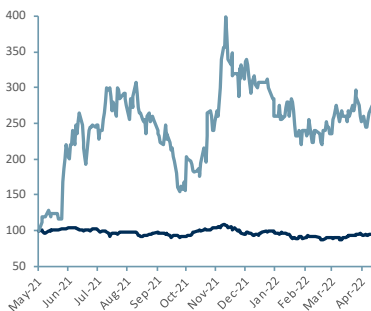


BRIEFING NOTE

52 Wk. Lo/Hi

0.25 – 1.08



HAMR (lighter line) TSXV market vs price relative

Monday, 18 April 2022

Close Price	0.66
52 wk Range Low	0.25
52 wk Range High	1.08
MCAP (m)	\$25.18
EV (m)	\$25.14
Index: Public	TSXV
Financial YE	29-Sep
Currency	CAD

Business Activity

Mining E&P

Key Metrics

Gross debt (m)	\$0.00
Cash (m)	\$0.93
Net Debt (Cash) (m)	-\$0.93
Net Operating Cash (m)	-\$1.91
Revenue (m)	N/A
Net Income (loss) (m)	-\$1.99

Key Ratios

(Net Cash) / Shareholder Equity %	-3.70%
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Mining Sector Research

TSXV Market Index

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Silver Hammer Mining Corp.

Core Investment Case

Silver Hammer Mining Corp. (TSXV: HAMR; OTCQB: HAMRF) is a junior resource exploration company focused on exploring and drilling at its Idaho and Nevada silver assets. Nevada is considered one of the best mining jurisdictions globally because of its low political, environmental, and tax risks. HAMR's portfolio consists of three historically producing high-grade mines - Silver Strand mine in Idaho, Eliza Silver project and Silverton Silver mine in Nevada. HAMR's fourth project is the Lacy project in British Columbia, Canada.

- Silver mining explorer with 3 past producing high-grade mines;
- Presence in top-tier mining jurisdictions of North America;
- Initial exploration results: Ag 18,700 g/t (Eliza) & 932 g/t (Silverton);
- Cash & CE at C\$2.7m as of 30 Jun 2021A.

CAD (m)	MCAP	EV	RoA %	RoE %	NCO	Levered FCF
2022	25.18	25.14	-20.37%	-52.22%	-1.9	-1.4
Multiples	EV/ Revs	P/ S	Trail PE	BV/ Share	P/ B	Current
2022	N/A	N/A	N/A	0.20	3.35x	9.98x

Investment Case

Silver Hammer Mining Corp is a mineral exploration company advancing its silver projects located in some of the most prolific mining areas in North America. The company's portfolio possesses significant exploration potential with top-tier silver assets.

Located in the world's best mining jurisdictions – HAMR has a portfolio of three past producing silver mines in Idaho and Nevada. These states are among the most productive silver mining areas with high grade past production of up to 18,700 g/t silver. The Hamilton Silver district, which hosts HAMR's Eliza Silver project has produced nearly 40Moz of silver. The regions are well equipped and connected by infrastructure, politically stable and have low environmental and tax risks.

Strong portfolio of assets with significant exploration potential:

- **Silver Strand:** The Flagship property is located along the silver belt in the Coeur d'Alene mining district in Idaho, which has historically produced over 1.2bn oz of Ag. The area hosts some of the world's largest mines including several 100Moz+ deposits – The Lucky Friday Mine (105Moz), The Sunshine Mine (359Moz) and The Galena Mine (144Moz).
- **Eliza Silver:** Is located in the prolific Hamilton Mining district. Assay results from nearby California mine grading 24,956 g/t Ag suggest that Eliza might contain similar high-grade deposits. Historical production of 40Moz up to 18,700 g/t. Significant Copper numbers in samples to date.
- **Silverton Silver:** Is a proven high-grade deposit with historical production of up to 933g/t of silver. No exploration work has been conducted in this area since the 1930s. In addition, the gold deposit exhibits very similar aster and geological signatures to Kinross's Round Mountain (20 Moz Au) in Nevada.

World-class management team: Silver Hammer has assembled a management team with decades of experience in all facets of the mining sector including exploration, mining Construction, production, and capital markets. The company's exploration program is headed by Lawrence Roulston who has more than 40 years of experience in the mining industry.

