



ASX: Quarterly Activities Report

28 July 2022

JUNE 2022 QUARTERLY REPORT

Highlights

- Commenced early-stage discussions on partnerships for exposure into downstream rare earths processing activities in Europe.
- Multiple parties have expressed interest in advancing discussions in relation to debt and equity finance.
- First construction blast completed signalling start of the next phase of infrastructure development works at Yangibana rare earths project.
- Additional process plant equipment orders completed, including Off-Gas Scrubber, Filter Press and Thickeners and Flotation Cells packages.
- Hastings to acquire the remaining 30% Yangibana joint venture interest from Cadence Minerals Plc
- Completion of 1:20 share consolidation approved at EGM in June 2022
- Drilling extends mineralised zones with some wide, high-grade intersections (high NdPr content) reinforcing the exceptional quality of the Yangibana Project mineralisation.
 - SFRC239 intersected 6m @ 2.01% TREO from 90m
 - FRR259 returned 7m at 1.47% TREO from 65m
- Hastings had \$137.0 million in cash and equivalents as of 30 June 2022

Australia's next rare earths producer, Hastings Technology Metals Ltd (ASX: HAS) (Hastings or the Company), is pleased to report on exploration and development activities for the three-month period to 30 June 2022. Most of the activity focused on the Company's Yangibana Rare Earths Project (Yangibana) in the Gascoyne and Pilbara regions of Western Australia.

The business continues to remain loss time injury free having reached 1,430 days LTI free at the end of the reporting period. There was one first aid injury reported during the period.

Several active COVID-19 cases on site were managed with personnel in isolation for the mandatory period, returning to work with no effects.

Crisis Management plan review and senior management training was completed in the Perth office.

Environment & Permitting

A revised Works Approval for the decoupled beneficiation plant at Yangibana was approved in June 2022.

Baseline and impact studies on the Yangibana Expansion 1 project (encompassing the expanded proposed mining envelope during operations) continued during the quarter. This has included hydrogeological investigations at SipHon borefield, subterranean fauna surveys and regional vegetation surveys. Collation of the Environmental Review Document has commenced with intentions to submit to the regulator in late 2022.

The Onslow Rare Earths Plant Development Application under the WA Planning and Development Act 2005 was approved post quarter end. The Works Approval and Native Vegetation Clearing Permit under the WA Environmental Protection Act are currently under assessment in anticipation of ground works commencing during 3Q 2022.

Key Onslow Agreements

Hastings has entered into a 20-year licensing agreement with Water Corporation WA for access to a parcel of land with an existing water bore approximately 1km from the ANSIA site. Additionally, Water Corporation has indicated it does not object to the transfer of its works approval permit to Yangibana Pty Ltd (a wholly owned subsidiary of Hastings).

Post quarter end, Hastings has finalised all key terms with respect to the “Option to Lease” agreement with DevelopmentWA which is the final precursor to a “lease agreement”. This allows all initial investigations to take place in the lead up to site-based earthworks for the 78Ha parcel of land within ANSIA, where the hydrometallurgical plant will be located.

Yangibana Project Development

Strong purchasing focus over the quarter with the award of five equipment packages with a combined value of \$18M, which will allow Hastings to obtain vendor data to progress detailed engineering and commence fabrication securing long lead items to maintain project schedule.

EPCM activities now sit at 5.7% completed with DRA Global ramping up manning recruitment. Milestone engineering reviews were completed for both the beneficiation and hydrometallurgical

plants, whilst bulk earthworks designs continue to progress to finalisation. Packages issued to market include award of the Off-Gas scrubber, Rotary Kiln, Filtration System, Thickeners and Flotation Cells signalling a strong commitment to the project.

Cost pressures remain challenging with strong conditions prevailing in an overheated market. Ongoing robust levels of activity across all construction sectors continue to drive a busy marketplace. Hastings has made adjustments to salaries for both the Hastings Owners team and Engineering partner DRA Global to align with recent marketplace increases. Allowances for equipment cost increases reflecting both vendor price increases and changes to scope were also made.

Personnel recruitment in the current labour market remains a challenge, with DRA structural engineering resources located in the Eastern States continuing to be utilised with the Perth design and engineering team.

