

March 2026 Quarterly Activities Report

Highlights

- **Prospect Hill Tin project:** preparations for 2,500m maiden drill program, with drilling contractor engaged, PEPR submitted, and Cultural heritage survey booked
- **Radium Hill:** all elements, including yttrium and scandium, included in positive amendment to the agreement with Havilah Resources Limited
- **Research has shown presence of previously unrecognized minerals of Monazite and Xenotime, which can be hosts to high-value Rare Earths Elements**

Heavy Rare Earths Limited (“HRE” or “the Company”) is pleased to provide the Quarterly Activities Report for the period ending 31 March 2026. HRE’s South Australian portfolio covers the Prospect Hill Tin Project and Uranium Projects, the Radium Hill Project and the Billeroo Project (Figure 1).

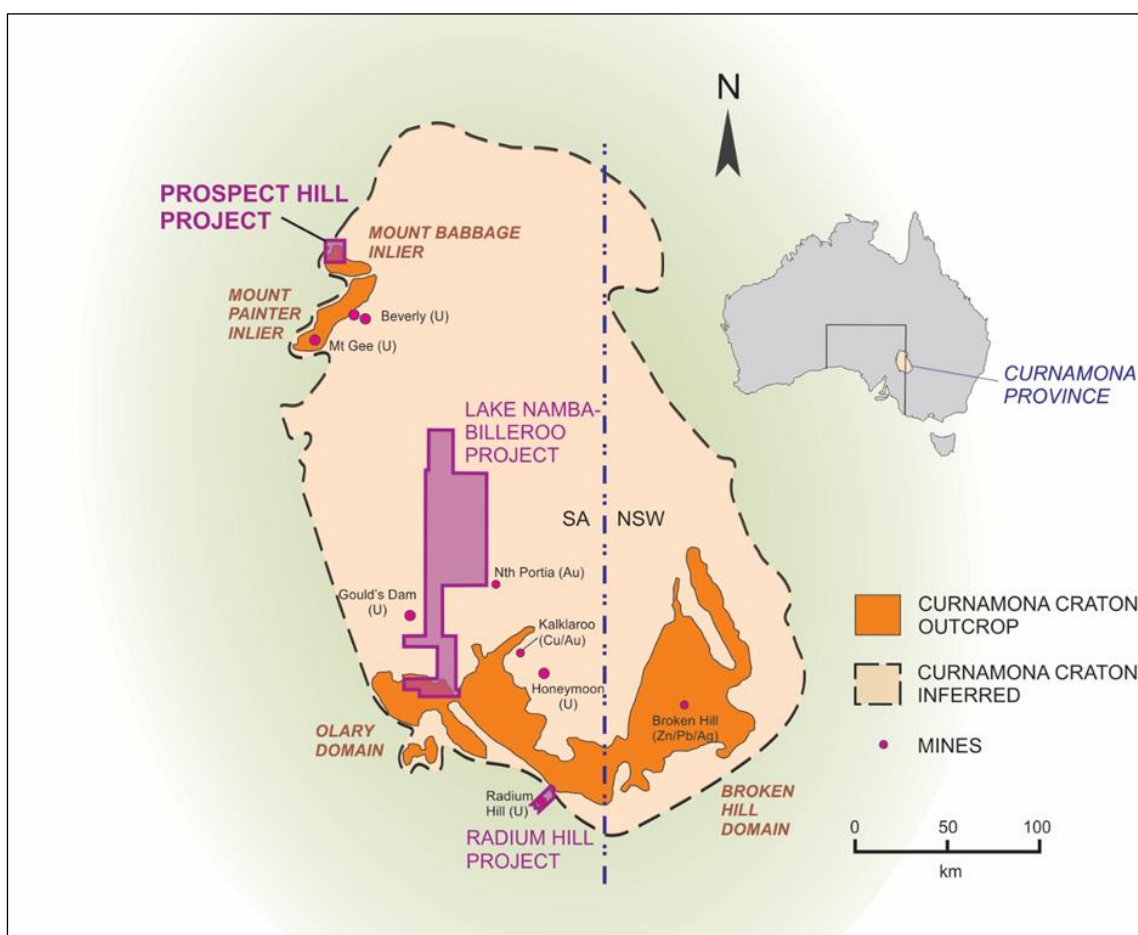


Figure 1. Location of HRE's project areas and uranium deposits in the Curnamona Province.

