



LETTER FROM THE CHAIRMAN

Dear Shareholder

OPPORTUNITY TO PARTICIPATE IN SHARE PURCHASE PLAN (SPP)

On behalf of the Board of Directors (**Board**) of Heavy Minerals Limited (ASX: HVY) ACN 647 831 883 (**Heavy Minerals, HVY or the Company**) I am pleased to announce that the Company is undertaking a capital raising via an SPP to raise up to \$750,000 (before costs) through the issue of up to 9,146,342 fully paid ordinary shares in the Company (**Shares**) at an issue price of \$0.082 per Share (**New Shares**).

Under the SPP, eligible HVY shareholders, being shareholders recorded on the Company's Share register as at 5:00pm (AWST) on Tuesday, 13 February 2024 (Record Date) with a registered address in Australia or New Zealand (**Eligible Shareholders**), will each have the opportunity to apply for up to \$30,000 worth of New Shares without incurring brokerage or other transaction costs.

The SPP offer period opens on Wednesday, 21 February 2024 and is expected to close at 5:00pm (AWST) on Wednesday, 6 March 2024. As the SPP is not underwritten, the Company may raise more or less than this amount. If the sum of applications received under the SPP is greater than \$750,000, the Directors in their absolute discretion may decide to scale back or to accept applications (in whole or in part) that results in the SPP raising more than the \$750,000, subject to compliance with the ASX Listing Rules and the Corporations Act 2001 (Cth) (Corporations Act).

Proceeds from the SPP are intended to be applied towards:

- ✕ Completion of the Port Gregory Pre-Feasibility Study whilst awaiting receipt of Royalty Funds;
- ✕ Permitting activities for the Port Gregory Project;
- ✕ Additional works at Red Hill and other priority exploration targets;
- ✕ Costs of the SPP; and
- ✕ General working capital.

Important Information

The full terms and conditions of the SPP are set out in the SPP Offer Booklet and Eligible Shareholders who have elected to receive documents issued by the Company in electronic form will receive an email which will include a link to the SPP Offer Booklet and to their personalised SPP Application Form. All other Eligible Shareholders will be able to access these materials and apply for the offer via details provided below.

The SPP is governed by the terms and conditions in the SPP Offer Booklet. The Board urges you to read the Offer Booklet carefully and in its entirety, together with announcements made by the Company to the ASX, before deciding whether to participate in the SPP and to seek your own investment or taxation advice if applicable to you.

How to apply

The SPP opens on Wednesday, 21 February 2024 and, unless the closing date for the SPP is extended or the SPP is closed earlier or withdrawn by the Company, is expected to close at 5:00 pm (AWST time) on Wednesday, 6 March 2024. Applications for New Shares must be for a minimum of \$2,500 and a maximum of \$30,000.

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Eligible Shareholders may participate in the SPP by following the instructions on their personalised SPP Application Form which is accessible at <https://investor.automic.com.au/#/loginsah>. Payment must be made directly via BPAY® or EFT (for Eligible Shareholders with a registered address in Australia or New Zealand) ensuring to use the unique reference number provided on your personalised SPP Application Form). This is the fastest and easiest way to apply. As noted above, the SPP is expected to close at 5:00 pm (AWST time) on Wednesday, 6 March 2024 (unless varied or extended) and payment must be received before this time. Please take into account BPAY® or EFT processing times. Please note the company will not be accepting payment by cheque.

Further details as to the application process are included in the SPP Offer Booklet, which can be accessed at <https://heavyminerals.com/spp>. Terms and Conditions and the application form can be accessed at <https://investor.automic.com.au/#/loginsah>.

The Company will not be printing / dispatching hard copies of the Terms and Conditions or application forms. Instead, an electronic copy of the Terms and Conditions and your acceptance form is available and accessible by you (using your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) from your latest Holding Statement, and your postcode) at the following link: <https://investor.automic.com.au/#/loginsah>.