Key early works progress during the June 2022 Quarter sees the project at 35% complete, and includes:

Yangibana

- Ongoing progression of detailed design layouts by DRA Global
- Completion of the fly camp upgrade including an increase to 80 beds from 60, the installation of a gymnasium, recreational area, additional offices and associated water, power and wastewater treatment upgrades
- The commencement of drill and blast activities onsite to produce concrete aggregate and wearing course material for the road and airstrip
- Accommodation Village – completion of village pad bulk earthworks in preparation for mobilisation of camp constructor to site.
- Main Access Road – progress to date is now at 40% completion. The entire 19km alignment is cleared and grubbed
- The temporary water supply network (bores, pipelines, turkey's nest and filling stations) is now commissioned and operating to expectations.
- Water bore drilling and installation at the bore fields was completed with early results from pump testing indicating flow rates exceeding design expectations.
- Airstrip construction is underway with all clearing and grubbing activities now completed and ground preparation for placed fill now commenced.
- The telecommunications package for the tower-based microwave data service to site progressed with the mobilisation of contractor and equipment to site.

Onslow

- Ongoing progression of detailed design layouts by DRA Global.
- Procurement of key drilling equipment for the Onslow water drilling programme.

The review process for the road user agreement with the Shires of Ashburton, Carnarvon and Upper Gascoyne has progressed further with the Shires.



Mineral Resource Drilling

First results were received from the 170-hole Resource Definition RC Drilling program conducted at the Yangibana Rare Earths Project (Refer ASX announcement “Drilling Extends Mineralisation with Exceptional Quality” dated 09 June 2022). The drilling has continued to extend the mineralised zones with some wide, high-grade intersections reinforcing the exceptional quality of the Yangibana Project mineralisation.

The goal of the 13,334m program was twofold, firstly to extend currently known mineralisation down dip along the mineralised Bald Hill – Simon’s Find – Fraser’s trend (Figure 1) with the intention of increasing the existing 27.42Mt JORC Resource and extending planned mine life.

The second goal was to infill drill near-surface portions of this trend which have insufficient drilling to be classified as Indicated Resources. Results from the northern part of Frasers and Simon’s Find show that 74% of the new drilling intersected rare earth mineralisation greater than 0.2% TREO, a high hit-rate considering the infilling of areas with limited previous drilling.

Results returned to date from Fraser’s and Simon’s Find include:

- FRRC259 at the north end of Fraser’s intersected 7m at 1.47% TREO from 65m.
- SFRC208 intersected 10m at 0.71% TREO from 88m
- SFRC239 intersected 6m at 2.01% TREO from 90m
- SFRC245 intersected 11m at 0.75% TREO from 53m

