HASTINGS
Technology Metals Limited

Australia's next rare earths producer

Annual Report 2023

Acknowledgment of Country

We acknowledge the Traditional Custodians of all the lands on which we operate and recognise their unique cultural heritage, beliefs and connection to these lands, waters and communities. We pay our respects to their Elders past, present and emerging.

Corporate Information

ABN 43 122 911 399

Directors
Mr Charles Lew (Chairman)
Mr Guy Robertson
Mr Neil Hackett
Mr Bruce McFadzean
Mr Malcolm Randall
Mr Jean Claude Steinmetz

Joint Company Secretaries
Mr Guy Robertson
Mr Neil Hackett

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Bankers
National Australia Bank – Perth WA Australia
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Securities Exchange
Australian Securities Exchange
ASX Code: HAS

ANNUAL REPORT 2023

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ABOUT

Hastings

With a clear focus on developing the world-class Yangibana Rare Earths Project ("Yangibana Project"), Hastings Technology Metals Limited (ASX:HAS) is well-positioned to become Australia's next rare earths producer.

Located 250km north-east of Carnarvon in Western Australia's Gascoyne region, Hastings' flagship Yangibana Project covers a total area of 650 square kilometres and is underpinned by one of the world's most highly valued deposits of neodymium and praseodymium ("NdPr"), with an average life of mine ("LOM") NdPr to Total Rare Earth Oxides ("TREO") ratio of 37% and up to 52% in some areas of the orebody.

With an initial mine life of 17 years, the Yangibana Project will become a globally significant source of NdPr, a critical component in the manufacture of permanent magnets used in advanced technology products from electric vehicles ("EVs") to renewable energy, humanoid robotics, medical applications and digital devices.

Fully permitted for first rare earth concentrate ("concentrate") production in the first half of 2025, the Yangibana Project is well-timed to meet the forecast supply gap for rare earth elements accelerated by the growth in EVs and wind turbines, both vital for the global energy transition.

Hastings will develop the project in two stages with an initial focus on the construction of the Yangibana Project's mine and beneficiation plant to produce up to 37,000 tonnes per annum of concentrate, followed by the construction of a hydrometallurgical plant in Onslow with the capacity to produce up to 15,000 tonnes per annum of mixed rare earth carbonate ("MREC").

Hastings has a strategic shareholding of 19.9% as of 30 June 2023 in TSX-listed Neo Performance Materials Inc. ("Neo") – a leading global rare earth processing and advanced permanent magnets producer – providing the Company with the opportunity to explore the creation of a mine-to-magnet supply chain.

Hastings is committed to developing and operating the Yangibana Project in a sustainable manner. The Company's strong Environment, Social and Governance ("ESG") credentials have been subject to independent third-party ESG ratings including ranking in the top five per cent of companies assessed by EcoVadis and fourth out of 159 companies in the 2022 diversified metals mining subindustry category by Sustainalytics.

Once developed, the world-class Yangibana Project will establish Hastings as a significant supplier in the global critical minerals sector and generate strong returns for shareholders, investors and for the Australian economy and local communities.

Project area

650km²

Average NdPr:TREO ratio

37%

Life of mine

17 years

First production

Q2 2025

INVESTMENT

Highlights

Green economy

Compelling rare earths market fundamentals to grow value, driven by the global energy transition

Tier 1 asset

World-class rare earths deposit with globally high LOM average NdPr:TREO ratio of 37%

Development ready

Fully permitted for first concentrate production in Q2 2025 with $106 millions invested in early infrastructure works

Attractive project economics

Enhanced two-stage project delivery model enabling faster pathway to early project cashflows

Mine to magnet

Strategic investment in TSX-listed Neo to pursue a vertically integrated rare earth to magnet strategy

ESG focus

Strong ESG credentials verified by independent third parties; targeting 40-80% renewable energy for Yangibana Project's power supply

LETTER FROM THE
Chairman

Dear Shareholders,

I trust this letter finds you in good health and spirits.

As I celebrate my 10th anniversary as Executive Chairman of Hastings, I am writing to you with a sense of enthusiasm and anticipation that comes from reflecting on a decade filled with both remarkable achievements and formidable challenges. It has been a privilege to lead and witness the advancement of your Company from the discovery of the amazing orebody at Yangibana as a junior explorer to where we are today, on the cusp of moving into construction of our beneficiation plant to produce a high-value concentrate by early 2025.

The world is now at a pivotal stage of the global transition away from fossil fuels towards cleaner energy sources. This energy transition is accelerating at an unprecedented pace, underpinned by an unwavering demand for critical minerals such as lithium and rare earths to power EVs and drive the renewable energy revolution as well as enabling advanced robotics of the future.

According to the International Energy Agency's inaugural Critical Minerals Market Review, the market for critical minerals has witnessed remarkable growth. Its value has doubled over the past five years, reaching an astonishing $320 billion in 2022 – this seismic shift in value is redefining the future of the mining industry and we have seen many new investments into critical minerals.

Notably, governments worldwide are driving investment into critical minerals, spurred by their commitment to net zero emissions. This includes the United States' introduction of the Inflation Reduction Act which seeks to shore up domestic critical mineral supply chains. Likewise, Australia's Critical Minerals Strategy and the Critical Raw Materials Act by the European Union underscore the global importance of securing these resources.

Driven by robust demand in the automotive sector and the emergence of humanoid robotics, the global permanent magnets market is projected to reach $92 billion by 2033, which will drive the demand for rare earths which is predicted to increase at an eight per cent compound annual growth rate by Boston Consulting Group.

But where will this supply come from?

With long lead times of up to 10 years or longer to bring rare earth projects from discovery to production, international market analysts and commentators envisage a serious supply shortage in the coming decade.

The first drill program at the Yangibana Project was initiated in early 2014, and to date we have conducted over 300 bench scale tests, accumulated over 30 kilometres of drilling meterage and undertaken three pilot plant tests. Our ore samples have undergone lab testing by numerous rare earth producers and independent laboratories and the results have consistently confirmed the quality of our resource.

The orebody at the Yangibana Project is widely recognised as possessing one of the world's highest concentrations of NdPr:TREO, with a ratio across multiple deposits in the range of 26% to 52%.

We have continued to grow our resources and reserves through ongoing exploration and metallurgy test work and last October successfully completed an extensive drilling campaign along the eight-kilometre long Bald Hill – Simon's Find – Fraser's trend which resulted in an increase in the Mineral Resources to 29.93 million tonnes.

Subsequently, we announced in February 2023 a 25% increase in our total proved and probable ore reserves to 20.93 million tonnes, underpinning a solid 17-year mine life. The growth was based on work from the 2021-22 drilling campaign, as well as the completion of the acquisition of the 30% joint venture interest from Cadence Minerals Plc which relates to some legacy tenements.

Exploration will remain a focus for Hastings as we look to continuously grow our resource and reserves. Aero-magnetic and radiometric surveys conducted in 2018 unveiled extensive areas for future drilling to extend and increase our resources from the two main deposits at Yangibana and Yangibana North, the four inferred deposits of Gossan, Hook, Lion's Ear and Kane's Gossan and a myriad of other exploration targets within the tenement area 100% owned and controlled by Hastings.

Post COVID, the Australian mining sector has seen significant cost inflation due to labour shortages and rising interest rates. To meet this challenge, your Company adopted a proactive stance to strengthen our management team by appointing seasoned mining executive Alwyn Vorster as Interim Chief Executive Officer on a six-month contract. We also made a number of other senior appointments including Teck Lim (Chief Financial Officer), Robert Klug (General Counsel), Tim Gilbert (General Manager Operations) and Gareth Fleming (Project Director). Each of them possesses extensive domain knowledge and multiple years of experience.

Under this new management team, we undertook a comprehensive review of the capital cost and delivery model for the Yangibana Project and in May announced a two-stage development approach that prioritises the Yangibana Project's mine and beneficiation plant, aligning with our pursuit of lower upfront capital requirements and expedited cashflows by Q2 2025. Meanwhile, ongoing studies on optimising capital and operating expenditure for the hydrometallurgy plant continues.

I am pleased to report that this new approach has improved our project's financial and operational resilience, with the Stage 1 capital cost is projected at $470 million, a figure that encompasses $106 million already invested in crucial early infrastructure works at the Yangibana Project. In addition, we are confident that we will identify more opportunities for cost savings and lower the spend as we continue to optimise the funding model for the project.

To fund the procurement of critical long lead equipment for the process plants and build the mine site infrastructure, we raised $110 million last September. This was achieved through shares placement of approximately 25 million new fully paid ordinary shares at an offer price of $4.40 per share.

I am pleased to report that despite the complexities of navigating extensive regulations for mining and developing a greenfield site in such a remote location, we are now ready to commence full construction of the plant following the finalisation of early works. This includes the 294-room Kurrbili Village, 20 kilometres of site access roads, a two-kilometre long airstrip and the SipHon Well Borefield with 30 kilometres of pipeline for water supply.

A major milestone in our revised delivery model is the award of the Engineering, Procurement and Construction contract to GR Engineering Services on a fixed price and fixed schedule. This partnership ensures the delivery of the beneficiation plant and associated infrastructure, mitigating the potential for capital cost escalation and guaranteeing adherence to project schedules, product throughput, and plant recovery.

In March, the European Union introduced the Critical Raw Materials Act to ensure that the EU has access to secure, diversified, affordable and sustainable supply of critical raw materials. This move resonates with our European-centric business model and aligns with our vision to feed into the supply chain for a "Made in Europe" magnet by 2030, promoted by the European Raw Materials Alliance in mid-2022.

With this strategic vision in mind, your Board and management team took a decisive and opportunistic step in August last year by acquiring a 19.9% strategic investment in TSX-listed Neo. We are pleased that Wyloo Metals, who shares in our vision, provided funding for this $150 million acquisition by way of a convertible note secured entirely on Neo shares. A key term of this loan, inter alia, is that it is not secured over any Yangibana Project assets. Any project finance raised will be secured over the Yangibana Project, and the convertible notes have no security over the project assets. The convertible note that is secured entirely on the Neo shares expires in October 2025 and the equity conversion price is fixed at $5.50 per Hastings' share.

This is a long term strategic investment and gives Hastings a pivotal position and prospects of creating an integrated mine to magnet supply chain all under one single entity. It provides the potential for our Company to become a major player in the rare earth magnet supply chain emerging in Europe.

In June, I had the honour of participating in the groundbreaking ceremony for Neo's neodymium sintered magnet manufacturing facility in Narva, Estonia – the first of its kind in Europe. This event coincided with the signing of a non-binding Heads of Agreement with Neo, the purpose of which is to take another step forward to realising synergies between our companies.

$320bn

Value of critical minerals market in 2022

$92bn

Projected value of global permanent magnets market by 2033

8%

Expected compound annual growth rate for permanent magnets between 2022 and 2035

Turning to the market, it was a tale of two halves for NdPr oxides in the 2023 financial year, with prices falling 60% from the peak in February 2022, as demand for permanent magnets in China remained weak due to the disappointing post-COVID economic rebound and rising interest rates environment. It is no surprise that our fortunes followed in tandem, with our share price at its multi-year weakest as a result of its close correlation to the commodity price, as well as the increase in capital costs for the project due to industry-wide cost escalations.

We are confident that the forecast supply deficit from the middle of the decade will set the stage for more favourable price trends, with our targeted production start of Q2 2025 aligning perfectly with the supply-demand dynamics.

Against the background of these significant developments over the past 12 months, our commitment to operating sustainably remains core to our business. In November 2022, we received our ESG rating from Sustainalytics, where Hastings ranked fourth out of 159 companies in the diversified metals mining sub-industry category. We were also awarded a gold medal by EcoVadis, ranking Hastings in the top five per cent of all companies assessed.

As we look at the year ahead, our main focus now is to close on the debt financing. Multiple options were explored and we are mindful that the final choice will have the best chance of success and optimises the balance sheet gearing and light on debt covenants. Additional equity required to complement the debt quantum has been reduced significantly since we published the capex number in May - no doubt we will release the news to the market when we have closed on both the debt and equity financing.

Before concluding, I would like to extend my heartfelt condolences to the family and friends of Thin-mah Warrinyangki Tharrkari Jiwarli Elder Herbert Eagles, who passed on in May this year. I had the privilege of working with a man whom I respect for his determination and good faith in negotiations and how he cared for the interests of his community and family. In November 2017, I was proud to be able to sign our voluntary Native Title Agreement with Herbert.

My fellow shareholders, the journey ahead holds both promises and challenges. Over the past decade, I have had the privilege of leading your company as Executive Chairman and invested alongside yourselves. Through a culture of meticulous planning and continuous improvement, we have laid the groundwork for a lower risk construction and commissioning phase.

For this next leg of the journey, we were pleased to announce the appointment of seasoned mining executive Paul Brown to the role of Chief Executive Officer, bringing two decades of expertise across the entire mining lifecycle and successfully delivering projects, most recently at Mineral Resources Limited and Fortescue Metals Group.

Together with Paul, we will remain steadfast in our focus to become Australia's next rare earths producer, while keeping our eye on our vision of building a vertically integrated mine to magnet business, creating long term value for our shareholders, stakeholders and our people.

On behalf of the Board, I would like to acknowledge and thank the entire Hastings team for their continued hard work and dedication. And I extend our sincere gratitude to you, our shareholders, and to our other stakeholders for your patience as we continue to journey together.

Bringing the Yangibana Project into production will positively touch the lives of many in our local communities, including our Native Title partners, the Australian economy, as well as contributing to a cleaner, greener planet for future generations.

One dream, one team.

Yours faithfully,

Charles Lew
Executive Chairman

POWERING THE

Green Energy Revolution

By 2032, anticipated global rare earth magnet demand is forecast to outstrip supply by the equivalent of 13 times the projected NdPr output of Yangibana.

As the dominant EV motor technology, sintered NdFeB magnets (rare earth magnets) have more than 90% market share among leading automotive original equipment manufacturers.

1.8kg
Amount of sintered NdFeB magnet in a passenger EV

3,400 tpa
Annual NdPr production rate at Yangibana

55 million
Number of EVs Yangibana will potentially supply over initial 17-year mine life

1.2 billion tonnes
Potential reduction of carbon emissions by using 55 million EVs compared to internal combustion engines

SENIOR

Leadership Team

During the year, Hastings undertook a review of its organisational structure for the development phase of the Yangibana Project, with a number of senior leadership changes undertaken to ensure a strong, experienced management team is in place to deliver the Yangibana Project.

> *I am deeply honoured to join the Hastings team during such a transformative phase for the Company. The Yangibana Project holds immense potential, and I'm eager to apply my experience and insights to realise its full value. My passion for forward-facing commodities like battery minerals and rare earth magnets resonates deeply with the ecosystem crucial for a greener future.*
>
> – Paul Brown, Chief Executive Officer

Interim Chief Executive Officer Alwyn Vorster was appointed in November 2022 to oversee a comprehensive review of the Yangibana Project's delivery and funding model. Mr Vorster's fixed-term contract ended on 31 July 2023.

Other updates to the senior management team during FY23 are summarised below:

- Subsequent to 30 June 2023, Paul Brown was appointed Chief Executive Officer
- Teck Lim was appointed Chief Financial Officer
- Robert Klug was appointed General Counsel
- Gareth Fleming was appointed Project Director

Paul Brown
Chief Executive Officer

Paul Brown was appointed Chief Executive Officer in September 2023, bringing over two decades of experience across the entire mining project lifecycle and strong track record in major project construction management, commissioning and operation.

Paul has held various senior roles in the mining industry, including most recently as Chief Executive – Commodities and Chief Executive – Lithium at Mineral Resources Limited. Prior to this, his career spanned general management, operational leadership, technical direction, project and studies management, business enhancement, mineral resource assessment and mine strategy, including senior roles at Fortescue Metals Group, Leighton Holdings and HWE Mining.

In his career to date, Paul has successfully delivered and operated a number of significant mining projects, including Fortescue's Solomon Hub and MinRes' Mount Marion and Wodigna lithium projects and Wonmunna iron ore mine.

He is an alumnus of Federation University in Victoria, holding a Masters in Mine Engineering (M.Eng).

Teck Lim
Chief Financial Officer

Teck Lim is a chartered accountant with 20 years' accounting and finance experience, specialising in mining and metals project development funding. He was the lead project finance financial advisor to Hastings while at KPMG Corporate Finance and his corporate advisory and banking experience include landmark critical minerals projects and mega project financings in Australia and globally.

Teck's financing experience extends to government agencies, multilaterals, commercial banks, private equity, mining funds and bond markets and has worked with strategic investors, joint venture development partners, offtakers and commodity trading houses to fund large scale mining projects from feasibility studies through to commercial operations.

Prior to joining Hastings, Teck was Chief Financial Officer at Nico Resources Ltd and held various roles with ING Bank, HSBC Bank and Deloitte within their resource industry sectors. Teck holds a Bachelor of Commerce from Murdoch University, a Certificate in Mining Studies from the University of British Columbia and a Master of Business Administration from the University of Western Australia.

Rachael Ward-Pryce
Head of People

Rachael Ward-Pryce joined Hastings in April 2021 and brings over two decades of experience across the resources sector in Australia and overseas.

Prior to joining Hastings, Rachael held various roles at Newmont Australia, Resolute Mining, Iluka Resources and Alcoa across all facets of human resources.

She is highly experienced in shaping all aspects of people strategy and building high performing teams within the resource sector. Her experience spans across generalist and specialised roles including talent sourcing and development, employee relations, culture and inclusion and diversity.

Rachael holds a Bachelor of Arts (BA) from Murdoch University and a Graduate Diploma in Human Resources Management from Curtin University.

Robert Klug
General Counsel

Robert Klug is an Australian qualified resources and corporate lawyer with over 30 years of experience in start-up and operational environments, including business development, due diligence and associated risk allocation to achieve sustainable operational performance and growth.

Initially trained as an auditor with KPMG Perth, Robert worked in London as a corporate lawyer after completing his law degree at Murdoch University in Perth.

Upon his return to Perth, he joined Freehills' Perth office where he worked almost exclusively with small and mid-cap resource companies. Since then, Robert has worked in legal, commercial and business development roles for a variety of resources companies, including as Chief Commercial Officer and General Counsel for Sandfire Resources.

Robert holds a Bachelor of Commerce (Accounting and Finance) and a Bachelor of Laws.

Narelle Marriott
GM Process Development

Narelle Marriott joined Hastings in late 2014, working on metallurgical process development, project engineering, research and development and project improvement.

She is a minerals process engineering with 20 years of experience in the mining industry across multiple commodities including nickel, iron ore and rare earths.

Prior to joining Hastings, Narelle worked at BHP Nickel West, Greenland Minerals and Energy, Crosslands Resources, WMC Resources across a range of roles including process flowsheet development, testwork and piloting and process improvement.

Narelle holds a Bachelor of Engineering (Minerals Process) from The University of Queensland and a Graduate Diploma in Sustainability Management.

Gareth Fleming
Project Director

Gareth Fleming brings 20 years' experience both in Europe and Australia, as a professional engineer, project manager, construction manager, as well as holding statutory positions as registered manager and site senior executive.

He has delivered several key schemes ranging from re-development works for the 2012 London Olympics to key projects for Main Roads WA, network management for numerous WA utility companies and mining related construction works.

He has experience in a vast range of delivery models including construct only with tier one contractors, design and construct, EPCM, PMC, joint delivery teams and owners self delivery with significant experience with remote construction in the Pilbara Region of WA.

His most recent role prior to joining Hastings was the construction of Australia's largest salt and potash facility at Mardie for BCI Minerals

Gareth holds a Bachelor of Engineering (Hons) in Civil Engineering from the University of Strathclyde in Glasgow

REVIEW OF

Operations

Hastings is focused on the development of the Company's flagship Yangibana Project. Located 250km north east from Carnarvon in Western Australia's Upper Gascoyne region, the project is located on Gifford Creek Station which covers Thiin-Mah Warriyangka, Tharrkari and Jiwarli country.

Company activities in the 2023 financial year were primarily focused on early infrastructure works at the Yangibana Project, with the project on track for the commencement of main construction in the second half of the 2023 calendar year.

Project delivery and capital review

During the reporting period, the Company completed a comprehensive review into the project delivery model and capital cost, confirming the Yangibana Project remains a world-class tier one project with excellent project economics.

A key outcome of the review was the introduction of a staged development strategy to reduce the upfront capital requirements and project execution risks. Under this new strategy, the project will be developed in two stages:

Stage 1:
Develop the Yangibana Project's mine and beneficiation plant to produce up to 37,000tpa of rare earth concentrate (27% REO grade) and achieve first concentrate on truck by H1 CY2025

Stage 2:
Develop the hydrometallurgy plant at Onslow to produce up to 15,000tpa of MREC (59% REO grade)

To provide greater certainty to the capital estimate and delivery schedule, Hastings has elected to adopt a fixed price Engineering, Procurement and Construction ("EPC") contract model to reduce overall project risk.

On 3 May 2023, the Company announced that it had entered into a binding term sheet with GR Engineering Services Limited ("GRES") for the delivery of the Yangibana Project's beneficiation plant and associated infrastructure. The long-form contract was subsequently executed
on 4 September 2023.

The $210 million EPC contract is lower than cost estimates for an equivalent scope of works under the former Engineering, Procurement and Construction Management ("EPCM") model and includes:

- a fixed price component of $180 million for the beneficiation plant
- a provisional component of $30 million mainly for earthworks associated with the beneficiation plant and tailing storage facility.

