



ASX Announcement

27 February 2023

YANGIBANA RARE EARTHS PROJECT UPDATE

Highlights

- Significant progress during last two months on enabling construction and ordering of long lead critical items.
- A total of \$146 million contractual commitments has been made to date, demonstrating the high degree of confidence by the Hastings Board in the future of the Yangibana project.
- Ore Reserves increased 25% to 20.93Mt at 0.90% Total Rare Earth Oxide (TREO) grade, increasing mine life to 17 years.
- Senior management appointments in the last two months include: Rudolph van Niekerk as COO; Robert Klug as General Counsel; and Tim Gilbert as General Manager Operations. Recruitment is underway for Project Director and the CFO position, following the recent career move by Matthew Allen.
- Cost and schedule review identified potential areas for construction contracting model restructuring, optimisation and de-risking.
- Recent engagement of Boston Consulting Group (BGC) to assist in further investigating the merits of an integrated mine to magnets strategy and exploration of partnership opportunities.

Australia's next rare earths producer Hastings Technology Metals Ltd (**ASX: HAS**) (**Hastings** or the **Company**) is pleased to provide the following update on key activities associated with the development of the Yangibana Rare Earths Project, located in the Upper Gascoyne and Pilbara regions of Western Australia.

Hastings' flagship Yangibana Project (which comprises a mine and beneficiation plant at the Yangibana site, and a hydrometallurgical plant at Onslow), with an annual production volume of 15,000 tonnes of mixed rare earth carbonate (MREC) contains one of the most highly valued Neodymium/Praseodymium ("NdPr") deposits in the world with NdPr:TREO ratio of up to 52% in some areas. The Project is permitted for long-life production and with offtake contracts signed and debt finance in advanced stage. First shipment of MREC on ship is targeted by mid-2025, subject to final approvals and completion of funding requirements.

Charles Lew, Hastings' Executive Chairman, said: *"Since the discovery of our exceptional ore body in mid 2014, I have persisted on the advancement of this project from exploration to mine construction currently underway and ultimately production in 2025. Our financial position is strong – there is a cash balance of ~\$150m, debt funding is advancing as planned and we are working to close on an additional facility of approximately \$200m to co-join with NAF under a senior secured debt facility. The fundamental strength of this Project is largely attributed to*

having been gifted with an exceptionally high NdPr ratio which drives our project economics. As we focus on this current phase of mine construction into production, the patience of shareholders will soon be rewarded”.

“I have no doubt that the high calibre management team that our new CEO, Alwyn Vorster, has assembled will provide the skills and experience needed for this critical next phase of our development. We would like to congratulate the entire Hastings team on navigating this complex change process on the pathway to full-scale construction. I acknowledge the contribution of the Hastings team to date, and thank our CFO, Matthew Allen, for his efforts and wish him well for the future.”

Activities at both the Yangibana mine site and Onslow hydrometallurgy plant site were progressively ramped up throughout the last three months to ensure readiness for the start of main construction, anticipated to commence around mid-2023.

YANGIBANA ENABLING WORKS

Enabling works commenced in 2022 to build the site infrastructure required to support the workforce and logistics required for the mine development and construction of the beneficiation plant. Significant progress has been made on these activities since December 2022, and the site will be ready for main construction to commence around mid-2023. As of February 2023, early works progress at Yangibana is approximately 70% completed, including:

- Site Access Road: Construction of ~25km access road alignment trafficable with two lanes to connect with shire road network – 80% complete.
- Kurbilli Accommodation Village: 126 of 300 beds are in place and supplied with power – 80% complete.
- Yangibana Airstrip: Construction progressed to 80% completion – will allow for up to 70-seater aircraft.
- Communications: A series of communication towers installed to allow permanent high speed communication with site – 100% complete.
- Additional enabling works contracts such as the civil works for beneficiation plant area will be awarded in March-23.



Figure. 1 Mine Site Airstrip: nearing completion and first operations.



Figure. 2 Kurbilli Accommodation Village: Phase 1 and 2 taking shape.



Figure. 3 SipHon borefield in operation



Figure. 4 Communications backbone for Yangibana site operational

ONSLOW EARLY WORKS ADVANCED

At February 2023, early works at Onslow represent ~25% completion, and included:

- Completion of the site geotechnical investigation activities to support final earthworks and civil design.
- Completion of enabling works at the Onslow water bore site, including site earthworks and construction of office establishment.
- Commitment for accommodation with Discovery Parks for approximately 200 rooms through the 24 months construction period.

