



ASX Announcement

31 May 2023

YANGIBANA PROJECT UPDATE

Staged development strategy to reduce project delivery risk and enable faster pathway to cash flow

HIGHLIGHTS

- Results of the project capital and delivery model review support a staged development strategy for the Yangibana Rare Earths Project
- This strategy will reduce upfront capital requirements and project execution risks as well as providing a faster pathway to cash flow by Q1 2025
- Initial focus will be on construction of the Yangibana mine and beneficiation plant to produce rare earths concentrate (Stage 1), followed by development of a hydrometallurgical plant to produce mixed rare earth carbonate (Stage 2)
- Total project capital cost is now estimated at \$948m, with the Stage 1 component being \$470m (a 40% increase to the estimate from 2020/21)
- Fixed price contracting model aims to minimise risk of further capital cost increases, demonstrated by the recent arrangement with GR Engineering for construction of the beneficiation plant
- Beneficiation plant construction to commence in Q3 CY2023, supporting Stage 1 concentrate delivery target date of Q1 CY2025
- Concentrate offtake discussions underway with rare earth oxides producers in Australia and offshore with a view to concluding firm contracts prior to drawdown of project finance debt in early 2024
- Potential for strong Stage 1 financial returns with post-tax NPV₁₁ of \$538m, an IRR of 27.54% and average annual EBITDA of \$174m providing a funding source for Stage 2.

Hastings Executive Chair, Mr Charles Lew, said:

“The Yangibana Rare Earths Project is one of the world’s most advanced greenfield rare earth projects and is well-timed to meet the forecast supply gap for magnet rare earth elements which are required to support the global transition to clean energy.

“A comprehensive project review undertaken by our new experienced management team has confirmed that this world-class project remains financially and operationally robust, with the investment in a Stage 1 mining and beneficiation plant being a compelling proposition.”

“The implementation of a two-stage development strategy for Yangibana will lower the upfront capital funding requirements, reduce the project execution risk and enable a faster pathway to early project cash flows which can be used to fund Stage 2 plant construction.”

Australia’s next rare earths producer, Hastings Technology Metals Ltd (ASX: HAS) (Hastings or the Company), is pleased to provide an update on the outcomes of a review of the implementation plan for the Yangibana Rare Earths Project (Yangibana) in Western Australia. The review commenced during Q1 CY2023 with the objectives of mitigating scheduling and project execution risks and defining the capital cost for the beneficiation plant and hydrometallurgy plant.

STAGED DEVELOPMENT STRATEGY

The key strategic outcome of the review is the staging of the development of the Yangibana mine and beneficiation plant in the Gascoyne region, followed by the construction of the planned hydrometallurgical plant at Onslow in the Pilbara region.

Hastings considers that a staged development of the Yangibana Project is the optimum strategy to allow the production of first concentrate in Q1 CY2025 and a faster pathway to cash flow which can be used to support funding of the hydrometallurgy plant.

Under the new strategy, the Yangibana Project will be developed in two stages:

- Stage 1: Develop Yangibana mine and beneficiation plant to produce 37,000 tpa of rare earth concentrate and achieve first concentrate on truck by Q1 CY2025
- Stage 2: Develop Hydrometallurgy plant at Onslow to produce 15,000 tpa of Mixed Rare Earth Carbonate (59% REO grade)

Construction for Stage 1 is expected to commence in Q3 CY2023 following the completion of early works and site infrastructure currently at late stages of completion. The timing of the second stage development will be determined after Stage 1 beneficiation plant has commenced.

UPDATED CAPITAL AND OPERATIONAL ESTIMATES

Reflecting the outcome of the project review, the capital estimate for Stage 1 and 2 of the Yangibana Project is revised to \$948m, which is an approximate 44% increase on a like-for-like basis to the estimates from 2020/21 (announced in February 2022). The increase reflects industry cost inflation, project scope refinement and design growth and third-party imposed conditions. The estimated capital cost of \$470m for Stage 1 includes a contingency of \$54m.

Taking into account capitalised operating expenditure, general and administrative costs, corporate costs, operational readiness, holding costs for Onslow, capitalised interest and funding costs, the total funding requirement for Stage 1 is \$770m, of which \$87m has been expended on early infrastructure works.

Table 1: Construction Phase Summary

	Stage 1	Stage 2
Main construction start	Q3 2023	Q3 2026
Construction completion	Q4 2024	Q4 2027
Total capital costs	\$470m ¹	\$478m
Capital costs incurred	\$87m	\$25m

¹ Includes contingency

An approximate 30% increase in the estimated operational expenditure for Stage 1 is broadly in line with market conditions, including labour and supply chain costs and price increases for the reagents required for processing.

Table 2: Operations Summary

	Stage 1	Stage 2
Life Of Mine (LoM)	17 years (Initial 3 years)	17 years (14 years from Stage 2)
Production start	Q1 2025	Q1 2028
Production end	Q1 2028 (Start of Stage 2)	Q3 2041
Production		
Stage 1 – Concentrate	92,953t (Initial 3 years)	191,848t (14 years)
Stage 2 – Mixed Rare Earth Carbonate		
Contained TREO	25,097t (Initial 3 years)	113,190t (14 years)
Contained NdPr	10,295t (Initial 3 years)	39,702t (14 years)

PROJECT ECONOMICS

The Stage 1 project delivers attractive forecast economic returns on a standalone basis, which will be further enhanced by the future Stage 2 investment.

The pricing scenarios being considered for Stage 1 product include sales to Mixed Rare Earth Carbonate producers via (i) China benchmark price (via Asian Metals published prices) or (ii) tolling arrangement or (iii) profit sharing basis based on the producers' realised oxides price. The current assumption for financial modelling purposes is that a profit-sharing arrangement will apply, net-backed to cover both parties' costs.

Table 3: Key Financial Metrics³

	Stage 1 (Standalone)	Stage 2 (from Stage 2 FID)
Post-tax NPV₁₁ (ungeared)	\$538m	\$1,018m
Post-tax IRR (ungeared)	27.54%	50.93%
Payback period	4.4 years	2.1 years
Net revenue (LOM)	\$7,201m	\$11,098m
Free cash flow (LOM)	\$1,835m	\$2,443m
Average EBITDA per annum	\$174m	\$251m

³ **Key Assumptions**

REO price: Stage 1 (~US\$24/kg assuming profit sharing model whereby HAS receives a price (real terms) of \$18-28/kg). Stage 2 (Blend of three Market Consultants' forecasts including Wood Mackenzie, Adamas Intelligence and CRU (10-year average: US\$129/kg NdPr)

FX: A\$/US\$ 10-year (1st 10 years: 0.68), Forward curve thereafter (Bloomberg)

Discount Rate: Nominal, Post-Tax, 10.70% (equates to 8% real)

Valuation Dates: Stage 1 (1-Jul-23), Stage 2 FID (1-Jul-26)

NPV excludes >\$100m sunk costs since Feb-22 (~\$90m attributable to Stage 1 capital costs)



BASIS OF ESTIMATE

The updated capital cost estimate pricing was obtained in first quarter of 2023 and is in Australian dollars (A\$). The overall capital estimate has an estimated accuracy of -10/+15%. The operating cost estimate is based on current industry rates for mining, labour costs for an owner operator model and updated market pricing for reagents and consumables. It also includes factored allowances for maintenance and other relevant costs.

CONTRACTOR DELIVERY MODEL

To give greater certainty to the capital estimate and delivery schedule, Hastings chose to adopt a fixed price contract model which reduces overall project risk and limits further increases to the project's capital cost.

In line with this strategy, the original Engineering, Procurement and Construction Management (EPCM) model for the beneficiation plant was recently replaced with an Engineering, Procurement and Construction (EPC) delivery model. This had the result of replacing approximately 260 separate Stage 1 construction packages with a single, fixed price estimate with a single provider.

On 3 May 2023, Hastings announced it had entered into a binding EPC terms sheet with GR Engineering (GRES) for the delivery of the Yangibana beneficiation plant and associated infrastructure.

The \$210m contract is lower than cost estimates for an equivalent scope under the current EPCM model and includes:

- A fixed price component of \$180m for the beneficiation plant; and
- A provisional component of \$30m, mainly for earthworks associated with the beneficiation plant and tailings storage facility.

The EPC contract offers additional benefits and lowers risk in multiple areas, compared with the EPCM model, including guarantees on time, cost and product quality with first concentrate delivery in Q1 CY2025.

YANGIBANA PROJECT UPDATE

Early infrastructure works at Yangibana are in the final stages, ahead of the commencement of main construction in Q3 CY2023, including:

- **Kurrbili Accommodation Village:** Stage 1 which includes the first 126 of 298 rooms, kitchen, messing facilities, medical centre, administration buildings and gym will be ready for occupancy in May 2023 – 90% complete.
- **Yangibana Aerodrome:** 2km landing strip completed – allowing for up to 70-seater aircraft, first flight to Yangibana airstrip on 18 May 2023. Aerodrome buildings to be completed in August 2023.
- **SipHon borefield and pipeline:** works are underway on water infrastructure, which will supply water to the village, mine and construction works – 50% complete.
- **Site Access Road:** Construction of ~25km access road alignment trafficable with two lanes to connect with shire road network – 80% complete.
- **Communications:** A series of communication towers installed to allow permanent high speed communication with site – 100% complete.
- **Engineering design:** progress achieved for the Yangibana beneficiation plant - 60% complete and handed over to the new EPC contractor (GRES) for completion by August 2023.

NEXT STEPS

In addition to the early site works detailed above, a three-month early works agreement is now in place for the beneficiation plant and infrastructure work, allowing GRES to immediately commence work on site, ahead of the final agreement being finalised and the start of main construction in Q3 CY2023.

Hastings signed a binding offtake contract with Thyssenkrupp AG in April 2021 for up to two thirds of its annual production volume⁴. To support the staged development strategy, concentrate offtake discussions with rare earth oxides producers in Australia and offshore are underway with a view to concluding firm contracts prior to drawdown of project finance debt.

Discussions to finalise the debt funding to support Stage 1 are well-advanced with lenders. NAIF's Board has approved a \$220m loan facility for the Yangibana Project under a single stage combined beneficiation and hydrometallurgical plants construction⁵. In addition, EFA has provided a letter of support to lend up to \$100m for the Project⁶. A letter of support for up to \$50m in funding has been received from a major international bank. Hastings is working with existing lenders and other financiers to finalise a project funding package for Stage 1 by the end of September 2023.

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

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⁴ See ASX Release 'Hastings signs major offtake contract with thyssenkrupp Materials Trading GmbH', dated 20 April 2021

⁵ See ASX Release 'NAIF Increases Financial Support for Yangibana Rare Earths Project to A\$220 million', dated 17 January 2023

⁶ See ASX Release 'Letter of Support secured from Export Finance Australia for \$100m loan', dated 21 March 2023

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% in some areas of the orebody. The Project is permitted for long-life production and with offtake commitments signed and debt finance in advanced stage.

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

Australia's Next Rare Earths Producer



Yangibana Rare Earths Project

Staged development strategy



Importance notices and disclaimer

All currency amounts are in A\$ unless stated otherwise

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Competent Persons’ Statement

The information in this release that relates to Mineral Resources is based on information compiled by David Princep and Lyn 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”).

The information in this announcement that relates to the Ore Reserves at Bald Hill, Simon’s Find, Fraser’s, Auer, Auer North, Yangibana 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 (General Manager Process Development) of Hastings Technology Metals Limited. Ms. Marriott is a member of the AusIMM and 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 owns shares in the company and participates in the company employee share plan. Ms. Marriott consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results in relation to the Yangibana Project is based on information compiled by Mr. Andrew Ford BSc (Hons), a Competent Person, who is a member of the Australian Institute of Mining and Metallurgy. Mr. Ford 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 announcement of the matters based on his information in the form and context in which it appears.

Corporate overview

Developing the world-class Yangibana Rare Earths Project in Western Australia

Share price¹

\$2.10

Shares on issue

129.2m

Market capitalisation

\$271m

Cash at 30 April 2023

\$129m

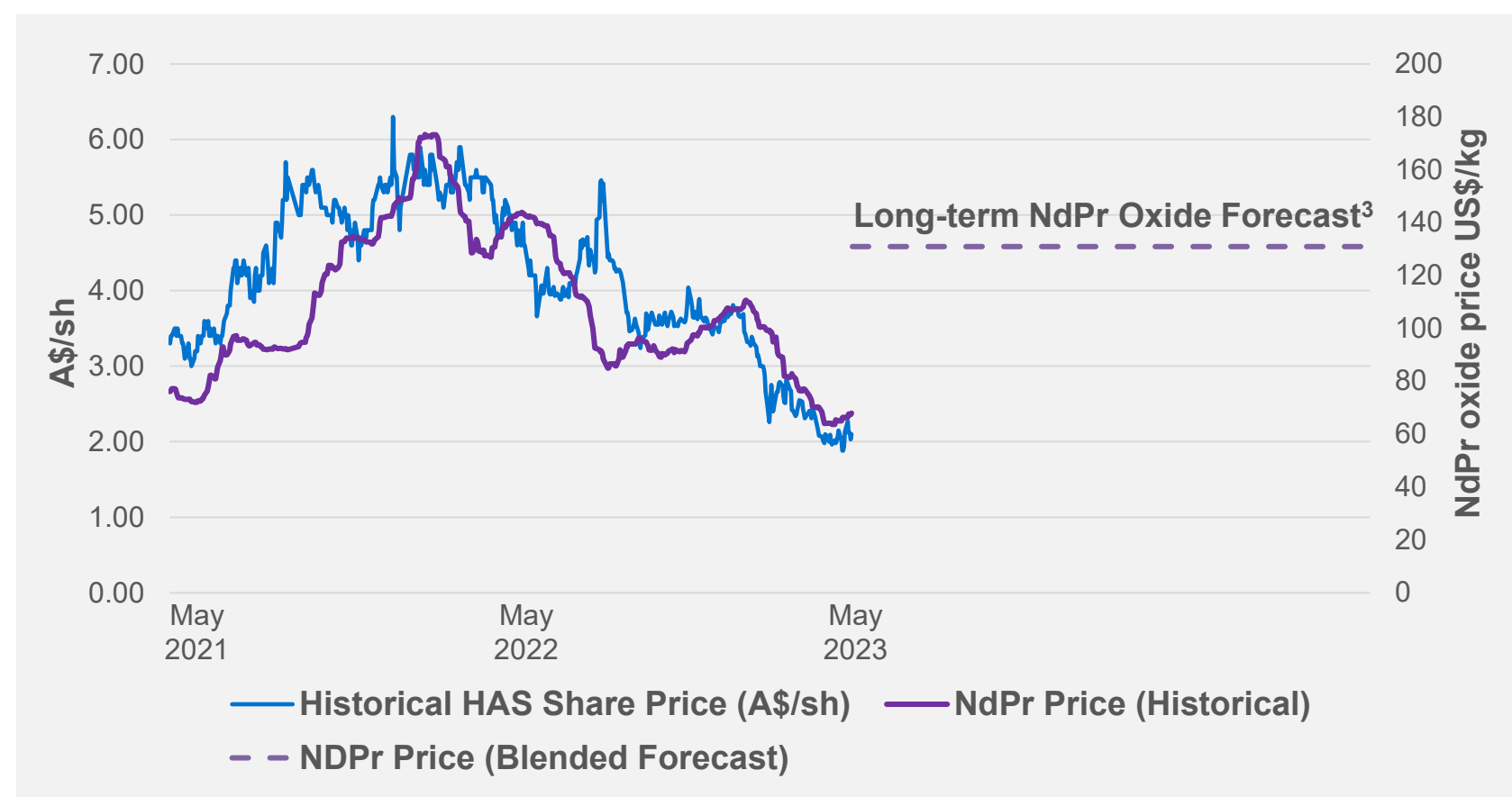
Exchangeable bonds to Wyloo

\$150m

Enterprise value

\$292m

HAS 12-month share price vs NdPr oxide price²



Key shareholders

L1 Capital	11.8%
Top 20 Shareholders	44.7%
Board and Management	5.5%

Key assets

Yangibana Project	Western Australia
Brockman Project	Western Australia
19.9% holding in Neo Performance Materials Inc (TSX:NEO)	Canada