Catalysts

Completion of Phase II drill program at Silver Strand; higher silver price; positive drill results at other sites; successful financing.

Operational Strategy

Silver Hammer IPO'd in May 2021. Since the IPO HAMR has acquired three high-grade past producing projects in some of the world's best mining jurisdictions. Silver Hammer Mining is now focused on advancing its three silver projects.

Silver Strand: HAMR completed Phase I of its exploration program, which confirmed mineralization at shallow depths extending below the historical resource blocks. The company plans for deeper drilling at nearly 200m depth in 2022 to better understand the mineralization. HAMR is also planning for its NI 43-101 mineral resource estimate at Silver Strand in 2022.

Eliza Silver and Silverton Mine: The 2021 exploration program showed high-grade sampling results at Eliza, including 1,540 g/t Ag and 6.88% of copper. Initial sampling at Silverton Silver mine returned 692 g/t Ag. In 2022, HAMR plans to conduct geophysics programs and additional sampling at Eliza and Silverton to define and permit Phase I drill targets at both properties. The target is to reach the drill-ready stage at Eliza and Silverton by 2H22E.

The Lacy Project: An adjoining land package of 590 hectares in the Nanaimo and Alberni mining divisions of British Columbia. The initial assessment report has produced encouraging results showing gold-silver surface mineralization. The management team intends to conduct a detailed geophysics study during 2022 to identify drill targets.

Management Team

➤ **CEO, Morgan Lekstrom.**



Morgan has 14+ years of experience in the mining sector working across operations, project and engineering departments. Prior to HAMR, Morgan was the Engineering Manager at Sabina Gold and Silver's Back River Marine Laydown Project responsible for the budgeting, scheduling and the first phases of execution. In addition, Morgan's experience includes Freeport McManan Indonesia, Oyu Tolgoi Mongolia and Golden Star Resources in

Ghana. He is a graduate of Thompson Rivers University, British Columbia.

➤ **CFO, Alnesh Mohan.**



Alnesh has 20+ years of experience in providing financial reporting, corporate governance, and regulatory compliance services to several public companies. Alnesh is a partner at Quantum Advisory Partners LLP, a professional services firm providing CFO and full-cycle accounting services. He is also a Chartered Professional Accountant and holds a Bachelor of Business Administration from Simon Fraser University (British

Columbia) and a Master of Science in Taxation from Golden Gate University, CA.

Risks

Funding risk – The company does not generate any revenue and as such is dependent on outside sources of capital. The company's activities so far have been primarily funded through equity financing and is likely to remain so as per their latest quarterly filing. If the company is unable to raise capital for its exploration and development activities, it will adversely impact the timelines for its projects. Also, too much new equity issuance will lead to dilution. The 4-month hold has come off and HAMR has more than traded the amount of shares that were released to the market.

Commodity price risk – HAMR's operations are dependent on the market price of silver. Commodity prices are extremely volatile and a potential fall in prices could lead to its projects becoming economically unviable.

Environmental risk: HAMR is exposed to environmental risk, especially with regards to its Lacy Property in British Columbia. The property is located in an area known for its strong environmental activism. This could result in strong opposition to any of its exploration and development plans, thereby causing delays to the development timeline and also increased costs to the company.

Lack of ESG policy: HAMR does not have an ESG policy on its website with measurable data around ESG metrics or ratings. This could create a significant barrier to funding. Institutional as well as retail investors are increasingly asking for or expecting to see an ESG policy with metrics and goals as a first filter for investment decision making. ESG performance and ratings are looked at as a proxy for good management and risk mitigation.

Permits and regulatory risk – Mining projects tend to attract high regulatory interest given their impact on the environment as well as on the country's natural resources. HAMR requires licenses and permits from various authorities in Nevada and Idaho to pursue its exploration and development program. Failure to obtain the necessary permits and licenses could lead to delay or complete shutdown of the development of the assets. The permit for Silver Strand is in place for exploration and HAMR has a mine number. HAMR received a permit for Silverton (17 Mar) and Eliza has a patent land on it, so the permitting requirements are state vs local - a very quick process.

Personnel risk - Small and mid-sized companies are more dependent on their C-suite/executive management teams than large and mega-cap global companies. The loss of key personnel can have a disproportionate impact on valuation and investor perception compared to similar events at larger more mature (often ex-growth) companies.

Notes [Intentionally Blank]

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