15 November 2011

The Manager
Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

**INVESTOR PRESENTATION – NOVEMBER 2011**

Attached please find an Investor Presentation which provides an update on the Company's projects.

Hastings representatives will be attending the Rare Earths Conference in Hong Kong on 15 November 2011.

Investors interested in discussing the Company's projects in Hong Kong should contact the Company Secretary, Guy Robertson, on + 61 2 9078 7671.

**Guy Robertson**
**Company Secretary**

Address Level 9, 50 Margaret St, Sydney NSW 2000 Postal Address PO Box R933 Royal Exchange NSW 1225
Telephone 02 9078 7674 Fax 02 9078 7661 Email admin@hastingsraremetals.com Website www.hastingsraremetals.com
ABN 43 122 911 399

# Investor Presentation

## Building a Significant Rare Earths Company

**November 2011**

Hastings
Rare Metals Limited

# Important Information

*All currency amounts are in AUD$ unless stated otherwise.*

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***Competent Person's Statement***

*The information in this presentation that relates to Mineral Resources is based on information compiled by Simon Coxhell. Mr. Coxhell is employed as a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy. Mr. Coxhell has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this presentation and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("**JORC Code**"). Mr. Coxhell consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.*

***Exploration Targets***

*The terms "Target" or "Exploration Target" where used in this presentation should not be misunderstood or misconstrued as an estimate of a Mineral Resource as defined in the JORC Code and therefore the terms have not been used in this context. Exploration Targets are conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain further exploration will result in the determination of a Mineral Resource.*

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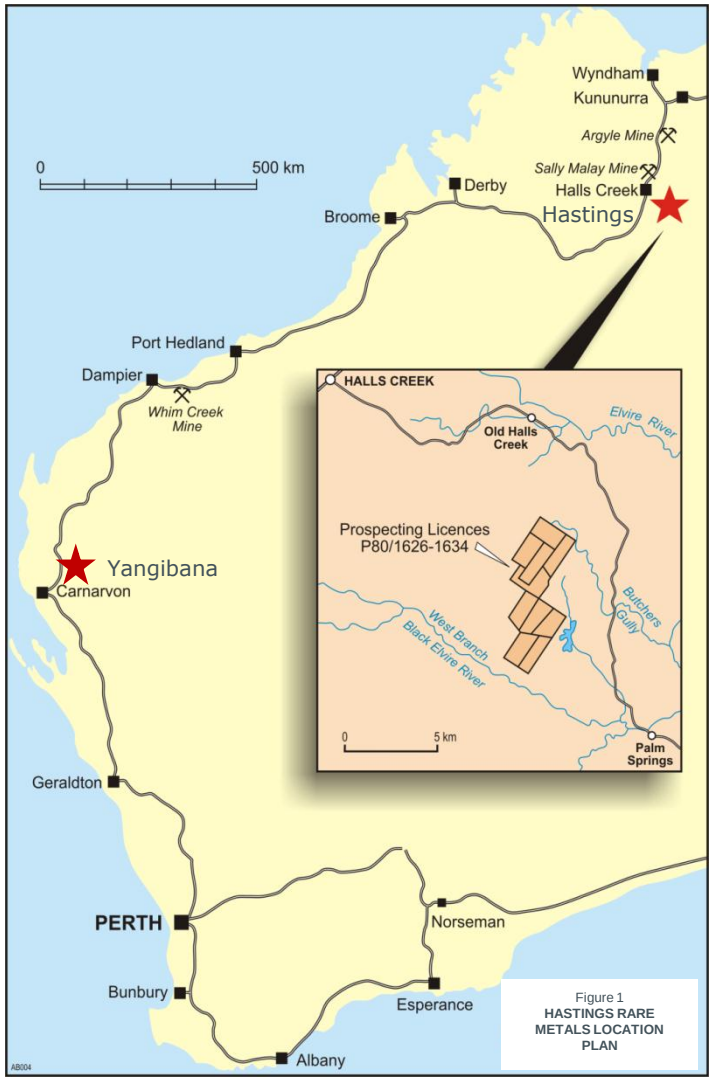
# Hastings Overview