In addition, the EPC model offers additional benefits and lowers risks in multiple areas, including:

- a reduction in cost and providing cost certainty
- guarantees on the timeframe, with first concentrate production in Q2 CY2025 providing a pathway to early project cashflows
- guarantees on time, cost and product quality.

Stage 1
Key project metrics (concentrate-MREC)

Total capital cost	Capital incurred (at 30 June 2023)	Post-tax NPV[11] (ungeared)	Post-tax IRR (ungeared)	Average EBITDA per annum
$470m	$106m	$538m – $1,018m*	27.5% – 50.9%*	$175m – $250m*

*Potential for improved economics through tolling and/or profit sharing arrangements

Development activities

As the Company moves towards the commencement of main construction for the Yangibana Project's mine and beneficiation plant, early infrastructure works at site, engineering design and procurement have advanced for all critical elements of project development.

Enabling works at the Yangibana Project were largely completed during FY2023, including:

- a 20km site access road alignment to connect the Yangibana Project's mine site with the shire road network
- works to install water infrastructure, including six bores and a 30km pipeline from the SipHon Well Borefield to supply water to the beneficiation plant, village, mine and construction works
- construction of a 2km x 30m airstrip to allow for up to 70-seater aircraft
- installation of a series of communication towers to allow permanent high speed communication
- construction of the 294-bed Kurrbili Accommodation Village, including the kitchen, messing facilities, medical centre, administration buildings, gym and sports courts.

Milestone engineering designs for the Yangibana Project's beneficiation plant were 60% completed at 30 June 2023, with designs handed over to GRES following the award of the EPC contract.

To best position the Company to advance development of the Yangibana Project in a timely and efficient manner, contracts for the fabrication of critical long lead equipment have been awarded through the year, including flotation cells, regrind mill, pumps, storage tanks, conveyors and feeders and other key items such as the online sample analyser for the beneficiation plant.

In June 2023, the first major piece of long-lead equipment for the project was dispatched by Metso-Outotec. Weighing approximately 27,600 tonnes, the shell for the semi-autogenous grinding ("SAG") mill will form a key component of the Yangibana Project's beneficiation plant.

Project finance

Hastings has advanced financing due diligence including a technical review of the Project by lenders' Independent Technical Expert ("ITE"), Behre Dolbear Australia Pty Limited ("BDA"). BDA considers the cost estimation to be reasonable and appropriate for a project at the stage of development of Stage 1 of the Yangibana Project. Hastings is assessing interest for up to 60% gearing for the total Stage 1 funding from multiple funding sources including Export Credit Agencies ("ECA"), Development Finance Institutions ("DFI"), commercial banks, mining/credit funds, and debt capital markets (bonds) / fixed income investors.

As previously announced, the Northern Australia Infrastructure Facility ("NAIF") approved a $220 million loan facility for the Yangibana Project (single stage combined beneficiation and hydrometallurgical plants construction) and Export Finance Australia ("EFA") provided a letter of support to lend up to $100 million for the Yangibana Project. During the year, two commercial banks provided a letter of support and indicative proposal for $110 million for Stage 1.

Subject to agreeing funding terms, the Company aims to finalise the optimum funding for the Yangibana Project by the end of 2023.

To support the early infrastructure works and fund procurement of critical long lead equipment, the Company successfully raised $110 million in September 2022 through a two-tranche placement for the issue of approximately 25 million new fully paid ordinary shares at an offer price of $4.40 per share.

19.9%

Strategic investment in TSX-listed Neo Performance Materials

Strategic investment in Neo Performance Materials

It is the long-term vision of Hastings to pursue its strategy of building a vertically integrated mine to magnet company.

In August 2022, Hastings announced the acquisition of a 19.9% shareholding in Neo, a company listed on the Toronto Stock Exchange at a cost of C$15.00 per share, from an affiliate of Oaktree Capital Management L.P. (this represents a 4.7% premium to Neo's closing share price of C$14.33 per share on Wednesday, 24 August 2022).

Neo is a global leader in the downstream processing of rare earth elements and production of advanced materials, including permanent magnets. The acquisition is funded by an investment by Wyloo Metals ("Wyloo") via the subscription of $150 million (C$135 million) secured, redeemable, exchangeable notes issued by Hastings.

Wyloo is a subsidiary of Tattarang, one of Australia's largest privately owned investment companies with an investment portfolio spanning across agri-food, energy, resources, property, and lifestyle.

Neo is a global leader in the downstream processing of rare earth elements and production of advanced materials, including permanent magnets.

Geology and exploration

The Yangibana Project hosts numerous near surface "iron stone" occurrences which consist of iron oxides and hydroxides. These surface expressions of ore are altered ferrocarbonatite intrusives situated along fault zones which developed between the Lyons Creek Fault in the south and the Bald Hill lineament in the north. Other modes of occurrence for "iron stone" intrusions have been identified along the contacts of various older granite intrusives.

The petrogenesis of this specific ore type is constantly under review with reference to understanding the potential of additional carbonatitic mineralisation. Since the first drill program at the Yangibana Project in 2014, Hastings has continuously grown its resources and reserves through ongoing exploration and metallurgy test work.

Current resources and prospects represent 24.2km cumulative strike of the prospective ironstone intrusions.

In October 2022, the Company successfully completed an extensive drilling campaign along the eight-kilometre long Bald Hill – Simon's Find – Frasers deposit, which resulted in an increase in current total JORC Resource of 29.93Mt @ 0.93 % TREO (0.32% Nd_2O_3+Pr_6O_{11}). Due to its close proximity to the proposed site of the process plant, this trend is vital for the ore feed required upon project commissioning.

Subsequently in February 2023, Hastings announced a 25% increase in its Proved and Probable Ore Reserves to 20.93Mt @ 0.90% TREO (or 0.33% Nd_2O_3+Pr_6O_{11}), based on drilling, assaying and optimisation work from the 2021-22 exploration program. This also reflects the completion of the acquisition of the 30% Yangibana joint venture interest from Cadence Minerals Plc (announced on 25 January 2023).

This increase in Ore Reserve estimates allows Hastings to plan for a mine operating life of at least 17 years, with substantial Mineral Resource upside potential offering growth potential as approvals are secured in the future.

A review of all datasets, including multispectral imagery, magnetics/radiometrics and on-ground prospecting has extended the known mineralised trends over a total of 41.3km of strike. Several high priority targets identified in areas with transported cover have the potential for an additional 20.3km of mineralised strike. If reconnaissance exploration and subsequent drilling confirm that these current trends contain rare earth mineralised ironstone veins, then there is potential to more than double the existing resource base.

25%

increase in ore reserves, underpinning initial mine life of 17 years

Customers and offtake

In line with the Company's strategy to pursue a European-centric business model aimed at capitalising on the opportunity created by the European Union's aspirational target to have 30% of permanent magnets manufactured in Europe by 2030, Hastings is in advanced discussions with potential offtake partners to support the new staged development strategy.

In line with the Company's strategy to pursue a European-centric business model aimed at capitalising on the opportunity created by the EU's aspirational target to have 30% of permanent magnets manufactured in Europe by 2030, Hastings is in advanced discussions with potential offtake partners to support the new staged development strategy.

Subsequent to 30 June 2023, Hastings and thyssenkrupp Materials Trading ("TMT") agreed to expand the terms of the offtake contract signed in April 2021 to include concentrate in addition to MREC under Stage 1 of the development plan for the Yangibana Project. TMT also committed to increasing its volume to two-thirds of annual production for concentrate for the first five years, to meet bankability requirements and underpin the optimal funding structure.

In June 2023, Hastings signed a non-binding Heads of Agreement with TSX-listed rare earth magnet manufacturer, Neo, in which Hastings acquired a 19.9% interest in August 2022, signalling both companies' intention to negotiate a binding offtake agreement for Hastings' MREC following third party tolling arrangements for the concentrate during Stage 1, and eventually the construction of the Onslow hydrometallurgical plant in Stage 2.

During FY23, Hastings also announced the signing of a non-binding offtake Memorandum of Understand with Solvay, an advanced materials and specialty chemicals company headquartered in Brussels. The MOU outlines the intent of both parties to enter into a non-binding commercial offtake agreement for Hastings to supply an initial annual volume of 2,500 tonnes of its MREC to Solvay's separation plant in La Rochelle, France.

If reconnaissance exploration and subsequent drilling confirm that these current trends contain rare earth mineralised ironstone veins, then there is potential to more than double the existing resource base.

REVIEW OF

Sustainability

Operating sustainably is critical to the future of Hastings and ESG remains a core area of focus for the Company's Board and management team as we continue to integrate it into all aspects of the business. The Company's leading ESG credentials are aligned with many of the United Nations ("UN") Sustainability Development Goals and the Ten Principles of the UN Global Compact which Hastings is a signatory and active participant.

During the year, Hastings ESG performance was subject to a number of third party independent ratings, resulting in the Company being ranked fourth out of 159 companies in Sustainalytics' 2022 diversified metals mining subindustry category and achieved the EcoVadis Gold Rating, ranked in the top five per cent of companies assessed.

Agency	Rating/Ranking	Agency	Rating/Ranking
SUSTAINALYTICS RATED	Sustainalytics ESG rating. Hastings ranked 4th out of 159 companies in the 2022 diversified metals mining subindustry category	TCFD	Hastings is listed as a formal supporter of the Task Force on Climate-Related Financial Disclosures ('TCFD')
GOLD 2022 ecovadis Sustainability Rating	Ecovadis Gold Rating, ranked in the top 5% of companies assessed	United Nations Global Compact	Hastings is a participant, and has committed to impelmentation of the Ten Principles of the UN Global Compact
IFC	Hastings positively assessed against the IFC performance standards (World Bank)	EQUATOR PRINCIPLES	Hastings positively assessed against the Equator Principles IV (World Bank)

Hastings' sustainability pillars

Governance

We conduct our business with integrity and transparency, and we honour our commitments. This is underpinned and guided by a structured set of policies and procedures, as well as strong leadership;

People

We aim to create a workplace that is respectful and inclusive. We attract and retain talent by developing and supporting our people, and putting in place measures to protect their health, safety and well-being;

Communities

We engage meaningfully with our stakeholders and look to make a positive contribution to the communities where we operate; and

Environment

We seek to understand and manage our impact on the environment and be efficient in the way that we use resources.

Operating sustainably

In addition to producing critical minerals that are enabling the global energy transition, Hastings is also committed ensuring our operations are conducted in a sustainable manner. This includes:

- A target of 40-80% renewable energy sources for the Yangibana Project – initially 40% in the first year of operations utilising solar photovoltaic farm and battery story
- Modern efficient engineering design operations achieving high recoveries and reflecting better ESG metrics
- The Yangibana Project's water requirement is recovered and recycled to create more sustainable operations, with 82% of water usage met by recovered process water saving around 2.88GL per annum.

2023 Sustainability Report

The full scope of Hastings' ESG performance will be published in the Company's 2023 Sustainability Report, which will be released in Q4 2023. As with previous years, the report will be guided by relevant guidance including Global Reporting Initiative ("GRI") standards and Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations.

FY23 key performance highlights

Achieved a Loss Time Injury Frequency Rate of **below 2.0**	Maintained a minimum of **30% female employment** participation rate	Developed and rolled out **two programs** to build an **inclusive culture**
Developed and rolled out a **Supplier Code of Conduct**	Partnered with industry to build **local capability to support future operations**	**Zero non-compliances** with Hastings' Native Title Agreement

MINERAL RESOURCES AND ORE RESERVES

Statement

Summary

This statement represents the Mineral Resources and Ore Reserves ("MROR") for Hastings Technology Metals Limited as of 30 June 2023. This MROR statement has been compiled and reported in accordance with the guidelines of the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (2012 JORC Code).

This statement is to be reviewed and updated annually in accordance with Section 15 of the JORC (2012) Code. The nominated annual review date for this MROR statement is 30 June 2023.

The Company's Mineral Resources at the Yangibana Project were announced in February 2023. The information in this statement has been extracted from the relevant reports as indicated below in each Ore Reserve or Mineral Resource table.

The Company is not aware of any latest information or data that materially affects the information included in the relevant market releases for this estimate. The Company confirms that all material assumptions and technical parameters underpinning the estimate in the relevant market releases continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified. Reserves are reported from tenements in which Hastings holds a 100% interest (Table 1).

The quoted Yangibana Project's Mineral Resource estimate was first reported in August 2014 in accordance with the JORC (2012) Code. In November 2018, October 2019, May 2021, June 2022, October 2022 and then February 2023 the Company announced major Mineral Resource increases over the 2017 estimate. The Company is not aware of any latest information or data that materially affects the information included in the relevant market releases for these estimates. The Company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market releases continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified. Resources are shown for the total project (Table 2) held by Hastings Technical Metals Ltd.

The Brockman Mineral Resource estimate was first reported in September 2011 in accordance with the guidelines of the 2004 Edition of the JORC Code and was subsequently updated in January 2021 to comply with the JORC (2012) Code. The mineral resource estimate for the Southern Extension was first reported in the Company's December 2015 Quarterly Report. The Company is not aware of any latest information or data that materially affects the information included in the relevant market releases for this estimate. The Company confirms that all material assumptions and technical parameters underpinning the estimate in the relevant market releases continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified. Resources are shown for the main Brockman Project (Table 3).

Table 1: Total JORC (2012) Proved and Probable Reserve January 2023.

Category	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO t
Proved	4.89	0.95	0.37	46,700
Probable	16.03	0.88	0.32	141,435
TOTAL	**20.93**	**0.90**	**0.33**	**188,135**

Table 2: Total Yangibana Project JORC (2012) Mineral Resource October 2022

Category	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO t
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**

Table 3: Updated JORC (2012) Brockman Project Mineral Resources. Lower cut-off grade is 700 ppm Nb_2O_5

Inferred	M tonnes	TREO %	HREO %	Nb_2O_5%	Ta_2O_5%	Y_2O_3%	ZrO_2%
Total	**41.6**	**0.20**	**0.17**	**0.35**	**0.02**	**0.11**	**0.86**

Yangibana Project's Proved and Probable Reserve (January 2023)

Based on Definitive Feasibility level studies ("DFS") information and recent updates to operational expenditure, pricing, geological, geotechnical, metallurgical, and environmental work, independent consultant Intermine Engineering Consultants (Intermine) has completed an update Ore Reserve estimate based on Measured and Indicated Mineral Resources at each of Bald Hill, Fraser's, Simon's Find, Auer, Auer North, Yangibana, and Yangibana North deposits (Figure 1). The Ore Reserve estimate used Whittle pit optimisation software to maximise ore recovery using conventional drill and blast, and load and haul mining methods.

Modifying factors used to estimate the new Ore Reserves are provided in Table 1 Section 4 of the JORC Code (2012) at the end of ASX Announcement 6 February 2023 "Yangibana Project's Ore Reserves Increased by 25%". The total project Ore Reserve estimate as of 30 January 2023, is set out in Table 4.

Table 4: Total Yangibana Project Ore Reserves by deposit (January 2023)

Deposit	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$\%Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	8.12	0.79	0.32	41
Fraser's	1.77	1.01	0.43	43
Simons Find	2.69	0.53	0.28	53
Auer	2.83	0.96	0.34	35
Yangibana	1.31	0.79	0.37	47
Yangibana North	4.21	1.29	0.34	26
TOTAL	**20.93**	**0.90**	**0.33**	**37**

The increase in the Ore Reserves is based on the re-estimated and updated Mineral Resources for Bald Hill, Fraser's, and Simon's Find announced on 11 October 2022 (reference made to ASX Announcement: "Drilling along 8km long Bald Hill – Fraser's trend Increases Indicated Mineral Resources by 50%").

The increase in the 2022 Mineral Resource estimate (Table 4) was the result of a successful 13,334m drilling campaign at the Yangibana Project during 2021-2022 targeting the eight kilometre long Bald Hill - Simon's Find - Fraser's trend (Figure 1) which is near the process plant.

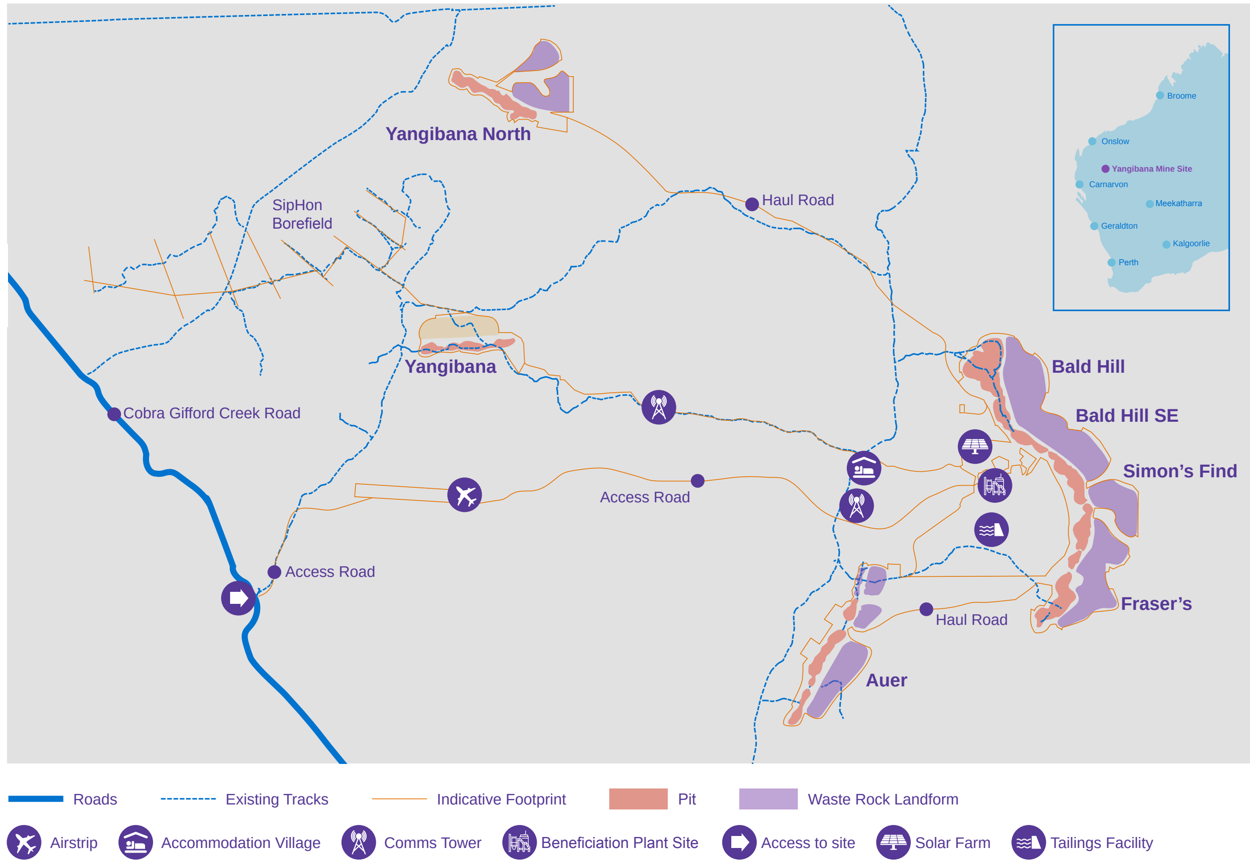
The 2021-2022 drilling program increased the Indicated Mineral Resources along the Bald hill – Simon's Find – Fraser's deposits by 50 % to 9.84Mt and by 31% for Measured + Indicated Mineral Resources to 14.16Mt for the same deposits (Table 2).

The resultant Mineral Resource upgrade has generated a new Ore Reserve of 20.93Mt @ 0.90% TREO extending the mine-life to 17 years. The extension to the mine life is underpinned by additional classified ore tonnes developed from the infill drilling programme along the Bald Hill – Simon's Find – Fraser's ore zones, also being the closest pits to the processing plant. The Bald Hill pit alone continues to represent around 40% of the Total Ore Reserves and is forecast to supply feed to the processing plant for eight of the 17 years of mine life.

Mineral Resources by Deposit

The Mineral Resources as of 11 October 2022 (ASX Announcement – "Drilling along 8km long Bald Hill – Fraser's trend Increases Indicated Mineral Resources by 50%") is reported according to the Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC (2012) Code). The Mineral Resources are reported inclusive of Ore Reserves.

Figure 1: Yangibana Projects - location of the Deposits hosting JORC (2012) Resources



The Ore Reserves quoted in this report are derived from Measured and Indicated Resources as reported in the ASX Announcement "Drilling along Bald Hill – Fraser's trend Increases Indicated Mineral Resources by 50%", dated 11 October 2022. The current Mineral Resources for the Yangibana Project that include the Probable Ore Reserves are as shown in Table 2. These resources are located at ten different deposits within the overall project area as shown in Figure 1. Mineral Resources are reported at a 0.24% TREO cut-off grade.

Proved and Probable Ore Reserves have been derived from the Measured and Indicated Mineral Resources at Bald Hill (M09/157, E09/162 – Table 5), Simon's Find (M09/176 – Table 6), Fraser's – Table 7), Auer (E09/160, M09/159 – Figure 8), Yangibana (M09/165 and M09/163 – Table 9) and Yangibana North (M09/160 and M09/159 – Table 10) within tenements in which Hastings holds 100% interest.