The Offer closes at 5:00 pm (AWST time) on Wednesday, 6 March 2024.

Event	Date
Record Date (5:00pm AWST)	Tuesday, 13 February 2024
Announcement of SPP and lodgement of Appendix 3B	Wednesday, 14 February 2024
Despatch of SPP Offer Booklet to Eligible Shareholders and release of Booklet on the ASX SPP opening date	Wednesday, 21 February 2024
SPP closing date (5:00pm AWST)	Wednesday, 6 March 2024
Announcement of SPP results	Wednesday, 13 March 2024
Issue of New Shares Application for quotation of New Shares	Wednesday, 13 March 2024
Official quotation and commencement of trading of New Shares	Thursday, 14 March 2024

These dates are indicative only and subject to change. The Company reserves the right to change any date including to extend the closing date of the Offer, to close the Offer early, to accept late acceptances either generally or in particular cases, or to withdraw or reduce the size of the Offer without notice. Any extension of the closing date will have a consequential effect on the issue date of new shares.

If you have any queries in relation to your personalised SPP Application Form, please contact the Company's Share Registry, Automic Registry Services - E: hello@automicgroup.com.au, Ph: 1300 288 664 (within Australia), or +61 2 9698 5414 (international) between 8:30 am and 5:00pm (AEST time) Monday to Friday.

If you have any queries regarding the SPP, please contact Adam Schofield - E: info@heavyminerals.com, Ph: +61 (08) 9481 0389.

On behalf of the Board, I thank you for your continued support of the Company and invite you to consider participating in the SPP.

Yours faithfully



Adam Schofield
Chairman

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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.

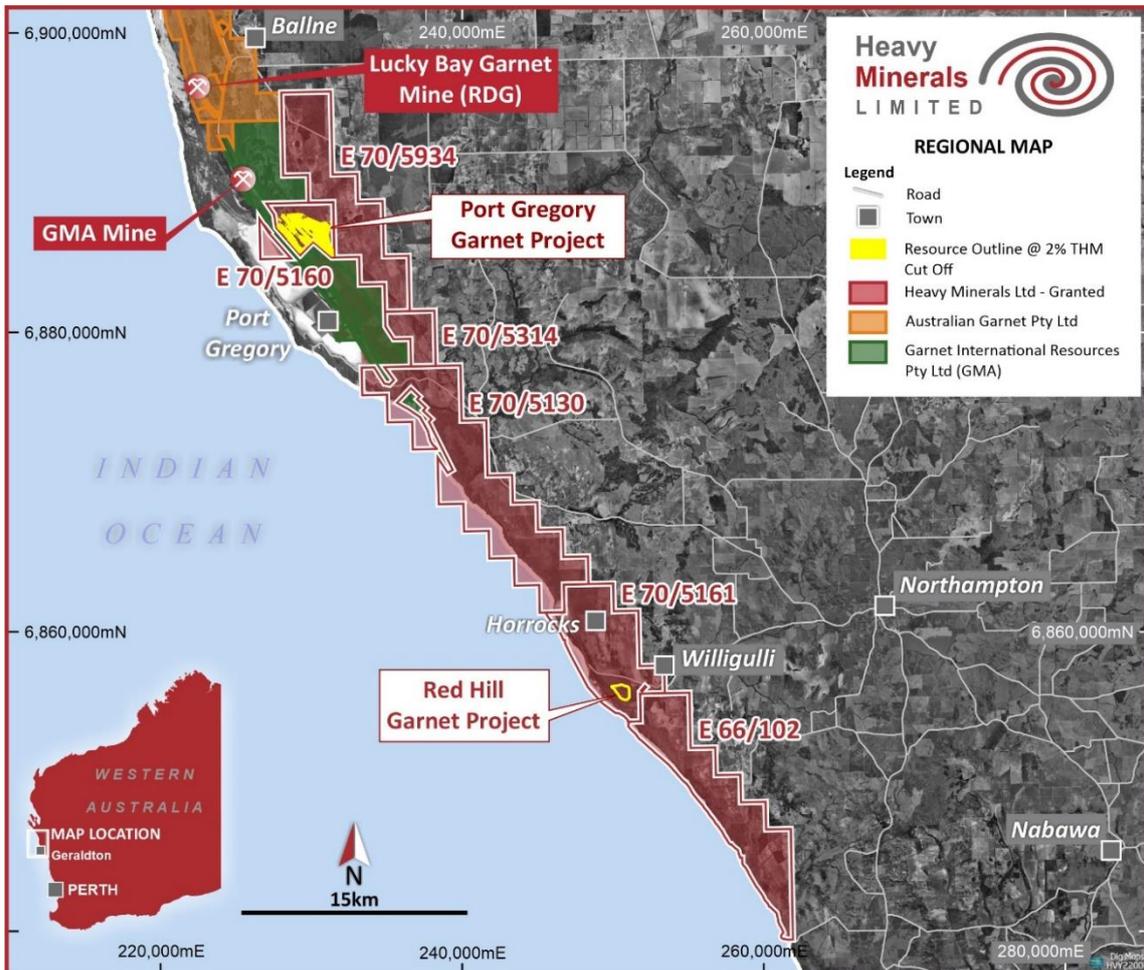
The Company’s other project is the Inhambane Heavy Mineral Project in Mozambique which contains an ilmenite dominated JORC (2012) Inferred Mineral Resource of 90 million tonnes @ 3.0% Total Heavy Mineral³.