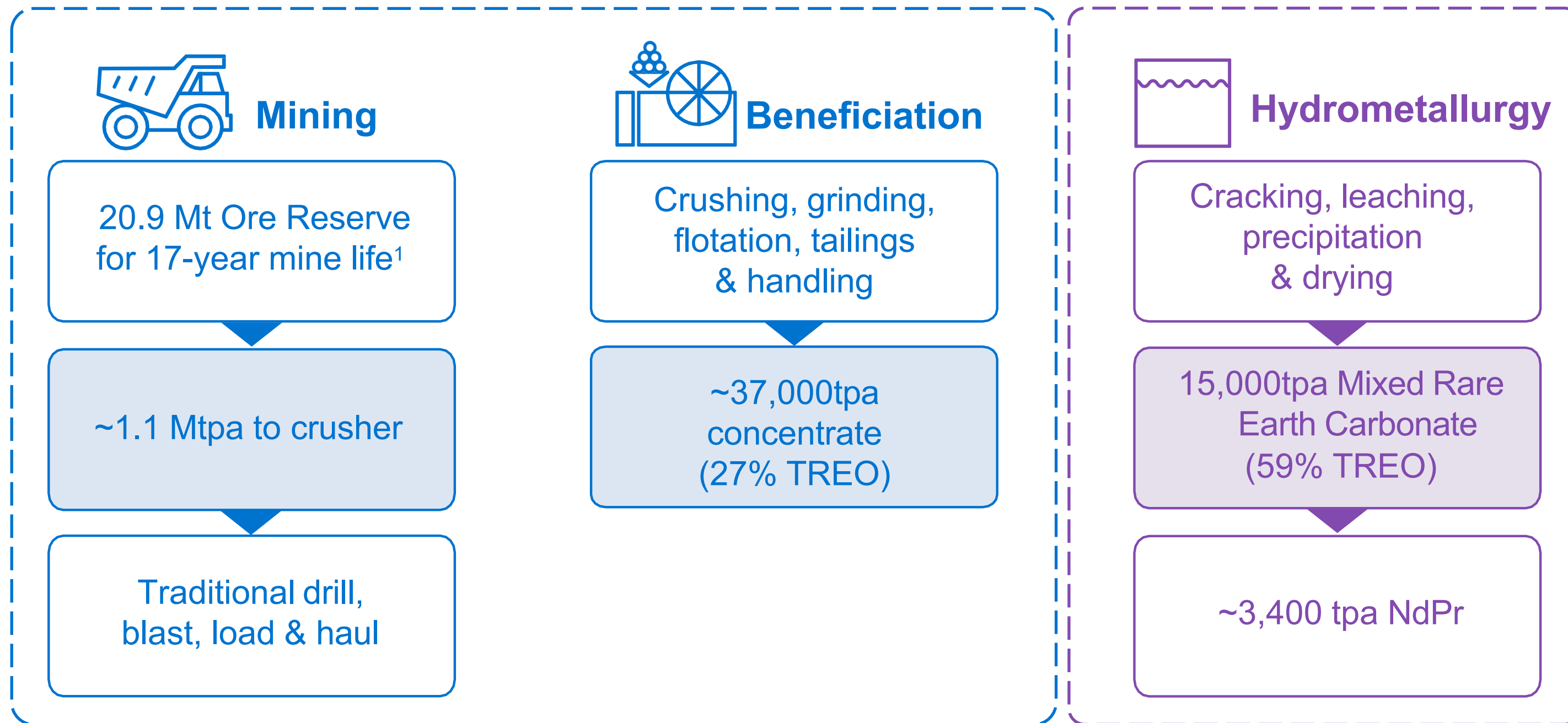
¹ As at 26 May 2023

² Asian Metal NdPr oxide ex-works price (daily) in RMB/kg converted to USD

³ Blended NdPr oxide long-term price forecast (Woodmac, CRU, Adamas Intelligence)

Yangibana overview

Proven and de-risked flowsheet initially producing a concentrate, followed by a high-value mixed rare earth carbonate to global market



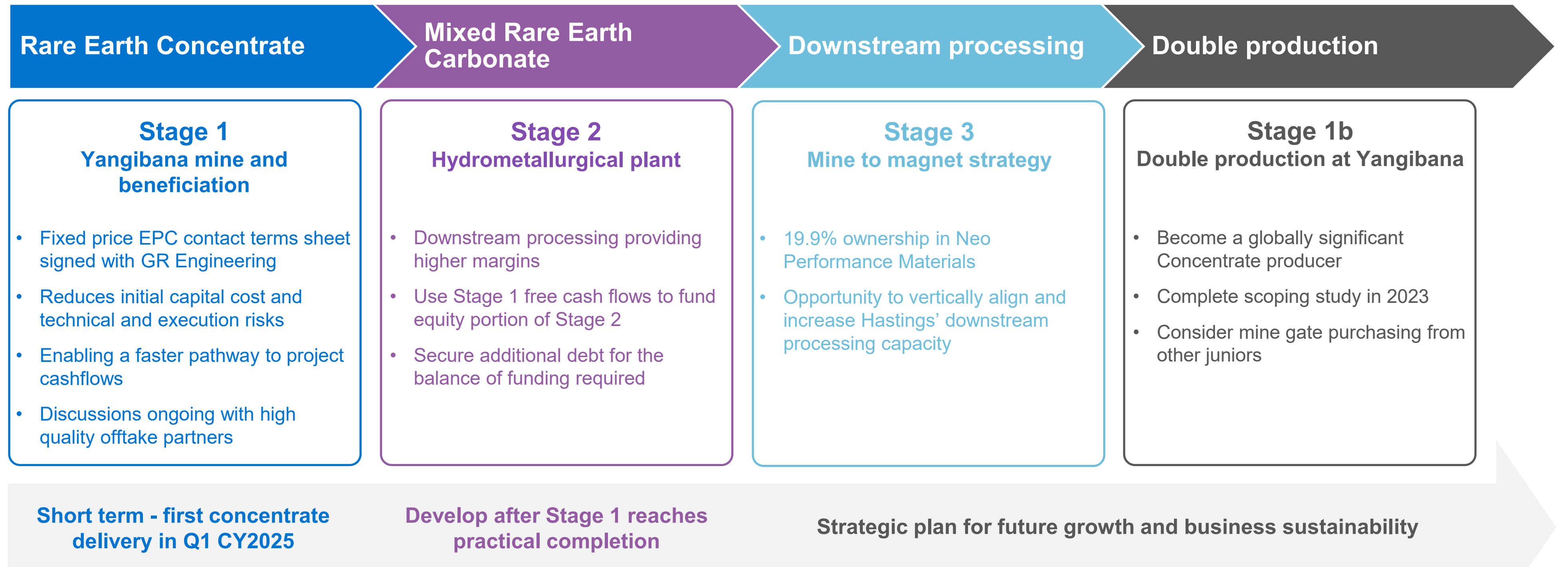
¹ Refer ASX announcement "Yangibana Ore Reserves Increase by 25%", dated 6 February 2023. Mine Life based on new Ore Reserve estimate.



Staged development strategy

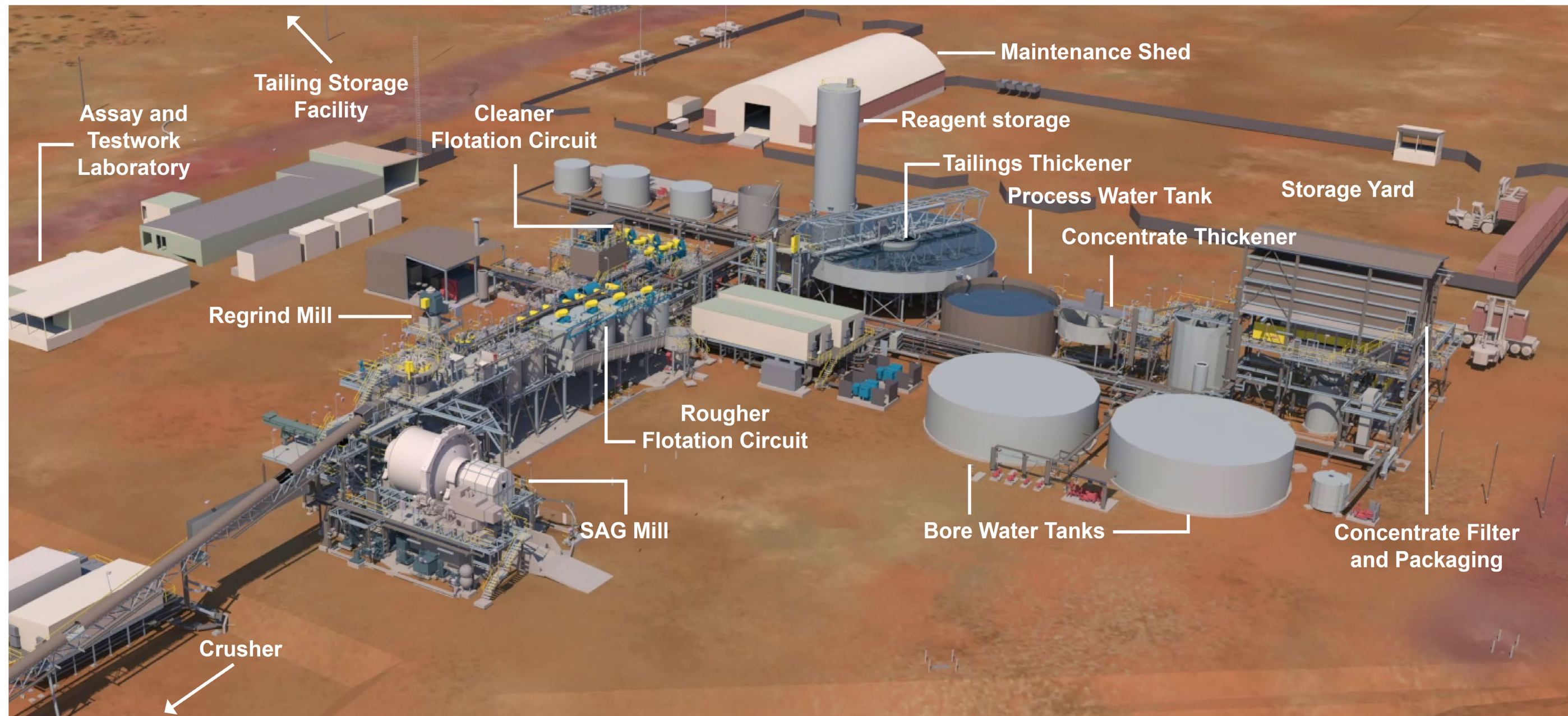
Staged development strategy

Enhanced two-stage delivery model supporting a de-risked pathway to becoming Australia's next rare earths producer by Q1 CY2025



EPC delivery model reducing risk

Fixed price EPC contract for the beneficiation plant



GR Engineering

~\$210m binding terms sheet entered with final form contract to be completed shortly

De-risks delivery

Offers additional benefits and lowers risks in multiple areas compared to previous EPCM model:

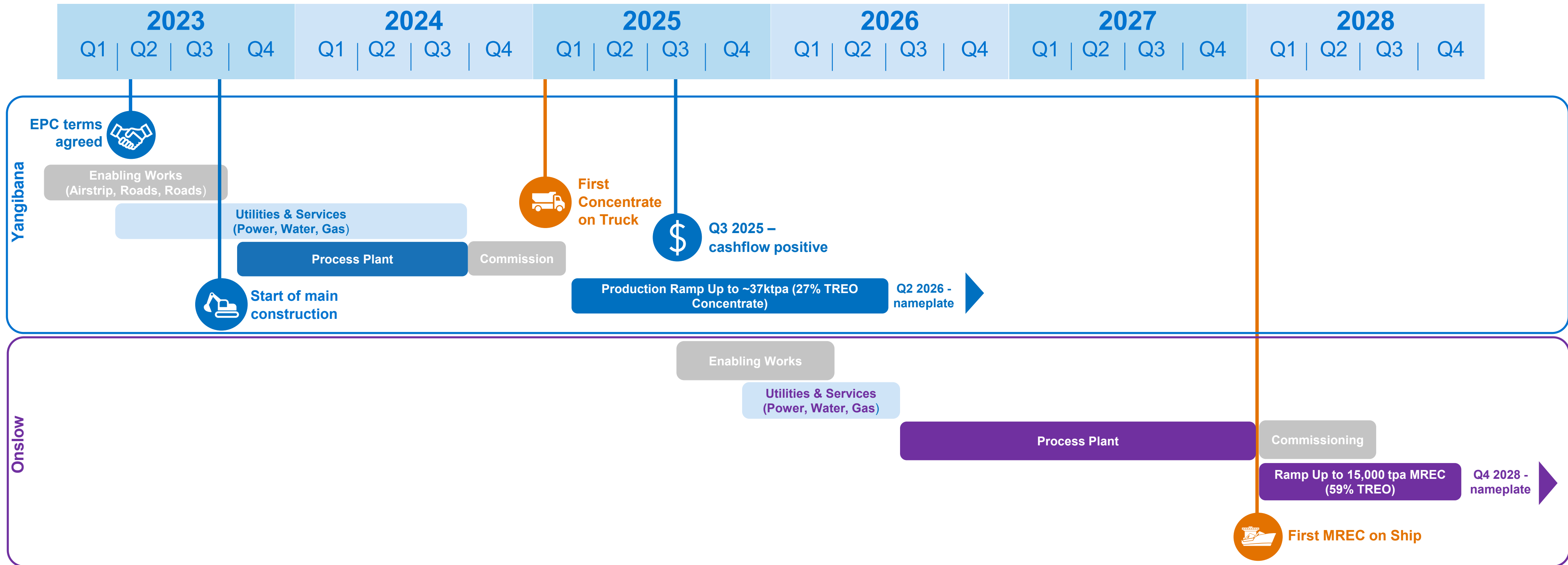
- Cost significantly lower
- Completion 3-months quicker
- Construction packages reduced
- Process and product quality guarantees

