shareholders who hold their shares on capital account should the Commissioner make a determination under section 45B of the ITAA 1936 in respect of the Demerger:

(a) Hammer Metals Shareholders may make a capital gain to the extent that the capital return amount exceeds the particular Hammer Metals Shareholder's cost base;

(b) all or part of the capital return amount may be treated as an unfranked dividend. This amount would be assessable income for Australian resident Hammer Metals Shareholders;

(c) the CGT cost base in the Hammer Metals Shares will be reduced to the extent the capital return amount is not treated as a dividend;

(d) the CGT cost base in SpinCo Shares should be equal to the market value of the SpinCo Shares at the time of the in-specie distribution; and

(e) SpinCo Shares should be treated as having been acquired at the time they are transferred to Hammer Metals Shareholders.

6.5 Withholding tax where any part of the SpinCo Shares are treated as a dividend

To the extent that the demerger of SpinCo Shares to Hammer Metals Shareholders is treated as a dividend under any of the scenarios outlined above, Hammer Metals may have a withholding obligation to the ATO. Withholding may arise in the following situations:

(a) if the Hammer Metals Shareholder is a non-resident of Australia for tax purposes. In such circumstances the amount withheld and remitted to the ATO will depend on the country of residence of the Hammer Metals Shareholder and the availability of any tax treaty relief; and

(b) if the Hammer Metals Shareholder is an Australian tax resident and has failed to provide Hammer Metals with their tax file number (or, in some cases, their ABN) withholding tax may also be applicable.

If Hammer Metals has a withholding obligation, it may require that an amount is withheld by the Demerger Sale Agent from the proceeds of the sale of SpinCo Shares.

If the proceeds of the sale of SpinCo Shares have already been distributed prior to any part of the Demerger being treated as a dividend, Hammer Metals may be required to fund the amount of the withholding obligation.

7 Resolution 1 – Approval for the Capital Reduction and In-specie Distribution of the In-specie Shares

7.1 General

Resolution 1 seeks the approval of Shareholders for the purposes of sections 256B and 256C of the Corporations Act and for all other purposes:

(a) to reduce the capital of the Company by an amount equal to the market value of the In-specie Shares (as determined by the Hammer Metals Directors) with such amount being applied equally against each Hammer Metals Share on issue on the Demerger Record Date; and

(b) for the reduction of capital to be effected and satisfied by the Company making a pro rata in-specie distribution of the In-specie Shares to all Eligible Hammer Metals Shareholders, and to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders, as at the Demerger Record Date.

The background to the Demerger is summarised in Section 4.

Resolution 1 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If Resolution 1 is passed, Hammer Metals will be able to proceed with the Demerger for the purposes of sections 256B and 256C of the Corporations Act, subject to the satisfaction (or where permitted, waiver) of the remaining Demerger Conditions. If Resolution 1 is not passed, Hammer Metals will not be able to proceed with the Demerger under and for the purposes of sections 256B and 256C of the Corporations Act, and as a consequence Hammer Metals will continue to hold the Gold Assets. If this outcome were to eventuate, Hammer Metals may look to undertake alternative value realisation opportunities with the Gold Assets such as, without limitation, disposals to third parties or entering joint venture arrangements.

The Scheme is conditional upon the Demerger Resolution being passed by Hammer Metals Shareholders by the requisite majority. Accordingly, if the Demerger Resolution is not approved by the Hammer Metals Shareholders, and the condition is not waived by Hammer Metals, then the Scheme will not proceed.

7.2 Requirements under sections 256B and 256C of the Corporations Act

The proposed reduction of capital by way of the In-specie Distribution is an equal capital reduction.

Under section 256B of the Corporations Act, the Company may only reduce its capital if it:

(a) is fair and reasonable to Hammer Metals Shareholders as a whole;

(b) does not materially prejudice the Company's ability to pay its creditors; and

(c) is approved by Hammer Metals Shareholders in accordance with section 256C of the Corporations Act.

For the reasons set out in this Explanatory Memorandum, the Hammer Metals Directors believe that the Capital Reduction is fair and reasonable to Hammer Metals Shareholders as a whole and does not materially prejudice the Company's ability to pay its creditors.

In accordance with the Corporations Act, this Explanatory Memorandum and Hammer Metals' previous ASX announcements set out all information known to Hammer Metals that is material to Hammer Metals Shareholders' decision on how to vote on the Demerger Resolution. Hammer Metals has lodged a copy of this Demerger Notice with ASIC and ASX.

7.3 Hammer Metals Board recommendation

After considering all relevant factors, the Hammer Metals Directors recommend that Hammer Metals Shareholders vote in favour of Resolution 1.

Schedule 1

Definitions and Interpretation

1 Definitions

In this Notice, unless the context otherwise requires:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Limited.

ATO means the Australian Taxation Office.

ATO Ruling has the meaning given in Section 6.2.

Austral means Austral Resources Australia Ltd ACN 142 485 470.

Austral Share means a fully paid ordinary share in Austral.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Business Day means:

(a) when used in relation to the Demerger Implementation Date and the Demerger Record Date, has the meaning given in the Listing Rules; and

(b) in all other cases, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Capital Reduction means the reduction in the share capital of Hammer Metals which will be satisfied by the In-specie Distribution.

Carnegie means Carnegie Exploration Pty Ltd ACN 124 801 467.

CGT means capital gains tax.

CGT event G1 has the meaning given in section 104-135 of ITAA 1997.

Chair means the person appointed to chair the Meeting convened by this Notice.

Commissioner has the meaning given in Section 6.2.

Company or **Hammer Metals** means Hammer Metals Limited ACN 095 092 158.

Constitution means the constitution of the Company (as amended from time to time).

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Hammer Metals and Austral.

Demerger means the demerger of the SpinCo Group from the Hammer Metals Group to be effected by the Capital Reduction and In-specie Distribution.

Demerger Conditions has the meaning given in Section 4.7.

