Hammer Metals Ltd

10 August 2026

UPDATE REGARDING STATUS OF LARVOTTO TRANSACTION

Hammer Metals Limited (ASX: HMX) ("**Hammer**") refers to:

- its ASX announcement dated 3 August 2026 regarding the receipt of a superior proposal from Austral Resources Australia Ltd (ASX: AR1) ("**Austral**") to acquire all of the shares in Hammer pursuant to a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) ("**Austral Proposal**") and the commencement of the matching right period under the scheme implementation deed entered into between Hammer and Larvotto Resources Limited (ASX: LRV) ("**Larvotto**") dated 11 June 2026 ("**Larvotto SID**")[1]; and
- the ASX announcement by Larvotto earlier today ("**Larvotto Announcement**") advising that it will not be submitting a counterproposal pursuant to its matching rights under the Larvotto SID.

Under the terms of the Larvotto SID, Hammer is not permitted to terminate the Larvotto SID until the expiry of the matching right period. The matching right period under the Larvotto SID will expire at 11:59pm (AWST) tonight, Monday, 10 August 2026.

Under the terms of the Austral Proposal (which is binding on Austral), Hammer has until 11.59pm (AWST) on Wednesday, 12 August 2026, to terminate the Larvotto SID and accept the Austral Proposal.

As a result of the Larvotto Announcement, Hammer intends to terminate the Larvotto SID[2], and enter into a definitive agreement with Austral to give effect to the Austral Proposal, as soon as it is able to do so.

Hammer shareholders do not need to take any action at this current time.

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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[1] Refer to the Company ASX announcement titled "Larvotto Resources to Acquire Hammer Metals" dated 11 June 2026 for further information regarding the Larvotto SID.
[2] The drawn amounts of the loan facility provided to Hammer by Larvotto and a break fee of $550,389 will become payable to Larvotto upon termination of the Larvotto SID by Hammer.

IMPORTANT NOTICES AND DISCLAIMER

Not an offer of securities

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Forward Looking Information

This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.