Timeframe

Greater certainty with practical completion by December 2024 and first concentrate sale in Q1 CY2025

Project execution schedule

Staged Development Strategy enabling a quicker and lower risk pathway to cashflow to support funding of Stage 2



Staged construction and production metrics

Results of comprehensive project review to reduce overall project delivery risk

	Stage 1 Yangibana mine and beneficiation plant	Stage 2 Hydrometallurgical plant
CONSTRUCTION PHASE		
Main construction start	Q3 2023	Q3 2026
Construction completion	Q4 2024	Q4 2027
Total capital costs	\$470m ¹	\$478m
Capital costs incurred	\$87m	\$25m
OPERATIONS		
Life of mine	17 years (Initial 3 years)	17 years (14 years from Stage 2)
Production start	Q1 2025	Q1 2028
Production end	Q1 2028 (start of Stage 2)	Q3 2041
Production Stage 1 – Concentrate Stage 2 – Mixed Rare Earth Carbonate	92,953t (Initial 3 years)	191,848t (14 years)
Contained TREO	25,097t (Initial 3 years)	113,190t (14 years)
Contained NdPr	10,295t (Initial 3 years)	39,702t (14 years)

Project capital cost

- Capital cost for Stage 1 and 2 of \$948m, representing a 44% increase from 2020/21 estimates
- Phased into two stages to de-risk project, generate early cash flow and lower upfront funding requirement
- Significant advancement of early infrastructure works reducing remaining Stage 1 capital cost to \$383m (incl contingency)
- Stage 2 equity partially or completely funded from Stage 1 concentrate sales

Production

- Circa 8Ktpa TREO and 3Ktpa NdPr for both Stage 1 and 2
- Total NdPr over LOM increased to 50Kt (from 43.3Kt in February 2022) due to mine life extension from 15 to 17 years

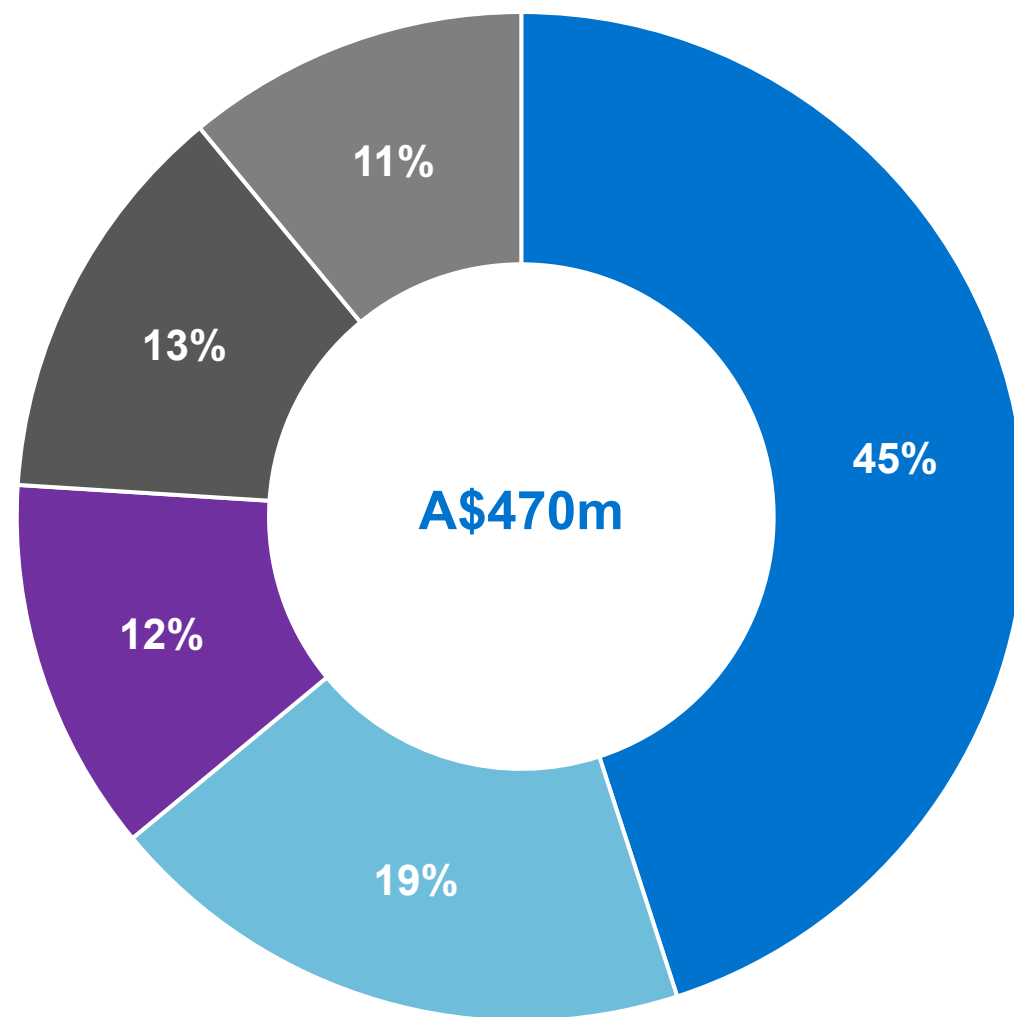
¹ Includes contingency

² Capitalised operating expenditure, G&A, Corporate, Operational Readiness, Onslow holding costs, capitalised interest and funding costs

Stage 1 capex estimates

Capital intensity per % NdPr produced remains competitive with other developers

Stage 1 capital cost (~A\$470m)



- Processing Plant (GRES contract)
- Enabling works
- Hastings Project Mgt
- Other indirects
- Contingency

CAPEX	Total Cost (A\$M)	Total Cost (US\$M)	%
Processing Plant (and NPI)	210	143	45
Enabling Works ¹	88	60	19
Subtotal - Direct Capital Cost	298	203	64
Hastings Project Mgt	58	40	12
Other Indirects ²	59	40	13
Subtotal - Indirect Capital Cost	117	80	25
Contingency/Reserve	55	37	11
TOTAL Capital Cost	470	320	100
Incurred to date	87	57	19%
Remaining	383	252	81%

Project cost review

Capex increases attributed to following factors (broadly equally) to:

- i. Market inflation
- ii. Design growth
- iii. Third-party imposed conditions

Stage 1 capex

~40% increase from 2020/21 estimates
– new fixed price EPC delivery model to reduce price escalation risk

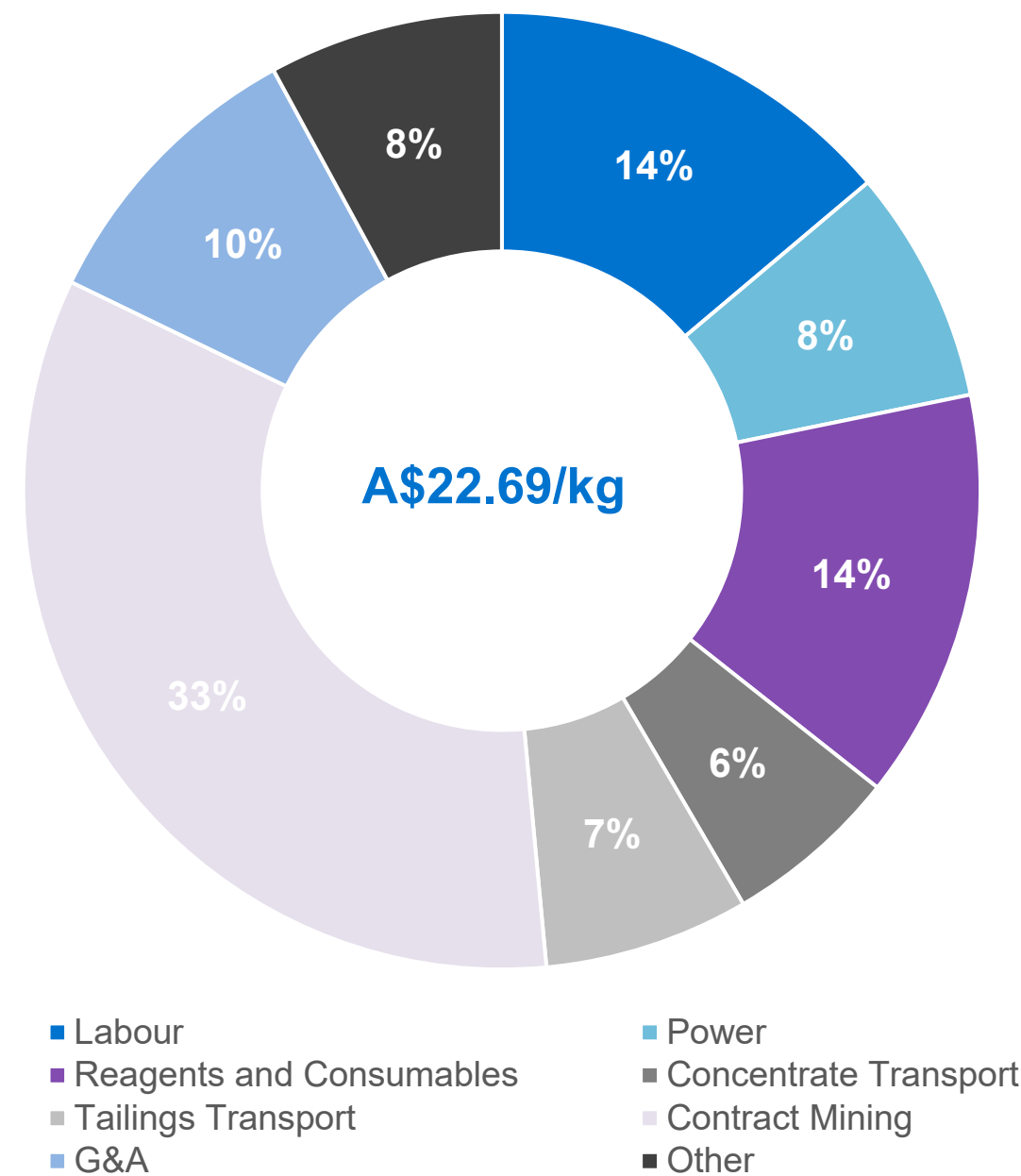
¹Enabling works (\$88m or 19%) represents: roads, aerodrome, village and borefields

²Other indirects (\$59m or 13%) represents: fuel and accommodation, IT and comms, health and safety, consultants, insurances and other

Operating expenditure competitive positioning

Opex intensity per % NdPr produced remains competitive with other developers

Stage 1 operating cost



Operating Costs	Total Cost (A\$M pa)	%	Cost A\$/kg REO	Cost US\$/kg REO
Labour	25.8	14	3.09	2.10
Power	14.9	8	1.79	1.22
Reagents and Consumables	26.1	14	3.12	2.12
Concentrate Transport	11.0	6	1.32	0.90
Tailings Transport	13.9	7	1.66	1.13
Other ¹	14.8	8	1.78	1.21
Contract Mining	63.5	33	7.59	5.16
Subtotal Direct cash cost	170.2	90	20.35	13.84
G&A	19.6	10	2.34	1.59
Total	189.8	100	22.69	15.43

Stage 1 opex

~30% increase from 2020/21 estimates, largely due to labour, supply chain bottlenecks and cost of reagents

Operational readiness

Inclusion of >\$100m for capitalised operation expenditure, G&A and operational readiness

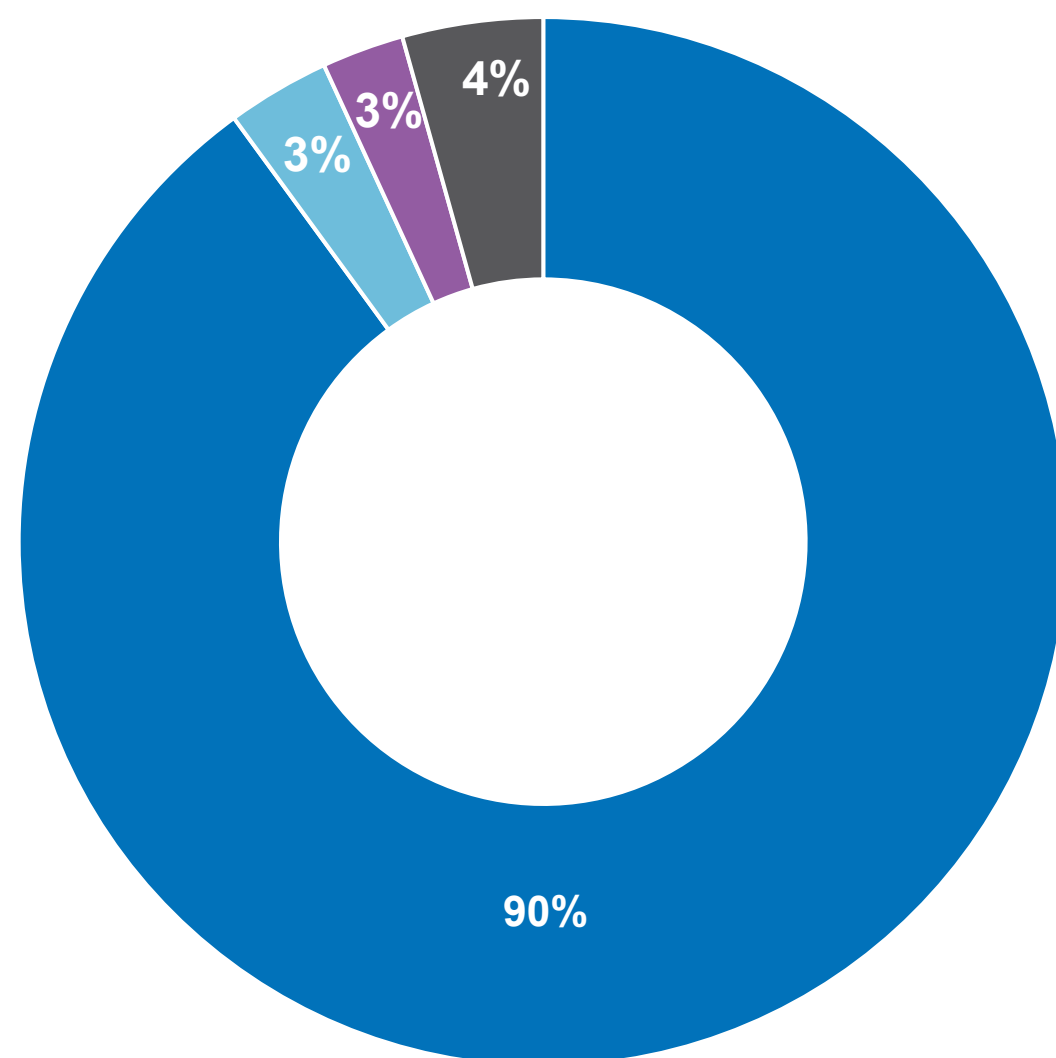
¹Other represents: diesel consumption (3%), maintenance materials (2%), vehicle hire (2%), laboratory (1%)

