Hammer Metals Ltd

11 August 2026

AUSTRAL RESOURCES TO ACQUIRE HAMMER METALS

Unanimously recommended $80.7 million transaction delivers $0.087 per Hammer Share

HIGHLIGHTS

- Hammer Metals Limited ("**Hammer**") has entered into a binding Scheme Implementation Deed (**SID**) with Austral Resources Australia Ltd ("**Austral**") pursuant to which Austral will acquire 100% of the issued securities in Hammer via a scheme of arrangement ("**Scheme**").
- Concurrently, Hammer's Western Australian gold assets currently held in Carnegie Exploration Pty Ltd which include the prospective and underexplored Bronzewing South, Orelia North and Mt Sefton Gold Projects, together with other associated assets, (together "**Yandal Assets**") will be demerged via a capital reduction and in-specie share distribution to Hammer shareholders ("**Demerger**").
- The Scheme together with the Demerger represents approximately $0.087 per Hammer share or approximately $80.7 million[1] and a premium of 29.4% to the implied offer price of $0.067 per Hammer share under the previously announced scheme with Larvotto Resources Limited ("**Larvotto**")[2].
- Hammer shareholders will receive consideration with a total value of $0.087 per Hammer share comprising:
  - 1.2903 Austral shares for each Hammer share held, valued at $0.080 per Hammer share[3]; and
  - $0.007 per Hammer share of implied value through shares in SpinCo.
- The terms of the Scheme and Demerger reflect those previously delivered by Austral to Hammer in its proposal which was announced on 3 August 2026 to be a superior outcome for Hammer shareholders compared to the previously announced Larvotto Scheme.
- Hammer shareholders, in aggregate, will own:
  - Approximately 31.1% of Austral[4], a pure-play ASX listed copper producer and developer operating in Queensland, pursuing an active regional consolidation strategy to feed its Rocklands and Mt Kelly processing hubs; and
  - 100% of Carnegie Exploration Pty Ltd or such other entity incorporated for the purposes of undertaking the Demerger ("**SpinCo**").
- The Scheme creates an enlarged Queensland-focused copper producer, developer and explorer with existing oxide production, a planned sulphide processing restart and substantial regional resource and exploration scale.
- In connection with entry into the SID, Austral and Hammer have entered into a binding loan agreement for an unsecured loan facility of up to $6.0 million to support Hammer through to Scheme implementation.
- Hammer's Board unanimously recommends Hammer shareholders vote in favour of the Scheme 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 shareholders.

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[1] Based on Hammer's fully diluted share capital of approximately 929.3 million shares, including the expected treatment of outstanding options and performance rights under the SID.
[2] Based on Larvotto's closing price on 5 June 2026 of $1.33 per share. Refer to the Company ASX announcement titled "Larvotto Resources to Acquire Hammer Metals" dated 11 June 2026 for further information regarding the Larvotto Scheme.
[3] Based on Austral's closing price on 31 July 2026 of $0.062 per share.
[4] Based on Hammer's fully-diluted share capital, including the expected treatment of outstanding options and performance rights under the SID. Final pro forma ownership at completion may vary.

- Subject to those same qualifications, each member of the Hammer Board (representing 7% of Hammer's total issued shares[5]) intends to vote all Hammer shares held or controlled by them in favour of the Scheme.
- Major Hammer shareholders, who collectively control approximately 141.0 million shares in Hammer (representing approximately 16% of Hammer) also support the Scheme and have provided voting intention statements confirming that they intend to vote all of their 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 (to be appointed by Hammer) concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer shareholders.

Hammer's Chairman, Russell Davis, commented:

"Following careful consideration of the Austral proposal, including its value, strategic rationale and transaction terms, the Hammer Board unanimously determined that it constituted a Superior Proposal under the Larvotto SID and believes the Scheme provides a compelling outcome for Hammer shareholders.

The Scheme delivers materially higher headline value and provides Hammer shareholders with an expected 31.1% ownership interest in a larger Queensland-focused copper producer, developer and explorer.

Austral's existing oxide production at Mt Kelly, planned restart of the Rocklands sulphide processing facility and ongoing regional consolidation strategy provide an attractive development and production pathway for the combined portfolio. In particular, the proximity of Kalman to Rocklands creates strong strategic logic and the potential for Kalman to become an important long-term source of sulphide feed.

The Board also believes Austral's regional operating capability, processing infrastructure and funding capacity provide a stronger platform to advance Hammer's broader Mt Isa portfolio and unlock value from its substantial resource and exploration portfolio.

Importantly, Hammer shareholders will retain direct exposure to the value and exploration upside of the Yandal Assets through SpinCo, while the larger Austral loan facility provides additional funding certainty through to implementation of the Scheme."

TRANSACTION SUMMARY

Hammer Metals Limited (ASX: HMX) ("**Hammer**") is pleased to announce that it has entered into a binding Scheme Implementation Deed ("**SID**") with Austral Resources Australia Limited (ASX: AR1) ("**Austral**"), pursuant to which Austral has agreed to acquire 100% of the issued capital of Hammer by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) ("**Scheme**").

Concurrently, Hammer's Western Australian gold assets held in Carnegie Exploration Pty Ltd ("**Carnegie**") which include the prospective and underexplored Bronzewing South, Orelia North and Mt Sefton Gold Projects, together with other associated assets, (together "**Yandal Assets**") will be demerged via a capital reduction and in-specie share distribution to Hammer shareholders ("**Demerger**").

The Scheme and Demerger are inter-conditional (together, the "**Transaction**"). Carnegie or such other entity incorporated for the purposes of undertaking the Demerger ("**SpinCo**") will be an unlisted public company at Demerger implementation with any future ASX listing or other strategic alternatives to be assessed at that time having regard to market conditions, funding requirements and shareholder value considerations.

[5] Based on Hammer shares currently held or controlled by Hammer Board members as at the date of this announcement and excluding any Hammer options or performance rights unless otherwise stated.

The Hammer Board's unanimous recommendation of the Scheme follows the termination of the scheme implementation deed between Hammer and Larvotto Resources Limited (ASX: LRV) ("**Larvotto**") dated 11 June 2026 ("**Larvotto SID**")[6]. As a result of the termination of the Larvotto SID, the drawn amounts of the $4.0 million loan facility provided to Hammer by Larvotto, being $1.0 million, and a break fee of $550,389 have become payable to Larvotto by Hammer.

Under the Transaction, Hammer shareholders will receive a consideration with a total value of $0.087 per Hammer share, comprising:

1. 1.2903 Austral shares for each Hammer share held, valued at $0.080 per Hammer share[7]; and
2. $0.007 per Hammer share of implied value through shares in SpinCo.

(together, the "**Total Consideration**").

The Total Consideration represents a premium of:

- 29.4% to the implied offer price of $0.067 per Hammer share under the scheme with Larvotto[8] ("**Larvotto Scheme**");
- 31.6% to Hammer's closing share price on 31 July 2026 (being the last close prior to the announcement of the Austral superior proposal) of $0.066 per Hammer share;
- 93.1% to Hammer's closing share price on 3 June 2026 (being the last traded market close prior to announcement of the Larvotto Scheme) of $0.045 per Hammer share; and
- 38.8% premium to Hammer's 30-day VWAP up to and including 31 July 2026 of $0.063 per Hammer share.

KEY BENEFITS OF THE TRASACTION FOR HAMMER SHAREHOLDERS

✓ **Materially higher headline value compared to the Larvotto Scheme**

- The Total Consideration delivers a total implied value of $0.087 per Hammer share, representing a premium of 29.4% to the implied offer price of $0.067 under the Larvotto Scheme[8].

✓ **Clear pathway to unlock the Kalman deposit via Rocklands**

- Hammer's Kalman copper-gold project, located approximately 60km from Rocklands by road, is well positioned to become a long-term 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 enlarged Austral removes reliance on third-party toll treatment or a longer-dated standalone processing solution, allowing Hammer shareholders to obtain exposure to a potentially accelerated development and monetisation of Kalman and Hammer's broader portfolio.

✓ **Creation of a larger, more liquid QLD-focused copper producer, developer and explorer**

- Hammer's substantial copper-gold resource base and exploration portfolio combined with 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, with nameplate capacity of approximately 30ktpa of copper cathode; and
  - the 3.0Mtpa Rocklands copper-gold sulphide concentrator.

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[6] Refer to the Company ASX announcement titled "Larvotto Resources to Acquire Hammer Metals" dated 11 June 2026 for further information regarding the Larvotto Scheme.
[7] Based on Austral's closing price on 31 July 2026 of $0.062 per share
[8] Based on Larvotto's closing price on 5 June 2026 of $1.33 per share. Refer to the Company ASX announcement titled "Larvotto Resources to Acquire Hammer Metals" dated 11 June 2026 for further information regarding the Larvotto Scheme.

- Hammer shareholders are expected to own approximately 31.1% of the enlarged Austral[9], providing meaningful exposure to the potential production growth, operational synergies, regional consolidation opportunities and exploration upside of the combined group's asset base.
- The enlarged Austral is also expected to benefit from increased scale, trading liquidity, and market relevance to a potentially broader institutional investor base.

✓ **Participation in Austral's active Northwest QLD consolidation strategy**

- Since its recapitalisation, Austral has completed a series of strategic, value-enhancing transactions, including the acquisition of Rocklands from Copper Resources Australia Pty Ltd, the acquisition of Lady Loretta from Glencore, and the early termination of the Anthill Project Agreement.
- These transactions have expanded Austral's regional resource base, processing infrastructure and operational flexibility. Hammer shareholders will participate in an enlarged Austral that continues to assess complementary opportunities across the Mt Isa and Cloncurry region where they are strategically and financially attractive.

✓ **Stronger well-funded platform to advance Hammer's Mt Isa portfolio**

- Austral's established operating presence across the Mt Isa-Cloncurry region provides a stronger platform from which to advance Hammer's 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's highly prospective and comparatively underexplored tenure within the Mary Kathleen Domain.

✓ **Enhanced funding certainty through a larger and more flexible working capital facility**

- Austral will provide Hammer with an unsecured working capital facility of up to $6.0 million on terms generally more favourable than the $4.0 million facility provided by Larvotto.
- The Austral loan facility has been made available to repay the outstanding Larvotto loan, fund any break fee payable to Larvotto and to support Hammer's ongoing operations and general working capital requirements through to implementation of the Transaction.

✓ **Retained direct exposure to the Yandal Assets**

- Hammer shareholders will retain direct exposure to the Yandal Assets through a dedicated gold vehicle controlled by Hammer-aligned directors and management, preserving the value, strategic optionality and exploration upside of the Bronzewing South, Orelia North and Mt Sefton assets for the sole benefit of Hammer shareholders.

HAMMER BOARD AND SHARHEOLDER SUPPORT

The Hammer Board unanimously supports the Scheme and has unanimously recommended that Hammer shareholders vote in favour of the Scheme, in the absence of a Superior Proposal emerging and subject to the independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Hammer shareholders.

Subject to those same qualifications, each member of the Hammer Board (representing 7% of Hammer's total issued shares[10]) intends to vote all Hammer shares held or controlled by them in favour of the Scheme.

[9] Based on Hammer's fully diluted share capital of 929.3 million, including the expected treatment of outstanding options and performance rights under the SID. Final pro forma ownership may vary.
[10] Based on Hammer shares currently held or controlled by Hammer Board members as at the date of this announcement and excluding any Hammer options or performance rights unless otherwise stated.

Major Hammer shareholders, who collectively control approximately 141.0 million shares in Hammer (representing approximately 16% of Hammer) also support the Scheme and have provided voting intention statements confirming that they intend to vote all of their 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 (to be appointed by Hammer) concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer shareholders.

TRANSACTION DETAILS

(a) Scheme of Arrangement

The Scheme is subject to certain conditions set out in the SID, including:

- an independent expert concluding, and continuing to conclude, that the Scheme is in the best interests of Hammer shareholders;
- Hammer shareholder approval being obtained for the Scheme by the requisite majorities under the Corporations Act;
- Hammer shareholder approval being obtained for the capital reduction required to implement the Demerger in accordance with sections 256B and 256C of the Corporations Act and, if required, ASX Listing Rule 11.4.1(b);
- Court approval of the Scheme;
- all necessary regulatory approvals, consents, waivers and relief being obtained, including from ASIC and ASX, and no legal or regulatory restraint preventing implementation of the Scheme;
- any required third-party approvals or consents required to implement the Scheme being obtained;
- no material adverse change, prescribed occurrence or regulated event occurring in respect of Hammer, and no material adverse change or prescribed occurrence occurring in respect of Austral, in each case as defined in the SID;
- the documentation required to effect the Demerger being duly executed on terms approved by Austral and remaining in force;
- Hammer taking all necessary steps in relation to its outstanding options and performance rights as contemplated by the SID; and
- other conditions customary for a public transaction of this nature.

The SID contains customary deal protection mechanisms including standard exclusivity provisions, such as no shop, no talk and no due diligence (subject to appropriate fiduciary outs), a notification obligation and a matching right for Austral in the event any superior proposal emerges for Hammer. The SID also details certain circumstances under which Hammer may be required to pay a break fee to Austral.

Hammer and Austral have agreed arrangements for the treatment of Hammer's outstanding options and performance rights. Under those arrangements, outstanding Hammer performance rights are either expected to vest or will be cancelled for consideration, and outstanding Hammer options are expected to either be exercised before the Scheme record date or, to the extent not exercised, cancelled for consideration to be agreed between Hammer, Austral and the relevant optionholders. Further details will be set out in the Scheme Booklet.

Full details of the terms and conditions of the Scheme are set out in the SID, a copy of which is attached as Annexure B to this announcement. Further information in relation to the Scheme will be set out in the Scheme Booklet, currently expected to be released in late September – October 2026.

(b) Hammer Demerger of Yandal Assets

Hammer and SpinCo are proposing to enter into a Demerger Implementation Deed ("**DID**"), under which Hammer will demerge SpinCo via a capital reduction and in-specie distribution of SpinCo shares to Hammer shareholders. Under the Demerger, Hammer shareholders will receive shares in SpinCo on a

pro rata basis to their holdings in Hammer at the relevant record date. The capital reduction to effect the Demerger will be subject to Hammer shareholder approval.

The composition of SpinCo will include the following assets:

- the **Bronzewing South Gold Project**, comprising Hammer's 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;
- 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[11] and is subject to a Mining Lease Application to support future commercialisation pathways;
- the **Mt Sefton Gold Project**, an early-stage WA 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 anomalism; and
- SpinCo will also receive $700,000 cash (subject to deductions as contemplated in the SID) as part of the Demerger.

Based on the indicative value attributed to SpinCo, the Demerger is expected to deliver additional implied value of $0.007 per Hammer share.

SpinCo will be an unlisted public company at implementation of the Demerger, with any future listing or other strategic alternatives (mergers or acquisition opportunities) to be assessed by the SpinCo Board having regard to market conditions, funding requirements and shareholder value opportunities

More information in relation to the Demerger, the capital reduction, the in-specie distribution and SpinCo will be set out in the Notice of Extraordinary General Meeting for the proposed Demerger, currently expected to be released in late September – October 2026.

AUSTRAL LOAN FACILITY TO HAMMER

In connection with entry into the Austral SID, Austral and Hammer have entered into a binding 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 will be available for drawdown in accordance with the agreed budget and cashflow plan and is intended to fund:

- repayment of the outstanding amount under the Larvotto loan facility;
- payment of the break fee payable to Larvotto following termination of the Larvotto SID; and
- Hammer's ongoing operations and general working capital requirements through to implementation of the Scheme.

The Austral Loan Facility is $2.0 million larger and on generally more favourable terms than the facility previously provided by Larvotto. The facility is unsecured and interest free while the Austral SID remains on foot, provided no event of default has occurred.

If the Austral SID is terminated, the Austral Loan Facility will become repayable in accordance with its terms, with interest applying in certain circumstances. Further details of the Austral Loan Facility are set out in Appendix A to this announcement and will be included in the Scheme Booklet.

[11] See ASX HMX announcement "Maiden Mineral Resource Estimate for Orelia North Gold Deposit, Yandal, WA" dated 24th July 2024

INDICATIVE TIMETABLE

The indicative timetable for the Scheme and Demerger is set out below.

Event	Indicative Timing
Announcement of Scheme and Demerger	Tuesday, 11 August 2026
First Court Date	September 2026
Dispatch of Scheme Booklet to Hammer shareholders	Late September 2026 - October 2026
Scheme Meeting of Hammer Shareholders to approve Scheme and Demerger	October 2026 - November 2026
Second Court Date	October 2026 - November 2026
Effective Date for the Scheme	November 2026
Scheme and Demerger Record Date	November 2026
Demerger Implementation (transfer of Carnegie Exploration shares)	November 2026
Implementation Date for Scheme	November 2026

The above timetable is indicative only and subject to change. Hammer will keep shareholders informed of any material developments in accordance with its continuous disclosure obligations.

ADVISERS

Hammer's financial adviser is Argonaut and its legal adviser is Thomsons.

ADDITIONAL INFORMATION

A copy of SID is attached to this announcement.

Further information relating to the Scheme and Demerger will be provided in the Scheme Booklet, which is expected to be sent to Hammer shareholders in late September - October 2026.

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

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– END –

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.

Competent Person Statements

Where reference is made to previous Hammer releases of exploration results and mineral resource estimates in this announcement, Hammer confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous exploration results prepared and first disclosed under a pre-2012 edition of the JORC code, the data has been compiled and validated. It is the opinion of Hammer Metals that the exploration data is reliable. Nothing has come to the attention of Hammer Metals that causes it to question the accuracy or reliability of the historic exploration results. In the case of the pre-2012 JORC Code exploration results, they have not been updated to comply with 2012 JORC Code on the basis that the information has not materially changed since it was last reported.

APPENDIX A – KEY TERMS OF LARVOTTO LOAN FACILITY

Item	Summary
Lender	Austral Resources Australia Ltd
Borrower	Hammer Metals Limited
Facility amount	Up to **A$6.0 million**
Purpose	The Facility may be applied towards general working capital and corporate purposes in accordance with the agreed Budget, together with reasonable fees, costs and expenses incurred in connection with the SID and the transactions contemplated by it. The first drawdown will be made available to, among other things, repay the outstanding Larvotto loan and pay the break fee payable under the Larvotto SID.
Availability period	The Facility is available until the date that is **six (6) calendar months from the date of execution of the SID**, or such later date as Austral may agree in its absolute discretion.
Drawdown	Drawdowns are subject to customary conditions, including the SID not being terminated by either party and no Event of Default having occurred (or if an Event of Default has occurred and is capable of remedy, has been remedied).
Scheme timetable delay	If an event, transaction or other action undertaken by Austral requires supplementary Scheme disclosure and causes a delay to the Scheme timetable, Austral and Hammer must cooperate and discuss in good faith an appropriate increase to the Facility and associated drawdown schedule, having regard to the delay and Hammer's resulting working capital requirements.
Interest	No interest will accrue while Austral has not given notice requiring payment of the Break Fee, no Event of Default has occurred and is continuing, and the SID remains on foot, subject to the specified termination arrangements below. If Hammer terminates the SID in the circumstances specified in clauses 12.1(b) (termination for material breach of the SID), 12.3(a) (termination for breach of an Austral warranty) or 12.3(b)(ii) (termination where the independent expert has concluded that the Scheme is not in the best interests of Hammer shareholder) of the SID, no interest will accrue until the applicable repayment date, following which interest will accrue at 9% per annum. In other circumstances where a relevant interest-triggering event occurs, interest will accrue at 15% per annum from the date of the first such event until the Facility is repaid in full. Interest is capitalised monthly in arrears.
Security	Unsecured.
Repayment	The Facility, together with any capitalised and outstanding interest, is repayable: (a) if the SID is terminated and the Break Fee is not payable by Hammer – including where Implementation does not occur by the End Date – or is payable under clause 9.2(d) of the SID, within four months after termination of the SID; (b) if the Break Fee is otherwise payable by Hammer (other than under clause 9.2(d)) and is paid in accordance with the SID, within 30 days after termination of the SID;

	(c) immediately if an Event of Default has occurred and Austral gives notice declaring the Facility payable on demand or immediately due and owing; (d) if Hammer terminates the SID in accordance with clauses 12.1(b) (termination for material breach of the SID), 12.3(a) (termination for breach of an Austral warranty) or 12.3(b)(ii) (termination where the independent expert has concluded that the Scheme is not in the best interests of Hammer shareholder) of the SID, within six months after termination of the SID; or (e) if Scheme implementation occurs, on the date notified by Austral to Hammer after the Scheme implementation date. For the avoidance of any doubt, absent any other defaults or circumstances contemplated above, in the event that Hammer's shareholders do not vote in favour of the Scheme by the requisite majorities and the Scheme fails, the loan is repayable to Austral within four months after the date of termination of the SID.
Partial loan forgiveness	The amount advanced to fund payment of the Larvotto break fee will be forgiven, extinguished and excluded from the Facility and any interest calculations if the Scheme is not implemented or the SID is terminated in circumstances where Hammer is not required to pay the Break Fee to Austral. In addition, if Hammer terminates the SID in accordance with clauses 12.1(b) (termination for material breach of the SID), 12.3(a) (termination for breach of an Austral warranty) or 12.3(b)(ii) (termination where the independent expert has concluded that the Scheme is not in the best interests of Hammer shareholder) of the SID, an amount equal to the Break Fee under the Austral SID will be forgiven, extinguished and excluded from the Facility and any interest calculations.
Early repayment	Hammer may repay any or all of the Facility, including any capitalised and outstanding interest, at any time. Amounts repaid may not be redrawn.
Events of Default	Customary for a facility of this nature, including materially misleading warranties, insolvency events, suspension of Hammer shares from quotation for more than five trading days in aggregate, use of Facility funds in a manner materially inconsistent with the Budget, certain unauthorised indebtedness, encumbrances, corporate actions, asset disposals or payments, material breach of the Loan Agreement and certain SID termination or Break Fee-related events. These provisions are subject to customary and agreed carve-outs, including for emergencies, matters permitted under the Transaction Documents, ordinary-course activities and existing contractual arrangements, and matters consented to by Austral or fairly disclosed to Austral.
Governing Law	Western Australia

Thomsons

Scheme Implementation Deed

between

Hammer Metals Limited
ACN 095 092 158
(**Hammer Metals**)

and

Austral Resources Australia Ltd
ACN 142 485 470
(**Austral**)

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This deed is made on 11 August 2026

between **Hammer Metals Limited** ACN 095 092 158 of Suite 2, Level 2, 41 Colin St, West Perth WA 6005 (**Hammer Metals**)

and **Austral Resources Australia Ltd** ACN 142 485 470 of RACQ House, Level 9, Suite 902, 60 Edward Street, Brisbane QLD 4000 (**Austral**)

Recitals

A The parties have agreed to implement the Transaction on and subject to the terms and conditions of this deed.

B The parties have agreed certain other matters in connection with the Transaction as detailed in this deed.

Agreed terms:

1 Defined terms and interpretation

1.1 Defined terms

In this deed:

Accounting Standards has the meaning given to that term in the Corporations Act.

Adviser means any person who is engaged to provide external professional advice of any kind (including, legal, accounting, tax, consulting or financial advice) to a party (or a Related Body Corporate) in connection with the Transaction.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12 of 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 means the official listing rules of ASX.

ATO means the Australian Taxation Office.

Austral Board means the board of directors of Austral.

Austral Data Room means the online electronic data room entitled 'Austral Data Room' administered by Austral in connection with the Transaction established and maintained by or on behalf of Austral as at 5:00pm on 31 July 2026 (an index of which has been provided by Austral's Representatives to Hammer Metals' Representatives before execution of this deed for the purposes of identification).

Austral DDQ means the response to the due diligence questionnaire completed by Austral and provided to Hammer Metals on 31 July 2026.

Austral Director means a duly appointed director of Austral.

Austral Disclosure Letter means the letter so titled from Austral provided to Hammer Metals on 31 July 2026.

Austral Disclosure Materials means:

(a) the Austral DDQ;

(b) the Austral Disclosure Letter; and

(c) the written information, documents and responses disclosed or made available to Hammer Metals or its Representatives by or on behalf of Austral in the Austral Data Room (including written responses to questions in the Austral Data Room) no later than 5:00pm on 31 July 2026 (an index of which has been provided by Austral's Representatives to Hammer Metals' Representatives before execution of this deed for the purposes of identification).

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 Indemnified Parties means:

(a) the Austral Group; and

(b) the respective directors, officers and employees of each Austral Group Member.

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 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:

(a) 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;

(b) 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;

(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 Austral Group; or

(d) 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:

(e) which is required or expressly permitted by the Transaction Documents;

(f) which is Fairly Disclosed in the Austral Disclosure Materials;

(g) 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;

(h) 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);

(i) which Hammer Metals has approved, consented to or requested in writing; or

(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 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 Nominee has the meaning given in clause 2.4(a).

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

(p) 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 Relevant Searches means public searches:

(a) of the ASIC companies register, in respect of members of the Austral Group incorporated in Australia;

(b) of the PPSR, in respect of members of the Austral Group incorporated in Australia,

in each case, as at the date that is five Business Days prior to the date of this deed.

Austral Share means a fully paid ordinary share in the capital of Austral.

Austral Warranties means the representations and warranties of Austral set out in Schedule 2.

Authorisation means any licence, permit, lease, authorisation, concession, consent, certificate or approval issued or granted by a Government Agency.

Break Fee means $731,863.

Bridging Loan Agreement means the loan 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 million.

Budget means the budget and associated cash flow for Hammer Metals for the period from the date of this deed to the End Date, a copy of which has been provided by Hammer Metals to Austral.

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.

Claim means any allegation, cause of action, claim or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Class Ruling means a binding public ruling issued by the Commissioner of Taxation pursuant to division 358 of schedule 1 of the Taxation Administration Act.

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.

Condition means a condition set out in clause 3.1.

Confidentiality Deed means the mutual confidentiality deed dated 8 July 2026 entered into between Hammer Metals and Austral.

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).

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.

Court Documents means the documents required for the purposes of the Court Hearings, including (as applicable) originating process, affidavits, submissions and draft minutes of Court orders.

Court Hearings means the First Court Hearing and Second Court Hearing.

D&O Run Off Policy has the meaning given in clause 6.13.

Declaration has the meaning given in clause 5.8(a)(i).

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.

Defaulting Party has the meaning given in clause 12.1(b).

Duty means any stamp, transfer, landholder, transaction or registration duty or similar charge imposed by any Government Agency and includes any interest, fine, penalty, charge or other amount imposed by any Government Agency in respect of any of those amounts.

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.

Encumbrance means any security for the payment of money or performance of obligations or having similar effect, including a mortgage, charge, lien, assignment, pledge, power or title retention or flawed

deposit arrangement, or any other agreement, trust or arrangement entered into for the purpose of conferring a priority, and including any "security interest" as defined in sections 12(1) or 12(2) of the PPSA.

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.

Exclusivity Period means the period from the date of this deed until the earlier of:

(a) the termination of this deed in accordance with clause 12;

(b) the Implementation Date; and

(c) the End Date.

Fairly Disclosed means information disclosed in writing to the relevant party in good faith, to a sufficient extent, and in sufficient detail, so as to enable a reasonable and sophisticated party who is experienced in transactions similar to the Transaction and the mining industry, to identify the nature of the relevant fact, matter, circumstance or event and the fact that it may have financial, operational or other consequences.

Financial Indebtedness means any debt or other monetary liability (whether actual or contingent) for or in respect of:

(a) monies borrowed and any debit balance at any financial institution;

(b) the issue of any bill, bond, debenture, notes, loan stock or other similar instrument or any note purchase facility;

(c) any acceptance, endorsement or discounting arrangement;

(d) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;

(e) any financial or capital lease or hire purchase contract which would, in accordance with the Accounting Standards, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with the Accounting Standards in force prior to 1 January 2019, have been treated as an operating lease);

(f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(g) any redeemable shares where the holder has the right, or the right in certain conditions, to require redemption;

(h) swap, hedge arrangement, option, futures contract, derivative or analogous transaction;

(i) agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or business;

(j) agreement for the deferral of a purchase price or other payment in relation to the provision of services payable more than 90 days after the provision of those services;

(k) obligation to deliver goods or provides services paid for in advance by any financer;

(l) any amount raised under any other transaction of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing; or

(m) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (l) above,

but excludes Permitted Financial Indebtedness.

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**.

FRCGW Amount has the meaning given in clause 5.8(b).

FRCGW Holder has the meaning given in clause 5.8(b).

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.

GST means goods and services tax or similar value added tax levied or imposed in Australia under the GST Law.

GST Amount has the meaning given in clause 16(b).

GST Exclusive Consideration has the meaning given in clause 16(b).

GST Law has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Hammer Metals Board means the board of directors of Hammer Metals.

