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Hastings Rare Metals Limited
ABN 43 122 911 399

ASX Code: HAS

Level 25, 31 Market Street
Sydney NSW 2000
PO Box Q128 Queen Victoria Building
NSW 1225 Australia

Telephone: +61 2 8268 8689
Facsimile: +61 2 8268 8699
admin@hastingsrareметals.com

Board and Management
Charles Lew (Chairman)
Anthony Ho (Non Exec Director)
Malcolm Mason (Non Exec Director)

www.hastingsrareметals.com

DISCOVERY OF NEW NEODYMIUM-RICH DEPOSIT AT YANGIBANA

HIGHLIGHTS

- **First assays returned from the Pre-Feasibility Study drilling programme at Yangibana have confirmed the discovery of a new neodymium-rich deposit to the south of the Bald Hill South JORC resources**
- **RC drilling has intersected the deposit 700m to the south of the Bald Hill South JORC resources in ground held 100% by Hastings**
- **The deposit is continuously mineralised over the 200m drilled to date and is open along strike to the north and south and at depth**
- **Results indicate potential for major increase in resources in the Bald Hill area**

Introduction

The Board of Hastings Rare Metals Limited (**ASX:HAS**) is pleased to announce that the first assay results from the Pre-Feasibility study drilling programme at its Yangibana Project in the Gascoyne Region of Western Australia is continuing to intersect neodymium-rich mineralisation. Drilling commenced at Bald Hill South and has also tested Yangibana West and Frasers deposits. At this stage drilling is expected to continue for approximately four weeks, with results feeding into the Company's Pre-Feasibility Study (PFS).

Bald Hill South Drilling Programme

The first stage of reverse circulation (RC) and diamond drilling for 2015 tested targets adjacent to the Bald Hill South deposit where JORC Indicated Resources of 1.23 million tonnes at 1.22%TREO including 0.65% Nd_2O_3-Eq* remain open along strike and at depth. Hastings identified an untested deposit, shown in red in Figure 1, 700m to the south

of the existing JORC resources shown in yellow on Figure 1, and completed a limited initial RC drilling programme. Figure 1 also provides the location of holes drilled to date in this southern extension and proposed additional holes.

