

PORT GREGORY PFS STUDY AWARDED

Key Highlights

- Port Gregory Pre-Feasibility Study (PFS) awarded to IHC Mining
- PFS to commence first week of October with completion expected in the first quarter 2023
- Multiple development options to be explored to provide HVY with optionality to maximise the Net Present Value (NPV) of the project post the successful Port Gregory Scoping Study (PGSS) and Preliminary Economic Assessment (PEA) announced in September 2022
 - Multiple production profiles to be considered
 - Bagging and concentrate production options to be defined

Heavy Minerals Limited (ACN 647 831 833) (“HVY”, “Heavy Minerals” or the “Company”) is pleased to announce that IHC Mining have been awarded the Port Gregory PFS following the successful completion by IHC Mining of HVY’s PGSS and PEA.

IHC Mining are an industry leading Mineral Sands Engineering Consultancy with over 100 years of global experience in the mining sector including mineral extraction from fine sand ores. The Study Team selected for the project is to be led by engineers that worked directly on the PGSS and PEA announced in September 2022. The learnings from this project and other mineral sand projects IHC Mining have undertaken will be applied to HVY’s PFS providing HVY with a best-in-class outcome.

An example of an IHC Mining modular processing plant concept used for similar projects is shown in Figure 1.

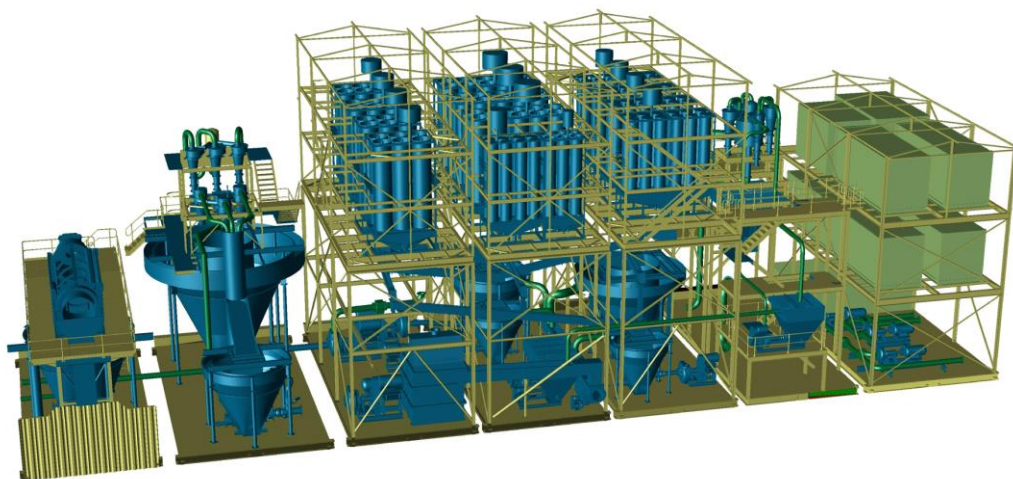


Figure 1: Mineral sands modular plant concept (IHC Mining)



CEO, Mr. Andrew Taplin said:

“We are pleased to be awarding IHC Mining the Port Gregory PFS following the excellent work done by IHC during the Company’s Scoping Study and Preliminary Economic Assessment announced in September of last year. Completion of the PFS will be a significant milestone for the Company as it progresses towards the development of Western Australia’s next world class industrial garnet mine at Port Gregory.”

PFS Scope and Deliverables

The PFS will meet the requirements of an AusIMM Class 4 Engineering Study and adhere to the following Standards and Codes:

- JORC Code 2012 Edition
- VALMIN Code 2015 Edition
- AusIMM Engineering Reporting Study Guidelines
- AusIMM Cost Estimation Handbook (2012)

The battery limits of the study are from mine production through to delivery of finished product to Port.

Key deliverables of the study include:

- Options analysis and selection
- Risk and opportunity register
- Site Layout and overall site 3D model
- Basis of design including Metallurgical Product Design Criteria
- Block Diagram (Plant Interaction) and Process Flow Diagram (PFD)
- Mass and Water Balance calculations
- Plant Design and Layout - 3D model and 2D drawings
- Equipment (process & mechanical) List
- Electrical load list and electrical equipment list
- Capital Cost Estimate (CAPEX) ($\pm 25\%$ accuracy, AusIMM Class 4)
- Operating Cost Estimate (OPEX) ($\pm 25\%$ accuracy, AusIMM Class 4)
- Final PFS Report
- Financial Model covering lifetime of the mine
- Recommendations for future work

Additional PFS workstreams will be undertaken directly by the Company.