Hammer Metals Data Room means the online electronic data room entitled 'Hammer Data Room' and 'Hammer Data Room Phase 2' administered by Hammer Metals in connection with the Transaction established and maintained by or on behalf of Hammer Metals as at 5:00pm on 31 July 2026 (an index of which has been provided by Hammer Metals' Representatives to Austral's Representatives before execution of this deed for the purposes of identification).

Hammer Metals DDQ means the response to the legal due diligence request list completed by Hammer Metals and provided to Austral on 31 July 2026.

Hammer Metals Director means a duly appointed director of Hammer Metals.

Hammer Metals Disclosure Letter means the letter so titled from Hammer Metals provided to Austral on or about the date of this deed.

Hammer Metals Disclosure Materials means:

(a) the Hammer Metals Disclosure Letter;

(b) the Hammer Metals DDQ; and

(c) the written information, documents and responses disclosed or made available to Austral or its Representatives by or on behalf of Hammer Metals in the Hammer Metals Data Room (including written responses to questions in the Hammer Metals Data Room) no later than 5:00pm on 31 July 2026 (an index of which has been provided by Hammer Metals' Representatives to Austral's Representatives before execution of this deed for the purposes of identification).

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 Indemnified Parties means Hammer Metals and its Related Bodies Corporate (but excluding the SpinCo Group) and their respective current and former directors, officers and employees.

Hammer Metals Incentive Plan means:

(a) the employee incentive securities plan which was approved by Hammer Metals Shareholders at Hammer Metals' annual general meeting on 17 November 2023; and

(b) any other employee incentive arrangements of the Hammer Metals Group.

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 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:

(e) which is required or expressly permitted by the Transaction Documents, the Budget, the Larvotto Loan Agreement, the Larvotto SID, 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 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, Management Performance Rights or Options before the Record Date where that Performance Right, Management 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 Larvotto Loan Agreement, the Larvotto SID, the Restructure or the SpinCo Demerger Documents;

(o) required by law or by order of a court or Government Agency;

(p) that Austral has approved, consented to or requested 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 an 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) a 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;

(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;

(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 SID 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 Relevant Searches means public searches:

(a) of the ASIC companies register, in respect of members of the Hammer Metals Group; and

(b) of the PPSR, in respect of members of the Hammer Metals Group,

in each case, as at the date that is five Business Days prior to the date of this deed.

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 Share Register.

Hammer Metals Tenements means the mineral tenements and other rights and interests listed in Schedule 3, and any tenement applied for or granted in renewal or extension of any such tenement or in substitution or replacement for any such tenement.

Hammer Metals Warranties means the representations and warranties of Hammer Metals set out in Schedule 1.

Headcount Test has the meaning given in clause 3.5(a).

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.

Independent Expert means the independent expert to be appointed by Hammer Metals to prepare the Independent Expert's Report.

Independent Expert's Report means the report prepared by the Independent Expert for inclusion in the Scheme Booklet opining on whether the Scheme is in the best interests of Hammer Metals Shareholders (and reasons for holding that opinion), and includes any written update of, or revision, amendment addendum or supplement to that report.

Ineligible Foreign Holder means any Scheme Shareholder whose address shown on the 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 Holders means Ineligible Foreign Holders and Non-electing Small Shareholders.

Insolvency Event means, in relation to any entity:

(a) the entity is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;

(b) the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;

(c) a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its business, property or assets;

(d) the entity executing a deed of company arrangement, a creditor scheme of arrangement, any assignment, composition or material moratorium or material compromise, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this deed);

(e) the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this deed;

(f) the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation);

(g) the entity is, states that it is, or is under legislation is presumed or taken to be, an insolvent under administration or insolvent (each as defined in the Corporations Act); or

(h) the entity being deregistered as a company or otherwise dissolved,

or any other like event, matter or circumstance occurring in relation to the entity under the law of any jurisdiction.

Implementation Committee means the committee to be established under clause 6.7.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition).

Key Austral Tenements means:

(a) the tenements detailed in Schedule 4; and

(b) any other exploration or mining tenement(s) which may be granted in lieu of or relate to the same ground as the tenements referred to in paragraph (a) above.

Larvotto Loan Agreement means the loan agreement entered into between Hammer Metals and Larvotto Resources Limited on 11 June 2026.

Larvotto SID means the scheme implementation deed entered into between Hammer Metals and Larvotto Resources Limited on 11 June 2026.

Legal Advisers means Hammer Metals' external legal advisers experienced in transactions of the nature of the Transaction.

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.

Matching Period has the meaning given in clause 8.7(a)(v).

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 non-compliance 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.

Material Contract means any agreement, contract, deed or other arrangement to which a Hammer Metals Group Member is party that:

(a) involves, or would reasonably be likely to involve, the provision of financial accommodation by any Hammer Metals Group Member;

(b) imposes or would reasonably be likely to impose, obligations or liabilities on any party to that agreement, contract, deed or other arrangement of at least $100,000 over the term of the agreement or arrangement;

(c) has a term, or period during which a Hammer Group Member owes any obligation to, or is entitled to any rights as against, a counterparty, for more than one year (from the date of entry into of that agreement or commitment) that pertains to or is otherwise concerned with one or more Hammer Metals Tenements;

(d) is price-sensitive or otherwise material in the context of the business or operations of the Hammer Metals Group as a whole (including any agreements or commercial arrangements in relation to offtake, purchase agreements, EPC contracts, take or pay contracts or agreements related to native title, cultural heritage or similar matters);

(e) if revoked or terminated, would materially adversely impact the ability of any Hammer Metals Group Member to conduct its business in substantially the same manner and at the same locations as conducted in the 12 months preceding the date of this deed;

(f) grants any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of the Hammer Metals Group including any Hammer Metals Tenement;

(g) that obligates in any material respect any Hammer Metals Group Member or that will obligate in any material respect any member of the Merged Group to conduct business with any Third Party on an exclusive basis or contains ‘most favoured nation’ or similar provisions that are material in relation to the conduct of business with the relevant Third Party; or

(h) is agreed in writing between Hammer Metals and Austral is a Material Contract.

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.

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 Registry with an Opt out Notice in accordance with the terms of the Scheme.

Non-public Information means any non-public information in relation to Hammer Metals, Hammer Metals Group or any Hammer Metals Group Member or any business, asset or affairs of Hammer Metals, Hammer Metals Group or any Hammer Metals Group Member.

Notice has the meaning given in clause 17.1.

Opt out Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration in accordance with the Scheme.

Option means an unlisted option issued by Hammer Metals to acquire an unissued Hammer Metals Share as further described in clause 8 of Schedule 1.

Order has the meaning given in clause 3.5(a)(i).

Performance Right means a right issued by Hammer Metals which entitles the holder to an unissued Hammer Metals Share as further described in clause 8 of Schedule 1, but excluding the Management Performance Rights.

Permitted Encumbrance means any:

(a) bankers' liens (where the relevant financial institution has not provided any financial accommodation) or netting or set off arrangement entered into by a Hammer Metals Group Member in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;

(a) bank guarantees provided by a Hammer Metals Group Member in the ordinary course of business, which are in place as at the date of this deed;

(b) interest which would be an 'Encumbrance' solely by virtue of the operation of section 12(3) of the PPSA which does not, in substance, secure payment or performance of an obligation;

(c) lien arising by operation of law in the ordinary course of ordinary business so long as the debt it secures is paid when due or contested in good faith and appropriately provisioned;

(d) Encumbrance in respect of any Hammer Metals Group Member's plant and equipment and access arrangements in the ordinary course; and

(e) title retention arrangement in the ordinary course of trading on the supplier's usual terms of sale (or on terms more favourable to the Hammer Metals Group) so long as the debt it secures is paid when due or contested in good faith and sufficient reserves of liquid assets have been set aside to pay the debt if the contest is unsuccessful.

Permitted Financial Indebtedness means any Financial Indebtedness:

(a) under the Bridging Loan Agreement;

(b) credit cards used in the ordinary course of business with a limit up to $100,000.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSR means the Personal Property Securities register established under section 147 of the PPSA.

Proposed Announcement has the meaning given in clause 13.2.

Recommendation has the meaning given in clause 2.3.

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.

Registry means Automic Group.

Regulatory Approval means a clearance, waiver, ruling approval, relief, confirmation, exemption, consent or declaration detailed in clause 3.1(c).

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Relevant Interest has the meaning given in the Corporations Act.

Relevant Member has the meaning given in clause 6.7(c).

Representative means, in respect of a party, an employee, agent, officer, director, Adviser or financier of that party (or of a Related Body Corporate of that party), and, in the case of Advisers and financiers, includes employees, officers and agents of the Adviser or financier (as applicable).

Restraint has the meaning given in clause 3.1(e).

Restructure has the meaning given in clause 7.2.

Retained Assets and Liabilities means all of assets and liabilities of the Hammer Metals Group other than the SpinCo Group Assets and Liabilities.

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 but for the operation of clause 5.2.

Sale Facility means the share sale facility operated by the Sale Agent as described in clause 5.3.

Sale Proceeds means the proceeds of the sale referred to in clause 5.3 after the 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 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)) to be dispatched to the Hammer Metals Shareholders and which must include or be accompanied by:

(a) a copy of the Scheme;

(a) an explanatory statement complying with the requirements of the Corporations Act, the Corporations Regulations and ASIC Regulatory Guide 60;

(b) the Independent Expert's Report;

(c) a copy or summary of this deed;

(d) a copy of the executed Deed Poll;

(e) a notice of the Scheme Meeting; and

(f) 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), being 1.2903 New Austral Shares for every one Scheme Share held by a Scheme Shareholder in accordance with the Deed Poll.

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).

Scheme Resolution means a resolution to approve the Scheme under section 411(4)(a)(ii) of the Corporations Act.

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 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 PPSA.

Share Register means the register of members maintained by, or on behalf of, Hammer Metals in accordance with the Corporations Act.

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.

Side Letter means the letter (in a form agreed between Hammer Metals and Austral) provided by Austral to Hammer Metals on or about the date of the SpinCo Demerger Documents for the purposes of clause 7.6(a).

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 (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.

SpinCo means, subject to clause 7.1(c), Carnegie Exploration Pty Ltd ACN 124 801 467.

SpinCo Cash Reserve means the aggregate amount of cash to be transferred by Hammer Metals to SpinCo Group after the Effective Date, not to exceed $700,000 unless otherwise agreed between Hammer Metals and Austral in writing and as varied in accordance with clause 7.6(c).

SpinCo Demerger means the proposed demerger of the SpinCo Group from the Hammer Metals Group.

SpinCo Demerger Agreement means the agreement to be entered into between Hammer Metals, SpinCo and the SpinCo Group relating to the implementation of the SpinCo Demerger, on terms consistent with those set out in this deed and Annexure D hereto, with such agreement to be approved by Austral (such approval not to be unreasonably withheld, delayed or conditioned).

SpinCo Demerger Documents means the SpinCo Demerger Agreement 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 SpinCo 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 each of the entitles detailed in Part 1 of Schedule 5.

SpinCo Group Assets and Liabilities means:

(a) the SpinCo Group Tenements and the associated liabilities;

(b) the assets detailed in Part 3 of Schedule 5;

(c) subject to clause 7.6(c), aggregate $700,000 cash to be held by the SpinCo Group; and

(d) any other assets and liabilities agreed to in writing by Austral and Hammer Metals, acting reasonably.

SpinCo Group Tenements means the mineral tenements and other rights and interests listed in Part 2 of 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 Listing has the meaning given in clause 7.1(b).

Subdivision 14 D has the meaning given in clause 5.8(a)(iii).

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of 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;

(b) not resulting from a breach by Hammer Metals of any of its obligations under clause 8 of this deed (it being understood that any actions by Hammer Metals' Representatives not permitted by clause 8 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.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Tax means any tax, levy, Duty, charge, impost, fee, deduction, goods and services tax (including GST), compulsory loan or withholding, that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, charge, fee or any other amount imposed on, or in respect of the above.

Tax Act means the *Income Tax Assessment Act 1997* (Cth), the *Income Tax Assessment 1936* (Cth) and the Taxation Administration Act, as applicable.

Taxation Administration Act means the *Taxation Administration Act 1953* (Cth).

Terminating Party has the meaning given in clauses 3.4(b) or 12.1, as applicable.

Third Party means a person other than Austral, Hammer Metals and their respective Associates.

Timetable means the indicative timetable for the implementation of the Transaction set out in Annexure A (as may be amended by agreement in writing between Austral and Hammer Metals).

Transaction means:

(a) the proposed acquisition of all Scheme Shares by Austral through the implementation of the Scheme; and

(b) all associated transactions and steps contemplated by this deed.

Transaction Documents means this deed, the Scheme, the Deed Poll and any other documents agreed in writing between the parties.

Variation has the meaning given in clause 5.8(a)(ii).

Voting Intention has the meaning given in clause 2.3(a)(i).

Voting Power has the meaning given in section 610 of the Corporations Act.

Warranty means a Hammer Metals Warranty or Austral Warranty (as applicable).

1.2 **Interpretation**

In this deed, the following rules of interpretation apply unless the contrary intention appears:

(a) headings and bold type are for convenience only and do not affect the interpretation of this deed;

(b) the singular includes the plural and vice versa;

(c) words that are gender neutral or gender specific include each gender;

(d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;

(e) the words include, including, such as, for example and similar expressions are not words of limitation and do not limit what else might be included;

(f) a reference to:

(i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);

(ii) a thing (including a chose in action or other right) includes a part of that thing;

(iii) a party includes its successors and permitted assigns;

(iv) a document includes all amendments or supplements to that document;

(v) a clause, term, party, schedule or appendix is a reference to a clause or term of, or a party, schedule or appendix to, this deed (as applicable);

(vi) this deed includes all schedules and appendices to it;

(vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by law, judgment, rule of common law or equity or an ASX Listing Rule and is a reference to that law as amended, consolidated or replaced;

(viii) an agreement (other than this deed) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);

(ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and

(x) a monetary amount is in Australian dollars;

(g) an agreement on the part of two or more persons binds them jointly and severally;

(h) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day;

(i) except as expressly stated otherwise, a reference to any time in this deed is a reference to such time in Perth, Western Australia, Australia; and

(j) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it.

2 Agreement to proceed with Transaction

2.1 Hammer Metals to propose Scheme

(a) Hammer Metals must propose the Scheme to the Hammer Metals Shareholders and implement the Scheme on and subject to the terms and conditions of this deed.

(b) Hammer Metals must not consent to any modification of, or amendment to, the Scheme, or to the making or imposition by the Court of any condition in respect of the Scheme, without the prior written consent of Austral.

(c) Austral agrees to assist Hammer Metals in proposing and implementing the Scheme on and subject to the terms and conditions of the Transaction Documents.

2.2 Scheme Consideration

(a) If the Scheme becomes Effective, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares, on and subject to the terms of the Scheme and this deed.

(b) Subject to the Scheme becoming Effective, Austral undertakes and warrants to Hammer Metals (in Hammer Metals' own right and separately as trustee for each of the Scheme Shareholders) that, in consideration of the transfer to Austral of all Scheme Shares pursuant to the terms of the Scheme, Austral will:

(i) accept that transfer on the Implementation Date; and

(ii) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder for each Scheme Share,

in each case, on and subject to the terms of the Transaction Documents.

2.3 Hammer Metals Board recommendation and director voting intentions

(a) Hammer Metals represents and warrants to Austral that, as at the date of this deed, each Hammer Metals Director:

(i) has confirmed to Hammer Metals that his recommendation in respect of the Scheme is that Hammer Metals Shareholders vote, at the Scheme Meeting, in favour of the Scheme Resolution (**Recommendation**);

(ii) intends to vote, or cause to be voted, at the Scheme Meeting, all Hammer Metals Shares in which he has a Relevant Interest or the voting of which he controls, in favour of the Scheme Resolution (**Voting Intention**); and

(iii) consents to Austral announcing the Hammer Metals Director's Voting Intention,

in each case, subject only to:

(iv) there being no Superior Proposal; and

(v) the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interests of Hammer Metals Shareholders.

(b) 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 any Competing Proposal or to the effect that he no longer supports the Scheme) the Recommendation or Voting Intention prior to the Implementation Date, unless:

(i) in circumstances where Hammer Metals has complied with its obligations under clause 8, Hammer Metals has received a Competing Proposal and the Hammer Metals Board has determined, after the procedure in clause 8.7, that the 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; or

(iii) the withdrawal, qualification or adverse change, modification or revision is required by, or in order to comply with an order of, the Court (or such other court of competent jurisdiction), ASIC or the Takeovers Panel.

(c) Without limiting clause 8, if Hammer Metals becomes aware that a Hammer Metals Director proposes to withdraw, qualify or adversely change, modify or revise his Recommendation or Voting Intention:

(i) Hammer Metals must immediately notify Austral in writing of that fact; and

(ii) to the extent practicable and reasonable in the circumstances, the parties must consult in good faith to consider and determine whether the Hammer Metals Director's Recommendation and/or Voting Intention (as applicable) can be maintained.

(d) Despite anything to the contrary in clause 2.3(b), a statement made by Hammer Metals or the Hammer Metals Board 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 or the completion of the matching right process set out in clause 8.7 shall not contravene clause 2.3(b).

(e) For the avoidance of doubt, a statement to the effect that a specific alternative transaction may be pursued by Hammer Metals if the Scheme does not proceed will be regarded as an adverse modification of the Recommendation and Voting Intention.

2.4 **Austral Nominee**

(a) Austral may nominate any wholly-owned Subsidiary of Austral (**Austral Nominee**) to acquire the Scheme Shares under the 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 deed to Austral acquiring the Scheme Shares are to be read as references to the Austral Nominee doing so;

(ii) other references in this deed 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 the 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 deed and under the 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 deed or the Deed Poll, including the obligation to provide, or cause to be provided, the Scheme Consideration in accordance with the terms of the Scheme, provided that Austral will not be in breach of this deed for failing to perform an obligation of Austral if that obligation is fully discharged by the Austral Nominee.

3 Conditions precedent

3.1 **Conditions**

Subject to this clause 3, the respective obligations of the parties in relation to implementation of the Scheme are not binding, until and unless each of the following Conditions are satisfied or waived in accordance with this clause 3:

(a) **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 interest 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.

(b) **Court approval**: The Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme either unconditionally on or conditions that do not impose unduly onerous obligations on either party (acting reasonably).

(c) **Regulatory Approvals**: Before 8:00am on the Second Court Date:

(i) 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

(ii) 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.

(d) **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.

(e) **No restraints**: As at 8:00am on the Second Court Date:

(i) there is not in effect any permanent or temporary restraining order, permanent or temporary injunction or other final or preliminary decision, order, decree or ruling issued by any court of competent jurisdiction or Government Agency;

(ii) no action or investigation by any Government Agency is announced, commenced or threatened;

(iii) there is not in effect any law, rule or regulation;

(iv) no application is made to any Government Agency; or

(v) there is not in effect any other legal restraint or prohibition,

(each, a **Restraint**) in consequence of, or in connection with the Scheme, that:

(vi) 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

(vii) 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.

(f) **No Hammer Metals Prescribed Occurrence**: No Hammer Metals Prescribed Occurrence occurs, or becomes known to Austral, between the date of this deed and 8:00am on the Second Court Date.

(g) **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 this deed and 8:00am on the Second Court Date.

(h) **No Hammer Metals Regulated Event**: No Hammer Metals Regulated Event occurs, or becomes known to Austral, between the date of this deed and 8:00am on the Second Court Date.

(i) **No Austral Prescribed Occurrence**: No Austral Prescribed Occurrence occurs, or becomes known to Hammer Metals, between the date of this deed and 8:00am on the Second Court Date.

(j) **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 this deed and 8:00am on the Second Court Date.

(k) **Hammer Metals Board Recommendation**: Between and including the date of this 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.

(l) **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).

(m) **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).

(n) **Performance Rights and Options**: Hammer Metals has taken all necessary steps by 8:00am on the Second Court Date to ensure that:

(i) 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, as contemplated by clause 6.9(a);

(ii) 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, agrees to his Management Performance Rights being cancelled for consideration as contemplated by clause 6.9(b); and

(iii) 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, as contemplated by clause 6.9(c).

(o) **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.

(p) **Material Change of Control Rights – SpinCo Demerger**: Any Third Party that holds or has the benefit of any Material Change of Control Rights with respect to the implementation of the SpinCo Demerger agrees to waive or not enforce those rights on terms acceptable to Hammer Metals, acting reasonably.

(q) **Third Party Consents**: All other approvals of a Third Party which are necessary to implement the Scheme are obtained.

(r) **SpinCo Demerger Approval**: Hammer Metals Shareholders approve the reduction of capital relating to the SpinCo Demerger in accordance with sections 256B and 256C of the Corporations Act and (if required) ASX Listing Rule 11.4.1(b).

(s) **SpinCo Demerger Agreement:** The SpinCo Demerger Agreement 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.

3.2 **Satisfaction of Conditions**

(a) Austral must, to the extent within its power to do so, use best endeavours to procure that each of the Conditions in clauses 3.1(i), 3.1(j) and 3.1(m):

(i) is satisfied; and

(ii) continues to be satisfied at all times until the last time that the relevant clause provides that such Condition is to be satisfied.

(b) Hammer Metals must, to the extent within its power to do so, use best endeavours to procure that each of the Conditions in clauses 3.1(a), 3.1(b), 3.1(d), 3.1(f), 3.1(g), 3.1(h), 3.1(k), 3.1(l), 3.1(n), 3.1(r) and 3.1(s):

(i) is satisfied; and

(ii) continues to be satisfied at all times until the last time that the relevant clause provides that such Condition is to be satisfied.

(c) Each of Hammer Metals and Austral must, to the extent within its power to do so, use best endeavours to procure that each of the Conditions in clauses 3.1(c), 3.1(e), 3.1(o), 3.1(p) and 3.1(q):

(i) is satisfied as soon as practicable after the date of this deed; and

(ii) continues to be satisfied at all times until the last time that the relevant clause provides that such Condition is to be satisfied.

(d) Hammer Metals will not be in breach of its obligations under clauses 3.2(b) or 3.2(c) to the extent (and only to the extent) that it takes any action expressly permitted or required to be done in this deed.

(e) Austral will not be in breach of its obligations under clauses 3.2(a) or 3.2(c) to the extent (and only to the extent) that it takes any action expressly permitted or required to be done in this deed.

(f) The parties must cooperate and, to the extent reasonably practicable, assist one another with satisfying their obligations under this clause 3. Without limiting this clause 3 and except to the extent prohibited by a Government Agency, each party must:

(i) promptly apply for all Regulatory Approvals (as applicable) and provide to the other party a copy of those applications;

(ii) take all steps it is responsible for as part of the Regulatory Approval process, including responding to requests for information from the relevant Government Agencies at the earliest practicable time;

(iii) keep the other party reasonably informed of progress in relation to each Regulatory Approval (including in relation to any material matters raised by, or conditions or other arrangements proposed by, or to, any Government Agency in relation to a Regulatory Approval) and provide the other party with all information reasonably requested in connection with the applications for, or progress of, the Regulatory Approvals;

(iv) consult with the other party in advance in relation to the progress of obtaining, and all material communications with Government Agencies regarding any of, the Regulatory Approvals; and

(v) provide the other party with all assistance and information that it reasonably requests in connection with an application for a Regulatory Approval to be lodged by that other party.

3.3 **Waiver of Conditions**

(a) The Conditions in clauses 3.1(b), 3.1(c), 3.1(d) and 3.1(e) are for the benefit of both Hammer Metals and Austral and cannot be waived.

(b) The Conditions in clauses 3.1(o), 3.1(p) and 3.1(q) are for the benefit of both Hammer Metals and Austral and any breach or non-fulfilment of such Condition may only be waived by written agreement between Hammer Metals and Austral.

(c) The Conditions in clauses 3.1(a), 3.1(i), 3.1(j), 3.1(m), 3.1(r) and 3.1(s) are for the sole benefit of Hammer Metals and any breach or non-fulfilment of such Condition may only be waived by Hammer Metals in writing.

(d) The Conditions in clauses 3.1(f), 3.1(g), 3.1(h), 3.1(k), 3.1(l) and 3.1(n) are for the sole benefit of Austral and any breach or non-fulfilment of such Condition may only be waived by Austral in writing.

(e) A party entitled to waive the breach or non-fulfilment of a Condition under clauses 3.3(b), 3.3(c) or 3.3(d) may do so in its absolute discretion, subject to the provision of written notice to the other party. Any such waiver by a party for whose benefit the relevant Condition applies must take place on or prior to 8:00am on the Second Court Date.

(f) If either Hammer Metals or Austral waives the breach or non-fulfilment of a Condition in accordance with this clause 3, then:

(i) subject to clause 3.3(f)(ii), that waiver precludes that party from suing the other party for any breach of this deed arising as a result of the breach or non-fulfilment of that Condition or arising from the same event which gave rise to the breach or non-fulfilment of that Condition; but

(ii) if the waiver of the Condition is itself conditional, and the other party:

(A) accepts the condition on the waiver, the terms of that condition on the waiver apply notwithstanding any inconsistency with clause 3.3(f)(i); or

(B) does not accept the condition on the waiver, the Condition has not been waived.

(g) Waiver of breach or non-fulfilment of a Condition does not constitute:

(i) a waiver of breach or non-fulfilment of any other Condition resulting from the same event; or

(ii) a waiver of breach or non-fulfilment of that Condition resulting from any other event.

3.4 **Failure of Condition**

(a) Subject to clause 3.4(c), if:

(i) there is a breach or non-fulfilment of a Condition that has not been, or cannot be, waived in accordance with clause 3.3(a) by the earlier of the time or date specified in this deed for the satisfaction of that Condition and 11:59pm on the End Date;

(ii) there is an act, failure to act, event or occurrence which would, does or will prevent a Condition from being satisfied, or a Condition becomes or will become incapable of being satisfied, and the breach or non-fulfilment of that Condition that has occurred, or would otherwise occur, has not been, or cannot be, waived, or each party having the benefit of that Condition confirms in writing to the other party that such breach or non-fulfilment will not be waived, in accordance with clause 3.3 by the earlier of the time or date specified in this deed for the satisfaction of that Condition and 11:59pm on the End Date; or

(iii) the Scheme has not become Effective by 11:59pm on the End Date,

then:

(iv) if Austral has given notice to Hammer Metals under clause 3.6(b) in respect of an actual or alleged breach of one or more of the Conditions in clauses 3.1(f), 3.1(g), 3.1(h) and 3.1(l), if Hammer Metals remedies the breach to the satisfaction of Austral (acting reasonably) within 10 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which that notice is given, the relevant Condition(s) will not be taken to have been breached or not satisfied; and

(v) if Hammer Metals has given notice to Austral under clause 3.6(b) in respect of an actual or alleged breach of one or more of the Conditions in clauses 3.1(i), 3.1(j) or 3.1(m) if Austral remedies the breach to the satisfaction of Hammer (acting reasonably) within 10 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which that notice is given, the relevant Condition(s) will not be taken to have been breached or not satisfied; and

(vi) Hammer Metals and Austral must promptly consult in good faith to:

(A) consider extending, and if agreed in writing, extend, the time and date for satisfaction of the relevant Condition and/or the End Date (as applicable) or otherwise amend the Timetable;

(B) consider whether the party with a right to waive that Condition will do so and if so on what (if any) Conditions;

(C) consider changing, and if agreed in writing, change, the date on which an application is made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to a date agreed in writing between Hammer Metals and Austral (being a date no later than five Business Days before the End Date);

(D) consider seeking orders from the Court to postpone the Scheme Meeting, or recommend that there be an adjournment of the Scheme Meeting to another date agreed to in writing by Austral and Hammer Metals;

(E) consider whether the Transaction may proceed by way of alternative means or methods so as to achieve an outcome that is commercially substantially the same as the Scheme, and if agreed in writing, proceed by way of that alternative means or method; or

(F) any combination of the matters listed in clauses 3.4(a)(vi)(A) to 3.4(a)(vi)(E) (inclusive).

(b) If Hammer Metals and Austral have not reached agreement under clause 3.4 after consulting in good faith for a period of not less than five Business Days in accordance with clause 3.4 (or any shorter period ending at 5:00pm on the day before the earlier of the End Date and the Second Court Date) then, unless that Condition has been waived in accordance with clauses 3.3(b), 3.3(c) or 3.3(d), either of Hammer Metals or Austral (**Terminating Party**) may terminate this deed by giving written notice to the other party, provided that the Terminating Party may only exercise such termination right if the breach or non-fulfilment of that Condition, the relevant act, failure to act, event or occurrence, or the failure of the Scheme to become Effective, did not arise due to a breach of this deed by the Terminating Party or a deliberate act or omission of the Terminating Party.

(c) If the Condition in clause 3.1(d) is not satisfied only because of a failure to obtain the majority required by sub-paragraph 411(4)(a)(ii)(A) of the Corporations Act (other than in the circumstances set out in clause 3.5(a)), then either party may (but is not obliged to) terminate this deed with immediate effect by notice in writing to the other party, and there is no obligation to consult pursuant to clause 3.4.

