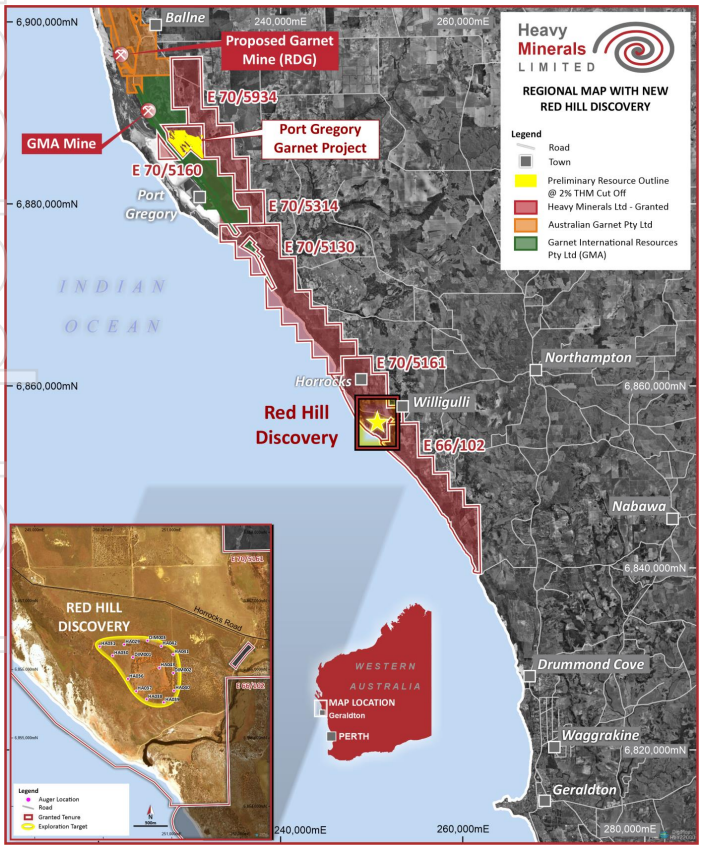
Heavy Minerals LIMITED

ASX Announcement Date: 26 Apr 2022

SIGNIFICANT GARNET MINERALISATION DISCOVERY AT "RED HILL"

- Significant Garnet mineralisation discovered at "Red Hill", 37 km to the South of HVY's flagship Port Gregory Garnet Project in area with comparable geological settings
- Wide spaced auger holes have identified significant garnet mineralisation over an area of at least 1 km x 1 km with notable intercepts including:
  - 6.9% THM over 2 m from surface (HA037)
  - 4.8% THM over 1.5 m from surface (HA040)
  - 4.1% THM over 2.3 m from surface (HA029)
  - 5.7% THM over 1 m from surface (DM001)
- Garnet fraction of THM estimated at between 75% to 85% (Visual Scanning of THM sinks by Microscope)
- DGPR (Differential Ground Penetrating Radar) survey line planned for May to determine approximate depth to the limestone basement and to assist follow-up AC drilling program

Heavy Minerals Limited (ACN 647 831 833) ("**HVY**", "**Heavy Minerals**" or the "**Company"**) is pleased to announce that recent auger drilling within tenement E70/5161 has resulted in a greenfield mineral sands discovery (garnet dominated) at the Company's "Red Hill" prospect. Wide spaced auger drilling intercepted elevated THM grades with the garnet fraction visually estimated (via microscope scanning) to be typically between 75% - 85%. A DGPR survey is planned for early May, with the results expected to assist with estimating the depth to basement and thus the depth of the potentially mineralised sand package. This data will then be used to guide the follow-up AC drilling program which will target the mineralised sand overlying the limestone basement.



Executive Director & CEO, Mr. Nic Matich said:

"This discovery at Red Hill, in an area previously unexplored for garnet, highlights the prospectivity of HVY's tenure which stretches over 50 km along the coast in a homogeneous geological setting.

The elevated THM grades and high garnet fraction are analogous to the Port Gregory Project, which bodes well for the prospect. This style of mineralisation typically forms over large aerial extents and can form thick sequences. It is the goal of follow up exploration with air core drilling to identify the thickness of mineralised sand packages.

