10 August 2026

Hammer Metals Acquisition Update

Hammer Metals Limited **ASX: HMX**. Austral Resources Limited **ASX: AR1**.

Larvotto Resources Limited ("**Larvotto**" or "**the Company**") refers to the Scheme Implementation Deed dated 11 June 2026 between Larvotto and Hammer Metals Limited (**ASX:HMX**, "**Hammer**") ("**Larvotto SID**"), and to the competing proposal made to Hammer by Austral Resources Limited (**ASX:AR1**, "**Austral**") ("**Austral Proposal**"), which Hammer has determined constitutes a Superior Proposal for the purposes of the Larvotto SID[1].

After careful consideration, the Larvotto Board has determined not to exercise its right under the Larvotto SID to submit a counterproposal to match the Austral Proposal.

The Larvotto Board determined that the terms required to match the Austral Proposal would not satisfy the value and return thresholds applied to all growth opportunities under Larvotto's Strategic Plan. Maintaining this disciplined approach is central to Larvotto's strategy for creating sustainable, long-term shareholder value.

Larvotto remains in a position of strength, underpinned by the ongoing staged commissioning of the Minerals Processing Facility at the Hillgrove Mine and the pathway to near-term production. The Hillgrove Mine is forecast to produce ~4,900 tonnes of antimony and more than 40,000 ounces of gold annually upon achieving steady state production over the current seven-year mine life[2].

If the Hammer Board determines to proceed with the Austral Proposal, Larvotto anticipates that Hammer will terminate the Larvotto SID in accordance with its terms. Termination of the Larvotto SID will result in the break fee of approximately A$0.55 million payable to Larvotto as well as repayment of the outstanding amount of the loan provided to Hammer by Larvotto.

The Larvotto Board also notes that the proposed placement of new Larvotto shares to Glencore announced on 11 June 2026 is expected to no longer take place given conditionality of this placement upon implementation of the Hammer acquisition.

This announcement has been authorised for release by the Board of Directors.

For further information, please contact:

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[1] See ASX Announcement by Hammer Metals Ltd dated 3 August 2026 – Receipt of Superior Proposal from Austral Resources
[2] See ASX Announcement by Larvotto Resources Limited dated 6 May 2025 – Hillgrove Antimony-Gold Project Delivers Compelling DFS

DIRECTORS

Mr Mark Tomlinson	**Mr Ron Heeks**	**Ms Rachelle Domansky**
Non-Executive Chair	*Managing Director*	*Non-Executive Director*

PROJECTS

Hillgrove Au, Sb	**Mt Isa Au, Cu, Co**	**Eyre Ni, Au, PGE, Li**
Hillgrove, NSW	*Mt Isa, QLD*	*Norseman, WA*