Revenue competitive positioning

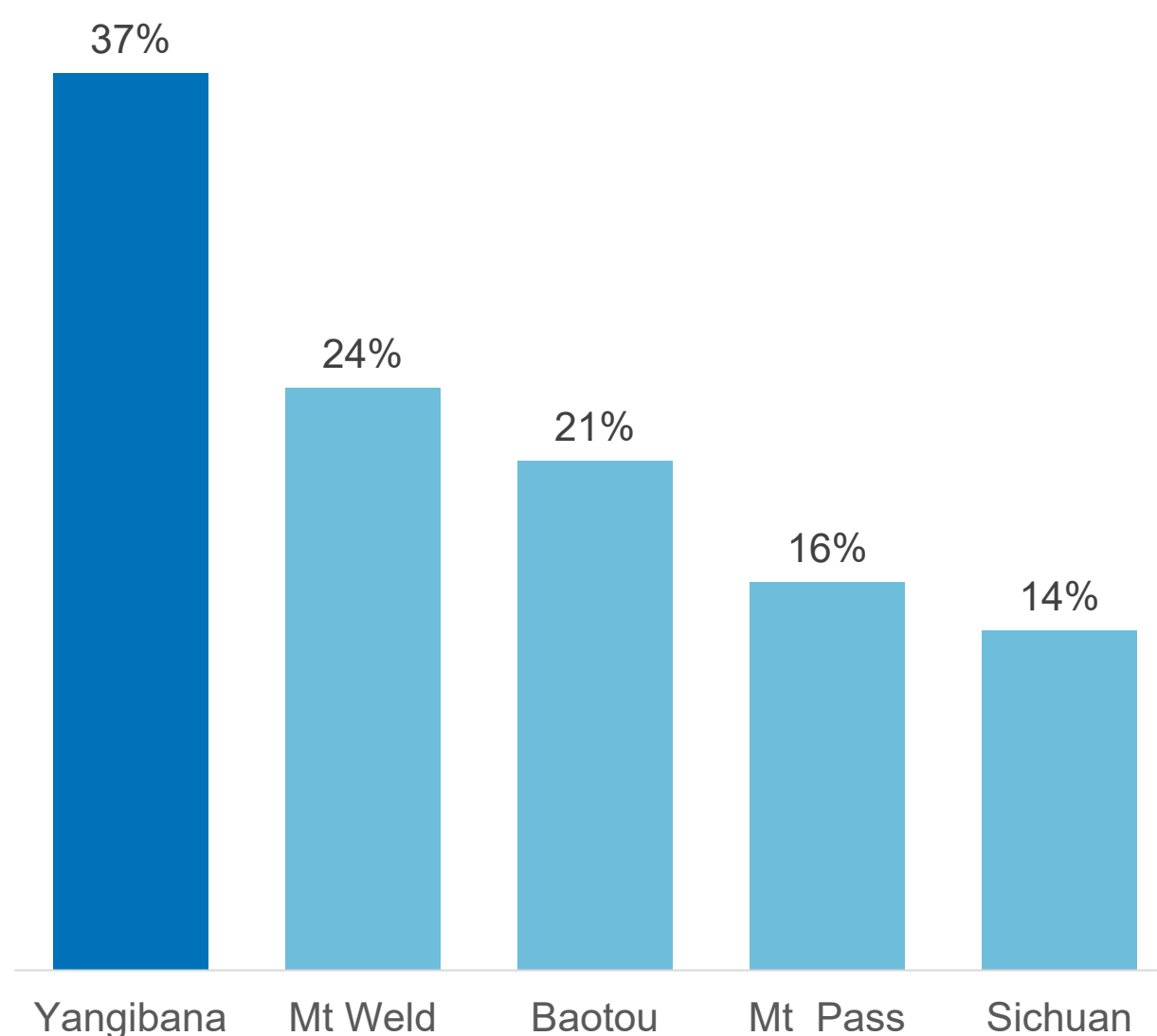
High NdPr content in Concentrate and MREC support strong revenue assumptions

Yangibana revenue¹

■ NdPr ■ Dy ■ Tb ■ Other



LOM NdPr Content¹



Stage 1

Strong offtake demand for Stage 1 Concentrate – discussions ongoing

Pricing scenarios for Concentrate include sale to Mixed Rare Earth Carbonate producers via:

- i. Asian Metal benchmark price
- ii. Tolling arrangement
- iii. Profit sharing based on their realised oxides price

Current assumption is that a profit-sharing arrangement may apply

Stage 2

Pricing to be based on well-established pricing for Mixed Rare Earth Carbonate – based on rare earth oxides and NdPr content

Key Assumptions

- REO price: Stage 1 - Assuming profit sharing model whereby HAS receives a price (real terms) of \$18-28/kg; Stage 2 Blend of three Market Consultants including Wood Mackenzie, Adamas Intelligence and CRU, 10-year average: US\$129/kg NdPr, real \$2023

Project economics

Attractive investment proposition under both Stage 1 as a standalone case and Stage 2

Key financial metrics	Stage 1 Yangibana mine and beneficiation plant (Standalone)	Stage 2 Hydrometallurgical plant (from Stage 2 FID)
Post-tax NPV ₁₁ (ungeared)	\$538m	\$1,018m
Post-tax IRR (ungeared)	27.54%	50.93%
Payback period	4.4 years	2.1 years
Net revenue (LOM)	\$7,201m	\$11,098m
Free cash flow (LOM)	\$1,835m	\$2,443m
Average EBITDA per annum	\$174m	\$251m

Further upside on Stage 2 FID

Stage 1

- Strong NPV₁₁ and IRR for the initial development case
- Standalone economics are compelling based on concentrate alone over LOM.
- Uplift in economics when switched to MREC when Stage 2 (Hydrometallurgical Plant) comes online Q1 2028.

Stage 2

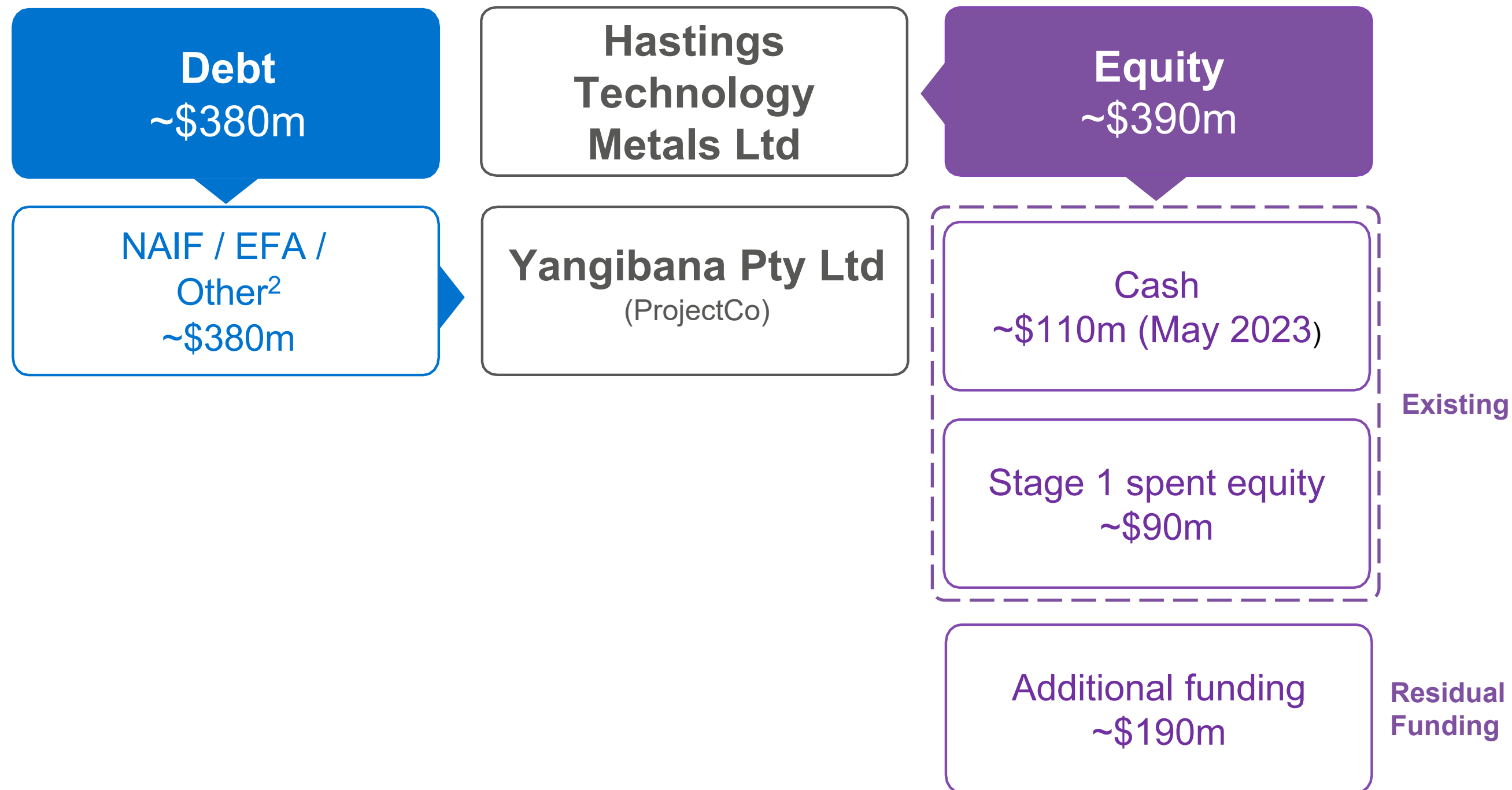
- Hydrometallurgical Plant to finish construction by Q4 2027
- Revenue from MREC sales provides improved economics and project and equity returns

Key Assumptions

- REO price: Stage 1 (Assuming profit sharing model whereby HAS receives a price (real terms) of \$18-28/kg); Stage 2 (Blend of three Market Consultants' forecasts including Wood Mackenzie, Adamas Intelligence and CRU, 10-year average: US\$129/kg NdPr)
- FX: A\$/US\$ 10-year (1st 10 years: 0.68), Forward curve thereafter (Bloomberg)
- Discount Rate: Nominal, Post-Tax, 10.70% (equates to 8% real)
- Valuation Dates: Stage 1 (1-Jul-23), Stage 2 FID (1-Jul-26)
- NPV₁₁ excludes >\$100m sunk costs since Feb-22 (~\$87m attributable to Stage 1 capital costs)

Stage 1 funding¹

To be finalised by Q4 CY2023



¹ Includes Stage 1 capital cost (\$470m); capitalised operating expenditure, G&A; ramp-up, operational readiness (\$140m); Onslow holding costs (\$71m); capitalised/interest funding costs (\$89m)

² Project finance package to include NAIF, EFA and a commercial tranche (e.g. commercial bank, bond or mining fund)

³ See ASX Release 'NAIF Increases Financial Support for Yangibana Rare Earths Project to A\$220 million', dated 17 January 2023

⁴ See ASX Release 'Letter of Support secured from Export Finance Australia for \$100m loan', dated 21 March 2023

Lender discussions

- NAIF approval in February 2023 for \$220m debt facilities³, comprising \$170m construction loan and \$50m cost overrun facility
- Advanced discussions with additional lenders including EFA⁴ (\$100m Letter of Support) and commercial financiers (banks, bond and mining funds)
- Final debt structure for Stage 1 being progressed with lenders with target credit/board approvals to be obtained by September 2023

Additional sources

- New equity and non-core asset sales
- Remaining equity/cash component to be sourced by December 2023 ahead of required drawdown of debt (total \$380m)
- Stage 2 funding to be arranged in 2025, ahead of construction commencement
- Subject to forecast product pricing being realized, Stage 2 equity could be partially funded from Stage 1 cashflow