Demerger Deed has the meaning given in Section 4.2.

Demerger Effective Date means the Business Day after Hammer Metals Shareholders approve the Demerger Resolution, or such other date as Hammer Metals and SpinCo agree in writing.

Demerger Implementation Date means the fifth Business Day after the Demerger Record Date, or such other date as Hammer Metals and SpinCo agree in writing.

Demerger Ineligible Shareholder means any Hammer Metals Shareholder whose address shown on the Hammer Metals Share Register as at the Demerger Record Date is not in a Permitted Jurisdiction.

Demerger Principles has the meaning given in Section 5.15(a)(ii).

Demerger Record Date means 7:00pm (Sydney time) on the third Business Day after the Demerger Effective Date, or such other time and date as Hammer Metals and SpinCo agree in writing.

Demerger Relief has the meaning given in Section 6.2.

Demerger Resolution or **Resolution** means the ordinary resolution to approve the Capital Reduction detailed in this Notice.

Demerger Sale Agent means a person or persons holding a valid Australian Financial Services Licence who is or are appointed by SpinCo to sell the In-specie Shares that would otherwise be transferred or distributed to or for the benefit of Demerger Ineligible Shareholders under the terms of the In-specie Distribution.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Eligible Hammer Metals Shareholder means a person registered as a Hammer Metals Shareholder on the Demerger Record Date, other than a Demerger Ineligible Shareholder.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice.

FSMA means *Financial Services and Markets Act 2000*.

Gold Assets has the meaning given in Section 4.2.

Hammer Metals Board means the board of directors of Hammer Metals.

Hammer Metals Business means the existing business and undertakings, operations or activities carried on by the Hammer Metals Group on or before the Demerger Implementation Date, other than the SpinCo Business.

Hammer Metals Director means a director of Hammer Metals.

Hammer Metals Group means Hammer Metals and each of its Related Bodies Corporate, including the SpinCo Group prior to the Demerger Implementation Date, but excluding the SpinCo Group on and from the Demerger Implementation Date.

Hammer Metals Group Member means a member of the Hammer Metals Group.

Hammer Metals Option means an unlisted option issued by Hammer Metals to acquire an unissued Hammer Metals Share.

Hammer Metals Performance Right means a right issued by Hammer Metals which entitles the holder to an unissued Hammer Metals Share.

Hammer Metals Share means a fully paid ordinary share in the capital of Hammer Metals.

Hammer Metals Shareholder means a registered holder of one or more Hammer Metals Shares, as shown in the Hammer Metals Share Register.

Hammer Metals Share Register means the register of members maintained by, or on behalf of, Hammer Metals in accordance with the Corporations Act.

In-specie Distribution means the distribution of the In-specie Shares to Eligible Hammer Metals Shareholders, or to the Demerger Sale Agent in respect of Demerger Ineligible Shareholders.

In-specie Shares means 100% of the SpinCo Shares held by Hammer Metals on the Demerger Record Date, being 25,621,677 SpinCo Shares.

ITAA 1936 means the Income Tax Assessment Act 1936 (Cth).

ITAA 1997 means the Income Tax Assessment Act 1997 (Cth).

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition).

Last Practicable Date means Wednesday, 30 September 2026, being the last practicable date to prepare information before finalising this Notice for dispatch to Hammer Metals Shareholders.

Liquidity Opportunity means an event, transaction or circumstance that, in the SpinCo Board's reasonable opinion, provides an opportunity for the In-specie Shares to be sold or otherwise realised in an orderly manner and on reasonable commercial terms, having regard to the interests of SpinCo and SpinCo Shareholders (including, for the avoidance of doubt, Demerger Ineligible Shareholders) including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction.

Listing Rules means the official listing rules of the ASX in place from time to time.

Management Performance Rights means the 3,000,000 performance rights (exercisable into Hammer Metals Shares, subject to the satisfaction of certain vesting conditions) issued to Mr Daniel Thomas on 3 December 2024, subject to the terms and conditions as detailed in the Hammer Metals Notice of Annual General Meeting dated 14 October 2024.

Meeting, General Meeting or Demerger Meeting means the general meeting of Hammer Metals Shareholders convened by this Notice at which Hammer Metals Shareholders will vote on the Demerger Resolution (including any meeting following an adjournment or postponement of that meeting).

Merged Group means the combination of the Hammer Metals Group and the Austral group, as comprised by Austral and its subsidiaries following implementation of the Scheme.

Mineral Resource has the meaning given in the JORC Code.

Notice means the notice convening the Meeting and includes the agenda, Explanatory Memorandum and the Proxy Form.

Ore Reserve has the meaning given in the JORC Code.

Permitted Jurisdiction means:

(a) Australia, Hong Kong, Singapore, Switzerland and the United Kingdom; or

(b) such other jurisdiction as the SpinCo Board considers reasonable to extend the distribution of the In-specie Shares outside Australia.

Proxy Form means the proxy form attached to this Notice.

Related Bodies Corporate has the meaning given in the Corporations Act.

Restructure has the meaning given in Section 4.6.

Sale Facility means the share sale facility operated by the Demerger Sale Agent as described in Section 4.11.

Sale Proceeds means the proceeds of the sale referred to in Section 4.11 after the Demerger Sale Agent has deducted any applicable brokerage, foreign exchange, stamp duty and other selling costs, taxes (including withholding tax) and charges.

Schedule means a schedule to this Explanatory Memorandum.

Scheme has the meaning given in Section 4.2.

Scheme Booklet means the scheme booklet prepared and issued in connection with the Scheme, of which this Notice forms part, at Annexure E.

Scheme Implementation Deed means the scheme implementation deed dated 11 August 2026 between Hammer Metals and Austral, a copy of which was released to the ASX by Hammer Metals on 11 August 2026.

Section means a section of this Explanatory Memorandum or the Scheme Booklet (as the context requires).

SFA has the meaning given in Section 2.6.