Hastings Projects, Western Australia

Two Rare Earth Projects in WA

**Hastings Project 100%**

- Hastings Project (WA) contains one of Australia's largest Heavy Rare Earth resources, including significant Dysprosium and Yttrium, with Niobium and Zirconium
- 2011 drilling defines JORC-compliant Indicated and Inferred Resources totalling:

36.2 million tonnes @ 2102ppm (0.21%) Total Rare Earth Oxides (**TREO**) including 85% Heavy Rare Earth Oxides (**HREO**)

3546ppm (0.35%) $Nb_2O_5$

8913ppm (0.89%) $ZrO_2$

- Over $10m previously spent on the project
- Historical metallurgical results from pilot plant tests show recoveries of around 75% for Yttrium and Dysprosium, 80% for Niobium and Zirconium
- Metallurgical test work ongoing on samples prepared from the 2011 drilling programme

**Yangibana 60%**

- Yangibana Project (WA) (206 sq. km under Exploration Licences) average grades of circa all 1.7%- 2.0% TREO with high grades of Neodymium
- **Recognised by GeoScience Australia as two of Australia's key REO deposits**
- **Both deposits remains open at depth and along strike**

# Board & Advisers

## Board Members

### David Nolan (Chairman)

Mr Nolan is a corporate lawyer with over 13 years experience advising on corporate acquisitions, capital raisings and financing for mining companies. Mr Nolan leads the Sydney corporate advisory practice of Mills Oakley Lawyers and was previously a senior adviser at the London Stock Exchange. Mr Nolan has extensive experience advising on corporate governance and legal compliance for small to medium cap listed companies.

### Steve Mackowski (Technical Director)

Mr Mackowski joins Hastings after serving at rare earths company Arafura Resources Ltd as General Manager Project Development & Technology. Mr Mackowski is a qualified engineer in mineral processing with over 30 years technical and operational experience in rare earths, uranium, industrial minerals, nickel, kaolin and iron ore. He has also worked at a number of major mining companies including, Iluka, TiWest, WMC, Comalco, Hamersley Iron and Mary Kathleen Uranium Ltd.

### Tony Ho (Non-Executive Director)

Mr Ho is an experienced company director having held numerous executive directorships and chief financial officer roles including Brazin Ltd. Mr Ho is currently a non-executive Director of Dolomatrix International Limited and a non-executive Director of rare earths and uranium development company Greenland Minerals and Energy Limited. He is also the non-executive Chairman of Apollo Minerals Limited.

### Guy Robertson (Chief Financial Officer/Company Secretary)

Mr Robertson is an experienced Company Director with over 25 years experience as a CFO and Company Secretary for mining exploration companies. Mr Robertson's previous roles include Finance Director of Jardine Lloyd Thompson, Chief Operating Officer of Collier Jardine Asia Pacific and General Manager of Franklins Limited.

## Advisory Board

### Tony Grey

Mr Grey is a corporate advisor and professional company director specialising in the provision of strategic advice. His corporate career spans numerous appointments including a diverse range of highly successful rare metal companies. He is presently the Chairman of International Ferro Metals Limited and a Director of International Potash Corporation. He is the former Managing Director of Pancontinental Mining Limited and Chairman of Kingsgate Consolidated Limited. He was also the former Chairman of the World Nuclear Association (previously called the Uranium Institute).

### Dr Tony Mariano

Dr Mariano is a geological consultant to the rare metal and rare earth mineral industry and is considered the preeminent authority on the geology and mineralogy of rare earths, niobium, tantalum, and other rare metals. Dr Mariano has a PhD in geology from Boston University, has consulted to the United Nations, the United States Government, many of the world's rare metal and rare earth explorers and developers including Union Carbide Corporation and Molycorp Inc., and has authored and co-authored many technical publications on rare earths. During his time with Molycorp, Dr. Mariano spent time evaluating the Hastings Project.

