

## FUNDING LETTER OF SUPPORT SECURED FOR PORT GREGORY

- Heavy Minerals Limited (ASX: HVY) secures Dutch Government-backed project finance support subject to Due Diligence for the potential development of the Port Gregory Project.
- Letter of Support was received from Atradius Dutch State Business (Atradius) which manages the government credit guarantee scheme on behalf of the Government of Netherlands official Export Credit Agency (ECA).
- Atradius to commence due diligence to assess insuring export financing for the Port Gregory Project
- A significant percentage of the Port Gregory capital expenditure (\$110m<sup>1</sup>) could potentially qualify for Dutch ECA cover based on Royal IHC's Port Gregory supply content.
- ECA cover typically supports favourable debt financing terms, including competitive market rates and repayment terms.

Heavy Minerals Limited (Company) is pleased to announce that following engagement with the Company's project study consultant IHC Mining, a subsidiary of Royal IHC (IHC), IHC have sought project build investment finance support from the Dutch State via Atradius the Government of the Netherlands official Export Credit Agency (ECA), a government sponsored credit guarantee scheme. A Letter of Support (LoS) has been received by the Company and this confirms due diligence to assess insuring export financing for the Port Gregory Project will commence.

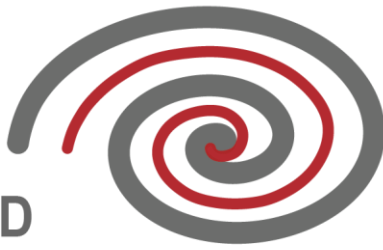
To promote Dutch exports, Atradius offers insurance and guarantees products for projects involving the export of capital goods from the Netherlands. ECA Cover from Atradius is often used to assist Dutch exporters in securing export transactions and increasing the capacity to raise finance from banks for projects involving Dutch exports.

The Dutch ECA scheme was identified as applicable to Heavy's Port Gregory Project based on the potential provision of mining hardware, the process plant and supporting infrastructure from Dutch owned Royal IHC who have supported the Company with technical, engineering and project study work for the Port Gregory Project since the Company listed in September 2021.

Interest rates charged by lenders on debt guarantee by ECA Cover are typically lower than commercial rates, as repayment of debt is insured, with longer terms a feature of ECA supported debt.

Further due diligence will be undertaken by Atradius as the Port Gregory studies (Pre-Feasibility Study and Bankable Feasibility Study) progress. The Company will assist Atradius with their due diligence with a view of securing ECA Cover funding to assist in building a mine at the Port Gregory Project. The company will liaise with additional Project funding institutions in parallel with Atradius to ensure the Port Gregory Project is ultimately fully funded.





**Commenting on the Letter of Support from Atradius:**

**Heavy Minerals Limited's Non-Executive Chairman Adam Schofield stated:**

*"This potential mine building funding support from Atradius via the endorsement of Royal IHC is an important milestone in the Company's progress. Securing a commitment to explore a material level of funding for the Port Gregory Project at this stage in the project development cycle is a clear demonstration of the exceptional value of the Port Gregory Project. The Company will continue to rapidly identify and secure its full funding options to establish a pathway to first production in 2026."*

**IHC Mining's Managing Director Hans Greve stated:**

*"We are very proud to have gained the trust of Heavy Minerals Limited during the Scoping Study phase of their work program at their Port Gregory Garnet Project. We look forward to continuing to support Heavy Minerals through the Pre-Feasibility Study phase and beyond. The IHC Mining team in Australia, combined with our global operation centres, will work together with Heavy Minerals to help develop their Port Gregory Garnet Project into a long life and economic mining operation. The initial study work performed by IHC Mining indicates the project has a genuine opportunity of being developed and this is why we continue to support Heavy Minerals Limited."*

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

**Ends**

**For further information, please contact:**

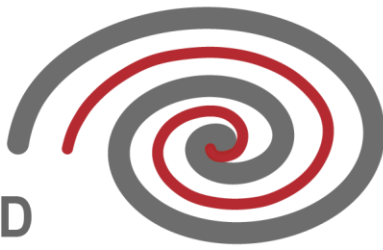
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## About Heavy Minerals Limited