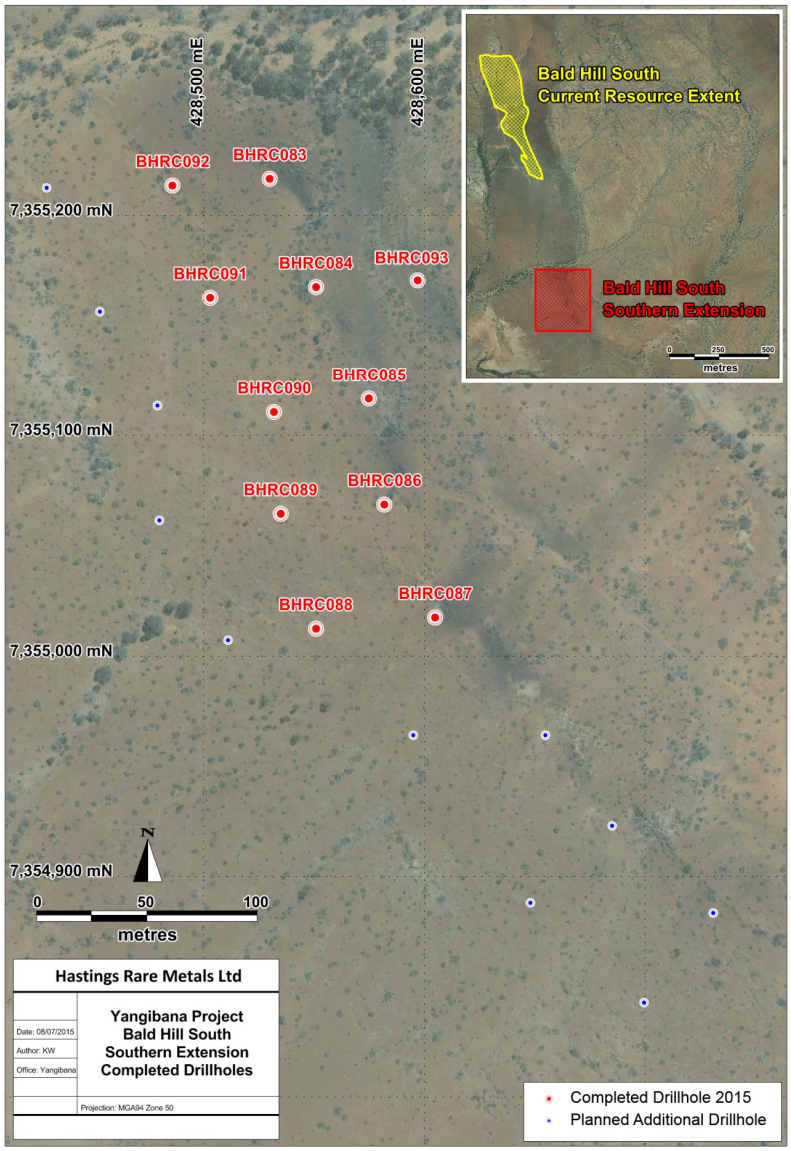

Figure 1 – Yangibana Project – Drill hole coverage to south of Bald Hill South JORC resources

This announcement covers the results of the first 11 reverse circulation (RC) holes drilled into a target some 700m to the south of the JORC resources in an area that has not previously been tested.

Table 1 provides details of intersections returned from this area. Details of the drill holes are provided in Appendix 1. Individual assays for the Company's target oxides

Address Suite 2508, Level 25, 31Market St, Sydney NSW 2000 Postal Address PO Box Q128 Queen Victoria Building NSW 1230
Telephone 02 8268 8689 Fax 02 8268 8699 Email admin@hastingsraremetals.com Website www.hastingsraremetals.com
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(neodymium, praseodymium, dysprosium and europium) from the mineralised zones and surrounding samples are provided in Appendix 2.

The mineralisation dips at around 30°-40° to the west. Follow up drilling has commenced to determine whether the mineralisation extends to greater depth.

Hole No (BHRC)	From (m)	To (m)	Interval (m)	% TREO**	% Nd_2O_3-Eq*
83	10	14	4	1.36	0.80
84	10	14	4	0.78	0.53
85	13	16	3	0.70	0.45
86	14	16	2	0.83	0.50
87	6	16	10	0.82	0.52
89	54	61	7	0.86	0.47
90	43	46	3	1.08	0.58
91	41	46	5	0.69	0.36
92	42	47	5	1.15	0.56

** **TREO** is the sum of the oxides of the heavy rare earth elements (HREO) and the light rare earth elements (LREO).

HREO is the sum of the oxides of the heavy rare earth elements europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu), and yttrium (Y).

CREO is the sum of the oxides of neodymium (Nd), europium (Eu), terbium (Tb), dysprosium (Dy), and yttrium (Y) that were classified by the US Department of Energy in 2011 to be in critical short supply in the foreseeable future.

LREO is the sum of the oxides of the light rare earth elements lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), and samarium (Sm).

Neodymium Equivalence

Hastings is concentrating its efforts on the recovery of four important rare earths – neodymium, praseodymium, dysprosium and europium. To portray the grade of the mineralisation Hastings has established neodymium-equivalent figures where:-
*The Nd_2O_3 equivalent (Nd_2O_3-Eq) values have been calculated based on the following rare earths prices. These prices have been established by independent consultants Adamas Intelligence and are being used by Hastings in the evaluation of the project.