The team at HVY are extremely excited to carry out further exploration at Red Hill given these initial auger results., The identification of an additional deposit close to the Geraldton Port would bolster HVY's prospects of becoming a near term producer"

Upcoming News

- **April 2022**: Maiden JORC Mineral Resource (Port Gregory)
- **April 2022**: Award of Port Gregory Scoping Study (PGSS) and Preliminary Economic Assessment (PEA)
- **May 2022**: Metallurgical Testwork results (Inhambane)
- **May 2022**: Scoping Study Commencement (Port Gregory)
- **May 2022**: DGPR survey of Red Hill Prospect (test line)
- **June 2022**: Metallurgical Testwork results (Port Gregory)
- **3rd Quarter 2022**: Scoping Study and PEA delivery (Port Gregory)

Red Hill Prospect

The Red Hill Prospect is approximately 37 km South of the Port Gregory Garnet Project and approximately 70 km by road to the Port of Geraldton.

The Geology at the prospect is analogous to the Port Gregory project with dunal sands overlying the Tamala Limestone formation. The frontal dunes and beaches in this area of the coastline have anomalous levels of very coarse garnet. This garnet has likely been washed down by the Bowes River from source rocks further inland. The target sand packages on the eastern side of the foredune area are also aeolian in nature and considered by the HVY team to be analogous to the sand packages hosting the identified mineralisation at the Port Gregory Project.

The high grade, shallow mineralisation intercepted in the recent auger campaign has elevated this prospect to a priority exploration target, with DGPR and follow up drilling planned for 2022 to firm up the discovery.

Given the proximity to Geraldton Port (approximately half the distance to Port compared to the RDG Lucky Bay Mine) any potential future operation here could have an advantage compared to similar operations in the region, due to lower transport costs.

The prospect will be followed up as part of the 2022 drilling program planned for the third quarter 2022.