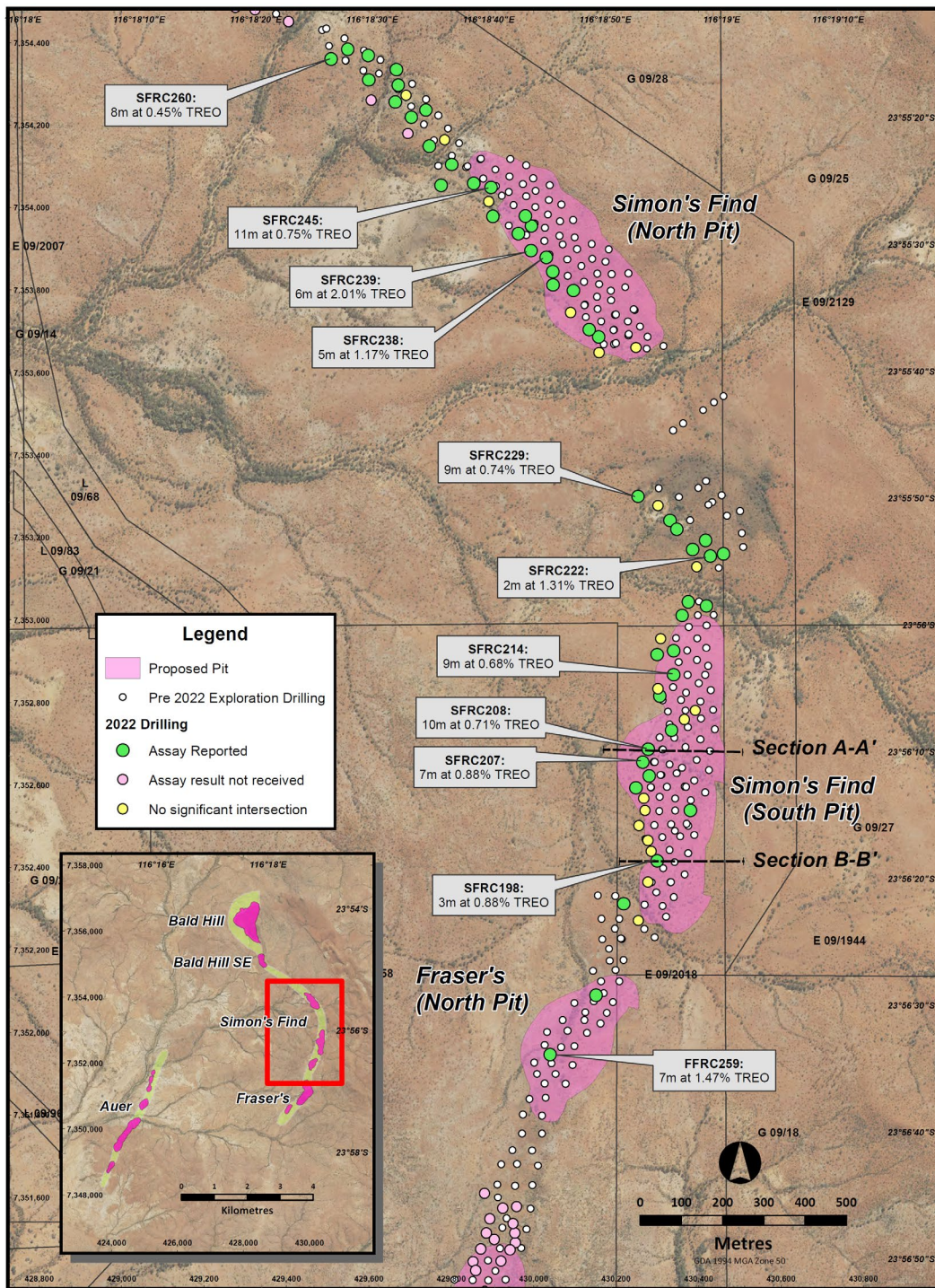


Figure. 1 Location of assay results received from new drilling and existing pit designs.

Hydrological Drilling

The program of Hydrological Drilling which commenced at the SipHon Well Borefield in December was completed in June with four production bores (and associated monitoring bores) completed. Several test bores to allow hydrological modelling of potential ground water impacts from mining of the Simon's Find, Auer and Yangibana resources were also completed. The drilling program has been followed up by a program of pump testing of both the production and the dewatering test bores. This program is expected to be completed in early August.

Project Finance

A process for limited-recourse project finance funding for the Yangibana project was initiated in early 2021 with NAIF (North Australia Infrastructure Facility), KFW IPEX-Bank (German State bank) and Finnvera Oyj (Finland government owned Export Credit Agency) being the three government agencies approached by Hastings with a view to providing a senior debt facility totalling A\$400m.

In February 2022, NAIF provided a board approved loan support for A\$140m subject to pre-completion conditions (refer ASX announcement "*NAIF Approves \$140m Loan for Yangibana Rare Earths Project*" dated 2 February 2022). KFW IPEX-Bank has provided a conditional credit approval for up to US\$130 million in ECA-covered and uncovered/commercial project finance debt. In addition, the company has explored a fixed interest debt option and undertook a US\$350m Nordic Bond market sounding exercise which exceeded expectations.

Hastings has recently received several alternative potential funding proposals from strategic parties that are currently being evaluated and which may alter the proposed final funding and debt-equity structure for the Yangibana Rare Earths Project. With the strong projected demand growth for permanent magnets and therefore NdPr over the next decade, some of the funding discussions revolve around the opportunities emerging for Hastings to participate in downstream processing facilities in Europe.

Commercial

In the last 6 years, Hastings has continued to build on its long-term relationships with European Tier 1 automotive components manufacturer and raw materials traders.

Globally, the challenge of supply chain resilience in the face of mounting geo-political pressures and supply chain disruptions caused by the Covid 19 pandemic has brought critical mineral policies to the forefront of governments around the world. Hastings' pro-Europe strategy has positioned the Company to be a reliable long-term source of supply for critical minerals including NdPr for

manufacturing neodymium boron sintered/bonded magnets, known in the industry as NdFeB magnets.

At the European Raw Materials Alliance conference in Berlin in May this year, the Europeans identified an aspirational target of 30% of NdFeB magnets to be manufactured in Europe by 2030. Hastings' European centric strategy and existing agreements with Schaeffler and thyssenkrupp and other commercial prospects currently in discussions have positioned the company to be a reliable long-term source of supply of rare earth feedstock to the European permanent magnets industry.