Prospect Hill: Preparations for Maiden Drill Program at South ridge tin project

The Prospect Hill project is located along the north-western margin of the Curnamona Craton and comprises three contiguous exploration tenements, EL5891, EL6271 and EL6933, covering a total area of 75 km². The western portion of the project area features outcropping rocks of the Curnamona Craton (Mt Painter/Mt Babbage Inliers), which hosts significant polymetallic mineralisation in Palaeoproterozoic-age, volcanic rocks (Figure 2).

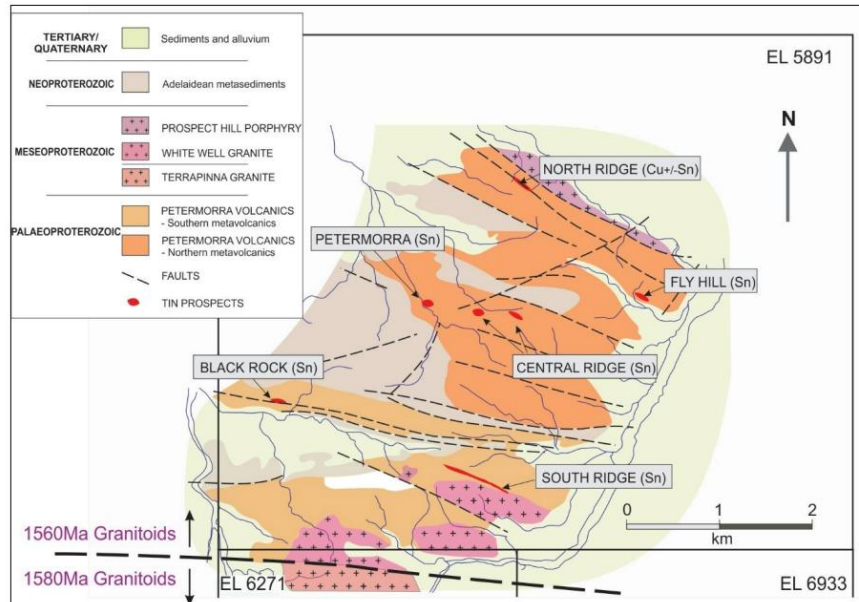


Figure 2: Summary of outcropping geology in EL5891 and location of prospects, including South Ridge

HRE acquired a rich historical database that includes historical intersections such as 5m @3.22% Sn, and is strongly suggestive strong potential to define high-grade tin deposits. The Company subsequently negotiated all the mineral rights to Prospect Hill, including the Tin Project (refer to ASX announcement 28 October 2025). A review of this data indicated the greatest immediate potential lies in the most advanced prospect, South Ridge, where 56 drill holes and costeaning has outlined mineralisation within a linear, steeply dipping, structural zone along 500m of strike (Figure 3).

