



GARNET OFFTAKE MOU SIGNED (NON-BINDING)

Key Highlights

- **MOU (Non-Binding) for the Sale of a Minimum of 15,000 tpa of Garnet in Australia and New Zealand**
- **Agreement signed with Abrasive Blasting Service & Supplies (ABSS)**
- **Initial 3 Year Period Agreed**

Heavy Minerals Limited (ASX: HVY) (**Heavy Minerals, HVY** or the **Company**) is pleased to announce that it has signed a non-binding Memorandum of Understanding (**MOU**) for the future sales of a minimum of 15,000 tpa (**tonnes per annum**) of Garnet to be produced at its Port Gregory Project for an initial 3-year period with ABSS.

This offtake will account for approximately 10% of the Company's annual future Garnet production at its Port Gregory Project and will be sold into the Australian and New Zealand sand blasting and water jet cutting markets by ABSS.

Binding Terms will be agreed within the coming months that will include pricing and logistics.

Mr. Aaron Williams, a Non-Executive Director of the Company and full-time employee of ABSS has led the negotiation of the MoU on behalf of ABSS. Mr. Williams has declared this conflict of interest and recused himself from the Company's deliberations about the MOU.

The Company is currently engaging with Garnet Distributors in North America and Internationally seeking additional distribution partners.

Chairman, Adam Schofield said:

"We are extremely pleased with the signing of this MOU with ABSS. Although it is non-binding it demonstrates ABSS's desire to lock in future supply of high-quality Almandine Garnet in an industry sector they know and understand well, and within which they are well placed to manage the domestic distribution of Heavy's Garnet products. This is also a significant step on the way to the development of the Company's Port Gregory Project. We look forward to finalising terms with ABSS in the near term and to continuing to deliver exceptional results for our shareholders."

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 ASX 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) Mineral Resource of 166 million tonnes @ 4.0% Total Heavy Minerals. This comprises a Measured Mineral Resource of 126 Mt @ 3.8% THM; an Indicated Mineral Resource of 20 Mt @ 6.5% THM; and an Inferred Mineral Resource of 20 Mt @ 2.9% THM. 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.

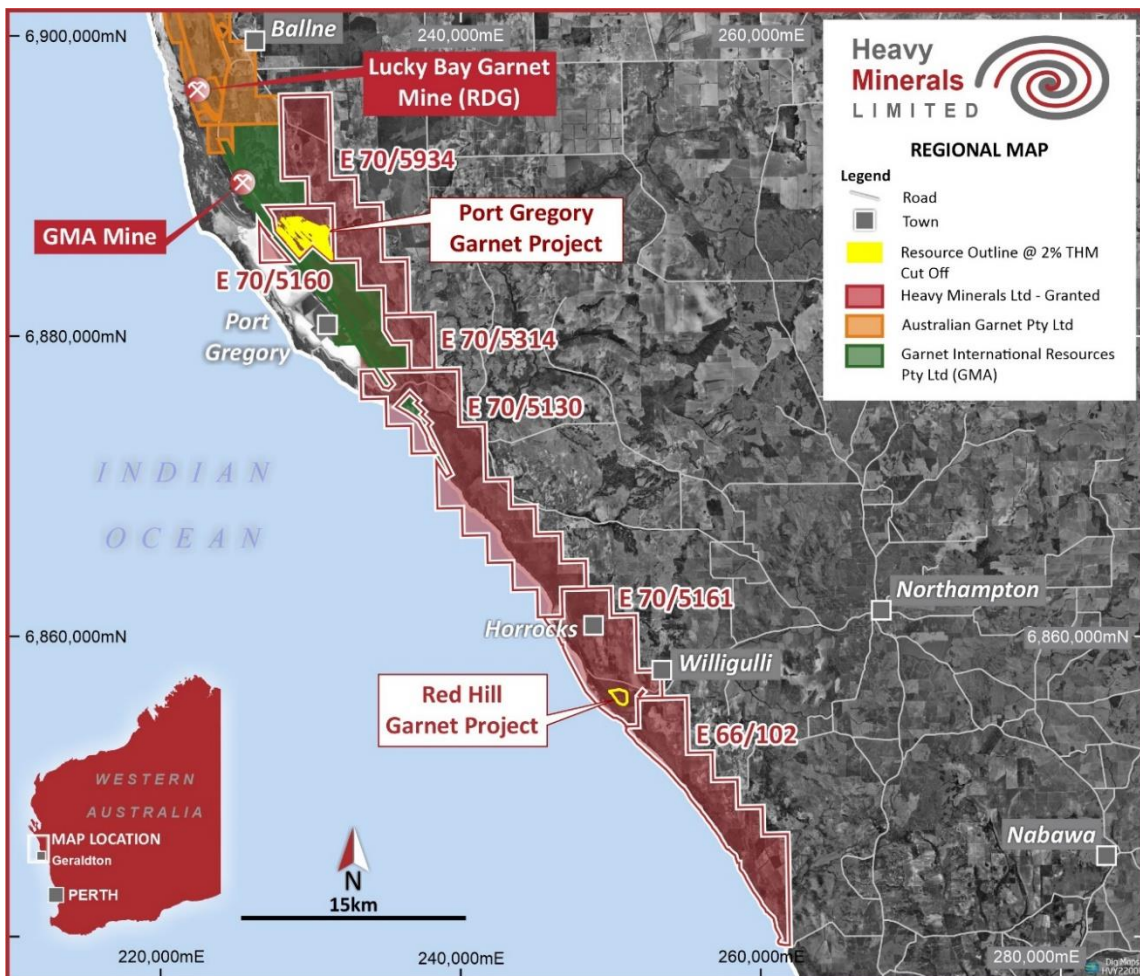
The Company’s other project is the Inhambane Heavy Mineral Project in Mozambique which contains an ilmenite dominated JORC (2012) Inferred Mineral Resource of 90 million tonnes @ 3.0% Total Heavy Mineral³.

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