



DRILLING UNDERWAY AT PORT GREGORY PROJECT WITH HM INTERCEPTED AT SURFACE

- ✂ Drilling has commenced at HVY's 100% owned Port Gregory Garnet Project with a 12,000 m, 300-hole program to be completed within two (2) months
- ✂ Visual Heavy Mineral (HM) observed from surface (Garnet and Ilmenite)
- ✂ Drilling program designed to confirm GMA's historical drilling results, define a JORC Resource and extend the mineralised footprint beyond the current Exploration Target Area
- ✂ Interpretation and calibration of passive seismic survey results underway
- ✂ Samples to be progressively delivered to Diamantina Laboratories with initial batch of assay results expected within the month

Heavy Minerals Limited (ACN 647 831 833) ("**Heavy Minerals**" or the "**Company**") is pleased to announce that drilling at the Company's 100% owned Port Gregory Project has commenced with Heavy Minerals (HM) intercepted from surface in all currently drilled holes. The Company has decided to accelerate its drill program with a view to completing drilling early.

A Passive Seismic Survey has been completed with encouraging results validating the use of the technique. Passive Seismic appears to define both basement depth and potential mineralised sand packages beneath the limestone basement. With the introduction of drilling data, the model will be further calibrated to in-situ conditions and used to guide drilling depths.

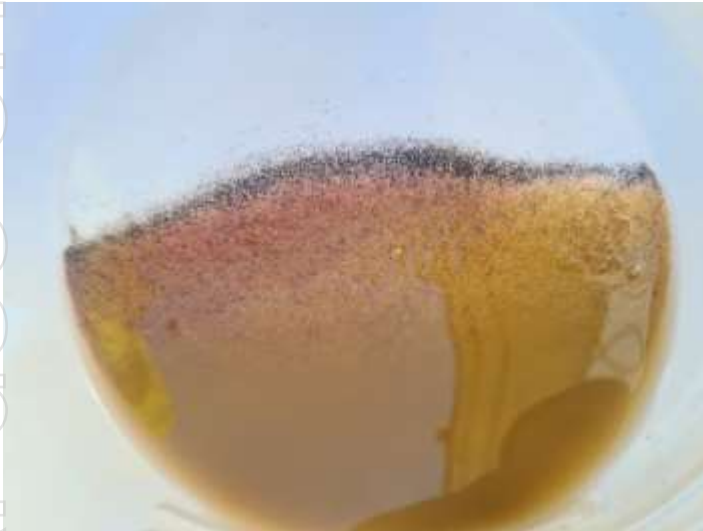
Executive Director & CEO, Mr. Nic Matich said:

Having spent time with the team on site one can't help but be excited about the potential of our project.

Intercepting heavy mineral (HM) from surface in each of our drill holes on day one is highly encouraging, is in-line with our expectations from GMA's historical data and bodes well for our maiden drilling program.

Air core rig on site @ PG003





HM panned from first drill hole PG00001 highlighting garnet and Ilmenite fraction.

Visual HM intercepted from surface on all drill holes completed on day one of the program.

Ilmenite fraction is visible. Benchmark ilmenite pricing at the end of June 2021 was US\$340 per tonne, an increase of 66% since October 2020¹