Hastings recently commenced early-stage discussions with a few companies around opportunities in Europe to partner on downstream processing of rare earths oxides feeding into NdFeB magnet production. A partnership of this nature would enable Hastings to participate in the end-to-end mine to magnet value chain with feedstock from the Yangibana Rare Earths Project being converted into permanent magnets in Europe. This further enables the company to play its part in the global decarbonisation and electrification thematic.

During this quarter, whilst prices of base and precious metals saw sharp declines, rare earth prices, in particular NdPr oxide remained fairly stable at around USD130 - 140 per kg. In China, where most of the magnetic materials manufacturers are based, reports in the media discussed the ongoing weakness in new energy vehicle sales which may see some softness in NdPr oxide spot prices in the current quarter.

Salaries and fees paid to Directors during the quarter amounted to \$264,000.

This report has been approved by the Board for release to the ASX.

For further information, please contact:

Charles Lew
Executive Chairman
+65 6220 9220

Matthew Allen
Chief Financial Officer
+61 8 6117 8634

Andrew Reid
Chief Operating Officer
+61 8 6117 8621

For media and investor queries, please contact:

Peter Klinger
Cannings Purple
+61 411 251 540
pklinger@canningspurple.com.au

About Hastings Technology Metals Limited

Hastings Technology Metals Limited (ASX: HAS) is a well-managed Perth based rare earths company primed to become the world's next producer of neodymium and praseodymium concentrate (NdPr). NdPr are vital components used to manufacture permanent magnets used every day in advanced technology products ranging from electric vehicles to wind turbines, robotics, medical applications, digital devices, etc.

Hastings' flagship Yangibana project, in the Gascoyne and Pilbara regions of Western Australia, contains one of the most highly valued NdPr deposits in the world with NdPr:TREO ratio of up to 52%. The site is permitted for long-life production and with offtake contracts signed and debt finance in advanced stage. Construction is scheduled to take 27 months from Q3 2022.

Hastings also owns and operates the Brockman project, Australia's largest heavy rare earths deposit, near Halls Creek in the Kimberley.

For further information on the Company and its projects visit www.hastingstechmetals.com

Competent Persons and Qualifying Persons Statement

The information in this report that relates to Exploration Results in relation to the Yangibana Project is based on information compiled by Mr. Andrew Ford BSc (Hons) MAUSIMM, a Competent Person, who is a Member of the Australian Institute of Mining and Metallurgy. Mr. Ford is a full-time employee of the company and has sufficient experience that is relevant to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. The Qualified Person has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in this release. Mr. Ford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX – MINING TENEMENTS HELD AS AT 30 JUNE 2022

YANGIBANA PROJECT			
All tenements are in Western Australia			
Gascoyne Metals Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E09/1989	WA	Granted	Gascoyne Metals Pty Ltd
E09/2007	WA	Granted	Gascoyne Metals Pty Ltd
E09/2084	WA	Granted	Gascoyne Metals Pty Ltd
E09/2086	WA	Granted	Gascoyne Metals Pty Ltd
E09/2095	WA	Granted	Gascoyne Metals Pty Ltd
E09/2129	WA	Granted	Gascoyne Metals Pty Ltd
E09/2137	WA	Granted	Gascoyne Metals Pty Ltd
E09/2334	WA	Granted	Gascoyne Metals Pty Ltd
E09/2364	WA	Granted	Gascoyne Metals Pty Ltd
E09/2403	WA	Granted	Gascoyne Metals Pty Ltd
E09/2404	WA	Granted	Gascoyne Metals Pty Ltd
G09/10	WA	Granted	Gascoyne Metals Pty Ltd
G09/14	WA	Granted	Gascoyne Metals Pty Ltd
G09/23	WA	Granted	Gascoyne Metals Pty Ltd
G09/24	WA	Granted	Gascoyne Metals Pty Ltd
G09/25	WA	Granted	Gascoyne Metals Pty Ltd
L09/66	WA	Granted	Gascoyne Metals Pty Ltd
L09/67	WA	Granted	Gascoyne Metals Pty Ltd
L09/68	WA	Granted	Gascoyne Metals Pty Ltd
L09/69	WA	Granted	Gascoyne Metals Pty Ltd
L09/70	WA	Granted	Gascoyne Metals Pty Ltd
L09/71	WA	Granted	Gascoyne Metals Pty Ltd
L09/72	WA	Granted	Gascoyne Metals Pty Ltd
L09/74	WA	Granted	Gascoyne Metals Pty Ltd
L09/75	WA	Granted	Gascoyne Metals Pty Ltd
L09/80	WA	Granted	Gascoyne Metals Pty Ltd
L09/81	WA	Granted	Gascoyne Metals Pty Ltd
L09/82	WA	Granted	Gascoyne Metals Pty Ltd
L09/83	WA	Granted	Gascoyne Metals Pty Ltd
L09/85	WA	Granted	Gascoyne Metals Pty Ltd
L09/86	WA	Granted	Gascoyne Metals Pty Ltd
L09/87	WA	Granted	Gascoyne Metals Pty Ltd
L09/89	WA	Granted	Gascoyne Metals Pty Ltd
L09/91	WA	Granted	Gascoyne Metals Pty Ltd
M09/157	WA	Granted	Gascoyne Metals Pty Ltd
M09/160	WA	Granted	Gascoyne Metals Pty Ltd
M09/164	WA	Granted	Gascoyne Metals Pty Ltd