3.5 **Scheme Voted Down Because of Headcount Test**

(a) If the Condition in clause 3.1(d) is not satisfied only because of a failure to obtain the majority required by section 411(4)(a)(ii)(A) of the Corporations Act (**Headcount Test**) and Hammer Metals or Austral has formed the view (acting reasonably) that:

(i) there are reasonable grounds on which an application could be made to the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test (**Order**), including but not limited to either party considering that Share Splitting or some abusive or improper conduct may have caused or contributed to the Headcount Test not being satisfied; and

(ii) the application contemplated in clause 3.5(a)(i) is more likely than not to succeed,

then that party may by written notice to the other party within five Business Days after the date of the conclusion of the Scheme Meeting require that an application of the kind contemplated in clause 3.5(a)(i) be made.

(b) If a notice is given under clause 3.5(a):

(i) Hammer Metals must, promptly after the notice is given, apply to the Court for the Order by making submissions to the Court and filing such evidence as counsel engaged by Hammer Metals to represent it in Court proceedings related to the Scheme, in consultation with Austral, considers is reasonably required to seek to persuade the Court to exercise its discretion to make the Order; and

(ii) Austral must support Hammer Metals' submissions made in accordance with this clause 3.5(b), including by making such submissions to the Court and filing such evidence as counsel engaged by Hammer Metals and Austral (respectively) to represent it in Court proceedings related to the Scheme considers is reasonably required to seek to persuade the Court to exercise its discretion to make the Order.

(c) If the Court makes the Orders, the Condition in clause 3.1(d) is deemed to be satisfied for all purposes.

3.6 **Certain notices**

(a) Each of Hammer Metals and Austral, in respect of matters within its knowledge, must keep the other reasonably informed of the progress towards satisfying any of the Conditions.

(b) Each of Hammer Metals and Austral must promptly notify the other party in writing if it becomes aware:

(i) that any Condition has been satisfied; or

(ii) of any fact, matter or circumstance that has resulted or is reasonably likely to result in:

(A) a Condition becoming incapable of satisfaction or otherwise not being satisfied in accordance with its terms;

(B) a breach of a Warranty provided by that party under this deed or such a Warranty ceasing to be true and correct in a material respect; or

(C) a material breach of this deed by that party,

and provide such evidence or details as may be reasonably requested by the other party.

(c) Each party must keep the other party informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition.

3.7 **Certificate**

Before 8:00am on the Second Court Date:

(a) Hammer Metals will provide a certificate to Austral confirming whether or not it has breached any of its obligations under this deed (including a breach of a Hammer Metals Warranty), and if it has, giving details of such breaches; and

(b) Austral will provide a certificate to Hammer Metals confirming whether or not it has breached any of its obligations under this deed (including a breach of an Austral Warranty), and if it has, giving details of such breaches.

4 Implementation steps and Scheme Booklet

4.1 **Timetable**

(a) Without limiting the parties' respective obligations under this clause 4, each party must use their best endeavours to promote and implement the Scheme as soon as reasonably practicable after the date of this deed and in accordance with the Timetable, including committing necessary resources (including the time and attention of management and the resources of Advisers, as reasonably required) and ensuring that its directors, officers, employees and Advisers work in good faith with the other party in a timely fashion to implement the Scheme, subject to the terms and conditions of this deed.

(b) Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 4.1 by a party:

(i) if that party used their best endeavours as required by clause 4.1 to comply with or meet that timeframe or deadline; or

(ii) to the extent such failure is solely due to circumstances and matters outside the party's control, including the requirements of any Government Agency or the Court.

(c) Each party must keep the other party reasonably informed about its progress against the Timetable and promptly notify the other party if it believes that any of the dates in the Timetable are not, or are unlikely to be, achievable.

(d) To the extent that any of the dates or timeframes set out in the Timetable become not achievable or become unlikely to be achievable, the parties will consult in good faith to agree any necessary extension to ensure such matters are completed within the shortest timeframe that is reasonably possible.

4.2 **Hammer Metals obligations**

Without limiting clause 4.1, Hammer Metals must:

(a) **Hammer Metals Board Recommendation and Voting Intentions**: subject to clause 2.3(b), include in the Scheme Booklet (including any supplementary disclosure to Hammer Metals Shareholders) and any material public statement or announcement relating to the Transaction on or before the date of the Scheme Meeting (including, without limitation, the public announcement contemplated by clause 13.1) a statement to the effect that:

(i) the Hammer Metals Board unanimously recommends that, subject only to no Superior Proposal emerging and the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interests of Hammer Metals Shareholders, Hammer Metals Shareholders vote, at the Scheme Meeting, in favour of the Scheme Resolution; and

(ii) each Hammer Metals Director will, subject only to no Superior Proposal emerging and the Independent Expert concluding (and continuing to conclude) in the Independent

Expert's Report that the Scheme is in the best interest of Hammer Metals Shareholders, vote, or cause to be voted, at the Scheme Meeting, all Hammer Metals Shares in which he has a Relevant Interest or which he controls in favour of the Scheme Resolution;

(b) **Proxy solicitation**: in consultation with Austral, develop and implement a program for Hammer Metals Shareholders engagement and proxy solicitation in support of the Transaction and to promote the merits of the Transaction (including engaging a proxy solicitation firm to assist in soliciting proxy votes if Austral requires) subject to applicable law and ASIC policy, and consider in good faith any reasonable feedback and input received from Austral in relation to such program;

(c) **Share Register**: provide Austral with a copy of the Share Register as at the Record Date (which must include the name, registered address and registered holding of each Hammer Metals Shareholder as at the Record Date), within one Business Day after the Record Date, in such form as Austral may reasonably require, and determine Hammer Metals Shareholders' respective entitlements to the Scheme Consideration in accordance with the Scheme;

(d) **Proxy forms**: keep Austral reasonably informed on the status of proxy forms received for the Scheme Meeting (including the total number of proxy votes received):

(i) in favour of the Scheme Resolution;

(ii) against the Scheme Resolution;

(iii) to abstain on the Scheme Resolution; and

(iv) allowing the proxy to vote at the proxy's discretion, including:

(A) on the day that is ten Business Days before the Scheme Meeting;

(B) on each Business Day following the day that is ten Business Days before the Scheme Meeting, up to the deadline for the receipt of proxy forms; and

(C) as soon as reasonably practical (and in any event, within 24 hours) following the deadline for receipt of proxy forms;

(e) **Suspension**: subject to clause 4.2(cc), not do anything to cause Hammer Metals Shares to cease being quoted on ASX or to become permanently suspended from quotation or to remove Hammer Metals from the Official List of the ASX prior to implementation of the Scheme;

(f) **Hammer Metals Data Room**: keep open and permit Austral and its Representatives to access the Hammer Metals Data Room until the cessation of the Exclusivity Period;

(g) **Compliance with laws**: do everything reasonably within its power to ensure that the Scheme is effected in accordance with all applicable laws and regulations (including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules);

(h) **Verification**: undertake appropriate due diligence and verification processes in relation to the Hammer Metals Information;

(i) **Independent Expert**: promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert (and any technical expert appointed by the Independent Expert) to enable the Independent Expert (and any technical expert appointed by the Independent Expert) to prepare the Independent Expert's Report and any technical expert's report for inclusion in the Scheme Booklet (including any update of, or revision, amendment or supplement to, the Independent Expert's Report) as soon as practicable following such requests;

(j) **Preparation of Scheme Booklet**:

(i) prepare the Scheme Booklet (other than the Austral Information and the Independent Expert's Report) as soon as practicable after the date of this deed in accordance with applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules;

(ii) provide Austral with, and with a reasonable opportunity to review and make comments on, successive drafts of the Scheme Booklet prepared by Hammer Metals in accordance with clause 4.2(j)(i), consult with Austral in relation to the content of those drafts (other than the Austral Information), and take into account, in good faith, all reasonable comments provided by or on behalf of Austral in a timely manner;

(iii) provide to Austral a draft of the Scheme Booklet proposed to be provided to ASIC within a reasonable time before that draft is finalised and to enable Austral to review that draft before its submission;

(iv) to the maximum extent permitted under Hammer Metals' obligations to the Independent Expert, provide Austral with, and with a reasonable opportunity to review and make comments on, drafts of the Independent Expert's Report promptly after receiving such drafts from the Independent Expert and promptly give to the Independent Expert any reasonable comments provided by or on behalf of Austral, provided that those comments are limited to matters of factual accuracy. Hammer Metals makes no representation, and gives no assurance, as to the extent to which such comments will be considered or incorporated by the Independent Expert;

(v) obtain Austral's consent in writing to the inclusion of the Austral Information (including in respect of the form and context in which the Austral Information appears in the Scheme Booklet), such consent not to be unreasonably withheld, delayed or conditioned, and Hammer Metals must not lodge the Scheme Booklet with ASIC until such consent is obtained from Austral, and otherwise not use the Austral Information for any purposes other than those expressly contemplated by this deed; and

(vi) take all reasonable steps to ensure that the Hammer Metals Information included in the Scheme Booklet is not false, or misleading or deceptive in any material respect (whether by omission or otherwise) as at the date it is dispatched to Hammer Metals Shareholders;

(k) **Lodgement of regulator drafts of the Scheme Booklet**:

(i) as soon as reasonably practicable after the date of this deed but no later than 14 days before the First Court Date, provide a draft of the Scheme Booklet to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of such draft to Austral as soon as practicable thereafter;

(ii) provide to ASX an advanced draft of the Scheme Booklet suitable for review by ASX; and

(iii) keep Austral reasonably informed of any material issues raised by ASIC and ASX in relation to the Scheme Booklet, consult with Austral in good faith prior to taking any steps or actions to address any such issues and to take into consideration Austral's reasonable comments regarding any such issues (provided that, where those issues relate to the Austral Information, Hammer Metals must not take any steps or actions to address them without Austral's prior written consent, not to be unreasonably withheld, delayed or conditioned);

(l) **Approval of Scheme Booklet**: Before the First Court Date, procure that a meeting of the Hammer Metals Board is held to consider approving the Scheme Booklet for despatch to the Hammer Metals Shareholders, subject to orders of the Court under section 411(1) of the Corporations Act;

(m) **No objection statement**: apply to ASIC for:

(i) a letter stating that ASIC does not intend to appear at the First Court Hearing; and

(ii) a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;

(n) **First Court Hearing**:

(i) lodge all documents with the Court and take all other necessary steps to ensure that an application for an order under section 411(1) of the Corporations Act directing Hammer Metals to convene the Scheme Meeting is heard by the Court; and

(ii) apply to the Court for an order under section 411(1) of the Corporations Act directing Hammer Metals to convene the Scheme Meeting;

(o) **Approval and registration of Scheme Booklet**: as soon as practicable after the Court orders Hammer Metals to convene the Scheme Meeting, but subject to receipt from Austral of the consent referred to in clause 4.2(j)(v), request that ASIC registers the explanatory statement in relation to the Scheme contained in the Scheme Booklet in accordance with section 412(6) of the Corporations Act;

(p) **Despatch**: as expeditiously as practicable following registration of the Scheme Booklet by ASIC, despatch the Scheme Booklet to Hammer Metals Shareholders and to all other persons entitled to receive notice of the Scheme Meeting;

(q) **Opt out Notice**: send an Opt out Notice with the Scheme Booklet to each Hammer Metals Shareholder;

(r) **Supplementary disclosure**: if, after despatch of the Scheme Booklet, Hammer Metals becomes aware:

(i) that information included in the Scheme Booklet is or has become false, or misleading or deceptive in any material respect (whether by omission or otherwise); or

(ii) of information that is required to be disclosed to Hammer Metals Shareholders under any applicable law or regulation (including, the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules) which was not included in the Scheme Booklet,

then, without limiting any other obligation under this clause 4.2, promptly:

(iii) consult with Austral in good faith, as to the need for, and form and content of, any supplementary disclosure to Hammer Metals Shareholders (whether by update or supplement to the Scheme Booklet or by market announcement);

(iv) prepare any supplementary disclosure to the Hammer Metals Information as soon as practicable in accordance with applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules (including to ensure the information in the Scheme Booklet is no longer false, or misleading or deceptive in any material respect (whether by omission or otherwise));

(v) provide Austral with, and with a reasonable opportunity to review and make comments on, successive drafts of the supplementary disclosure prepared by Hammer Metals, consult with Austral in relation to the content of those drafts (other than the Austral Information), and take into account, in good faith, all reasonable comments provided by or on behalf of Austral in a timely manner;

(vi) conduct a factual accuracy review of any supplementary disclosure to the Independent Expert's Report; and

(vii) if applicable, seek the Court's approval for the despatch of any update or supplement to the Scheme Booklet;

(s) **Director's voting**: use its reasonable endeavours to procure that each Hammer Metals Director votes any Hammer Metals Shares in which they have a Relevant Interest or the voting of which they control in favour of the Scheme Resolution, in each case subject only to:

(i) no Superior Proposal emerging; and

(ii) the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interest of Hammer Metals Shareholders, and not withdrawing or adversely changing that conclusion;

(t) **Scheme Meeting**: take all reasonable steps necessary to comply with the orders of the Court including, as required, despatching the Scheme Booklet to the Hammer Metals Shareholders and convening and holding the Scheme Meeting, and not adjourning or postponing the Scheme Meeting, or request the Court to adjourn or postpone the Scheme Meeting, in either case without obtaining the prior written approval of Austral (such approval not to be unreasonably withheld, delayed or conditioned);

(u) (**Court approval of Scheme if conditions are capable of being satisfied**) if the resolution submitted to the Scheme Meeting is passed by the majorities required under section 411(4)(a)(ii) of the Corporations Act, and it can be reasonably expected that all of the remaining Conditions will be satisfied or waived prior to the proposed Second Court Date, apply (and, to the extent necessary, re-apply) to the Court for, and take all other reasonable steps to obtain, orders approving the Scheme as agreed to by the Hammer Metals Shareholders at the Scheme Meeting;

(v) **Conditions certificate**: at or before the Second Court Hearing, provide to the Court (through its counsel):

(i) a certificate (signed for and on behalf of Hammer Metals), in the form of a deed, confirming (in respect of matters within its knowledge) whether or not the Conditions included for its benefit (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with clauses 3.3(b) and 3.3(c), a draft of which certificate must be provided to Austral by 5:00pm on the date that is two Business Days prior to the Second Court Date; and

(ii) any certificate provided to it by Austral pursuant to clause 4.3(i);

(w) **Second Court Hearing**: subject to the Conditions (other than the Condition in clause 3.1(b)) being satisfied or waived in accordance with clauses 3.3(b), 3.3(c) or 3.3(d), apply to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme;

(x) **Court Documents**:

(i) prepare the Court Documents;

(ii) consult with Austral as to the content and presentation of the documents required for the purposes of the Court Hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme; and

(iii) consider in good faith any reasonable comments provided by or on behalf of Austral in a timely manner prior to filing those documents with the Court;

(y) **Implementation of the Scheme**: if the Court approves the Scheme under section 411(4)(b) of the Corporations Act:

(i) for the purposes of section 411(10) of the Corporations Act, lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving the Scheme as soon as possible and, in any event, no later than the

Business Day immediately following the day on which it receives such office copy (or any later date agreed in writing by Austral);

(ii) finalise and close the Share Register and determine entitlements to the Scheme Consideration as at the Record Date in accordance with the Scheme and the Deed Poll;

(iii) execute a master transfer as agent and attorney for the Scheme Shareholders in accordance with the Scheme and effect and register the transfer of the Scheme Shares to Austral on the Implementation Date in accordance with the Scheme; and

(iv) do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court approving the Scheme;

(z) **Assistance**: up to the Implementation Date and subject to obligations of confidentiality owed to third parties (appropriate consents in relation to which Hammer Metals must use reasonable endeavours to obtain) and undertakings to Government Agencies, provide Austral with reasonable access during normal business hours to information and personnel of the Hammer Metals Group that Austral reasonably requests for the purposes of collation and provision of Austral Information and the implementation of the Transaction;

(aa) **Austral Information**: prepare and promptly provide to Austral any information regarding the Hammer Metals Group (including the businesses of the Hammer Metals Group) that Austral reasonably requires in order to prepare the Austral Information for inclusion in the Scheme Booklet;

(bb) **Hammer Metals information**: provide all necessary information, and procure that the Registry provides all necessary information, in each case in a form reasonably requested by Austral, about the Scheme, the Scheme Shareholders and the Hammer Metals Shareholders to Austral, which Austral reasonably requires in order to:

(i) understand the legal and beneficial ownership of Hammer Metals Shares, and canvas agreement to the Scheme by Hammer Metals Shareholders (including the results of directions by Hammer Metals under Part 6C.2 of the Corporations Act);

(ii) facilitate the provision of Scheme Consideration by Austral and otherwise to enable Austral to comply with the terms of the Transaction Documents; and

(iii) review the tally of proxy appointments and directions received by Hammer Metals prior to the Scheme Meeting.

Hammer Metals must comply with any reasonable request of Austral for Hammer Metals to give directions pursuant to Part 6C.2 of the Corporations Act from time to time for one of the purposes referred to in 4.2(bb)(i) and 4.2(bb)(ii) above;

(cc) **Quotation of Hammer Metals Shares and ASX listing**: apply to ASX to have:

(i) trading in Hammer Metals Shares suspended from the close of trading on the Effective Date, or such other date and time agreed between the parties; and

(ii) Hammer Metals removed from the Official List of ASX, and quotation of Hammer Metals Shares on ASX terminated by the close of trading on the trading day immediately following (but not on or before) the Implementation Date;

(dd) **Promote merits of the Transaction**: participate in efforts reasonably requested by Austral to promote the merits of the Transaction, including meeting with Hammer Metals Shareholders at the reasonable request of Austral and providing such information and assistance as Austral reasonably requests to enable it to promote the merits of the Transaction;

(ee) **Compliance with laws**: do everything reasonably within its power to ensure that all transactions contemplated by this deed are effected in accordance with all applicable laws, regulations and the ASX Listing Rules;

(ff) **SpinCo Demerger**: Hammer Metals must undertake all steps reasonably required to give effect to, or otherwise be in a position to give effect to, the SpinCo Demerger no later than one Business Day before the Implementation Date, and each of the parties acknowledges that Hammer Metals must as part of that transaction, obtain an indemnity from, and provide an indemnity in favour of, SpinCo, effective from the date of execution of the SpinCo Demerger Documents, that from the effective date of the SpinCo Demerger:

(i) SpinCo will have the entire economic benefit and risk of the SpinCo Group's business and assets, and will assume all liabilities of that business (including all debt, royalties and guarantees provided by Hammer Metals and its Related Bodies Group related to the business of the SpinCo Group and the SpinCo Group Tenements), as if SpinCo had owned and operated the SpinCo Group business and assets and the SpinCo Group Tenements at all times;

(ii) Hammer Metals will have the entire economic benefit and risk of the Hammer Metals business and assets (excluding the business and assets of the SpinCo Group) and will assume all liabilities of that Hammer Metals business and assets as if it had operated and owned that business and assets at all times; and

(iii) each of SpinCo and Hammer Metals will indemnify the other against any loss whatsoever in connection with the Restructure and SpinCo Demerger as it relates to the Hammer Metals business and assets, in the case of Hammer Metals, and the SpinCo Group's business and assets, in the case of SpinCo,

each subject to the terms of the SpinCo Demerger Agreement. The split of assets and liabilities between the SpinCo Group's business and Hammer Metals business (excluding the business of SpinCo Group) must be undertaken in accordance with the separation principle above and in clause 7. For the avoidance of doubt, if there is any inconsistency between the terms of this deed and the SpinCo Demerger Documents, the terms of the SpinCo Demerger Documents will take precedence; and

(gg) **All other things necessary**: do all other actions and do all things reasonably necessary or desirable to give effect to the Scheme having regard to the Timetable.

4.3 **Austral obligations**

Without limiting clause 4.1, Austral must:

(a) **Compliance with laws**: do all other actions and do all things reasonably necessary or desirable to give effect to the Scheme having regard to the Timetable;

(b) **Prepare Austral Information**: as soon as practicable after the date of this deed:

(i) prepare the Austral Information for inclusion in the Scheme Booklet in accordance with all applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules;

(ii) provide Hammer Metals with, and with a reasonable opportunity to review and make comments on, drafts of the Austral Information and consider in good faith any reasonable comments provided by or on behalf of Hammer Metals in a timely manner;

(iii) provide Hammer Metals the final form of the Austral Information for inclusion in the Scheme Booklet; and

(iv) take all reasonable steps to ensure that the Austral Information is not false, or misleading or deceptive in any material respect (whether by omission or otherwise) as at the date it is dispatched to Hammer Metals Shareholders;

(c) **Assistance with Scheme Booklet and Court Documents**: promptly provide any assistance or information reasonably requested by Hammer Metals or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Hammer Metals Shareholders) or any Court Documents, including reviewing drafts of the Scheme Booklet and Court Documents provided by or on behalf of Hammer Metals and promptly providing comments in good faith;

(d) **Independent Expert's Report**: subject to the Independent Expert entering into arrangements with Austral (including in relation to confidentiality) in a form reasonably acceptable to Austral, promptly provide any assistance or information reasonably requested by the Independent Expert (or any technical expert appointed by the Independent Expert), in connection with the preparation of the Independent Expert's Report (or any technical expert's report for inclusion in the Scheme Booklet) (including any update of, or revision, amendment or supplement to, the Independent Expert's Report);

(e) **Verification**: undertake appropriate due diligence and verification processes in relation to the Austral Information;

(f) **Consent to Austral Information**: promptly after Hammer Metals requests that it does so (and in any event prior to 5:00pm on the Business Day prior to the First Court Date) consent in writing to Hammer Metals to the inclusion of the Austral Information in the Scheme Booklet, in the form and context in which the Austral Information appears in the Scheme Booklet, such consent not to be unreasonably withheld, delayed or conditioned;

(g) **Update Austral Information**: promptly notify Hammer Metals in writing if it becomes aware:

(i) of information which should have been but was not included in the Austral Information previously provided to Hammer Metals, and promptly provide Hammer Metals with all such information; or

(ii) that any Austral Information previously provided to Hammer Metals is or has become false or misleading in any material respect (whether by omission or otherwise), or otherwise does not comply with applicable laws, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules, and promptly provide Hammer Metals with all information necessary to ensure the Austral Information complies with applicable laws and is not false or misleading in any material respect (whether by omission or otherwise),

and promptly:

(iii) consult with Hammer Metals in good faith, as to the need for, and form and content of, any supplementary disclosure to Hammer Metals Shareholders (whether by update or supplement to the Scheme Booklet or by market announcement);

(iv) prepare any supplementary disclosure to the Austral Information as soon as practicable in accordance with applicable laws, including the Corporations Act and Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the ASX Listing Rules (including to ensure the Austral Information in the Scheme Booklet is no longer false, or misleading or deceptive in any material respect (whether by omission or otherwise));

(v) provide Hammer Metals with, and with a reasonable opportunity to review and make comments on, successive drafts of the supplementary disclosure to the Austral Information prepared by Austral, consult with Hammer Metals in relation to the content of those drafts, and take into account, in good faith, all reasonable comments provided by or on behalf of Hammer Metals in a timely manner; and

(vi) take all reasonable steps to ensure that the Austral Information included in the supplementary disclosure is not false, or misleading or deceptive in any material respect (whether by omission or otherwise) as at the date it is lodged with ASIC;

(h) **Deed Poll**: before 5:00pm on the date that is two Business Days before the First Court Date, execute the Deed Poll, and deliver the fully executed Deed Poll to Hammer Metals and, if the Scheme becomes Effective, fully comply with the Deed Poll;

(i) **Conditions certificate**: before 8:00am on the Second Court Date, provide to Hammer Metals, for provision to the Court at the Second Court Hearing, a certificate (signed for and on behalf of Austral), in the form of a deed, confirming (in respect of matters within its knowledge) whether or not the Conditions included for its benefit (other than the Condition in clause 3.1(b)) have been satisfied or waived in accordance with clauses 3.3(b) and 3.3(d), a draft of which certificate must be provided to Hammer Metals by 5:00pm on the date that is two Business Days before the Second Court Date;

(j) **Representation at Court**: ensure that it is represented by counsel at each Court Hearing for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act;

(k) **Scheme Consideration**: if the Scheme becomes Effective, provide, or procure the provision of, the Scheme Consideration in the manner and in the amount contemplated by clause 5, the terms of the Scheme and the Deed Poll;

(l) **Share transfer**: if the Scheme becomes Effective, accept a transfer of the Scheme Shares as contemplated by clause 4.2(y) and execute instruments of transfer in respect of the Scheme Shares;

(m) **Liaise with ASIC**: provide all reasonable assistance requested by Hammer Metals to assist Hammer Metals to resolve any matters raised by ASIC or ASX regarding the Scheme Booklet or the Scheme during its review of the Scheme Booklet;

(n) **Suspension**: not do anything to cause Austral Shares to cease being quoted on ASX or to become permanently suspended from quotation or to remove Austral from the Official List of the ASX prior to the Implementation Date; and

(o) **Class Ruling**: if Hammer Metals applies to the ATO for a Class Ruling, including in relation to scrip for scrip roll over relief under subdivision 124 M of the Tax Act, provide Hammer Metals with such assistance and information as may reasonably be requested by Hammer Metals for the purposes of obtaining the Class Ruling.

4.4 **Scheme Booklet**

(a) If Hammer Metals and Austral are unable to agree (acting in good faith) on the form or content of a particular part of the Scheme Booklet, then:

(i) if the relevant part of the Scheme Booklet is Austral Information, Hammer Metals will make such amendments to that part of the Scheme Booklet as required by Austral (acting reasonably and in good faith); and

(ii) if the relevant part of the Scheme Booklet is not Austral Information, Hammer Metals (acting reasonably and in good faith) will decide the form and content of that part of the Scheme Booklet.

(b) Hammer Metals and Austral agree that the Scheme Booklet will contain a responsibility statement to the effect that:

(i) 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 or 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;

(ii) Austral has prepared and is responsible for the Austral Information contained in the Scheme Booklet (and no other part of the Scheme Booklet), and none of Hammer Metals or 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); and

(iii) the Independent Expert has provided and is responsible for the Independent Expert's Report, and none of Austral or its Related Bodies Corporate or their respective directors, officers or employees, nor Hammer Metals or 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.

4.5 Conduct of Court proceeding

(a) Each party must procure that it is represented by counsel at the Court Hearings convened for the purposes of section 411(1) and paragraph 411(4)(b) of the Corporations Act.

(b) This deed does not give Hammer Metals or Austral any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.

(c) If the Court's approval of the Scheme in accordance with section 411(4) of the Corporations Act would impose any terms or conditions other than those set out in the Scheme, then each such term or condition must be approved in writing by Austral and Hammer Metals (such approval not to be unreasonably withheld, delayed or conditioned) prior to the Court granting the final orders and if not so agreed, the Condition in clause 3.1(b) will not be satisfied.

4.6 Appeal process

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, Hammer Metals must consult with Austral in good faith as to whether to appeal the Court's decision and Hammer Metals and Austral must appeal the Court's decision to the fullest extent possible except to the extent that:

(a) following consultation, the parties agree otherwise; or

(b) an independent senior counsel (agreed by the parties) advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date,

in which case either party may terminate this deed in accordance with clause 12.1(c).

5 Scheme Consideration

5.1 Scheme Consideration

(a) Each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder, subject to and in accordance with the terms of the Transaction Documents.

(b) Subject to clauses 5.2, 5.4 and 5.5, Austral undertakes and warrants in favour of Hammer Metals (in its own right and on behalf of each Scheme Shareholder) that Austral will provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder for each Scheme Share in accordance with the terms of the Transaction Documents.

(c) Austral undertakes and warrants in favour of Hammer Metals (in its own right and on behalf of each Scheme Shareholder) that:

(i) on issue, the New Austral Shares issued under the Scheme as Scheme Consideration will:

(A) be duly issued;

(B) rank equally in all respects with all existing Austral Shares;

(C) confer an entitlement to participate in and receive any dividends or distribution of capital paid and any other entitlements accruing in respect of Austral Shares; and

(D) be fully paid and free from any mortgage, charge, lien, encumbrance or other Security Interest, or third party rights;

(ii) it will apply to ASX for the official quotation by ASX of the New Austral Shares that comprise the Scheme Consideration on the Official List of ASX; and

(iii) it will use its best endeavours to ensure that the New Austral Shares will be listed for quotation on the Official List of ASX with effect from the Business Day after the Effective Date (or such later date as ASX may require), initially on a deferred settlement basis and, with effect from the first Business Day after the Implementation Date, on an ordinary (T+2) settlement basis.

(d) Hammer Metals acknowledges that the undertakings and warranties by Austral in clause 5.1(c) are given to Hammer Metals in its own right and in its capacity as trustee and nominee for each Scheme Shareholder.