- Nd_2O_3 - US$85/kg
- Pr_2O_3 – US$95/kg
- Dy_2O_3 - US$550/kg and
- Eu_2O_3 - US$635/kg

Where Nd_2O3-Eq =((Nd_2O_3grade+((Pr_2O_3grade*(Pr_2O_3price/Nd_2O_3price))+(Dy_2O_3grade*(Dy_2O_3price/Nd_2O_3price))+(Eu_2O_3grade*(Eu_2O_3price/Nd_2O_3price)))

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Such that Nd_2O_3 Eq = Nd_2O_3 + (1.1176 x Pr_2O_3) + (6.4706 xDy_2O_3) + (7.4706 xEu_2O_3)

As a consequence of incorporating these new prices the Nd_2O3-Eq for the JORC resources at Bald Hill South has decreased to 0.65% from 0.77% as previously quoted. However, the value of the mineralisation in the ground has increased significantly.

For further information please contact:

Andy Border, General Manager Exploration +61 2 9078 7674
Guy Robertson, Company Secretary +61 2 9078 7674

About Hastings Rare Metals

- Hastings Rare Metals is a leading Australian rare earths company, with two JORC compliant rare earths projects in Western Australia.
- The Yangibana Project hosts JORC Indicated and Inferred Resources totalling 6.79 million tonnes at 1.52% TREO, including 0.35% Nd_2O_3 (comprising 3.96 million tonnes at 1.59% TREO Indicated Resources and 2.83 million tonnes at 1.43% TREO in Inferred Resources).
- The Brockman deposit contains JORC Indicated and Inferred Resources totalling 36.2 million tonnes (comprising 27.1mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.89% ZrO_2 and 0.35% Nb_2O_5.
- Rare earths are critical to a wide variety of current and new technologies, including smart phones, hybrid cars, wind turbines and energy efficient light bulbs.
- The Company aims to capitalise on the strong demand for critical rare earths created by expanding new technologies. In late 2014 Hastings completed a Scoping Study of the Yangibana Project that confirmed the economic viability of the Project and in early 2015 commenced work on a Pre-Feasibility Study.

Competent Person's Statement

The information in this announcement that relates to Resources is based on information compiled by Simon Coxhell. Simon Coxhell is a consultant to the Company and a member of the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to Exploration Results is based on information compiled by Andy Border, an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy.

Each has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Each consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 1 – Drill hole data

Hole Number	Easting_MGA94	Northing_MGA94	Dip	Azimuth_Mag	Total_Depth
BHRC083	428530	7355217	-90	0	22
BHRC084	428551	7355168	-90	0	34
BHRC085	428575	7355117	-90	0	22
BHRC086	428582	7355069	-90	0	28
BHRC087	428605	7355018	-90	0	28
BHRC088	428551	7355013	-90	0	64
BHRC089	428535	7355065	-90	0	64
BHRC090	428532	7355111	-60	90	52
BHRC091	428503	7355163	-60	90	64
BHRC092	428480	7355217	-90	0	51
BHRC093	428597	7355171	-90	0	22

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Appendix 2 – Assay data from mineralised zone and surrounding samples