M09/165	WA	Granted	Gascoyne Metals Pty Ltd
Tenement	Localit y	Status	Holder/s
M09/165	WA	Granted	Gascoyne Metals Pty Ltd
M09/177	WA	Application	Gascoyne Metals Pty Ltd
M09/179	WA	Application	Gascoyne Metals Pty Ltd
P09/489	WA	Granted	Gascoyne Metals Pty Ltd

Gascoyne Metals Pty Ltd (70%) Joint Venture			
Tenement	Locality	Status	Holder/s
E09/1703	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/1704	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/1705	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/1706	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/2296	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/2298	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
E09/2333	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
G09/11	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
G09/13	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
M09/159	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
M09/161	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)
M09/163	WA	Granted	Gascoyne Metals Pty Ltd (70%) Mojito Resources Limited (30%)

Yangibana Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
G09/26	WA	Granted	Yangibana Pty Ltd
G09/27	WA	Granted	Yangibana Pty Ltd
G09/28	WA	Granted	Yangibana Pty Ltd
L09/96	WA	Granted	Yangibana Pty Ltd
L09/97	WA	Granted	Yangibana Pty Ltd
M09/176	WA	Application	Yangibana Pty Ltd
M09/178	WA	Application	Yangibana Pty Ltd
E09/1700	WA	Granted	Yangibana Pty Ltd
E09/1943	WA	Granted	Yangibana Pty Ltd
E09/1944	WA	Granted	Yangibana Pty Ltd
E09/2018	WA	Granted	Yangibana Pty Ltd
G09/17	WA	Granted	Yangibana Pty Ltd
G09/18	WA	Granted	Yangibana Pty Ltd
G09/20	WA	Granted	Yangibana Pty Ltd
G09/21	WA	Granted	Yangibana Pty Ltd
G09/22	WA	Granted	Yangibana Pty Ltd
L09/93	WA	Granted	Yangibana Pty Ltd
L09/95	WA	Granted	Yangibana Pty Ltd
M09/158	WA	Granted	Yangibana Pty Ltd
M09/162	WA	Granted	Yangibana Pty Ltd

BROCKMAN PROJECT			
All tenements are in Western Australia			
Brockman Project Holdings Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E80/5248	WA	Application	Brockman Project Holdings Pty Limited
M80/636	WA	Application	Brockman Project Holdings Pty Limited
P80/1626	WA	Granted	Brockman Project Holdings Pty Limited
P80/1627	WA	Granted	Brockman Project Holdings Pty Limited
P80/1628	WA	Granted	Brockman Project Holdings Pty Limited
P80/1629	WA	Granted	Brockman Project Holdings Pty Limited
P80/1630	WA	Granted	Brockman Project Holdings Pty Limited
P80/1631	WA	Granted	Brockman Project Holdings Pty Limited
P80/1632	WA	Granted	Brockman Project Holdings Pty Limited
P80/1633	WA	Granted	Brockman Project Holdings Pty Limited
P80/1634	WA	Granted	Brockman Project Holdings Pty Limited
P80/1635	WA	Granted	Brockman Project Holdings Pty Limited

OTHER			
All tenements are in Western Australia			
Ark Gold Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E09/2385	WA	Granted	Ark Gold Pty Ltd
E09/2399	WA	Granted	Ark Gold Pty Ltd