

ASX ANNOUNCEMENT

HAMMER ACQUISITION PROGRESSES FOLLOWING FIRST COURT HEARING

Highlights

- Federal Court approves Hammer Metals to convene a shareholder meeting to vote on the proposed acquisition by AR.
- Scheme Booklet has been registered by ASIC, with dispatch to Hammer Metals shareholders expected on or around 8 October 2026.
- Hammer Metals Board unanimously recommends 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 shareholders' best interests.
- Hammer Metals shareholder meeting scheduled for 9 November 2026.

Austral Resources Australia Limited (**ASX:AR1**) (**AR** or the **Company**) provides an update on its proposed acquisition of Hammer Metals Limited (**ASX:HMX**) (**Hammer Metals**) by way of a scheme of arrangement (**Scheme**). This is following the first Federal Court hearing on 2 October 2026.

Court orders and Scheme Booklet

The Federal Court of Australia (**Court**) made orders directing Hammer Metals to convene a meeting of its shareholders to consider and vote on the Scheme. The Court also approved the dispatch of the explanatory statement and notice of meeting (**Scheme Booklet**) to Hammer Metals shareholders.

The Scheme Booklet has been registered by ASIC. It is available on the ASX platform under Hammer Metals' ticker (ASX: HMX) and on Hammer Metals' website. Hammer Metals expects to dispatch the Scheme Booklet to Hammer Metals shareholders on or around Thursday, 8 October 2026.

Independent Expert and Hammer Metals Board recommendation

The Independent Expert, BDO Corporate Finance Australia Pty Ltd, 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 Hammer Metals Board unanimously recommends that Hammer Metals shareholders vote in favour of the Scheme. That recommendation is made in the absence of a Superior Proposal and is subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Hammer Metals shareholders.

ASX ANNOUNCEMENT

Scheme Meeting and Demerger Meeting

The Scheme Meeting and the meeting to approve the proposed demerger of Hammer Metals' Western Australian gold assets (**Demerger Meeting**) are both scheduled for Monday, 9 November 2026 in West Perth. The Demerger Meeting will be held first.

AR Chairman, David Newling, commented:

“We welcome the Independent Expert's conclusion that the Scheme is fair and reasonable and in the best interests of Hammer Metals shareholders, in the absence of a Superior Proposal. We encourage Hammer Metals shareholders to read the Scheme Booklet in full, consider the benefits of the proposed transaction and vote in favour of the Scheme at the upcoming shareholder meeting.

The proposed acquisition represents an important step in our strategy to build Australia's next mid-tier copper powerhouse, bringing together complementary copper resources, exploration opportunities and our existing processing infrastructure across North West Queensland.”

No action is required from AR shareholders. The proposed acquisition remains subject to Hammer Metals shareholder approval, Court approval and the satisfaction or waiver (where applicable) of the remaining conditions precedent to the Scheme.

A brief timetable, noting that these dates are subject to change (and would be announced via ASX) is below:

Event	Date
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
Second Court Hearing	Friday, 13 November 2026
Scheme Effective Date	Monday, 16 November 2026
New Austral Shares commence trading on a deferred settlement basis	Tuesday, 17 November 2026
Scheme Implementation Date	Wednesday, 25 November 2026
New Austral Shares commence trading on a normal settlement basis	Thursday, 26 November 2026

ASX ANNOUNCEMENT**Further information about Scheme and timelines**

Hammer Metals shareholders with questions about the Scheme and timelines should read the Scheme Booklet in full and contact the Hammer Metals Information Line on 1300 109 770 (within Australia) or +61 2 8072 1483 (outside Australia).

This announcement has been authorised for release by the Chairman.

Further information, please contact:

Emma Godfrey

Corporate Affairs & Stakeholder Relations

P: +61 419 523 719

E: emma@australres.com

Jane Morgan

Investor & Media Relations

M: +61 405 555 618

E: jm@janemorganmanagement.com.au

At the core of Austral Resources Australia Ltd

Austral Resources is building Australia's next mid-tier copper powerhouse, underpinned by a differentiated position in North West Queensland. With a focused Queensland copper portfolio and processing capability across both oxide and sulphide ore, Austral Resources combines established infrastructure with a strategy for disciplined, long-term growth.

Commercially, we are an ASX listed copper producer operating in Queensland, Australia. We operate dual processing facilities with our Western Operations (Mt Kelly) a copper oxide heap leach and solvent extraction electrowinning (SX-EW) plant with a nameplate capacity of 30,000tpa of copper cathode, and our Eastern Operations (Rocklands) a copper sulphide concentrator with a nameplate capacity of 3Mtpa.

We own a significant copper inventory with a JORC compliant Mineral Resource Estimate standing at 64 Mt @ 0.73% Cu (468,414t of contained copper)(comprising of 52.8Mt @ 0.74% Cu at the Lady Annie Project – 8.8Mt at 0.75% Cu Measured MRE, 33.0Mt at 0.76% Cu Indicated MRE and 11.0Mt at 0.69% Cu Inferred MRE and 11.26Mt at 0.69% Cu at the Rocklands Project – 9.12Mt at 0.72% Cu Indicated MRE and 2.14Mt at 0.55% Cu Inferred MRE), alongside 2,101km² of highly prospective exploration tenure in the heart of north west Queensland, a world class copper and base metals province.

Detailed information that relates to Ore Reserves and Mineral Resource Estimates is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report. This document is available on Austral's website: www.australres.com and on the ASX released as "Prospectus" on 1 November 2021, "Maiden Mineral Resource at Enterprise" on 9 August 2022, "Lady Colleen Grade Increases by 200%" on 28 October 2022, "Significant Increase of McLeod Hill Copper Mineral Resource" on 20 May 2024, "Acquisition of Rocklands to Transform Austral" on 3 July 2025 and "Austral Resources Prospectus" on 4 September 2025. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources and Ore Reserves as reported in this release and that all material assumptions and technical parameters underpinning the estimates and forecast financial information derived from the production target continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.