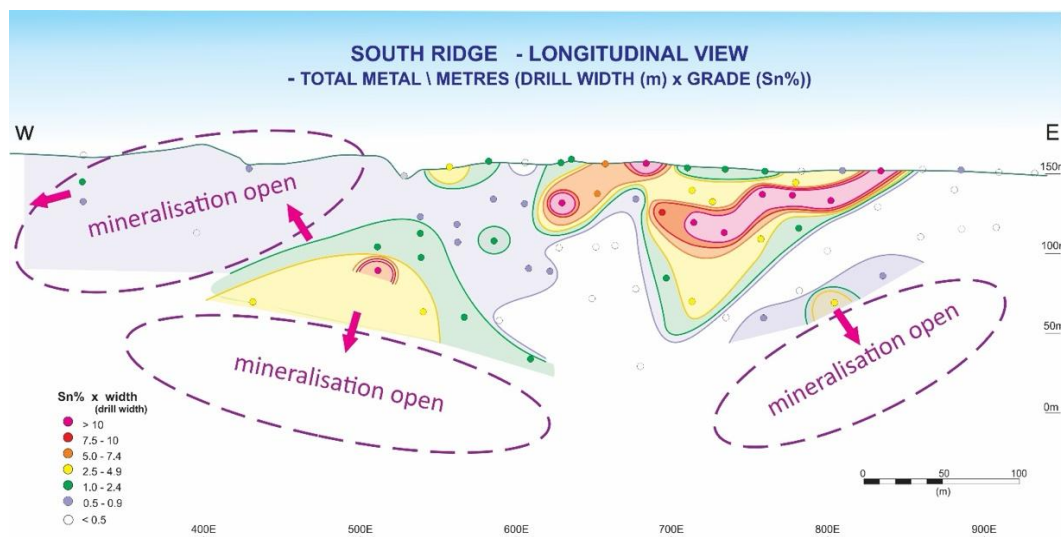


Figure 3: Longitudinal view, looking north, of the South Ridge Prospect interpreted mineralisation model, showing zones of potential mineralisation extension, and drillhole piercement points on surface shown as coloured dots.

Given the historic data, the Company anticipates the drill program may enable the definition of a maiden resource estimate (MRE) of a high-grade tin resource at the South Ridge prospect. The Company announced

plans during the reporting period for a maiden drilling program at the South Ridge tin deposit. The program will comprise a series of 24 drillholes, totalling 2500m, has been designed to expand the known mineralisation model. The majority of drillholes will be undertaken by Reverse Circulation method. The program will also include up to 4-5 drillholes to be completed by diamond core drilling to duplicate samples of historic percussion drillholes and provide samples for metallurgical testing.

Post quarter-end, HRE submitted a program for environment protection and rehabilitation (PEPR) to South Australia's Department for Energy and Mining (DEM) in relation to HRE's maiden drilling program at the South Ridge tin project. Contemporaneously to the PEPR application, HRE has collaborated closely with the Dieri Aboriginal Corporation, the registered Native Title Body Corporate representing the Dieri People, to conduct a Cultural heritage clearance survey at the Prospect Hill project in early May. Additionally, a drilling contractor based in South Australia has been engaged for the ~2,500m program at Prospect Hill, with drilling planned for late May to early June.

The original timing for the drilling program and clearance survey was impacted by the weather delays and access to roads. The unusually high rainfall experienced across South Australia in Q1 saw more than double the average annual rain fall within 2 months. This caused widespread disruption for all sectors including mining and exploration.

Radium Hill: Yttrium and Scandium included in all minerals deal

During the quarter, HRE also announced a positive amendment to the agreement with Havilah Resources Limited (ASX: HAV; "Havilah"), which increased the scope of elements at the Radium Hill project, located in the southern portion of the Curnamona Craton, South Australia, to expand to an All Minerals Agreement.

The Company has identified an 8km mineral corridor at Radium Hill (refer to ASX announcement 12 December 2025), which reported numerous samples across a considerable strike length with significant levels of yttrium, vanadium (which were not previously included in the agreement), scandium, uranium and REE's.

This amendment increases investors' leverage by expanding HRE's exposure to the full mineral suite including all critical minerals and precious and base metals. This is particularly notable given the recent significant gain in yttrium prices, which increased over 30-fold from \$10/Kg for high purity oxide (CIF) in early 2025, to over \$320/Kg in late 2025 in European markets.

In addition to the expansion to all mineral rights at Radium Hill, Havilah has also agreed to waive the minimum spend requirement that was previously agreed (\$1million in the first 12 months to 7th January 2026). While it was not possible to fulfil this exploration spend last year, the Company remains resolutely committed to an aggressive campaign to be commenced in the near-term including a maiden drill program at Radium Hill.

There were significant and material high grade Scandium and yttrium results from the Company's reconnaissance surface rock chip sampling program along the Bonython Critical Minerals' Corridor ("**BCMC**"), an 8km north-east-trending structural zone, as announced to the ASX on 12 December 2025.

During the period, HRE also announced mineralogical results from samples of Radium Hill-style mineralisation collected along the BCMC, extending from historic Radium Hill Mine, Australia's first uranium mine, to Bonython Hill (Figure 4). Small-scale pits and shafts are scattered along the BCMC at prospects and drilling targets including Railways, Bristowe's, Radium Hill North and Bonython Hill.