5.2 **Ineligible Holders**

Austral will be under no obligation under the Transaction Documents to issue, and will not issue, or procure to be issued, any New Austral Shares in the name of any Ineligible Holder and, instead, unless Austral and Hammer Metals otherwise agree in writing, Austral will issue, or procure the issue of, the New Austral Shares to which each Ineligible Holder would have otherwise been entitled to receive as Scheme Consideration to the Sale Agent in accordance with the Scheme.

5.3 **Sale Agent and Sale Facility**

(a) Austral must:

(i) no later than five Business Days prior to the Scheme Meeting, appoint the Sale Agent; and

(ii) on the Implementation Date, issue to the Sale Agent:

(A) the New Austral Shares to which Ineligible Holders would otherwise be entitled under the Scheme and the Deed Poll, except to the extent any of the New Austral Shares are deducted or withheld under clause 5.3(a)(ii)(B); and

(B) the New Austral Shares (if any) which Austral determines (in its reasonable opinion) should be deducted or withheld from the Scheme Consideration by Austral in respect of FRCGW Holders in accordance with clause 5.8(b).

(b) Where New Austral Shares are issued to the Sale Agent pursuant to clause 5.3(a), Austral must procure that those New Austral Shares are dealt with in accordance with the Scheme.

(c) The Sale Proceeds of the Ineligible Holders will be dealt with in accordance with the terms of the Scheme.

5.4 **Fractional entitlements**

Where the calculation of the number of New Austral Shares to be issued to a particular Scheme Shareholder (including an Ineligible Holder dealt with in accordance with clause 5.3(a)) 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.

5.5 **Share 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 rounding in accordance with clause 5.4) 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 as shown in the Share Register;

(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 has been 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 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 Deed Poll, be taken to hold no Scheme Shares. Austral, in complying with the other provisions of the Scheme and Deed Poll relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all 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 the Scheme and Deed Poll.

5.6 **Excluded Shareholders**

(a) Austral represents that, to the extent any Austral Group Member is an Excluded Shareholder, that Austral Group Member consents to be excluded from the operation of the Scheme.

(b) The parties acknowledge and agree that, to the extent there is any Excluded Shareholder, that person will not be a "Scheme Shareholder" for the purposes of this deed and will be excluded from the operation of the Scheme.

5.7 **Australian Tax roll over relief**

(a) Austral acknowledges that each Scheme Shareholder who is an Australian resident shareholder who holds their Scheme Shares on capital account may seek roll over relief under subdivision 124-M of the Tax Act, to the extent permitted by the Tax Act.

(b) Austral undertakes that:

(i) it will not make a choice to deny roll over relief to the Scheme Shareholders under subsection 124-795(4) of the Tax Act;

(ii) it is the ultimate holding company of the wholly owned group for the purposes of subparagraph 124-780(3)(c)(ii) of the Tax Act; and

(iii) no member of the wholly owned group of which Austral is a member will issue any equity (other than the New Austral Shares), or owe new debt, under the Scheme:

(A) to an entity that is not a member of the group of which Austral is a member; and

(B) in relation to the issuing of the New Austral Shares, for the purposes of paragraph 124-780(3)(f) of the Tax Act.

(c) Hammer Metals acknowledges that each Scheme Shareholder who is an Australian resident shareholder who holds their Scheme Shares on capital account may seek roll over relief under subdivision 124-M of the Tax Act, to the extent permitted by the Tax Act.

(d) Hammer Metals undertakes that it will apply for and endeavour to obtain a Class Ruling on behalf of Hammer Metals Shareholders in relation to scrip for scrip roll over relief under subdivision 124-M of the Tax Act.

5.8 **Withholding**

(a) For the purpose of this clause:

(i) **Declaration** means a declaration provided by a Scheme Shareholder in accordance with section 14-225 and section 14-210(3) of Schedule 1 to the Taxation Administration Act;

(ii) **Variation** means a notice of variation as granted by the Commissioner of Taxation under subsection 14-235(2) of Schedule 1 to the Taxation Administration Act; and

(iii) **Subdivision 14 D** means Subdivision 14-D of Schedule 1 to the Taxation Administration Act.

(b) If Austral determines (in its reasonable opinion acting in good faith) that it is required by Subdivision 14-D to pay amounts (each being a **FRCGW Amount**) to the Commissioner of Taxation in respect of the acquisition of the Scheme Shares from certain Scheme Shareholders (each being a **FRCGW Holder**), Austral shall be entitled to deduct or withhold from the Scheme Consideration otherwise payable to the FRCGW Holder the number of New Austral Shares required to be sold in order to satisfy the FRCGW Amount (taking into account potential fluctuations in the price of the New Austral Shares, if reasonable) and issue those New Austral Shares to the Sale Agent in accordance with clause 5.3(a)(ii)(B).

(c) Austral will remit to the Commissioner of Taxation so much of the Sale Proceeds received under clause 5.3 as is required to comply with Subdivision 14-D (as determined by Austral under clause 5.8(b)), to the extent those Sale Proceeds are derived from the sale of New Austral Shares to which a FRCGW Holder would otherwise be entitled under the Scheme and the Deed Poll.

(d) The aggregate sum payable to the FRCGW Holders will not be increased to reflect the amount remitted to the Commissioner of Taxation under clause 5.8(c) or otherwise deducted by Austral in accordance with clause 5.8(b) and the Scheme, and the net aggregate sum payable to those FRCGW Holders will be taken to be in full satisfaction of their right to the Scheme Consideration.

(e) Austral acknowledges and agrees that it will reduce the FRCGW Amount with respect to a Scheme Shareholder where that Scheme Shareholder provides a Variation to Austral prior to the Implementation Date and Austral does not know or reasonably suspect the Variation to be false or invalid.

(f) Austral acknowledges and agrees that it shall not pay any amounts to the Commissioner of Taxation under clause 5.8(c) with respect to a Scheme Shareholder where that Scheme Shareholder provides a Declaration to Austral prior to the Implementation Date and Austral does not know or suspect that the Declaration is false.

(g) If Austral forms the view that it knows or suspects that a Declaration it has received is false, and Austral received the Declaration more than 30 days before the Implementation Date, Austral agrees that it shall not pay any amounts to the Commissioner of Taxation in respect of that Scheme Shareholder until it has:

(i) provided information upon which it relied to form that view to the Scheme Shareholder who has provided that Declaration no less than 20 days before the Implementation Date;

(ii) provided the Scheme Shareholder by notice in writing the opportunity to review the information provided to it and respond with their views no less than ten days before the Implementation Date; and

(iii) reviewed any response from the Scheme Shareholder and, after having reconsidered its view, still be of the view that it has knowledge or suspicion that the Declaration it has received is false.

(h) Hammer Metals agrees that Austral may approach the ATO to obtain clarification as to the application of Subdivision 14-D to the Scheme and will provide all information and assistance that Austral reasonably require in making any such approach. Austral agrees:

(i) to provide Hammer Metals a reasonable opportunity to review the form and content of all materials to be provided to the ATO, and must incorporate Hammer Metals' reasonable comments on those materials, and more generally to take into account Hammer Metals' comments in relation to Austral's engagement with the ATO, and provide Hammer Metals a reasonable opportunity to participate in any discussions and correspondence between Austral and the ATO in connection with the application of Subdivision 14-D to the Scheme; and

(ii) subject to clause 5.8(g), not to contact any Scheme Shareholders in connection with the application of Subdivision 14-D to the Scheme without Hammer Metals' prior written consent.

(i) The parties agree to consult in good faith as to the application of Subdivision 14-D, including taking into account any clarification provided by the ATO following any process described in clause 5.8(g). The parties agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation.

6 Conduct of Business and Transitional Matters

6.1 Conduct of Hammer Metals business

(a) Subject to clause 6.2(a), from the date of this deed until the Implementation Date and without limiting any other obligations of Hammer Metals under this deed, Hammer Metals must, and must cause each Hammer Metals Group Member, to:

(i) conduct, its business and operations:

(A) in the ordinary and usual course;

(B) in a manner substantially consistent with the Budget and in which such business and operations were conducted immediately prior to the date of this deed;

(C) in accordance with all applicable laws and regulations;

(D) in accordance with agreements binding upon the relevant Hammer Metals Group Member; and

(E) in accordance with all Authorisations that are binding on the Hammer Metals Group;

(ii) keep Austral informed of any material developments concerning the conduct of its business including promptly notifying Austral in writing of:

(A) any events, facts, matters or circumstances which would or would be reasonably expected to constitute a Hammer Metals Material Adverse Change, Hammer Metals Prescribed Occurrence, Hammer Metals Regulated Event or a material breach of any Hammer Metals Warranty;

(B) any material developments concerning the Hammer Metals Group's business, assets, activities, employees and operations;

(C) the resignation, or termination for cause, of any Hammer Metals Director, executive or officer; and

(D) any material correspondence or engagement with Government Agencies, key contractual counterparties (including, but not limited to, the counterparties to the Material Contract) and other key stakeholders;

(iii) provide regular reports on the financial and operating affairs of the Hammer Metals Group, including the provision of the Hammer Metals Group's monthly management accounts and bank statements, in a timely manner to Austral;

(iv) use all reasonable endeavours, and procure that each other Hammer Metals Group Member uses all reasonable endeavours, to:

(A) preserve and maintain the value of the businesses and assets of the Hammer Metals Group;

(B) keep available the services of the directors, officers and employees of each Hammer Metals Group Member;

(C) maintain and preserve their relationships with Government Agencies, customers, suppliers and other stakeholders having material business dealings with any Hammer Metals Group Member, other than in respect of actions arising out of the enforcement or termination of such arrangements in the ordinary course;

(D) comply in all respects with all applicable laws and regulations (including requirements of any Government Agency) and all Authorisations applicable to any Hammer Metals Group Member;

(E) comply in all respects with the Material Contracts, enforce the Material Contracts and not waive any breach by a counterparty to any such Material Contract;

(F) comply in all material respects with any agreement binding on any Hammer Metals Tenements; and

(G) ensure that there is no occurrence within its control that would constitute or be likely to constitute a Hammer Metals Material Adverse Change, Hammer Metals Prescribed Occurrence, Hammer Metals Regulated Event or breach of any Hammer Metals Warranty; and

(v) subject to clause 6.2(b), maintain, and cause each Hammer Metals Group Member (where applicable) to maintain the Hammer Metals Tenements in good standing and in full force and effect.

6.2 **Exceptions to conduct of Hammer Metals business**

(a) Nothing in clause 6.1 restricts any Hammer Metals Group Member from doing or not doing (or agreeing to do or not do) anything which:

(i) is required or expressly permitted by the Transaction Documents, the Restructure, the SpinCo Demerger Documents or the Bridging Loan Agreement;

(ii) has been Fairly Disclosed in the Hammer Metals Disclosure Materials;

(iii) is included in the Budget;

(iv) has been Fairly Disclosed to the ASX within the 12 months prior to the date of this deed;

(v) appears on the Hammer Metals Relevant Searches;

(vi) is required by any applicable law or by an order, rules, injunction or undertaking of a court or Government Agency (except where that requirement arises as a result of an action by a Hammer Metals Group Member);

(vii) is a necessary and prudent response to any emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property) and it is impractical to seek the approval of Austral prior to giving effect to the response; or

(viii) has been approved, consented to or requested in writing by Austral (such consent or approval not to be unreasonably withheld, delayed or conditioned).

(b) Nothing in this deed restricts any Hammer Metals Group Member from complying with its compulsory relinquishment obligations at law, which may arise in connection with the renewal of Hammer Metals Tenements, provided that, after the date of this deed, prior to submitting any nomination of relinquishment to the relevant Government Agency with respect to any Hammer Metals Tenement (or any part thereof), Hammer Metals must:

(i) notify Austral of its obligation to compulsorily relinquish a Hammer Metals Tenement (including the requisite deadline(s) for any requisite filings) and its proposed area of relinquishment as soon as reasonably practicable and, in any event, no later than 30 days prior to the deadline to submit the nomination of relinquishment to the relevant Government Agency as Fairly Disclosed in the Hammer Metals Disclosure Materials (**Relinquishment Notice**);

(ii) consult with Austral (acting reasonably and good faith) in relation to the proposed relinquishment and keep Austral reasonably informed of any material matters raised by any Government Agency in relation to the relinquishment and use reasonable endeavours, in consultation with Austral, to resolve any such matters; and

(iii) subject to the remainder of this clause 6.2, to the fullest extent permitted by law, not relinquish any Hammer Metals Tenement without the prior written consent of Austral (such consent not to be unreasonably withheld, delayed or conditioned).

(c) Austral must confirm in writing to Hammer Metals, within five Business Days following receipt of the Relinquishment Notice, whether it agrees or disagrees with Hammer Metals' proposed area of relinquishment and, if Austral disagrees, provide its reasons for such disagreement and consult with Hammer Metals (acting reasonably and good faith) to resolve the proposed area of relinquishment that is in dispute.

(d) If Hammer Metals and Austral are unable to resolve the proposed area of relinquishment that is in dispute, within 10 days of receipt of Austral's confirmation as contemplated in clause 6.2(c), then:

(i) Austral must nominate the area of relinquishment solely from the area of the relevant Hammer Metals Tenement(s) that is subject to renewal (and which gives rise to the compulsory relinquishment obligation); and

(ii) Hammer Metals must relinquish the area nominated by Austral in accordance with this clause 6.2(d).

(e) In the event that Austral, following receipt of a Relinquishment Notice:

(i) has not responded to the Relinquishment Notice within the time period prescribed in clause 6.2(c); or

(ii) has responded to the Relinquishment Notice within the time period prescribed in clause 6.2(c), but fails to provide Hammer Metals with all requisite details of its preferred area of relinquishment at least five Business Days prior to any relevant deadline for filing any such relinquishment application or notification with the relevant Government Agency prescribed by law,

Hammer Metals will be entitled to relinquish the relevant Hammer Metals Tenement(s) as is set out in the Relinquishment Notice.

6.3 **Conduct of Austral business**

(a) Subject to clause 6.4, from the date of this deed until the Implementation Date and without limiting any other obligations of Austral under this deed, Austral must, and must cause each Austral Group Member, to:

(i) not take or fail to take any action that constitutes an Austral Prescribed Occurrence or Austral Material Adverse Change or that would reasonably be expected to result in an Austral Prescribed Occurrence or Austral Material Adverse Change;

(ii) conduct, its business and operations in a manner substantially consistent with the manner in which such business and operations were conducted immediately prior to the date of this deed;

(iii) promptly notify Hammer Metals in writing of any events, facts, matters or circumstances which would or would be reasonably expected to constitute an Austral Material Adverse Change, Austral Prescribed Occurrence, or a material breach of any Austral Warranty; and

(iv) maintain, and cause each Austral Group Member (where applicable) to maintain the Key Austral Tenements in good standing and in full force and effect.

6.4 **Exceptions to conduct of Austral business**

Nothing in clause 6.3 restricts any Austral Group Member from doing or not doing (or agreeing to do or not do) anything which:

(a) is required or expressly permitted by the Transaction Documents;

(b) has been Fairly Disclosed in the Austral Disclosure Materials;

(c) has been Fairly Disclosed to the ASX within the 12 months prior to the date of this deed;

(d) appears on the Austral Relevant Searches;

(e) is required by any applicable law or by an order, rules, injunction or undertaking of a court or Government Agency (except where that requirement arises as a result of an action by an Austral Group Member);

(f) is a necessary and prudent response to any emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property) and it is impractical to seek the approval of Hammer Metals prior to giving effect to the response; or

(g) has been approved, consented to or requested in writing by Hammer Metals (such consent or approval not to be unreasonably withheld, delayed or conditioned).

6.5 **Access**

(a) Subject to clauses 6.5(b) and 6.5(c), on and from the date of this deed until the Implementation Date, Hammer Metals must, and must procure each other Hammer Metals Group Member

promptly provides to Austral reasonable access to information, premises and such senior executives of any Hammer Metals Group Member during normal business hours as reasonably requested by Austral or its Representatives, and afford Austral and its Representatives reasonable co-operation, for the purpose of:

(i) satisfying any Condition;

(ii) implementing the Scheme (including preparing for implementation of the Scheme);

(iii) Austral developing and implementing plans for transition of Hammer Metals' operations and businesses to Austral following implementation of the Scheme;

(iv) Austral understanding the financial position, operations, prospects and affairs of the Hammer Metals Group;

(v) keeping Austral informed of any material changes or developments relating to Hammer Metals Group, including:

(A) the Hammer Metals Group's financial position or trading performance (including but not limited to cash flow and working capital position) when compared to Hammer Metals Group's financial position or trading performance (including but not limited to cash flow and working capital position) as Fairly Disclosed in the Hammer Metals Disclosure Materials;

(B) the financial or operational performance, or the reputation of, the Hammer Metals Group (taken as a whole);

(C) the Hammer Metals Group's relationships with Government Agencies or the counterparties to the Material Contract; and

(vi) Austral meeting its obligations under this deed and verifying the Hammer Metals Warranties;

(vii) any other purpose agreed between Austral and Hammer Metals (each acting reasonably) in writing,

provided that:

(viii) Austral must provide Hammer Metals with reasonable notice of any request for information or access;

(ix) Austral must comply with the reasonable requirements of Hammer Metals (acting reasonably and in good faith having regard to the purpose in this clause 6.5(a)) in relation to any access granted; and

(x) access to the Hammer Metals Disclosure Materials must continue to be made available during the Exclusivity Period.

(b) Hammer Metals will not be required to provide access, information or documents under clause 6.5(a) to the extent that doing so would:

(i) cause unreasonable disruption to the Hammer Metals Group's business;

(ii) result in any Hammer Metals Group Member breaching any applicable law or requirement of any Government Agency, or any obligation of confidentiality owed to a Third Party; or

(iii) result in a waiver or loss of legal professional privilege.

(c) Subject to and without limiting clause 8, nothing in clause 6.5(a) requires Hammer Metals to provide any information concerning:

(i) its directors' or management's consideration of the Scheme; or

(ii) any potential or actual Competing Proposal.

6.6 **Notification**

From the date of this deed up to and including the Second Court Date, Hammer Metals will promptly notify Austral of anything of which it becomes aware that:

(a) makes any material information publicly filed by Hammer Metals (either on its own account or in respect to a Hammer Metals Group Member) to be, or reasonably likely to be, incomplete, incorrect, untrue or misleading in any material respect;

(b) makes any Hammer Metals Warranty false, inaccurate, misleading or deceptive in any material respect;

(c) makes any information provided in the Hammer Metals Disclosure Material false, inaccurate, misleading or deceptive in any material respect;

(d) would constitute or be likely to constitute a Hammer Metals Prescribed Occurrence, a Hammer Metals Regulated Event or a Hammer Metals Material Adverse Change; or

(e) relates to any material claims being commenced or, to the knowledge of Hammer Metals, threatened, that relate to or involve Hammer Metals, any Hammer Metals Group Member, the Hammer Metals Tenements, this deed or the Transaction.

6.7 **Implementation Committee**

(a) As soon as practicable after the date of this deed, Hammer Metals and Austral must establish an Implementation Committee and each party must notify the other party of up to two management or senior executive appointees each to the Implementation Committee (or such other number as agreed between the parties).

(b) The Implementation Committee will act as a forum for discussion and planning by Hammer Metals and Austral to oversee and implement the Scheme.

(c) A member of the Implementation Committee (**Relevant Member**) may agree to invite other persons to attend meetings of the Implementation Committee from time to time as an observer with the prior consent of the majority of the Implementation Committee (with the Relevant Member abstaining).

(d) The Implementation Committee will meet no less than fortnightly (or at such other more frequent times as agreed between the parties), commencing on the date that is five Business Days after the date of this deed (or such other date as agreed between the parties).

(e) The Implementation Committee will determine the format of its meetings, which must permit participation via telephone, video conference or other forms of technology that provide representatives with a reasonable opportunity to participate.

(f) Without limiting clause 6.7(b), the matters to be considered by the Implementation Committee will include:

(i) the operations, activities and conduct of the Hammer Metals Group's business to assist Austral in obtaining a further understanding of the Hammer Metals Group's business;

(ii) engagement with key stakeholders, Government Agencies and key contractual counterparties;

(iii) the satisfaction of each party's obligations contained in clause 4;

(iv) the implementation of the Scheme;

(v) the status of the SpinCo Demerger and the drafting of the SpinCo Demerger Documents;

(vi) planning for the integration of the Hammer Metals Group's business and employees into the operations and workforce of Austral;

(vii) planning and development of Hammer Metals' current and potential projects;

(viii) the status and terms of negotiations and executing any proposed amendments to the Material Contract; and

(ix) any other matter as agreed by Hammer Metals and Austral from time to time.

(g) To avoid doubt, Hammer Metals and Austral acknowledge and agree that:

(i) the requirements of clauses 6.7(a) to 6.7(g) are subject to competition laws and all other applicable laws;

(ii) the Implementation Committee is a consultative, discussion and planning, but not a decision making, forum and the members of the Implementation Committee have no power to bind, or to give any consent, approval or waiver on behalf of, the party of which they are a representative;

(iii) the businesses of each of Hammer Metals and Austral will continue to operate independently of the other until (and subject to) the Implementation Date; and

(iv) nothing in clauses 6.7(a) to 6.7(g):

(A) requires either Hammer Metals or Austral to act at the direction of the other;

(B) constitutes the relationship of a partnership, joint venture or similar between Hammer Metals and Austral;

(C) gives a party any rights as to the decision making of the other party (or its Related Bodies Corporate); or

(D) requires any party to act or participate in any forum to the extent that doing so is contrary to that party's constituent documents, applicable law or the requirements of any Government Agency.

6.8 **Change of control provisions**

(a) As soon as practicable after the date of this deed, Hammer Metals and Austral must seek to identify any change of control, unilateral termination or other similar rights or provisions in the contracts or authorisations to which Hammer Metals or another Hammer Metals Group Member is party or has the benefit of and may be triggered by or exercised in response to the implementation of the Scheme (**Change of Control Rights**).

(b) If Austral or Hammer Metals determine any Change of Control Rights constitute Material Change of Control Rights, clause 3.1(o) and 3.1(p) (as the case may be) will apply.

(c) Subject to clause 6.8(b):

(i) in respect of contracts containing Change of Control Rights:

(A) the parties will, each acting reasonably, agree a proposed course of action (which, among other things, will have due regard to applicable legal restrictions) for notification to be made to, or consent or waiver to be sought from, all counterparties to contracts with Change of Control Rights, which may include joint discussions if requested by Hammer Metals or Austral; and

(B) Austral and Hammer Metals must work together cooperatively to take all reasonable actions necessary to obtain such consents or confirmations promptly, including by promptly providing any information reasonably required by counterparties;

(ii) Austral must not, and must procure that its Related Bodies Corporate and Representatives do not, contact or hold discussions in relation to Change of Control Rights or the underlying contracts with a Hammer Metals Group Member, or authorisations which a Hammer Metals Group Member has the benefit of with any party from whom consent or confirmation is required without the prior written consent of Hammer Metals (which consent shall not be unreasonably withheld, delayed or conditioned);

(iii) Austral must cooperate with, and provide reasonable assistance to, Hammer Metals to obtain such consents or confirmations in respect of the Change of Control Rights as soon as practicable after the proposed course of action is agreed in accordance with clause 6.8(b);

(iv) Hammer Metals must cooperate with, and provide reasonable assistance to, Austral to obtain such consents or confirmations in respect of the Change of Control Rights as soon as practicable after the proposed course of action is agreed in accordance with clause 6.8(b), including, by promptly providing any information reasonably required by any party from whom such consent or confirmation is required and making officers and employees available whenever necessary to meet with any such party to deal with any issues arising in relation to any such consent or confirmation; and

(v) notwithstanding any other provision of this deed, the failure to obtain any consent pursuant to a Change of Control Right will not constitute or contribute to a breach of this deed by Hammer Metals nor a breach of any Condition, provided that Hammer Metals has acted in good faith in seeking to obtain the relevant consents under the Change of Control Rights. Any such failure, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this deed.

6.9 **Treatment of Incentive Securities**

(a) Hammer Metals must ensure that prior to the Record Date all Performance Rights are:

(i) vested and either converted into Hammer Metals Shares in accordance with the terms of issue of the relevant Performance Rights;

(ii) cancelled or extinguished pursuant to an irrevocable binding deed entered into between Hammer Metals and the holder of the relevant Performance Rights before the Record Date (such deed being on terms approved by Austral in writing); or

(iii) lapsed or forfeited, or have expired (or will automatically do any of these things before the End Date),

such that, as at the Record Date, there are no outstanding Performance Rights on issue in Hammer Metals (other than Performance Rights subject to cancellation deeds) and which action will include (as appropriate depending upon the manner in which the Performance Rights are dealt with):

(iv) the Hammer Metals Board accelerating the vesting of, or waiving any vesting conditions or vesting periods applying to, any or all Performance Rights (subject to the terms of the Performance Rights permitting such accelerated vesting or waiving of such vesting conditions or periods, applicable law, the ASX Listing Rules and the proper exercise of the Hammer Metals Board's discretion);

(v) the Hammer Metals Board taking all reasonable steps and actions as are necessary to ensure the Performance Rights are exercised immediately:

(A) for the vested Performance Rights that have not been exercised prior to the Effective Date, upon the Effective Date; and

(B) for all other Performance Rights, upon those Performance Rights vesting;

(vi) Hammer Metals making all necessary applications to ASX (in a form approved by Austral acting reasonably) for waivers under the ASX Listing Rules (if required); and

(vii) Hammer Metals issuing or procuring the issue or transfer of such number of Hammer Metals Shares as required by the terms of the Performance Rights at least one Business Day before the Record Date so that the holders of those Performance Rights can participate as Scheme Shareholders in the Scheme and receive the Scheme Consideration.

(b) The parties must use reasonable endeavours (acting reasonably and in good faith) to procure, as soon as practicable after the date of this deed and, in any event, prior to 8:00am on the Second Court Date, that the holder of the Management Performance Rights enters into a 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, 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) The parties must use reasonable endeavours (acting co-operatively and in good faith) to procure that, as soon as practicable after the date of this deed and, in any event, prior to 8:00am on the Second Court Date, each holder of Options enters into a 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:

(i) may, subject to the Scheme becoming Effective, exercise their Options and receive Hammer Metals Shares prior to the Record Date; or

(ii) to the extent their Options are not exercised before the Record Date, agrees to their Options being cancelled in exchange for the consideration per Option detailed in Schedule 6, with such cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date.

(d) Austral agrees to provide, or procure the provision of, the consideration referred to in clauses 6.9(b) and 6.9(c)(ii) to the relevant holders on the Implementation Date.

(e) Hammer Metals agrees to cooperate with Austral to facilitate the cancellation of the Options and Management Performance Rights (including, if required, the Hammer Metals Board making any necessary lawful amendment, consent or determination and seeking any required shareholder approval for any such thing, for the purposes of the relevant terms and conditions upon which the Options and Management Performance Rights were issued and using reasonable endeavours to procure ASX granting any necessary waivers).

6.10 **Appointment of directors to the Austral Board**

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, Austral must:

(a) appoint such individual, by Austral Board resolution, to the Austral Board with effect from the Implementation Date; and

(b) recommend such designee for election at the first Austral annual general meeting following the Implementation Date.

6.11 **Resignation and appointment of officers**

(a) Austral will:

(i) nominate in writing persons to be appointed as new directors of Hammer Metals and each Hammer Metals Group Member;

(ii) if applicable, obtain Director Identification Numbers and consents to act signed by such persons before the Record Date; and

(iii) nominate in writing persons to resign as directors of Hammer Metals and each Hammer Metals Group Member,

and, upon receipt of such, Hammer Metals undertakes, subject to implementation of the Scheme in accordance with its terms, including Austral having provided or procured the provision of the Scheme Consideration, to procure that, with effect on and from (and as soon as practicable on) the Implementation Date:

(iv) those persons nominated by Austral are appointed to the Hammer Metals Board and the boards of other members of the Hammer Metals Group; and

(v) those persons nominated by Austral resign as directors of Hammer Metals and other members of the Hammer Metals Group and provide in writing an unconditional and irrevocable release of any claim they may have for loss of office, remuneration or otherwise against Hammer Metals (other than in their capacity as an employee of, or consultant to, a Hammer Metals Group Member, if applicable),

in each case, in accordance with applicable requirements of the relevant constitution, the Corporations Act and the ASX Listing Rules.