# Hastings Project
## *A Highly Experienced Project Team*

**Steve Mackowski (Technical Director)**

Mr Mackowski joined Hastings after serving at rare earths company Arafura Resources Ltd as General Manager Project Development & Technology. Mr Mackowski is a qualified engineer in mineral processing with over 30 years technical and operational experience in rare earths, uranium, industrial minerals, nickel, kaolin and iron ore. He has also worked at a number of major mining companies including, Iluka, TiWest, WMC, Comalco, Hamersley Iron and Mary Kathleen Uranium Ltd.

**Rolly Nice**

Mr Nice is a Senior Advisor with the major international consulting firm, Behre Dolbear undertaking project reviews and development. Mr Nice has over 40 years industry experience including rare earths, and was recently the lead in the review of all phases of the Lynas (ASX: LYC) Mt Weld project.

**Consultants under contract**

- ANSTO (Australian Nuclear Science Technology Organisation) - recently concluded the successful development of the flow sheet and pilot plant for Dubbo Zirconia. (Developer of Alkane pilot plant).
- AMMTEC – Analytical laboratory and technical services
- NAGROM – Mineral processing and metallurgical testing
- SGS – Laboratory and environmental services

**Andy Border (Exploration Manager)**

Mr Border is a geologist with over 30 years experience in the exploration and mining industry covering a wide range of commodities and projects from grass-roots exploration through to development and mining. Previous exploration roles include evaluation of significant gold, copper, rare metals and industrial mineral projects. Andy has been managing the exploration efforts together with Simon Coxell.

# Capital Structure

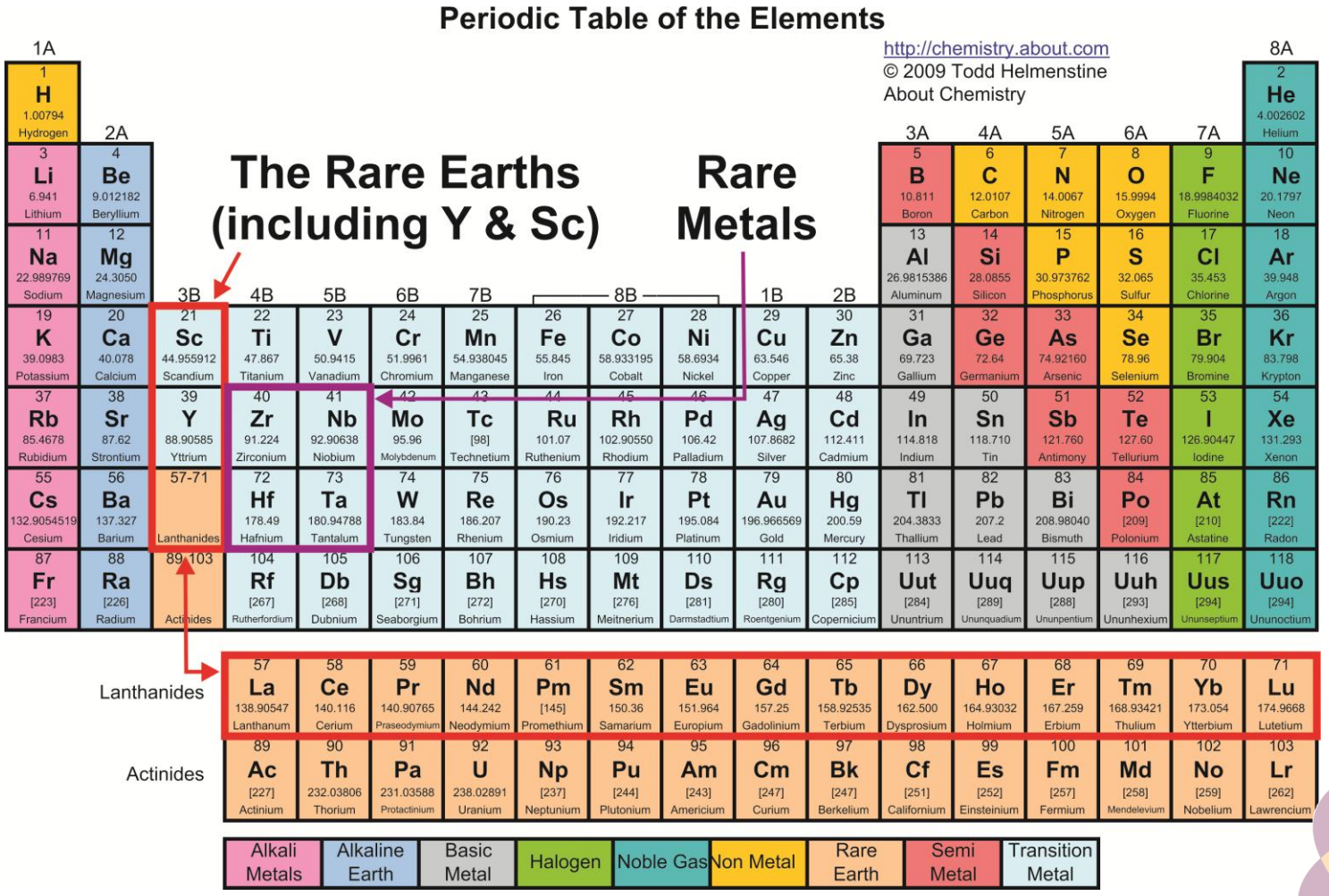
| ASX Code - HAS | |
|---|---|
| Ordinary Shares | 71 million |
| Unlisted Options | 15m at 40 cents |
| Unlisted Options | 37m at 25 cents |
| Cash as at 30/09/11 | $820,000 |