¹Image Resources ASX release 20th July 2021

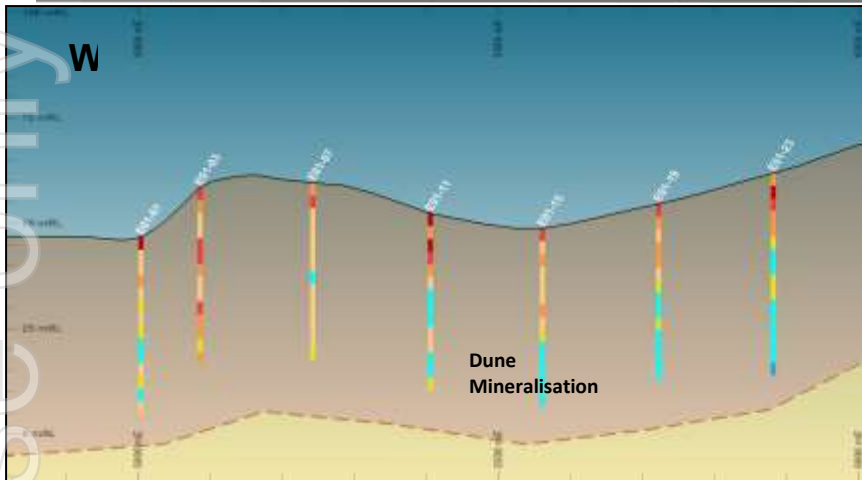
Drilling program designed to confirm GMA's historical drilling results, define a JORC Resource and extend the mineralised footprint beyond the current Exploration Target area.

Previous work conducted by Heavy Minerals has defined an Exploration Target of between 3.5 Mt and 4.5 Mt contained Garnet (

Previous drilling undertaken by GMA from 2013 through 2015 along the southern boundary of the Exploration Target is presented below and indicates the interpreted position of mineralised sand packages and the Tamala limestone. Drilling is continuing along this traverse with visual panning results cross referenced with anticipated results to guide the program.



Phase 1 Drill Collar Locations



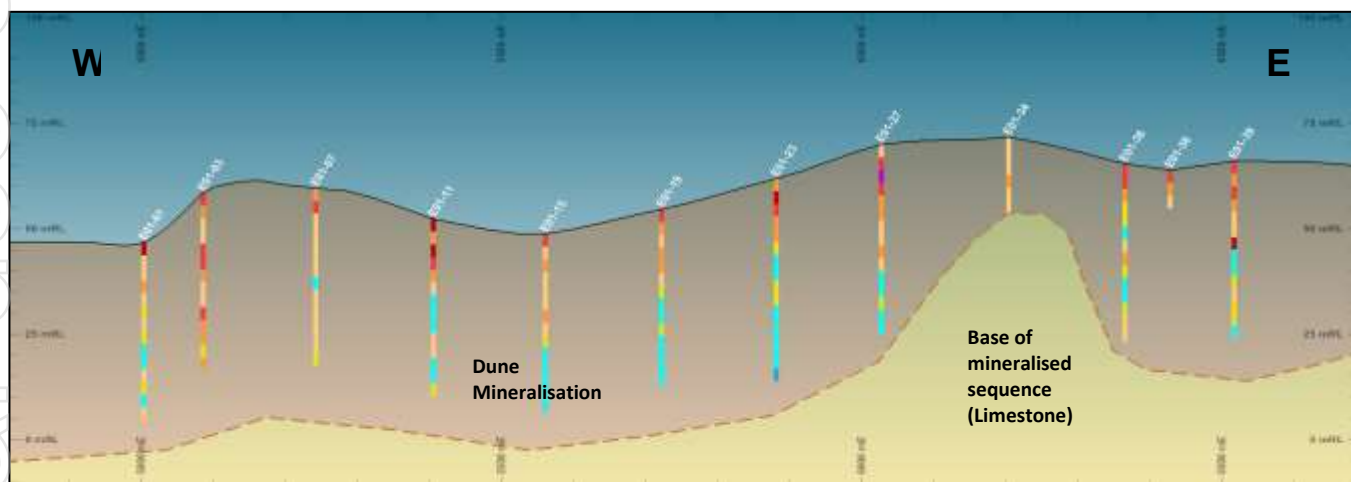
Section AA - Interpolated from Exploration Target

Table 1) located in the northern-most portion of HVY's tenure in Western Australia (**Error! Reference source not found.**).

The potential quality and grade of the Exploration Target is conceptual in nature as there has been insufficient exploration to estimate a Mineral Resource for this target area and it is uncertain if further exploration will result in the estimation of a Mineral Resource.