Hole No	From	To	Nd_ppm	Pr_ppm	Dy_ppm	Eu_ppm	Nd2O3Eq
BHRC083	8	9	884.2	197	18.6	18	0.18
BHRC083	9	10	910.7	197.6	31.6	27.8	0.21
BHRC083	10	11	2058.3	463.4	55.9	57.8	0.45
BHRC083	11	12	5862.1	1187.3	222	205	1.35
BHRC083	12	13	3237.7	710.3	61	83.2	0.68
BHRC083	13	14	6031.6	1307.6	77.7	125.4	1.19
BHRC084	9	10	1017.7	235.3	19.3	20.3	0.21
BHRC084	10	11	4334.5	744.3	180.1	172.3	1.01
BHRC084	11	12	1450.4	286.3	34.9	40.9	0.31
BHRC084	12	13	3035	633.3	67.6	80	0.64
BHRC084	13	14	2371.2	522.8	35.4	45.9	0.47
BHRC085	12	13	92.1	21.3	5.2	2.4	0.02
BHRC085	13	14	2020	409.6	21.2	34.7	0.38
BHRC085	14	15	1820	336.2	25.3	36.8	0.35
BHRC085	15	16	3874.3	762.1	89	97.6	0.80
BHRC085	16	17	814.7	161.3	26.3	23.1	0.18
BHRC085	17	18	211.2	36.4	11.9	7.4	0.05
BHRC086	8	9	152.6	31.4	8	5.5	0.04
BHRC086	9	10	824.8	160.6	36	27.1	0.19
BHRC086	10	11	1148.2	230.4	35	32.9	0.25
BHRC086	11	12	771.3	154.1	23	21.3	0.17
BHRC086	12	13	669.7	136.1	21.6	18.3	0.15
BHRC086	13	14	1003.9	218.7	26.1	23.2	0.21
BHRC086	14	15	3751.2	772.5	72.7	89.5	0.77
BHRC086	15	16	1827.3	371.3	39.4	44.1	0.38
BHRC086	16	17	130.5	25.6	8.8	4.8	0.03
BHRC087	5	6	270.1	56.8	10.9	7.1	0.06
BHRC087	6	7	5161.6	1354.2	39.7	60.4	0.99
BHRC087	7	8	3288.9	892.8	22.6	36.8	0.63
BHRC087	8	9	2236.3	485.2	75.3	69.3	0.50
BHRC087	9	10	3047.3	590.3	148.9	123.8	0.74
BHRC087	10	11	1471.7	281	78.7	65	0.37
BHRC087	11	12	1712.5	332.9	114.3	80.1	0.45
BHRC087	12	13	3409.1	616.6	224.8	170.3	0.90
BHRC087	13	14	1973.2	361.5	122.8	90.7	0.51
BHRC087	14	15	2139	441.5	80.4	74.5	0.49
BHRC087	15	16	1181	221.4	62.3	48.2	0.29
BHRC087	16	17	1056.2	199.9	53.8	45.5	0.26
BHRC087	17	18	921.6	239.6	21.2	20.5	0.20

BHRC087	18	19	808.4	191.1	22.9	22.9	0.18
BHRC087	19	20	531.8	113.2	20.2	16.7	0.12
BHRC087	20	21	142.4	31.3	9.4	6	0.04
BHRC088	57	58	233.5	45.5	8.8	8.1	0.05
BHRC088	58	59	1107.6	232.8	34.3	34.4	0.25
BHRC088	59	60	555.7	131.6	12.4	15	0.12
BHRC089	52	53	35.7	9.6	6.7	1.7	0.01
BHRC089	53	54	504.7	118.7	10.2	11.4	0.11
BHRC089	54	55	1620.3	408.5	21.1	31.3	0.33
BHRC089	55	56	4098.3	1013.2	44.9	71	0.81
BHRC089	56	57	3465.4	840	53.3	69.9	0.71
BHRC089	57	58	2067	478.2	40.2	44.9	0.43
BHRC089	58	59	3746.5	790.7	64.6	75.7	0.75
BHRC089	59	60	2057.6	434.4	36.1	41.4	0.41
BHRC089	60	61	1564.3	334	26.9	31.5	0.31
BHRC089	61	62	724.9	157.2	17.5	16.6	0.15
BHRC090	42	43	561.5	115.1	22.8	16.6	0.13
BHRC090	43	44	5261.5	1232.4	100.3	115.2	1.09
BHRC090	44	45	2497.6	572	51.3	58.8	0.52
BHRC090	45	46	1884.9	421.3	41.7	45.8	0.40
BHRC090	46	47	306.4	69.6	10.2	8.2	0.07
BHRC091	40	41	173.6	38.5	6.9	5.2	0.04
BHRC091	41	42	2613	625.7	27.7	51.2	0.52
BHRC091	42	43	874.2	207.3	11.5	17.5	0.18
BHRC091	43	44	2324	556.1	43.1	55.8	0.49
BHRC091	44	45	2397.7	589.8	41.5	52.2	0.50
BHRC091	45	46	1941.9	460.1	40.5	48.7	0.41
BHRC091	46	47	1860	350	20.6	38.1	0.35
BHRC091	47	48	450.9	86.8	7.3	9.3	0.09
BHRC092	40	41	180	44.1	6.6	4.2	0.04
BHRC092	41	42	1022	261.1	16.6	20.6	0.21
BHRC092	42	43	4425.6	1209.5	30.1	61.1	0.87
BHRC092	43	44	2078	563.5	20.8	32.6	0.42
BHRC092	44	45	1750.1	405.2	24.6	31.9	0.35
BHRC092	45	46	3986.8	829.8	35.9	67.1	0.75
BHRC092	46	47	4411.1	980.5	47.6	73.5	0.85
BHRC092	47	48	744	160.7	15.3	15.2	0.15
BHRC093	12	13	850.3	167.9	23.5	22.4	0.18
BHRC093	13	14	2267.8	451.5	42.7	46.4	0.45
BHRC093	14	15	790.4	157.2	18.5	17.4	0.16