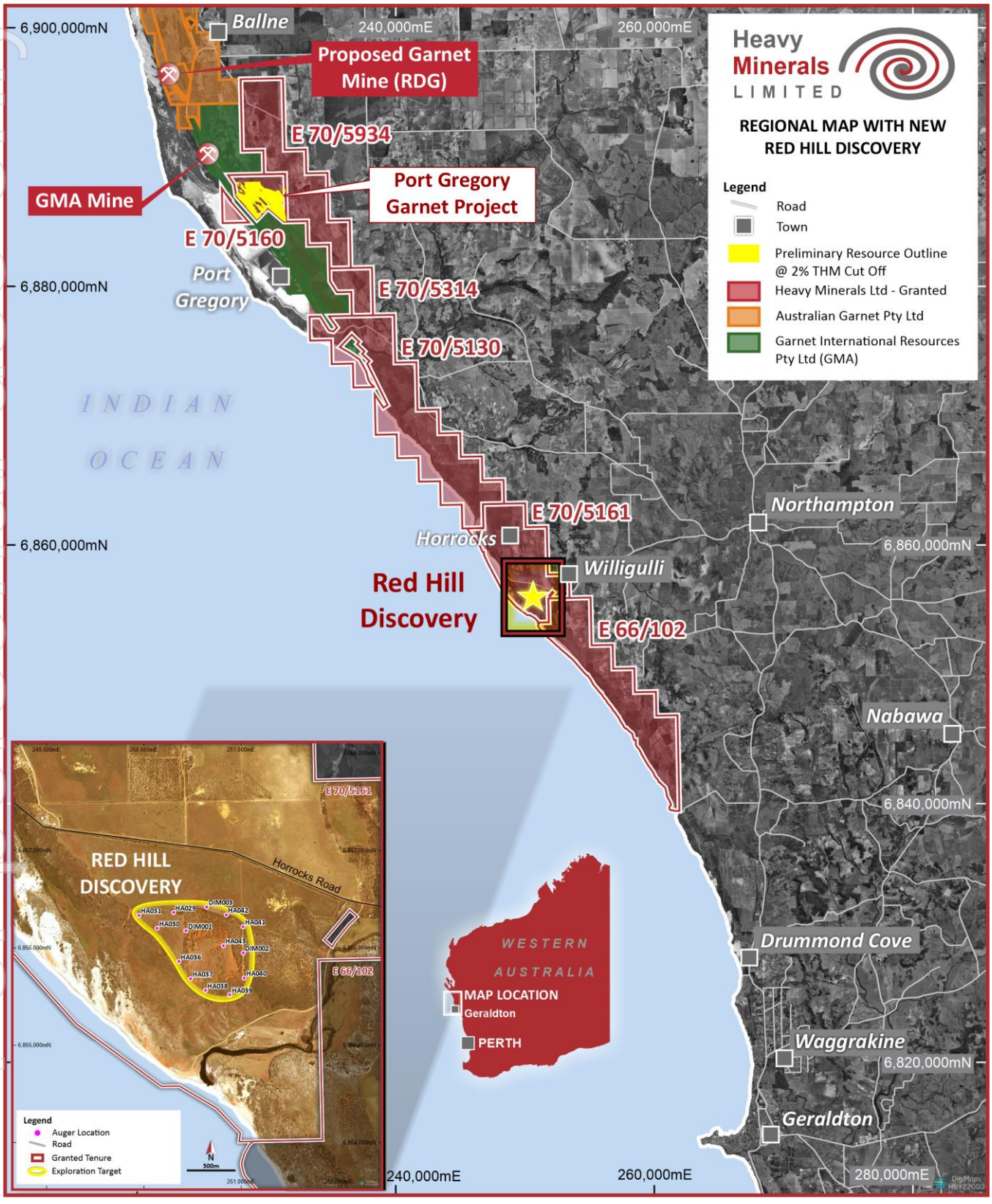


Figure 1: Regional map of HVY Tenure and projects

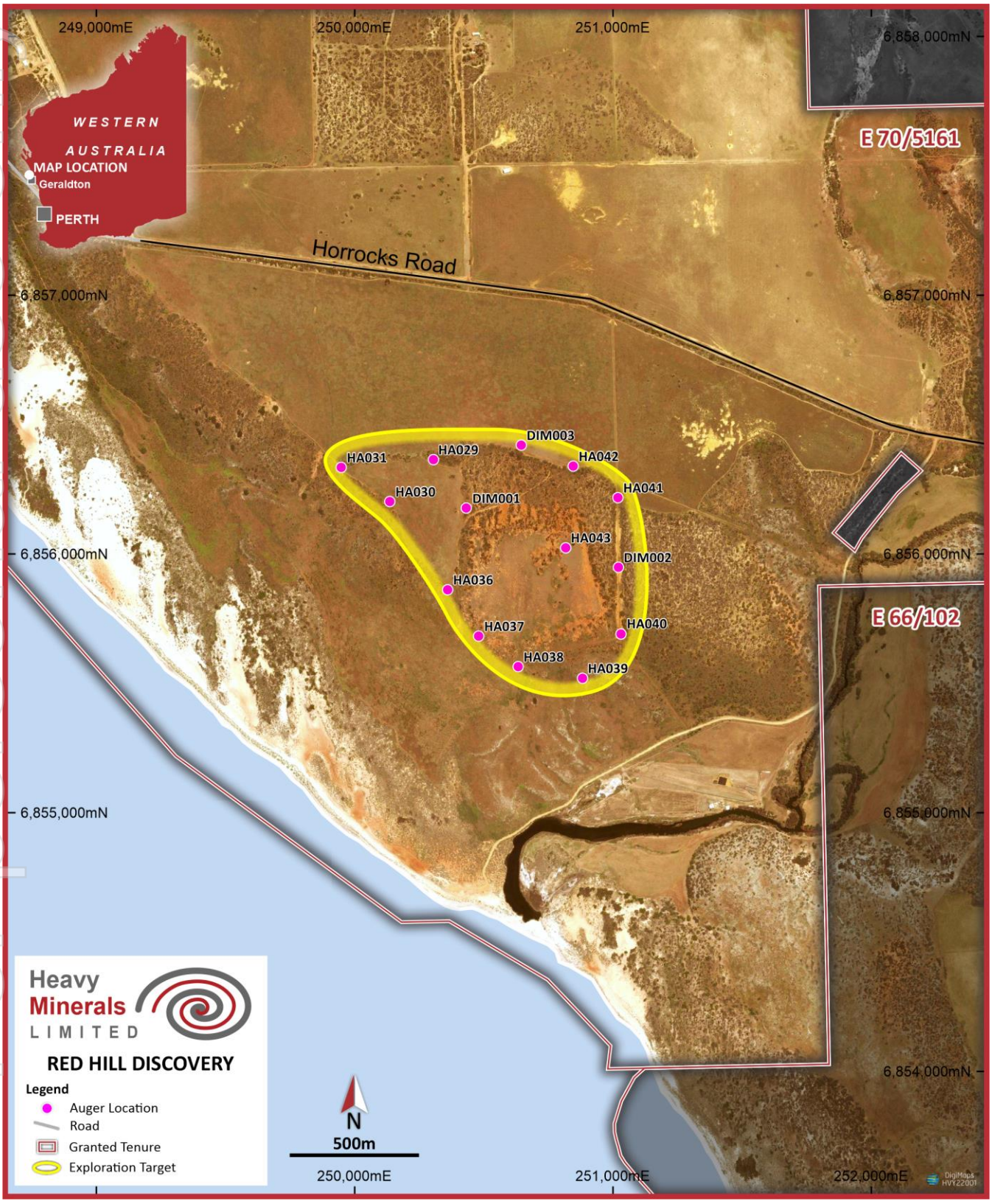


Figure 2: Auger collars referenced in this announcement

Table 1 E70/5161 Tenement - Summary Assay Results

HOLE_ID	EASTING (GDA94)	NORTHING (GDA94)	RL (m)	EOH (m)	DIP	AZIMUTH	FROM (m)	TO (m)	LENGTH (m)	THM (%)	SLIMES (%)	OS (%)
HA029	250305	6856365	173	2.3	-90	360	0	2.3	2.3	4.1%	7%	0.2%
HA030	250136	6856203	179	0.8	-90	360	0	0.8	0.8	8.6%	8%	0.1%
HA031	249948	6856335	179	1.4	-90	360	0	1.4	1.4	4.6%	12%	0.2%
HA036	250360	6855862	170	0.8	-90	360	0	0.8	0.8	7.1%	6%	0.3%
HA037	250480	6855683	167	2	-90	360	0	2	2	6.9%	5%	0.3%
HA038	250633	6855565	167	0.8	-90	360	0	0.8	0.8	12.8%	5%	0.1%
HA039	250882	6855520	163	0.3	-90	360	0	0.3	0.3	22.9%	2%	0.3%
HA040	251031	6855691	154	1.5	-90	360	0	1.5	1.5	4.8%	14%	0.5%
HA041	251019	6856218	167	0.5	-90	360	0	0.5	0.5	1.7%	4%	0.6%
HA042	250846	6856340	174	1	-90	360	0	1	1	3.3%	8%	0.1%
HA043	250817	6856024	173	1	-90	360	0	1	1	10.6%	10%	0.2%
DM001	250432	6856178	TBC	2	-90	360	0	2	2	5.7%	10%	0.3%
DM002	251021	6855949	TBC	1	-90	360	0	1	1	2.6%	9%	0.3%
DM003	250645	6856421	TBC	2	-90	360	0	2	2	1.3%	9%	0.5%

This announcement has been authorised by the Board of Directors of the Company.

Ends

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About Heavy Minerals Limited

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

To learn more please visit: www.heavyminerals.com

Competent Person Statement

The information in this announcement that relates to Exploration Results 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.