RESOURCE AND RESERVES GROWTH STRATEGY

The last few months continued Hastings’ long standing track record of expanding the Yangibana JORC Resources and Ore Reserves since the initial drilling occurred in 2014. This can be summarised as follows.

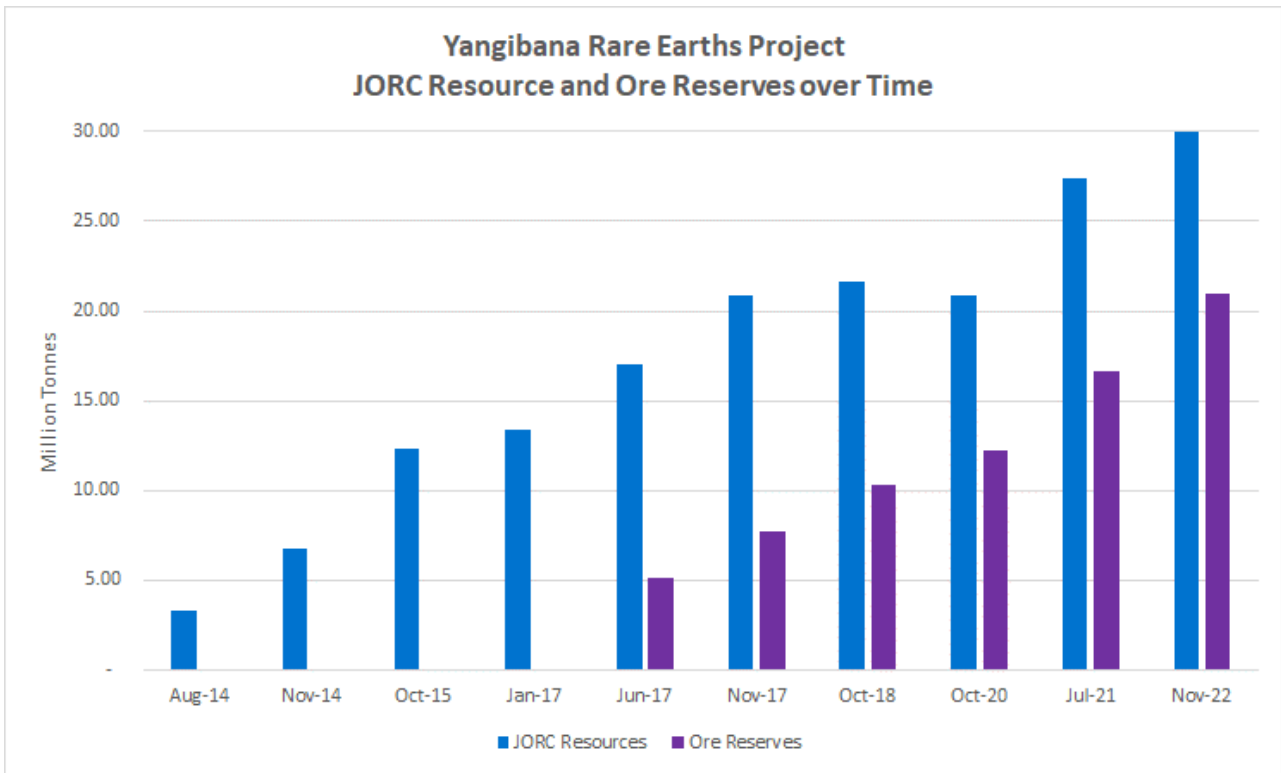


Figure. 5 Yangibana Rare Earths Project JORC Resource and Ore Reserves over time

An Exploration Target of 40-60Mt at 0.7-1% total rare earth oxides (TREO) for the 2023 exploration program is currently being scoped. Only 36% of the 66km of potential ironstone veins have been drilled to resource status at the Yangibana Project. Veins drilled to resource status are shown in green; veins and potential extensions are shown in orange (Figure 6). Potential is high to identify additional veins once additional geophysics surveys are flown over peripheral areas.