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse circulation drilling was carried out to test a new deposit to the south of the Bald Hill South JORC resources to obtain drill chip samples from one-metre intervals from which a 2-4kg sample was collected for submission to the laboratory for analysis for rare earths, rare metals, U, Th and a range of rock-forming elements. Mineralised zones were identified visually during geological logging in the field. • Samples from each metre were collected in a cyclone and split using a 3 level riffle splitter. Field duplicates, blanks and Reference Standards were inserted at a rate of approximately 1 in 20. • Hurlston Pty Limited drilled RC holes at eleven ironstone targets within tenements in which Hastings has an interest, in the 1980s. The Bald Hill South prospect was tested to a limited extent during that phase of exploration. No work was carried out in the area the subject of this announcement.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation drilling at Bald Hill South utilised a nominal 5 1/4 inch diameter face-sampling hammer. • No previous drilling has tested this area.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Recoveries are recorded by the geologist in the field at the time of drilling/logging. • If poor sample recovery is encountered during drilling, the geologist and driller have endeavoured to rectify the problem to ensure maximum sample recovery. Visual assessment is made for moisture and contamination. A cyclone and splitter were used to ensure representative samples and were routinely cleaned. • Sample recoveries to date have generally been high, and moisture in samples minimal. Insufficient data is available at present to determine if a relationship exists between recovery and grade. This will be assessed once a statistically valid amount of data is available to make a determination.

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Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill chip samples are geologically logged at 1m intervals from surface to the bottom of each individual hole to a level that will support appropriate future Mineral Resource studies. • Logging is considered to be semi-quantitative given the nature of reverse circulation drill chips and the inability to obtain detailed geological information. • All RC drill holes in the current programme are logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The RC drilling rig was equipped with an in-built cyclone and triple tier riffle splitting system, which provided one bulk sample of approximately 20kg, and a sub-sample of 2-4kg per metre drilled. • All samples were split using the system described above to maximise and maintain consistent representivity. The majority of samples were dry. For wet samples the cleanliness of the cyclone and splitter was constantly monitored by the geologist and maintained to avoid contamination. • Bulk samples were placed in green plastic bags, with the sub-samples collected placed in calico sample bags. • Field duplicates were collected directly from the splitter as drilling proceeded through a secondary sample chute. These duplicates were designed for lab checks as well as lab umpire analysis. • A sample size of 2-4kg was collected and considered appropriate and representative for the grain size and style of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Genalysis (Perth) was used for all analysis work carried out on the 1m drill chip samples and the rock chip samples. The laboratory techniques below are for all samples submitted to Genalysis and are considered appropriate for the style of mineralisation defined at the Yangibana REE Project: FP6/MS • Blind field duplicates were collected at a rate of approximately 1 duplicate for every 20 samples that are to be submitted to Genalysis for laboratory analysis. Field duplicates were split directly from the splitter as drilling proceeded at the request of the supervising geologist.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• At least two company personnel verify all significant intersections. • All geological logging and sampling information is completed firstly on to paper logs before being transferred to Microsoft Excel spreadsheets. Physical logs and sampling data are returned to the Hastings head office for scanning and storage. Electronic copies of all information are backed up daily. • No adjustments of assay data are considered necessary.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A Garmin GPSMap62 hand-held GPS is used to define the location of the drill hole collars. Standard practice is for the GPS to be left at the site of the collar for a period of 5 minutes to obtain a steady reading. Collar locations are considered to be accurate to within 5m. Collars will be picked up by DGPS in the future. Down hole surveys are conducted by the drill contractors using a Reflex electronic single-shot camera with readings for dip and magnetic azimuth nominally taken every 30m down hole, except in holes of less than 30m. The instrument is positioned within a stainless steel drill rod so as not to affect the magnetic azimuth. • Grid system used is MGA 94 (Zone 50) • Topographic control is based on the detailed 1m topographic survey undertaken by Hyvista Corporation in 2014.. • Most of Hurlston's RC hole collars are preserved in the field. Many have been surveyed using a Garmin GPSMap62 hand-held GPS and results indicate that the Hurlston data can be regarded as professional and certainly indicative of the potential of the mineralisation.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill hole spacing is nominally 50m along drill-lines, with a line spacing of 50m. Collar locations were varied slightly dependent on access at a given site. • Further details are provided in the collar co-ordinate table contained elsewhere in this report. • No sample compositing is used in this report, all results detailed are the product of 1m down hole sample intervals.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation*	• Most drill holes in the current programme are vertical (subject to access to the preferred collar position) and as such intersected widths do not represent true thickness.