(b) Austral will:

(i) nominate in writing persons to be appointed as company secretary and public officer of Hammer Metals and each Hammer Metals Group Member; and

(ii) obtain consents to act signed by such persons, and

upon receipt of such, Hammer Metals undertakes, subject to implementation of the Scheme in accordance with its terms including Austral having provided or procured the provision of the Scheme Consideration, to procure that, with effect on and from (and as soon as practicable on) the Implementation Date:

(iii) those persons nominated by Austral are appointed as company secretary and/or public officer (as applicable) of the relevant members of the Hammer Metals Group; and

(iv) the persons acting as company secretary and/or public officer (as applicable) of each Hammer Metals Group Member prior to the Implementation Date resign as company secretary and/or public officer (as applicable) of the relevant Hammer Metals Group Member and provide in writing an unconditional and irrevocable release of any claim they may have for loss of office, remuneration or otherwise against Hammer Metals (other than in their capacity as an employee of, or consultant to, a Hammer Metals Group Member, if applicable),

in each case, in accordance with applicable requirements of the relevant constitution, the Corporations Act and the ASX Listing Rules.

(c) Any nomination by Austral under clauses 6.11(a)(i), 6.11(a)(iii) or 6.11(b)(i) must be made by written notice to Hammer Metals.

(d) Nothing in this clause 6.10 requires any officer of a Hammer Metals Group Member to forego any rights he may have under any deed of access and indemnity or policy of directors and officers insurance.

6.12 **Deeds of indemnity and insurance**

(a) Subject to the Scheme becoming Effective, Austral undertakes in favour of Hammer Metals and each other person who is a Hammer Metals Indemnified Party that it will:

(i) procure that Hammer Metals and each other Hammer Metals Group Member complies with any deeds of indemnity, access and insurance (or equivalent) made in favour of their respective directors and officers from time to time, including to ensure that directors' and officers' run off insurance or equivalent cover for such directors and officers of the Hammer Metals Group is maintained, subject to clause 6.12(b)(ii), from the Implementation Date for a period of no less than seven years or a period of seven years from the retirement date of each director and officer so long as it is available on commercially reasonable terms;

(ii) subject to clause 6.12(b)(ii), for a period of seven years from the Implementation Date, ensure that the constitutions of Hammer Metals and each other Hammer Metals Group Member continue to contain rules which are no less favourable overall than the rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its current and (to the extent it has been not more than seven years since their resignation) previous directors and officers against any liability incurred by that person in his capacity as a director or officer of the company to any person other than a Hammer Metals Group Member; and

(iii) without limiting any other provision of this clause 6.12(a), maintains the directors' and officers' run off insurance cover for the current and former directors and officers of the Hammer Metals Group in accordance with clause 6.13, (and Hammer Metals may, at its election and with the prior written consent of Austral (not to be unreasonably withheld, delayed or conditioned), pay any reasonable amounts necessary to ensure such maintenance upfront and prior to the implementation of the Scheme).

(b) The undertakings contained in this clause 6.12(a):

(i) are subject to any Corporations Act or other applicable law restrictions and will be read down accordingly; and

(ii) are given until the earlier of the end of the relevant period specified in that clause and, subject to the Scheme becoming effective, the relevant Hammer Metals Group Member ceases to be part of the Hammer Metals Group after the Implementation Date (for whatever reason).

(c) Hammer Metals receives and holds the benefit of this clauses 6.12(a) to 6.12(c) to the extent it relates to the other Hammer Metals Indemnified Parties as trustee for them.

6.13 **D&O insurance**

Each party acknowledges that, notwithstanding any other provision of this deed, Hammer Metals may, prior to the Implementation Date, enter into arrangements to secure and place a directors' and officers' run off insurance policy in respect of any current or former director or officer of any Hammer Metals Group Member that applies for no less than a seven year period following the Implementation Date (**D&O Run Off Policy**), provided that:

(a) Hammer Metals engages a reputable independent consultant to advise on the optimal process to procure an appropriate D&O Run Off Policy;

(b) the independent consultant referred to in clause 6.13(a) seeks multiple proposals for a D&O Run Off Policy from reputable insurers that have a rating that is similar to or better than the rating of the insurers for Hammer Metals' directors' and officers' insurance policy in place as at the date of this deed for the current financial year;

(c) Hammer Metals notifies Austral in writing of the details of the proposals identified by the independent consultant pursuant to clause 6.13(d);

(d) the D&O Run Off Policy is on overall terms which are substantially the same as the directors' and officers' insurance policies in place for the current directors of Hammer Metals as at the date of this deed for the current financial year, other than as to pricing to the extent that the independent consultant referred to in clause 6.13(a) advises any increase is substantially consistent with price increases experienced recently by, or otherwise applying to, companies in the mining industry, it being acknowledged and agreed that Hammer Metals may enter into a D&O Run Off Policy with an associated premium of a maximum of $300,000 without Austral's prior consent after complying with the requirements detailed in this clause 6.13;

(e) from the proposals identified by the independent consultant pursuant to clause 6.13(d), Hammer Metals must (acting reasonably and in good faith) select a D&O Run Off Policy and enter into that policy before 8:00am on the Second Court Date; and

(f) to the extent that Hammer Metals, acting reasonably, considers it appropriate to enter into a D&O Run Off Policy that would not comply with clause 6.13(d), the parties agree to consult on the terms of that D&O Run Off Policy with a view to Hammer Metals obtaining Austral's consent (to Hammer Metals' entry into it) for the purposes of any applicable provision of this deed (such consent not to be unreasonably withheld, delayed or conditioned).

7 SpinCo, Restructure and SpinCo Demerger

7.1 General

(a) In addition to the SpinCo Demerger principles set out in clause 4.2(ff), the parties agree that Hammer Metals will keep Austral informed in respect of all material steps proposed to be taken in respect of the Restructure, the SpinCo Demerger and that the following SpinCo Demerger principles are to be applied.

(b) The parties acknowledge and agree that:

(i) the SpinCo Demerger does not include or extend to the initial public offering or any other direct or indirect method of SpinCo or its assets being quoted on any securities exchange (**SpinCo Listing**); and

(ii) Hammer Metals is not responsible for any direct or indirect Tax, Duty, cost or expense associated with any SpinCo Listing.

(c) With the prior written consent of Austral (not to be unreasonably withheld, delayed or conditioned), Hammer Metals may, prior to giving effect to the SpinCo Demerger, interpose a new wholly owned subsidiary between Hammer and SpinCo (**NewCo**) such that NewCo holds all of the issued securities in SpinCo. In the event of Hammer Metals interposing NewCo in accordance with this clause, then, NewCo will be taken to be SpinCo for the purposes of this deed and the SpinCo Demerger Documents, and Austral will consent to Hammer Metals and SpinCo making the necessary amendments to the SpinCo Demerger Documents to reflect the change contemplated by this clause 7.1(c).

7.2 Restructure

(a) Prior to the implementation of the SpinCo Demerger, if (and only to the extent) required, Hammer Metals will undertake a restructure of Hammer Metals and its Related Bodies Corporate to effect the transfer, novation and assignment of:

(i) the relevant SpinCo Group Assets and Liabilities (including contracts) to a SpinCo Group Member nominated by Hammer Metals; and

(ii) the relevant Retained Assets and Liabilities (including contracts) to Hammer Metals,

to enable the legal and operational separation of Hammer Metals from the SpinCo Group so that the each of Hammer Metals and the SpinCo Group can operate as separate entities (**Restructure**).

(b) The Restructure will be effected on the basis that:

(i) the SpinCo Group Assets and Liabilities and Retained Group Assets and Liabilities will, if (and only to the extent) required, be transferred in accordance with clause 7.2(a);

(ii) following transfers of assets and liabilities, if (and only to the extent) required, the entire issued share capital of each of the SpinCo Group entities will be transferred to SpinCo in return for the issue of shares in SpinCo to Hammer Metals;

(iii) 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 such party will be paid by Hammer Metals in full as and when they fall due; and

(iv) 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,

in each case, in accordance with the terms of this deed, the Budget, the SpinCo Demerger Documents or as otherwise agreed in writing between Hammer Metals and Austral.

(c) On the SpinCo Demerger implementation date (which will be after the Effective Date), Hammer Metals must transfer, or procure the transfer of, the SpinCo Cash Reserve to SpinCo, subject to any deductions in accordance with clause 7.6(c).

7.3 **SpinCo Demerger Documents**

(a) Hammer Metals must (prior to execution) provide Austral with a copy of all agreements made between Hammer Metals and SpinCo to be entered into in connection with the SpinCo Demerger and must:

(i) provide Austral and its advisors with not less than 10 Business Days (unless otherwise agreed in writing) to review such documentation; and

(ii) without prejudice to the approval right of Austral in the Condition in clause 3.1(s), consider in good faith any suggested amendments to such documents.

(b) Hammer Metals must use reasonable endeavours to execute and procure that the relevant counterparties execute, the SpinCo Demerger Agreement (and any other SpinCo Demerger Documents) as soon as reasonably practicable after they are approved by Austral under the Condition in clause 3.1(s), and in any event by no later than the date that the Scheme Booklet is lodged with ASIC for regulatory review pursuant to clause 4.2(k).

(c) Hammer Metals agrees not to amend or waive any rights, or agree to amend or waive any rights, in respect of the SpinCo Demerger Agreement (and any SpinCo Demerger Documents) without the prior written consent of Austral (not to be unreasonably withheld, delayed or conditioned).

7.4 **Obligations in favour of Austral**

Hammer Metals must obtain Austral's prior written consent (not to be unreasonably withheld, delayed or conditioned) if, in connection with the SpinCo Demerger, any member of the Hammer Metals Group:

(a) is to provide any representation or warranty or incur any obligation to SpinCo or a SpinCo Group Member that continues post the SpinCo Demerger beyond what is included in the SpinCo Demerger Documents;

(b) is to provide an indemnity to SpinCo or a SpinCo Group Member beyond what is included in the SpinCo Demerger Documents; or

(c) is to release, or otherwise diminish the liability of, SpinCo or a SpinCo Group Member from the indemnity referred to in clause 4.2(ff)(iii).

7.5 **Additional Demerger principles**

(a) Other than business records which are exclusively or predominantly used by, or exclusively or predominantly relate to the SpinCo Group's business, all business records will be owned by Hammer Metals. However, Hammer Metals is entitled to make and keep copies of information to be owned by SpinCo that relates to the SpinCo Group's business for purposes relating to its regulatory and legal obligations.

(b) Each of Hammer Metals and SpinCo will be obliged to make available the relevant business records and data which relate to the other party's business and/or assets following the implementation of the SpinCo Demerger (subject to customary confidentiality protections).

(c) Following the implementation of the SpinCo Demerger, if any asset which exclusively relates to:

(i) the SpinCo Group's business is identified as being owned by a Hammer Metals Group Member then, subject to customary limitations and qualifications, Hammer Metals will be obligated to transfer, assign or grant rights over that asset to SpinCo for nil or nominal consideration; or

(ii) Hammer Metals Group's business is identified as being owned by the SpinCo Group then, subject to customary limitations and qualifications, the SpinCo Group will be obligated to transfer, assign or grant rights over that asset to the relevant Hammer Metals Group Member for nil or nominal consideration,

provided that any Tax or Duty relating to that transfer, assignment or grant of that asset will be to the account of the relevant transferee.

(d) Hammer Metals must not take any action, or omit to take any action, which would prevent or delay the SpinCo Demerger without the prior written consent of Austral (such consent not to be unreasonably withheld, delayed or conditioned).

(e) Hammer Metals must provide Austral with a copy of any notice or material correspondence in respect of the SpinCo Demerger or any of the SpinCo Demerger Documents.

(f) The SpinCo Demerger shall occur prior to the Scheme such that the "Demerger Implementation Date" under the SpinCo Demerger Agreement must be no later than one Business Day prior to the Implementation Date.

7.6 **Costs and expenses related to the Transaction, Restructure and SpinCo Demerger**

Notwithstanding anything else in this deed:

(a) to the extent:

(i) set out in this deed;

(ii) included in the Budget;

(iii) set out in the SpinCo Demerger Documents; or

(iv) otherwise agreed in writing between Hammer Metals and Austral,

from the SpinCo Demerger implementation date and the transfer of the SpinCo Cash Reserve to SpinCo, each of Hammer Metals and the SpinCo Group will assume responsibility for its own Tax, Duty, costs and expenses in respect of the SpinCo Demerger and matters to be specified in the Side Letter 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 such party will be paid in full as and when they fall due, with Hammer Metals assuming responsibility, in accordance with clause 7.2(b), for any such obligations (excluding Tax) incurred prior to that date including in respect of maintenance of the SpinCo Group Tenements;

(b) the SpinCo Demerger Documents will expressly include indemnities in respect of the matters described in clause 7.6(a) provided by the SpinCo Group and Hammer Metals in favour of one another, subject to the following limitations:

(i) (**Monetary cap**) the aggregate liability of each party under the Tax, Duty, costs and expenses indemnity in respect of matters described in clause 7.6(a) must not exceed $250,000;

(ii) (**Survival period**) claims under the Tax, Duty, costs and expenses indemnity must be notified in writing within the later of:

(A) six months of the implementation of the SpinCo Demerger; and

(B) twelve months after lodgement of Hammer Metals' and SpinCo's income tax return for the income year that includes the implementation of the SpinCo Demerger;

(iii) (**De minimis threshold**) neither party will be liable to the other for any individual claim where the Tax, Duty, costs and expenses payable is less than $25,000, and no claim may be made unless the aggregate of all claims exceeds $50,000;

(iv) (**Exclusion of consequential loss**) neither party will be liable for any indirect, consequential or punitive damages, loss of profits, or loss of opportunity of the other party;

(v) (**No double recovery**) neither party may recover under the indemnity from the other party to the extent it has already recovered or is entitled to recover from any other source (including insurance or a third party);

(vi) (**Mitigation**) each party must take reasonable steps to mitigate any loss for which it seeks indemnification;

(vii) (**Conduct of claims**) each party has the right (but not the obligation) to assume conduct of any Tax audit, dispute or proceeding giving rise to an indemnity claim against it, at its own cost, and the other party must not settle or compromise any such matter without indemnifying party's prior written consent (not to be unreasonably withheld, delayed or conditioned);

(viii) (**Notification requirement**) each party must notify the other of any potential indemnity claim within 20 Business Days of receipt of the relevant Tax liability or assessment, and failure to do so will reduce the indemnifying party's liability to the extent it has been prejudiced by the delay; and

(ix) (**Gross-up exclusion**) any gross-up for Tax payable by either party on indemnity payments is limited to Tax at the prevailing corporate tax rate and excludes any additional Tax arising from either party's particular circumstances (e.g., prior year losses, franking account position).

(c) In the event that prior to the payment of the SpinCo Cash Reserve to SpinCo, Hammer Metals is desirous of further funding to facilitate the Transaction, Restructure or SpinCo Demerger, including in the event that Implementation Date has not occurred or is unlikely to

occur by the End Date in circumstances where the parties have agreed (in writing) to extend the End Date, then Hammer Metals is expressly permitted and may elect (in its sole and absolute discretion) to use the funds that would otherwise comprise the SpinCo Cash Reserve up to the then current amount of the SpinCo Cash Reserve to fund Hammer Metals' ongoing costs of the Transaction, Restructure and SpinCo Demerger or for general working capital purposes. To the extent that Hammer Metals accesses the SpinCo Cash Reserve in the manner contemplated by this clause, the SpinCo Cash Reserve will be reduced by that amount and will not require payment or reimbursement by Hammer Metals to SpinCo.

8 Exclusivity

8.1 Existing discussions

Hammer Metals represents and warrants to Austral that, as at the time of execution of this deed:

(a) other than with respect to non-disclosure agreements that were entered into before the date of this deed, neither Hammer Metals nor any of Hammer Metals' Representatives is a party to any agreement, arrangement or understanding with any person in each case in connection with, with a view to obtaining, or which could reasonably be expected to encourage or lead to, an actual, proposed or potential Competing Proposal; and

(b) neither Hammer Metals nor any of Hammer Metals' Representatives is participating in any negotiations, discussions or other communication with, and Hammer Metals and Hammer Metals' 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

8.2 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:

(a) solicit, encourage, facilitate, initiate or invite (including by the provision of any Non-public Information) any approaches, enquiries, expressions of interest, offers, proposals, discussions, negotiations or other communications with a view to obtaining, or which may 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 things referred to in clause 8.2(a),

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.

8.3 No talk

Subject to clauses 8.6 and 8.9, 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, indirectly or directly:

(a) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding, or facilitate, participate in or continue any negotiations or discussions with any person regarding any:

(i) actual, proposed or potential Competing Proposal; or

(ii) 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 things referred to in clause 8.3(a).

For the avoidance of doubt, if an event of the kind in clauses 8.5(a) to 8.5(a)(iii) (inclusive) occurs, nothing in this clause 8.3 prohibits Hammer Metals or its Representatives from responding to a Third Party in respect of an inquiry, expression of interest, offer, proposal or discussion by that Third Party to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal to merely (A) acknowledge receipt or (B) advise that Third Party that Hammer Metals is bound by the provisions of this clause 8.3 and is only able to engage in negotiations, discussions or other communications if the fiduciary out in clause 8.6(a) applies.

8.4 **Due diligence**

Without limiting clause 8.2 or 8.3, but subject to clauses 8.6 and 8.9, during the Exclusivity Period, Hammer Metals must not, and must ensure that none of its Representatives, directly or indirectly:

(a) solicit, encourage, facilitate, initiate, invite or permit any person (other than Austral or any of its Representatives) to undertake or continue any due diligence investigation in respect of Hammer Metals, Hammer Metals Group or any Hammer Metals Group Member, or any business, asset or affairs of Hammer Metals, Hammer Metals Group or any Hammer Metals Group Member 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 any of 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 this 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 things referred to in clause 8.4(a) or 8.4(b).

8.5 **Notification of approaches**

(a) During the Exclusivity Period, Hammer Metals must as soon as reasonably practicable (but in any event by 5pm on the next Business Day) notify Austral in writing if Hammer Metals or any of its Representatives becomes aware of:

(i) any approach, enquiry, expression of interest, offer or proposal made to, or received by, or any discussion, negotiation, communication or other contact with, Hammer Metals or any of its Representatives in connection with, or which may reasonably be expected to lead to, any actual, proposed or potential Competing Proposal;

(ii) any request made by any person to, or received by, Hammer Metals or any of its Representatives for any Non-public Information which Hammer Metals or any of its Representatives has reasonable grounds to suspect may be in connection with, or which may reasonably be expected to lead to, any actual, proposed or potential Competing Proposal; or

(iii) without limiting Hammer Metals' obligations under clause 8.4, the provision by Hammer Metals or any of its Representatives of any Non-public Information to any person in connection with, or which may reasonably be expected to lead to any actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise. For clarity, any of the acts described in this clause 8.5(a) may only be undertaken by Hammer Metals or any of its Representatives if not prohibited by this clause 8 or if permitted by clause 8.6.

(b) A notification given under clause 8.5(a) must include all material details of such actual, proposed or potential Competing Proposal (including, to the extent known by Hammer Metals, the price and form of consideration, proposed timing, any condition precedent, details of any break fee and other proposed deal protection arrangements and the identity of the person or persons who were involved in such discussion, negotiation, communication or other contact, who made such approach, enquiry, expression of interest, offer or proposal and/or who made such request for, and/or who received, such Non-public Information (as applicable)).

8.6 **Fiduciary exception**

(a) Clauses 8.3 and 8.4 do not apply to the extent that they restrict Hammer Metals or the Hammer Metals Board from taking or refusing to take any action, or require them to take action, with respect to a bona fide Competing Proposal (which was not brought about in connection with a breach of this clause 8 including clauses 8.1, 8.2 or 8.3), provided that, before taking or refusing to take any such action, the Hammer Metals Board has determined, in good faith:

(i) after consultation with its financial advisers and after receiving written legal advice from its Legal Advisers, that such Competing Proposal is, or could reasonably be expected to become, a Superior Proposal; and

(ii) after receiving written legal advice from its Legal Advisers, that compliance with clauses 8.3 and/or 8.4 (as applicable) would constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of any member of Hammer Metals Board.

(b) Hammer Metals must immediately notify Austral of each action or inaction by it, or any of its Representatives, in reliance on clause 8.6(a).

8.7 **Matching right**

(a) Without limiting clauses 8.1 to 8.5, during the Exclusivity Period, Hammer Metals:

(i) must ensure that no Hammer Metals Director:

(A) withdraws, qualifies or adversely changes, modifies, revises his Recommendation or Voting Intention;

(B) publicly recommends, or otherwise publicly supports or endorses, any actual, proposed or potential Competing Proposal; or

(C) publicly recommends against the Scheme or makes any public statement to the effect that they may do so at a future point in time or that they no longer support the Transaction or the Scheme (provided that a statement that no action should be taken by Hammer Metals Shareholders pending the assessment of a Competing Proposal by the Hammer Metals Board or the completion of the matching right process set out in this clause 8.7 shall not contravene this clause 8.7 and also subject to any change of Recommendation or Voting Intention by the Hammer Metals Board that is permitted by clause 2.3(b)); and

(ii) must not, and must ensure that each Hammer Metals Group Member and each of its and their respective Representatives do not, indirectly or directly, 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:

(iii) the Hammer Metals Board, acting in good faith and acting reasonably, made the determination set out in clause 8.6(a) and has notified Austral of such determination in accordance with clause 8.6(b);

(iv) Hammer Metals has provided Austral with a written notice stating that it is given for the purposes of this clause 8.7 and setting out:

(A) all material terms and conditions of such Competing Proposal (including, to the extent known by Hammer Metals, the price and form of consideration, proposed timing, any condition precedent, details of any break fee, cost recovery or cost sharing arrangement, and the identity of the person or persons who were involved in such discussion, negotiation, communication or other contact, who made such approach, enquiry, expression of interest, offer or proposal); and

(B) the Hammer Metals Board's determination that the Competing Proposal is a Superior Proposal as contemplated by clause 8.6(a); and

(C) the reasons for the Hammer Metals Board's determination that such Competing Proposal is a Superior Proposal. To avoid doubt, nothing under this clause 8.7(a)(iv) obliges Hammer Metals to provide Austral with the gist, substance or otherwise of legal advice provided to Hammer Metals by its Legal Advisers in connection with the Hammer Metals Board's determination;

(v) Hammer Metals has given Austral at least until 11:59pm on the fifth Business Day after the information referred to in clause 8.7(a)(iv) was provided to Austral (**Matching Period**) to announce or formally provide to Hammer Metals a matching, equivalent or superior proposal or other counter proposal to the terms of such Competing Proposal (**Counterproposal**); and

(vi) either:

(A) Austral has not announced or formally provided Hammer Metals with a Counterproposal before the expiry of the Matching Period; or

(B) Austral has announced or formally provided Hammer Metals with a Counterproposal before the expiry of the Matching Period, 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) as compared to the outcome that would be provided by such Competing Proposal, taking into account all respective terms and conditions and other aspects of such Counterproposal (including the price, value and form of consideration, funding, proposed timing, any condition precedent and other matters affecting the probability of the Counterproposal being completed compared to the Competing Proposal) and such Competing Proposal.

(b) If Hammer Metals has provided Austral with a notice under clause 8.7(a)(iv) and Austral has announced or formally provided Hammer Metals with a Counterproposal before the expiry of the Matching Period, Hammer Metals must procure that the Hammer Metals Board:

(i) promptly considers and determines as soon as reasonably practical (and in any event, within two Business Days of receiving the Counterproposal), in good faith and acting reasonably, after consultation with its financial advisers and after receiving written legal advice from its Legal Advisers, whether such Counterproposal would (or would reasonably be expected to) provide an equivalent or superior outcome for Hammer Metals Shareholders (as a whole) as compared to the outcome that would be provided by such Competing Proposal, taking into account all respective terms and conditions and other aspects of such Counterproposal (including the price, value and form of

consideration, funding, proposed timing, any condition precedent and other matters affecting the probability of the Counterproposal being completed compared to the Competing Proposal) and such Competing Proposal; and

(ii) promptly, and in any event within 24 hours after making the determination in clause 8.7(b)(i), delivers Austral a notice in writing setting out such determination and the reasons for such determination.

(c) If Hammer Metals has made a determination in accordance with clause 8.7(b)(i) that such Counterproposal would provide an equivalent or superior outcome for Hammer Metals Shareholders (as a whole) as compared to the outcome that would be provided by such Competing Proposal, Hammer Metals must use its best endeavours to:

(i) agree all amendments to this deed (and, if applicable, the Scheme and the Deed Poll) which are necessary to implement such Counterproposal, in each case as soon as reasonably practicable and for a period of not less than three Business Days after Hammer Metals delivers the notice under clause 8.7(b)(ii) to Austral; and

(ii) procure each Hammer Metals Director recommends (unanimously with all the other Hammer Metals Directors) such Counterproposal to Hammer Metals Shareholders and does not recommend such Competing Proposal to Hammer Metals Shareholders.

(d) Hammer Metals acknowledges and agrees that:

(i) each new Competing Proposal or successive material variation or modification of a Competing Proposal will constitute a new Competing Proposal for the purposes of clause 8.7; and

(ii) the process set out in clause 8.7 must again be followed in respect of each new Competing Proposal or successive material variation or modification of a Competing Proposal prior to:

(A) any Hammer Metals Director taking any of the actions referred to in clauses 8.7(a)(i)(A), 8.7(a)(i)(B) and 8.7(a)(i)(C); or

(B) Hammer Metals or any of its Representatives entering into any agreement, arrangement or understanding or otherwise becoming obliged referred to in clause 8.7(a)(ii).

8.8 **Compliance with law**

(a) If it is finally determined by a court of competent jurisdiction, or the Takeovers Panel, that the agreement by the parties under this clause 8 or any part of it:

(i) constitutes a breach of the fiduciary or statutory duty of any member of the Hammer Metals Board;

(ii) constitutes "unacceptable circumstances" within the meaning of the Corporations Act; or

(iii) is unlawful for any other reason,

then, to that extent (and only to that extent) Hammer Metals will not be obliged to comply with that provision or that relevant part of that provision (as applicable) of this clause 8.

(b) The parties:

(i) must not make, or cause to be made, any application to a court or the Takeovers Panel for, or in relation to, a determination or declaration referred to in clause 8.8(a) regarding any provision of this clause 8; and

(ii) agree that if any person makes an application to a court or the Takeovers Panel for, or in relation to, a determination or declaration referred to in clause 8.8(a) regarding any provision of this clause 8, each party must make submissions in the course of the relevant proceedings supporting (to the fullest extent reasonably practicable) that no such determination or declaration should be made.

8.9 **Normal provision of information**

Nothing in clauses 8.3 or 8.4 prevents Hammer Metals or a Representative of Hammer Metals from (directly or indirectly):

(a) taking any action in good faith to comply with its disclosure requirements at law (including to satisfy its obligations of disclosure to any Government Agency) or its continuous disclosure obligations under the ASX Listing Rules;

(b) providing information to its auditors, customers or suppliers acting in that capacity in the ordinary course of business consistent with the 12 months prior to the date of this deed; or

(c) continuing to make normal presentations to, and to respond to bona fide enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to its business generally,

subject to Hammer Metals complying with its obligations under the Confidentiality Deed and clause 14.

8.10 **Legal advice**

Hammer Metals acknowledges that it has received separate legal advice from its Legal Advisers in relation to the operation of this clause 8.

9 Break fee

9.1 **Background**

This clause 9 has been agreed to in circumstances where:

(a) Hammer Metals believes it and its shareholders will derive significant benefits from the implementation of the Scheme;

(b) Austral has incurred and will further incur significant costs in connection with the Scheme, which will include significant opportunity costs if the Scheme is not implemented;

(c) Austral has required that provision be made for the payment outlined in clause 9.2 and would not have entered into this deed or otherwise have agreed to implement the Scheme had such provision not been made;

(d) the Hammer Metals Board believes that:

(i) it is reasonable and appropriate to agree to pay the Break Fee to secure Austral's entry into this deed; and

(ii) the Break Fee represents a genuine and reasonable estimate of costs that would be incurred by Austral if the Scheme is not implemented; and

(e) Hammer Metals has received separate legal advice from its Legal Advisers in relation to this deed and the operation of this clause 9 and believes it is reasonable that Hammer Metals agrees to the Break Fee in accordance with this clause 9 in order to secure Austral's participation in the Transaction.

