

ASX ANNOUNCEMENT

Heavy Rare Earths Limited (ASX: HRE)

19 December 2024

**URANIUM EXPLORATION COMMENCES ON
SOUTH AUSTRALIAN PROJECTS**

- **Geophysical surveys targeting uranium-bearing palaeochannels have commenced on HRE's South Australian projects**
- **Drilling of priority palaeochannel targets planned on receipt of all government permits and heritage clearances**

Heavy Rare Earths Limited ("**HRE**" or "**the Company**") is pleased to advise exploration has commenced on two of its three uranium projects in eastern South Australia. The Company recently announced it had acquired an 80% initial interest in the uranium rights on three projects from Havilah Resources Limited (ASX: HAV) (Figure 1) (*refer to ASX announcement 21 October 2024*).

Perth-based Atlas Geophysics has been engaged by HRE to acquire passive seismic and gravity surveys to define the location and extent of palaeochannels at a relatively shallow depth (<120 m) at its Lake Namba-Billeroo and Prospect Hill projects:

- **Lake Namba-Billeroo.** The target type is uranium in Tertiary palaeochannel, and surveys are in progress along the Billeroo Palaeochannel which hosts Boss Energy Ltd's (ASX: BOE) Gould's Dam uranium resource (25 Mlbs @ 520 ppm U_3O_8 ¹). The combined length of palaeochannel being explored by HRE in the current campaign is 30 km (Figure 2), an area tested by only a single drillhole in 1970.
- **Prospect Hill.** This project presents a credible geological analogy to the Beverley- and Four Mile-style sedimentary uranium deposits (collectively 166 Mlbs @ 2600 ppm U_3O_8 ²). HRE is exploring for uranium in Tertiary and/or Cretaceous palaeochannels at Prospect Hill along the 9.5 km north-south extent of its tenement package (Figure 3) where there has been no drilling for sediment-hosted uranium.

Passive seismic is a relatively under-used technique in this region, but its significance as a low-cost, low-impact method of defining palaeochannels is becoming more prevalent as demonstrated by Boss Energy Ltd at Gould's Dam³ and more recently by Uvre Limited (ASX: UVA) at the extreme north of the Billeroo Palaeochannel⁴. HRE has previously used passive seismic to successfully delineate palaeochannels at its Perenjori uranium-rare earth project in Western Australia (*refer to ASX announcement 19 June 2024*).

¹ Boss Energy Ltd (ASX: BOE) Annual Report 2024.

² World Nuclear Association: <https://world-nuclear.org/information-library/appendices/australia-s-uranium-mines>.

³ Boss Energy Ltd (ASX: BOE) Honeymoon Uranium Project, Final Report – Accelerated Discovery Initiative (Seismic geophysical surveys), 30 November 2021.

⁴ Uvre Limited (ASX: UVA) ASX announcement 18/09/2024: "Strong geophysical results identify several compelling exploration targets".