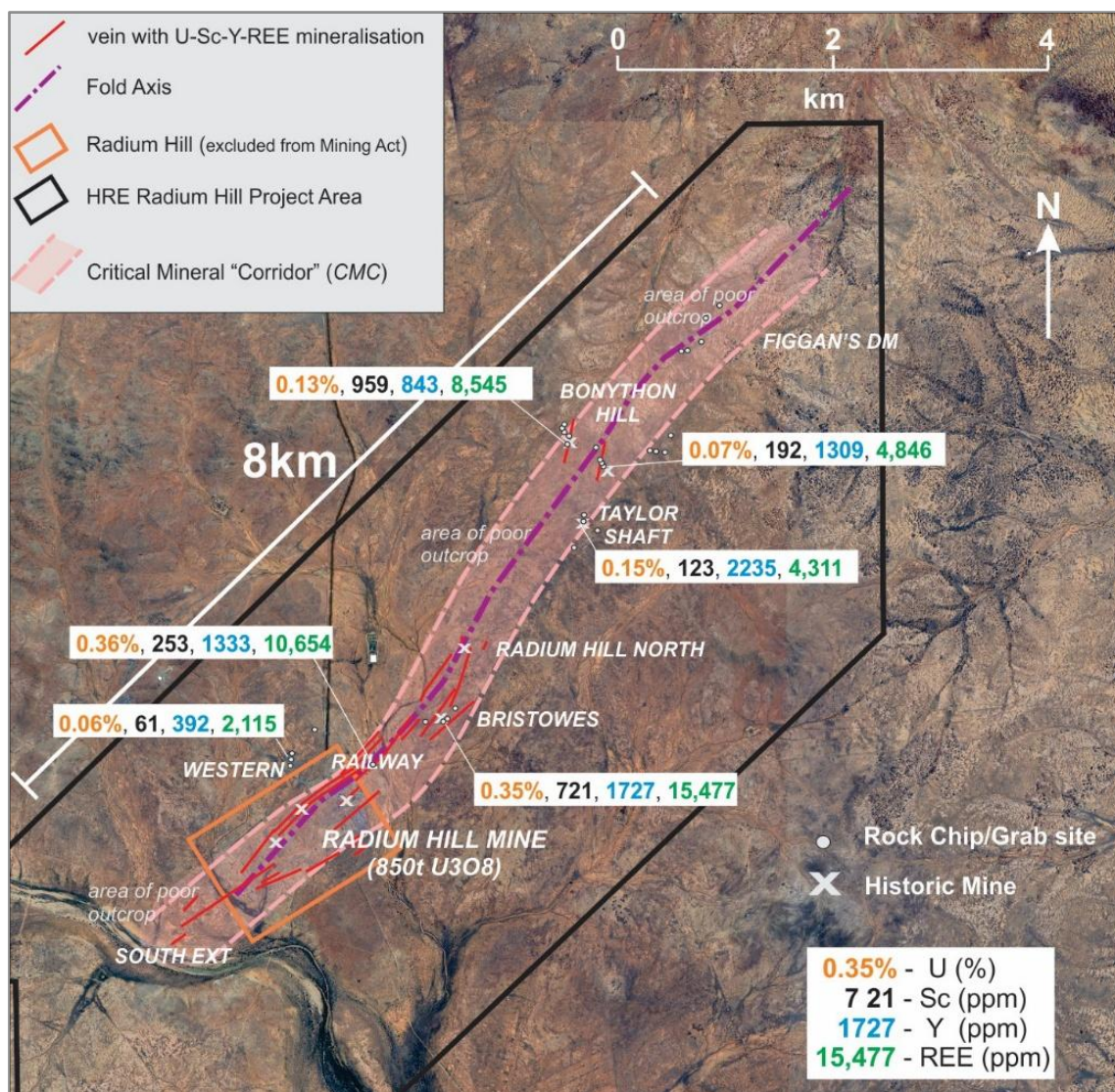


Figure 4: Radium Hill project showing Bonython Critical Mineral Corridor (BCMC) with selected high-grade rock samples from HRE mapping program (refer ASX announcement 12 December 2025 for further details)

HRE is collaborating with researchers at Adelaide University as part of the Australian Research Council (ARC), Centre for Critical Resources for the Future (CCRF), studying the mineralogical origin and setting of REEs, Sc, Y and U at Radium Hill. This is part of CCRF's larger project researching the critical minerals potential of the Curnamona Province, South Australia.