SIX has the meaning given in Section 2.7.

SpinCo means Carnegie Resources Limited ACN 701 952 865.

SpinCo Board means the board of directors of SpinCo as constituted from time to time.

SpinCo Business means the business and undertakings, operations or activities carried on by the SpinCo Group on or before the Demerger Implementation Date, including the exploration and development of the Gold Assets.

SpinCo Constitution means the constitution of SpinCo (as amended from time to time).

SpinCo Director means any director of **SpinCo** and **SpinCo Directors** means all of them.

SpinCo Group means SpinCo and each of its Related Bodies Corporate, including Carnegie on and from completion of the Restructure.

SpinCo Group Cash Reserve means $700,000 (excluding GST), subject to the deductions in the Scheme Implementation Deed.

SpinCo Group Member means a member of the SpinCo Group.

SpinCo Group Tenements means the mineral tenements and other rights and interests listed in Schedule 5, and any tenement applied for or granted in renewal or extension of any such tenement or in substitution or replacement for any such tenement.

SpinCo Information means the information concerning the intentions and strategy of SpinCo which has been provided by SpinCo to Hammer Metals for inclusion in this Notice.

SpinCo Share means a fully paid ordinary share in the capital of SpinCo.

SpinCo Shareholder means a registered holder of one or more SpinCo Shares, as shown in the register of members maintained by, or on behalf of, SpinCo in accordance with the Corporations Act.

2 Interpretation

In this Notice, headings and words in bold are for convenience only and do not affect the interpretation of this Notice and, unless the context otherwise requires:

(a) words importing the singular include the plural and vice versa;

(b) words importing a gender include any gender;

(c) other parts of speech and grammatical forms of a word or phrase defined in this Notice have a corresponding meaning;

(d) a term not specifically defined has the meaning given to it (if any) in the Corporations Act;

(e) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, consolidating or replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;

(f) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;

(g) a reference to a body (including, without limitation, an institute, association or authority), whether statutory or not:

(i) which ceases to exist; or

(ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions;

(h) “include” and “including” are not words of limitation; and

(i) “$” is a reference to Australian currency.

Schedule 2

Financial Information for Hammer Metals and SpinCo

1 Pro Forma Balance Sheet for Hammer Metals

The pro forma consolidated statement of financial position below sets out the financial position of Hammer Metals as at 30 June 2026 as if the Demerger had been implemented on that date. The audited column has been extracted from the audited consolidated financial report of Hammer Metals for the year ended 30 June 2026. The transaction adjustments column reflects transactions arising under the Scheme that had not occurred at 30 June 2026, as described in Note 5. The pro forma column is illustrative only, has not been audited or reviewed, and does not purport to reflect the financial position of Hammer Metals at any actual date. Other than the adjustments described in the notes below, it does not reflect the results of Hammer Metals' operations since 30 June 2026, nor does it reflect the implementation of the Scheme itself.

	Audited 30 June 2026 $	Transaction adjustments $	Demerger adjustments $	Pro forma 30 June 2026 $
Current assets				
Cash and cash equivalents (notes 1, 2 and 5)	1,530,850	1,449,611	(723,928)	2,256,533
Trade and other receivables	71,685	–	–	71,685
Total current assets	**1,602,535**	**1,449,611**	**(723,928)**	**2,328,218**
Non-current assets				
Other financial assets	118,698	–	–	118,698
Plant and equipment	4,163	–	–	4,163
Right-of-use assets	57,956	–	–	57,956
Exploration and evaluation expenditure (note 1)	31,285,719	–	(9,413,397)	21,872,322
Total non-current assets	**31,466,536**	**–**	**(9,413,397)**	**22,053,139**
Total assets	**33,069,071**	**1,449,611**	**(10,137,325)**	**24,381,357**
Current liabilities				
Trade and other payables (note 1)	713,753	–	(30)	713,723
Borrowings (note 5)	1,000,000	2,000,000	–	3,000,000
Lease liabilities	33,801	–	–	33,801
Total current liabilities	**1,747,554**	**2,000,000**	**(30)**	**3,747,524**
Non-current liabilities				
Lease liabilities	18,789	–	–	18,789
Total non-current liabilities	**18,789**	**–**	**–**	**18,789**
Total liabilities	**1,766,343**	**2,000,000**	**(30)**	**3,766,313**
Net assets	**31,302,728**	**(550,389)**	**(10,137,295)**	**20,615,044**
Equity				
Share capital (note 3)	67,117,154	–	(6,405,419)	60,711,735
Reserves	619,134	–	–	619,134

Accumulated losses (notes 4 and 5)	(36,433,560)	(550,389)	(3,731,876)	(40,715,825)
Total equity	**31,302,728**	**(550,389)**	**(10,137,295)**	**20,615,044**

Notes to the pro forma balance sheet for Hammer Metals

Note 1. Derecognition of the Gold Assets. On implementation of the Demerger, Hammer Metals ceases to control Carnegie and the Gold Assets it holds. The consolidated carrying amount of the Western Australian exploration and evaluation asset of $9,413,397 is derecognised, comprising $8,880,984 carried in Carnegie and $532,413 of acquisition costs carried by Hammer Metals which transfer to SpinCo under the Restructure. Carnegie's cash of $23,928 and trade and other payables of $30 are also derecognised.

Note 2. SpinCo Cash Reserve. Hammer Metals is to transfer an aggregate amount of up to $700,000 in cash to the SpinCo Group (subject to the deductions contemplated in the Scheme Implementation Deed). The pro forma assumes the full amount is transferred.

Note 3. Capital Reduction. The issued share capital of Hammer Metals is reduced by $6,405,419, being the market value of the In-specie Shares, applied equally against each Hammer Metals Share on issue on the Demerger Record Date and satisfied by the In-specie Distribution. That amount is the deemed issue price of $0.25 per SpinCo Share applied to the 25,621,677 In-specie Shares.