| Trading Summary | |
|---|---|
| Market Capitalisation (A$)<br>(as at October 2011 at 16 cents) | $15m |
| 52-week trading range | 13c to 42c |

| Major Shareholders | |
|---|---|
| Kongoni | 32% |
| Board/Management | 7% |
| Top 20 | 70% |

Hastings Rare Metals Limited

# Rare Earths and Rare Metals



# Value Drivers

**Hastings mix HREE (Dysprosium and Yttrium) at Hastings and LREE (Neodymium) at Yangibana. These are classified as "critical" rare earths by the US Department of Energy (December 2010)**

- **Dysprosium** has been highlighted as being among the highest priority and most critical strategic metals now consumed world-wide for **military, high technology and clean energy applications**. The December 2010 report by the US Department of Energy named dysprosium as the single most critically threatened strategic metal to the United States.

- **Yttrium** The most important use of yttrium is in making **phosphors**, such as the red ones used in television cathode ray tube displays and in LEDs. Other uses include the production of electrodes, electrolytes, electric filters, lasers and superconductors.

- **Neodymium** oxide is widely considered one of the three rare earth oxides with critical supply shortages looming in the **high performance magnet industry**.

**Also at Hastings**

- **Niobium** and tantalum commonly occur in the associated minerals columbite $(Fe,Mn)Nb_2O_5$ and tantalite $(Fe,Mn)Ta_2O_5$. Main source of niobium however is pyrochlore $NaCaNb_2O_6F$. Niobium is an important alloying element in steels and Fe-Ni-Co based **superalloys**. Lesser use in diverse areas such as camera lenses and coating of glass for computer screens.

- **Zirconium** occurs predominantly as the silicate mineral zircon $ZrO_2$. Used mostly in **ceramics**, foundry applications, opacifiers and **refractories**. Main growth areas are advanced ceramics and auto-exhaust catalysts. Significant use in nuclear energy industry in fuel rods and reactor vessel construction.

- **Tantalum** occurs in wide range of minerals but any tantalum-bearing concentrate is commonly termed tantalite. Highly corrosion resistant and refractory. Used in cutting tools, mobile phones, high temperature alloys and furnace parts to computer hard drive discs.