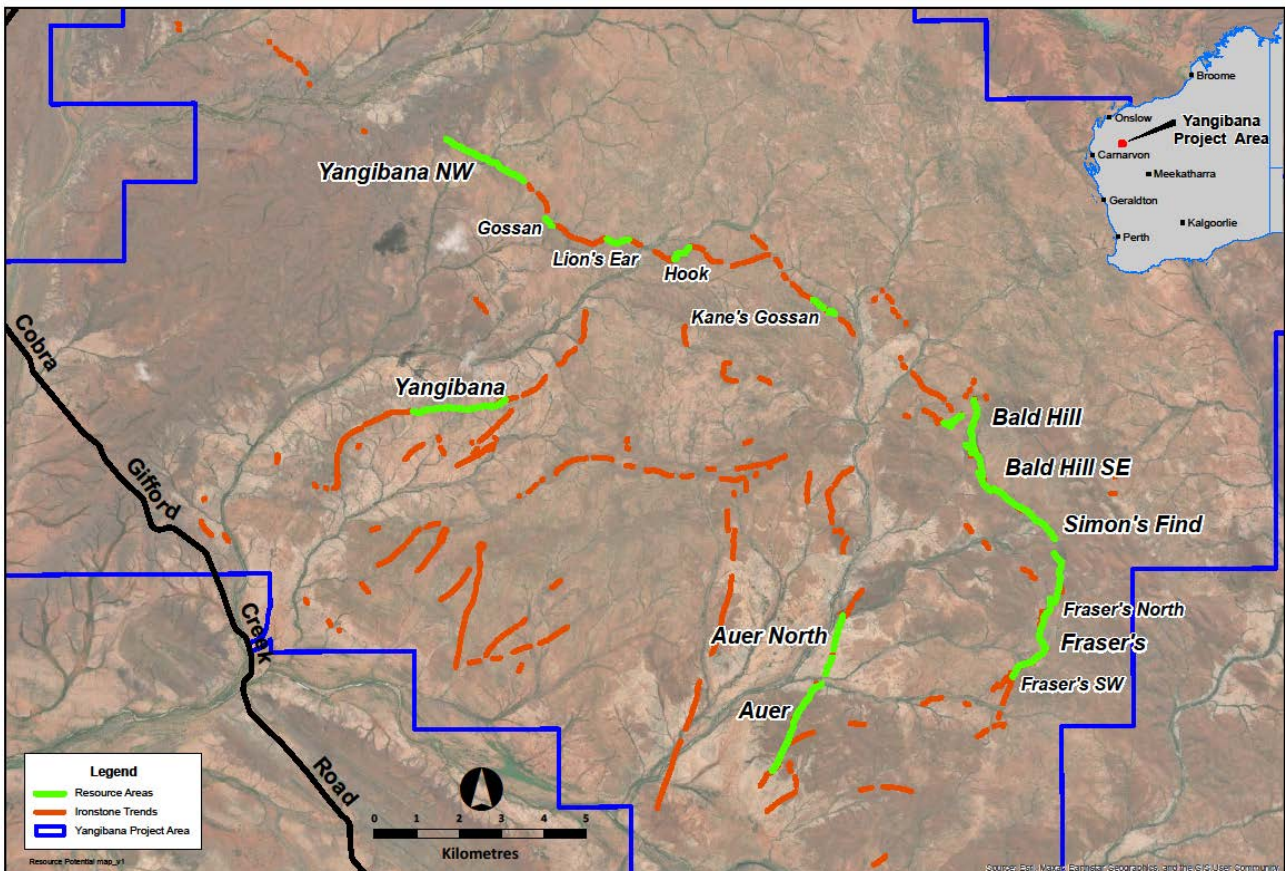


Figure. 6 Exploration Target.

KEY MANAGEMENT UPDATES

Hastings has been successful in engaging the required management skills to take the Yangibana Project into construction and beyond.

In late November 2022, the Hastings Board recruited the company's first Chief Executive Officer, Mr Alwyn Vorster, who has extensive resource industry experience. Mr Vorster's mandate is to review the current project contracting strategy and its resulting cost & schedule, strengthen the Hastings management team and lead the team into the main construction phase to deliver Hastings 1.0.