Note 4. Loss on distribution. The carrying amount of the net assets distributed of $10,137,295 exceeds the market value of the In-specie Shares of $6,405,419. Under Australian Accounting Standards the difference of $3,731,876 is recognised as a loss in the statement of profit or loss, and accordingly in accumulated losses, in the year in which the Demerger is implemented. It does not form part of the Capital Reduction and is not debited to share capital.

Note 5. Post balance date transactions under the Scheme. The transaction adjustments column reflects three transactions that had not occurred at 30 June 2026 and that arise under the Scheme rather than the Demerger: a drawdown of $3,000,000 under the $6,000,000 unsecured working capital facility made available by Austral, being the amount drawn at the date of this Notice; repayment of the $1,000,000 outstanding under the bridging loan provided by Larvotto; and payment of the break fee of $550,389 payable to Larvotto under the Scheme Implementation Deed dated 11 June 2026. The drawdown and the repayment move cash and borrowings by equal amounts and do not change net assets. The break fee is an expense and reduces net assets and accumulated losses. Hammer Metals may draw further amounts under the facility before the Demerger Implementation Date, which would increase cash and borrowings by equal amounts without affecting net assets.

2 Pro Forma Statement of Financial Position for SpinCo

The pro forma statement of financial position below sets out the indicative financial position of SpinCo immediately following completion of the Demerger, prepared as if the Restructure and the Demerger had been completed on 30 June 2026. It is illustrative only, has not been audited or reviewed, and does not purport to reflect the financial position of SpinCo at any actual date.

	Pro forma $
Assets	
Cash and cash equivalents (note 2)	723,928
Exploration and evaluation expenditure (note 6)	9,413,397
Total assets	**10,137,325**
Liabilities	
Trade and other payables (note 6)	30
Loan payable to Hammer Metals — forgiven before the Demerger (note 7)	–
Total liabilities	**30**
Net assets	**10,137,295**
Equity	

Contributed equity — SpinCo Shares issued under the Restructure (note 8)	6,405,394
Capital contribution reserve — SpinCo Cash Reserve (note 9)	700,000
Common control reserve (note 8)	3,031,901
Total equity	**10,137,295**

Notes to the pro forma statement of financial position for SpinCo

Note 6. SpinCo assets and liabilities. SpinCo's pro forma assets comprise the Gold Assets transferred under the Restructure, Carnegie's cash and the SpinCo Cash Reserve. SpinCo's only liability is an accrual of $30 recognised by Carnegie.

Note 7. Intercompany loan. The loan owing by Carnegie to Hammer Metals, which stood at $9,507,103 at 30 June 2026, is eliminated on consolidation and accordingly has no effect on the pro forma balance sheet of Hammer Metals. The loan will be forgiven immediately before the Demerger, while Carnegie remains a member of the Hammer Metals tax consolidated group. The amount forgiven will be the balance outstanding at that time, which will include any further amounts advanced by Hammer Metals after 30 June 2026, rather than the balance shown above. No cash is paid or received on forgiveness. The consideration for the Restructure has been determined on the basis that the loan is forgiven.

Note 8. SpinCo equity. SpinCo acquires Carnegie from Hammer Metals under common control. The pro forma carries the net assets acquired at the amounts at which they were carried by Hammer Metals and recognises contributed equity at the value ascribed to the SpinCo Shares issued under the Restructure. The excess of the carrying amount of the net assets distributed over the sum of contributed equity and the capital contribution reserve is recognised in a common control reserve.

Note 9. Capital contributions. The forgiveness of the intercompany loan referred to in Note 7 is a transaction between Hammer Metals and Carnegie in their respective capacities as owner and subsidiary. It is credited to equity rather than recognised as income, and is reflected in the carrying amount of the net assets SpinCo acquires under the Restructure rather than in a separate reserve. The SpinCo Cash Reserve referred to in Note 2 is transferred separately and is shown in the capital contribution reserve.

SpinCo will have 25,621,677 SpinCo Shares on issue following completion of the Demerger, equivalent to net assets of approximately $0.3957 per SpinCo Share on the pro forma basis set out above. SpinCo Shares will not be listed on ASX or any other securities exchange at the time of the In-specie Distribution.

Schedule 3

Risks

The business, assets and operations of SpinCo will be subject to certain risk factors that have the potential to influence its operating and financial performance in the future. These risks can impact on the value of an investment in its securities and include those highlighted below.

The risk factors set out below ought not to be taken as exhaustive of the risks faced by SpinCo or by investors in SpinCo. The below factors, and others not specifically referred to below, may in the future materially affect the financial performance of SpinCo and the value of the SpinCo Shares. Therefore, the SpinCo Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares.

SpinCo Directors will, to the best of their knowledge, experience and ability endeavour to anticipate, identify and manage the risks inherent in the activities of SpinCo, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of SpinCo and its business operations. The ability of SpinCo Directors to do so may be affected by matters outside their control and no assurance can be given that SpinCo Directors and SpinCo's management will be successful in these endeavours.

1 SpinCo specific risks

(a) **Tenure and title to properties**

The Gold Assets are subject to the Western Australian mining regime. SpinCo's exploration program is dependent upon the maintenance (including renewal) of the tenements, including exploration licences and mining leases. Maintenance of the tenements is primarily dependent on the tenement holder's ability to meet the licence conditions imposed by the relevant authorities, which, in turn, is dependent on the tenement holder being sufficiently funded to meet those expenditure requirements. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements.

If SpinCo (either directly or through Carnegie) applies for additional mining tenements in its own capacity, there is no assurance that such mining tenements will be granted at all or in their entirety, or with favourable conditions that SpinCo or Carnegie (as applicable) will be able to satisfy. Conditions may include increased expenditure and work commitments or compulsory relinquishment of important areas of the mining tenement.