About Heavy Minerals Limited

Heavy Minerals Limited (ASX: HVY) is an Australian listed industrial mineral exploration company.

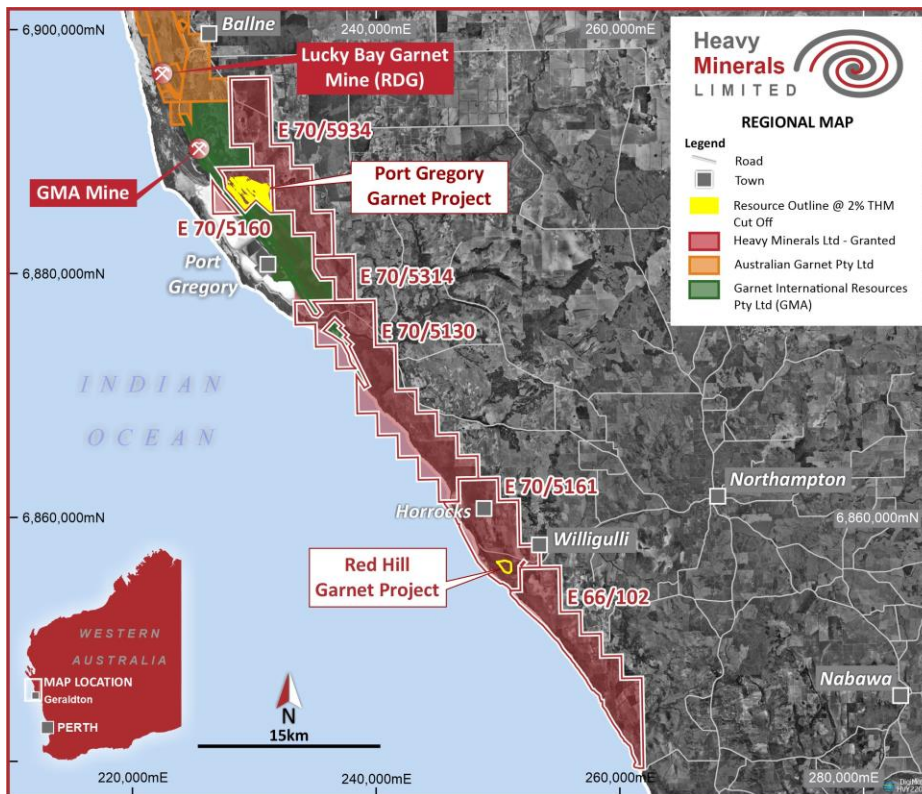
The Company's projects are prospective for industrial minerals including but not limited to Garnet, Zircon, Rutile and Ilmenite. The Company's initial focus is the Port Gregory and Red Hill Garnet Projects in Western Australia with the Port Gregory project having a JORC (2012) Measured, Indicated and Inferred Mineral Resource of 166 million tonnes @ 4.0% Total Heavy Minerals. This includes 5.9 million tonnes of contained Garnet and 260 thousand tonnes of ilmenite¹.

An Exploration Target has been defined for Red Hill using cut-off grades for reporting of 3% THM and 1% THM and ranging from 90 to 150 Mt of material @ 5.4% to 4.1% THM. The Exploration Target also contains between 5 and 6 Mt of THM and 3.8 and 4.5 Mt of garnet². 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 an ilmenite dominated JORC (2012) Inferred Mineral Resource of 90 million tonnes @ 3.0% Total Heavy Mineral³.

To learn more please visit: www.heavyminerals.com

¹ https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02685080-6A1157738?access_token=83ff96335c2d45a094df02a206a39ff4
² https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02661758-6A1148442?access_token=83ff96335c2d45a094df02a206a39ff4
³ https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02462745-6A1067130?access_token=83ff96335c2d45a094df02a206a39ff4



Project Locations - Port Gregory and Red Hill

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

Ends

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