Project overview

Yangibana early works

~\$88m early works to support commencement of main construction in Q3 CY2023



Figure 1 – Kurrbili Village



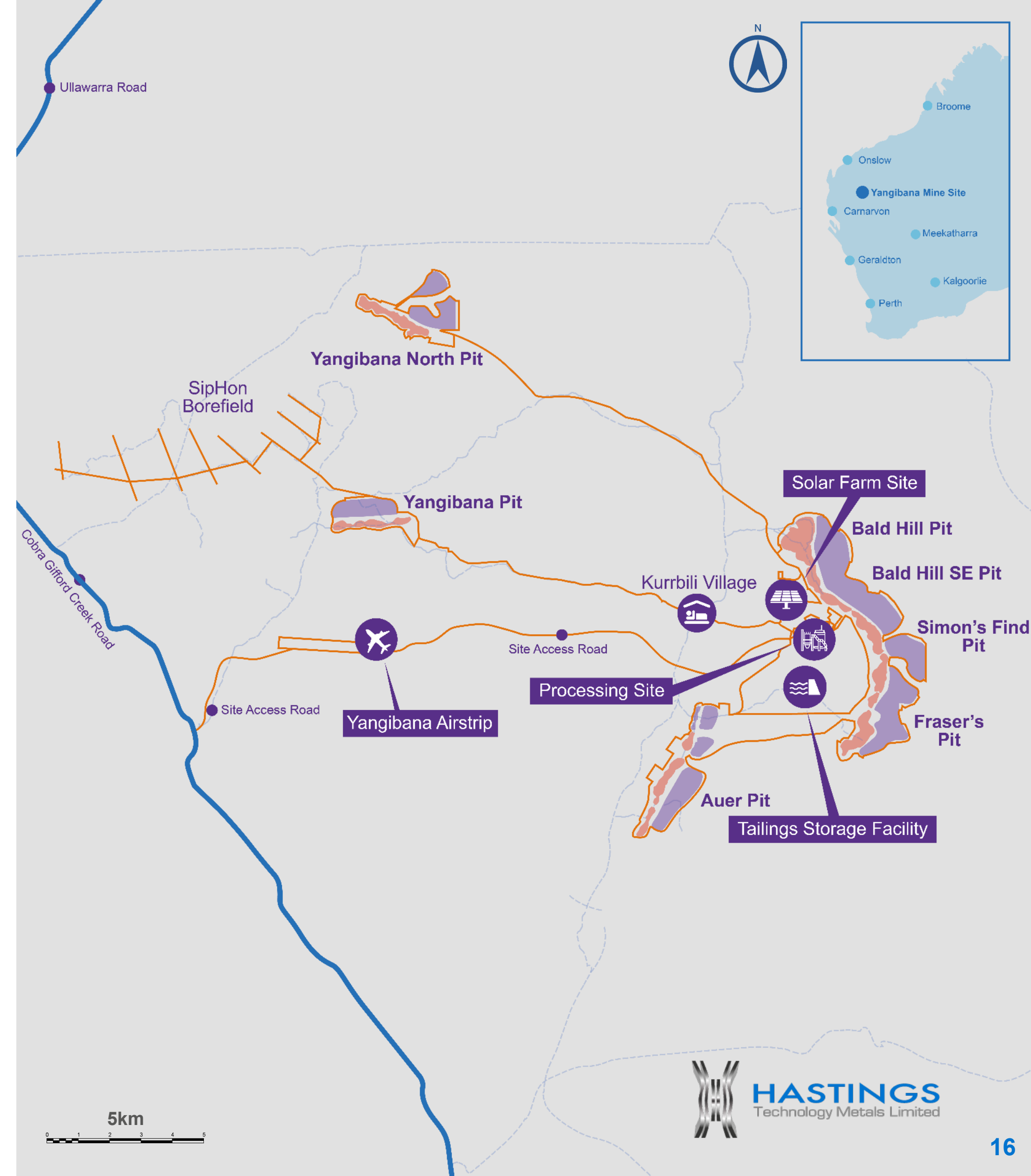
Figure 2 – SipHon borefield



Figure 3 – Yangibana Airstrip

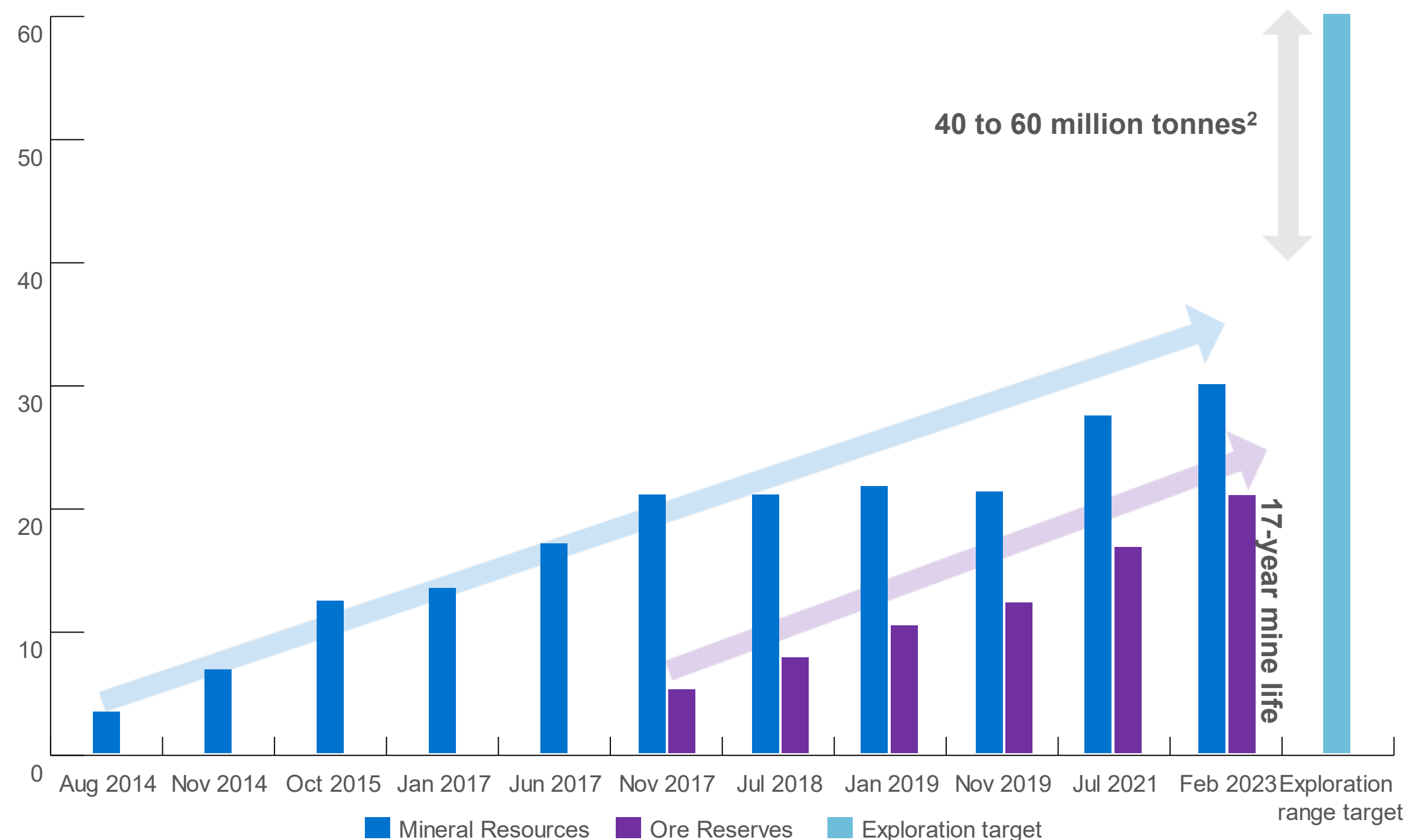


Figure 4 – First flight at Yangibana Airstrip



Resource and Reserve development

Mineral resources¹ and ore reserves over time, including a significant future exploration target²



Yangibana Project – Total JORC Mineral Resources (at 30 October 2022)¹

Category	mt	%TREO	%Nd ₂ O ₃ + Pr ₆ O ₁₁	TREO tonnes
Measured	4.97	0.96	0.37	47,721
Indicated	19.51	0.88	0.32	171,936
Sub-total	24.49	0.90	0.33	219,657
Inferred	5.45	1.05	0.31	57,298
TOTAL	29.93	0.93	0.32	276,955

Yangibana Project – Total JORC Ore Reserves (at 6 February 2023)¹

Category	mt	%TREO	%Nd ₂ O ₃ + Pr ₆ O ₁₁	%Nd ₂ O ₃ + Pr ₆ O ₁₁ as % of TREO
Proved	4.89	0.95	0.37	39
Probable	16.03	0.90	0.32	36
TOTAL	20.93	0.90	0.33	37

¹ Refer ASX announcement “Yangibana Ore Reserves Increase by 25%”, dated 6 February 2023. Numbers may not add due to rounding

² Refer ASX announcement “Potential identified to significantly expand Yangibana Resource base” dated 15 December 2022



Sustainability

Approach to sustainability

Helping to advance the Sustainability Development Goals as a signatory of the UN Global Compact



Health and Safety

Maintained a loss time injury frequency rate of 0.0 during in the period up to 31 March 2023



Climate Change

Commitment of minimum 40 per cent renewables allowed for in capital forecast for the Yangibana power station



Local communities

Creating value for Gascoyne communities by developing strong long-term relationships



Cultural heritage

Voluntary native title project agreement in place with the Thiin-Mah Warriyangka, Tharrkari and Jiwarli People

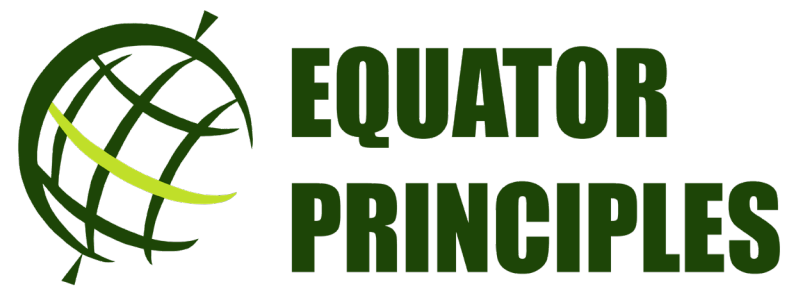


Outstanding ESG credentials

Significant emphasis on ESG through development of policies and supporting systems overseen by the Board



- Ranked fourth out of 159 companies rated by Morningstar Sustainalytics 2022 (top third percentile) in the Diversified Metals Mining subindustry category
- Placed ninth out of 193 companies rated by Sustainalytics (top fifth percentile) in the Diversified Metals industry category
- Second Sustainability Report released and aligned with Global Reporting Initiative standards



- The Project has been positively assessed against World Bank's Equator Principles ("EP") IV
- The Equator principles are a financial industry benchmark for determining and assessing and managing environmental and social risk in projects



- Leading Environmental and Social Consultant, Ramboll is engaged as the independent consultant for EP Financial Institutions, including government agencies and commercial lenders.
- Ramboll has completed a positive review of the Project against Equator Principles IV and also IFC Performance Standards.



Core markets

Concentrate and MREC offtake

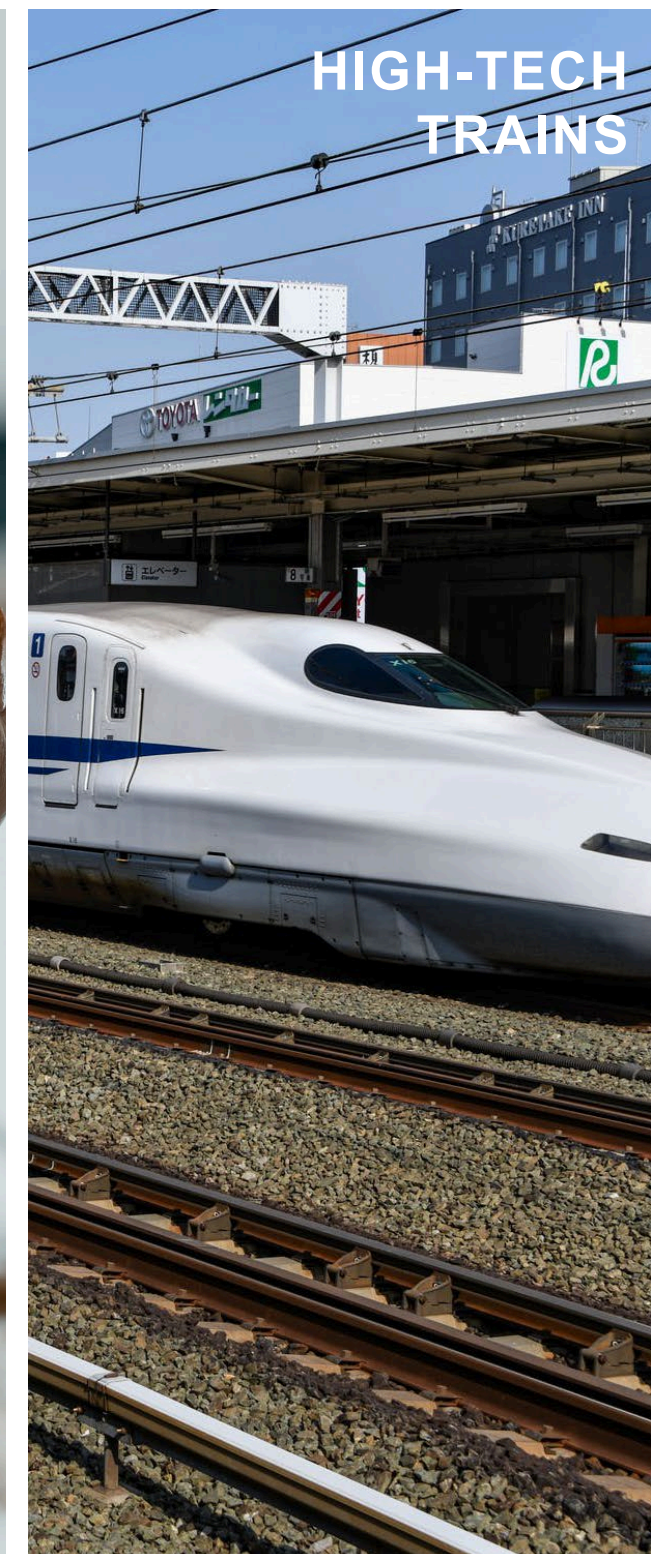
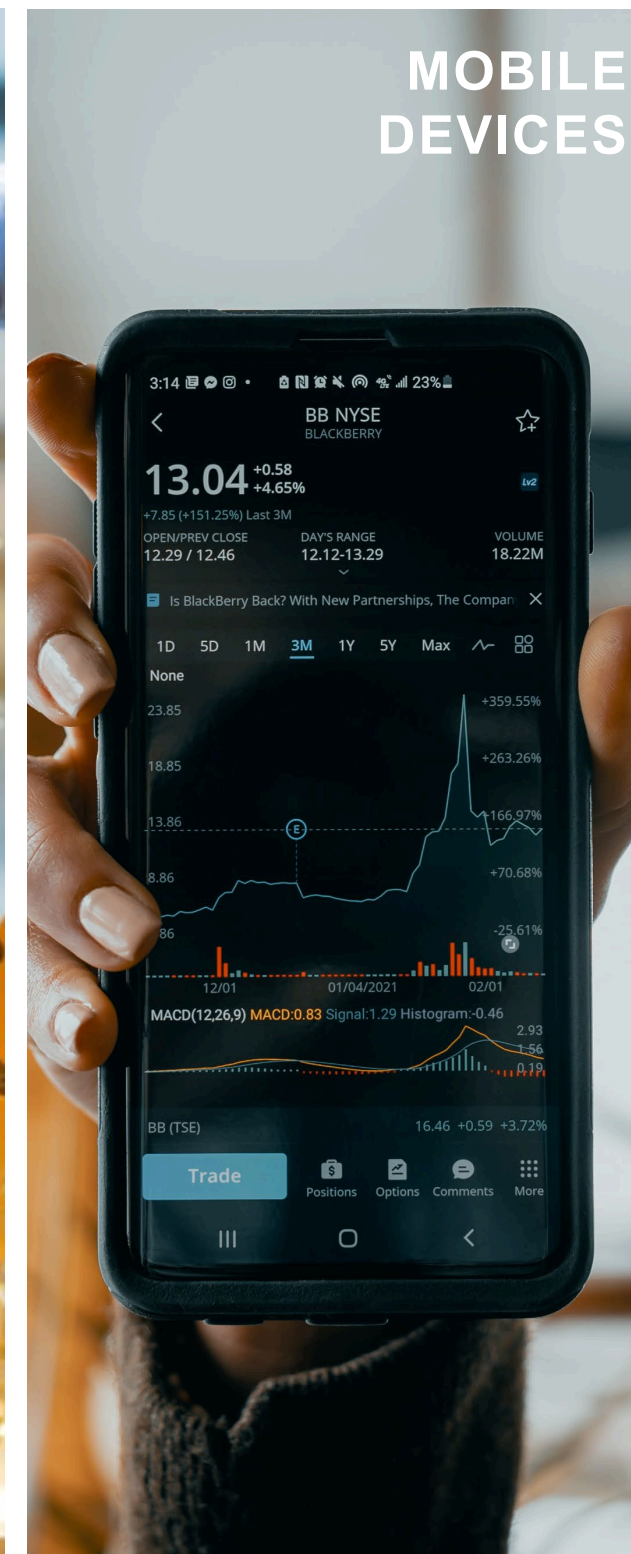
Stage 1 Concentrate offtake discussions focused on parties with hydrometallurgical facilities in Australia and Asia
 Stage 2 MREC offtake relationships with strong Western counterparties