Appendix 1: JORC Code Table 1

Section 1 Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
Sampling techniques	• *Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *Hand Auger sampling was used to obtain samples for analysis at a mixture of 0.5 and 1 m, intervals* • *Each sample was homogenized within the sample bag by rotating the sample bag* • *An appropriate sample of sand, approx. 70 g (or the size of a matchbox), is scooped from the sample bag for an initial visual THM% estimation and logging. A similar sample mass is used for every pan sample for visual THM% estimation* • *The standard sized sample is to ensure calibration is maintained for consistency in visual estimation* • *A sample ledger is kept at the drill rig for recording sample numbers* • *The auger drill samples have an average range between 1.5 - 3 kg* • *Samples were transported to Diamantina Laboratories for assaying.* • *The laboratory sample was dried for up to 24 hours @ 105-110 degrees Celsius.* • *The sample was then loosened until friable and passed through a rotary splitter to take a 250 g sub-sample.* • *This sub-sample was then wet screened on a Sweco vibrating screen deck at a top aperture of 1 mm (oversize - OS) and a bottom screen of 45 µm (SLIMES fraction).* • *The sand fraction containing the THM (-1 mm and +45 µm) is then dried and a sub-split of approximately 100 g is taken using a micro riffle splitter and used for heavy liquid separation using funnels and a heavy liquid, Tetrabromoethane (TBE), with a density of between 2.92 and 2.96 gcm^{-3} to determine total heavy mineral (THM) content.*
Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• *Hand auger drilling with an inner diameter of 50 mm was used for all samples* • *Hand auger drilling is considered a standard industry technique for scouting HMS mineralisation.* • *Auger drill rods used were 1 m long* • *All auger holes were vertical*

Criteria	Explanation	Comment
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *Auger drill sample recovery is monitored by reviewing the sample mass of the total weight of the 0.5 m interval weighed both on site as a wet sample and at the laboratory as a dried sample* • *All samples were drilled in dry conditions, with no groundwater encountered. Minimal water was poured into the hole to maintain the integrity of the auger hole.* • *At the end of each hole the auger sections are inspected for material build up and cleanliness (for potential contamination)*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *The auger samples were each qualitatively logged using a field laptop (Toughbook) an entered into Field Marshall* • *The auger samples were logged for lithology, colour, grainsize, rounding, hardness, rock type, sorting, estimated THM%, estimated Slimes% and any relevant comments* • *Every auger hole was logged in full with detailed logging based on a small sample of sand taken from the sample to improve representivity* • *Logging is undertaken with reference to a Drilling Guideline with codes prescribed and guidance on description to ensure consistent and systematic data collection*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *The auger sample collected at the source was not split down* • *The sample size and process is considered an appropriate technique for mineral sands* • *The sample sizes were deemed suitable to reliably capture THM, slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff* • *Field duplicates of the samples were completed at a frequency of 1 per 40 primary samples* • *Standard Certified Reference Material samples are inserted into numbered sample bags in the field at a frequency of 1 per 40 samples. These are blind to the laboratory staff and laboratory processing flowsheet*

Criteria	Explanation	Comment
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	• *The wet panning at the drill site provides an estimate of the THM and SLIMES grade which is expressed as a percentage and is sufficient for the purpose of determining approximate initial concentrations* • *Individual auger -samples (approximately 1.5 - 3 kg) were analysed by Diamantina Laboratories in Perth, Western Australia* • *Diamantina Laboratories is considered to be a mineral sands industry leading laboratory* • *The as received sample was dried for up to 24 hours @ 105-110 degrees Celsius.* • *The sample was then loosened until friable and put over a rotary splitter to take a 250 g sub-sample.* • *This sub-sample was then wet screened on a Sweco vibrating screen deck at a top aperture of 1 mm (oversize - OS) and a bottom screen of 45 µm (SLIMES fraction).* • *The sand fraction containing the THM (-1 mm and +45 µm) is then dried and a sub-split of approximately 100 g is taken using a micro riffle splitter and used for heavy liquid separation using funnels and a heavy liquid, Tetrabromomethane (TBE), with a density of between 2.92 and 2.96 gcm^{-3} to determine total heavy mineral (THM) content.* • *This is considered to be an industry standard technique* • *Field duplicates and HM Standards are alternatively inserted into the sample string at a frequency of 1 per 40 primary samples* • *Diamantina completed its own internal QA/QC checks that included laboratory repeats at a rate of 1 in 40 and the insertion of Standard Certified Reference Material at a rate of 1 in 40 prior to the results being released* • *Analysis of QA/QC samples show the laboratory data to be of acceptable accuracy and precision.* • *The adopted QA/QC protocols are acceptable and equal to accepted best industry practice*