9.2 **Payment of Break Fee**

Subject to clauses 9.5(a) to 9.5(d), Hammer Metals must pay Austral the Break Fee, without set off or withholding, within 10 Business Days after receipt of a written demand from Austral, if any of the following events occurs:

(a) during the Exclusivity Period, any Hammer Metals Director:

(i) fails to make his Recommendation or give the Voting Intention as contemplated by clause 2.3(a);

(ii) withdraws, qualifies or adversely changes, modifies or revises (including, without limitation, by making any public statement supporting, endorsing or recommending any Competing Proposal and/or to the effect that he no longer supports the Scheme) his Recommendation; or

(iii) makes a public statement indicating that they no longer recommend the Scheme or recommend that Hammer Metals Shareholders accept or vote in favour of, or otherwise publicly recommends, supports or endorses, a Competing Proposal,

in each case, and other than in circumstances where:

(iv) the Independent Expert:

(A) concludes in the Independent Expert's Report that the Scheme is not in the best interests of Hammer Metals Shareholders; or

(B) having previously concluded that the Scheme is in the best interests of Hammer Metals Shareholders withdraws or adversely changes that conclusion,

except, in each case, where such conclusion, withdrawal or adverse change is due (whether wholly or partly) to the existence, announcement or publication of a Competing Proposal (including, but not limited to, a Superior Proposal) and provided that any change of their Recommendation or Voting Intention must only occur after the Independent Expert has issued its conclusion that the Scheme is not in the best interests of Hammer Metals Shareholders; or

(v) 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;

(b) at any time before the End Date, a Competing Proposal of any kind is announced (whether or not such proposal is stated to be subject to any pre-condition) and, within 12 months of the End Date, a Third Party or any Associate of that Third Party:

(i) completes a Competing Proposal of a kind referred to in any of sub-paragraphs (b)(ii) or (b)(iii) of the definition of Competing Proposal in clause 1.1;

(ii) enters into an agreement, arrangement or understanding with Hammer Metals, with another Hammer Metals Group Member or with 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 in clause 1.1; or

(iii) without limiting sub-paragraphs (i) and (ii) above, acquires (either alone or in aggregate) a Relevant Interest in Hammer Metals Shares of more than the relevant thresholds stipulated in the definition of Competing Proposal and in the manner contemplated in such definition or otherwise acquires (either alone or together with another Third Party(s)) Control of Hammer Metals;

(c) the Hammer Metals Board determines that a Competing Proposal is a Superior Proposal and Hammer Metals subsequently terminates this deed in accordance with clause 12.3(b); or

(d) Austral validly terminates this deed in accordance with clauses 12.1(b) or 12.2(a) for a material and wilful breach.

For the avoidance of doubt, a statement made by Hammer Metals or the Hammer Metals Board 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, by itself, require Hammer Metals to pay Austral the Break Fee. Moreover, notwithstanding anything to the contrary contained herein or elsewhere, the Break Fee is and can only ever be payable to Austral once.

9.3 **Nature of payment**

Hammer Metals acknowledges and agrees that the amount of the Break Fee has been calculated to reimburse and compensate Austral for costs and expenses incurred including:

(a) fees for legal, financial and other professional advice in planning and implementing the Transaction (excluding success fees);

(b) costs of management and directors' time in planning and implementing the Transaction;

(c) out of pocket expenses incurred by Austral and Austral's employees, Advisers and agents in planning and implementing the Transaction; and

(d) reasonable opportunity costs incurred in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which otherwise could have been pursued,

and Hammer Metals agrees that:

(e) the costs actually incurred by Austral will be of such a nature that they cannot all be accurately ascertained; and

(f) the Break Fee is a genuine and reasonable pre estimate of those costs, which would equal or exceed the Break Fee.

9.4 **Content of demand**

A demand by Austral for payment of the Break Fee under clause 9.2 must:

(a) be in writing;

(b) be made after the occurrence of the event in that clause giving rise to the right to payment;

(c) state the circumstances which give rise to the demand; and

(d) nominate an account in the name of Austral into which Hammer Metals must pay the Break Fee.

9.5 **Qualifications to Break Fee**

(a) No amount is payable by Hammer Metals under this clause 9 if the Scheme becomes Effective.

(b) This clause 9 does not impose an obligation on Hammer Metals to pay the Break Fee to the extent (and only to the extent) that the obligation to pay the Break Fee:

(i) is declared by the Takeovers Panel to constitute "unacceptable circumstances"; or

(ii) is determined by a court of competent jurisdiction to be unlawful or unenforceable (including as a result of a breach of any Hammer Metals Director's fiduciary or statutory duties),

provided that:

(iii) all lawful avenues of appeal and review, judicial and otherwise, have been exhausted;

(iv) the period for lodging an appeal or commencing review proceedings has expired without an appeal having been lodged or review proceedings commenced; or

(v) Austral and Hammer Metals agree in writing not to appeal or seek review of the decision to impose that requirement.

(c) For the avoidance of doubt, any part of the Break Fee that would not constitute "unacceptable circumstances" or that is not unenforceable or unlawful (as applicable) must be paid by Hammer Metals to Austral.

(d) The parties must not make, or cause to be made, any application to the Takeovers Panel or a court for, or in relation to, a declaration or determination referred to in clause 9.5(b).

(e) If the Break Fee has been paid by Hammer Metals and any of clause 9.5(b) would have prohibited the payment of the Break Fee, Austral must reimburse the Break Fee within 10 Business Days after receipt of a written demand from Hammer Metals.

(f) Where the Break Fee becomes payable to Austral and is actually paid to Austral, Austral cannot make any demand to, or Claim against, Hammer Metals for payment of any subsequent Break Fee.

9.6 **Modifications following regulatory intervention**

(a) If any of the following occurs:

(i) a court of competent jurisdiction finds that all or any part of the payments required to be made under this clause 9 is unacceptable or unenforceable; or

(ii) as a result of an application to the Takeovers Panel, the Takeovers Panel makes a declaration of unacceptable circumstances in respect of the amount of the Break Fee or the circumstances in which it is to be paid, and makes orders to modify the amount of the Break Fee or the circumstances in which it is to be paid,

then, provided that there has been no breach of clauses 8.8(b), 9.5(d) or 9.6(b):

(iii) the parties must amend clause 9 to the extent required to give effect to the requirements of the court or the Takeovers Panel (as the case may be); and

(iv) neither the occurrence of any of the events referred to in clause 9.6(a)(i) or 9.6(a)(ii) nor the amendment of clause 9 will be taken to be a breach of, or permit any party to terminate, this deed.

(b) The parties must not make or cause or permit to be made any application to a court or the Takeovers Panel for or in relation to a determination referred to in clause 9.6(a).

(c) The parties are only required to take steps under clause 9.6(a)(iii) in relation to any requirement of a court of competent jurisdiction or the Takeovers Panel if:

(i) no appeal or review proceeding is available from the decision to impose that requirement or the period for lodging an appeal or commencing review proceedings has expired without an appeal having been lodged or review proceedings commenced; or

(ii) Austral and Hammer Metals agree in writing not to appeal or seek review of the decision to impose that requirement.

9.7 **Other claims**

(a) Subject to clause 9.7(c), but notwithstanding any other provision of this deed, the maximum aggregate liability of Hammer Metals under or in connection with this deed (including, to the maximum extent permitted by law, for any Claims under this deed), including for any breach of this deed by Hammer Metals (including any breach of the Hammer Metals Warranties or under the indemnity in clause 10.2), is the amount of the Break Fee, and in no event will the aggregate liability of Hammer Metals to Austral for such Claims under this deed and in connection with the Transaction, the Scheme or the SpinCo Demerger exceed the amount of the Break Fee.

(b) Subject to clause 9.7(c), if an amount is paid by Hammer Metals to Austral in the amount of the Break Fee in accordance with clause 9.2:

(i) payment of that amount is the sole and exclusive remedy for Austral;

(ii) payment of that amount is the sole and exclusive obligation of Hammer Metals under or in connection with this deed (including, to the maximum extent permitted by law, for any Claims under this deed), including for any breach of this deed by Hammer Metals;

(iii) no further damages, fees, expenses or reimbursements will be payable by Hammer Metals;

(iv) that amount is received by Austral in complete settlement of any and all Claims under this deed or otherwise that Austral may have against Hammer Metals; and

(v) neither Austral nor any of its Related Bodies Corporate may make any claim whatsoever for specific performance, injunctive relief, damages, loss, liability, compensation, payments, fees, expenses or reimbursements against Hammer Metals or any other Hammer Metals Indemnified Party under this deed in respect of such breaches,

in each case, in respect of the matter giving rise to the payment and otherwise under this deed or in connection with the Transaction, Scheme or SpinCo Demerger, to the maximum extent permitted by law.

(c) The maximum aggregate liability of Hammer Metals in clause 9.7(a) and limitations in clause 9.7(b) do not:

(i) prevent Austral (in its own right or as trustee for another person, as the case may be under this deed) from seeking orders from a court of competent jurisdiction for the specific performance by Hammer Metals of any obligations under this deed;

(ii) prevent Austral recovering the actual costs it incurs in connection with the Transaction Documents (to the extent such costs exceed the Break Fee) if Hammer Metals has breached its obligations to register all transfers and/or cancellation (as applicable) of Hammer Metals Shares to Austral in accordance with clause 4.2(y); and

(iii) limit or fetter any obligation of Hammer Metals under (including, without limitation, any obligation to repay any amount payable under or in connection with) or any corresponding Claim or right Austral may have under or in connection with the Bridging Loan Agreement;

(iv) extinguish or limit the liability of Hammer Metals for any:

(A) interest payable or any amount payable by that party under or in connection with this deed; or

(B) breach of this deed arising from criminal acts, fraud or wilful default by Hammer Metals, its directors, officers or employees.

(d) Nothing in this clause 9 limits the liability of Austral in connection with the Deed Poll.

10 Warranties

10.1 Hammer Metals Warranties

Hammer Metals represents and warrants to Austral (in its own right and separately as trustee or nominee for each Austral Indemnified Party) that each of the Hammer Metals Warranties is true and correct.

10.2 Hammer Metals' indemnity

Subject to clause 9.7(a), Hammer Metals agrees with Austral (in its own right and separately as trustee or nominee for each Austral Indemnified Party) to indemnify Austral and each Austral Indemnified Party against any Claim, action, damage, loss, liability, cost, expenses or payment of whatever nature and however arising that Austral or any of the other Austral Indemnified Parties suffers, incurs or is liable for as a result of any material breach of any of the Hammer Metals Warranties.

10.3 Austral Warranties

Austral represents and warrants to Hammer Metals (in its own right and separately as trustee or nominee for each Hammer Metals Indemnified Party) that each of the Austral Warranties is true and correct.

10.4 Austral's indemnity

Austral agrees with Hammer Metals (in its own right and separately as trustee or nominee for each Hammer Metals Indemnified Party) to indemnify Hammer Metals and each Hammer Metals Indemnified Party against any Claim, action, damage, loss, liability, cost, expenses or payment of whatever nature and however arising that Hammer Metals or any of the other Hammer Metals Indemnified Parties suffers, incurs or is liable for as a result of any material breach of any of the Austral Warranties.

10.5 Reliance on representations and warranties

Each party acknowledges:

(a) that the other party has executed this deed and agreed to take part in the transactions that this deed contemplates in reliance on the Warranties; and

(b) confirms that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, other than the Warranties, and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

10.6 Qualifications on Hammer Metals Warranties

(a) The Hammer Metals Warranties and the indemnity in clause 10.2 are each subject to matters that:

(i) are required or expressly permitted by the Transaction Documents;

(ii) have been Fairly Disclosed in:

(A) the Hammer Metals Disclosure Materials;

(B) an announcement made by Hammer Metals to the ASX in the 12 months prior to the date of this deed; or

(C) the Hammer Metals Relevant Searches; or

(iii) are within the actual knowledge of Austral or its Related Bodies Corporate before the date of this deed.

(b) Any matters in this deed that are subject to the awareness, knowledge or belief of Hammer Metals are given solely by reference to the actual awareness, knowledge or belief of the following individuals as at the date of this deed having made reasonable enquiries of their direct reports:

(i) Daniel Thomas; and

(ii) Mark Whittle.

10.7 **Qualifications on Austral Warranties**

(a) The Austral Warranties and the indemnity in clause 10.4 are each subject to matters that:

(i) are required or expressly permitted by the Transaction Documents;

(ii) have been Fairly Disclosed in:

(A) the Austral Disclosure Materials

(B) an announcement made by Austral to the ASX in the 12 months prior to the date of this deed; or

(C) the Austral Relevant Searches; or

(iii) are within the actual knowledge of Hammer Metals or its Related Bodies Corporate before the date of this deed.

(b) Any matters in this deed that are subject to the awareness, knowledge or belief of Austral are given solely by reference to the actual awareness, knowledge or belief of the following individuals as at the date of this deed having made reasonable enquiries of their direct reports:

(i) David Newling; and

(ii) Shane O'Connell.

10.8 **Survival of Warranties**

Each Warranty:

(a) is severable;

(b) survives the termination of this deed;

(c) subject to this deed, is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed;

(d) is to be construed independently of all other Warranties; and

(e) is not limited by any other Warranty.

10.9 **Survival of indemnities**

Each indemnity in this deed (including those in clauses 10.2 and 10.4):

(a) is severable;

(b) is a continuing obligation;

(c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and

(d) survives the termination of this deed.

10.10 **Timing of Warranties**

Each Warranty is given:

(a) at the date of this deed;

(b) at the date the Scheme Booklet is despatched to Hammer Metals Shareholders;

(c) at 8:00am on the Second Court Date; and

(d) at the Effective Date,

unless such Warranty is expressed to be given at a particular time or date, in which case it is given at that time.

10.11 **No representations made on economic or future matters**

Each party acknowledges and agrees that:

(a) the other party makes no representation or warranty other than as given or made in this deed, the Scheme and the Deed Poll; and

(b) without limiting the warranties in paragraph 19 of Schedule 1 and paragraph 15 of Schedule 2 (as applicable), at no time has the other party given or made any representation or warranty in relation to the achievability of:

(i) any economic, fiscal or other interpretations or evaluations by it; or

(ii) future or forecast costs, prices, revenues, profits, production or exploration outcomes, including any expansion in mineral resources or ore reserves (whether reported or depicted in accordance with the JORC Code or otherwise),

other than to the extent the relevant information is Fairly Disclosed in an announcement to ASX that is made by that other party prior to the date of this deed.

11 Releases

11.1 **Release of Hammer Metals Indemnified Parties**

(a) Subject to clause 11.1(b), Austral releases any and all rights that it has or may have or that may otherwise accrue to it after the date of this deed, and agrees with Hammer Metals that it will not make any Claim, against any Hammer Metals Indemnified Party (other than Hammer Metals and its Related Bodies Corporate) as at the date of this deed in connection with:

(i) any breach of any covenant, representation or warranty given by Hammer Metals under this deed;

(ii) any disclosures or information provided in connection with this deed or the Scheme containing any statement which is false or misleading (whether by omission or otherwise); or

(iii) any failure to provide information in connection with this deed or the Scheme,

except where such Hammer Metals Indemnified Party has engaged in fraud or wilful misconduct.

(b) The releases in clause 11.1(a) are subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.

(c) Hammer Metals receives and holds the benefit of clause 11.1(a) on behalf of, and as trustee for, each other Hammer Metals Indemnified Parties.

(d) Nothing in clause 11.1(a) limits Austral's rights to terminate this deed under clause 12 or demand payment of the Break Fee under clause 9.

11.2 Release of Austral Indemnified Parties

(a) Subject to clause 11.2(b), Hammer Metals releases any and all rights that it has or may have or that may otherwise accrue to it after the date of this deed, and agrees with Austral that it will not make any Claim, against any Austral Indemnified Party (other than Austral and its Related Bodies Corporate) as at the date of this deed in connection with:

(i) any breach of any covenant, representation or warranty given by Austral under this deed;

(ii) any disclosures or information provided in connection with this deed or the Scheme containing any statement which is false or misleading (whether by omission or otherwise); or

(iii) any failure to provide information in connection with this deed or Scheme,

except where such Austral Indemnified Party has engaged in fraud or wilful misconduct.

(b) The releases in clause 11.2(a) are subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.

(c) Austral receives and holds the benefit of clause 11.2(a) on behalf of, and as trustee for, each other Austral Indemnified Parties.

(d) Nothing in clause 11.2(a) limits Hammer Metals' rights to terminate this deed under clause 12.

12 Termination

12.1 Termination by Hammer Metals or Austral

(a) Hammer Metals or Austral may terminate this deed in accordance with clause 3.4(b).

(b) Hammer Metals or Austral (**Terminating Party**) may terminate this deed by written notice any time before 8:00am on the Second Court Date where the other party (**Defaulting Party**) commits a breach of this deed (other than for a breach of a Warranty), provided that:

(i) the breach is material in the context of this deed and the Scheme taken as a whole;

(ii) the Terminating Party has given written notice to the Defaulting Party setting out the relevant circumstances and stating an intention to terminate this deed;

(iii) unless the notice under clause 12.1(b)(ii) was not reasonably able to be given before 5:00pm on the Business Day immediately before the Second Court Date, the relevant circumstances, if capable of remedy, have not been remedied within 10 Business Days from the date such notice is given (or any shorter period ending at 5:00pm on the Business Day immediately before the Second Court Date); and

(iv) the Terminating Party is not in material breach of this deed.

(c) Hammer Metals or Austral may terminate this deed by written notice to the other party in accordance with and pursuant to clause 4.6, provided that the party purporting to terminate this deed has complied in all material respects with its obligations under that clause.

(d) Hammer Metals or Austral may terminate this deed by written notice to the other party if the Scheme has not become Effective on or before the End Date.

12.2 **Termination by Austral**

Austral may terminate this deed, with immediate effect, by notice in writing to Hammer Metals at any time before 8:00am on the Second Court Date if:

(a) Hammer Metals is in breach of a Hammer Metals Warranty, or a Hammer Metals Warranty becomes untrue, and:

(i) the breach is material in the context of the Scheme as a whole;

(ii) Austral has given written notice to Hammer Metals setting out the relevant circumstance and stating an intention to terminate; and

(iii) the relevant breach continues to exist 10 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 12.2(a)(ii);

(b) any Hammer Metals Director (whether or not permitted to do so under this deed):

(i) fails to make his Recommendation or Voting Intention in accordance with clause 2.3(a);

(ii) withdraws, qualifies or adversely changes, modifies or revises his Recommendation (including, without limitation, by making any public statement supporting, endorsing or recommending any Competing Proposal or to the effect that he no longer supports the Scheme); or

(iii) publicly recommends, supports or endorses a Competing Proposal,

in each case, provided that a public statement made by Hammer Metals or the Hammer Metals Board 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 under this clause; or

(c) the Hammer Metals Board determines that a Competing Proposal is a Superior Proposal, or in any circumstances, 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.

12.3 **Termination by Hammer Metals**

Hammer Metals may terminate this deed, with immediate effect, by notice in writing to Austral 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, and:

(i) the breach is material in the context of the Scheme as a whole;

(ii) Hammer Metals has given written notice to Austral setting out the relevant circumstance and stating an intention to terminate; and

(iii) the relevant breach continues to exist 10 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 12.3(a)(ii); or

(b) the Hammer Metals Board or a majority of Hammer Metals Directors has changed, withdrawn or qualified their recommendation of the Scheme after:

(i) making a determination contemplated by clause 8.6(a) that a Competing Proposal is, or could reasonably be expected to become, a Superior Proposal, after Austral's rights under clause 8.7 have been exhausted and after evaluation of the Counterproposal; or

(ii) the Independent Expert has concluded in a final, dated and signed copy of the Independent Expert's Report (or any update or variation to that report) that the Scheme is not in the best interests of Hammer Metals Shareholders.

12.4 **Effect of termination**

If this deed is terminated in accordance with this clause 12, this deed will cease to have force and effect without any liability or obligation on the part of any party, except that:

(a) this clause 12, clauses 9 through 11 (inclusive) and clauses 14 through 17 (inclusive) (other than clause 17.8) will survive termination; and

(b) each party will retain any rights and remedies that accrued prior to termination, including any rights and remedies in respect of any past breach of this deed or (if applicable) in respect of the breach giving rise to termination.

13 Public announcements

13.1 **Public announcement of Scheme**

Immediately after execution of this deed (or as otherwise agreed between Hammer Metals and Austral), Hammer Metals and Austral must each issue a public announcement substantially in the form agreed by the parties, acting reasonably.

13.2 **Other disclosure**

(a) Subject to clause 13.2(b), 13.2(c), 13.3(a) and 13.3(b), before making any material public announcement in relation to the Transaction or the Scheme (whether through the ASX or otherwise) (**Proposed Announcement**), a party must:

(i) provide the other party with a draft copy of the Proposed Announcement as soon as reasonably practicable before it is proposed that such Proposed Announcement is made;

(ii) give the other party a reasonable opportunity to comment on the form and content of such draft copy;

(iii) consider all reasonable comments from the other party and its Representatives (that are provided in a timely manner) on such draft copy; and

(iv) obtain the other party's prior written consent to the final form and content of the Proposed Announcement.

(b) A party must:

(i) use reasonable endeavours to provide its consent to the making of a Proposed Announcement contemplated by clause 13.2(a) as soon as practicable (and in any event within, 24 hours); and

(ii) not unreasonably withhold or delay such consent.

(c) Clause 13.2(a) does not apply to any announcement or disclosure in connection with the termination of this deed, a breach of this deed by the other party or an actual, proposed or potential Competing Proposal.

13.3 **Required disclosure**

(a) Subject to clause 13.3(b), where a party is required by applicable law, regulation or the ASX Listing Rules to make any announcement or to make any disclosure in connection with the Transaction or the Scheme, such party is not required to comply with clause 13.2(a) in respect of any such announcement or disclosure.

(b) Before any announcement or disclosure is made by any party in reliance on clause 13.3(a), to the extent reasonably practicable and permitted by the relevant law, regulation or the ASX Listing Rules, such party must use:

(i) best endeavours to notify the other party as soon as reasonably practicable after such party becomes aware that such announcement or disclosure is required; and

(ii) reasonable endeavours to give the other party an opportunity to comment on the proposed form and content of such announcement or disclosure and amend any factual inaccuracy, and consider in good faith any other comments of the other party on the form and content of such announcement or disclosure,

other than where such announcement or disclosure relates to, or is in connection with, an actual, proposed or potential Competing Proposal, termination of this deed or a breach of this deed by the other party.

14 Confidentiality

Hammer Metals and Austral acknowledge and agree that they continue to be bound by the Confidentiality Deed after the date of this deed. The rights and obligations of the parties under the Confidentiality Deed survive the termination of this deed. To the extent of any inconsistency between the Confidentiality Deed and this deed, the terms of this deed shall prevail.

15 Duty, costs and expenses

15.1 **Duty**

Subject to the terms of this deed, Austral:

(a) must pay all Duty in respect of this deed or the Scheme or any transaction effected or steps taken under this deed or the Scheme; and

(b) must indemnify Hammer Metals against any liability arising from or in connection with any failure by Austral to comply with clause 15.1(a).

15.2 **Costs and expenses**

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of the Transaction.

16 GST

(a) In this deed, unless the contrary intention appears, a word or expression defined in GST Law has the meaning given to it in GST Law.

(b) Subject to clauses 16(c) and 16(f), if a party makes a supply under or in connection with this deed in respect of which GST is payable, the consideration for the supply (**GST Exclusive Consideration**) is increased by an amount equal to the GST Exclusive Consideration multiplied by the rate of GST in accordance with the GST Law (**GST Amount**).

(c) Clause 16(b) does not apply to any consideration that is expressed in this deed to be inclusive of GST or that is subject to a reverse charge.

(d) If a party must reimburse or indemnify the other party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by the amount equal to any input tax credit the other party (or any representative member of a GST group of which the other party is a member) is entitled to with respect to the loss, cost or expense. If the reduced payment is consideration for a taxable supply, clause 16(b) will apply to the reduced payment.

(e) If an adjustment event arises for a supply made in connection with this deed, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.

(f) A party need not make a payment of the consideration for a taxable supply made under or in connection with this deed until it receives a tax invoice for the supply to which the payment relates.

17 General

17.1 Notices

(a) A notice, consent, approval, waiver or other communication sent by a party under this deed (Notice) 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.

Hammer Metals

Attention: Daniel Thomas

Address: Suite 2, Level 2, 41 Colin St, West Perth WA 6005

Email: daniel@hammermetals.com.au

with a copy (for information purposes only) to mbowen@thomsons.com.au

Austral

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@glglegal.com.au

(b) Subject to clause 17.1(c), a Notice is taken to be 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.

(c) If a Notice is taken to be received under clause 17.1(b):

(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.

17.2 **Governing law and jurisdiction**

(a) This deed is governed by the laws of Western Australia, Australia.

(b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia and courts competent to hear appeals from those courts.

17.3 **No representation or reliance**

(a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.

(b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other person, except for any representation or inducement expressly set out in this deed.

17.4 **No merger**

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

17.5 **Waivers and consents**

(a) 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 by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.

(b) Any waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.

(c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.

(d) Except where this deed expressly provides otherwise, where the consent of a party is required under this deed, such consent may be given or withheld in that party's absolute discretion.

17.6 **Variation**

This deed may only be varied by a document signed by or on behalf of Hammer Metals and Austral.

17.7 **Assignment**

A party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this deed without the prior written consent of the other party or as expressly provided in this deed.

17.8 **Further action**

Each of the parties will do all things and execute all further documents necessary to give full effect to this deed.

17.9 **Entire agreement**

This deed supersedes all previous agreements, understandings, negotiations or deeds in respect of its subject matter and embodies the entire agreement between the parties.

17.10 **Severability**

(a) If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction but only to the extent that it is void, unenforceable or illegal and provided that it will have full force and effect in any other jurisdiction.

(b) Where a provision (or any part thereof) is severed in a jurisdiction, the remainder of this deed will have full force and effect in that (and any other) jurisdiction.

(c) Clause 17.10(a) does not apply to any severance that alters the basic nature of this deed or is contrary to public policy.

17.11 **Counterparts**

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Schedule 1

Hammer Metals Warranties

1 Validly existing

Hammer Metals and each other Hammer Metals Group Member is a validly existing corporation registered under the laws of its place of incorporation.

2 Power and Status of Larvotto

(a) Hammer Metals has full corporate power and lawful authority to execute, deliver and perform this deed and the Scheme.

(b) The Larvotto SID has been terminated in accordance with its terms.

(c) On payment of the Total Amount Owing defined in paragraph 2(d) below the Larvotto Loan Agreement will be repaid in full and Hammer Metals will cease to have any liability or obligation under the Larvotto Loan Agreement.

(d) As at the date of this deed, the total amount owing by Hammer Metals under the Larvotto Loan Agreement is $2,000,000 (**Total Amount Owing**).

3 Corporate action

Hammer Metals has taken all necessary corporate action to authorise the entry into and delivery of this deed and has taken or will take all necessary corporate action to authorise and carry out the performance of this deed and the Scheme in accordance with its terms.

4 Authorisations

Hammer Metals has in full force and effect each authorisation necessary for it to enter into and deliver this deed, and, subject to the conditions in each document being satisfied or waived (as applicable), has full authority to carry out the transactions contemplated by this deed and the Scheme in accordance with its terms, and other than the conditions in this deed and the Scheme being satisfied or waived (as applicable), no other corporate proceedings on the part of Hammer Metals (other than as contemplated by this deed) are necessary to authorise the execution and delivery of this deed and the Scheme and the performance by Hammer Metals of its obligations under this deed and the Scheme.

5 Binding

This deed is a legal, valid and binding obligation on Hammer Metals, enforceable against it in accordance with its terms.

6 Performance

The execution and performance by Hammer Metals of this deed or the carrying out by Hammer Metals of the transactions contemplated in this deed, including the Scheme, does not and will not violate or breach any provision of:

(a) any writ, order or injunction, judgment, law, decree, rule or regulation to which Hammer Metals or any other Hammer Metals Group Member is party or by which Hammer Metals or any other Hammer Metals Group Member is bound or otherwise subject;

(b) Hammer Metals or any other Hammer Metals Group Member's constitution; or

(c) the Larvotto SID or the Larvotto Loan Agreement,

and Hammer Metals or any other Hammer Metals Group Member is not otherwise bound by any agreement or deed that would prevent or restrict Hammer Metals from entering into and/or performing this deed.

7 Not representative capacity

Hammer Metals is not entering into this deed as trustee of any trust or settlement or otherwise in a representative capacity.

8 Capital structure

As at the date of this deed, there are on issue:

(a) 892,758,700 Hammer Metals Shares;

(b) 7,000,000 Performance Rights; and

(c) 29,500,000 Options;

and:

(d) save for the Performance Rights, Management Performance Rights and Options:

(i) Hammer Metals has not issued or agreed to issue or grant any other securities, shares, warrants, options, performance rights, convertible notes, instruments or rights (or obligations, offers or agreements or issue any of the foregoing) which are still outstanding and may convert into Hammer Metals Shares;

(ii) Hammer Metals is not under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any other such securities, shares, options, warrants, performance rights, convertible notes, instruments or rights in Hammer Metals;

(e) all of the issued securities of each Hammer Metals Group Member (other than Hammer Metals) are held by Hammer Metals; and

(f) no Hammer Metals Group Member has issued or granted (or agreed to issue or grant) any other securities, shares, options, warrants, performance rights, convertible notes, instruments or rights which are still outstanding and may convert into shares and no Hammer Metals Group Member is under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any securities, shares, options, warrants, performance rights, convertible notes, instruments or rights in a Hammer Metals Group Member.

