

PORT GREGORY SCOPING STUDY AND PEA AWARDED

- ✂ Port Gregory Scoping Study (PGSS) and Preliminary Economic Assessment (PEA) awarded to IHC Mining after competitive tender process
- ✂ PGSS kick-off first week of May with delivery expected in the third quarter 2022
- ✂ Multiple scenarios to be considered to provide HVY with optionality to maximise Net Present Value (NPV) of the project
 - Multiple production profiles to be considered
 - Bagging and concentrate production optionality

Heavy Minerals Limited (ACN 647 831 833) ("**HVY**", "**Heavy Minerals**" or the "**Company**") is pleased to announce that IHC Mining has been awarded the Port Gregory Scoping Study (PGSS) and Preliminary Economic Assessment (PEA) after a competitive tender saw three expert mineral sands engineering firms bid for the work.

IHC Mining are an industry leading Mineral Sands Engineering Consultancy with over 100 years of mineral sands and execution experience. The Study Team selected for the project is led by Engineers that worked directly on the RDG Lucky Bay mine project within the last 2.5 years. It is expected that learnings from this project will be applied to HVY's study providing HVY with a best-in-class outcome. An example of an IHC Mining mobile design plant concept that is readily adaptable for 300 to 600 TPH and used for similar projects is shown in Figure 1.

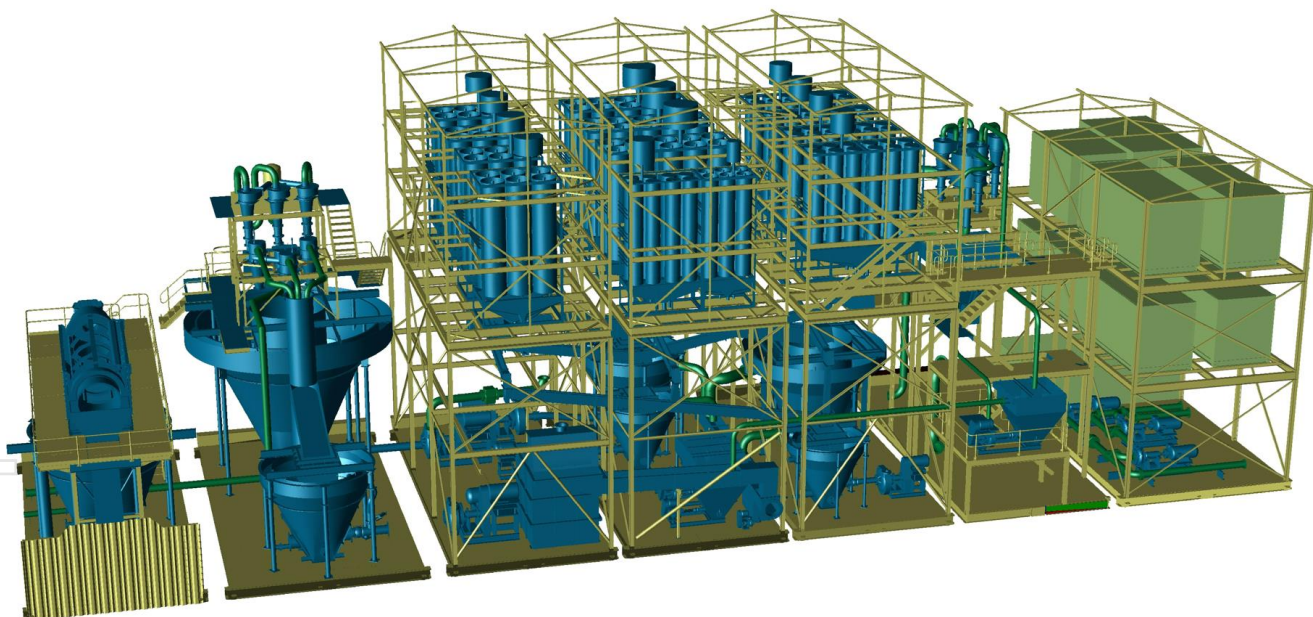
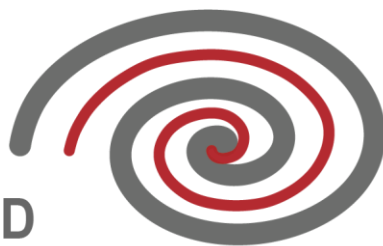


Figure 1: Mineral sands modular plant concept (IHC Mining)

Executive Director & CEO, Mr. Nic Matich said:

"HVY is entering an exciting phase on the pathway to developing the Port Gregory Garnet Project. Given IHC Mining's expertise in the area, partnering with them at this stage of our development will extract maximum value from the project for shareholders."



PGSS & PEA Scope and Deliverables

The PGSS & PEA will meet the requirements of an AusIMM Class 5 Engineering Scoping Study and adhere to the following Standards and Codes:

- ✂ JORC Code 2012 Edition
- ✂ VALMIN Code 2015 Edition
- ✂ AusIMM Engineering Reporting Study Guidelines

The battery limits of the study are from mine production through to delivery of product to Port. Port and shipping costs to be estimated with input from Monson and Clarkson Platou to further bolster the study.

Key deliverables of the study include:

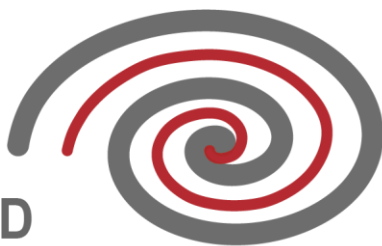
- ✂ Concept sketches
- ✂ Options workshop to set the parameters of the study (production rates, initial CAPEX requirements)
- ✂ Block Diagram (Plant Interaction)
- ✂ Process Flow Diagram (PFD)
- ✂ Mass and Water Balance
- ✂ Conceptual Layout
- ✂ Equipment (process and mechanical) List
- ✂ Capital Budget Estimate (CAPEX) ($\pm 35\%$ accuracy)
- ✂ Operating Cost Estimate (OPEX) ($\pm 35\%$ accuracy)
- ✂ **Final Scoping Study**
- ✂ **Financial Model covering lifetime of the mine**

Upcoming News

- ✂ **April 2022:** Maiden JORC Mineral Resource (Port Gregory)
- ✂ **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)
- ✂ **3rd Quarter 2022:** Red Hill and 2nd phase Port Gregory drilling

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. The Company's other project is the Inhambane Heavy Mineral Sands Project in Mozambique which has an ilmenite dominated JORC Inferred Mineral Resource of 90 Mt @ 3.0% THM

To learn more please visit: www.heavyminerals.com