A failure to comply with the conditions attaching to any SpinCo Group Tenement (including any additional tenements applied for by SpinCo or Carnegie) may adversely affect SpinCo's operations, financial position, performance and prospects. Mining tenements are also subject to periodic renewal and, in some cases, may only be renewed or extended a limited number of times and for limited periods. There can be no assurance that any SpinCo Group Tenement will be renewed or extended, or that any application for a new tenement will be granted.

SpinCo also cannot give any assurance that title to the SpinCo Group Tenements, or any future mining tenements that it or Carnegie applies for, will not be challenged, cancelled or impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects.

There is also a risk of an inability to access the land required for SpinCo's mining activities and operations. This may, for example, be as a result of weather, environmental restraints, native title, landholder activities, regulatory or third-party objections or other factors. Such difficulties may cause delays and cost overruns.

(b) **SpinCo has no history of earnings and no production revenues**

SpinCo is a mineral exploration and development company, has no history of earnings, and does not have any producing mining operations. SpinCo will experience losses from exploration activities and until such time as SpinCo commences mining production activities, it expects to continue to incur losses. There can be no guarantee that the SpinCo Business will operate in line with assumed cost structures.

Should the level of costs required to operate the SpinCo Business be higher than anticipated then it may have a materially adverse effect on the future performance and prospects of SpinCo.

There can be no assurance that Gold Assets will be profitable in the future. Should production commence, the operating expenses and capital expenditures of the projects may increase in future years as targeted resources are more difficult to extract.

The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and other factors, many of which are beyond SpinCo's control.

(c) **Future capital requirements**

SpinCo has no operating revenue and is unlikely to generate any operating revenue unless and until the Gold Assets (or any future project acquired by SpinCo) are successfully developed and production commences.

SpinCo's growth through its proposed and future exploration will require additional expenditure. SpinCo's cash reserves may not be sufficient to successfully achieve the long-term objectives of SpinCo's overall business strategy. SpinCo may not be able to use debt or equity to fund further exploration.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. There is no guarantee that SpinCo will be able to secure any additional funding or be able to secure funding on terms favourable to SpinCo. In addition, SpinCo's ability to raise new equity capital at an appropriate price will be significantly impacted by SpinCo's operating performance, market conditions and the capital raising environment at the time.

If SpinCo is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration and development programs (as the case may be).

(d) **Land access risk**

Mining tenements are a limited form of tenure which can co-exist with, and overlap, other land interests and rights, including private land, pastoral leases, Crown land interests, public reserves and State forests. SpinCo's access to the SpinCo Group Tenements (or any future mining tenement) may overlap other land interests or rights and may require some form of consent or agreement, which may or may not be given or may be given on conditions. This can cause delays and/or increased costs for SpinCo. SpinCo will need to manage this access on an ongoing basis.

Compensation may be payable to third parties in some instances, particularly in relation to carrying out activities on private land and pastoral leases.

Any inability to obtain, or delays or costs in respect of obtaining necessary landowner or government consents or agreements, or delays or costs in resolving conflicting third-party rights and compensation obligations, may adversely impact SpinCo's ability to carry out exploration or mining activities within the affected areas.

(e) **No liquid market**

Immediately following the Demerger Implementation Date, SpinCo will initially be an unlisted public company and so there will not be a liquid market for SpinCo Shares. The SpinCo Board does not have a present intention to undertake an initial public offering for the purposes of seeking admission of SpinCo Shares to the official list of the ASX. The SpinCo Board reserves the right to assess various corporate transaction opportunities (including, but not limited to, a trade sale, asset transaction, agreed corporate transaction or other strategic alternative transaction) having regard to market conditions, funding requirements and SpinCo Shareholder value considerations.

While SpinCo Shareholders may sell their shares off-market by executing a share transfer form, insufficient liquidity may have an adverse effect on a SpinCo Shareholder's ability to sell their SpinCo Shares and SpinCo Shareholders may be unable to do so at an acceptable price, or at all, if the market for SpinCo Shares is illiquid.

(f) **Commodity price volatility**

As future revenues will primarily be derived from the sale of gold delineated from the Gold Assets, any future earnings will be closely related to the sale of gold. Commodity prices fluctuate and are affected by numerous factors beyond the control of SpinCo. The various factors affecting the prevailing gold price include, but are not limited to, the strength of the US dollar (which is the currency in which gold trades internationally), speculative positions taken by investors or traders in gold, changes in global demand for gold, global and regional recessions or reduced economic activity and/or inflationary expectations, financial market expectations regarding the rate of inflation, gold hedging and de-hedging by gold producers, decisions made by central banks and multilateral organisations to purchase, hold or sell portions of their gold reserves, changes in production costs in major gold producing regions and domestic or international political or geopolitical events, unrest or hostilities. Historically, the gold price has fluctuated widely.

Some of the possible adverse consequences of a future decline in the gold price include, but are not limited to, SpinCo's operations becoming uneconomic as projected future revenues no longer justify the costs of operation or development, the value of SpinCo's assets declining, and the restatement of SpinCo's Mineral Resources for gold. All of these circumstances could have an adverse impact on SpinCo's operations, business and financial performance.

A declining gold price can also impact operations by requiring a reassessment of the feasibility of mine plans and certain projects and initiatives. The commencement of development projects and the ongoing commitment to exploration projects can be potentially impacted by a decline in the prevailing gold price. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could potentially cause substantial delays and/or may interrupt operations, which may have a material adverse effect on SpinCo's operations and financial condition.

(g) **Operational**

The operations of SpinCo may be affected by factors that are beyond the control of SpinCo, including (without limitation) failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages, delays in procuring, or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of SpinCo.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While SpinCo currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that SpinCo will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(h) **Environmental regulation risk**

The Gold Assets are subject to Western Australian and Federal laws and regulations on environmental matters, including rehabilitation. Governments and other authorities that administer and enforce environmental laws and regulations determine these requirements. As with all exploration projects and mining operations, SpinCo's activities are expected to have an impact on the environment, particularly, if SpinCo's activities

result in mine development. SpinCo intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent SpinCo from being able to develop potentially economically viable mineral deposits. There are also risks that SpinCo may breach environmental laws and regulations, with consequential adverse effects on the financial position and performance of SpinCo.