9 Reasonable assumptions

To the extent information provided to ASX includes forward looking statements, those forward looking statements are based on assumptions that Hammer Metals believes to be reasonable.

10 Opinions

To the best knowledge of Hammer Metals, any statement of opinion or belief contained in the Hammer Metals Information is honestly held as at the date such opinion or belief was given.

11 Hammer Metals Information

The Hammer Metals Information included in the Scheme Booklet and any supplementary disclosure made to Hammer Metals Shareholders pursuant to clause 4.2(r) (excluding any information provided by Austral or the Independent Expert) will be prepared in good faith and, as at the date of the Scheme Booklet or supplementary disclosure (as applicable):

(a) will be accurate in all material respects and will not contain any statement which is false, or misleading or deceptive in any material respect (whether by omission or otherwise); and

(b) will comply in all material respects with the requirements of the Corporations Act and Corporations Regulations, ASX Listing Rules, Takeovers Panel policy and guidance notes and ASIC Regulatory Guide 60 (as applicable).

12 Hammer Metals Tenements and Authorisations

With respect to the Hammer Metals Tenements:

(a) save as Fairly Disclosed in respect of the Hammer Metals Group joint ventures, earn-in agreements and other asset level transactions and the interests as between the relevant parties, the Hammer Metals Group Members are the sole legal and beneficial owners of the Hammer Metals Tenements;

(b) the Hammer Metals Tenements and all Authorisations required for the conduct of the Hammer Metals Group's activities on the Hammer Metals Tenements are in full force and effect and the Hammer Metals Group has complied in all material respects with the terms of the Hammer Metals Tenements and relevant Authorisations; and

(c) as far as Hammer Metals is aware there are no material violations of or material non-compliance with laws applicable to the Hammer Metals Tenements by any Hammer Metals Group Member and the Hammer Metals Group will continue to comply with applicable conditions of the Hammer Metals Tenements and relevant Authorisations and applicable laws from the date of this deed until the Implementation Date.

13 Mineral resources and ore reserves

Except in connection with the Elaine Cu-AU deposit mineral resource estimate conducted by Mine Development Associates in 2012, the most recent estimated mineral resources publicly announced by Hammer Metals to ASX have been prepared and disclosed in all material respects in accordance with sound mining, engineering, geoscience, and other applicable industry standards, and in accordance with all applicable laws including, without limitation, the JORC Code, and to its knowledge there has been no material reduction in the aggregate amount of estimated mineral resources at the Hammer Metals Tenements taken as a whole, from the amounts disclosed publicly by Hammer Metals.

14 Reliance

The Hammer Metals Information contained in the Scheme Booklet will be included on the understanding that Austral and its directors and the Austral Indemnified Parties will rely on that

information for the purposes of considering and approving the Austral Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the Scheme.

15 Information provided to Independent Expert

All information which has been provided or will be provided to the Independent Expert by or on behalf of Hammer Metals is accurate and not misleading (including by omission) and provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.

16 Insolvency event or regulatory action

No Hammer Metals Group Member is the subject of an Insolvency Event, nor has any regulatory action of any nature of which Hammer Metals is aware been taken or threatened that would be reasonably likely to prevent or in any way restrict its ability to fulfil its obligations under this deed or under the Scheme.

17 Continuous disclosure

Hammer Metals has exercised reasonable endeavours to comply in all material respects with its obligations in Chapter 5 of the ASX Listing Rules and continuous disclosure obligations under Listing Rule 3.1 and, as at the date of this deed, other than for this Scheme, the SpinCo Demerger and as Fairly Disclosed in the Hammer Metals Disclosure Materials, it is not relying on the carve out in Listing Rule 3.1A to withhold any material information from public disclosure.

18 Hammer Metals management presentations

Written information provided by Hammer Metals and its Representatives during any management presentations to Austral is not, to the best of Hammer Metals' knowledge after due enquiry, false, misleading or deceptive, or likely to mislead or deceive (including by omission), in any material respect as at the date of this deed.

19 Hammer Metals Disclosure Materials

(a) The Hammer Metals Disclosure Materials:

(i) were compiled and made available to Austral and its Representatives in good faith and with reasonable diligence, care and skill (having regard to the purpose for which they were compiled); and

(ii) are not, to the best of Hammer Metals' knowledge after due enquiry, false, misleading or deceptive, or likely to mislead or deceive (including by omission), in any material respect as at the date of this deed.

(b) Hammer Metals has, prior to the date of this deed, disclosed to Austral all material information:

(i) that a reasonable bidder in the Australian market would both require and expect to receive to undertake legal, financial, accounting, commercial and tax due diligence investigations on a listed target company of similar characteristics of Hammer Metals (including in respect of market capitalisation and businesses and activities); or

(ii) in response to written requests for information by Austral and its Representatives, other than where requested information has been withheld or redacted in a manner

which is customary for information of the nature requested in the context of this transaction (including where requested information has been withheld or redacted on the basis that it is immaterial, competitively sensitive or privileged),

for the purpose of securing the agreement of Austral to proceed with the Transaction on the terms of this deed and the Scheme.

20 Interest

The Hammer Metals Disclosure Materials set out full details of any company, partnership, trust, joint venture (whether incorporated or unincorporated) or other enterprise in which Hammer Metals or another Hammer Metals Group Member owns or otherwise holds any interest.

21 Accounts

The financial statements of the Hammer Metals Group included in its full year report for the full year ended 30 June 2025 and for the half year ended 31 December 2025:

(a) have been prepared in accordance with the requirements of the Corporations Act and any other applicable laws and in accordance with the Accounting Standards; and

(b) give a true and fair view in all material respects of the consolidated financial position of the Hammer Metals Group as at the date of those accounts and of the performance of the Hammer Metals Group for the period to which that financial statement relates.

22 Compliance with laws

To the best of the knowledge of Hammer Metals, each Hammer Metals Group Member has complied in all material respects with all applicable laws (including requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws with respect to Hammer Metals' business), regulations and all orders of applicable Government Agencies and the ASX Listing Rules (disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Hammer Metals).

23 Material Contract

(a) As at the date of this deed, each Hammer Metals Group Member that is a party to the Material Contract is materially in compliance with, and has not materially breached the terms of, that Material Contract.

(b) Copies of the Material Contract included in the Hammer Metals Disclosure Materials are in all material respects current, accurate and complete (when considered with any and all amendments, variations, supplements, addendums, annexures, appendices, extensions and/or renewals in respect of such Material Contract that are also included in the Hammer Metals Disclosure Materials).

24 No knowledge of Hammer Metals Material Adverse Change

As at the date of this deed, Hammer Metals is not aware of any information relating to the Hammer Metals Group or its respective businesses, operations or activities that has or could reasonably be expected to give rise to a Hammer Metals Material Adverse Change.

25 No material litigation or enforcement

Other than as Fairly Disclosed in the Hammer Metals Disclosure Materials:

(a) no Hammer Metals Group Member is party to a claim which could reasonably be expected to give rise to a material liability for, or have a material adverse effect on, the Hammer Metals Group; or

(b) so far as Hammer Metals is aware, as at the date of this deed, there is no pending or threatened claim, dispute, demand, action, litigation, prosecution, arbitration, investigation, mediation or other proceeding against nor any facts, matters or circumstances that will or are reasonably likely to give rise to the foregoing, against any Hammer Metals Group Member:

(i) which if successful, would or is likely to result in a Hammer Metals Material Adverse Change, have a material adverse effect on the reputation of the Hammer Metals Group; or

(ii) involving an actual or alleged breach of anti-bribery and corruption laws;

(c) save as Fairly Disclosed in the Hammer Disclosure Materials in respect of the current ATO enquiry into historical research and development grants, so far as Hammer Metals is aware, no enforcement action or investigation has been announced or commenced by any Government Agency against or involving a Hammer Metals Group Member, or any of its directors, which could reasonably be expected to give rise to a material liability for, or have a material adverse effect on, the Hammer Metals Group; and

(d) as at the date of this deed, there are no material unsatisfied or outstanding judgements, awards, orders, decrees, claims or written demands against any Hammer Metals Group Member.

26 No Encumbrances

Other than the Permitted Encumbrances or otherwise as Fairly Disclosed in the Hammer Metals Disclosure Materials or the Hammer Metals Relevant Searches, there are no Encumbrances over any of the assets or revenues of any Hammer Metals Group Member.

27 Material licences

As at the date of this deed:

(a) the Hammer Metals Group has all Authorisations necessary for it to conduct the business of the Hammer Metals Group as it is being conducted as at the date of this deed; and

(b) no Hammer Metals Group Member is in material breach of, or material default under, any such Authorisation or has received any notice in respect of the termination, revocation, variation or non-renewal of any material Authorisation and, so far as Hammer Metals is aware, there are no facts, matters or circumstances that will or are reasonably likely to give rise to the foregoing.

28 Other Hammer Metals Tenement warranties

Other than as Fairly Disclosed:

(a) the Hammer Metals Group has no liability or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect of the Hammer Metals Tenements or Authorisations (other than Taxes and interests of Government Agencies);

(b) there is no material adverse claim against or challenge to the title to, or ownership of, Hammer Metals or any of the members of the Hammer Metals Group, or their respective ownership of, the Hammer Metals Tenements and Authorisations required for the conduct of the Hammer Metals Group's activities;

(c) there are no back in rights, earn in rights, rights of first refusal or similar provisions or rights which would affect the Hammer Metals Group's interests in any of the Hammer Metals Tenements and Authorisations required for the conduct of the Hammer Metals Group's activities; and

(d) no other activities of the Hammer Metals Group has been taken, condemned or expropriated by any Government Agency nor has any written notice or proceeding in respect thereof been given or commenced nor does any Hammer Metals Group Member know of any intent or proposal to give such notice or commence any such proceedings.

29 Employment

(a) Each Hammer Metals Group Member has complied in all material respects with its obligations under employment and industrial laws, individual contracts of employment with its employees and any industrial awards, industrial agreements and legislation which apply to its employees (including laws relating to employment, tax, superannuation and workers' compensation).

(b) All amounts due or accrued to any director, officer or employee of the Hammer Metals Group for all salary, wages, bonuses, commissions and benefits, taxes, deductions and remittances and /or other similar accruals or payments have either been paid or properly accrued and are accurately reflected in the books and/or records of the Hammer Metals Group (as applicable).

(c) No Hammer Metals Director, as at the date of this deed:

(i) has given or been given notice of termination of their employment with the Hammer Metals Group;

(ii) will be entitled to terminate their employment as a result of the execution and delivery of this deed;

(iii) has been placed on gardening leave or any equivalent arrangement; and

(iv) as far as Hammer Metals is aware, intends to terminate their employment with the Hammer Metals Group.

(d) No employee of the Hammer Metals Group has provided Hammer Metals or another Hammer Metals Group Member with written notice of any pending or threatened claim (other than routine claims for benefits) against any Hammer Metals Group Member which remains outstanding as at the date of this deed.

(e) There are no employment related or work health and safety related current or threatened investigations, notices, prosecutions, litigations or proceedings of, or involving, a Hammer Metals Group Member (including by a regulatory authority).

30 Employee benefit plans

(a) The Hammer Metals Disclosure Materials contain a true copy of each Hammer Metals Incentive Plan, together with all current documents embodying each Hammer Metals Incentive Plan including all amendments made and all related trust documents.

(b) Each Hammer Metals Incentive Plan has been established, maintained, funded, and administered in all respects in accordance with the terms of the applicable controlling documents and in compliance with applicable laws.

(c) The Hammer Metals Group does not sponsor or maintain or have any liability with respect to any defined benefit pension plans or arrangements.

(d) Neither the execution of this deed nor the implementation of the Transaction contemplated by this deed will (alone or in combination with one or more events or circumstances, including any termination of employment or service):

(i) result in any compensation or benefit (including severance, golden parachute, bonus or otherwise) becoming due to any Hammer Group Group employee or service provider (except as provided by applicable law);

(ii) increase or otherwise enhance any compensation or benefit otherwise payable to any such individual;

(iii) result in the acceleration of the time of payment, funding or vesting of any compensation or benefit under any Hammer Metals Incentive Plan;

(iv) result in the acceleration or forgiveness (in whole or in part) of any outstanding loan to any Hammer Metals Group employee or service provider; or

(v) require any contributions or payments to fund any obligations under any Hammer Metals Incentive Plan,

other than as disclosed in the Hammer Metals Disclosure Materials.

31 Taxes

As at the date of this deed, each Hammer Metals Group Member has complied in all material respects with its obligations under applicable Tax laws, including the timely filing of Tax returns and lodgements and payment of all Taxes due.

32 Financial Matters

(a) So far as Hammer Metals is aware, after making due and careful enquiry, no member of the Hammer Metals Group has any liability, whether accrued, contingent or otherwise, that is not reflected in the financial statements of Hammer Metals Group included in its report for the full year ended 30 June 2025, Hammer Metals' half-year financial report for the period ended 31 December 2025, Hammer Metals' June 2026 quarterly report or in any other announcement or announcements made by Hammer Metals to the ASX since 30 June 2025 or Fairly Disclosed to Austral in the Hammer Metals Disclosure Materials, that could reasonably be expected to result in a Hammer Metals Material Adverse Change.

(b) So far as Hammer Metals is aware, after making due and careful enquiry, no member of the Hammer Metals Group has granted, offered or perfected any Security Interest with or in favour of any third party, that is not reflected in the financial statements of the Hammer Metals Group included in its report for the full year ended full year ended 30 June 2025, Hammer Metals' half-year financial report for the period ended 31 December 2025, Hammer Metals' June 2026 quarterly report or in any other announcement or announcements made by Hammer Metals to the ASX since 30 June 2025 or Fairly Disclosed to Austral in the Hammer Metals Disclosure Materials, that could reasonably be expected to result in a Hammer Metals Material Adverse Change.

Schedule 2

Austral Warranties

1 Validly existing

Austral and each other Austral Group Member is a validly existing corporation registered under the laws of its place of incorporation.

2 Power

Austral has full corporate power and lawful authority to execute, deliver and perform this deed and the Deed Poll.

3 Corporate action

Austral has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise and carry out the performance of this deed and the Deed Poll, in accordance with their terms.

4 Binding

This deed is a legal, valid and binding obligation on Austral, enforceable against it in accordance with its terms.

5 Performance

The execution and performance by Austral of this deed or the carrying out by Austral of the transactions contemplated in this deed, including the Scheme, did not and will not violate or breach any provision of:

(a) any writ, order or injunction, judgment, law, rule or regulation to which Austral or any other Austral Member is party or by which Austral or any other Austral Group Member is bound or otherwise subject; or

(b) Austral or any other Austral Group Member's constitution or other constituent documents,

and Austral or any other Austral Group Member is not otherwise bound by any agreement or deed that would prevent or restrict Austral from entering into and/or performing this deed.

6 Capital structures

As at the date of this deed, there are on issue:

(a) 2,654,856,580 Austral Shares;

(b) 10,000,000 unlisted performance rights convertible into Austral Shares subject to the satisfaction (or waiver) of vesting conditions; and

(c) 2,464,900 unlisted options with an exercise price of $0.075 and expiring 24 October 2027,

and there are no other Austral securities (or offers or agreements to issue any securities) that may convert into Austral Shares.

7 New Austral Shares

The New Austral Shares to be issued in accordance with clause 5 and the terms of the Scheme will be validly issued, fully paid and non-assessable, and free of all Security Interests and third party rights and will rank equally with all of the other Austral Shares then on issue.

8 No interest

As at the date of this deed, neither Austral nor its Related Bodies Corporate has:

(a) any Voting Power in Hammer Metals; or

(b) entered into any agreement or arrangement with any person involving the conferring of rights, the economic effect of which is equivalent or substantially equivalent to the acquisition, holding or disposal of Hammer Metals Shares (including cash settled derivatives, contracts for difference and other derivatives).

9 No Excluded Shareholders

As at the date of this deed, there is no Austral Group Member who is a Hammer Metals Shareholder.

10 Austral Information

The Austral Information included in the Scheme Booklet, and any other information provided by Austral pursuant to clause 4.3(g), will be prepared in good faith and, as at the date of the Scheme Booklet or the date on which such information is so provided (as applicable):

(a) will be accurate in all material respects and will not contain any statement which is false, or misleading or deceptive in any material respect (whether by omission or otherwise); and

(b) will comply in all material respects with the requirements of the Corporations Act and Corporations Regulations, ASX Listing Rules, Takeovers Panel policy and guidance notes and ASIC Regulatory Guide 60 (as applicable).

11 Reliance

The Austral Information contained in the Scheme Booklet will be included on the understanding that Hammer Metals and its directors and the Hammer Metals Indemnified Parties will rely on that information for the purposes of preparing the Scheme Booklet and considering and implementing the Scheme.

12 Reasonable assumptions

To the extent information provided to ASX, includes forward looking statements, those forward looking statements are based on assumptions that Austral believes to be reasonable.

13 Opinions

To the best knowledge of Austral, any statement of opinion or belief contained in the Austral Information is honestly held as at the date such opinion or belief was given.

14 New information

Austral will, as a continuing obligation, ensure that the Austral Information contained in the Scheme Booklet is updated to include all further or new information which:

(a) arises after the date of the Scheme Booklet until the Scheme Meeting; and

(b) is necessary to ensure that the Scheme Booklet is not false, or misleading or deceptive in any material respect (whether by omission or otherwise).

15 Continuous disclosure

Austral has exercised reasonable endeavours to comply in all material respects with its obligations in Chapter 5 of the ASX Listing Rules and continuous disclosure obligations under Listing Rule 3.1 and, as at the date of this deed, other than for this Scheme and as Fairly Disclosed in the Austral Disclosure Materials, it is not relying on the carve out in Listing Rule 3.1A to withhold any material information from public disclosure.

16 Austral management presentations

Written information provided by Austral and its Representatives during management presentations to Hammer Metals is not, to the best of Austral's knowledge after due enquiry, false, misleading or deceptive, or likely to mislead or deceive (including by omission), in any material respect as at the date of this deed.

17 Austral Disclosure Materials

(a) The Austral Disclosure Materials:

(i) were compiled and made available to Hammer Metals and its Representatives in good faith and with reasonable diligence, care and skill (having regard to the purpose for which they were compiled); and

(ii) are not, to the best of Austral's knowledge after due enquiry, false, misleading or deceptive, or likely to mislead or deceive (including by omission), in any material respect as at the date of this deed.

(b) Austral has, prior to the date of this deed, disclosed to Hammer Metals all material information:

(i) that a reasonable board of directors of a target company under a scheme of arrangement involving scrip consideration (that is in a class of securities already admitted to official quotation on ASX), and in which the legacy target company shareholders will (in aggregate) hold a material interest in the enlarged bidder company following implementation, would both require and expect to receive to undertake legal, financial, accounting, commercial and tax due diligence investigations on Austral; or

(ii) in response to written requests for information by Hammer Metals and its Representatives, other than where requested information has been withheld or

redacted in a manner which is customary for information of the nature requested in the context of this Transaction (for example, where requested information has been withheld or redacted on the basis that it is immaterial, competitively sensitive or privileged),

for the purpose of securing the agreement of Hammer Metals to proceed with the Transaction on the terms of this deed and the Scheme.

(c) In respect of any withheld or redacted information, Austral has not withheld or redacted from the Austral Disclosure Materials any information that is known, or ought reasonably to be known, to Austral to be material to Hammer Metals as a target company under a scheme of arrangement involving scrip consideration (that is in a class of securities already admitted to official quotation on ASX) and in which the legacy Hammer Metals Shareholders will (in aggregate) hold a material interest in the enlarged Austral following Implementation.

18 Key Austral Tenements and Authorisations

The Key Austral Tenements and Authorisations required for the conduct of the Austral Group's activities on the Key Austral Tenements are in full force and effect and the Austral Group has complied in all material respects with the terms of the Key Austral Tenements and relevant Authorisations and as far as Austral is aware there are no material violations of or non-compliance with applicable laws and Austral will continue to comply with applicable conditions of the Key Austral Tenements, Authorisations required for exploration and mining and applicable laws upon and immediately following implementation of the Scheme.

19 No knowledge of Austral Material Adverse Change

As at the date of this deed, Austral is not aware of any information relating to the Austral Group or its respective businesses, operations or activities that has or could reasonably be expected to give rise to an Austral Material Adverse Change.

20 Information provided to Independent Expert

All information which has been provided or will be provided to the Independent Expert by or on behalf of Austral is accurate and not misleading (including by omission) and provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report.

21 Insolvency Event or regulatory action

No Austral Group Member is the subject of an Insolvency Event, nor has any regulatory action of any nature of which Austral is aware been taken or threatened that would be reasonably likely to prevent or in any way restrict its ability to fulfil its obligations under this deed or under this Scheme.

22 No other regulatory approvals

No approval, consent, waiver, clearance, concession, allowance, notification or authorisation is required to be obtained from, or made to, any Government Agency in order for Austral to execute and perform this deed.

23 No dealings with Hammer Metals Shareholders

As at the date of this deed, neither Austral nor any of its Associates has any agreement, arrangement or understanding with any Hammer Metals Shareholder under which:

(a) that Hammer Metals Shareholder (or an Associate of that Hammer Metals Shareholder) would or may be or become entitled to receive:

(i) consideration for their Hammer Metals Shares that is different from the Scheme Consideration; or

(ii) any benefit that is not also offered to all other Hammer Metals Shareholders on the same terms; or

(b) that Hammer Metals Shareholder agrees to vote in favour of the Scheme or against any Competing Proposal.

24 No dealings with Hammer Metals Directors or employees

Neither Austral nor any of its Associates has any agreement, arrangement or understanding with any director, officer or employee of Hammer Metals or any other Hammer Metals Group Member relating in any way to the Transaction or the business or operations of the Hammer Metals Group after the Effective Date.

25 Authorisations

Austral has in full force and effect each authorisation necessary for it to enter into and deliver this deed, and, subject to the Conditions being satisfied or waived (as applicable), has full authority to carry out the transactions contemplated by this deed, the Scheme in accordance with its terms, and other than the Conditions being satisfied or waived (as applicable), no other corporate proceedings on the part of Austral (other than as contemplated by this deed) are necessary to authorise the execution and delivery of this deed and the performance by Austral.

26 No shareholder approvals

No approvals are required from Austral's shareholders (or any class of them) or board of directors in connection with the execution or performance of this deed.

27 Ordinary course of business

Other than as fairly disclosed to the ASX, between 1 July 2025 and the date of this deed, Austral has conducted its business in the ordinary and usual course of business, consistent with past practices.

28 No restriction

As at the date of this deed, there is no judgment, injunction, order or decree binding on any Austral Group Member that has or would be likely to have the effect of prohibiting, materially restricting or materially impairing after the Effective Date any business of the Austral Group as it is presently being conducted.

29 No material litigation or enforcement

(a) As at the date of this deed, no Austral Group Member, nor the assets, properties, or business of any Austral Group Member, is subject to any judgment, order, writ, injunction or decree of any court, Government Agency, or arbitration tribunal, which would or is likely to result in an Austral Material Adverse Change, and so far as Austral is aware there is no pending or threatened claim, dispute, demand, action, litigation, prosecution, arbitration, investigation, mediation or other proceeding against or pending against any Austral Group Member:

(i) which if successful, would or is likely to result in an Austral Material Adverse Change, have a material adverse effect on the reputation of the Austral Group; or

(ii) involving an actual or alleged breach of anti-bribery and corruption laws.

(b) So far as Austral is aware, no enforcement action or investigation has been announced or commenced by any Government Agency against or involving an Austral Group Member, or any of its directors, which could reasonably be expected to give rise to a material liability for, or have a material adverse effect on, the Austral Group.

(c) As at the date of this deed, there are no unsatisfied or outstanding judgements, awards, orders, decrees, claims or written demands against any Austral Group Member.

30 Financial Matters

(a) So far as Austral is aware, after making due and careful enquiry, no member of the Austral Group has any liability, whether accrued, contingent or otherwise, that is not reflected in the financial statements of the Austral Group included in its report for the full year ended 31 December 2025, Austral's June 2026 quarterly report or in any other announcement or announcements made by Austral to the ASX since 31 December 2025 or Fairly Disclosed to Hammer Metals in the Austral Disclosure Materials, that could reasonably be expected to result in an Austral Material Adverse Change.

(b) So far as Austral is aware, after making due and careful enquiry, no member of the Austral Group has granted, offered or perfected any Security Interest with or in favour of any third party, that is not reflected in the financial statements of the Austral Group included in its report for the full year ended 31 December 2025, Austral's June 2026 quarterly report or in any other announcement or announcements made by Austral to the ASX since 31 December 2025 or Fairly Disclosed to Hammer Metals in the Austral Disclosure Materials, that could reasonably be expected to result in an Austral Material Adverse Change.

31 Compliance with laws

To the best of the knowledge of Austral, the members of the Austral Group have complied in all material respects with all applicable laws (including requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws and regulations with respect to Austral's business), regulations and all orders of applicable Government Agencies and the ASX Listing Rules (disregarding any instances of non-compliance that individually and in aggregate, could not reasonably be expected to have a materially adverse effect on Austral or its assets).

32 Taxes

As at the date of this deed, each Austral Group Member has complied in all material respects with its obligations under applicable Tax laws, including the timely filing of Tax returns and lodgements and payment of all Taxes due.