	thyssenkrupp	SCHAEFFLER	SOLVAY	neo
Counterparty	thyssenkrupp Materials Trading	Schaeffler Technologies AG	Solvay	Neo Performance Materials
Counterparty headquartered	 Essen, Germany	 Herzogenaurach, Germany	 Brussels, Belgium	 Toronto, Canada
Agreement type	Binding framework for take or pay offtake contract – includes Concentrate and MREC	Master agreement for long term supply of MREC subject to project agreement being signed	MoU announced on 11 October 2022 – discussions for contract in progress	Acquisition of 20% investment in Neo completed on 14 October 2022
Agreement term	10 years from production start	10+ years from production start	5 years (tbc)	In discussions
Quantity	Years 1-5 9,000tpa MREC Years 6-10 5,000tpa MREC	Volume to match ramp schedule (tba)	2,500tpa MREC	~ 5,000tpa MREC

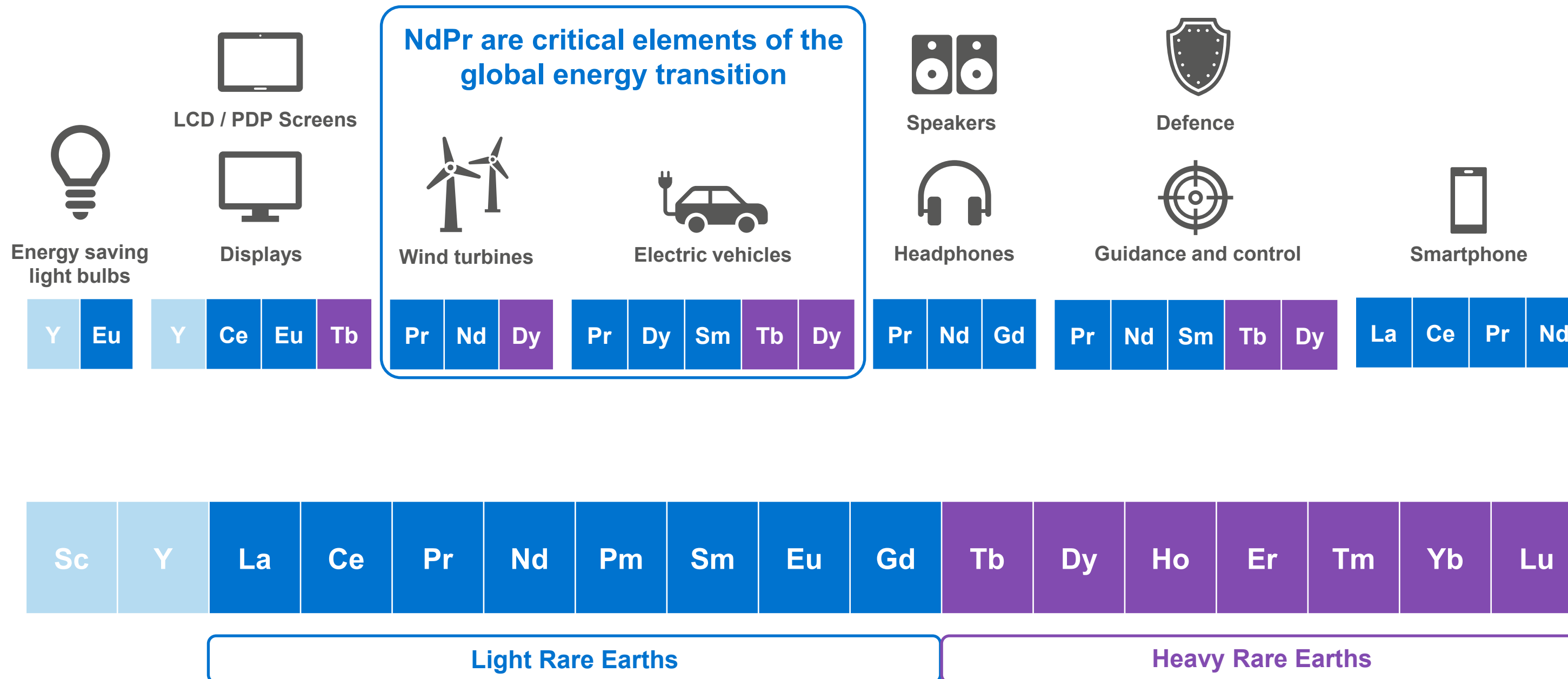
Primary uses of high tech permanent magnets

Light weight powerful magnets required in high rotation applications



Rare earths in the spotlight

NdPr oxide is a critical input for NdFeB magnets used in wind turbines and electric vehicles



Significant support from governments



“Australian Government’s Critical Mineral Facility to provide AUD 1.25 billion to fund the development of a domestic rare earth refinery”



“The European Commission considers rare earths to be amongst the most resource-critical raw materials”

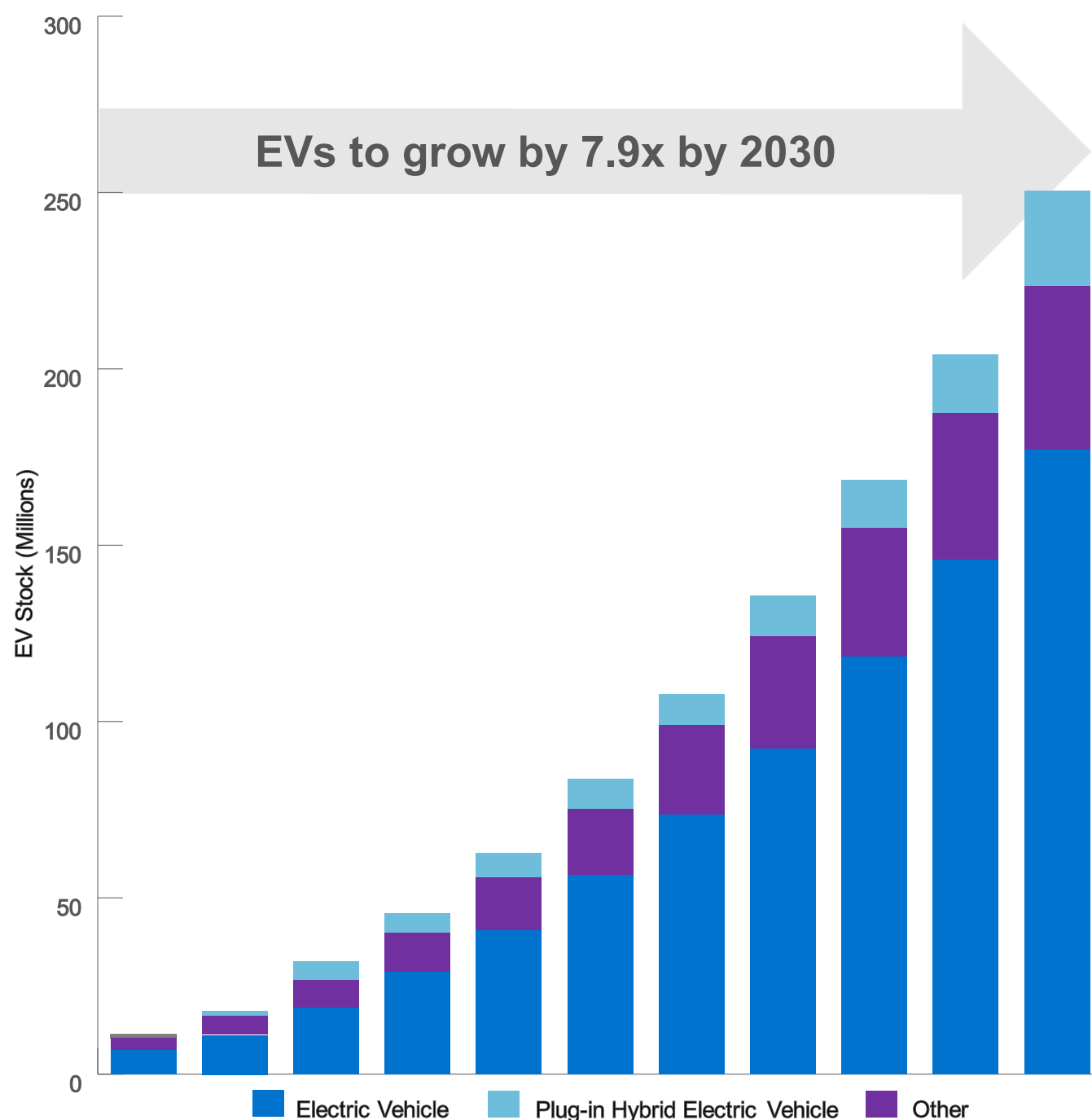


“U.S. needs more mines to boost rare earths supply chain, Pentagon says”

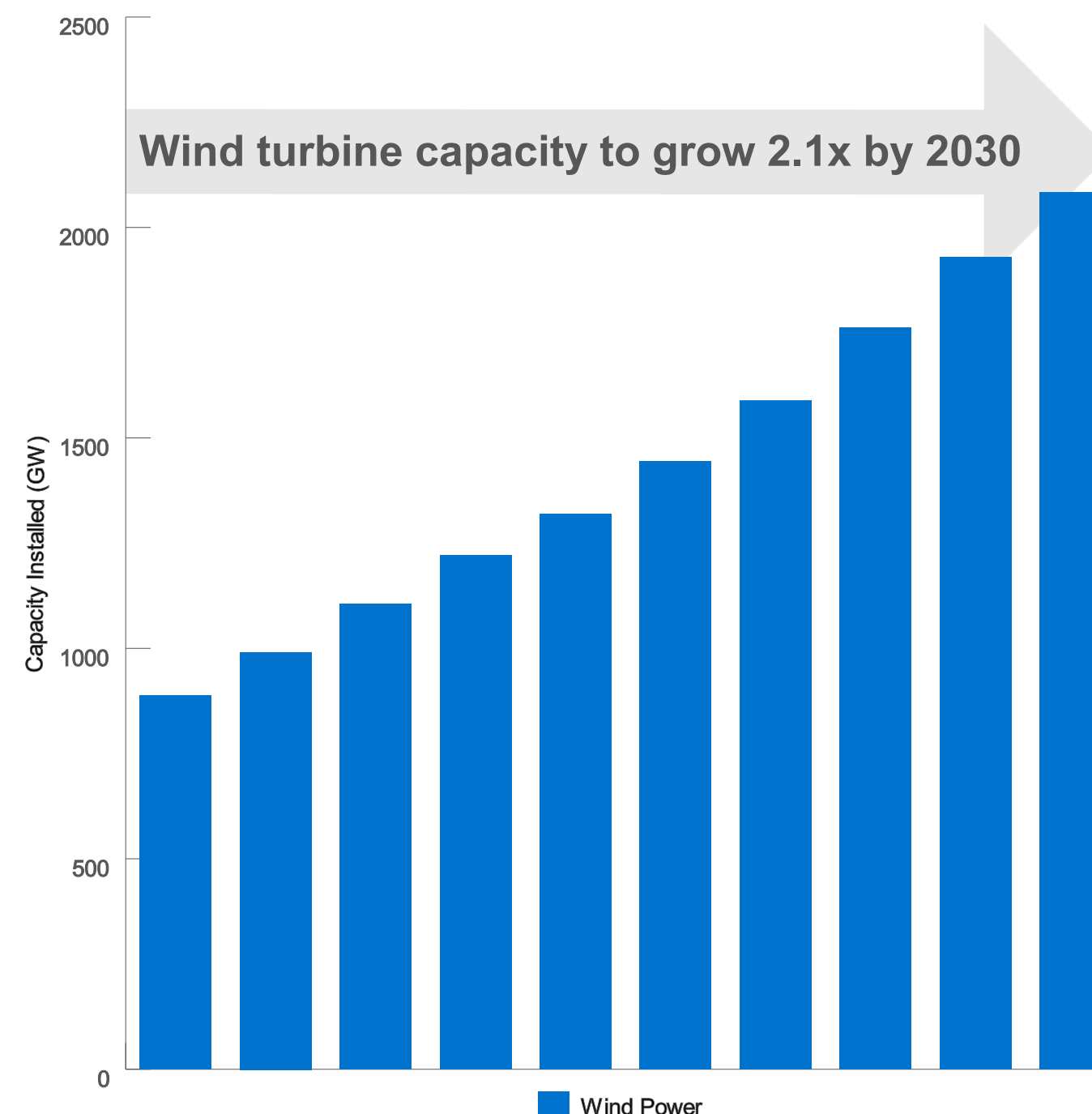
NdPr demand catalysts

Fuelled by the broader electrification trend – magnets for electric vehicles and wind turbines

Electric and hybrid vehicle demand (2020-2030)¹



Wind energy forecast (2020-2030)¹



Electric vehicles

- EV demand to grow significantly by 2030 as Governments ban the sale of the traditional ICE² vehicles.
- Magnets are used in EV motors, drive trains, air-conditioning, power seats/windows etc.
- Yangibana can supply NdPr magnets for over 1.5 million EVs per year (if 100% of sales are directed to this channel)