Table 5: Bald Hill Mineral Resource

Category	M Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	TREO t
Measured	3.55	0.82	0.34	29,136
Indicated	5.23	0.75	0.30	39,290
Sub-total	8.79	0.78	0.31	68,425
Inferred	1.17	0.67	0.27	7,787
TOTAL	**9.96**	**0.77**	**0.31**	**76,212**

Table 6: Simon's Find Mineral Resource

Category	M Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	TREO t
Measured	–	–	–	–
Indicated	3.14	0.52	0.27	16,206
Sub-total	3.14	0.52	0.27	16,206
Inferred	0.05	0.60	0.31	295
TOTAL	**3.19**	**0.52**	**0.27**	**16,501**

Table 7: Fraser's Mineral Resource

Category	M Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	TREO t
Measured	0.75	1.25	0.53	9,407
Indicated	1.47	0.75	0.32	11,001
Sub-total	2.23	0.92	0.39	20,408
Inferred	0.01	0.60	0.25	44
TOTAL	**2.24**	**0.91**	**0.39**	**20,452**

Table 8: Auer Mineral Resource

Category	M Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	TREO t
Measured	–	–	–	–
Indicated	3.54	0.93	0.32	32,796
Sub-total	3.54	0.93	0.32	32,796
Inferred	1.10	0.76	0.24	8,297
TOTAL	**4.64**	**0.89**	**0.30**	**41,093**

Table 9: Yangibana Mineral Resource

Category	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO t
Measured	–	–	–	–
Indicated	1.989	0.71	0.34	14,034
Sub-total	1.98	0.71	0.34	14,034
Inferred	0.33	0.64	0.31	2,146
TOTAL	**2.31**	**0.70**	**0.33**	**16,180**

Table 10: Yangibana North Mineral Resource

Category	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO t
Measured	0.66	1.39	0.36	9,179
Indicated	4.15	1.41	0.36	58,609
Sub-total	4.81	1.41	0.36	67,788
Inferred	0.97	1.43	0.37	13,914
TOTAL	**5.78**	**1.41**	**0.36**	**81,702**

Mineral Resources for Gossan, Lion's Ear and Kane's Gossan are not used in this Ore Reserve Estimate, and they are shown here for the sake of clarity only. JORC (2012) Inferred Mineral Resources at Gossan, Lion's Ear, Hook, Kane's Gossan are shown in Table 11. Mineral Resources are reported at a 0.2% $Nd_2O_3+Pr_6O_{11}$ cut-off grade.

Table 11: Mineral Resources – other prospects inferred only

Category	M Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO t
Gossan	0.25	1.43	0.35	3,518
Lion's Ear	0.71	1.54	0.39	10,934
Hook	0.29	1.52	0.33	4,393
Kane's Gossan	0.57	1.04	0.29	5,970
TOTAL	**1.82**	**1.39**	**0.34**	**24,814**

Material Changes and Resource Statement Comparison

The Group reviews and reports its Mineral Resources at least annually and provides an annual MROR statement. The date of reporting is 30 June each year, to coincide with the Group's end of budget year balance date. If there are any material changes to its mineral resources over the course of the year, the Group is required to promptly report these changes.

Governance Arrangements and Internal Controls

Hastings has ensured that the Ore Reserves and Mineral Resources quoted are subject to good governance arrangements and internal controls. The Ore Reserves and Mineral Resources reported have been generated by independent external consultants who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimation. In addition, Hastings' management conducts regular reviews of internal processes and external contractors that have been engaged by the Group. All Mineral Resources reported here were compiled in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code) 2012 Edition.

Competent Persons' Statement

The information that relates to the Ore Reserves at Bald Hill, Fraser's, Yangibana, Auer and Auer North and Yangibana North is based on information reviewed or work undertaken by Mr Stephen O'Grady (AusIMM), 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 that relates to process metallurgy is based on information reviewed by Ms. Narelle Marriott (General Manager – Process Development). Ms Marriott is an employee of the Group and 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 2012 JORC Code. 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 that relates to Mineral Resources at the Yangibana Project and the Brockman Deposit is based on information compiled by Mr David Princep of Gill Lane Consulting, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Princep is a consultant to Hastings Technology Metals Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Princep consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information that relates to Exploration Results is based on information reviewed and compiled by Louis Schürmann. Dr Schürmann is an employee of the Group and is a Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM). Dr Schürmann has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which he is 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). Dr Schürmann consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Tenements schedule

As of 30 June 2023 (all tenements are in Western Australia)

Gascoyne Metals Pty Limited
(100% subsidiary)

Tenement	Locality	Status	Holders
E09/2296	WA	Live	Gascoyne Metals Pty Ltd
E09/2298	WA	Live	Gascoyne Metals Pty Ltd
E09/1703	WA	Live	Gascoyne Metals Pty Ltd
E09/1704	WA	Live	Gascoyne Metals Pty Ltd
E09/1705	WA	Live	Gascoyne Metals Pty Ltd
E09/1706	WA	Live	Gascoyne Metals Pty Ltd
E09/2333	WA	Live	Gascoyne Metals Pty Ltd
M09/159	WA	Live	Gascoyne Metals Pty Ltd
M09/161	WA	Live	Gascoyne Metals Pty Ltd
M09/163	WA	Live	Gascoyne Metals Pty Ltd
G09/11	WA	Live	Gascoyne Metals Pty Ltd
G09/13	WA	Live	Gascoyne Metals Pty Ltd
E09/1989	WA	Live	Gascoyne Metals Pty Ltd
E09/2007	WA	Live	Gascoyne Metals Pty Ltd
E09/2084	WA	Live	Gascoyne Metals Pty Ltd
E09/2086	WA	Live	Gascoyne Metals Pty Ltd
E09/2095	WA	Live	Gascoyne Metals Pty Ltd
E09/2129	WA	Live	Gascoyne Metals Pty Ltd
E09/2137	WA	Live	Gascoyne Metals Pty Ltd
E09/2334	WA	Live	Gascoyne Metals Pty Ltd
E09/2364	WA	Live	Gascoyne Metals Pty Ltd
E09/2403	WA	Live	Gascoyne Metals Pty Ltd
E09/2404	WA	Live	Gascoyne Metals Pty Ltd
G09/10	WA	Live	Gascoyne Metals Pty Ltd
G09/14	WA	Live	Gascoyne Metals Pty Ltd
G09/23	WA	Live	Gascoyne Metals Pty Ltd
G09/24	WA	Live	Gascoyne Metals Pty Ltd

Tenement	Locality	Status	Holders
G09/25	WA	Live	Gascoyne Metals Pty Ltd
L09/66	WA	Live	Gascoyne Metals Pty Ltd
L09/67	WA	Live	Gascoyne Metals Pty Ltd
L09/68	WA	Live	Gascoyne Metals Pty Ltd
L09/69	WA	Live	Gascoyne Metals Pty Ltd
L09/70	WA	Live	Gascoyne Metals Pty Ltd
L09/71	WA	Live	Gascoyne Metals Pty Ltd
L09/72	WA	Live	Gascoyne Metals Pty Ltd
L09/74	WA	Live	Gascoyne Metals Pty Ltd
L09/75	WA	Live	Gascoyne Metals Pty Ltd
L09/80	WA	Live	Gascoyne Metals Pty Ltd
L09/81	WA	Live	Gascoyne Metals Pty Ltd
L09/82	WA	Live	Gascoyne Metals Pty Ltd
L09/83	WA	Live	Gascoyne Metals Pty Ltd
L09/85	WA	Live	Gascoyne Metals Pty Ltd
L09/86	WA	Live	Gascoyne Metals Pty Ltd
L09/87	WA	Live	Gascoyne Metals Pty Ltd
L09/89	WA	Live	Gascoyne Metals Pty Ltd
L09/91	WA	Live	Gascoyne Metals Pty Ltd
M09/157	WA	Live	Gascoyne Metals Pty Ltd
M09/160	WA	Live	Gascoyne Metals Pty Ltd
M09/164	WA	Live	Gascoyne Metals Pty Ltd
M09/165	WA	Live	Gascoyne Metals Pty Ltd
M09/177	WA	Live	Gascoyne Metals Pty Ltd
M09/179	WA	Live	Gascoyne Metals Pty Ltd
P09/489	WA	Live	Gascoyne Metals Pty Ltd

Yangibana Pty Limited
(100% subsidiary)

Tenement	Locality	Status	Holders
G09/17	WA	Live	Yangibana Pty Ltd
G09/18	WA	Live	Yangibana Pty Ltd
G09/20	WA	Live	Yangibana Pty Ltd
G09/21	WA	Live	Yangibana Pty Ltd
G09/22	WA	Live	Yangibana Pty Ltd
G09/26	WA	Live	Yangibana Pty Ltd
G09/27	WA	Live	Yangibana Pty Ltd
G09/28	WA	Live	Yangibana Pty Ltd
L09/93	WA	Live	Yangibana Pty Ltd
L09/95	WA	Live	Yangibana Pty Ltd
L09/96	WA	Live	Yangibana Pty Ltd
L09/97	WA	Live	Yangibana Pty Ltd
M09/158	WA	Live	Yangibana Pty Ltd
M09/162	WA	Live	Yangibana Pty Ltd
M09/176	WA	Live	Yangibana Pty Ltd
M09/178	WA	Live	Yangibana Pty Ltd
E09/1700	WA	Live	Yangibana Pty Ltd
E09/1943	WA	Live	Yangibana Pty Ltd
E09/1944	WA	Live	Yangibana Pty Ltd
E09/2018	WA	Live	Yangibana Pty Ltd

Brockman Project Holdings Pty Limited
(100% subsidiary)

Tenement	Locality	Status	Holders
E80/5248	WA	Pending	Brockman Project Holdings Pty Limited
P80/1626	WA	Live	Brockman Project Holdings Pty Limited
P80/1628	WA	Live	Brockman Project Holdings Pty Limited
P80/1629	WA	Live	Brockman Project Holdings Pty Limited
P80/1630	WA	Live	Brockman Project Holdings Pty Limited

Other Project
(100% subsidiary)

Tenement	Locality	Status	Holders
E09/2385	WA	Live	Ark Gold Pty Ltd
E09/2399	WA	Live	Ark Gold Pty Ltd

DIRECTORS' Report

Your directors submit the annual financial statements of the consolidated entity consisting of Hastings Technology Metals Limited (the "Company" or "Hastings") and the entities it controlled during the period (the "Group") for the financial year ended 30 June 2023. Pursuant to the provisions of the Corporations Act, the Directors' Report as follows:

Directors

The names of directors who held office during or since the end of the year and to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Particulars
Mr Charles Lew	Executive Chairman
Mr Guy Robertson	Executive Director
Mr Neil Hackett	Independent Non-Executive Director
Mr Bruce McFadzean	Independent Non-Executive Director
Mr Malcolm Randall	Independent Non-Executive Director
Mr Jean Claude Steinmetz	Independent Non-Executive Director

Names, qualifications, experience, and special responsibilities

Mr Charles Lew
Executive Chairman
Qualifications: BA Hons Finance and Accounting, MSc Management Science

Mr Lew has more than 30 years of investment banking experience, including serving as Managing Director of ABN Amro's investment banking business in Singapore from 1997 to 2000. He has been involved in a diverse range of investment banking activities, including IPOs, equity placements, corporate mergers and acquisitions, debt/equity restructuring, private equity investments and venture capital financing.

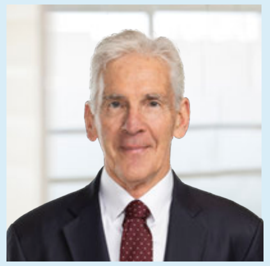
After leaving ABN Amro, Mr Lew started his own investment management company, Equator Capital, which manages a hedge fund (which he exited active management in 2018) that is primarily involved in trading global managed futures, US equities and options. In addition, Equator Capital has been a private equity/pre-IPO investor in growth companies in Singapore, Malaysia, and China some of which were subsequently listed on the Singapore Exchange.

Mr Lew served as an Independent Non-Executive Director of one of Malaysia's prominent banking group, RHB Bank from March 2004 until his retirement from the group in May 2016. During this period, he was on the board of RHB Investment Bank (2004 to 2016), RHB Islamic Bank (2008 to 2016) and RHB Capital Berhad (2005 to 2007). He was an Independent Director on the board of Singapore Medical Group between 2007 and 2013. He is also Founder and Chairman of Muddy Murphy Holdings, an operator of traditional and concept pubs that was established in 1996.

Mr Lew holds a BA (Hons) in Finance and Accounting from the University of East London and a MSc in Management Science from Imperial College, University of London.

Other current ASX directorships: None.

Former ASX directorships in the last three years: None.



Mr Guy Robertson

Executive Director and Joint Company Secretary

Qualifications: B.Com (Hons) CA

Mr Robertson has significant experience as a director and company secretary of ASX listed and private companies in both Australia and Hong Kong.

Mr Robertson previously held senior roles in the Jardine Matheson group of companies over a period of sixteen years including Finance Director and Managing Director (NSW) for Jardine Lloyd Thompson Australia Insurance Brokers, Finance Director and Chief Operating Officer for Colliers International Property Services Asia Pacific, and General Manager Finance of the Franklins Limited supermarket chain.

Other current ASX directorships: Executive Director of Metal Bank Limited, Artemis Resources Limited and Alien Metals Limited, Non-Executive Director of GreenTech Metals Limited.

Former ASX directorships in the last three years: Bioxyne Limited (June 2022 – May 2023).

Mr Neil Hackett

Independent Non-Executive Director and Joint Company Secretary

Qualifications: BEcon, GDAFI, GDFP, FFin, GAICD (Merit)

Mr Hackett is a professional Australian Securities Exchange director with over 25 years' practical experience with ASX200 resources entities, diversified industrials, funds management, and ASIC. He is currently Non-Executive Director of Footwear Industries Pty Ltd (trading as Steel Blue Safety Boots), Council Member of John XXIII College, Redkite Cancer Charity and Course Facilitator with the Australian Institute of Company Directors. Mr Hackett's previous ASX experience includes Ardiden Ltd, InteliCare Holdings Ltd, Ampella Mining Ltd, African Chrome Fields Ltd, Calima Energy Ltd, Modun Resources Ltd and Sundance Resources Ltd.

He holds a Bachelor of Economics from University of Western Australia, Graduate Diploma in Applied Finance & Investment, Graduate Diploma in Financial Planning, is a Fellow of FINSIA, and a Graduate (Order of Merit) and Facilitator with the Australian Institute of Company Directors and has undertaken geological studies at the WA School of Mines.

Other current ASX directorships: None.

Former ASX directorships in the last three years: Ardiden Limited (June 2012 – June 2023), InteliCare Holdings Limited (October 2019 – September 2022) and Calima Energy Limited (March 2012 – November 2020).

Mr Bruce McFadzean

Independent Non-Executive Director

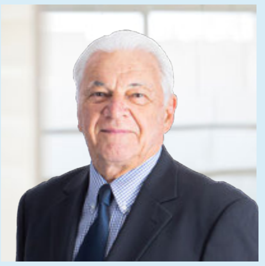
Qualifications: Fellow of Australian Institute of Mining and Metallurgy (FAUSIMM), Graduate Diploma in Mining

Mr McFadzean, mining engineer, has more than 40 years' experience in the global resources industry and was the Managing Director of Sheffield Resources Limited from Nov 2015 until July 2021. Mr McFadzean who has led the financing, development, and operation of several new mines around the world has experience in gold, copper, nickel, diamonds, iron ore, lithium and mineral sands.

Mr McFadzean's professional career includes 15 years with BHP and Rio Tinto in a variety of positions and four years as managing director of successful ASX gold miner Catalpa Resources Limited which merged into Evolution Mining Limited. Mr McFadzean has successfully completed several mergers, acquisitions and joint ventures.

Other current ASX directorships: Non-Executive Chair of Aquirian Limited and Non-Executive Director of Argosy Limited.

Former ASX directorships in the last three years: Ardiden Limited (November 2021 – August 2023) and Sheffield Resources Limited (November 2015 – July 2021).



Mr Malcolm Randall

Independent Non-Executive Director

Qualifications: Dip Applied Chem, FAICD

Mr Randall holds a Bachelor of Applied Chemistry degree and has more than 45 years of experience in corporate, management and marketing in the resources sector, including more than 25 years with the Rio Tinto group of companies.

His experience has covered a diverse range of commodities including iron ore, base metals, uranium, mineral sands, lithium, coal, graphite and gold.

Mr Randall has held the position of chairman and director of a number of ASX-listed companies.

Other current ASX directorships: Non-Executive Chairman of Argosy Minerals Limited and Kingsland Minerals and Non-Executive Director of Ora Gold Limited.

Former ASX directorships in the last three years: Kalium Lakes Limited (June 2016 – August 2020) and Magnetite Mines Limited (2012 – November 2022).

Mr Jean Claude Steinmetz

Independent Non-Executive Director

Qualifications: BSc in Chemical Engineering, MSc in Industrial Management

Mr Steinmetz has been involved in the specialty chemical industry for more than 26 years with a strong focus on the automotive industry leading breakthrough projects in body developments and major reductions programmes of carbon dioxide (CO_2) in compliance with European and global legislation. Mr Steinmetz has also held management positions in Rhodia-Solvay, GE and Du Pont. He currently serves as Chairman of the Auto Plastic and Innovative Materials Committee of Sino-EU Chemical Manufacturers Association.

Mr Steinmetz's was previously Chief Operating Officer for the ASX listed rare earth company Lynas Corporation where he had operational responsibility for the mining operations and concentration plant at Mount Weld in Western Australia and the Lynas Advanced Materials Plant in Malaysia. He also had oversight of the sales and marketing activities at Lynas and is fluent in English, Dutch, German and French.

Other current ASX directorships: None.

Former ASX directorships in the last three years: None.

Interests in the shares and options of the Company

The following relevant interests in shares and options of the Group or a related body corporate were held by the Directors as at the date of this report.

Director	Number of Fully Paid Ordinary Shares	Number of Performance Rights
Mr Charles Lew	7,377,658	200,000
Mr Guy Robertson	62,619	30,000
Mr Neil Hackett	23,636	30,000
Mr Bruce McFadzean	52,930	50,000
Mr Malcolm Randall	50,153	50,000
Mr Jean Claude Steinmetz	245,044	30,000

Dividends

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activities of the Group during the year were in exploration and evaluation, early works construction for the Yangibana Project and the advancement of project debt funding.

For a review of operations, please refer to the section Review of Operations on pages 12 to 17.

Operating results for the year and financial review

The comprehensive loss of the consolidated entity for the financial year, after providing for income tax, amounted to $82,518,463 (2022: $9,426,219).

The Group's income was $7,169,795 (2022: $328,910) due to increased term deposit interest income from higher interest rates on higher funds received from share placements, and $2,520,426 (2022: nil) in dividends from the Group's first-time investment in Neo.

Expenses increased to $17,749,657 (2022: $9,764,165) including $20,561,751 in finance costs the majority of which was for borrowing costs paid on convertible notes, $13,220,760 in onerous contracts due to the delay in phase 2 of the Yangibana Project at Onslow, $6,491,199 in higher employee benefits in line with the doubling of employees, and $5,668,341 in consulting activity. Offsetting the expenses is the $28,059,416 decrease in the fair value of derivatives held for trading relating to convertible notes.

The investment in Neo was initially recognised at $155,849,069 with a $71,950,037 loss in fair value through other comprehensive loss subsequently recognised.

Capitalised exploration increased to $88,297,476 (2022: $71,411,125) reflecting the costs associated with drilling on the Yangibana Project to increase probable reserves, and heritage and environmental approvals.

Plant and equipment increased to $212,684,152 (2022: $82,932,086) as a result of the progress made on early works construction, including for the Kurrbili Accommodation Village, airstrip, communication towers, site access road, and water supply infrastructure.

Net assets increased to $315,172,510 (2022: $282,428,491) reflecting equity funds received, before costs, during the year of $111,000,000 (2022: $69,476,499) offset by the net loss for the year and the $71,950,037 loss in the fair value of equity investments at fair value through other comprehensive income.

Review of financial conditions

As at 30 June 2023, the consolidated entity had a net cash deficit of $36,151,338 (2022: $134,276,193 surplus), of which $98,644,239 was in cash and cash equivalents (2022: $119,866,547) and nil (2022: $15,000,000) in term deposits with maturities greater than 3 months. Offsetting the cash assets are borrowings of $133,187,086 (2022: nil) and lease liabilities of $1,608,491 (2022: $590,354). The funds are earmarked for construction, corporate costs, and working capital.

The total cash held by the Group including restricted cash (Trade and Other Receivables) of $3,600,488 is $102,244,723.

Going concern

Notwithstanding the $98,644,239 in funds held by the Group as of 30 June 2023, the Company will need to secure additional funding in order to meet forecasted expenditure including outstanding commitments and commence main construction of Stage 1 during the next 12 months.

As a consequence, a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Directors believe that there are reasonable grounds that the use of the going concern basis remains appropriate as there is an expectation that the Company:

- Will be able to secure project financing for Yangibana Project's Stage 1 through a combination of debt and equity, and
- Will be able to reduce expenditure to conserve working capital balances where required.

The attached annual report for the year ended 30 June 2023 contains an independent auditor's report which highlights the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. For further information, refer to Note 1(d) to the financial statements, together with the auditor's report.