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

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To download your entitlement and acceptance form you have the following 3 choices:

<p>I already have an online account with the Automic Share registry</p>	<p>https://investor.automic.com.au</p> <p>Select: “Existing Users Sign In”.</p> <p>Once you have successfully signed in, click on “Documents and Statements”.</p> <p>Download the Terms and Conditions and acceptance form. Submit your payment using the payment details provided on your acceptance form.</p> <p>Do not return your acceptance form.</p>
<p>I don’t have an online account with Automic – but wish to register for one</p>	<p>https://investor.automic.com.au/#/signup</p> <p>Select: Heavy Minerals Limited from the dropdown list in the ISSUER field. Enter you holder number SRN / HIN (from your latest Holding Statement). Enter your Postcode (Aust only) or Country of Residence (if not Australia). Tick box “I am not a robot”, then Next Complete prompts.</p> <p>Once you have successfully signed in, click on “Documents and Statements”.</p> <p>Download the Terms and Conditions and acceptance form. Submit your payment using the payment details provided on your acceptance form.</p> <p>Do not return your acceptance form.</p>
<p>I don’t have an online account with Automic – but want to use Automic for this Offer only</p>	<p>https://investor.automic.com.au/#/loginsah</p> <p>Select: Heavy Minerals Limited from the dropdown list in the ISSUER field.</p> <p>Enter you holder number SRN / HIN (from your latest Holding Statement). Enter your Postcode (Aust only) or Country of Residence (if not Australia). Tick box “I am not a robot”, then Access.</p> <p>Once you have successfully signed in, click on “Documents and Statements”.</p> <p>Download the Terms and Conditions and acceptance form. Submit your payment using the payment details provided on your acceptance form.</p> <p>Do not return your acceptance form.</p>

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If you are unable to access <https://investor.automic.com.au> online, you can obtain a copy of the terms and conditions and your acceptance form – initially by calling Automic Group on 1300 288 664 or emailing hello@automicgroup.com.au and asking them to mail a paper copy of the terms and conditions and your acceptance form to you free of charge. After your request has been acknowledged by Automic you will need to provide your SRN or HIN and postcode to complete this request. To accept an Offer using these paper copy documents, you will still need to make payment via BPay® or via Electronic Funds Transfer (EFT). For New Zealand shareholders please follow the instructions on your acceptance form to make payment via Electronic Funds Transfer (EFT).