Further, SpinCo may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent SpinCo from undertaking its desired activities. SpinCo is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase SpinCo's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige SpinCo to incur significant expenses and undertake significant investments which could have a material adverse effect on SpinCo's business, financial condition and results of operations.

(i) **Environmental liabilities risk**

SpinCo's activities are subject to potential risks and liabilities associated with (without limitation) the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to SpinCo (or to other companies in the minerals industry) at a reasonable price. To the extent that SpinCo becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to SpinCo and could have a material adverse effect on SpinCo. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

(j) **Climate change risk**

There are a number of climate-related factors that may affect the operations and financial position of SpinCo. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes and earthquakes) may have an adverse effect on SpinCo's operations and/or SpinCo's future financial performance.

Changes in policy, technological innovation and/or consumer/investor preferences may also adversely impact the operations and financial position of SpinCo or may result in less favourable pricing for its product, particularly in the event of a transition to a lower carbon economy.

(k) **Reliance on key personnel**

SpinCo is reliant on a number of key personnel. The loss of one or more of its key personnel could have an adverse impact on the business of SpinCo.

Furthermore, it may be particularly difficult for SpinCo to attract and retain suitably qualified and experienced people, given the current high demand in the industry and relatively small size of SpinCo, compared with other industry participants.

(l) **New assets and acquisitions**

SpinCo may make acquisitions in the future as part of future growth plans (although no such new projects have been identified as at the date of this Notice). There can be no guarantee any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for SpinCo Shareholders.

Such acquisitions may result in the use of SpinCo's cash resources, the issuance of equity securities (which will dilute SpinCo Shareholders) or debt funding (which may restrict SpinCo's financing or operating activities).

(m) **Regulatory risk**

SpinCo's operations are subject to various federal, state and local laws, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title, cultural heritage, mine safety, mine rehabilitation following closures and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that SpinCo will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation.

To the extent such approvals are required and not retained or obtained in a timely manner or at all, SpinCo may be curtailed or prohibited from continuing or proceeding with exploration and production.

2 Industry specific risks

(a) **Nature of mineral exploration and mining**

The business of mineral exploration, development and production is subject to risk by its nature. Mineral exploration requires large amounts of expenditure over extended periods of time with no guarantee of revenue and exploration and development activities may be impeded by circumstances and factors beyond SpinCo's control.

The Gold Assets are at a relatively early stage of exploration and potential investors should understand that mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards.

The success of SpinCo depends, among other things, on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining activities may also be hampered by force majeure circumstances, land claims and unforeseen mining problems.

There is no assurance that exploration and development of the mineral interests owned by SpinCo, or any other projects that may be acquired in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, SpinCo may seek to transfer its property interests or otherwise realise value, or SpinCo may even be required to abandon its business and fail as a “going concern.”

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. The combination of these factors may result in SpinCo expending significant resources (financial and otherwise) on tenements without receiving a return. There is no certainty that expenditures made by SpinCo towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

SpinCo has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. SpinCo believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, SpinCo may experience delays or increased costs in exploring or developing the Gold Assets.

(b) **Results of studies**

SpinCo intends to undertake drilling programs, and subject to the results of any future exploration and testing programs, SpinCo may progressively undertake a number of studies in respect of the Gold Assets or any new projects. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies.

These studies may not occur, but if they are completed, they would be prepared within certain parameters designed to determine the economic feasibility of the relevant project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Gold Assets or the results of other studies undertaken by SpinCo (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of the Gold Assets, there can be no guarantee that Gold Assets will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences including but not limited to operating costs, mineral recoveries and commodity prices. In addition, the ability of SpinCo to complete a study may be dependent on SpinCo's ability to raise further funds to complete the study if required.

Any proposed development of the Gold Assets may also exceed the currently envisaged timeframe or cost for a variety of reasons out of the control of SpinCo. These reasons may include delays in obtaining land use and mining activity approvals or in construction of mine infrastructure or the handling and preparation plant. In addition, the contractual terms for the procurement and delivery of the various components of construction are unknown. These could also have an impact on the cost of construction. There are many milestones which need to be met first for production to commence in accordance with any proposed mine plan and there is a risk that circumstances (including unforeseen circumstances) may cause a delay, resulting in the receipt of revenue at a later date than expected or not at all.

(c) **Resource and Reserve estimates**

Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Mineral Resource and Ore Reserve estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate. SpinCo has no Ore Reserves. Further, there is no guarantee that the Gold Assets will become feasible and consequently no forecast is made of whether or not any Ore Reserve will be defined in future.

The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and, consequently, the actual Ore Reserves and Mineral Resources may differ from those estimated, which may result in either a positive or negative effect on operations.

Should SpinCo encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect SpinCo's operations.

(d) **Metallurgy**

Metal or mineral recoveries are dependent upon the metallurgical process, and by its nature processing contains elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable metal or concentrate;

(ii) developing an economic process route to produce a metal or concentrate; and

(iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

No assurance can be given that any particular level of recovery from Mineral Resources or Ore Reserves will in fact be realised or that an identified mineral resource will ever qualify as commercially viable which can be legally and economically exploited.

(e) **Mine development**

Possible future development of mining operations at the Gold Assets is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If SpinCo commences production on the Gold Assets or any future projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of SpinCo, such as weather patterns, unanticipated technical and operational difficulties encountered in exploration, development, extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. No assurance can be given that SpinCo will achieve commercial viability through the development of the Gold Assets or any future projects.