Criteria	Explanation	Comment
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *All results are checked by the Competent Person* • *The Competent Person makes periodic visits to the laboratory to observe sample processing* • *A process of laboratory data validation using mass balance is undertaken to identify entry errors or questionable data* • *Field and laboratory duplicate data pairs (THM / OS / SLIMES) of each batch are plotted to identify potential quality control issues* • *Standard Certified Reference Material sample results are checked from each sample batch to ensure they are within tolerance (<2SD) and that there is no bias or drift* • *The field and laboratory data has been updated into a Microsoft Access database and then imported into Datamine drill hole files.* • *Data validation criteria are included to check for overlapping sample intervals, end of hole match between 'Lithology', 'Sample', 'Survey' files, duplicate sample numbers and other common errors* • *No adjustments are made to the primary assay data*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Down hole surveys for shallow vertical auger holes are not required* • *A handheld GPS was initially used to identify the positions of the drill holes in the field. The handheld GPS has an accuracy of +/- 5-10 m in the horizontal* • *The datum used is GDA94 and coordinates are projected as UTM zone 50*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	*Hand Auger Drilling* • *There was no planned density of drilling for the auger site locations. Field observations and access guided locations* • *Each auger drill sample is a single 0.5 m sample of material intersected down the hole* • *No compositing has been applied for values of THM, slime and oversize, other than the summary reporting of mineralisation intervals in this announcement* • *Microscope scanning and high level grain counting of the THM sinks fraction has been carried out to aid the mineralogical and geological interpretation*
Orientation of data in relation to geological	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• *The strike of the mineralisation is sub-parallel to the contemporary coastline and is interpreted to be controlled by limestone basement* • *Auger holes were vertical because the nature of the*

Criteria	Explanation	Comment
structure	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	*mineralisation is relatively horizontal* • *The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralisation limiting bias*
Sample security	• *The measures are taken to ensure sample security.*	• *Auger samples remained in the custody of Company representatives until they were trucked to Perth using an independent contractor or samples were transported by Company representatives* • *The samples were transported to Perth and delivered directly to the laboratory along with a sample manifest for checking of samples* • *The laboratory inspected the packages and did not report tampering of the samples*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *Internal reviews were undertaken and Richard Stockwell of Placer Consulting Pty Ltd was engaged to undertake supervision and training of onsite Company engaged contractors.*

Section 2 Reporting of Exploration Results		
Criteria	**Explanation**	**Comment**
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *All work was conducted within granted exploration licences.* • *At the time of reporting all tenure was secure and any administrative costs or fees were fully paid up.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *No previous exploration has been recorded for the site.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The deposit style is interpreted to be dunal.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* - *easting and northing of the drill hole collar* - *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* - *dip and azimuth of the hole* - *down hole length and interception depth* - *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Independent Geologist should clearly explain why this is the case.*	• *All significant auger results and drill hole collar locations have been identified in Table 1 of this report.* • *No relevant material data has been excluded from this report.*
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *All length weighted intervals are reported for each hole in Table 1*

Criteria	Explanation	Comment
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	• *All drill holes are vertical and perpendicular to the dip and strike of mineralisation and therefore all interceptions are approximately true thickness.* • *Auger holes are inferred to intersect the mineralisation approximately perpendicularly.* • *The deposit style is flat-lying and so the vertical holes are assumed to intersect the true width of any mineralisation.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Figures and plans are displayed in the main text of the release*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *All auger results have been summarised as composited intervals and reported and tabulated in Appendix 2.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *Samples have not yet been tested for in situ density.*
Further work	• *The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Further work via AC drilling to target high grade and continuous mineralisation is recommended.* • *Exploration by geophysical and drilling is planned on other parts of the tenement.* • *Refer to the main body of the release for further information regarding diagrams.*