Two samples have been analysed to date, one taken from ore piles at the historical Radium Hill Mine (25RH13) at the southern end of the BMC, and one (25RH08) from Taylor's shaft, a pre-WWII uranium mine at the northern end of the BMC, 3.7kms from the exclusion zone (Figure 2). Samples were examined at Adelaide University using a Scanning Electron Microscope (SEM). Additional samples have been collected along the zone between Radium Hill Mine and Taylors shaft and are being processed.

Preliminary findings from this limited testing have shown the presence of high-value accessory minerals such as **Monazite** and **Xenotime** associated with the well-documented davidite-rutile-ilmenite mineralisation. Monazite and Xenotime are highly valued as a source of critical minerals with a proven flowsheet for commercial production, and testing of individual monazite and xenotime grains has so far confirmed the presence of REEs and Yttrium (Figure 5).

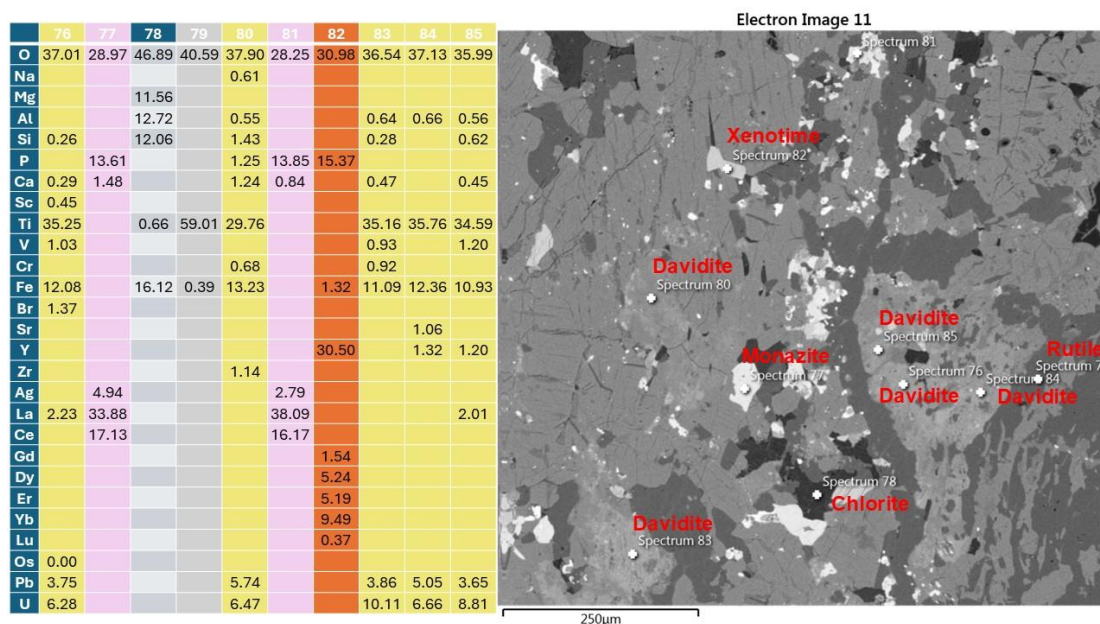


Figure 5: SEM image of sample 25RH08 from the BCMC showing typical Radium Hill iron-titanium ore minerals (davidite, rutile) intergrown with Monazite and Xenotime

Billeroo Uranium project

The Company has also agreed for Havilah to retain the Namba Uranium PaleoChannel ground at the Billeroo Namba project, while HRE will retain the rights to the Billeroo PaleoChannel area that the Company believes to be more prospective for uranium, and closer to a significant, established uranium resource. Please refer to figure 6 below on the updated Billeroo earn-in area for HRE.