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Schedule 3

Hammer Metals Tenements

Subsidiary Holder	Lease	Lease Name	Lease Status	Deposit/Prospect of note
Mt. Dockerell Mining Pty Ltd (MDM)	EPM 13870	Pelican	Granted	Northern Kalman, Kalman West, Hammertime
	EPM 26775	Pilgrim North	Granted	Southern Kalman, Andys Hill, Mt Philp
	EPM 26776	Pilgrim Central	Granted	Overlander, Even Steven, Trafalgar
	EPM 26777	Pilgrim South	Granted	Mt Hope Extended Mt Hope JV - Carnaby Resources (3 of 108 sub blocks)
Mulga Minerals Pty Ltd (MM)	EPM 14022	North Mary K	Granted	Elaine, Hardway, Jubilee Extension
	EPM 14467	Mt Frosty	Granted	Jubilee, Blue Ceasar, Koppany Mt Frosty JV - Mt Isa Mines
Subsidiary Holder	**Lease**	**Lease Name**	**Lease Status**	**Deposit/Prospect of note**
Mt. Dockerell Mining Pty Ltd (MDM)	EPM 11919	Cameron River	Granted	Black Rock-Yellowstone
	EPM 18084	Dronfield	Granted	Orphan
	EPM 25165	Cameron River 4	Granted	
	EPM 26474	Enterprise	Granted	Trafalgar
	EPM 26511	Sling Shot	Granted	
	EPM 26628	Argylla	Granted	
	EPM 26694	Mt Philp	Granted	
	EPM 26902	Marriage	Granted	
	EPM 26904	Jady Jenny	Granted	Neptune
	EPM 27018	Dingo Creek	Granted	
	EPM27469	Mount Moran	Granted	
	EPM 27470	China Wall	Granted	

	EPM 27806	Roos	Granted	
	EPM 27815	Lady Vampire	Granted	
	EPM 27861	Saint Mungo	Granted	
	EPM 28285	The Plus	Granted	
	EPM 28903	Pandora	Granted	
	EPM 29265	Top Tank	Application	
	EPM 29316	Galah Bore	Application	
	EPM 29347	Olympic	Application	
	EPM 29451	Alligator Creek	Application	
	EPM 29595	Shire Bore	Application	
Mulga Minerals Pty Ltd (MM)	EPM 12205	Cloncurry	Granted	GEM
	EPM 14019	South Mary K	Granted	Mt Dorothy
	EPM 25145	Green Creek	Granted	
	EPM 25866	Malbon	Granted	
	EPM 25867	Mt Jasper	Granted	
	EPM 26126	Cathay	Granted	
	EPM 26127	Resolve	Granted	
	EPM 26130	El Questro	Granted	
	EPM 26512	Black Angel	Granted	
	EPM 27355	Pioneer	Granted	
	EPM 29066	Dipvale	Granted	

	EPM 29436	Capsize Creek	Application	
	EPM 29469	Why Not	Application	
Hammer Bulk Commodities (HBC)	EPM 28189 (IVP)	Resolve Extended	Granted	
	EPM 28921	Ashover	Application	
	EPM 29170	Fort William	Application	

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Schedule 4

Key Austral Tenements

Lease	Lease Name	Status	Grant Date	Expiry Date	Sub Block	Austral Entity	Austral interest %	EA Permit	Non Austral holders
EPM 14693	JUDENHAM CREEK	Granted	28/09/2016	27/09/2028	5	Austral Resources Operations Pty Ltd	100	EPSX0040 4213	
EPM 15126	BATTLE CREEK	Granted	31/05/2017	30/05/2028	19	Austral Resources Operations Pty Ltd	80	EPVX0265 7714	TJ Burt 6.68%, J-A Galway 6.66%, RW Kirkby 6.66%
EPM 16240	EASTERN CREEK	Granted	26/04/2017	25/04/2028	11	Austral Resources Operations Pty Ltd	100	EPVX0267 7814	
EPM 16241	MGF ZONE	Renewal Granted	26/04/2017	25/04/2026	3	Austral Resources Operations Pty Ltd	100	EPVX0267 8114	
EPM 16242	MOUNT KELLY EAST	Granted	26/04/2017	25/04/2028	26	Austral Resources Operations Pty Ltd	100	EPVX0267 7614	
EPM 16243	LADY MAGGIE	Granted	11/01/2015	10/01/2029	25	Austral Resources Operations Pty Ltd	100	EPVX0075 6413	
EPM 16244	BUCKLEY RIVER	Granted	8/04/2015	7/04/2028	142	Austral Resources Operations Pty Ltd	100	EPPR0129 5613	
EPM 17088	DRIFTER	Granted	11/01/2015	10/01/2029	3	Austral Resources Operations Pty Ltd	100	EPVX0267 7914	
EPM 17415	MOUNT KELLY WEST	Granted	30/04/2015	29/04/2027	3	Austral Resources Operations Pty Ltd	100	EPVX0265 7614	
EPM 17422	LADY ANNIE WEST	Granted	9/08/2017	8/08/2028	9	Austral Resources Operations Pty Ltd	100	EPVX0016 2213	
EPM 17469	LADY ANNIE WEST 2	Granted	9/02/2015	8/02/2027	2	Austral Resources Operations Pty Ltd	100	EPVX0268 2414	
EPM 17533	MOUNT KELLY WEST 2	Granted	27/10/2016	26/10/2028	11	Austral Resources Operations Pty Ltd	100	EPVX0275 2214	
EPM 17789	LADY ANNIE REGIONAL	Granted	7/10/2016	6/10/2028	29	Austral Resources Operations Pty Ltd	100	EPVX0071 9313	
EPM 18817	OLD MAY DOWNS	Granted	17/09/2013	16/09/2027	14	Austral Resources Operations Pty Ltd	100	EPVX0265 7914	

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EPM 27978	LIMA	Granted	4/07/2022	3/07/2027	56	Austral Resources Operations Pty Ltd	100	P-EA-100122072	
EPM 27979	BATTLE CREEK 2	Granted	16/05/2022	15/05/2027	72	Austral Resources Operations Pty Ltd	100	P-EA-100122072	
EPM 27980	WAGGABO ONYA	Granted	4/07/2022	3/07/2027	55	Austral Resources Operations Pty Ltd	100	P-EA-100122072	
EPM 28325	DINGO	Granted	7/07/2023	6/07/2028	63	Austral Resources Operations Pty Ltd	100	P-EA-100601742	
EPM 28349	SPEX	Granted	9/08/2023	8/08/2028	1	Austral Resources Operations Pty Ltd	100	P-EA-100221287	
EPM 28881	CANYON	Granted	4/12/2025	3/12/2030	5	Austral Resources Operations Pty Ltd	100	P-EA-100476746	
EPM 17167	CAMERON RIVER WEST	Granted	24/01/2017	23/01/2028	2	Austral Resources Exploration Pty Ltd	100	EPVX0274 6614	
EPM 17295	CLONCURR Y NORTH #2	Granted	24/01/2017	23/01/2028	9	Austral Resources Exploration Pty Ltd	100	EPVX0274 6714	
EPM 17298	MIRANDA # 3	Granted	24/01/2017	23/01/2028	4	Austral Resources Exploration Pty Ltd	100	EPVX0275 1614	
EPM 17494	CAMERON RIVER 2	Granted	23/04/2015	22/04/2027	4	Austral Resources Exploration Pty Ltd	100	EPSX0014 7413	
EPM 17525	MIRANDA 10	Granted	9/02/2015	8/02/2027	4	Austral Resources Exploration Pty Ltd	100	EPVX0275 2014	
EPM 17527	MIRANDA 8	Granted	9/02/2017	8/02/2027	27	Austral Resources Exploration Pty Ltd	100	EPVX0274 9814	
EPM 17530	MIRANDA 6	Granted	9/02/2017	8/02/2029	4	Austral Resources Exploration Pty Ltd	100	EPVX0275 1314	
EPM 17535	MIRANDA 9	Granted	9/02/2015	8/02/2029	2	Austral Resources Exploration Pty Ltd	100	EPVX0274 7114	
EPM 17634	CAMERON RIVER 3	Granted	27/10/2016	26/10/2028	8	Austral Resources Exploration Pty Ltd	100	EPVX0275 0414	
EPM 17646	MIRANDA 13	Granted	9/02/2017	8/02/2029	4	Austral Resources Exploration Pty Ltd	100	EPVX0275 0814	
EPM 17855	MIRANDA 19	Granted	9/02/2017	8/02/2029	2	Austral Resources Exploration Pty Ltd	100	EPVX0275 1814	

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EPM 17856	MIRANDA 15	Granted	9/02/2017	8/02/2029	4	Austral Resources Exploration Pty Ltd	100	EPVX0275 2614	
EPM 17859	MIRANDA 18	Granted	9/02/2017	8/02/2029	3	Austral Resources Exploration Pty Ltd	100	EPVX0275 5414	
EPM 17861	MIRANDA 16	Granted	9/02/2017	8/02/2029	2	Austral Resources Exploration Pty Ltd	100	EPVX0275 2814	
EPM 25515	LITTLE BEAUTY	Renewal lodged	2/04/2015	1/04/2026	15	Austral Resources Exploration Pty Ltd	100	EPVX0275 5914	
EPM 26068	ENTERPRISE	Renewal lodged	17/10/2016	16/10/2026	2	Austral Resources Exploration Pty Ltd	100	EPSX0358 0015	
EPM 18054	MORRIS CREEK	Granted	26/04/2012	25/04/2027	3	Copper Resources Australia Pty Ltd	100	EPSX0064 5113	
Total					653				
Lease	**Lease Name**	**Status**		**Current Expiry Date**	**Area (ha)**	**Authorised Holder**	**AR Interest %**	**EA Permit**	
ML 5426	MCLEOD HILL	Granted	10/01/1974	31/01/2027	4.050	Austral Resources Operations Pty Ltd	100	EPML0075 3513	
ML 5435	MT KELLY	Renewal lodged	10/01/1974	31/01/2024	3.966	Austral Resources Operations Pty Ltd	100		
ML 5446	FLYING HORSE NO 1	Granted	14/02/1974	28/02/2031	28.410	Austral Resources Operations Pty Ltd	100		
ML 5447	SPINIFEX QUEEN	Granted	10/01/1974	31/01/2031	28.330	Austral Resources Operations Pty Ltd	100		
ML 5448	FLYING HORSE NO 2	Granted	10/01/1974	31/01/2031	7.588	Austral Resources Operations Pty Ltd	100		
ML 5474	SUZIE NO 6	Granted	10/01/1974	31/01/2031	130.000	Austral Resources Operations Pty Ltd	100		
ML 5476	SUZIE NO 12	Granted	10/01/1974	31/01/2031	111.200	Austral Resources Operations Pty Ltd	100		
ML 5478	SUZIE NO 14	Granted	10/01/1974	31/01/2031	12.990	Austral Resources Operations Pty Ltd	100		
ML 90168	MT CLARKE	Granted	14/12/2006	31/12/2027	4.047	Austral Resources Operations Pty Ltd	100		
ML 90169	MT KELLY WEST	Granted	14/12/2006	31/12/2027	643.994	Austral Resources	100		

						Operations Pty Ltd			
ML 90170	MT KELLY WEST EXTENDED	Granted	14/12/2006	31/12/2027	1117.996	Austral Resources Operations Pty Ltd	100		
ML 90178	MT KELLY	Granted	9/08/2007	31/08/2028	354.000	Austral Resources Operations Pty Ltd	100		
ML 90179	LADY ANNIE	Granted	17/07/2008	31/07/2029	489.600	Austral Resources Operations Pty Ltd	100		
ML 90184	BIRLA INFRASTRUCTURE	Granted	17/08/2008	31/07/2029	9.000	Austral Resources Operations Pty Ltd	100		
ML 90233	ANTHILL	Granted	15/10/2017	31/10/2035	2375.802	Austral Resources Operations Pty Ltd	100		
ML 90177	LAS MINERALE	Granted	8/12/2011	31/12/2041	1601.000	Copper Resources Australia Pty Ltd	100	EPML00887913	
ML 90188	LAS MINERALE 2	Granted	9/12/2011	31/12/2041	319.600	Copper Resources Australia Pty Ltd	100	EPML00887913	
ML 90219	TRANSPORT CORRIDOR	Granted	10/05/2012	31/05/2042	34.987	Copper Resources Australia Pty Ltd	100	EPML00887913	
ML 5568	LADY LORETTA	Renewal lodged	26/01/1984	31/01/2026	3264.000	Noranda Pacific Pty Ltd	100	EPML00982013	
ML 90239	TRANSPORT POWERLINE	Granted	20/11/2012	30/09/2031	18.12	Noranda Pacific Pty Ltd	100		
ML total hectares (Ha)					10558.68				

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Schedule 5

SpinCo, SpinCo Group and SpinCo Group Tenements

Part 1 – SpinCo Group

Company Name	Carnegie Exploration Pty Ltd
ACN	124 801 467
Registered Office	Suite 2, Level 2,41-47 Colin Street, West Perth WA 6005
Principal Place of Business	Suite 2, Level 2,41-47 Colin Street, West Perth WA 6005
Directors	Russell John Davis Daniel Thomas
Company Secretary	Mark Pitts
Shares on Issue	100 fully paid ordinary shares
Shareholder	Hammer Metals Limited

Part 2 – SpinCo Group Tenements

Subsidiary Holder	Lease	Lease Name	Lease Status
Carnegie Exploration Pty Ltd	E36/854		Granted
	E36/855		Granted
	E36/868	Kens Bore	Granted
	E36/869		Granted
	E36/870		Granted
	E36/882		Granted
	E36/916		Granted
	E36/948		Granted
	E36/996		Granted
	E36/1006		Application
	E36/1108		Application
	E36/1126	Weebo 3	Application
	E36/1127	Weebo 4	Application
	E36/1128	Weebo 5	Application
	E36/1129		Application
	E38/4006	Mt Sefton	Granted
	E53/1989		Granted
	E53/1996		Granted
	E53/2030		Granted
	E53/2085		Granted

Subsidiary Holder	Lease	Lease Name	Lease Status
	E53/2112		Granted
	E53/2113		Granted
	E53/2114		Granted
	E53/2115		Granted
	E53/2116		Granted
	E53/2359		Application
	E53/2375	Julius	Application
	M36/702	Orelia North	Application
	P36/1965		Application
	P36/1966		Application
	P53/1682		Granted
	P53/1683		Granted
	P53/1684		Granted
	P53/1685		Granted
	P53/1686		Granted
	P53/1687		Granted
	P53/1688		Granted
	P53/1689		Granted
	P53/1690		Granted
	P53/1691		Granted
	P53/1692		Granted
	P53/1693		Granted
	P53/1697		Granted

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Part 3 – SpinCo Group Assets and Liabilities

Supplier	Description	Asset Allocation or Employee who has asset	Serial # If Known	Date Purchased
Westernex	Garmin	Bronzewing		4/11/2024
Aftershock	RIFT 16X	**Perth Office - Greg**	**GM6IX0B2244801473**	**2/09/2024**
Kal Pumps	Submersible pump	Bronzewing		28/05/2024
DCN Transport	Sea Contrainer	Bronzewing		8/01/2023
DCN Transport	2 x sea containers	Bronzewing		30/12/2022
XCy	SIRIS 4 Professional (S4P6) 6TB NAS Hardware	Perth	A8A159C02034	31/07/2022
XCy	SIRIS 4 Professional (S4P6) Hardware - Server upgrade	Perth Office	A8A159C02034	31/07/2022
Lenovo	Lenovo ThinkPad E15 Gen 2 - 20TDSOFN00	**Perth Office - Susan**	**PF3QG0WT**	**25/06/2022**
West Coast office equipment	HP E77830DN Plus Colour LaserJet Photocopier	Perth Office	CND1N5B00C	9/08/2021
XCy	Boardroom Conferencing Set up	Perth Office		13/05/2021
Dell Laptop	Dell Laptop - Precision 3551	**Perth Office - Mark**	**FS0C7D3**	**20/04/2021**
Olympus	Vanta pXRF (Q0203191)	Bronzewing	840917	3/12/2020
Harvey Norman	Canon EOS Camera and Tripod	Bronzewing		13/11/2020
Cheric Leonora	3 x 9,000ltr tanks	Bronzewing		19/10/2020
Cormageo Instruments	Magnetic Susceptibility Reader	Bronzewing	19090027	14/08/2020
XCy	Dell Latitude 7400 & Docking Station	**Dan Thomas**	**6HKL7Y2**	**31/10/2019**
XCy	FortiGate 30E (Firewall)	Perth Office	FGT30E5618021193	31/10/2018
XCy	Network Switch	Perth Office		31/10/2018
XCy	Wifi	Perth Office		31/10/2018
XCy	Datto	Perth Office		31/10/2018
XCy	NAS	Perth Office		31/10/2018
XCy	Server	Perth Office		31/10/2018
XCy	Miscellaneous Parts for Server	Perth Office		31/10/2018
Denys Williams	MS Windows server	Perth Office		16/04/2014
Megabuy Pty Ltd	Computer equipment	Server equipment		5/11/2013
Big Rock Toyota	Landcrusier 4X4	Mt Isa Site	731WZX	16/12/2010
Mike Carney Toyota	2020 Toyota LC Miliary Workmate Dual Cab	Bronzewing	294MB7 (was 696BA5)	22/02/2021
Mike Carney Toyota	2019 Toyota LC Miliary Workmate Dual Cab	Mt Isa Site	302ZNL	11/04/2020

Schedule 6

Option Consideration

Option Tranche and Options as at the date of this deed	Exercise price of Option	Expiry Date of the Options	Option Consideration per Option if the Options are not exercised and are acquired pursuant to the Scheme
HMXAC: 7,000,000	$0.06	25 October 2028	$0.055
HMXAE: 1,500,000	$0.08	2 December 2028	$0.050
HMXAD: 2,000,000	$0.07	2 December 2028	$0.052
HMXAB: 9,500,000	$0.08	30 November 2026	$0.025
HMXAT: 4,500,000	$0.07	30 November 2026	$0.030
HMXAF 5,000,000	$0.06	30 November 2028	$0.055

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Executed as a deed

Signed, sealed and delivered by **Hammer Metals Limited ACN 095 092 158** in accordance with section 127 of the *Corporations Act 2001* (Cth):

[Executed by Russell Davis]

Director

Russell Davis

Name of Director
BLOCK LETTERS

[Executed by Daniel Thomas]

*Director/~~*Company Secretary~~

Daniel Thomas

Name of *Director/~~*Company Secretary~~
BLOCK LETTERS
*please strike out as appropriate

Signed, sealed and delivered by **Austral Resources Australia Ltd ACN 142 485 470** in accordance with section 127 of the *Corporations Act 2001* (Cth):

[Executed by Michael Hansel]

Director

Michael Hansel

Name of Director
BLOCK LETTERS

[Executed by David Newling]

Director/~~Company Secretary~~

DAVID NEWLING

Name of *Director/*~~Company Secretary~~
BLOCK LETTERS
*please strike out as appropriate

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Annexure A

Indicative Timetable

Event	Date
Draft Scheme Booklet provided to ASIC	September 2026
First Court Hearing	September 2026
Scheme Meeting	October 2026 - November 2026
Second Court Hearing	October 2026 - November 2026
Effective Date	November 2026
If the Scheme is approved by the Court and becomes Effective	
Record Date for Scheme and Demerger	November 2026
Completion of Demerger	November 2026
Implementation Date	November 2026

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Annexure B

Scheme

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Scheme of Arrangement

between

Hammer Metals Limited
ACN 095 092 158
(**Hammer Metals**)

and

Scheme Shareholders

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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 _____ 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.

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.

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'.

Thomsons

Annexure A

Deed Poll

Not reproduced here.

Annexure C

Deed Poll

Thomsons

Deed Poll

Austral Resources Australia Ltd ACN 142 485 470

In favour of each Scheme Shareholder

Thomsons

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Thomsons

This deed poll is made on 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 or about [insert] 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

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:

(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.

(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

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.

Thomsons

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):

Director	*Director/*Company Secretary
Name of Director BLOCK LETTERS	Name of *Director/*Company Secretary BLOCK LETTERS *please strike out as appropriate

Annexure D

SpinCo Demerger Agreement Key Terms

Thomsons

SpinCo Demerger Agreement Key Terms

As at 2 August 2026

The purpose of this document is to set out the key terms to form part of the SpinCo Demerger Agreement. This document is not intended to record all of the terms which may be included in the SpinCo Demerger Agreement. Unless otherwise defined in this document, capitalised terms have the same meaning as given in the Scheme Implementation Deed to be entered into between Hammer Metals Limited ACN 095 092 158 (**Hammer Metals**) and Austral Resources Australia Ltd ACN 142 485 470 (**Austral**) dated on or about the date of this document (**SID**).

Hammer Metals and SpinCo acknowledge and agree that the provisions in the SID pertaining to the SpinCo Demerger will be reflected in the long-form SpinCo Demerger Agreement, and this document should be read in parallel with those provisions in the SID, specifically clauses 4.2(ff) and clause 7 of the SID.

#	Item	Key Term
1.	SpinCo Demerger Steps	(a) Subject to the satisfaction or waiver of the SpinCo Demerger Conditions, the key steps to implement the SpinCo Demerger are: (i) Hammer Metals and SpinCo undertaking the Restructure as contemplated in paragraph 4; (ii) Hammer Metals convening a general meeting of Hammer Metals Shareholders to consider and, if thought fit, pass the requisite shareholder approvals required to give effect to the SpinCo Demerger as contemplated in paragraph 2(a)(i); and (iii) subject to receiving the requisite Hammer Metals Shareholder approval as contemplated in paragraph 2(a)(i), 100% of the fully paid ordinary shares in SpinCo (**SpinCo Shares**) being distributed in-specie to eligible Hammer Metals Shareholders (or to the sale agent in relation to "**Ineligible Hammer Metals Shareholders**" (as defined in paragraph 5(e))) on a pro rata basis so that each eligible Hammer Metals Shareholders (and the sale agent in relation to Ineligible Hammer Metals Shareholders) will receive a set number of SpinCo Shares based on their holding of Hammer Metals Shares on the SpinCo Demerger record date (at a ratio to be agreed between Hammer Metals and SpinCo) (with fractional entitlements to be rounded down to the nearest whole number of SpinCo Shares). (b) The SpinCo Demerger will result in two distinct corporate groups: (i) the SpinCo Group consolidated under SpinCo, which will initially be unlisted and will focus on the advancement of the SpinCo Group Tenements; and (ii) the Hammer Metals Group, which on implementation of the Scheme, will form part of the Merged Group.

2.	SpinCo Demerger Conditions	(a) The SpinCo Demerger is conditional upon satisfaction (or waiver, where applicable) of the following conditions: (i) Hammer Metals Shareholders approving, by the requisite majority, the reduction of capital relating to the SpinCo Demerger in accordance with sections 256B and 256C of the Corporations Act (**Capital Reduction**) and (if required) ASX Listing Rule 11.4.1(b) (**SpinCo Demerger Resolution**); (ii) all regulatory approvals required to effect the SpinCo Demerger having been obtained (either unconditionally or on conditions reasonably satisfactory to Hammer Metals and SpinCo) and not revoked, before the implementation date for the SpinCo Demerger (**SpinCo Demerger Implementation Date**); (iii) the Scheme becoming Effective; and (iv) no temporary restraining order, injunction or other legal restraint preventing the SpinCo Demerger being in effect as at the SpinCo Demerger Implementation Date, (together, the **SpinCo Demerger Conditions**). (b) The SpinCo Demerger Conditions are for the benefit of Hammer Metals and SpinCo and can only be waived by mutual agreement between Hammer Metals and SpinCo. (c) The SpinCo Demerger Agreement may be terminated if the SpinCo Demerger Conditions are not satisfied by the End Date, or become incapable of being satisfied.
3.	SpinCo Demerger Principles	To give effect to the SpinCo Demerger, Hammer Metals and SpinCo agree that the SpinCo Demerger will be guided by overarching principles (**Demerger Principles**) including that from the SpinCo Demerger Implementation Date: (a) SpinCo will have the entire economic benefit and risk of the SpinCo Group's business and assets, and will assume all liabilities of that business (including all debt, royalties and guarantees provided by Hammer Metals and its Related Bodies Group related to the business of the SpinCo Group and the SpinCo Group Tenements), as if SpinCo had owned and operated the SpinCo Group business and assets and the SpinCo Group Tenements at all times; (b) Hammer Metals will have the entire economic benefit and risk of the Hammer Metals business and assets (excluding the business and assets of the SpinCo Group) and will assume all liabilities of that Hammer Metals business and assets as if it had operated and owned that business and assets at all times; (c) no SpinCo Group Member will have any rights (including any rights to make a claim in relation to the SpinCo Demerger or the SpinCo Demerger Documents) against any Hammer Metals Group Member nor any obligations to any Hammer Metals Group Member (except those rights and obligations expressly provided by the SpinCo Demerger Documents); and (d) no Hammer Metals Group Member will have any rights (including any rights to make a claim in relation to the SpinCo Demerger or the SpinCo Demerger Documents) against any SpinCo Group Member nor any obligations to any SpinCo Group Member (except those rights

			and obligations expressly provided by the SpinCo Demerger Documents).
4.	Restructure	(a)	Hammer Metals and other members of the Hammer Metals Group will undertake the Restructure pursuant to which, amongst other matters: (i) to the extent necessary, the SpinCo Group Assets and Liabilities will be transferred from the relevant members of the Hammer Metals Group to SpinCo as internal asset transfers; and (ii) to the extent necessary, certain contracts relevant to the SpinCo Group Assets and Liabilities will be novated or assigned to or from SpinCo. (b) Hammer Metals and SpinCo will do all things necessary or convenient to implement, and give full effect to, the Restructure (including, without limitation, the transfer of any shares or the novation or assignment of any agreements with third parties, as required). (c) With the prior written consent of Hammer (which consent being subject to clause 7.3(c) of the Scheme Implementation Deed), SpinCo may make an offer of employment or engagement to Hammer Metals employees and employee-like contractors, recognising continuity of service and entitlements. Any employee or contractor who does not accept the offer from SpinCo will continue to be engaged by Hammer Metals. Notwithstanding the foregoing, nothing contained in this clause 4 will prohibit or restrict, in any way, legacy Hammer Metals employees or contractors from approaching the SpinCo Group voluntarily for employment or engagement following which the SpinCo Group, if it so wishes, can agree any employment or engagement arrangements as it sees fit. (d) On the SpinCo Demerger Implementation Date, Hammer Metals must transfer, or procure the transfer of the SpinCo Cash Reserve in immediately available funds to a bank account nominated by SpinCo in writing, subject to any deductions as contemplated in the Scheme Implementation Deed.
5.	Implementation of the SpinCo Demerger	(a)	Hammer Metals agrees to take various steps to implement the SpinCo Demerger, including: (i) converting SpinCo into a public company capable of having more than 50 shareholders; (ii) convening an extraordinary general meeting of Hammer Metals Shareholders to consider and, if thought fit, to pass the SpinCo Demerger Resolution; (iii) doing all things necessary to give effect to the Capital Reduction and SpinCo Demerger; and (iv) subject to the SpinCo Demerger Conditions being satisfied (or waived), executing transfers of all the SpinCo Shares to the eligible Hammer Metals Shareholders (or the sale agent, in the case of Ineligible Hammer Metals Shareholders). (b) SpinCo agrees to take certain steps to implement the SpinCo Demerger, including: (i) on the SpinCo Demerger Implementation Date, entering into the share register of SpinCo each eligible Hammer Metals Shareholder (or the sale agent, in the case of SpinCo Shares

		distributed or transferred for the account of Ineligible Hammer Metals Shareholders) and dispatching the relevant holding statements to each eligible Hammer Metals Shareholder and the sale agent; (ii) procuring the sale of SpinCo Shares by the sale agent, and the payment of the net proceeds (if any) to the Ineligible Hammer Metals Shareholders; and (iii) doing all things necessary to give effect to the Capital Reduction and the SpinCo Demerger. (c) SpinCo will be under no obligation to transfer or distribute, or procure the transfer or distribution of, any SpinCo Shares to any Ineligible Hammer Metals Shareholders and, instead, will transfer or distribute the SpinCo Shares in respect of which the Ineligible Hammer Metals Shareholder would have otherwise been entitled to receive to a sale agent to hold on trust for the Ineligible Hammer Metals Shareholder until the occurrence of a liquidity opportunity (including, but not limited to an initial public offering of SpinCo Shares). (d) Following the occurrence of a liquidity opportunity, Hammer Metals will instruct the sale agent, acting on behalf of Ineligible Hammer Metals Shareholders, to sell the SpinCo Shares transferred or distributed to the sale agent in such a manner, or such financial market, at such price and on such other terms as the sale agent determines in good faith. The net proceeds of the sale will be remitted to the Ineligible Hammer Metals Shareholders in proportion to the number of SpinCo Shares that would otherwise have been transferred or distributed to them under the SpinCo Demerger. (e) For the purposes of this document, Ineligible Hammer Metals Shareholder means: (i) a Hammer Metals Shareholder whose address shown on the Share Register as at the SpinCo Demerger record date is in a place outside the Australia, New Zealand, Hong Kong, Singapore, Switzerland and the United Kingdom; and (ii) a Small Shareholder (being, a Hammer Metals Shareholder (other than a Hammer Metals Shareholder captured by sub-paragraph 5(e)(i) above) who would, based on their holdings of Hammer Metals Shares on the SpinCo Demerger record date, be entitled to receive less than a specified parcel of SpinCo Shares (to be agreed between Hammer Metals and SpinCo) under the SpinCo Demerger) who has not provided the Registry with written notice to opt out of the sale facility and receive its proportionate share of the SpinCo Shares.
6.	Interim Period Obligations	During the period from the execution of the SpinCo Demerger Agreement to the SpinCo Demerger Implementation Date, Hammer Metals must procure that each Hammer Metals Group Member: (a) conducts the SpinCo Group's business: (i) in the ordinary course consistent with its usual business practices and does not make any material change to the nature of scale of the SpinCo Group's business; and (ii) substantially in accordance with the conditions attaching to the SpinCo Group Tenements and all applicable laws and regulations;

		(b) maintains and complies with the terms of all approvals necessary to own and operate the SpinCo Group Tenements and the SpinCo Group's business; (c) take all reasonable steps to preserve and maintain the SpinCo Group Tenements; and (d) does not dispose of, or create a Security Interest over, the SpinCo Group Tenements. Nothing in this clause will limit the obligations on Hammer Metals under the Scheme Implementation Deed.
7.	Transitional and Separation Agreements	(a) If and to the extent required, Hammer Metals agrees to provide transitional services, which may include: (i) corporate and technical support, including reception, secretarial and office administration support or staffing assistance in Western Australia, as required by the SpinCo Group; (ii) access to common areas and meeting rooms; (iii) storage for corporate records; (iv) storage of historical drilling samples from the SpinCo Group Tenements; (v) access to office equipment; (vi) an office space and parking bays as required; and (vii) any other services as agreed between Hammer Metals and SpinCo, (**Transitional Services**) to SpinCo, for a period of up to 12 months from the SpinCo Demerger Implementation Date (**Transition Period**). (b) SpinCo will pay Hammer Metals the sum of the actual cost incurred plus 10% (or such other amount as agreed between Hammer Metals and SpinCo) (**Transitional Service Fee**) during the Transition Period for the provision of the Transitional Services, plus the amount of any outgoings directly attributable to that SpinCo Group during the Transition Period. (c) Hammer Metals will invoice SpinCo monthly in arrears in respect of the Transitional Service Fees payable (including GST) by the SpinCo Group, which must be paid by SpinCo by the date which is 30 days after the date of the invoice.
8.	Wrong Pockets	If within 12 months following the SpinCo Demerger Implementation Deed, Hammer Metals or SpinCo become aware of an asset or liability that should have been transferred or assumed by the other, Hammer Metals or SpinCo (as applicable) must, and must procure that the relevant Hammer Metals Group Member or SpinCo Group Member (as applicable), transfer, assign, grant or assume appropriate rights and/or obligations over the relevant asset or liability for nil consideration. Any Tax or Duty relating to that transfer, assignment or grant of that asset will be to the account of the relevant transferee.
9.	Boilerplate provisions	The SpinCo Demerger Agreement will contain standard provisions, including customary representations and warranties, confidentiality, dispute resolution, assignment, notices, GST and other general provisions.

		The SpinCo Demerger Agreement will be governed by the laws of Western Australia and the parties will submit to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to hear appears from those courts.