Significant changes in the state of affairs

The following summary of events were significant milestones in the state-of-affairs of the Group during the year:

- Acquisition of a 19.9% interest in TSX-listed Neo with funding from the Convertible Notes;
- Issuance of $150 million in convertible notes to Wyloo in October 2022 to fund the share acquisition in Neo;
- $110 million in capital raisings of which $90 million was underwritten;
- Signing of a non-binding offtake Memorandum of Understanding with Solvay in October 2022 for the sale of an initial 2,500 tonnes per annum of MREC;
- In January 2023, NAIF increased their loan facility support to $220 million with a 12 ½ year tenure subject to pre-completion conditions;
- Acquisition of the 30% interest in the Yangibana Joint Venture not already held;
- Announcement of a staged development strategy of the Project to reduce initial funding requirements and project execution risk, and provide early cash flows from Stage 1 (Yangibana Project's mine and beneficiation plant);
- Awarding a binding $210 million EPC term sheet with GRES for the delivery of the beneficiation plant and associated infrastructure project;
- Signing of non-binding Heads of Agreement with Neo to negotiate a binding offtake agreement for Stage 1 concentrate; and
- Significant progress of early infrastructure works including finalising the Project's airstrip, site access road, water supply, and network access, and the 90% completion of the Kurrbili Village.

Significant events after balance sheet date

Since 30 June 2023, the Group has announced:

- TMT commits to increasing its purchase volume to two-thirds of the Yangibana Project's annual production volume for the first five years, commencing in Q2 2025;
- Appointment of Mr Paul Brown as the new Chief Executive Officer effective from 21 September 2023;
- Execution of the $210 million EPC contract with GRES on 4 August 2023; and
- Mr Vorster, interim Chief Executive Officer, electing not to extend his fixed term contract beyond 31 July 2023.

Other than as outlined above, there were no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or state-of-affairs of the consolidated entity in future financial years.

Shares under option

At the date of this report there were 4,000,000 unlisted options on issue exercisable at $6.50 per option expiring 1 April 2024.

The Group has 1,316,080 performance rights on issue to Directors and employees, of which 100,000, 108,172 and 54,226 were respectively issued during the year to Mr Alwyn Vorster, Interim Chief Executive Officer, Mr Rudolph van Niekerk, Acting Chief Executive Officer, and Mr Teck Lim, Chief Financial Officer.

Likely developments and expected results

During the coming financial year, the Group plans to focus on sourcing the balance of the Project's funding and progress mine development construction.

Material business risk

The material business risks faced by the Group that are likely to impact the financial prospects of the Group, and how the Group manages these risks, are:

- Future capital needs – The Company will need to secure additional funding in order to meet forecasted expenditure including outstanding commitments and commence main construction of Stage 1 during the next 12 months;
- Development risks – The Yangibana Project has a substantial resource and will face development, construction, and commissioning risk prior to going into production. The Group employs technical specialists and engages external consultants where appropriate to address this risk;
- Commodity price risk – As a Group which is focused on the exploration and bringing into production of rare earth oxides, notably NdPr, dysprosium, and terbium, it is exposed to movements in the price of these commodities. The Group monitors historical and forecast price information from a range of sources to support its planning and decision making; and
- Market risk – The Group has a 19.9% strategic interest in Neo whose value is exposed to movements in the security's price. The Group has taken a long-term investment approach in managing the risk of this investment.

Environmental legislation

The consolidated entity is subject to significant environmental and monitoring requirements in respect of its natural resources' exploration and development activities.

The Directors are not aware of any material breaches of these requirements during the year. Nevertheless, there are a number of lesser, potential breaches that are the matter of ongoing discussion with relevant regulators but will not prejudice the Group's ongoing activities.

Indemnification and insurance of Directors and Officers

The consolidated entity has agreed to indemnify all Directors of the Group for any liabilities to another person (other than the Group or related body corporate) that may arise from their position as Directors of the Group, except where the liability arises out of conduct involving a lack of good faith.

Indemnity of auditors

The Group has agreed to indemnify its auditors, PricewaterhouseCoopers, to the extent permitted by law, against any claim by a third party arising from the Group's breach of their agreement. The indemnity stipulates that Hastings Technology Metals Limited will meet the full amount of any such liabilities including a reasonable amount of legal costs.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

REMUNERATION Report *(Audited)*

Table of contents

This Remuneration Report ("Report") outlines the remuneration approach and arrangements in place for Key Management Personnel ("KMP") of Hastings for the Financial Year ended 30 June 2023 (FY23). This Report contains the following sections:

1. Who is covered by this Remuneration Report

The following people acted as KMP during the FY23. For the purpose of this Report, KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

Name	Position
Directors (including Independent Non-Executive Directors)	
Mr Charles Lew	Executive Chairman
Mr Guy Robertson	Executive Director
Mr Neil Hackett	Independent Non-Executive Director
Mr Bruce McFadzean	Independent Non-Executive Director
Mr Malcolm Randall	Independent Non-Executive Director
Mr Jean Claude Steinmetz	Independent Non-Executive Director
Executive Management	
Mr Paul Brown	Chief Executive Officer (commenced 21 September 2023)
Mr Rudolph van Niekerk	Chief Operating Officer (commenced 1 February 2023)*
Mr Teck Lim	Chief Financial Officer (commenced 10 May 2023)
Former Executives	
Mr Alwyn Vorster	Interim Chief Executive Officer (commenced 16 November 2022, resigned 31 July 2023)
Mr Andrew Reid	Chief Operating Officer (resigned 8 February 2023, ceased as KMP 8 November 2022)
Mr Matthew Allen	Chief Financial Officer (resigned 14 April 2023, ceased as KMP 31 March 2023)

*Subsequent to 30 June 2023, Mr van Niekerk resigned from his position as Chief Operating Officer

2. FY23 highlights

Regarding Director and Executive remuneration for FY23, the Board considered retention and motivation of high-quality senior talent, external market conditions, along with individual performance and approved the following fixed annual remuneration outcomes:

Director and Executive fixed remuneration

- **Executive Directors:** Fixed remuneration increased from $570,000 to $620,000 for the Executive Chairman, and no change for other Executive Directors
- **Independent Non-Executive Directors:** No change to independent Non-Executive Directors fees during the year.
- **Executives:** No increase was awarded to Mr Andrew Reid who resigned as Chief Operating Officer (Chief Operating Officer). Mr Matthew Allen received an increase of 13% during FY23. Fixed annualised remuneration was set at $539,000, $405,292, and $564,000 for the newly appointed Chief Operating Officer (Mr Rudolph van Niekerk), Chief Financial Officer (Mr Teck Lim) and the interim Chief Executive Officer (Mr Alwyn Vorster) respectively.

See Section 5 Director Remuneration and Section 6 FY23 Approach to Executive Remuneration for more details.

Incentive and equity outcomes

Performance rights vesting

Prior to 1 January 2023, the Company operated a discretionary incentive plan where from time-to-time the Board may grant Directors and Executives performance rights (rights). The rights may vest in various tranches over one to three years based on meeting specific project hurdles.

- **Executive:** for the rights that were tested on 31 December 2022, the project hurdles were not achieved. The Board exercised its discretion to vest 20% of rights to recognise the efforts demonstrated in a challenging operating environment.
- **Director:** for the rights that were tested on 31 December 2022, the project hurdles were not achieved resulting in a 0% vesting outcome.

Discretionary cash bonus

In recognition of the successful completion of the capital raise and the Wyloo and Neo investments over the year, the Board awarded Mr Charles Lew (Executive Chairman), Mr Matthew Allen (former Chief Financial Officer) and Mr Andrew Reid (former Chief Operating Officer) a discretionary cash bonus of $400,000, $200,000 and $150,000 respectively.

See Section 7 Remuneration Outcomes and Section 8 Details of Remuneration for more details.

Short and long-term incentive awards
(Effective 1 January 2023)

As the Company transitions to the next critical phase of the Yangibana Project, appropriate KMP remuneration arrangements are critical.

Within this context during the year the Board in conjunction with external remuneration consultant, The Reward Practice ("TRP"), reviewed the current incentive arrangements. As a result of the review, the Company implemented separate Short-Term Incentive ("STI") and Long-Term Incentive ("LTI") plans which are to replace the legacy performance rights plan (effective from 1 January 2023). Key features of the incentive design include:

- **STI** rewarding Executives for achieving key business and individual performance targets that are critical to the success of the Company over the next 12 months. STI awards are delivered in cash and / or shares (at the Board discretion) based on performance against a mix of Group and individual performance KPIs set for the relevant period. The KPIs are in relation to areas including cost management, project milestones and ESG.
- **LTI** focusing Executives on long term business sustainability and shareholder wealth creation. LTI awards are granted in performance rights and vest after three years subject to the achievement of long-term strategic milestones such as ESG metrics and relative Total Shareholder Return ("TSR").

The Board considers the changes are appropriate as they:

- **Recognise stage of development** via aligning incentive structures with business needs, cash position and general shareholder group views.
- **Ensure market alignment** considering those companies in a similar mining cycle and of a similar size (operating separate STI and LTI plans)
- **Provide a balanced performance focus** via incorporating metrics recognising the Company's broader performance areas (i.e. STI – financial and non-financial, LTI – market and non-market-based)
- **Attract and retain talent:** via annual awards / grants, flexible award vehicles (in cash or shares for STI) to enhance participant engagement.

Both STI and LTI plans operate for the calendar year commencing from 1 January 2023.

Further details regarding the new STI and LTI plans are disclosed in the Section 6 FY23 approach to Executive remuneration.

3. Remuneration philosophy

The performance of the Group depends upon the quality of the Directors and Executives. The philosophy of the Group in determining remuneration levels is to:

- Provide competitive remuneration, referencing appropriate industry market benchmarks;
- Present progressive incentive structures to encourage outstanding performance;
- Provide a mix of rewards (cash, equity) that will attract, retain, and motivate Executives;
- Reward behaviour and performance that are aligned to the company goals, values, and external stakeholder expectations.

4. Remuneration governance

KMP remuneration decision making is guided by the following remuneration governance framework:

Board of Directors (Board)	The Board is responsible for determining and reviewing remuneration arrangements for the Directors and Executives.
Remuneration Committee (the Committee)	The Committee assists the Board in assessing the appropriateness of Directors and Executive remuneration arrangements on a periodic basis referencing relevant market conditions, practice of peer companies and independent remuneration benchmarking outcomes for the purposes of ensuring maximum stakeholder benefit and the retention of a high-quality Board and Executive team.
External Remuneration Consultants	To ensure the Committee and Board are fully informed when making remuneration decisions, it may seek external, independent remuneration advice on remuneration related issues. During FY23, the Committee engaged TRP to assist with the review and design of the executive incentive framework and provide relevant market insights and considerations. No remuneration recommendations as defined in section 9B of the Corporations Act 2001 were provided by the consultant during the period.

5. Director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders. In accordance with best practice corporate governance, the structure of Independent Non-Executive Director and Executive remuneration is separate and distinct.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time-to-time by a general meeting. The latest determination was at the Annual General Meeting (AGM) held on 25 November 2021 when shareholders approved an aggregate remuneration of up to $500,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders, and the manner in which it is apportioned amongst Directors, is reviewed annually. The Board considers advice from external advisors and market practice of comparable companies when undertaking the annual review process.

Remuneration of Independent Non-Executive Directors is set at $60,000 per annum (inclusive of superannuation where applicable). Independent Non-Executive Director fees over and above $60,000 per annum are for additional consulting services and committee fees paid at agreed rates.

Remuneration of the Executive Chair is set at $620,000 per annum.

The remuneration of Directors for the year ended 30 June 2023 is detailed in the following table:

Name	Position	Directors' Fee $[3]	Other Fees/ Salary $[3]	Termination Notice Period
Mr Charles Lew	Executive Chairman	120,000	500,000	12 months
Mr Guy Robertson	Executive Director	60,000	36,000	–
Mr Neil Hackett[1]	Independent Non-Executive Director	60,000	7,000	–
Mr Bruce McFadzean	Independent Non-Executive Director	60,000	10,000	–
Mr Malcolm Randall	Independent Non-Executive Director	60,000	11,000	–
Mr Jean Claude Steinmetz[2]	Independent Non-Executive Director	60,000	8,000	–

[1]Mr Hackett receives an hourly fee as joint company secretary, which is included in Section 8 – Details of remuneration.
[2]Mr Steinmetz's agreement provides for additional consulting services at a daily rate.
[3]All fees are per annum and inclusive of superannuation where applicable.

From time to time, the Board may also seek shareholder approval to grant equity-based awards to Non-Executive Directors (e.g., sign-on rights, options).

6. Approach to Executive remuneration

Remuneration for Executives consists of fixed remuneration and performance-based variable remuneration over the short- and long-term. The following outlines the Hastings approach to each remuneration element.

Fixed Annual Remuneration

Fixed annual remuneration comprises base salary and superannuation where applicable. Fixed annual remuneration for Executives is reviewed annually by the Committee in considerations of market practice of comparable companies, performance of the Group and individual Executive and where appropriate external advice on policies and practices. The Committee has access to external, independent advice where necessary. The fixed annual remuneration and relevant contract details are outlined below:

Name	Position	Fixed Annual Remuneration $	Termination Notice Period
Mr Andrew Reid[1]	Chief Operating Officer	439,088	3 months
Mr Matthew Allen[2]	Chief Financial Officer	434,278	8 weeks
Mr. Alwyn Vorster[3]	Interim Chief Executive Officer	564,000	3 months
Mr. Rudolph van Niekerk[4]	Chief Operating Officer	539,000	3 months
Mr. Teck Lim[5]	Chief Financial Officer	405,292	3 months

[1]Resigned 8 February 2023
[2]Fixed annual remuneration was increased from $387,088 to $434,278 as of 1 January 2023. Resigned 14 April 2023
[3]On a consulting contract commencing 16 November 2022 and resigned 31 July 2023
[4]Commenced 1 February 2023
[5]Commended 10 May 2023

Performance Rights (prior to 1 January 2023)

From time-to-time performance rights may be granted to focus Executives on the delivery of key business priorities over the short, medium and long term. Performance rights may vest in tranches based on non-market-based performance conditions as set by the Board over multiple performance periods (e.g., 1, 2 or 3 years). The performance conditions are specified lead indicators designed to be proactive and influence future events with measures being put in place which outline a set of actions and deliverables.

Please refer to Section 7 – remuneration outcomes for further details regarding performance rights granted to Directors and Executives prior to the FY23 and relevant vesting outcomes.

STI and LTI (effective 1 January 2023)

During the year the Board has sought support of an external, independent consultant to review the appropriateness of the discretionary performance rights plan. To enhance the alignment of incentive awards with the business need, market practice of companies in a similar mining cycle and shareholder feedback, effective from 1 January 2023, the Company introduced separate STI and LTI plans with design details outlined in the following tables.

The STI plan is to reward KMP and the broader workforce for delivering short-term business priorities; whilst the LTI is available to KMP and senior management and focused on ensuring long-term business sustainability and shareholder wealth creation. The following table outlines the 2023 STI arrangements in detail.

<table>
<tr><th colspan="2">2023 STI</th></tr>
<tr><td>What is the purpose?</td><td>Reward Executives for achieving key business and individual performance targets that are critical to the success of the Group over the next 12 months.</td></tr>
<tr><td>How is it paid?</td><td>STI awards are delivered in cash and / or shares (at the Board's discretion). For FY23, the STI is assumed to be paid in cash when determining the financial impact.</td></tr>
<tr><td>What is the STI opportunity?</td><td>STI opportunity is set as a percentage of fixed remuneration. Subject to performance the Chief Executive Officer (CEO) is entitled to an opportunity of up to 70% and other Executive KMP are entitled to an opportunity from 60 to 70%.</td></tr>
<tr><td>What is the performance period?</td><td>The STI is considered every calendar year. The 2023 STI commences 1 January 2023 and ends 31 December 2023.</td></tr>
<tr><td>How is performance assessed?</td><td>An Executive KMP's actual award is based on meeting Key Performance Indicators ("KPIs") set in advance of the performance period. The KPIs comprise Group and personal KPIs with weightings varying based on role:
• Cost management (15-25%): Yangibana Project's cost performance against budget capex
• Project: completion of Yangibana Project's milestones (15-25%)
• Health and safety: Lost time injuries, Total Recordable Injury Frequency Rate (TRIFR) and leading indicator efficiently managed (10%)
• ESG: Environmental and Heritage Compliance metrics (10%)
• Personal KPIs: role specific metrics (30%-50%)</td></tr>
<tr><td>How STI outcomes are determined?</td><td>KPIs are set at target, and stretch levels resulting in different level of STI outcomes:
<table><tr><td>Performance level</td><td></td><td>% of award*</td></tr><tr><td>Below Target</td><td>The outcome that are below the expected level that would be seen as deserving of reward.</td><td>0%</td></tr><tr><td>Target</td><td>The outcome that is focused on and is expected to represent a challenging but achievable target(s).</td><td>80%</td></tr><tr><td>Stretch</td><td>The upper limit of possible outcomes that are planned for and typically represents an outstanding and aspirational level.</td><td>100%</td></tr></table>*Straight-line approach applies for performance between Target and Stretch level.</td></tr>
<tr><td>What is the gateway?</td><td>In the event of a fatality/serious incident, the default position is zero STI company wide.</td></tr>
</table>

The following table outlines the 2023 LTI arrangements in detail.

LTI	
What is the purpose?	Focus Executives on long-term business sustainability and shareholder wealth creation.
How is it paid?	LTI awards are paid in Performance Rights for nil cash consideration.
What is the LTI opportunity?	The LTI opportunity is set as a percentage of fixed remuneration. Subject to performance, the Chief Executive Officer is entitled for an opportunity of up to 80% and other Executive KMP are entitled for an opportunity of up to 70%. The number of performance rights to be granted is calculated based on the 30-day Volume Weighted Average Price (VWAP) up to Board approval.
What is the performance period?	The LTI is considered every calendar year and is measured over a three-year performance period. The 2023 LTI commences 1 January 2023 and ends 31 December 2025.
How is performance assessed?	LTI awards are granted at the beginning of performance period and vest based on • **Strategic milestones (weighted 70%)**: represent the Company's long-term strategic milestones and are set and approved by the Board for each Performance Period including Yangibana Project's beneficiation commissioning (weighted 30%), first commercial quantity of MREC product on ship (30%) and delivery of ESG initiatives (10%) • **Relative Total Shareholder Return (RTSR) (weighted 30%)**: measures the growth in the Company's share price performance against the ASX Mining & Metals Index (Index) over the Performance Period.
How the LTI vesting is determined?	Target for strategic milestones is binary (achieved or not). Based on the assessment of Board, failing to achieve all set targets will result in no LTI award to vest. The achievement of all targets will result in 100% vesting of awards. For the RTSR hurdle, the proportion of awards may vest in accordance with the following schedule: TSR performance against Index: Performance level — Percentage vesting TSR outperformance of the Index by < +5% p.a — 0% TSR outperformance of the Index by +5% p.a. — 50% TSR outperformance of the Index by +10% p.a. — 100% Straight-line vesting applies to performance between the 50th and 100th percentile
When the awards expire?	Awards will become exercisable and may vest subject to performance over a three-year Performance Period. Vested Rights are subject to a two-year exercise period and any Rights will expire if not exercised within the set exercise period. i.e., the 2023 LTI awards will expire on 31 December 2027.
What happens to the awards at cessation of employment?	If an Executive ceases to be a Hastings employee, any unvested rights will lapse unless the Board exercises its discretion to vest, in whole or in part, the rights or allow them to continue unvested (e.g., in the event of redundancy).
What happens to the awards at change of control?	In the event of a change of control, all unsatisfied Vesting Conditions in respect of the rights granted under the Plan are automatically waived.

7. FY23 remuneration outcomes

Group performance

In considering the Group's performance, the Board provides the following information for the current financial year and previous financial years:

Statutory KPIs of the Group over the last five years

	2023	2022	2021	2020	2019
Loss for the year attributable to owners of Hastings Technology Metals Limited ($)	10,579,862	9,426,219	6,334,423	4,230,338	5,143,029
Basic loss per share[1] ($)	8.69	10.33	9.51	8.60	13.00
Opening share price[1] ($)	3.96	3.40	2.30	3.00	4.50
Closing share price[1] ($)	1.34	3.96	3.40	2.30	3.00
(Decrease)/increase in share price (%)	(66)	16	48	(23)	(33)

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

No dividends were declared nor paid for the year ended 30 June 2023 (2022: $Nil).

STI outcomes

As the new STI plan was introduced in January 2023 with the initial awards due for assessment end of the 2023 calendar year, no awards were paid under the plan during the year to 30 June 2023.

Considering the absence of STI awards and in recognition of the successful completion of key milestones including the capital raise and the successful Wyloo and Neo investments over the period, the Board awarded Mr Charles Lew (Executive Chairman), Mr Matthew Allen (former Chief Financial Officer) and Mr Andrew Reid (former Chief Operating Officer) a discretionary cash bonus of $400,000, $200,000, and $150,000 respectively.

Performance rights vesting outcomes

Director Performance Rights - 2020 Grants

At the 2020 Annual General Meeting (AGM) (held on 30 November 2020) shareholders approved the replacement of 850,000 performance rights to five Directors (Charles Lew – Executive Chairman, Malcolm Randall – Independent Non-Executive Director, Neil Hackett – Independent Non-Executive Director, Guy Robertson – Executive Director, Jean Claude Steinmetz – Independent Non-Executive Director at the time of approval). A further 125,000 Director performance rights were issued to Mr McFadzean on his appointment as an Independent Non-Executive Director on 1 January 2021. Vesting occurs in tranches up until the end of the last performance period ended 31 December 2023. The following table provides the vesting conditions and outcomes.