(f) **Native title, cultural heritage and sacred sites**

Mining tenements in Australia are subject to native title laws and may be subject to future native title applications. Native title may preclude or delay granting of exploration and mining tenements or the ability of SpinCo to explore, develop and/or commercialise the Gold Assets. Considerable expenses may be incurred negotiating and resolving issues, including any compensation agreements reached in settling native title claims lodged over any of the SpinCo Group Tenements or mining tenements acquired in the future by SpinCo.

The presence of Aboriginal sacred sites and cultural heritage artefacts on mining tenements is protected by Western Australian and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in SpinCo incurring significant fines and court injunctions. The existence of such sites may limit or preclude exploration or mining activities on those sites, which may cause delays and additional expenses for SpinCo in obtaining clearances.

(g) **Insurances**

Insurance of all risks associated with exploration and production is not always available and, where it is available, the cost may be high. SpinCo will have insurance in place considered appropriate for SpinCo's needs.

The business of SpinCo is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of SpinCo or others, delays in mining, monetary losses and possible legal liability.

Although SpinCo will maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly if SpinCo is seeking to acquire new projects which are located in other jurisdictions or involve a new commodity.

It is not always possible to obtain insurance against all such risks and SpinCo may decide not to insure against certain risks because of high premiums or other reasons.

Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to SpinCo or to other companies in the mining industry on acceptable terms. Losses from these events may cause SpinCo to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(h) **Occupational Health and Safety Risk**

SpinCo is committed to providing a healthy and safe environment for its personnel, contractors and visitors. However, mining activities have inherent risks and hazards. While SpinCo provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems, health and safety incidents may nevertheless occur. Any illness, personal injury, death or damage to property resulting from SpinCo's activities may lead to a claim against SpinCo, which may not be covered, or may be inadequately covered, by SpinCo's insurance policies. Additionally, any accidents or injuries that occur at SpinCo's operations could result in delays or stoppages to operations and activities.

Any changes to the occupational health and safety laws and regulations in the jurisdictions in which SpinCo operates may result in increased costs of, or uncertainties in relation to, compliance with such laws and regulations.

3 General Risks

(a) **Securities investments**

Investors should be aware that there are risks associated with any securities investment.

There is currently no public market for the SpinCo Shares. The price of SpinCo Shares is subject to uncertainty and there can be no assurance that an active market for SpinCo Shares will develop or continue after any ASX listing.

The price at which SpinCo Shares trade if listed on ASX may be higher or lower than the value of SpinCo Shares offered under this Notice and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors which SpinCo has no control over, such as movements in gold prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

(b) **Economic risk and share market conditions**

Changes in the general economic climate in which SpinCo operates may adversely affect the financial performance of SpinCo. Factors that may contribute to that general economic climate and the market price of the SpinCo Shares include, but are not limited to:

(i) changes in government policies, taxation and other laws;

(ii) the strength of the equity and share markets in Australia and throughout the world;

(iii) movement in, or outlook on, exchange rates, interest rates and inflation rates;

(iv) industrial disputes in Australia and overseas;

(v) changes in investor sentiment toward particular market sectors or commodities;

(vi) financial failure or default by an entity with which SpinCo may become involved in a contractual relationship; and

(vii) natural disasters, social upheaval, war or acts of terrorism.

(c) **Dilution**

Upon the occurrence of a Liquidity Opportunity, the SpinCo Directors may issue equity securities in accordance with the SpinCo Constitution, the Corporations Act and the Listing Rules, without any vote or action by SpinCo Shareholders. If SpinCo were to issue any equity securities the percentage ownership of SpinCo Shareholders may be reduced and diluted.

(d) **Competition**

Like many industries, the resources industry is subject to domestic and global competition. While SpinCo intends to undertake all reasonable due diligence in its business decisions and operations, SpinCo has no influence or control over the activities or actions of its competitors and these activities or actions may positively or negatively affect the operating and financial performance of SpinCo, the Gold Assets and the SpinCo Business.

Some of these companies have greater financial and other resources than SpinCo and, as a result, may be in a better position to compete for future business opportunities. Many of SpinCo's competitors not only explore for and produce minerals, but also carry out refining operations and produce other products on a worldwide basis. There can be no assurance that SpinCo can compete effectively with these companies.

(e) **Dividend and distribution risk**

As an early-stage exploration company, SpinCo has no source of revenue or profits and makes no forecast of whether it will generate revenue or profits in the future. Accordingly, the SpinCo Directors do not in the near future expect to, or intend to, pay or declare dividends or other distributions. Accordingly, any investment in the SpinCo Shares may not carry with it income returns in the form of dividends or other distributions and any returns will be limited to any capital growth arising from any increase in the price of the SpinCo Shares.

(f) **Litigation risk**

Legal proceedings may arise from time to time in the course of SpinCo's activities. Legal proceedings brought by third parties including but not limited to joint venture partners or employees could negatively impact SpinCo in the case where the impact of such litigation is greater than or outside the scope of SpinCo insurance. As at the date of this Notice, there are no material legal proceedings affecting SpinCo and the SpinCo Directors are not aware of any legal proceedings pending or threatened against or affecting SpinCo.

(g) **Unforeseen expenses**

While SpinCo is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of SpinCo may be adversely affected.

(h) **Force Majeure**

The Gold Assets now or in the future may be adversely affected by risks outside the control of SpinCo including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(i) **Taxation risk**

The acquisition and disposal of SpinCo Shares will have tax consequences, which will differ for each investor depending on their individual financial circumstances. All potential investors in SpinCo are urged to obtain independent financial advice regarding the tax and other consequences of acquiring SpinCo Shares. To the maximum extent permitted by law, SpinCo, its officers and each of their respective advisers accept no liability or responsibility with respect to any tax consequences of acquiring SpinCo Shares.

(j) **Accounting standards**

Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact SpinCo's financial statements, results or condition.

Schedule 4

Rights attaching to SpinCo Shares

A summary of the more significant rights that will attach to the SpinCo Shares is set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the SpinCo Shareholders. Full details of the rights attaching to the SpinCo Shares are set out in the SpinCo Constitution, a copy of which is available on request.