# Implications of Substitution and Recycling on Future Growth

Light Rare Earths

**Cerium**
**Lanthanum**

**Neodymium**
**Praseodymium**

**Dysprosium**
**Yttrium**

**Heavy Rare Earths**

## Uses


<u>Industrial Commodities</u>
Glass polishing
Crude Oil cracking
Rechargeable batteries



<u>Industrial Necessities</u>
Magnets used in wind turbines and electric / hybrid cars
Energy efficient lights


<u>Hi-Tech and Clean Energy</u>
Military applications
Phosphors (LCD's)




## Market Direction

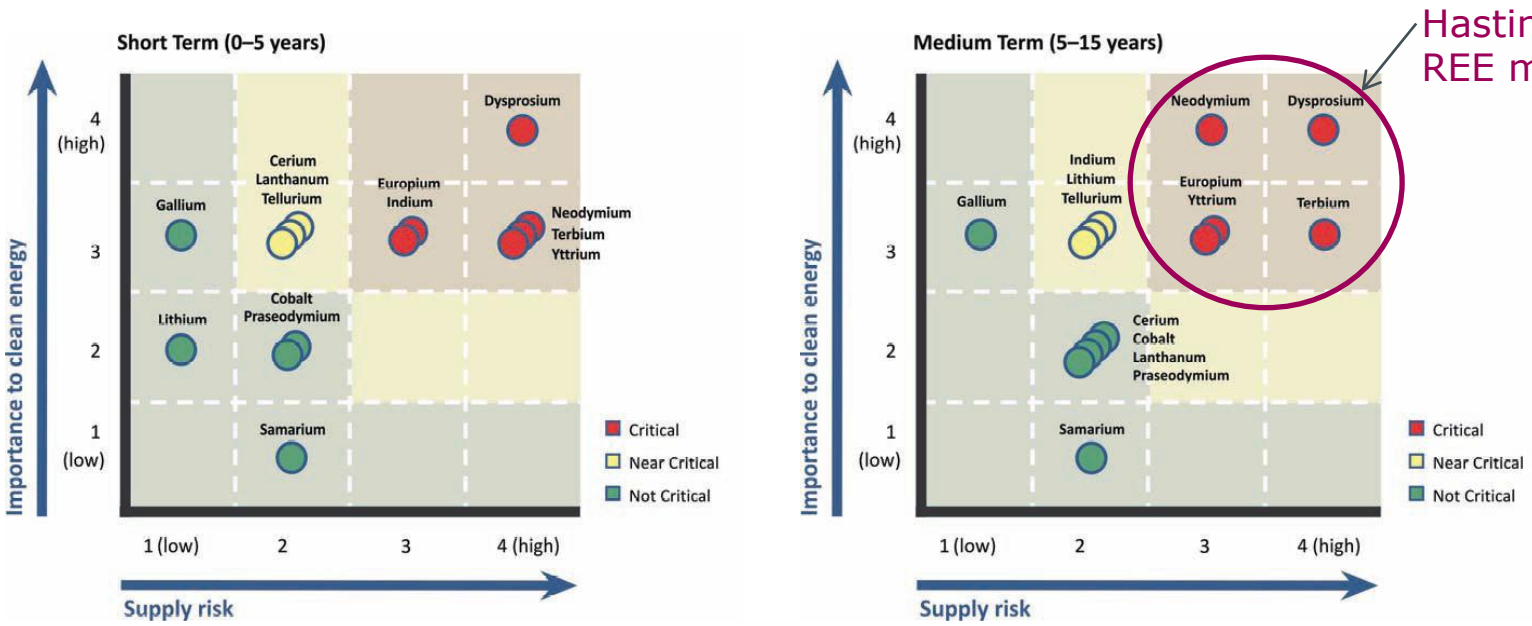
Current high prices will drive substitution. Proposed high volumes of new capacity will drive down prices and promote strong competition

Sustained good growth but recycling will occur soon in larger units

Prolonged high demand with no substitution or recycling due to high value applications but low use per item