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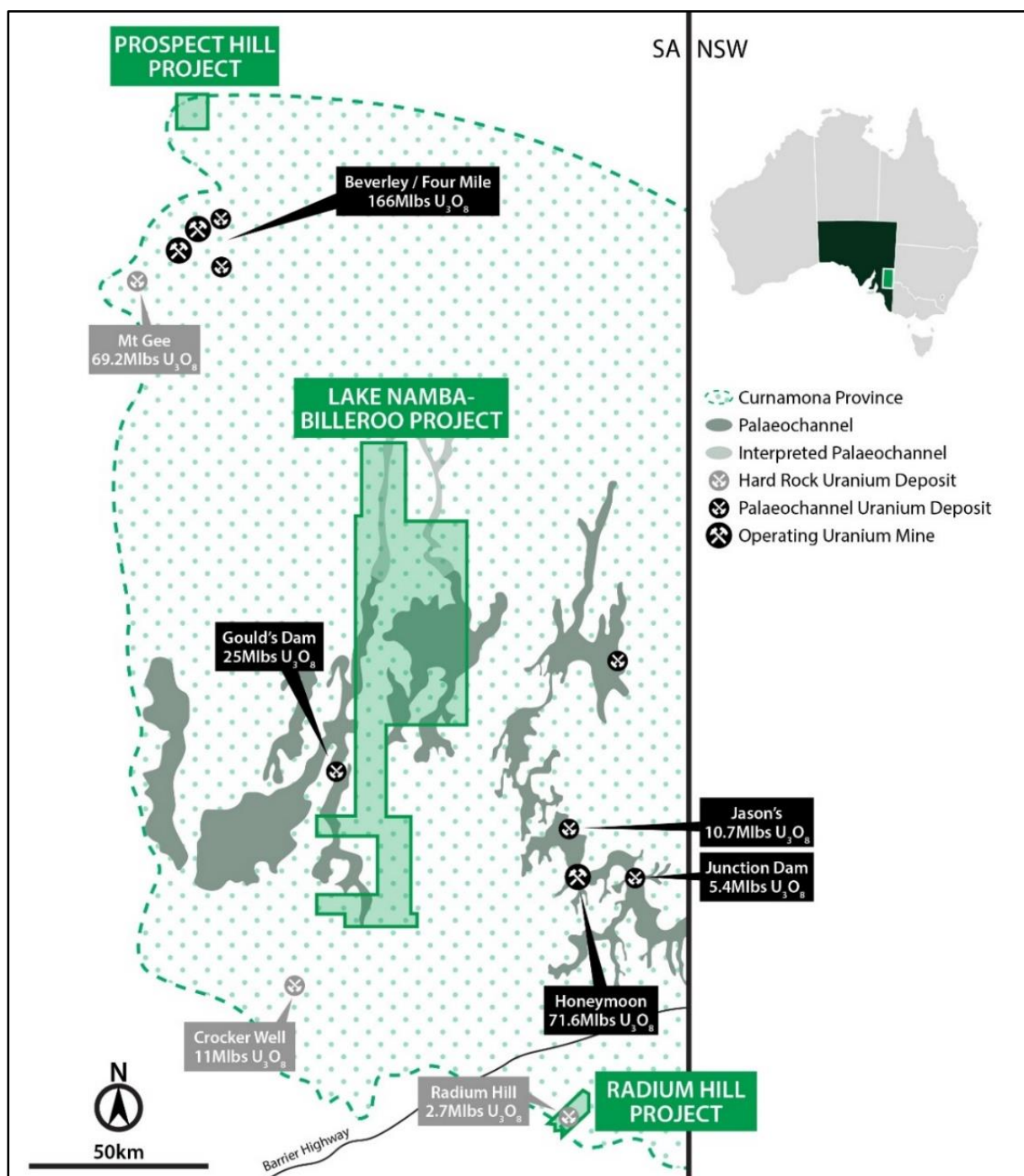


Figure 1: Location of HRE project areas and uranium deposits⁵ in the Curnamona Province of eastern South Australia.

⁵ Data sources:

- Boss Energy Ltd (ASX: BOE) Annual Report 2024.
- Marmota Limited (ASX: MEU) ASX announcement 26/10/2023: "Marmota to grow Junction Dam uranium resource".
- SARIG SA Geodata MINDEP Database https://drillhole.pir.sa.gov.au/MineralDepositDetails.aspx?DEPOSIT_NO=962.
- Wilson T 2015. Uranium and uranium mineral systems in South Australia – Third edition, Report Book 2015/00011. Department of State Development, South Australia, Adelaide.

Much of the survey work targeting the Billeroo Palaeochannel is expected to be complete before Christmas. Atlas anticipates completing the balance of the program by the end of January 2025.

Drilling of palaeochannel targets generated by these surveys is planned following interpretation of all survey results and receipt of all necessary South Australian Government permits and heritage clearances.