Some of the important senior management additions in the last two months include:

- Chief Operating Officer (and currently acting Project Director) – Mr Rudolph Van Niekerk. Rudolph has extensive mining and resource development experience, most recently in the roles of CEO, COO and Project Director at Kalium Lakes Ltd.
- Project Director – recruitment underway
- GM Operations – Mr Tim Gilbert. Tim comes to Hastings with over thirty years' operational experience in the minerals industry across commodities including lithium, copper, nickel, gold and diamonds. Tim most recently held the position of GM Operations at the Mt Holland lithium operation of the Covalent JV where he managed more than 250 employees and contractors at site.
- General Counsel – Mr Robert Klug. Rob has extensive experience in general counsel and company secretary roles in the mining and resources sector, including over nine years with Sandfire Resources Ltd.
- General Manager Project Cost Controls (acting) – Ms Freya Hunt-Davies. Freya is a qualified CPA and was most recently Project Controls Lead at Calibre Engineering. Her prior experience includes finance management roles at Tronox and Johnson & Johnson.
- GM Communities and Government Relations – Mr Vinca Catania. Vince was previously a Member of the WA Parliament for nearly 18-years representing the Gascoyne and Pilbara areas.
- Project Manager – Onslow – Mr Kai Zenker. Kai has more than 30-years' experience as a constructor having successfully led numerous studies and delivered projects including industrial process plants, mining, infrastructure, roads and ports.
- Project Manager – Yangibana – Mr Gareth Fleming. Gareth is a civil engineer and construction professional with extensive project management experience. His project experience includes senior manager roles with BCI Minerals' Mardie Project, Rio Tinto (Gudai-Darri).

Very recently, Hastings CFO, Mr Matthew Allen, advised that he will leave the company in April to pursue a career development opportunity in the lithium sector. Since joining Hastings in January 2021, Mr Allen has successfully promoted the Yangibana project, built the finance team capability to support construction and worked actively to secure the financing required to advance the project to final investment decision. This work has supported more than A\$280 million in equity being raised along with the commitment of project financing capital from key lenders such as the Northern Australia Infrastructure Facility.

Mr Allen commented: *“I wish the Board and Management of Hastings every success in the development of the Yangibana rare earths project and the potential for downstream expansion into permanent magnets. It has been a privilege to work with Mr Charles Lew and the Hastings Team as the Yangibana rare earths project has matured to become Australia’s next rare earth project.”*

FUNDING AND HASTINGS 2.0

Since the appointment of the CEO in late November 2022, the Executive Chairman, Mr Charles Lew, is primarily focused on funding initiatives for Hastings 1.0, as well as developing the business case for the creation of an integrated mine-to-magnet strategy ie. Hastings 2.0. Accordingly, the company has recently engaged Boston Consulting Group to assist in further investigating the merits of an integrated mine to magnets strategy and exploration of partnership opportunities.

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

For further information, please contact:

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About Hastings Technology Metals Limited

Hastings Technology Metals Limited (ASX: HAS) is a Perth based rare earths company primed to become the world's next producer of neodymium and praseodymium concentrate (NdPr). NdPr are vital components in the manufacture of 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 (which comprises a mine and beneficiation plant at the Yangibana site, and a hydrometallurgical plant at Onslow), 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 Project is permitted for long-life production and with offtake contracts signed and debt finance in advanced stage. First product on ship is targeted for 1H 2025.

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 Person Statements

The information in this announcement that relates to Mineral Resources is based on information compiled by David Princep and Lynn Widenbar. Both Mr Princep and Mr Widenbar are independent consultants to the Company and members of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Princep and Mr Widenbar have sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Consent by Mr Widenbar to include statements in this announcement have been provided in previous announcements entitled "Increase in Measured and Indicated Resources at Yangibana Project" dated 28 November 2018.

The information in this announcement that relates to the Ore Reserves at Bald Hill, Fraser's, Auer, Auer North, Yangibana, Yangibana West and Yangibana North is based on information reviewed or work undertaken by Mr. Stephen O'Grady, member of the Australasian Institute of Mining and Metallurgy, and a Director of Intermine Engineering Consultants. Mr O'Grady has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the preparation of mining studies to qualify as a Competent Person as defined by the JORC Code 2012. Mr O'Grady consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The scientific and technical information in this announcement and that relates to process metallurgy is based on information reviewed by Ms. Narelle Marriott (Manager – Process Development) of Hastings Technology Metals Limited. Ms. Marriott is a member of the AusIMM. She has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the JORC Code 2012. Ms. Marriott consents to the inclusion in this announcement of the matters based on her information in the form and context in which it appears.

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.