# Heavy Rare Earths in Serious Undersupply

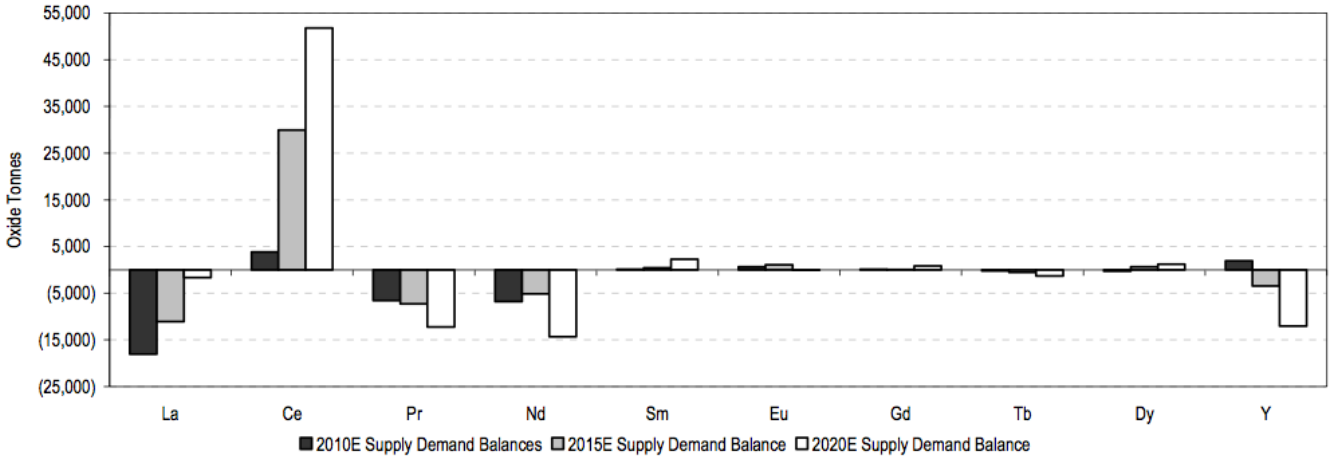
## Critical Supply Matrix (US Department of Energy, December 2010)

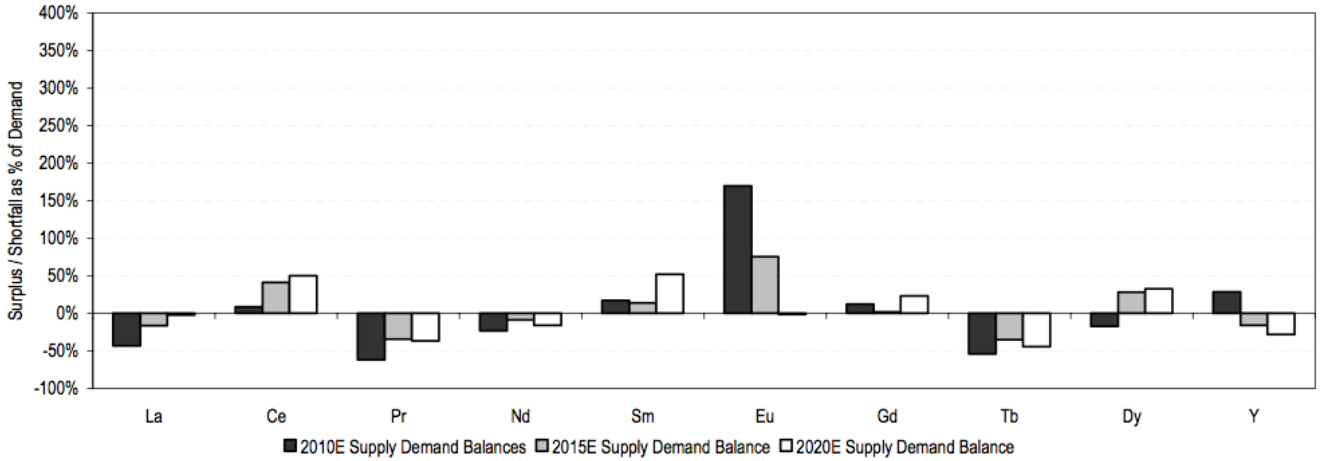



- Hastings projects include significant resources of Dysprosium and Yttrium and Yangibana contains Neodymium, three of the critical rare earths (CREO).
- The Hastings project mineralisation contains 85% HREO to TREO the highest percentage of all advanced exploration projects*