Criteria	JORC Code explanation	Commentary
	and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	

Sample security	• *The measures taken to ensure sample security.*	• The chain of custody is managed by the project geologist who places calico sample bags in polyweave sacks. Up to 10 calico sample bags are placed in each sack. Each sack is clearly labelled with:
		  • Hastings Rare Metals Ltd
		  • Address of laboratory
		  • Sample range
		• Samples were delivered by Hastings personnel to the Nexus Logistics base in order to be loaded on the next available truck for delivery to Genalysis. The freight provider delivers the samples directly to the laboratory. Detailed records are kept of all samples that are dispatched, including details of chain of custody.

Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audit of sampling data has been completed to date but a review will be conducted once all data from Genalysis (Perth) has been received. Data is validated when loading into the database and will be validated again prior to any Resource estimation studies.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The RC drilling to the south of the Bald Hill South JORC resource was carried out within E09/2007. • All Yangibana tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No previous exploration has been carried out on the deposit.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Yangibana ironstones within the Yangibana Project are part of an extensive REE-mineralised system associated with the Gifford Creek Carbonatite Complex. The lenses have a total strike length of at least 12km. • These ironstone lenses have been explored previously to limited degree for base metals, manganese, uranium, diamonds and rare earths. • The ironstones are considered by GSWA to be coeval with the numerous carbonatite sills that occur within Hastings tenements, or at least part of the same magmatic/hydrothermal system.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Refer to details of drilling in table in the body of this report and the appendices.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short*	• All intervals reported are composed of 1m down hole intervals and as such are length weighted. A lower cut-off grade of 5000ppm TREO has been used for assessing significant intercepts, and no upper cut-off grade was applied. • Maximum internal dilution of 1m was

Criteria	JORC Code explanation	Commentary
	lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	incorporated in reported significant intercepts. • The basis for the metal equivalents used for reporting are provided in the body of the ASX announcement. .
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• True widths for mineralisation have not been calculated and as such only down hole lengths have been reported. • While interpretation of the results is still in the early stages, a better understanding of the geometry of the deposit will be achieved, and true widths reported, later in the programme. It is expected that true widths will be less than down hole widths, due to the apparent dip of the mineralisation.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps and sections are available in the body of this ASX announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Geological mapping has continued in the vicinity of the drilling as the programme proceeds.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The Company is currently undertaking a major drilling programme within the Yangibana Project area as part of its ongoing Pre-Feasibility Study programme. Work is also progressing in the areas of metallurgical test work, plant design and costing: geotechnical studies, pit optimisation, mine design, scheduling and costing; environmental studies including baseline environmental studies; test work for waste dump and tailings disposal sites; water sourcing and costing; and overall project costing and financial evaluation.