Tranche	Performance conditions (2020 Director rights)	Weighting	Vesting outcomes
1	Commencement of construction of the beneficiation plant in 2021	30%	100% (Tested on 31 December 2021)
2	Commencement of construction of the hydrometallurgy plant before 31 December 2022	30%	0% (Tested on 31 December 2022)
3	Achieving production throughput performance of no less than 90% of beneficiation design capacity for a consecutive period of no less than three days post C3 commissioning but not exceeding 180 days post C3 commissioning	40%	To be tested on 31 December 2023

Refer to Section 9 for detailed individual Director equity grants and vesting outcomes.

Executive Chair Performance Rights

At the 2020 AGM, shareholders approved the granting of an additional 100,000 employee performance rights to Mr Lew which vest based on a different set of vesting conditions from the 2020 Director rights. The following table provides an update on the vesting conditions and outcomes.

Tranche	Performance conditions (Executive Chair Performance Rights)	Weighting	Vesting outcomes
1	Demonstrate improvement in project capex estimate vs published in November 2019 - $517 million. Improvement in capex must be greater than 10% or $52 million by 31 December 2020.	25%	100% (Tested on 31 December 2020)
2	Confirmation a) capex is +/- 5% of $449 million, b) opex is within a +/- 5% variation from the November 2019 LOM of $20.50, and c) a 10% improvement in the net present valuation as published in November 2019 of $549 million by 31 December 2021	25%	100% (Tested on 31 December 2021)
3	Confirmation construction is on schedule and on budget within a 5% variance to time and budget according to the master schedule and master budget as of 31 December 2022.	50%	0% (Tested on 31 December 2022)

Refer to Section 9 for detailed individual Director equity grants and vesting outcomes.

Former Executive Performance Rights

Mr Allen (former Chief Financial Officer) was granted 150,000 employee performance rights on his appointment as Chief Financial Officer on 1 February 2021. Vesting of Mr Allen's performance rights occurs up until the end of the last performance period ended 31 December 2022. The following table provides an update on the vesting conditions and outcomes.

Tranche	Performance conditions for Mr Allen's rights	Weighting	Vesting outcomes
1	50,000 of the performance rights will vest in 2021 on confirmation a) CAPEX is +/- 5% of $449 million, b) OPEX is within a +/- 5% variation from the November 2019 LOM of $20.50, and c) a 10% improvement in the net present valuation as published in November 2019 of $549 million;	33.33%	100% (Tested on 31 December 2021)
2	100,000 of the performance rights will vest on confirmation construction is on schedule and on budget within a 5% variance to time and budget according to the Master Schedule and Master Budget as of 31 December 2022.	66.66%	20% (Tested on 31 December 2022)

Mr Reid (former Chief Operating Officer) resigned on 8 February 2023. As part of recognition for past services and in lieu of any future performance rights vesting, 50,000 shares were granted to him on 8 November 2022.

Refer to Section 9 for detailed individual Director equity grants and vesting outcomes.

2023 Executive performance rights grants

LTI performance rights grants

Mr Van Niekerk (Chief Operating Officer) and Mr Lim (Chief Financial Officer) were granted 108,172 and 54,226 employee performance rights respectively under the new LTI plan. These grants are due for testing in early 2026.

Refer to Section 6 for relevant performance and vesting conditions and Section 9 for individual equity grants in detail.

Sign-on performance rights

Mr Vorster was granted 100,000 employee performance rights on his appointment as interim Chief Executive Officer on 16 November 2022. Rights were subject to the following specific conditions.

- Successful implementation of InEight or other project cost control system acceptable as well as having the appropriate people structure in place to manage the project (25%)
- The Company has secured sufficient funding for the Yangibana Project development (25%)
- Demonstration of the capex and schedule are with 5% of the target upon the completion of the Yangibana Project (25%)
- The Chief Executive Officer's overall contribution to the company milestones as assessed by the Executive Chair (25%)

These rights are due for testing on 1 July 2023. The vesting outcomes will be released in the FY24 Remuneration Report.

8. Details of remuneration

Table 1: KMP remuneration for the year ended 30 June 2023

	Short-Term Employee Benefits		Long-Term Employee Benefits		Post-Employment Benefits			
	Salary & Fees $	STI / Cash Bonus[5] $	Annual Leave and Long Service Leave[9] $	Termination Payments $	Superannuation $	Equity Performance Rights and Shares[1] $	Total $	Performance Related %
Mr Charles Lew[5]	595,000	552,308	–	–	–	(315,059)	832,249	28.51
Mr Guy Robertson[2]	96,000	–	–	–	–	(34,038)	61,962	(54.9)
Mr Neil Hackett[3]	88,556	–	–	–	–	(34,038)	54,518	(62.4)
Mr Bruce McFadzean	63,348	–	–	–	6,652	(146,918)	(76,918)	191.0
Mr Malcolm Randall	64,253	–	–	–	6,747	(56,729)	14,271	(397.5)
Mr Jean Claude Steinmetz	68,000	–	–	–	–	(34,038)	33,962	(100.2)
Mr Rudolph van Niekerk[6]	222,042	108,111	19,935	–	13,566	16,515	380,169	32.8
Mr Teck Lim[6]	55,313	28,697	4,620	–	5,780	6,542	100,952	34.9
Mr Alwyn Vorster[4,6]	357,200	–	–	–	–	341,283	698,483	48.9
Mr Andrew Reid[5,7,8]	147,369	150,000	(5,509)	104,292	17,283	(84,945)	328,490	19.8
Mr Matthew Allen[5,7]	285,199	200,000	8,900	14,626	20,626	(149,481)	379,870	13.3
Total	**2,042,280**	**1,039,116**	**27,946**	**118,918**	**70,654**	**(490,906)**	**2,808,008**	**19.5**

[1]Performance rights have been granted and valued, with vesting subject to performance hurdles being met.
Negative values represent the reversal of expenses from prior periods due to performance hurdles not being met.
[2]Mr Robertson is paid through Integrated CFO Solutions Pty Ltd, a company in which he has a controlling interest.
[3]Mr Hackett is paid through Corporate-Starboard Pty Ltd, a company in which he has a controlling interest.
[4]Mr Vorster was paid through Earthstone Resources Pty Ltd, a company in which he has a controlling interest.
[5]Mr Lew ($400,000) , Mr Reid ($150,000) and Mr Allen ($200,000) received a discretionary bonus for achieving key milestones including the capital raise and the successful Wyloo and Neo investments. Remaining bonus balances relate to accrued cash STI payable post vesting 31 December 2023.
[6]Mr Rudolph was appointed 1 February 2023, Mr Vorster 16 November 2022, and Mr Lim 10 May 2023.
[7]Mr Reid ceased as KMP 8 November 2022 and Mr Allen 31 March 2023.
[8]Mr Reid received 50,000 listed shares in the Company upon resignation as part of his recognition for past services and in lieu of any future performance rights vesting.
[9]Movement in annual leave and long service leave accrued balances during the year.

Table 2: KMP remuneration for the year ended 30 June 2022

	Short-Term Employee Benefits	Long-Term Employee Benefits	Post-Employment Benefits			
	Salary & Fees $	Annual Leave and Long Service Leave $	Superannuation $	Equity Performance Rights[1] $	Total $	Performance Related %
Mr Charles Lew	570,000	–	–	206,453	776,453	26.6
Mr Guy Robertson[2]	96,000	–	–	12,659	108,659	11.7
Mr Neil Hackett[3]	88,524	–	–	12,659	101,183	12.5
Mr Bruce McFadzean	63,636	–	6,364	152,358	222,358	68.5
Mr Malcolm Randall	64,545	–	6,455	21,098	92,098	22.9
Mr Jean Claude Steinmetz	68,000	–	–	12,659	80,659	15.7
Mr Andrew Reid	402,500	17,147	23,568	496,662	939,877	52.8
Mr Matthew Allen	346,500	26,996	23,568	343,521	740,585	46.4
Total	**1,699,705**	**44,143**	**59,955**	**1,258,069**	**3,061,872**	**41.1**

[1]Performance rights have been granted and valued, with vesting subject to performance hurdles being met.
[2]Mr Robertson is paid through Integrated CFO Solutions Pty Ltd, a company in which he has a controlling interest
[3]Mr Hackett is paid through Corporate-Starboard Pty Ltd, a company in which he has a controlling interest

9. Additional disclosure

Shareholdings of KMP

	Balance At Beginning Of Period	Purchased	On Exercise of Vested Performance Rights	Granted as Remuneration	Forfeited on Resignation	Balance At End Of Period
30 June 2023	Ord	Ord	Ord	Ord	Ord	Ord
Mr Charles Lew[1]	6,581,821	795,837[6]	–	–	–	7,377,658
Mr Guy Robertson	45,074	17,545	–	–	–	62,619
Mr Neil Hackett	22,500	1,136	–	–	–	23,636
Mr Bruce McFadzean[2]	50,658	2,272	–	–	–	52,930
Mr Malcolm Randall[3]	47,881	2,272	–	–	–	50,153
Mr Jean Claude Steinmetz[4]	213,545	31,499	–	–	–	245,044
Mr Rudolph van Niekerk	–	–	–	–	–	–
Mr Teck Lim	–	–	–	–	–	–
Mr Alwyn Vorster	–	–	–	–	–	–
Mr Andrew Reid[5]	116,417	–	–	50,000	(166,417)	–
Mr Matthew Allen	50,000	–	20,000	–	(70,000)	–
Total	**7,127,896**	**850,561**	**20,000**	**50,000**	**(236,417)**	**7,812,040**

[1]4,534,170 shares are held by nominee entities on Mr Lew's behalf
[2]13,158 shares are held by nominee entities on Mr McFadzean's behalf
[3]50,153 shares are held by nominee entities on Mr Randall's behalf
[4]47,000 shares are held by nominee entities on Mr Steinmetz's behalf
[5]50,000 shares were issued to Mr Reid on his resignation
[6]492,201 shares were purchased by a close family member of Mr Lew

Performance rights held by Directors and KMP

The following performance rights were held during the current and prior year and are subject to the Group achieving certain milestones as set out above.

	Number	Grant Date	Performance period to	% Vested	% Lapsed/ Cancelled
Mr Charles Lew	500,000	27 November 2019	31 December 2022	–	100%
Mr Charles Lew[1]	500,000	30 November 2020	31 December 2023	30%	30%
Mr Charles Lew[3]	100,000	30 November 2020	31 December 2022	50%	50%
Mr Guy Robertson	75,000	27 November 2019	31 December 2022	–	100%
Mr Guy Robertson[1]	75,000	30 November 2020	31 December 2023	30%	30%
Mr Neil Hackett	75,000	27 November 2019	31 December 2022	–	100%
Mr Neil Hackett[1]	75,000	30 November 2020	31 December 2023	30%	30%
Mr Bruce McFadzean[2]	125,000	1 January 2021	31 December 2023	30%	30%
Mr Malcolm Randall	125,000	27 November 2019	31 December 2022	–	100%
Mr Malcolm Randall[1]	125,000	30 November 2020	31 December 2023	30%	30%
Mr Jean Claude Steinmetz	75,000	27 November 2019	31 December 2022	–	100%
Mr Jean Claude Steinmetz[1]	75,000	30 November 2020	31 December 2023	30%	30%
Mr Rudolph van Niekerk[4]	108,172	14 March 2023	28 February 2026	–	–
Mr Teck Lim[5]	54,226	23 March 2023	28 February 2026	–	–
Mr Alwyn Vorster[6]	100,000	1 December 2022	1 July 2023	–	–
Mr Andrew Reid	150,000	4 June 2019	31 December 2021	17%	83%
Mr Andrew Reid[7]	85,000	23 October 2020	31 December 2022	50%	50%
Mr Andrew Reid[8]	140,000	3 September 2021	31 December 2022	33%	67%
Mr Matthew Allen[9]	150,000	19 January 2021	31 December 2022	47%	53%

[1]Performance rights were valued at $3.20 per performance right based on the Black-Scholes Model assuming a 3-year maturity period, 0.11% risk-free interest rate, and 2.67-7.01% volatility.

[2]Mr McFadzean's performance rights were valued at $3.60 per performance right based on the Black-Scholes Model assuming a 3-year maturity period, 0.001% risk-free interest rate, and 0.04-0.16% volatility.

[3]Mr Lew's additional 100,000 performance rights were valued at $3.20 per performance right based on the Black-Scholes Mode assuming a 2.2-year maturity period, 0.09-0.11% risk-free interest rate, and 0.52-3.22% volatility

[4]For Mr Van Niekerk's 108,172 employee performance rights, 75,720 of these were valued at $2.60 per performance right based on the Black-Sholes Model assuming a 4.8-year maturity period, 0.031% risk-free interest rate, and 0.00-7.20% volatility. 32,452 were valued at $1.57 per performance right based on the Monte Carlo Model assuming a 2.8-year maturity period, 3.05% risk-free interest rate; and 65% volatility.

[5]For Mr Lim's 54,226 employee performance rights, 37,958 of these were valued at $2.42 per performance right based on the Black-Sholes Model assuming a 4.8 year maturity period, 0.026% risk-free interest rate, and 0.00-7.30% volatility. 16,268 of these were valued at $1.46 per performance right based on the Monte Carlo Model assuming a 2.8-year maturity period, 2.91% risk-free interest rate, and 65% volatility.

[6]Mr Vorster's 100,000 performance rights were valued at $3.81 per performance right based on the Black-Sholes Model assuming a 0.6-year maturity period, 0.026% risk-free interest rate, and 0.00-2.65% volatility.

[7]Mr Reid's 85,000 performance rights were valued at $2.80 per performance right based on the Black-Sholes Model assuming a 2.2-year maturity period, 0.09-0.11% risk-free interest rate, and 0.52-3.22% volatility.

[8] Mr Reid's 140,000 performance rights were valued were valued at at $4.40 per performance right based on the Black-Sholes Model assuming a 1.3-year maturity period, 0.01% risk-free interest rate, and 1.97-3.94% volatility.

[9]Mr Reid's 150,000 performance rights were valued at $4.20 per performance right based on the Black-Sholes Model assuming a 2-year maturity period, 0.001% risk-free interest rate; and 0.34-0.36% volatility.

All details, including share prices at grant, are as at the time of granting of the performance rights and reflect the impact of the 1:20 capital restructure on 23 May 2022 unless otherwise stated.

Performance Rights 30 June 2023	Balance at beginning of period	Granted as remuneration	Vested and exercised during period	Lapsed	Balance at end of period	Max value yet to vest[1]
Mr Charles Lew	400,000	–	–	(200,000)	200,000	–
Mr Guy Robertson	52,500	–	–	(22,500)	30,000	–
Mr Neil Hackett	52,500	–	–	(22,500)	30,000	–
Mr Bruce McFadzean	87,500	–	–	(37,500)	50,000	–
Mr Malcolm Randall	87,500	–	–	(37,500)	50,000	–
Mr Jean Claude Steinmetz	52,500	–	–	(22,500)	30,000	–
Mr Rudolph van Niekerk	–	108,172	–	–	108,172	$231,378
Mr Teck Lim	–	54,226	–	–	54,226	$109,019
Mr Alwyn Vorster	–	100,000	–	–	100,000	$1,617
Mr Andrew Reid	135,833	–	–	(135,833)	–	–
Mr Matthew Allen	100,000	–	(20,000)	(80,000)	–	–
Total	**968,333**	**262,398**	**(20,000)**	**(558,333)**	**652,398**	**$342,014**

[1] The maximum value of the deferred shares yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed. The minimum value of deferred shares yet to vest is nil, as the shares will be forfeited if the vesting conditions are not met.

Related Party Transactions

	2023 $	2022 $
Office and administration costs[2]	99,172	88,412

[2]Office and administration costs were paid to Equator Capital Pte Limited, a company in which Mr Charles Lew has a controlling interest. Of this amount $7,648 (2022: $7,374) remains payable as at 30 June 2023.

Voting of shareholders at last year's annual general meeting

Hastings Technology Metals Limited received more than 99% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM on its remuneration practices.

End of audited remuneration report.

Directors' Meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

Director	Director Meetings		Audit Committee		Remuneration Committee	
	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend
Mr Charles Lew	15	15	–	–	–	–
Mr Guy Robertson	15	15	4	4	4	4
Mr Neil Hackett	14	15	4	4	–	–
Mr Bruce McFadzean	15	15	–	–	–	–
Mr Malcolm Randall	13	15	4	4	4	4
Mr Jean Claude Steinmetz	15	15	–	–	4	4

In addition to the above meeting attendances, 19 circular resolutions were signed by the Board and one circular resolution was signed by the Remuneration Committee during the year.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, PricewaterhouseCoopers, to provide the Directors of the Group with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 50 and forms part of this Directors' Report for the year ended 30 June 2023.

Audit and Non-Audit Services

Details on the amounts paid or payable to the auditor (PricewaterhouseCoopers Australia) for audit and non-audit services during the year are disclosed in note 32.

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board, in accordance with advice provided by the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

Signed in accordance with a resolution of the Directors.

Charles Lew
Executive Chairman

28 September 2023

CORPORATE GOVERNANCE Statement

The Board of Directors of Hastings Technology Metals Limited is responsible for the corporate governance of the Group.

Hastings Technology Metals Limited, through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with the Company. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

The fourth edition of ASX Corporate Governance Council Principles and Recommendations (the Principles) sets out recommended corporate governance practices for entities listed on the ASX.

The Group has issued a Corporate Governance Statement which discloses the Group's corporate governance practices and the extent to which the Group has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 28 September 2023 and is available on the Group's website: https://hastingstechmetals.com/about-us/governance/

Auditor's Independence Declaration

As lead auditor for the audit of Hastings Technology Metals Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Hastings Technology Metals Limited and the entities it controlled during the period.

Helen Bathurst

Helen Bathurst
Partner
PricewaterhouseCoopers

Perth
28 September 2023

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Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
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Consolidated Statement Of Profit Or Loss And Other Comprehensive Income For The Year Ended 30 June 2023

		Consolidated	
	Notes	2023 $	2022 $
Continuing operations			
Other income	2	7,169,795	328,910
Administration expenses		(1,488,150)	(1,132,952)
Consulting and professional fees		(5,668,341)	(771,698)
Depreciation – plant and equipment	11	(219,500)	(171,257)
Depreciation – right-of-use assets		(201,399)	(203,446)
Directors' fees		(1,540,864)	(957,940)
Employee benefits expense	3	(6,491,199)	(3,457,163)
Fair value gain on embedded derivatives	19	28,059,416	–
Fair value gain on foreign exchange forward	4	4,855,315	–
Finance costs	5	(20,561,751)	(28,004)
Insurance		(814,092)	(285,312)
Legal fees		(607,556)	(278,927)
Occupancy expenses	6	(13,422,977)	(165,926)
Share–based payments	7	351,441	(2,311,540)
Loss before income tax expense		(10,579,862)	(9,435,255)
Income tax benefit	8	–	–
Net loss for the year		(10,579,862)	(9,435,255)
Other comprehensive loss			
Loss in the fair value of equity investments at fair value through other comprehensive income	15	(71,950,037)	–
Exchange gain on translation of foreign operations		11,436	9,036
Other comprehensive (loss)/profit		(71,938,601)	9,036
Total comprehensive loss for the year		**(82,518,463)**	**(9,426,219)**
	Notes	**2023 Cents per Share**	**2022 Cents per Share**
Basic and diluted loss per share	9	(8.69)	(10.33)

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement Of Financial Position As At 30 June 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
Assets			
Current assets			
Cash and cash equivalents	10	98,644,239	119,866,547
Trade and other receivables	12	8,348,918	8,587,476
Other financial assets at amortised cost	13	–	15,000,000
Total current assets		106,993,157	143,454,023
Non-current assets			
Deferred exploration and evaluation expenditure	14	88,297,476	71,411,125
Financial assets at fair value through other comprehensive income	15	83,899,032	–
Plant and equipment	16	212,684,152	82,932,086
Right-of-use assets		1,548,556	540,308
Total non-current assets		386,429,216	154,883,519
Total assets		493,422,373	298,337,542
Liabilities			
Current liabilities			
Trade and other payables	17	22,584,052	11,891,030
Employee benefit obligations		1,589,718	341,475
Lease liability		813,986	204,655
Provisions	18	12,270,920	–
Total current liabilities		37,258,676	12,437,160
Non-current liabilities			
Borrowings	19	133,187,086	–
Derivative liability held for trading	19	2,467,055	–
Lease liability		794,505	385,699
Employee benefit obligations		130,313	128,611
Provision	18	4,412,228	2,957,581
Total non-current liabilities		140,991,187	3,471,891
Total Liabilities		178,249,863	15,909,051
Net Assets		**315,172,510**	**282,428,491**
Equity			
Issued capital	20	435,316,770	318,790,910
Reserves	21, 22, 23	(71,821,072)	1,657,446
Accumulated losses		(48,323,188)	(38,019,865)
Total Equity		**315,172,510**	**282,428,491**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement Of Changes In Equity For The Year Ended 30 June 2023

	Issued Capital $	Accumulated Losses $	Fair Value Reserve $	Share-Based Payment Reserve $	Total $
Balance at 1 July 2022	318,790,910	(38,019,865)	–	1,657,446	282,428,491
Loss for the year	–	(10,579,862)	–	–	(10,579,862)
Other comprehensive loss	–	11,436	(71,950,037)	–	(71,938,601)
Total comprehensive loss for the year	**–**	**(10,568,426)**	**(71,950,037)**	**–**	**(82,518,463)**
Shares issued during the year	120,000,000	–	–	–	120,000,000
Transaction costs on share issue	(4,386,077)	–	–	–	(4,386,077)
Share-based payments	–	–	–	(351,441)	(351,441)
Forfeited share-based payments	–	265,103	–	(265,103)	–
Transfer from share-based payments	911,937	–	–	(911,937)	–
Balance at 30 June 2023	**435,316,770**	**(48,323,188)**	**(71,950,037)**	**128,965**	**315,172,510**

The accompanying notes form part of these consolidated financial statements.