Previous drilling undertaken by GMA from 2013 through 2015 along the southern boundary of the Exploration Target is presented below and indicates the interpreted position of mineralised sand packages and the Tamala limestone. Drilling is continuing along this traverse with visual panning results cross referenced with anticipated results to guide the program.



Section AA - Interpolated from Exploration Target

Table 1: E70/5160 Tenement - Exploration Target

| | Summary of Exploration Target ¹ | | | | HM Assemblage ² | | | | |
|--------------------|--|-----------------|---------------------|------------------|----------------------------|-----------|------------|--------------|---------------------|
| | Material (Mt) | In situ HM (Mt) | In situ Garnet (Mt) | HM (%) | SL (%) | OS (%) | Garnet (%) | Ilmenite (%) | Non Valuable HM (%) |
| Exploration Target | 170 – 250 | 7 – 9 | 3.5 – 4.5 | 3.5 – 4.5 | 10 | 20 | 46 | 1 | 53 |
| Grand Total | 170 – 250 | 7 – 9 | 3.5 – 4.5 | 3.5 – 4.5 | 10 | 20 | 46 | 1 | 53 |

¹Exploration Target reported at an upper cut-off-grade of 2.5% HM and a lower cut-off grade of 1.5%.

²Mineral assemblage is reported as a percentage of in-situ HM Content

Exploration Target Development

Previous exploration activities by GMA were carried out on tenement E 70/5160, with a total of 52 holes for 1,725 m and 589 assays completed. These assays included THM, SLIMES and OS as well as mineralogy assays (mags, ilmenite and garnet). It is assumed that individual assays have been prepared for each sample interval as there are no composite sample identifiers.

The mineralogy assay method has not been described or documented in WAMEX reports, however it is likely that a magnetic fractionation has been carried out for the individual HM sink fractions and then an XRF or XRD performed on the magnetic fraction, yielding an ilmenite and garnet assay.



The drill hole and assay information was then used to develop a 3D block model in Datamine using the following steps:

- The 52 holes were constrained with an upper topography surface generated from the collar coordinates.
- The end of hole was used as the lower basement constraint. These constraints were selected to prevent assay grades from being interpolated below maximum drill hole depths.
- A perimeter string was developed around the drill hole collar locations with an offset of approximately 200 m north and south and 80-100 m east and west.
- A block model was created by filling cells between the two constraining surfaces using a parent cell size of 50 x 100 x 3 m in XYZ.
- Assay grades were interpolated into the block model using inverse distance weighting (cubed).
- An assumed bulk density of 1.7 gcm⁻³ was used to estimate material tonnages.
- An Exploration Target was estimated by reporting tonnages between two grade cut-off ranges, the lower at 1.5% HM and the upper at 2.5% HM.
- No assumed minimum thicknesses or other constraints were used to estimate the Exploration Target.

This announcement has been authorised by the Board of Directors of Heavy Minerals Limited.

Ends

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About Heavy Minerals Limited

Heavy Minerals Limited (ASX:HVY) is an Australian listed industrial mineral exploration company. Our projects are prospective for industrial minerals including but not limited to Garnet, Zircon, Rutile and Ilmenite. Our primary focus is the Port Gregory Garnet Project which has an Exploration Target of between 3.5Mt and 4.5Mt contained Garnet.

To learn more please visit: www.heavyminerals.com

Competent Person Statement

The information in this announcement that relates to Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr. Greg Jones (FAusIMM) who is a Non-Executive Director for Heavy Minerals Limited. Mr. Jones is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under



consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Jones has reviewed this report and consents to the inclusion in the report of the matters in the form and context with which it appears.

The Exploration Results referred to in this announcement were first reported in accordance with ASX Listing Rule 5.7 in the Company's prospectus dated 27 July 2021 and released on the ASX market announcements platform on 10 September 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the prospectus.

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