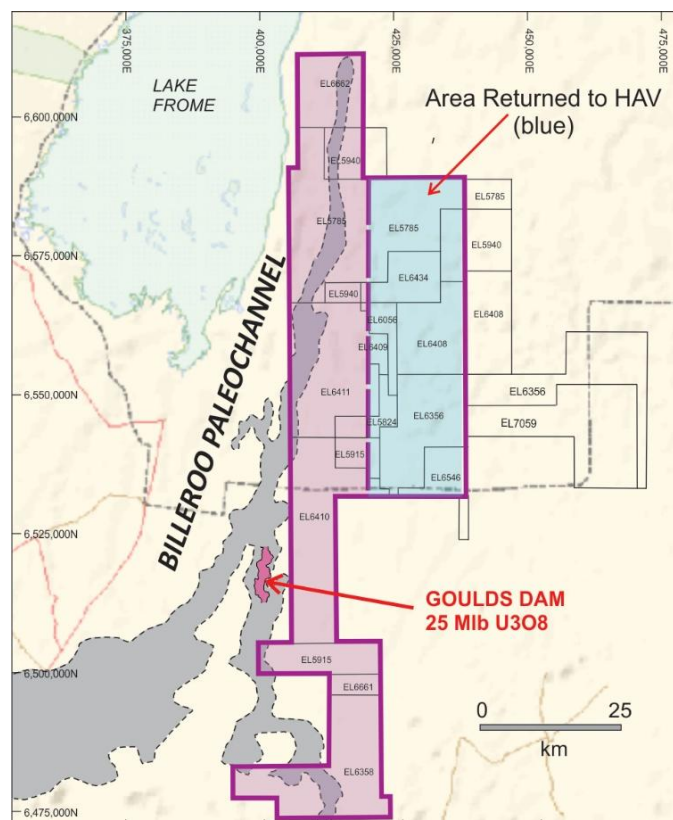


Figure 6: Updated HRE Earn-in rights to the Billeroo Uranium project

Appendix 5B related party payments

Amounts included in section 6.1 of the Appendix 5B relate to Director's fees paid for the March 2026 quarter.

Expenditure during the quarter

Exploration and evaluation expenditure during the quarter totalled \$143,000 as disclosed in the accompanying Appendix 5B. The majority of the expenditure related to geological consulting and labour costs at the Radium Hill and Lake Namba-Billeroo tenements.

Interests in Mining Tenements

Below is a summary of the mining tenements held by the Company at the end of the quarter:

Mining Tenement	Location	Beneficial Percentage held	Interest acquired/farm-in or (disposed)/farm-out during the quarter
E63/1972 – Cowalinya Project	WA, Australia	100%	-
E63/2144 – Cowalinya Project	WA, Australia	100%	-
E70/6397 – Perenjori Project	WA, Australia	100%	-
E70/6398 – Perenjori Project	WA, Australia	100%	-
E59/2905 – Perenjori Project	WA, Australia	100%	-
EL33101 – Duke Project	NT, Australia	100%	-
EL33194 – Duke Project	NT, Australia	100%	-
EL 6041 – Radium Hill	SA, Australia	80%*	-
EL 6594 – Radium Hill	SA, Australia	80%*	-
EL 5831 – Radium Hill	SA, Australia	80%*	-
EL 5848 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 5785 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 5824 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 5915 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 5940 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6056 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6356 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6358 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6408 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6409 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6410 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6411 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6434 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6546 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6661 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 6662 – Lake Namba-Billeroo	SA, Australia	80%**	-
EL 5891 – Prospect Hill	SA, Australia	80%**	-
EL 6271 – Prospect Hill	SA, Australia	80%**	-
EL 6933 – Prospect Hill	SA, Australia	80%**	-

* U, Sc and REE rights only. Subject to meeting earn-in expenditure obligations.

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— ENDS —

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 critical minerals exploration and development company. HRE's key exploration projects are in the uranium-and critical minerals-rich Curnamona Province of eastern South Australia and in the Mid-West region of Western Australia.

Competent Person's Statement

The Exploration Results contained in this announcement were compiled by Mr Joseph Ogierman. Mr Ogierman is a Member (#4469) of the Australian Institute of Geoscientists (MAIG). He is a full-time employee of Heavy Rare Earths Limited. Mr Ogierman has more than 35 years' experience in mineral exploration and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Ogierman consents to the inclusion in this announcement of the matters based on the Exploration Results in the form and context in which they appear.

Forward Looking Statement

This announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond HRE's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding HRE's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause HRE's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). Readers are cautioned not to place undue reliance on forward-looking statements. Although HRE believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

HEAVY RARE EARTHS LIMITED

ABN

35 648 991 039

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(143)	(478)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(41)	(87)
	(e) administration and corporate costs	(242)	(447)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	45
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(416)	(967)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(58)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(58)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,326	1,935
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(416)	(967)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(58)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	910	910

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	910	1,326
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	910	1,326

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	37
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(416)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(416)
8.4	Cash and cash equivalents at quarter end (item 4.6)	910
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	910
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.19
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2026

Authorised by: The Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.