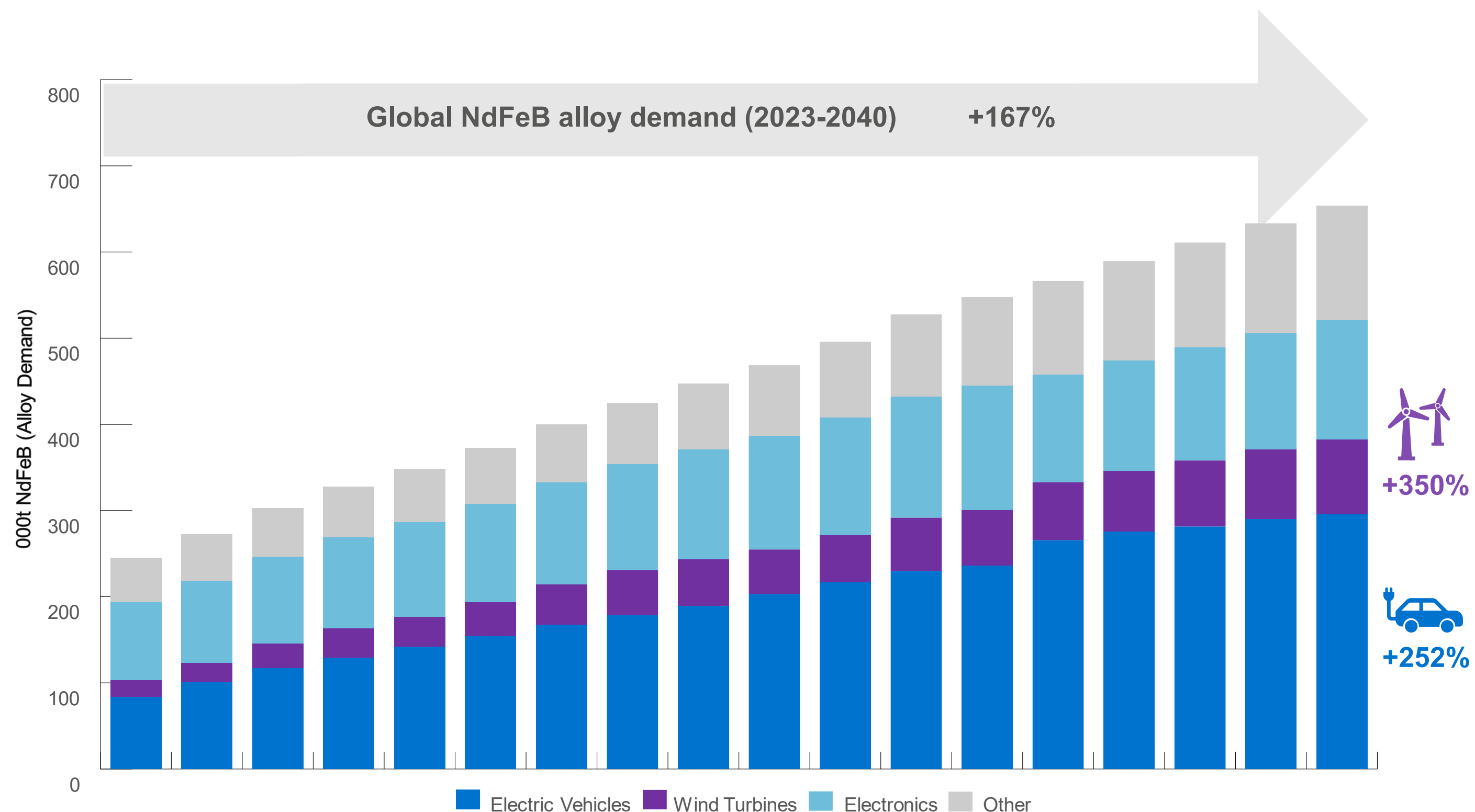
Wind turbines

- Wind power has been identified as the fastest growing renewable energy technology,
- Installed capacity for wind turbines to grow 2.1 times through to 2030

¹ International Energy Agency (IEA) Global EV Outlook 2023 (April 2023); World Energy Outlook, October 2022 Announced Pledge Scenario; ² ICE = Internal Combustion Engine

Capitalising on high growth market

Global supply deficit for NdPr (used in magnets) forecast due to strong demand growth and lead time to new production



NdFeB demand

Global demand forecast to increase 3x over the period from 2022-2040 (compound annual growth rate of 6.7%)

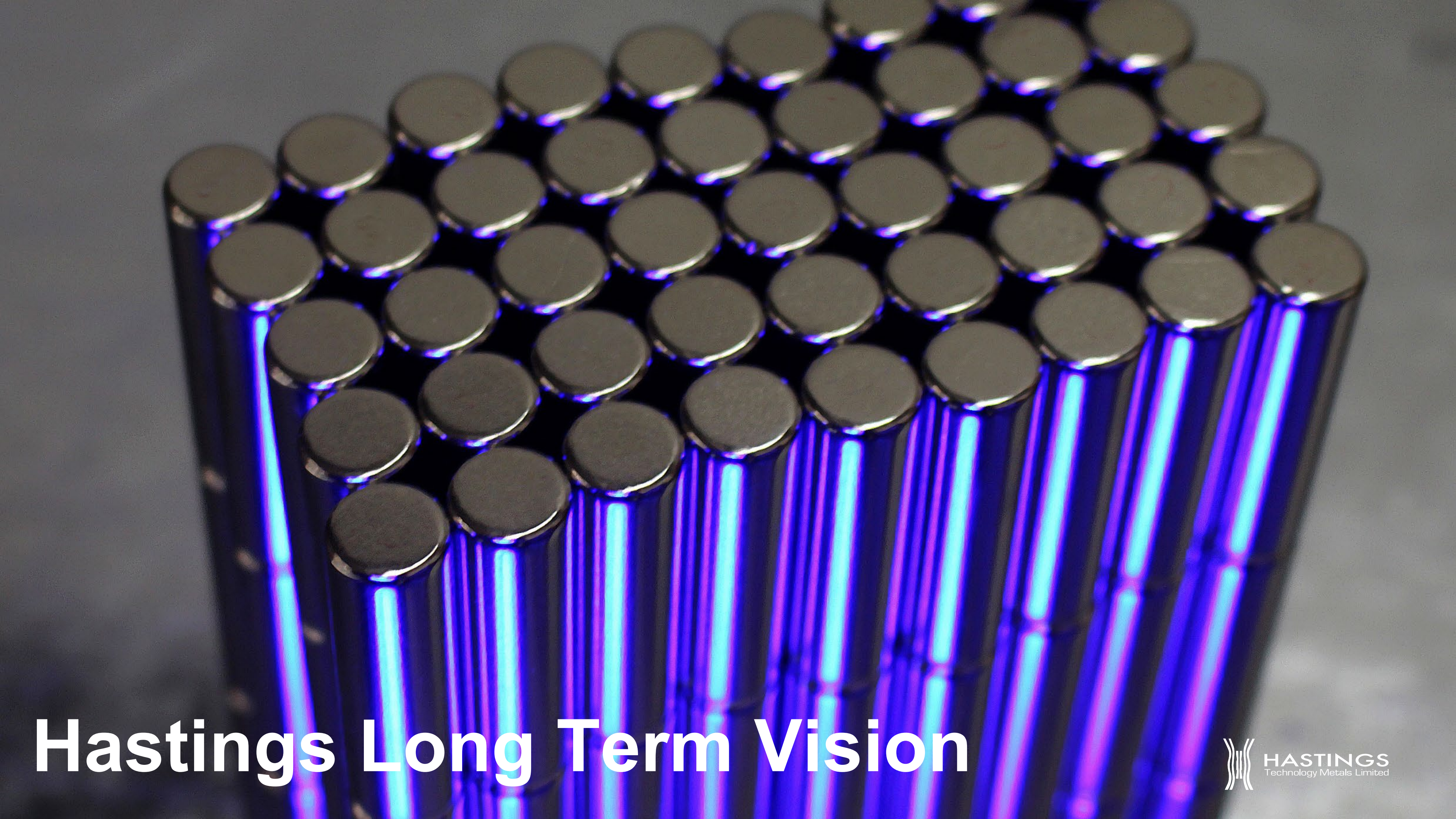
Supply gaps

Sizeable gaps to emerge in next decade due to time lag for new mine investment

Yangibana

Expected to supply six to eight per cent of global NdPr growth requirements when it comes online

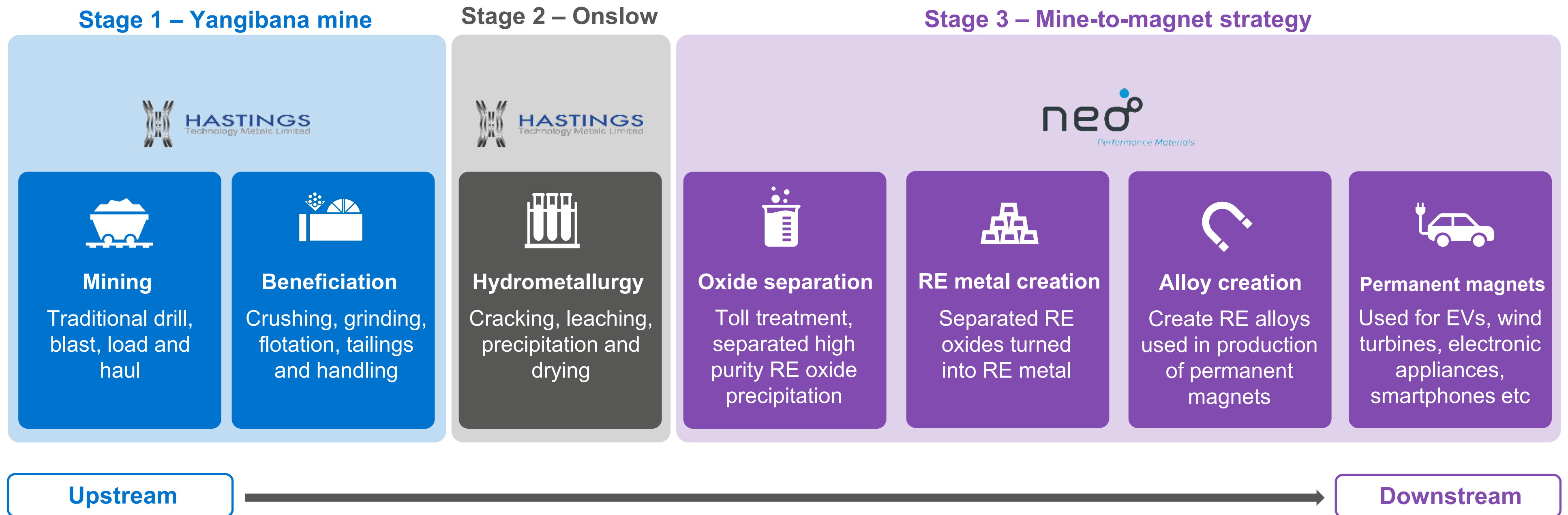
¹ NdFeB (alloy) blended average of Woodmac Global rare earths strategic planning outlook Q1 2023 (April 2023) and Adamas Intelligence report Rare Earth Magnet Market Outlook to 2040 (April 2023)



Hastings Long Term Vision

Hastings mine-to-magnet strategy

Focused on staged delivery of the Yangibana Rare Earths Project, with optionality to pursue mine-to-magnet business strategy through the 20 per cent investment in Neo Performance Materials





Conclusion

Australia's next rare earths producer

Yangibana is a tier one project with an unrivalled high percentage of NdPr



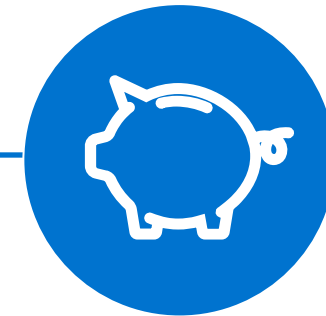
Strong future demand for NdPr

- NdPr critical to the global energy transition - permanent magnets are key components of EV's and wind turbines
- NdPr market expected to be in significant supply deficit by late 2020s
- Yangibana to account for six to eight per cent of global NdPr supply¹



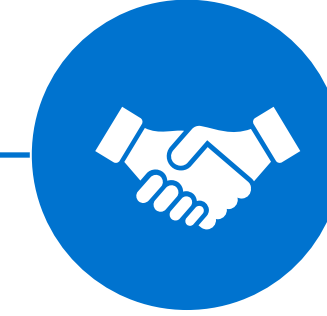
Unique deposit in tier one jurisdiction

- World leading ~36% composition of NdPr in RE basket – more than double the world average
- REE concentrate containing up to 27% TREO and MREC containing ~59% TREO
- Stage 1 approvals in place allowing construction and initial production



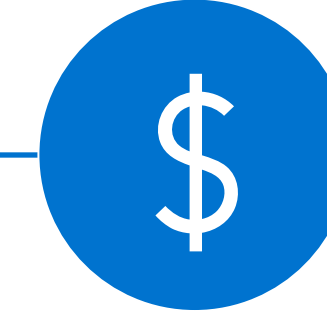
Attractive project economics for stages 1 and 2

- 20.93Mt Ore Reserve² - 17 year mine life producing 37,000tpa of rare earth concentrate and 15,000tpa of mixed rare earth carbonate
- Stage 1 post-tax NPV₁₁ of A\$538m and post-tax IRR of 27.54%
- Stage 2 post-tax NPV₁₁ of A\$1,018m and post-tax IRR of 50.93%



Offtake secured, strategic investment in Neo

- >80% MREC offtake commitments from large Western counterparties (thyssenkrupp, Schaeffler, Solvay and Neo)
- Acquisition of ~20% strategic stake in Neo Performance Materials Inc. (NEO.TSX)³



Funding well advanced including government support

- NAIF and EFA conditionally approved loans of \$320M underpinning debt funding⁴
- >\$100m development capex deployed since 2019
- ~A\$110m of cash as at May 2023

¹ Refer ASX presentation Slide 15 "Investor Presentation" dated 25 November 2021

² Refer ASX announcement "Yangibana Ore Reserves Increase by 25%", dated 6 February 2023. Mine Life based on new Ore Reserve estimates

³ Refer ASX announcement "Agreement to acquire strategic shareholding in Neo Performance Materials and cornerstone investment in Hastings by Wyloo Metals" dated 26 August 2022

⁴ Refer ASX announcement "Letter of support secured from Export Finance Australia" dated 21 March 2023





Appendices

Board of Directors

Charles Lew Executive Chairman

- Took over HAS in December 2013 and appointed Chairman
- 30+ years investment banking experience in London and Singapore
- Entrepreneur with business experience in macro hedge fund, F&B and real estate
- MD of ABN Amro Investment Bank Singapore 1997 - 2000
- Independent Non Executive Director of Malaysia's RHB Banking Group 2004 - 2016