	Issued Capital $	Accumulated Losses $	Option Revaluation Reserve $	Share-Based Payment Reserve $	Total $
Balance at 1 July 2021	242,275,502	(28,629,248)	6,790,066	1,495,109	221,931,429
Loss for the year	–	(9,435,255)	–	–	(9,435,255)
Other comprehensive loss	–	9,036	–	–	9,036
Total comprehensive loss for the year	**–**	**(9,426,219)**	**–**	**–**	**(9,426,219)**
Shares/options issued during the year	69,476,499	–	–	–	69,476,499
Exercised options	6,790,066	–	(6,790,066)	–	–
Transaction costs on share issue	(1,864,758)	–	–	–	(1,864,758)
Share-based payments	–	–	–	2,311,540	2,311,540
Forfeited share-based payments	–	35,602	–	(35,602)	–
Transfer from share-based payments	2,113,601	–	–	(2,113,601)	–
Balance at 30 June 2022	**318,790,910**	**(38,019,865)**	**–**	**1,657,446**	**282,428,491**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement Of Cash Flows For The Year Ended 30 June 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
		Inflows/(Outflows)	
Cash flows from operating activities			
Payments to suppliers and employees		(14,078,480)	(10,277,329)
Interest and finance costs paid		(36,303)	(6,832)
Government grants received		–	–
Interest received		4,416,820	277,598
Net cash used in operating activities	11	(9,697,963)	(10,006,563)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(6,775,227)	(7,662,618)
Payments for plant and equipment		(120,486,032)	(25,528,789)
Research and development tax offset in relation to exploration assets		–	568,389
Payments for financial assets at fair value through other comprehensive income	4,15	(150,993,754)	–
Dividends from financial assets at fair value through other comprehensive income	2	2,520,426	–
Proceeds from sale of fixed assets		2,942	–
Proceeds from other financial assets at amortised cost		15,000,000	67,000,000
Net cash (used in)/provided by investing activities		(260,731,645)	34,376,982
Cash flows from financing activities			
Proceeds from issue of shares and options		111,000,000	69,476,499
Payments for share issue costs		(4,386,077)	(1,864,758)
Proceeds from borrowings		150,000,000	–
Payment of borrowing costs		(7,204,240)	–
Principal element of lease payments		(191,510)	(186,664)
Net cash provided by financing activities		249,218,173	67,425,077
Net (decrease)/increase in cash held		(21,211,435)	91,795,496
Effects of exchange rate changes on cash and cash equivalents		(10,873)	3,956
Cash and cash equivalents at the beginning of the year		119,866,547	28,067,095
Cash and cash equivalents at the end of the year	10	98,644,239	119,866,547

The accompanying notes form part of these consolidated financial statements.

Notes To The Consolidated Financial Statements For The Year Ended 30 June 2023

Note 1: Statement Of Significant Accounting Policies

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001.

The accounting policies detailed below have been consistently applied to all years presented unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of Hastings Technology Metals Limited and its subsidiaries. Hastings Technology Metals Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities (including derivative instruments) which are measured at fair value.

The Group is a listed public company, incorporated and operating in Australia. The entity's principal activity is exploration for and development of natural resources.

(b) Statement of Compliance

The financial statements were authorised for issue by the Board on 28 September 2023. The Board has the power to amend the consolidated financial statements after their issue.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial statements, comprising the consolidated financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS").

(c) Effects of Changes in Accounting Policy

A number of amended standards became effective during the current reporting year for which the Group has applied for the first time for the annual reporting period commencing 1 July 2022. However, these amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(d) Going concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2023, the Group incurred a comprehensive loss of $82,518,463 (2022: $9,426,219) and had net cash outflows from operating activities of $9,697,963 (2022: $10,006,563). Furthermore, the Group had outstanding commitments as at 30 June 2023 for construction contracts of $78,761,543 (2022: $92,532,471) due within 2 years. The outstanding commitments excludes the $210 million engineering, procurement, and construction contract signed with GRES subject to obtaining project funding.

In September 2022, the Company raised $111 million (before costs) to accelerate the development of the Yangibana Project of which $12 million has been expended on early infrastructure works as at 30 June 2023. A further $150 million was raised through issuing secured redeemable notes (maturing in October 2025) to Wyloo which was used to acquire a strategic shareholding in Neo.

On 31 May 2023, the Company announced the staged development strategy for the Yangibana Project with the total project capital costs for the construction of the mine and beneficiation plant to produce a concentrate (Stage 1) estimated at $470 million.

In September 2023, the Company and TMT agreed to expand the terms of the offtake contract signed in April 2021 to align with Stage 1 development.

The Company is continuing discussions and is assessing interest for up to 60% gearing for the total Stage 1 funding from multiple funding sources including ECAs, DFIs, commercial banks, mining/credit funds, and debt capital markets (bonds)/ fixed income investors.

The Group has cash and cash equivalents of $98,644,239 as at 30 June 2023. However, the Company will need to secure additional funding to meet forecasted expenditure including outstanding commitments and commence main construction of Stage 1 during the next 12 months.

As a consequence of the above matters, a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Directors believe that there are reasonable grounds that the use of the going concern basis remains appropriate as there is an expectation that the Company:

- Will be able to secure project financing for Stage 1 through a combination of debt and equity, and
- Will be able to reduce expenditure to conserve working capital balances where required.

The financial report does not include any adjustments relating to the amounts or classifications of recorded assets and liabilities that might be necessary if the Group does not continue as a going concern.

(e) Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Inter-company transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Joint operations

A joint operation is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint operation involves use of assets and other resources of the parties rather than establishment of a separate entity. The Group recognises its interest in joint operations by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurred and its share of the income that it earns from the sale of goods or services by joint operations.

(f) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and for changes to previous estimates.

The areas involving significant estimates of judgements are:

Plant and equipment

In accordance with the Accounting Standards and internal policies, the Group is required to assess at each reporting date whether there is any indication that its assets may be impaired. In considering impairment, assets are grouped together based on their capability of producing independent cash inflows and are referred to as Cash Generating Units ("CGUs"). Management has identified the Group has a single CGU being the Yangibana Project which comprises the majority of the plant and equipment (including Construction In Progress) and deferred exploration and evaluation expenditure of the Group at 30 June 2023. The carrying amount of the CGU is compared to the CGU's recoverable amount with an impairment loss recognised for the amount by which an assets' carrying amount exceeds its recoverable amount.

As at 30 June 2023, indicators of potential impairment were identified as the carrying value of the Group's net assets were greater than the Group's market capitalisation.

Accordingly, an impairment assessment was completed for the Yangibana Project CGU. In assessing impairment, the Group is required to determine the recoverable amount as the higher of the value in use, being the net present value of expected future cashflows of the CGU in its current condition, and the fair value less cost of disposal ("FVLCD"). The Group has used the FVLCD approach to assess the recoverable amount of the Yangibana Project's CGU.

The FVLCD is based on discounted cashflows which requires the use of judgement and assumptions including:

- Estimated quantities of recoverable resources, production levels, operating costs and project capital requirements; based on CGU budgets, agreed EPC contract pricing and latest LOM plans;
- Market-based exchange rates;
- Commodity price forecast for rare earth elements based on agreed offtake arrangements and spot price forecasts obtained from various industry analysts; and
- The discount rate.

No impairment has been recognised during the year (2022: Nil) as the recoverable amount was determined to be greater than the carrying value of the Yangibana Project CGU.

Deferred exploration expenditure

The Directors continually assess the Group's exploration projects to determine the existence of any indications of impairment. Where any such indications are present, an impairment assessment is conducted under AASB 6 Exploration for and Evaluation of Mineral Resources and any resulting impairment is expensed to Consolidated Statement of Profit or Loss. During the current financial year, no impairment triggers were identified.

Onerous contracts provision

The Directors continually assess the Group's contracts for being onerous with a provision recognised equal to the present value of any onerous obligations.

During the year, due to the announced 2 stage development approach for the Yangibana Project and the delay in the Onslow operations (Stage 2), committed accommodation at Onslow was assessed as being excessive to current requirements and an onerous contracts provision recognised of $13,220,760, being the excess between the unavoidable costs of meeting the obligation under the contract with nil economic benefits expected to be received. Notwithstanding nil economic benefits expected to be received, the contract is subject to ongoing negotiations regarding terminating or subleasing the contract, potentially reducing the overall obligations.

Financial assets at fair value through other comprehensive income

In October 2022, the Group purchased a 19.9% strategic interest in Neo for C$134,611,905, representing C$15.00 per common share. Neo is a leading global rare earth processing and advanced permanent magnet producer listed on the Toronto Stock Exchange.

The Board has assessed the Group as not having significant influence over Neo as the Group:

1. Maintained less than 20% of the voting power in Neo as of 30 June 2023;
2. Does not have Board representation in Neo;
3. Does not participate in any policy-making processes in Neo;
4. Does not interchange with Neo personnel on a regular basis; and
5. Does not share technical information with Neo.

Equity-settled transactions:

The Group measures the cost of equity-settled transactions by reference to the fair value of the services provided. Where the services provided cannot be reliably estimated fair value is measure by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value of share-based payments and options are determined using either a Black-Scholes model or external valuations, refer to Note 7, Note 21, and Note 22.

The Remuneration Committee regularly reviews the non-market based performance conditions in assessing the likelihood of share-based performance rights vesting.

Fair value of embedded derivatives

Embedded within the convertible notes (refer Note 19) are derivatives relating to the exchange rights and redemption rights of the notes. The initial fair value of the embedded derivatives has been estimated using a Monte Carlo option pricing model based on:

- Terms and conditions of the notes, having specific consideration for the exchange rights and the redemption rights; and
- The substance of the notes, having consideration for the actions that the Company and the holder are likely to undertake over the life of the notes.

The fair value has been assessed under the scenario whereby the notes may be exchanged by the holder at the end of year 2 from when issued, if vested, or if not, may be exchanged over year 3, but subject to being 130% of the exchange price of $5.50 per share.

Due to:

- The Company's current share price and cash balance and unlikelihood of redeeming the notes early; and
- Potential timing delays between when the share price meets the 130% threshold and the redemption exercised

The 130% threshold has been adjusted upwards to 150%.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(g) Other income recognition

Other income is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. The current sources of other income are dividends, interest income and government grants.

a. Dividends
Dividend income is recognised on receipt of funds net of withholding taxes.

b. Interest income
Interest income is recognised on a time proportionate basis that considers the effective yield on the financial asset.

c. Government grants
Government grants related to construction or exploration and evaluation assets are offset against the associated assets' costs in the Consolidated Statement of Financial Position. Government grants are recognised when received.

(h) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents exclude term deposits with banks which mature beyond three months which are disclosed as other financial assets at amortised cost.

(i) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Other receivables are amounts generally arising from transactions outside the usual operating activities of the Group.

Receivables are recognised initially at fair value and then subsequently measured at amortised cost, less provision for credit losses. In determining the recoverability of a trade or other receivable using the expected credit loss model, the Group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, and timing of payments.

(j) Other financial assets at amortised cost

Term deposits with maturity terms >3 month are classified by the Group as other financial assets at amortised cost. They are recognised as financial assets on contract execution and derecognised on term deposit maturity or when the term is broken and funds transferred to cash and cash equivalents.

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent measurement of the term deposits is at amortised cost. Interest income from the term deposit is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss.

(k) Investments and other financial assets

Equity Instruments

The Group measures all equity investments at fair value. At initial recognition, the group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Where the Group's Management has elected to present fair value gains and losses on equity investment in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. On disposal of these equity instruments, any related balance within the Fair Value Other Comprehensive Income Reserve is to be reclassified to retained earnings.

Dividends from such investments are recognised in profit or loss as other income on receipt of funds net of withholding taxes.

(l) Property, plant, and equipment

Property, plant, and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant, and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Construction in Progress is capitalised under Property, Plant, and Equipment and transferred to Plant and Equipment once the constructed asset is available for use (i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management). Constructed assets are available for use post commissioning and testing to determine the asset is operating in the manner intended. This is generally before name plate capacity is achieved.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use.

Plant and equipment are depreciated over a period ranging from two to 20 years and in the case of mining plant over the LOM, currently projected to be 17 years.

Software is depreciated over a period ranging from three to five years.

The assets' residual values and useful lives are reviewed, and adjusted where appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(m) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

I. the rights to tenure of the area of interest are current; and

II. at least one of the following conditions is also met:

a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

A decision to proceed with development in respect of a particular area of interest is determined with reference to when the commercial viability and technical feasibility are demonstrated. Once a decision to proceed has occurred, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Research and development tax offsets received are accounted for as a reduction of exploration and evaluation costs.

(n) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(o) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Research and development tax offsets are recognised on receipt against deferred exploration expenditure.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates, or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(p) Goods and services tax

Revenues, expenses, and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(q) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(r) Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date

• amounts expected to be payable by the Group under residual value guarantees

• the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and

• payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

• the amount of the initial measurement of lease liability;

• any lease payments made at or before the commencement date less any lease incentives received;

• any initial direct costs; and

• restoration costs.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Rehabilitation provision

The Group has obligations to dismantle and remove certain items of property, plant and equipment and to restore and rehabilitate the land on which they sit and also where the Group has impacted the environment. A provision is raised for the estimated cost of settling the rehabilitation and restoration obligations existing at balance date, discounted to present value using an appropriate pre-tax discount rate.

Where the obligation is related to an item of property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset and restoring and rehabilitating the site on which it is located. Costs that relate to obligations arising from waste created by the production process are recognised as production costs in the period in which they arise.

An increase in the provision associated with unwinding of the discount rate is recognised as a finance cost.

Onerous contracts provision

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Where an onerous contract exists, the excess between the unavoidable costs of meeting the obligation under the contract and the economic benefits expected to be received is to be recognised as a provision (refer Note 1(f)).

(t) Share-based payment transactions

The Group provides incentives to employees (including senior executives) and Directors of the Group in the form of share-based payments, whereby employees and Directors receive performance rights over shares which will vest in the event performance hurdles are met (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled due to market conditions, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. If an equity-settled award is cancelled due to non-market conditions, it is treated as if it had vested on the date of cancellation, and no further expense is recognised. Any vested balances recognised in the share-based payment reserve is transferred and offset against retained earnings. However, if a new award is substituted for a cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(u) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

• costs of servicing equity (other than dividends) and preference share dividends;

• the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

• other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(w) Parent entity financial information

The financial information for the parent entity, Hastings Technology Metals Limited, disclosed in Note 35 has been prepared on the same basis as the consolidated financial statements, except as set out below:

(i) Investments in subsidiaries, associates, and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements of Hastings Technology Metals Limited.

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Hastings Technology Metals Limited.

(y) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollar ($), which is Hastings Technology Metals Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(z) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(aa) Finance costs

Finance costs principally represent interest expense, bank charges and the unwinding of discounts on lease liabilities. They are recognised in the statement of profit or loss except when directly attributable with the construction of qualifying assets, where they are added to the cost of the qualifying asset until such time as the assets are substantially ready for their intended use or sale. Where funds are used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant borrowings during the construction period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(bb) Borrowings

Redeemable exchange notes are recognised as borrowings at fair value, net of transaction costs and embedded derivatives. They are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Convertible notes, which are mandatorily redeemable on a specific date, are classified as liabilities. Embedded within the convertible notes are embedded derivatives relating to the exchange rights and redemption rights of the notes. The initial fair value of the embedded derivatives have been estimated using option pricing models with subsequent fair value movements recognised in profit and loss. The remainder of the proceeds from issuing the convertible notes are allocated to the borrowings portion. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the notes.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(cc) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(dd) Fair value of foreign exchange forward

Foreign exchange forwards are only used for economic hedging purposes and not as speculative investments. Where forwards do not meet the hedge accounting criteria, they are classified as “held for trading” for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

(ee) Comparatives

Where applicable, certain comparatives have been adjusted to conform with current year presentation.

Notes To The Consolidated Financial Statements For The Year Ended 30 June 2023

Note 2: Other Income	2023 $	2022 $
Interest income	4,649,369	328,910
Dividends	2,520,426	–
	7,169,795	328,910

Note 3: Employee Benefits Expense	2023 $	2022 $
Wages and salaries	11,299,359	5,707,646
Superannuation	967,779	478,888
Payroll tax	710,114	265,040
Recruitment	584,763	336,755
Provision for annual and long service leave	99,251	180,990
Other employee expenses	568,156	62,999
Geologist and technical costs capitalised	(7,738,223)	(3,575,155)
	6,491,199	3,457,163

Note 4: Fair Value Gain On Foreign Exchange Forward	2023 $	2022 $
Realised gain on foreign exchange forward	4,855,315	–

A foreign exchange forward was entered into on 29 August 2022 to provide surety of value of the Canadian Dollar settlement proceeds for the acquisition of the equity interest in Neo (refer Note 15). The forward was for A$150,724,336:C$134,611,905 and settled on 11 October 2022.

Note 5: Finance Costs	2023 $	2022 $
Borrowing costs (refer Note 19)	20,395,995	–
Bank charges	42,970	18,076
Interest on leases	36,303	6,832
Rehabilitation provision charges (refer Note 18)	86,483	3,096
	20,561,751	28,004

Note 6: Occupancy Expenses	2023 $	2022 $
Onerous contract provision (refer Note 18)	13,220,760	–
Other	202,217	165,926
	13,422,977	165,926

Note 7: Share-Based Payments

Performance rights plan

The establishment of the Company's Performance Rights Plan (PR Plan) was approved by shareholders at the 2012 annual general meeting and last re-approved at the 2019 annual general meeting. An updated plan was issued in 2023 subject to shareholder approval. The PR Plan is designed to provide eligible participants with an opportunity to share in the growth of the Company and to assist the Group in retaining and attracting highly skilled and experienced people. Under the PR Plan, participants are granted rights which only vest if certain performance standards are met (refer to the Remuneration Report for performance conditions). Participation in the plan is at the Board's discretion with no guarantee to receive any benefits. All performance rights have a nil exercise price.

Performance rights are granted under the PR Plan for no consideration and carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share.

Refer to Note 23 for movements in the amount of performance rights on hand during the year.

	2023 $	2022 $
Director granted performance rights (gain)/expense	(620,821)	124,321
Employee granted performance rights expense	269,380	2,187,219
	(351,441)	2,311,540

Note 8: Income Tax

	2023 $	2022 $
(a) Income tax expense		
Current tax	–	–
Deferred tax	–	–
	–	–
(b) Income tax recognised in the statement of profit or loss and other comprehensive income		
Loss from ordinary activities before tax	(10,579,862)	(9,435,256)
Income tax using the Group's domestic tax rate of 25.0% (2022: 25.0%)	(2,644,966)	(2,358,814)
Share-based payments	(87,860)	577,885
Other non-deductible items	2,605	–
Unused tax losses for which no deferred tax asset has been recognised	2,730,221	1,780,929
Income tax benefit reported in the consolidated statement of profit or loss and other comprehensive income	–	–
(c) Deferred tax balances		
Deferred tax assets comprise:		
Tax losses carried forward	14,042,284	13,682,710
Accrued expenses	–	48,310
Share issue costs	4,311,435	–
Less: Deferred tax liabilities offset	2,142,316	1,699,110
	(20,496,035)	(15,430,130)
Deferred tax liabilities comprise:		
Capitalised exploration costs	(20,496,035)	(15,430,130)
Less: Offset against deferred tax asset	20,496,035	15,430,130
	–	–
(d) Income tax benefit not brought to account in equity during the year		
Share issue costs	(1,315,823)	(1,780,506)

(e) Tax losses

The Group has total carried forward tax losses of $119,088,743 (2022: $72,051,774) available for offset against future assessable income of the Group. Deferred tax assets related to tax losses have only been recognised to the extent that they can be offset against deferred tax liabilities. The net deferred tax asset attributable to residual tax losses of $21,684,339 (2022: $7,932,822) has not been brought to account.

(f) Amounts recognised directly in equity

The deferred capital tax loss of $21,585,011 (2022: Nil) arising from the fair value loss on the investment in equity instrument through other comprehensive income has not been brought into account to the extent that the Group does not expect to recover the deferred tax asset amount in future periods.

(g) Tax consolidation

Hastings Technology Metals Limited and its wholly-owned Australia subsidiaries formed a tax consolidated group as of 1 July 2017 and have applied the tax consolidation legislation which means that these entities are taxed as a single entity. As a result, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

Note 9: Loss Per Share

Basic loss per share:	2023 Cents per Share	2022 Cents per Share
Continuing operations	(8.69)	(10.33)

Loss used in the calculation of total basic loss per share reconciles to net loss in the statement of profit or loss and other comprehensive income as follows:	2023 $	2022 $
Loss used in the calculation of basic loss per share	(10,579,862)	(9,435,255)
Loss used in the calculation of basic loss per share from continuing operations	(10,579,862)	(9,435,255)

Basic loss per share:	Number of shares	
The weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:	121,725,846	91,351,538

The Group has 1,406,080 (2022: 1,560,021) performance rights on issue and a further 4,000,000 unlisted options (2022: 4,000,000). The performance rights and options are not considered dilutive as the Group has a net loss.