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 and Red Hill Garnet Projects in Western Australia with the Port Gregory project having a JORC (2012) Inferred and Indicated Mineral Resource of 135 million tonnes @ 4.0% Total Heavy Minerals. This includes 4.9 million tonnes of contained Garnet and 220 thousand tonnes of ilmenite<sup>2</sup>. The Red Hill Project has an Exploration Target of between 90 to 150 Mt of material @ 5.4% to 4.1% THM. The Exploration Target also contains between 5 to 6 Mt of THM and 3.8 and 4.5 Mt of garnet<sup>3</sup>. The potential quality and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration activity to determine a Mineral Resource estimate and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The Company's other project is the Inhambane Heavy Mineral Project in Mozambique which contains a JORC (2012) Inferred Mineral Resource of 90 million tonnes @ 3.0% Total Heavy Mineral<sup>4</sup>.

To learn more please visit: [www.heavyminerals.com](http://www.heavyminerals.com)

<sup>1</sup> [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02566850-6A1109092?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02566850-6A1109092?access_token=83ff96335c2d45a094df02a206a39ff4)

<sup>2</sup> [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02516855-6A1089842?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02516855-6A1089842?access_token=83ff96335c2d45a094df02a206a39ff4)

<sup>3</sup> [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02661758-6A1148442?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02661758-6A1148442?access_token=83ff96335c2d45a094df02a206a39ff4)

<sup>4</sup> [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02462745-6A1067130?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02462745-6A1067130?access_token=83ff96335c2d45a094df02a206a39ff4)

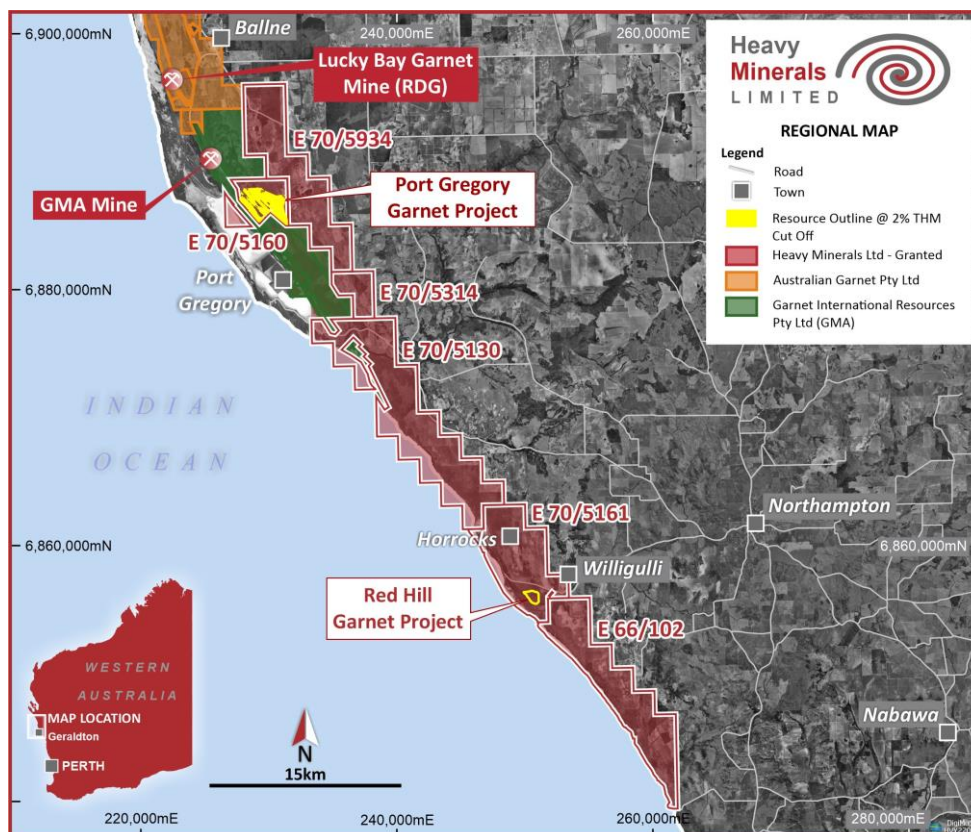


Figure 1: Project Locations - Port Gregory and Red Hill