Jean Claude Steinmetz Non Executive Director

- Joined the Board in July 2016
- Chief Operating Officer for Lynas Corporation 2013 - 2015
- 25+ years in the chemical industry with Rhodia and General Electric
- Chairman of the Auto Plastic and Innovative Materials Committee of Sino-EU Chemical Manufacturers Association



Bruce McFadzean Non Executive Director

- Joined the Board in January 2021
- Managing Director of Sheffield Resources 2015 - 2021
- 40+ years in the global resource industry including 15+ years with BHP Billiton & Rio Tinto
- Led successful financing and operation of mines around the world



Guy Robertson Finance Director

- Served on the Board of Hastings since October 2012
- 30+ years CFO experience
- CFO for various ASX listed junior mining companies
- Senior finance executive in Jardine Matheson Group in Hong Kong and Australia including Jardine Lloyd Thompson, Colliers Jardine, and Franklins Limited



Mal Randall Non Executive Director

- Joined the Board in February 2019
- 45+ years extensive experience in corporate, management and marketing in the resources sector, including 25+ years with the Rio Tinto group of companies



Neil Hackett Non Executive Director

- Joined the Board in November 2018
- 15+ years ASX Director, Company Secretary with mining and industrial experience
- Corporate Finance and Regulatory Experience ASIC 1990-1999
- Independent Corporate Governance Advisor and AICD Facilitator



Executive Team

Alwyn Vorster Chief Executive Officer

- Joined Hastings in November 2022 with 30 years' experience in Australian, African and Asia mineral industries
- He was most recently Managing Director of BCI Minerals Ltd from 2016 to 2022 where the Mardie Salt and Potash Project was developed from inception to construction



Rudolph van Niekerk Chief Operating Officer

- Joined Hastings in early 2023 with over 20 years experience including co-founder, COO and later CEO of Kalium Lakes
- His experience covers all aspects of construction, and operations, including management of operational readiness, stakeholder relations, environmental and approvals requirements, and exploration programs



Teck Lim Chief Financial Officer

- Chartered accountant with 20 years' accounting and finance experience, specialising in mining and metals project development
- Formerly CFO at Nico Resources, and corporate finance firms, KPMG, Deloitte, ING Bank and HSBC Bank.
- Lead project financial advisor to Hastings while at KPMG Corporate Finance



Robert Klug General Counsel

- Joined Hastings in March 2023 with 20+ years experience in legal, commercial and operational roles in the resource sector
- Most recent position General Counsel/Company Secretary for EV Metals Group; previously 9 years as General Counsel and Chief Commercial Officer at Sandfire Resources



Rachael Ward-Pryce Head of People

- Joined Hastings in April 2021 with 18+ years experience in all facets of human resources management
- Recruited and built teams for domestic and international operations for Newmont Australia, Resolute Mining, Iluka Resources, Alcoa



Gareth Fleming Acting Project Director

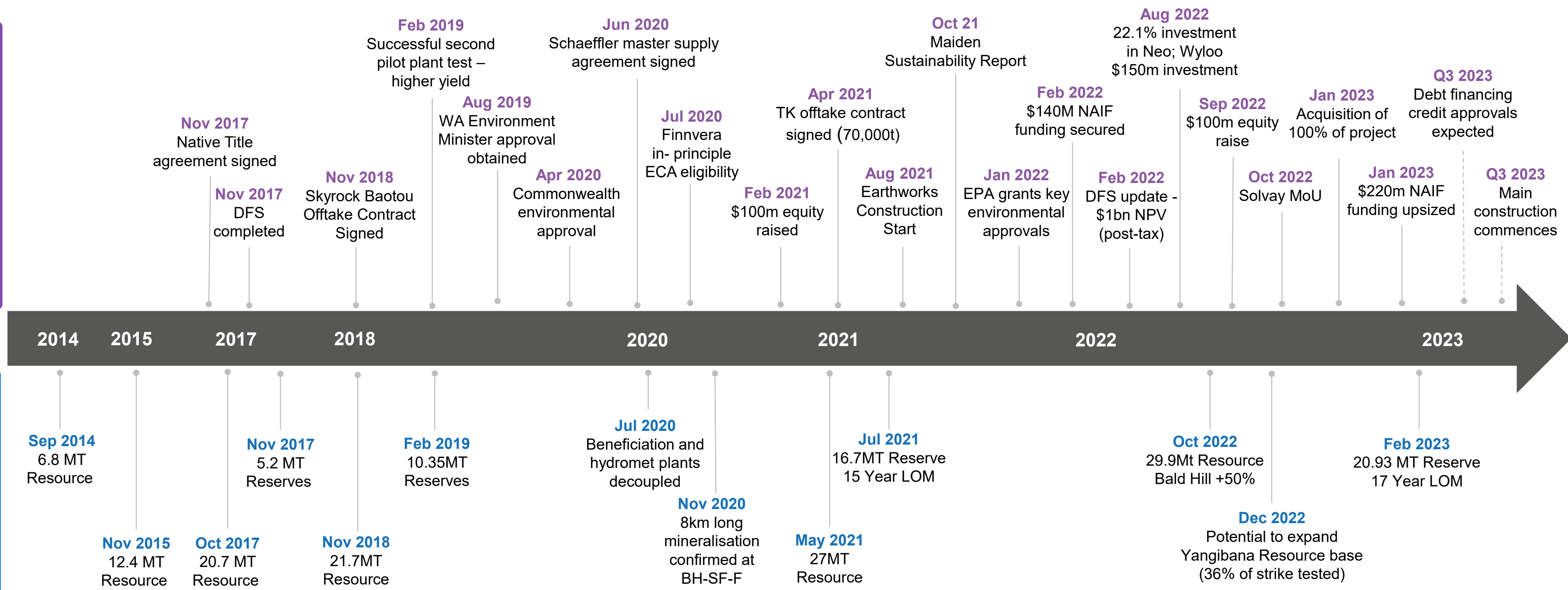
- Joined Hastings in March 2023 bringing significant experience delivering projects both internationally and nationally
- Experience covers managing and delivering complex projects in Australia and overseas, including construction of Australia's largest salt and potash facility at Mardie for BCI Minerals



First resource to construction start

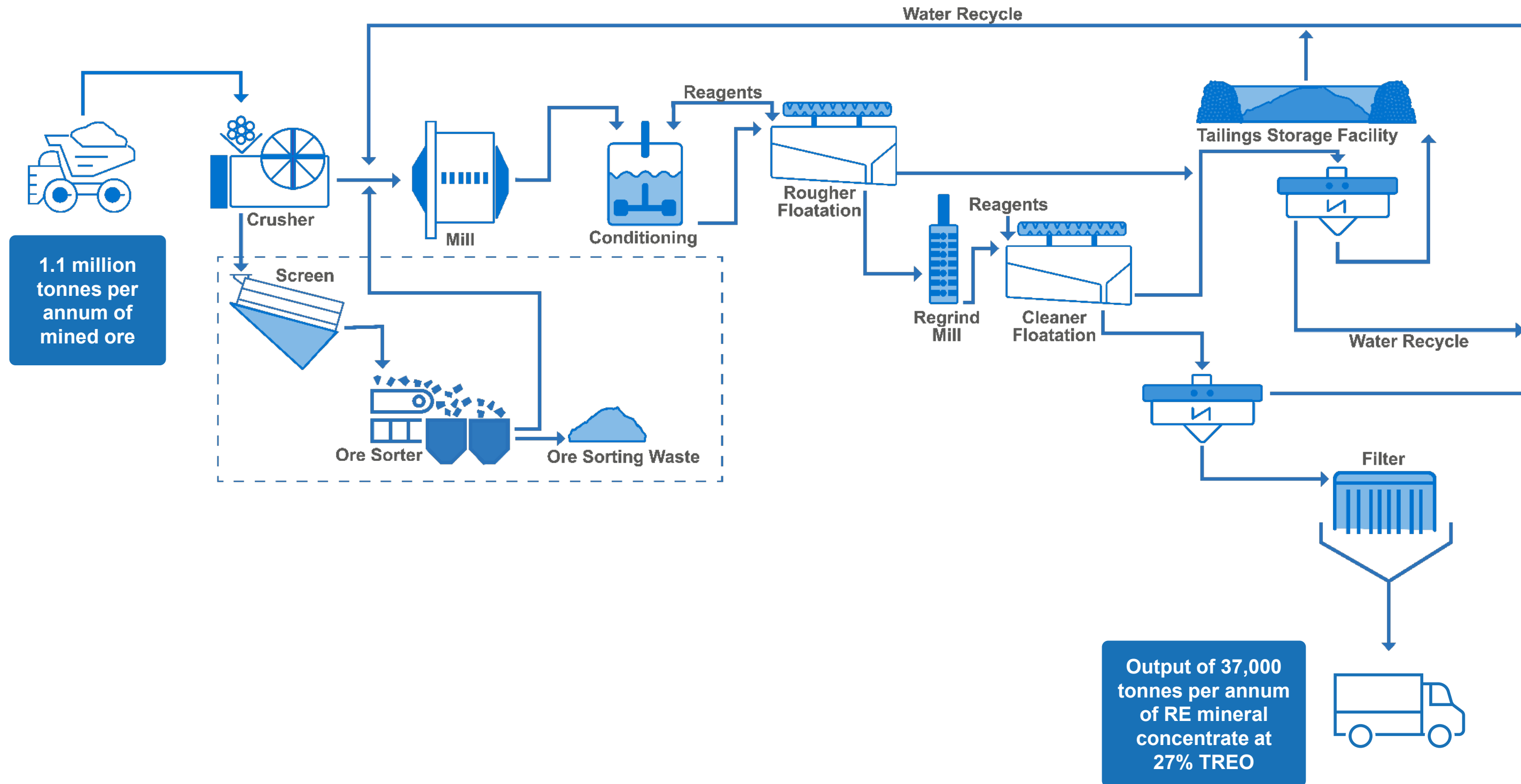
PROJECT MILESTONES

RESERVE AND RESOURCE UPGRADES



Beneficiation plant

Life of mine average of 37ktpa of concentrate produced at Yangibana



Beneficiation

Conventional process of crushing, ore sorting, grinding, regrinding and flotation

Process validated

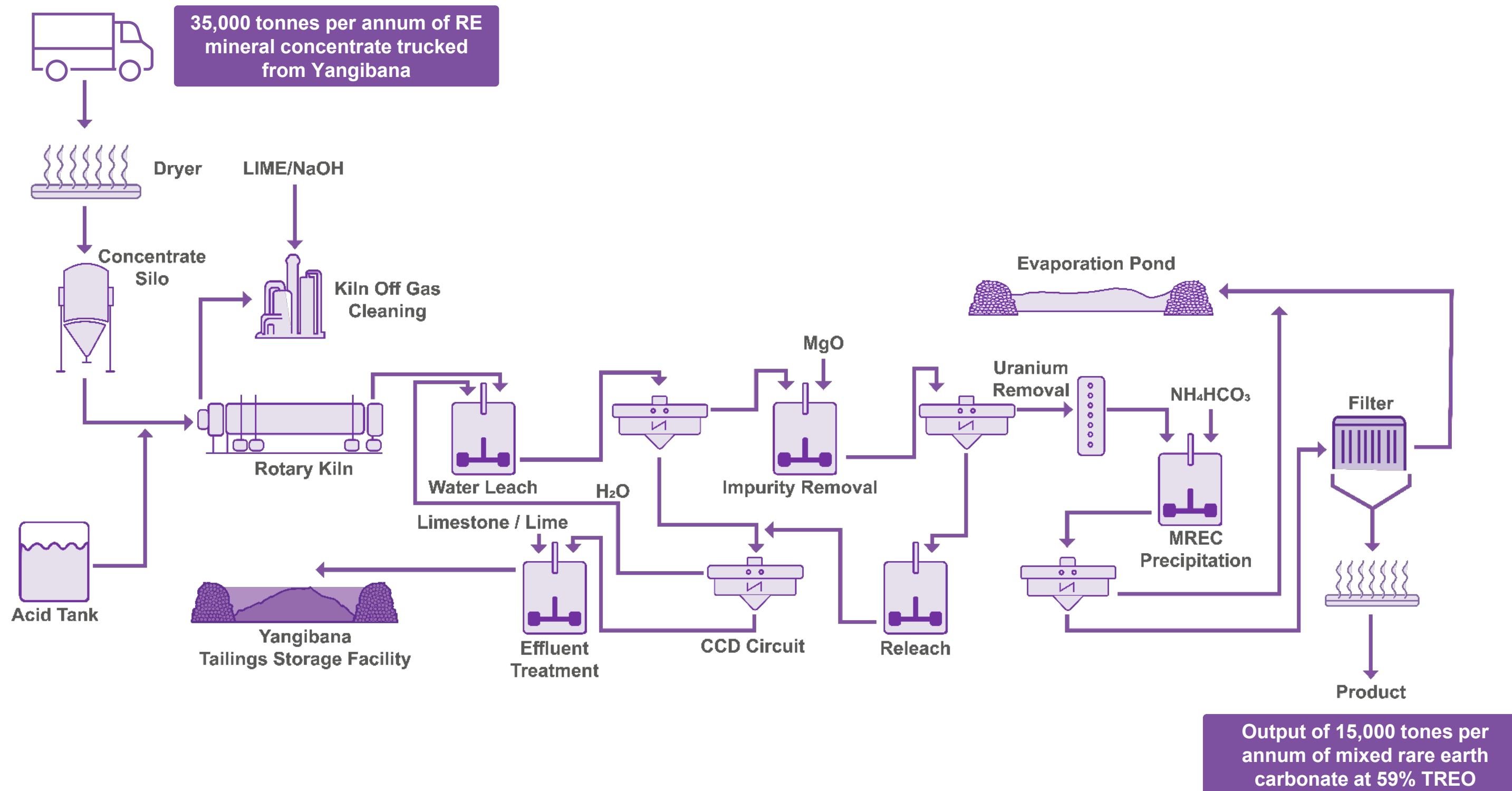
Process flowsheet extensively tested, validated and de-risked via bench scale test work and pilot plant testing

27% TREO

Projected recovery to concentrate of 87.7% from a feed grade of approximately 1.23% TREO

Hydrometallurgical plant

Process development used bench scale test work with successful pilot plant testing



Flowsheet

Consists of acid bake, water leach, impurity removal and MREC product precipitation

Process validated

Process flowsheet extensively tested, validated and de-risked via bench scale test work and pilot plant testing

59% TREO

15,000tpa of MREC concentrate, containing approximately 8,500tpa of TREO