Note 10: Cash And Cash Equivalents

	2023 $	2022 $
Cash at bank and on hand	26,644,239	64,866,547
Short-term deposits	72,000,000	55,000,000
	98,644,239	119,866,547

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Short term deposits maturing after three months are shown as financial assets at amortised costs (refer to Note 13).

The Group did not engage in non-cash financing activities.

Note 11: Cash Flow Information

(a) Reconciliation of loss for the year to net cash flows from operating activities	2023 $	2022 $
Loss for the year	(10,579,862)	(9,435,255)
Share-based payments expense	(351,441)	2,311,540
Depreciation – plant and equipment	219,500	171,257
Depreciation – right-of-use assets	201,399	203,446
Fair value gain on foreign exchange forward	(4,855,315)	–
Fair value gain on embedded derivatives	(28,059,416)	–
Finance costs	20,561,751	–
Loss on sale of assets	205,583	
Onerous contract provision	13,220,760	–
Changes in working capital		
Increase in trade and other receivables	(1,743,783)	(3,975,484)
Increase in trade and other payables	1,482,861	717,933
Net cash used in operating activities	(9,697,963)	(10,006,563)

(b) Net cash reconciliation	2023 $	2022 $
Cash and cash equivalents	98,644,239	119,866,547
Other financial assets at amortised costs (Term deposits expiring <12 months)	–	15,000,000
Borrowings	(133,187,086)	–
Lease liability	(1,608,491)	(590,354)
Net cash (deficit)/surplus	(36,151,338)	134,276,193

	Liabilities from financing activities			Other assets		
	Borrowings $	Leases $	Subtotal $	Cash $	Other financial assets at amortised costs $	Total $
Net (debt)/cash as at 30 June 2021	–	(112,189)	(112,189)	28,067,095	82,000,000	109,954,906
Cash flows	–	(478,165)	(478,165)	91,795,497	–	91,317,332
Proceeds from other financial assets at amortised costs	–	–	–	–	(67,000,000)	(67,000,000)
Foreign exchange loss	–	–	–	3,955	–	3,955
Net (debt)/cash as at 30 June 2022	–	(590,354)	(590,354)	119,866,547	15,000,000	134,276,193
Cash flows	(133,187,086)	(1,018,137)	(134,205,223)	(21,211,435)	–	(155,416,658)
Proceeds from other financial assets at amortised costs	–	–	–	–	(15,000,000)	(15,000,000)
Foreign exchange gain	–	–	–	(10,873)	–	(10,873)
Net (debt)/cash as at 30 June 2023	(133,187,086)	(1,608,491)	(134,795,577)	98,644,239	–	(36,151,338)

Note 12: Trade And Other Receivables

	2023 $	2022 $
Prepayments[1]	2,196,395	5,629,586
Bank guarantee backed term deposits	3,600,488	2,234,717
GST recoverable	1,917,491	619,837
Interest receivable	334,544	101,995
Other receivables	300,000	1,341
Trade and other receivables	8,348,918	8,587,476

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. No impairment losses were recognised against the prepayments, GST recoverable, interest receivable, and other receivables.

As at 30 June 2023, the Group has determined that the expected provision for credit losses is not material.

[1]Prepayments consist predominately of debt funding transaction costs to later be offset against the fair value of future debt associated with the transaction costs. After recognition of the debt, the transaction costs are to be subsequently measured at amortised cost using the effective interest method. Should such debt not eventuate, the transaction costs are to be transferred to the Profit and Loss and expensed in full.

Note 13: Other Financial Assets At Amortised Cost

	2023 $	2022 $
Term deposits >3 months	–	15,000,000

The credit risk on term deposits with maturity terms >3 months is considered low as the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Group deposits funds with financial institutions rated A- and above.

Note 14: Deferred Exploration And Evaluation Expenditure

Costs carried forward in respect of areas of interest in the following phases:

	2023 $	2022 $
Exploration and evaluation phase – at cost		
Balance at beginning of year	71,411,125	64,704,236
Exploration expenditure	16,550,450	7,475,783
Rehabilitation provision	335,901	(200,505)
Less research and development tax offset	–	(568,389)
Total deferred exploration and evaluation expenditure	88,297,476	71,411,125

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note 15: Financial Assets At Fair Value Through Other Comprehensive Income

Equity securities

	2023 $	2022 $
Listed securities – Neo Performance Materials Inc.		
Purchase costs	155,849,069	–
Change in fair value of equity investments through other comprehensive income	(71,950,037)	–
Fair value at end of period	83,899,032	–

Note 16: Plant and Equipment

	Plant and Equipment $	Software $	Construction in Progress $	Total $
Cost				
Opening balance, 1 July 2022	760,894	455,962	82,277,554	83,494,410
Foreign exchange	895	–	–	895
Disposals	(92,512)	(214,336)	–	(306,848)
Additions	466,002	–	129,714,080	130,180,182
Closing balance, 30 June 2023	1,135,279	241,626	211,991,634	213,368,539
Opening balance, 1 July 2021	580,260	455,962	45,800,657	46,836,879
Foreign exchange	679	–	–	679
Disposals	–	–	–	–
Additions	179,955	–	36,476,897	36,656,852
Closing balance, 30 June 2022	760,894	455,962	82,277,554	83,494,410

	Plant and Equipment $	Software $	Construction in Progress $	Total $
Accumulated depreciation				
Opening balance, 1 July 2022	(432,795)	(129,529)	–	(562,324)
Foreign exchange	(1,816)	–	–	(1,816)
Disposals	90,275	8,048	–	98,323
Depreciation	(181,549)	(37,021)	–	(218,570)
Closing balance, 30 June 2023	(525,885)	(158,502)	–	(684,387)
Opening balance, 1 July 2021	(298,594)	(91,835)	–	(390,429)
Foreign exchange	(638)	–	–	(638)
Disposals	–	–	–	–
Depreciation	(133,563)	(37,694)	–	(171,257)
Closing balance, 30 June 2022	(432,795)	(129,529)	–	(562,324)
Book value 30 June 2023	609,394	83,124	211,991,634	212,684,152
Book value 30 June 2022	328,099	326,433	82,277,554	82,932,086

Note 17: Trade And Other Payables

	2023 $	2022 $
Trade payables[1]	22,230,694	11,331,636
Accruals	–	371,858
Other payables	353,358	187,536
Total trade and other payables	22,584,052	11,891,030

[1]Trade payables are non-interest bearing and are normally settled on 45-day terms.

Note 18: Provisions

	2023 $	2022 $
Current Provisions		
Onerous contracts	12,070,920	–
Rehabilitation	200,000	–
Current Provisions	12,270,920	–
Non-Current Provisions		
Onerous contract	1,149,840	–
Rehabilitation	3,262,388	2,957,581
Non-Current Provisions	4,412,228	2,957,581

Movement in rehabilitation provision	2023 $	2022 $
Balance as at 1 July	2,957,581	883,683
Change in provision charged to plant and equipment	82,423	2,265,083
Change in provision charged to deferred exploration and evaluation expenditure	335,901	165,350
Charged to profit or loss – unwinding of discount	86,483	9,320
Amounts used during the year	–	(365,855)
Balance as at 30 June	3,462,388	2,957,581

Movements in onerous contract provision	2023 $	2022 $
Balance as at 1 July	–	–
New onerous contracts	13,220,760	–
Balance as at 30 June	13,220,760	–

[1]Onerous contracts relates to a take or pay contract with Discovery Parks Onslow for the provision of accommodation and associated services to December 2024. The contract, dated April 2022, was executed prior to the decision to delay Stage 2 of the Yangibana Project relating to Onslow. Consequently, the accommodation exceeds the Group's current needs, with the balance of the contract's value to be recognised with a provision.

Note 19: Borrowings

Convertible Notes - Secured	2023 $	2022 $
Face value of notes	163,756,719	–
Transaction costs	(6,682,438)	–
Fair value of embedded derivative at issue date	(30,526,471)	–
	126,547,810	–
Interest expense	20,395,995	–
Interest paid	(13,756,719)	–
Non-current liability	133,187,086	–

The Group issued 150,000,000 secured, redeemable exchangeable notes with a face value of $150,000,000 on 11 October 2022. The notes are convertible into ordinary shares of the Company, at the option of the holder, for $5.50 per share and have a maturity date of 11 October 2025.

Interest on the outstanding value of the notes will accrue at the rate equivalent to the 3-month BBSY plus 9% per annum and is to be paid-in-kind via the issue of additional notes on a quarterly basis subject to a cash payment election. $13,756,719 of interest was paid-in-kind as convertible notes to 30 June 2023.

The notes were used to fund the purchase of, and secured against, the Group's interest in Neo (refer Note 15).

The initial fair value of the liability portion of the notes was determined using a market interest rate for an equivalent non-convertible note at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the notes. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity, net of income tax, and not subsequently remeasured.

Embedded Derivatives

Embedded within the convertible notes are derivatives relating to the exchange rights and redemption rights of the notes. The initial fair value of the embedded derivatives have been estimated using Monte Carlo option pricing models with subsequent fair value movements recognised in profit and loss.

Embedded Derivatives – Held For Trading	2023 $	2022 $
Fair value of embedded derivative at issue date	30,526,471	–
Fair value gain through profit or loss	(28,059,416)	–
	2,467,055	–

Note 20: Issued Capital

	2023 $	2022 $
Ordinary shares		
At 1 July	318,790,910	242,275,502
Shares issued – placement	110,000,000	40,000,000
Shares issued – share purchase plan	1,000,000	–
Shares issued – vesting of performance rights	911,937	2,113,601
Shares issued – acquisition proceeds (refer Note 36)	9,000,000	–
Exercised options	–	36,266,565
Less share issue costs	(4,386,077)	(1,864,758)
At 30 June	435,316,770	318,790,910

	2023 $	2022 $
Movements in ordinary shares on issue		
At 1 July	101,448,625	1,738,455,928
Movements during the period		
Shares issued – placement[1]	25,000,000	160,000,000
Shares issued – share purchase plan	227,239	–
Shares issued – vesting of performance rights	148,138	12,583,333
Shares issued – acquisition proceeds (refer Note 36)	2,452,650	–
Exercised options	–	117,905,998
1:20 consolidation[2]	–	(1,927,496,634)
At 30 June	129,276,652	101,448,625

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

[1]Under terms of the 28 March 2022 share placement, 4,000,000 (post consolidation2) free-attaching unlisted options were issued on a 1 for 2 basis with an exercise price of $6.50 and an expiry date two years from the date of issue.

[2]On 23 May 2022, a 1:20 equity capital restructure was undertaken. The restructure reduced the units of equity on hand, and correspondingly increased the exercise price for unlisted unexpired options.

Note 21: Fair Value Reserve

Movements in fair value reserve	2023 $	2022 $
At 1 July	–	–
Changes in the fair value of equity investments at fair value through other comprehensive income (refer Note 15)	(71,950,037)	–
At 30 June	(71,950,037)	–

Note 22: Option Revaluation Reserve

Unlisted options

Unlisted options carry no voting rights and carry no right to dividends:

Movements in unlisted call options	2023 $	2022 $
At 1 July	–	–
Options issued – placement	–	–
At 30 June	–	–

The unlisted call options were valued using the Black-Scholes Option Pricing Model at nil value, with an exercise price of $6.50 post consolidation1 expiring 31 March 2024.

Movements in unlisted call options	2023 No.	2022 No.
At 1 July	4,000,000	–
Options issued – placement	–	80,000,000
1:20 consolidation[1]	–	(76,000,000)
At 30 June	4,000,000	4,000,000

[1]On 23 May 2022, a 1:20 equity capital restructure was undertaken. The restructure reduced the units of equity on hand, and correspondingly increased the exercise price for unlisted unexpired options.

Note 23: Share-Based Payment Reserve	2023 $	2022 $
Share-based payment reserve in relation to performance rights	128,965	1,657,446

Share-based payment reserve in relation to performance rights

Movements in the performance rights were as follows:	2023 $	2022 $
Balance 1 July	1,657,446	1,495,109
Performance rights lapsed – transferred to accumulated losses	(265,103)	(35,602)
Share-based payment expenses	(351,441)	2,311,540
Performance rights vested – transferred to issued capital	(911,937)	(2,113,601)
Balance 30 June	128,965	1,657,446

The share-based payments reserve is used to record the value of equity benefits provided to employees and directors as part of remuneration.

Movements in performance rights were as follows:	2023 No.	2022 No.
At 1 July	1,560,021	37,965,000
Performance rights issued during the year	1,016,080	8,043,750
Performance rights vested during the year	(98,138)	(12,583,333)
Performance rights lapsed during the year	(1,071,883)	(2,225,000)
1:20 Consolidation	–	(29,640,396)
At 30 June	1,406,080	1,560,021

i. Details of the Directors' issued performance rights existing during the period are as follows:

Date granted	Grant date fair value[1]	Performance period ended
30 November 2020	$3.10	31 December 2022
30 November 2020	$3.10	31 December 2023
30 November 2020	$3.10	31 December 2022
1 January 2021	$3.70	31 December 2022
1 January 2021	$3.70	31 December 2023

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

Shareholders at the Annual General Meeting held on 30 November 2020 approved the granting of 850,000[1] replacement performance rights to Directors. The performance rights, which are subject to a three-year performance period, were valued at $1.20[1] per performance right based on the fair value of the original replaced performance rights using the Black-Scholes Model. This was on the basis the replacement performance rights were assessed as a modification to the originally issued performance rights and there was no incremental fair value awarded.

On Mr Bruce McFadzean's appointment as a Director on 1 January 2021, 125,000[1] performance rights valued at $3.70[1] per performance right were granted to Mr McFadzean on the same terms as the existing 850,000 Director performance rights.

Following shareholder approval, an additional 100,000[1] performance rights were issued to the Chairman, Mr Charles Lew, on 30 November 2020 on the same terms as the employee performance rights issued 23 October 2020 (refer to ii below).

A gain of $620,821 (2022: $124,321 expense) was recognised for the year ended 30 June 2023 in relation to Directors' performance rights representing the reversal of expenses from prior periods due to performance hurdles not being met.

ii. Details of the employees' performance rights used during the period are as follows:

Date granted	Grant date fair value[1]	Performance period ended
1 December 2022[1]	$3.81	1 July 2023
14 March 2023[2]	$2.29	28 February 2026
23 March 2023[3]	$2.13	28 February 2026
30 April 2023[4]	$2.10	28 February 2026
31 May 2023[5]	$1.47	28 February 2026

[1]Mr Vorster's 100,000 performance rights were valued at $3.81 per performance right based on the Black-Sholes Model assuming a 0.6-year maturity period, 0.026% risk-free interest rate, and 2.65% volatility.

[2]Of the performance rights granted 14 March 2023, 70% were valued at $2.60 per performance right based on the Black-Sholes Model assuming a 4.8-year maturity period, 0.031% risk-free interest rate, and 2.46% volatility. 30% were valued at $1.57 per performance right based on the Monte Carlo Model assuming a 2.8-year maturity period, 3.05% risk-free interest rate; and 65% volatility.

[3]Of the performance rights granted 23 March 2023, 70% of these were valued at $2.42 per performance right based on the Black-Sholes Model assuming a 4.8 year maturity period, 0.026% risk-free interest rate, and 2.07% volatility. 30% of these were valued at $1.46 per performance right based on the Monte Carlo Model assuming a 2.8-year maturity period, 2.91% risk-free interest rate, and 65% volatility.

[4]Of the performance rights granted 30 April 2023, 70% of these were valued at $2.49 per performance right based on the Black-Sholes Model assuming a 4.7 year maturity period, 0.039% risk-free interest rate, and 1.99% volatility. 30% of these were valued at $1.19 per performance right based on the Monte Carlo Model assuming a 2.7-year maturity period, 2.99% risk-free interest rate, and 65% volatility.

[5]Of the performance rights granted 31 May 2023, 70% of these were valued at $1.70 per performance right based on the Black-Sholes Model assuming a 4.6 year maturity period, 0.026% risk-free interest rate, and 0.00-7.30% volatility. 30% of these were valued at $0.92 per performance right based on the Monte Carlo Model assuming a 2.6-year maturity period, 3.37% risk-free interest rate, and 65% volatility.

The vesting of the employee performance rights is conditional on non-market and market based performance conditions. These performance conditions are key objectives specific to each employee.

An expense of $269,380 (2022: $2,187,219) was recognised for the year ended 30 June 2023 in relation to employee performance rights.

Note 24: Financial Assets And Financial Liabilities	2023 $	2022 $
Financial assets		
Cash and cash equivalents	98,644,239	119,866,547
Trade and other receivables	8,348,918	8,587,476
Other financial assets at amortised cost	–	15,000,000
Financial assets at fair value through other comprehensive income	83,899,032	–
	190,892,189	143,454,023
Financial liabilities		
Trade and other payables	22,584,052	11,891,030
Employee benefit obligations	1,720,031	470,086
Lease liability	1,608,491	590,354
Provisions	16,683,148	2,957,581
Borrowings	133,187,086	–
Derivative liability held for trading	2,467,055	–
	178,249,863	15,909,051

The carrying amount of the financial assets and liabilities approximates their fair values.

The following table details the expected maturity for the Group's non-derivative financial assets and liabilities. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

2023	Weighted average effective interest rate %	Less than 1 month $	1 – 3 Months $	3 months – 1 year $	1 – 5 years $	5+ years $
Assets						
Variable interest rate instruments	0.04%	26,644,239	–	–	–	–
Fixed interest rate instruments	2.66%	–	72,000,000	–	–	–
Trade and other receivables	–	4,748,430	–	–	–	–
Trade and other receivables – Fixed interest rate	3.21%	365,771	234,717	3,000,000	–	–
		31,758,440	72,234,717	3,000,000	–	–
Liabilities						
Trade and other payables	–	22,584,052	–	–	–	–
Employee benefit obligations	–	1,589,718	–	–	–	130,313
Lease liability	2.4%	69,033	138,436	606,589	794,433	–
Provision	–	773,760	1,914,880	9,582,280	1,677,810	2,734,418
Borrowings	23.05%	–	–	–	133,187,086	
		25,016,563	2,053,316	10,188,869	135,659,329	2,864,731

2022	Weighted average effective interest rate %	Less than 1 month $	1 – 3 Months $	3 months – 1 year $	1 – 5 years $	5+ years $
Assets						
Variable interest rate instruments	–	64,866,547	–	–	–	–
Fixed interest rate instruments	1.40%	–	55,000,000	15,000,000	–	–
Trade and other receivables	–	6,352,759	–	–	–	–
Trade and other receivables – Fixed interest rate	0.16%	–	234,716	2,000,000		
		71,219,306	55,234,716	17,000,000	–	–
Liabilities						
Trade and other payables	–	11,891,030	–	–	–	–
Employee benefit obligations	–	341,475	–	–	–	128,611
Lease liability	3.0%	16,680	50,138	137,837	385,699	–
Provision	–	–	–	600,160	192,069	2,165,352
		12,249,185	50,138	737,997	577,768	2,293,963

Note 25: Recognised Fair Value Measurements

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements		Level 1	Level 2	Level 3	Total
2023	**Notes**	**$**	**$**	**$**	**$**
Financial assets					
Financial assets at fair value through other comprehensive income ("FVOCI")					
Canadian listed equity securities	15	83,899,032	–	–	83,899,032
		83,899,032	–	–	83,899,032
Financial liabilities					
Financial liabilities at FVPL					
Derivative liability held for trading – Convertible notes	19	–	2,467,055	–	2,467,055
		–	2,467,055	–	2,467,055

There were no transfers between levels for recurring fair value measurements during the year.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. embedded derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments; and
- For the embedded derivatives within the convertible notes - Estimated using a Monte Carlo option pricing model based on:
  - o Terms and conditions of the notes, having specific consideration for the exchange rights and the redemption rights; and
  - o The substance of the notes, having consideration for the actions that the Company and the holder are likely to undertake over the life of the notes.

Note 26: Financial Risk Management Objectives And Policies

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents the information about the Group's exposure to each of the above risks, their objectives, policies, and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks as summarised below.

The Group's principal financial instruments comprise:

- Cash and term deposits – The main purpose which is to earn the maximum amount of interest at a low risk to the Group;
- Equity instruments – A strategic investment in Neo to enable the long-term vision of Hastings to pursue its strategy of building a vertically integrated mine to magnet company.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values, with the exception of redeemable exchange notes recognised as borrowings at fair value, net of transaction costs and embedded derivatives. The redeemable exchange notes are subsequently measured at amortised cost.

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group maintains a policy of dealing with creditworthy counterparties and mitigates the risk of financial loss from default by a counterparty by obtaining sufficient collateral where appropriate. The Group transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Group deposits funds with financial institutions rate A- and above.

Term deposits with maturity terms of >3 months were held with the following financial institutions:

Name	Fitch Ratings Credit Rating	2023 $	2022 $
Westpac Banking Corporation	A+	3,600,488	2,234,717
National Australia Bank	A+	–	15,000,000
		3,600,488	17,234,717

The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group did not have any undrawn facilities at its disposal as at balance date.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Consolidated Group	Within 1 year 2023 $	Within 1 year 2022 $	1 to 5 years 2023 $	1 to 5 years 2022 $	Over 5 years 2023 $	Over 5 years 2022 $	Total 2023 $	Total 2022 $
Financial liabilities – due for payment:								
Trade and other payables	22,584,052	11,891,030	–	–	–	–	22,584,052	11,891,030
Employee benefit obligations	1,589,718	341,475	–	–	130,313	128,611	1,720,031	470,086
Lease liability	814,057	204,655	794,434	385,699	–	–	1,608,491	590,354
Provisions	12,270,920	–	1,677,810	–	2,734,418	–	16,683,148	–
Borrowings	–	–	133,187,086	–	–	–	133,187,086	–
Total contractual outflows	37,258,747	12,437,160	135,659,330	385,699	2,864,731	128,611	175,782,808	12,951,470

Management and the Board monitor the Group's liquidity reserve based on expected cash flows. The information that is prepared by senior management and reviewed by the Board includes:

(i) Annual cash flow budgets; and

(ii) Monthly rolling cash flow forecasts.