1 General meetings

SpinCo Shareholders are entitled to be present in person, or by proxy, attorney or (in the case of a body corporate) by its representative appointed in accordance with the Corporations Act to attend and vote at general meetings of SpinCo.

SpinCo Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the SpinCo Constitution.

2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(a) each SpinCo Shareholder entitled to vote may vote in person or by proxy, attorney or representative or, if a determination has been made by the SpinCo Board, by direct vote;

(b) on a show of hands, every person present who is a SpinCo Shareholder or a proxy, attorney or representative of a SpinCo Shareholder has one vote in respect of each SpinCo Share; and

(c) on poll, every person present who is a SpinCo Shareholder or a proxy, attorney or representative of a SpinCo Shareholder (or where a direct vote has been lodged) shall, in respect of each SpinCo Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each SpinCo Share held, but in respect of partly paid SpinCo Shares shall have such number of votes being equivalent to the proportion which the amount paid on that SpinCo Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that SpinCo Share.

3 Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any SpinCo Shares created or raised under any special arrangement as to dividend, the SpinCo Directors may from time to time declare a dividend to be paid to the SpinCo Shareholders entitled to the dividend. Subject to the rights of any preference shares and to the rights of the holders of any SpinCo Shares created or raised under any special arrangement as to a dividend, the dividend as declared will be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such SpinCo Shares.

SpinCo is not required to pay any interest on a dividend.

4 Winding-up

Subject to any rights or restrictions attached to a class of SpinCo Shares, on a winding up of SpinCo, the liquidator may, with the sanction of a special resolution of SpinCo, distribute among the SpinCo Shareholders the whole or any part of the property of SpinCo, and decide how the division is to be carried out as between SpinCo Shareholders or different classes of SpinCo Shareholders.

5 Shareholder liability

As the In-specie Shares to be offered under the In-specie Distribution are fully paid SpinCo Shares, they are not subject to any calls for money by the SpinCo Directors and will therefore not become liable for forfeiture.

6 Transfer of Shares

Generally, SpinCo Shares are freely transferable, subject to formal requirements, the registration of a transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

7 Variation of rights

Pursuant to section 246B of the Corporations Act, SpinCo may, with the sanction of a special resolution passed at a meeting of SpinCo Shareholders, vary or abrogate the rights attaching to SpinCo Shares.

If at any time the share capital is divided into different classes of SpinCo Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the SpinCo Shares of that class), whether or not SpinCo is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued SpinCo Shares of that class, or if authorised, by a special resolution passed at a separate meeting of the holders of the SpinCo Shares of that class.

8 Alteration of SpinCo Constitution

The SpinCo Constitution can only be amended by a special resolution passed by at least three quarters of SpinCo Shareholders present and voting at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

Schedule 5

SpinCo Group Tenements

Holder	Lease	Lease Name	Lease Status	Area (sub-blocks)	Granted Area (sqkm)	Pending Area (sqkm)	Expiry Date
Carnegie Exploration Pty Ltd	E36/854		Granted	6	15		17/04/2028
	E36/855		Granted	1	2		28/02/2027
	E36/868	Kens Bore	Granted	9	28		22/09/2026*
	E36/869		Granted	6	21		22/09/2026*
	E36/870		Granted	7	19		3/05/2027
	E36/882		Granted	5	13.8		22/01/2028
	E36/916		Granted	9	28		1/07/2028
	E36/948		Granted	1	3		17/09/2029
	E36/996		Granted	4	12		23/01/2027
	E36/1006		Application	10		31	
	E36/1108		Application	8		24	
	E36/1126	Weebo 3	Application	29		88	
	E36/1127	Weebo 4	Application	55		168	
	E36/1128	Weebo 5	Application	19		58	
	E36/1129		Application	3		9	
	E38/4006	Mt Sefton	Granted	58	175		29/03/2031
	E53/1989		Granted	8	26		23/02/2030
	E53/1996		Granted	5	16		23/02/2030
	E53/2030		Granted	4	13		14/11/2029
	E53/2085		Granted	2	6		1/09/2030
	E53/2112		Granted	3	9		5/07/2031
	E53/2113		Granted	16	49		5/07/2031
	E53/2114		Granted	1	3		5/07/2031
	E53/2115		Granted	2	6		26/07/2031
	E53/2116		Granted	2	6		5/07/2031
	E53/2359		Application	16		49	
	E53/2375	Julius	Application	12		37	
	M36/702	Orelia North	Application			2.8	
	P36/1965		Application			1.9	
	P36/1966		Application			1.6	
	P53/1697		Granted		2.0		6/08/2027
Totals	**31**			**301**	**453**	**470**	

* Renewal lodged

Corporate Directory

Directors of Hammer Metals

Russell Davis – Non-Executive Chairman
Daniel Thomas – Managing Director
James Croser – Non-Executive Director
David Church – Non-Executive Director

Company Secretary

Mark Pitts

Registered Office and Corporate Office

Suite 2, Level 2, 41 Colin St, West Perth WA 6005, AUSTRALIA
Telephone: (08) 6369 1195
Email: info@hammermetals.com.au
Website: www.hammermetals.com.au

Hammer Metals Share Registry

Automic Pty Ltd
Level 5, 191 St Georges Terrace,
Perth WA 6000

Stock Exchange Listing

ASX Code: HMX

Financial Adviser

Argonaut Corporate Finance Ltd
Level 16, 9 The Esplanade
Perth WA 6000

Legal Adviser

Thomsons
Level 29, Central Park Tower
152-158 St Georges Terrace
Perth WA 6000

Independent Expert

BDO Corporate Finance Australia Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth WA 6000

Independent Technical Specialist

MinVal Pty Ltd
Unit 5, 1329 Hay St
West Perth WA 6005

Hammer Metals' Auditor

PKF Perth
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West Perth WA 6005