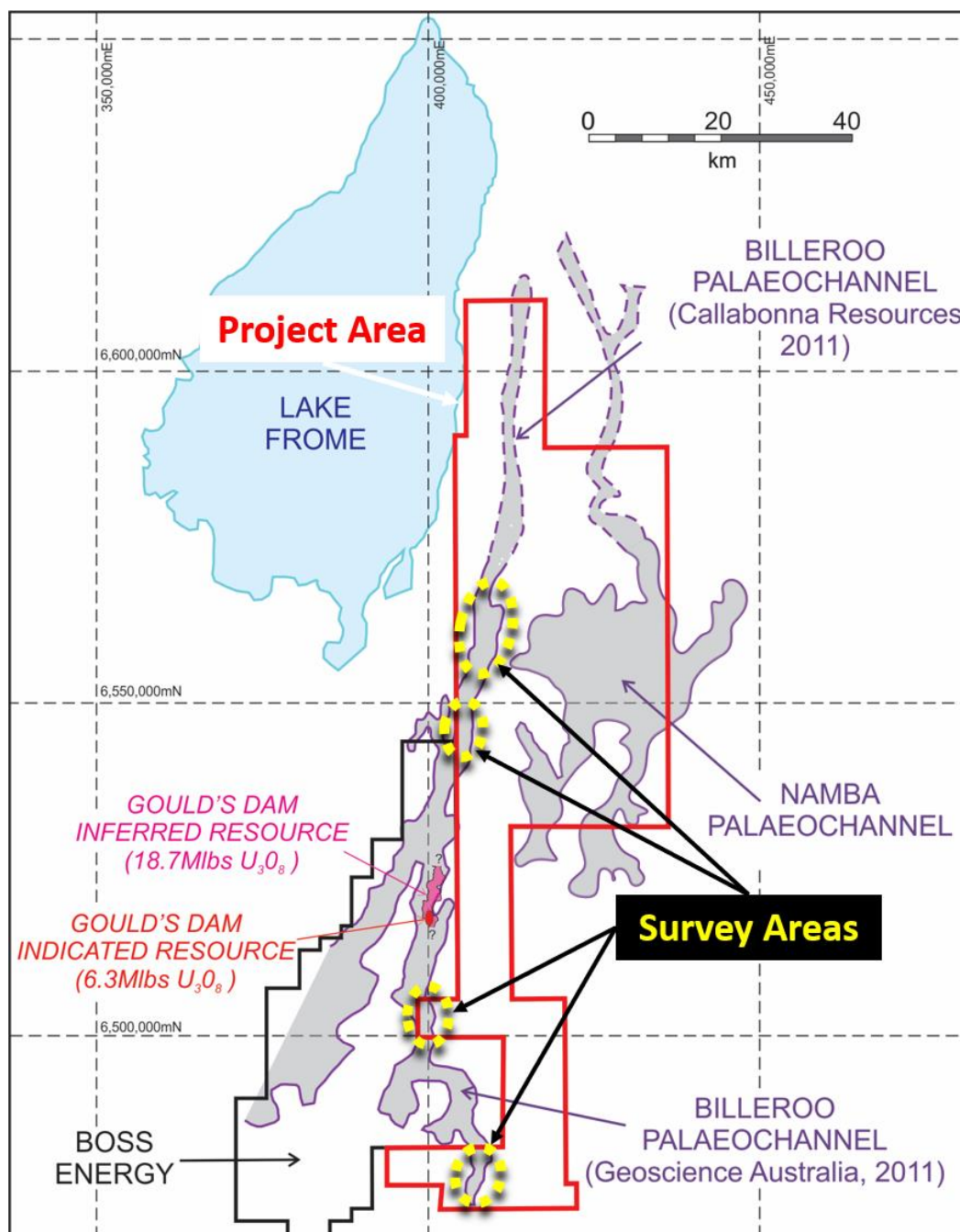


Figure 2: Lake Namba-Billeroo Project showing location of Billeroo Palaeochannel passive seismic/gravity survey areas.

- World Nuclear Association: <https://world-nuclear.org/information-library/appendices/australia-s-uranium-mines>.