(c) Market risk management

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of the holdings of financial instruments. The Group is exposed to movements in market interest rates on term deposits. The policy is to monitor the interest rate yield curve to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long-term debt, and therefore this risk is minimal.

Interest rate risk management

The Group is exposed to interest rate risk as the Group deposits the bulk of the Group's cash reserves in term deposits with Westpac, and National Australia Bank. The risk is managed by the Group by maintaining an appropriate mix of term deposits.

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax profit and equity would have been affected as shown. The analysis has been performed on the same basis for 2023 and 2022.

Consolidated 30 June 2023		Carrying Amount $	Interest Rate Risk -1% Profit $	Interest Rate Risk -1% Equity $	Interest Rate Risk +1% Profit $	Interest Rate Risk +1% Equity $
Financial assets	Footnote					
Cash and cash equivalents	1	98,644,239	(724,984)	(724,984)	724,984	724,984
Trade and other receivables		3,600,488	(36,005)	(36,005)	36,005	36,005
Financial liabilities						
Borrowings		133,187,086	1,637,567	1,637,567	(1,637,567)	(1,637,567)

Consolidated 30 June 2022		Carrying Amount $	Interest Rate Risk -1% Profit $	Interest Rate Risk -1% Equity $	Interest Rate Risk +1% Profit $	Interest Rate Risk +1% Equity $
Financial assets	Footnote					
Cash and cash equivalents	1	119,866,547	(657,087)	(657,087)	1,198,665	1,198,665
Trade and other receivables		101,995	–	–	–	–

[1]Cash and cash equivalents are denominated in AUD include deposits at call at floating and short-term fixed interest rates.

Note 27: Commitments

Remuneration Commitments

The Group has a contract with the Executive Chairman, Mr Lew, with annual remuneration of $500,000 (2022: $450,000), excluding director's fees of $120,000 (2022: $120,000), which can be terminated by either party by giving 12 months' notice.

The Group's other employment contracts have termination periods of between nil and three months. The Group also employs consultants who are contracted under standard consultancy rates. There were no other remuneration commitments made.

Guarantees

The Group has provided cash backed financial guarantees in respect of property leases amounting to $3,600,488 for the year ended 30 June 2023 (2022: $2,234,717). No liability has been recognised in relation to these financial guarantees.

Western Australian Projects

The Group has minimum expenditure commitments on its beneficially owned Western Australian granted tenements.

The Group currently has commitments for expenditure as at balance date on its Australian exploration tenements as follows:

	2023 $	2022 $
Not later than 12 months	1,813,264	1,680,842
Between 12 months and 5 years	3,831,056	3,469,368
Greater than 5 years	7,193,020	7,035,264
	12,837,340	12,185,474

As at 30 June 2023, outstanding commitments for construction contracts amounted to $78,761,543 (2022: $92,532,471). The outstanding commitments are all due within two years.

Note 28: Segment Reporting

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the nature of its interests and projects. Discrete financial information about each of these projects is reported to the executive management team on at least a monthly basis.

Location of interests and nature of projects

Yangibana Project

Hastings owns the Yangibana Project in the Gascoyne region of Western Australia through the 100% ownership of twenty two (22) tenements/exploration licences, one (1) prospecting license, and thirteen (13) mining leases, in all covering an area of approximately 590 square kilometres.

Brockman Rare Earths Project

Hastings is the owner of the Brockman Rare Earths Project, comprising of four (4) wholly owned prospecting licenses, in the East Kimberley region of Western Australia. The project hosts significant JORC compliant resources of the rare metals zircon, niobium and tantalum, and the heavy rare earth yttrium.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 1 to the accounts and in the prior period.

Project segments **30 June 2023**	**Brockman Rare Earths Project $**	**Yangibana Project $**	**Unallocated $**	**Total $**
Other income				
Interest and other income	–	–	7,169,795	7,169,795
Total segment other income	–	–	7,169,795	7,169,795
Expenses				
Administration	–	(13,541,922)	(4,207,735)	(17,749,657)
Loss before income tax expense	–	(13,541,922)	(4,207,735)	(17,749,657)
Income tax benefit	–	–	–	–
Other comprehensive loss	–	–	(71,938,601)	(71,938,601)
Segment result	–	(13,541,922)	(68,976,541)	(82,518,463)
Cash flows from operating activities	–	(12,600,607)	2,902,644	(9,697,963)
Cash flows from investing activities	(19,493)	(124,718,398)	(135,993,754)	(260,731,645)
Cash flows from financing activities	19,493	(191,510)	249,390,190	249,218,173
Project segments				
Segment assets	15,287,105	291,991,509	186,143,759	493,422,373
Segment liabilities	–	42,595,722	135,654,141	178,249,863
Acquisition of exploration assets	19,493	16,530,957	–	16,550,450
Acquisition of property, plant and equipment	–	130,174,098	5,983	130,180,081

Interest income of $4,649,369 was solely derived within Australia. $5,805 in non-current assets are located overseas.

Project segments 30 June 2022	Brockman Rare Earths Project $	Yangibana Project $	Unallocated $	Total $
Other income				
Interest and other income	–	–	328,910	328,910
Total segment other income	–	–	328,910	328,910
Expenses				
Administration	–	(6,116,142)	(3,648,023)	(9,764,165)
Loss before income tax expense	–	(6,116,142)	(3,319,113)	(9,435,255)
Income tax benefit	–	–	–	–
Other comprehensive income	–	–	9,036	9,036
Segment result	–	(6,116,142)	(3,310,077)	(9,426,219)
Cash flows from operating activities	–	(5,743,142)	(4,263,421)	(10,006,563)
Cash flows from investing activities	(15,371)	(32,607,647)	67,000,000	34,376,982
Cash flows from financing activities	15,371	–	67,409,706	67,425,077
Project segments				
Segment assets	15,267,611	145,968,668	137,101,263	298,337,542
Segment liabilities	–	15,909,051	–	15,909,051
Acquisition of exploration assets	15,371	7,453,565	–	7,468,936
Acquisition of property, plant and equipment	–	36,476,897	179,955	36,656,852

Interest income of $328,910 was solely derived within Australia. $277 in non-current assets are located overseas.

Note 29: Dividends
The directors of the Group have not declared a dividend for the year ended 30 June 2023 (2022: $Nil).

Note 30: Contingent Liabilities
There are no contingent liabilities at year end.

Note 31: Events Subsequent To Reporting Date
Since 30 June 2023, the Group has announced:

- TMT commits to increasing its purchase volume to two-thirds of the Yangibana Project's annual production volume for the first five years, commencing in Q2 2025;
- Appointment of Mr Paul Brown as the new Chief Executive Officer effective from 21 September 2023;
- Execution of the $210 million fixed priced Engineering, Procurement, and Construction contract with GRES on 4 August 2023; and
- Mr Vorster, Interim Chief Executive Officer, electing not to extend his fixed term contract beyond 31 July 2023.

Other than as outlined above, there were no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or state-of-affairs of the consolidated entity in future financial years.

Note 32: Auditor's Remuneration
During the year, the following fees were paid or payable for services provided by PricewaterhouseCoopers Australia (PwC) as the auditor of the parent entity, Hastings Technology Metals Limited, by PwC's related network firms and by non-related audit firms:

PricewaterhouseCoopers Australia

	2023 $	2022 $
Audit or review of the financial statements of the Group	175,000	97,716
Other services	8,304	6,120
	183,304	103,836

Note 33: Directors And Executives Disclosures
KMP remuneration has been included in the Remuneration Report section of the Directors' Report.

	2023 $	2022 $
Short-term benefits	3,081,396	1,699,705
Long-term benefits	27,946	44,143
Termination benefits	118,918	–
Post-employment benefits	70,654	59,955
Performance rights	(490,906)	1,258,069
	2,808,008	3,061,872

Note 34: Related Party Disclosures
The consolidated financial statements include the financial statements of Hastings Technology Metals Limited and the subsidiaries listed in the following table.

Name	Country of Incorporation	Functional Currency	% Equity Interest		Investment ($)	
			2023	2022	2023	2022
Ark Gold Pty Ltd	Australia	A$	100%	100%	1	1
Brockman Project Holdings Pty Ltd	Australia	A$	100%	100%	4,000,000	4,000,000
Dorothyeum Rare Earths Pty Ltd	Australia	A$	100%	100%	1,000	1,000
Elletaph Resources Pty Ltd	Australia	A$	100%	100%	1,000	1,000
Gascoyne Metals Pty Ltd	Australia	A$	100%	100%	2,050,000	2,050,000
HTM Investments (One) Pty Ltd	Australia	A$	100%	–	1	1
Yangibana Pty Ltd	Australia	A$	100%	100%	85,000	85,000
Hastings Technology Metals (Asia) Limited	Hong Kong	HK$	100%	100%	100	100
Hastings Technology Metals Pte Ltd	Singapore	S$	100%	100%	99,602	99,602

Hastings Technology Metals Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Related party transactions with KMP	2023 $	2022 $
Office rental and administration expenses[1]	99,172	88,412

[1]Office rental and administration expenses were paid to Equator Capital Pte Ltd, a company associated with the Executive Chairman, Mr Charles Lew. These fees are commensurate with those charged on an arm's length basis.

Shares and options acquired

Shares and options were acquired via share purchase plans and on market purchases:

30 June 2023	Ordinary Shares Purchased	$
Mr Charles Lew	303,636	893,799
Mr Guy Robertson	17,545	40,330
Mr Neil Hackett	1,136	5,000
Mr Bruce McFadzean	2,272	10,000
Mr Malcolm Randall	2,272	10,000
Mr Jean Claude Steinmetz	31,499	128,446
Total	**358,360**	**1,087,575**

30 June 2022	Ordinary Shares Purchased[1]	$
Mr Charles Lew	4,532,677	1,133,169
Mr Malcolm Randall	32,537	8,134
Mr Jean Claude Steinmetz	100,000	25,000
Mr Andrew Reid	15,000	3,750
Total	**4,680,214**	**1,170,053**

[1]Exercise of options at 25 cents per share.

Note 35: Parent Entity Disclosures

	Company	
	2023 $	2022 $
Assets		
Current assets	86,277,835	142,682,867
Non-current assets	381,310,153	144,854,532
Total assets	467,587,988	287,537,399
Liabilities		
Current liabilities	16,432,546	4,594,598
Non-current liabilities	135,982,932	514,310
Total liabilities	152,415,478	5,108,908
Net Assets	315,172,510	282,428,491
Equity		
Issued capital	435,316,770	318,790,910
Reserves	(71,821,071)	1,657,446
Accumulated Losses	(48,323,189)	(38,019,865)
Total Equity	315,172,510	282,428,491
Financial performance		
Gain/(Loss) for the year	(17,878,405)	(9,390,617)
Other comprehensive loss	(71,950,037)	–
Total comprehensive loss	(89,828,442)	(9,390,617)

Contingent liabilities of the parent entity

For details on contingent liabilities, refer to Note 30.

Commitments of the parent entity

The parent entity has nil (2022: nil) tenement commitment obligations as at 30 June 2023.

Note 36: Interest In Joint Operation

The Group held a 70% (2022: 70%) joint venture interest in certain tenements that comprise part of the Yangibana Project. The Group was the manager, and sole funder, of the joint venture tenements. On 25 January 2023 the Group acquired the remaining 30% joint venture interests for $9,000,000.

The acquisition was not accounted for as a business combination as the assets acquired did not meet the definition of a business as per AASB 3 Business Combinations at the date of the acquisition. A business consists of inputs and processes applied to those inputs with the aim to provide a return.

The fair value of the purchase consideration of $9,000,000 was allocated 100% to the Deferred Exploration and Evaluation Expenditure asset. No deferred tax was recognised nor was any liabilities assumed.

There was no contingent consideration arising from the acquisition.

DIRECTORS'
Declaration

1. In the opinion of the directors of Hastings Technology Metals Limited (the Company or the Group):

   a. The consolidated financial statements and notes thereto, as set out on pages 51 to 89, are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2023 and of the performance of the Group for the year then ended; and

      ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

2. Subject to the matters set out in Note 1, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. The consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

4. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Charles Lew
Executive Chairman

28 September 2023

Independent auditor's report

To the members of Hastings Technology Metals Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Hastings Technology Metals Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2023
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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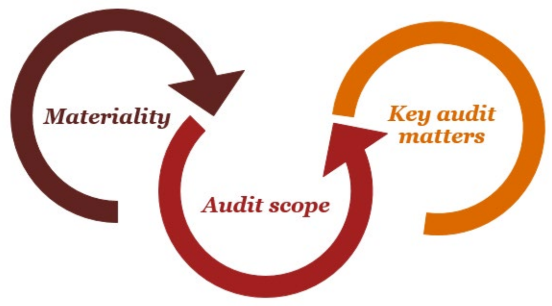
Material uncertainty related to going concern

We draw attention to Note 1(d) in the financial report, which indicates that the Group incurred a comprehensive loss of $82,518,463, had net cash outflows from operating activities of $9,697,963 for the year ended 30 June 2023 and, as of that date, the Group had outstanding commitments for project construction contracts of $78,761,543 due within 2 years. Note 1(d) outlines that the Group will need to secure additional funding in order to meet forecasted expenditure including outstanding commitments and commence main construction of Stage 1 of the Yangibana project during the next 12 months. These conditions, along with other matters set forth in Note 1(d), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality	*Audit scope*
• For the purpose of our audit we used overall Group materiality of $4,900,000, which represents approximately 1% of the Group's total assets • We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. • We chose the Group's total assets because, in our view, it is the benchmark against which the performance of the Group is most commonly measured whilst in the exploration and development phase. • We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.	• Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • The Group's operational and financial processes are managed by a corporate function in Perth, where substantially all of our audit procedures were performed.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of Yangibana Project Cash Generating Unit (CGU) *(Refer to note 1(f) and note 16)* In accordance with Australian Accounting Standards, the Group is required to assess at each reporting date whether there is any indication that its assets may be impaired. As the Group's market capitalisation was less than its net assets at reporting date, this was considered an indicator of impairment in relation to the Yangibana Project CGU. In assessing impairment, the Group is required to determine the recoverable amount of the CGU as the higher of value in use (being the net present value of expected future cash flows of the CGU in its current condition) and the fair value less cost of disposal ('Fair Value'). The Group has used the Fair Value methodology. The Group prepared a discounted cash flow model in determining the recoverable amount of the CGU which involved the estimation of several assumptions as described in note 1(f). No impairment expense has been recognised in the year. The impairment assessment of the CGU was a key audit matter given the significance of the CGU assets to the consolidated statement of financial position and the level of judgement involved in forming the estimates used in determining the recoverable amount and whether an impairment is required.	We performed the following procedures, amongst others: • Developed our understanding of the process by which the cash flow forecasts were prepared to assess the recoverable amount of the CGU. • Tested the mathematical accuracy, on a sample basis, of the impairment model's calculations. • Together with PwC valuation experts, evaluated the appropriateness of the Group's method for determining the recoverable amount of the CGU by reference to the requirements of Australian Accounting Standards. • Assessed the composition of the assets and liabilities included within the CGU's carrying value and agreed them back to underlying financial records. • Assessed the appropriateness of the significant assumptions used, assisted by PwC valuation experts where relevant, including: o The forecasted product price assumptions by comparing them to analysis performed by external parties and economic and industry forecasts o The project capital and operating cost forecasts by assessing whether they are consistent with the most up-to-date budgets, contractor agreements and life of mine plan • Assessed the reasonableness of the disclosures made in the financial report against the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Borrowings and embedded derivative liabilities *(Refer to note 19)* During the year, the Company issued 150,000,000 secured, redeemable exchangeable notes (Notes) with a face value of $150,000,000. The Notes are convertible into ordinary shares of the Company, at the option of the holder, for $5.50 per share. A further 13,756,719 notes with face value of $13,756,719, subject to the same terms as the original Notes, were issued during the year as interest on the Notes that was paid-in-kind. As required by Australian Accounting Standards, the Group has separated the embedded derivative liability associated with the conversion option from the host contract debt of the Notes and determined the fair value of the embedded derivative liability. The initial and subsequent fair value of the embedded derivative has been estimated using Monte Carlo option pricing models. The accounting for borrowings and embedded derivative liabilities was a key audit matter because of: • the significance of the Notes to the consolidated statement of financial position. • Significance of fair value gain on embedded derivatives to the Consolidated statement of profit or loss and other comprehensive income; and • Judgement involved in estimating the fair value of embedded derivatives.	We performed the following procedures, amongst others: • Read the Notes agreement to develop an understanding of the key terms associated with the Notes. • Assessed whether the methodology utilised to separate the embedded derivative liability associated with the conversion option and estimate its fair value is consistent with the requirements of Australian Accounting Standards. • Agreed details of additional Notes issued during the year as interest that were paid-in-kind to the note register and correspondence with the note holder. • Together with PwC valuation experts, assessed appropriateness of significant assumptions used to estimate the fair value of embedded derivatives. • Considered the competency, capabilities, objectivity, and nature of the work of the Group's valuation experts who assisted the Group in the preparation of the Monte Carlo option pricing models. • Evaluated whether the disclosures were consistent with the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 35 to 47 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Hastings Technology Metals Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Helen Bathurst

Helen Bathurst
Partner

Perth
28 September 2023

ADDITIONAL

Shareholder Information

A. Corporate Governance

A statement disclosing the extent to which the Group has followed the best practice recommendations set by the ASX Corporate Governance Council during the year is contained within the Director's Report.

B. Shareholding

1. Substantial Shareholders

The following substantial holders are listed on the Company's register as at 7 September 2023:

1	L1 Capital Pty Ltd	15,148,934	11.71%
2	Charles Lew	6,735,457	5.21%

2. Number of holders in each class of equity securities and the voting rights attached (as at 7 September 2023)

Fully Paid Ordinary Shares

There are 8,875 holders of ordinary shares. Each shareholder is entitled to one vote per share held.

In accordance with the Company's Constitution, on a show of hands every number present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

3. Distribution schedule of the number of holders in each class of equity security as at 7 September 2023.

Fully Paid Ordinary Shares

Spread of holdings	Holders	Units	% of issued capital
1-1,000	4,444	1,883,447	1.46%
1,001-5,000	2,820	7,360,027	5.69%
5,001-10,000	735	5,625,581	4.35%
10,001-100,000	799	20,981,838	16.22%
Over 100,000	77	93,515,759	72.28%
	8,875	**129,366,652**	**100.00%**

There are 560,107 shareholders with less than a marketable parcel.

4. Twenty largest holders of each class of quoted equity security

The names of the twenty largest holders of each class of quoted security, the number of equity security each holds and the percentage of capital each holds (as at 7 September 20232) is as follows:

Ordinary Shares Top 20 holders and percentage held

Position	Holder Name	Holding	% IC
1	CITICORP NOMINEES PTY LIMITED	19,600,048	15.15%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	13,379,498	10.34%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,635,025	9.77%
4	BNP PARIBAS NOMS PTY LTD<DRP>	9,206,126	7.12%
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,245,802	4.06%
6	FF OKRAM PTY LTD <THE FF OKRAM A/C>	2,934,343	2.27%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,426,058	1.88%
8	MR FOON KEONG LEW	2,351,287	1.82%
9	MR WING SOON YIM	1,751,324	1.35%
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,427,281	1.10%
11	NATIONAL NOMINEES LIMITED	1,312,866	1.01%
12	BNP PARIBAS NOMS PTY LTD UOBKH A/C R'MIERS <DRP>	1,045,625	0.81%
13	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	996,500	0.77%
14	CADENCE MINERALS PLC	835,501	0.65%
15	MELDA SUPER PTY LTD<MELDA SUPER FUND A/C>	831,442	0.64%
16	CADENCE MINERALS PLC	817,550	0.63%
17	BNP PARIBAS NOMS PTY LTD UOB KH PL AC <DRP>	788,510	0.61%
18	GANGUS PTY LTD <THE JIG FAMILY A/C>	762,500	0.59%
19	MS SOCK-LAN ELEANOR LIM <AUS SECURITIES A/C>	736,000	0.57%
20	UBS NOMINEES PTY LTD	700,000	0.54%
	Total	**79,783,286**	**61.67%**
	Total issued capital - selected security class(es)	**129,366,652**	**100.00%**

1. Company Secretary

The joint company secretaries are Mr Guy Robertson and Mr Neil Hackett.

2. Address and contact details of the Company's registered office and principal place of business

Level 6, 197 St George's Terrace
Perth WA 6000 Australia
Telephone: +61 (8) 6117 6118

3. Address and telephone details of the office at which a registry of securities is kept

Automic Group
Level 5/191 St Georges Terrace
Perth WA 6000

4. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange (ASX: HAS).

5. Restricted Securities

The Company does not have any restricted securities on issue.

6. Review of Operations

A review of operations is contained in the Directors' Report.

Hastings Technology Metals Limited

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