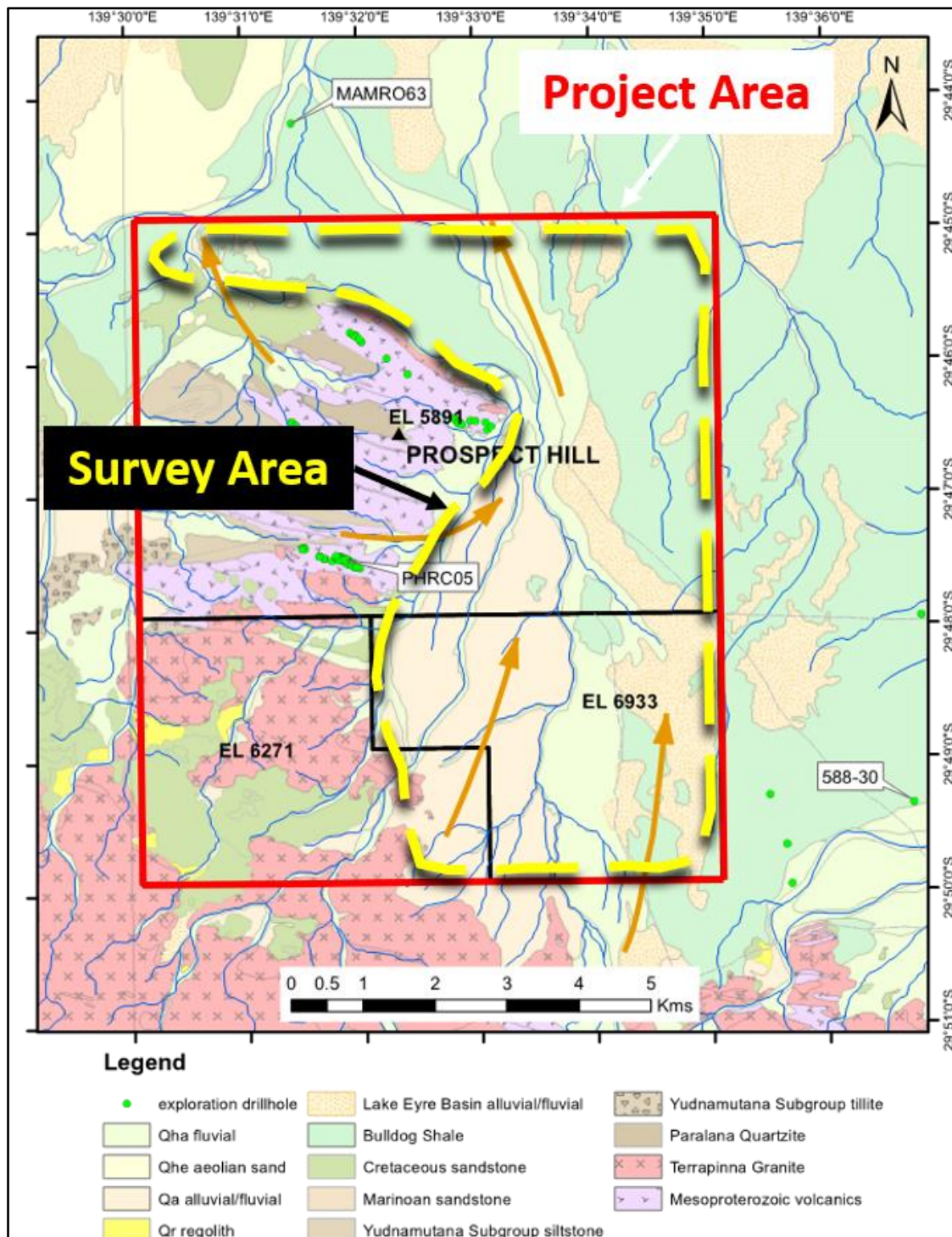


Figure 3: Prospect Hill Project showing location of passive seismic/gravity survey area.

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This announcement has been approved by the Board of HRE.

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About Heavy Rare Earths Limited

Heavy Rare Earths Limited (ASX: HRE) is an Australian uranium and rare earth exploration and development company. HRE's key uranium exploration projects are in the uranium rich Curnamona Province of eastern South Australia. The Company's key rare earth exploration project is Cowalinya, near Esperance in Western Australia, which hosts an Inferred Resource of 159 Mt @ 870 ppm TREO and a desirable rare earth composition where 28% are the valuable magnet rare earths and 23% the strategic heavy rare earths.