* Defined as projects with formally defined mineral resources or reserves under the guidelines of a relevant scheme such as the JORC code or NI43-101

# Rare Earths Supply and Demand



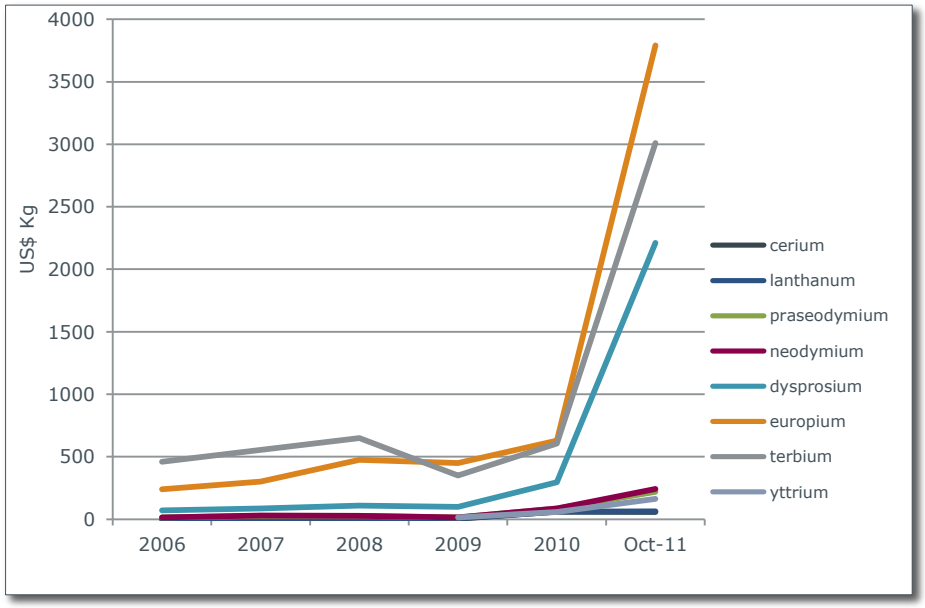




- **LREO moving to over-supply**
- **HREO / CREO moving to shortage**

Source: CIBC World Markets Inc.

# Rare Earth Price History

| COMPARISON OF SELECTED REO PRICES | | | | | | |
|---|---|---|---|---|---|---|
| Rare Earth Price in US$/kg FOB China | | | | | | |
| | Oxide of | 2009* | 2010* | Jun-11* | Sep-11* | Multiple price increase 2009-2011 |
| Critical Light | Neodymium | 14 | 87 | 317 | 262 | 12.9 x |
| Medium | Europium | 450 | 630 | 2990 | 3790 | 8.5 x |
| Medium | Gadolinium | 7 | 44 | 157 | 192 | 27.4 x |
| Heavy | Terbium | 350 | 605 | 2910 | 3210 | 9.2 x |
| Heavy | Dysprosium | 100 | 295 | 1485 | 2290 | 22.3 x |
| Heavy | Yttrium | 14 | 57 | 155 | 162 | 11.6 x |
| Light | Cerium | 4.50 | 61.0 | 149 | 71 | 15.7 x |
| Light | Lanthanum | 6.25 | 60 | 151 | 64 | 10.2 x |




- Continued restrictions on exports will support high HREO prices
- Further supply from new producers will threaten LREO prices and volume

* Source: Metal Pages price average for the respective period.
N.B prices are for a nominal 99% REO product, except for Europium which is reported at 99.9%

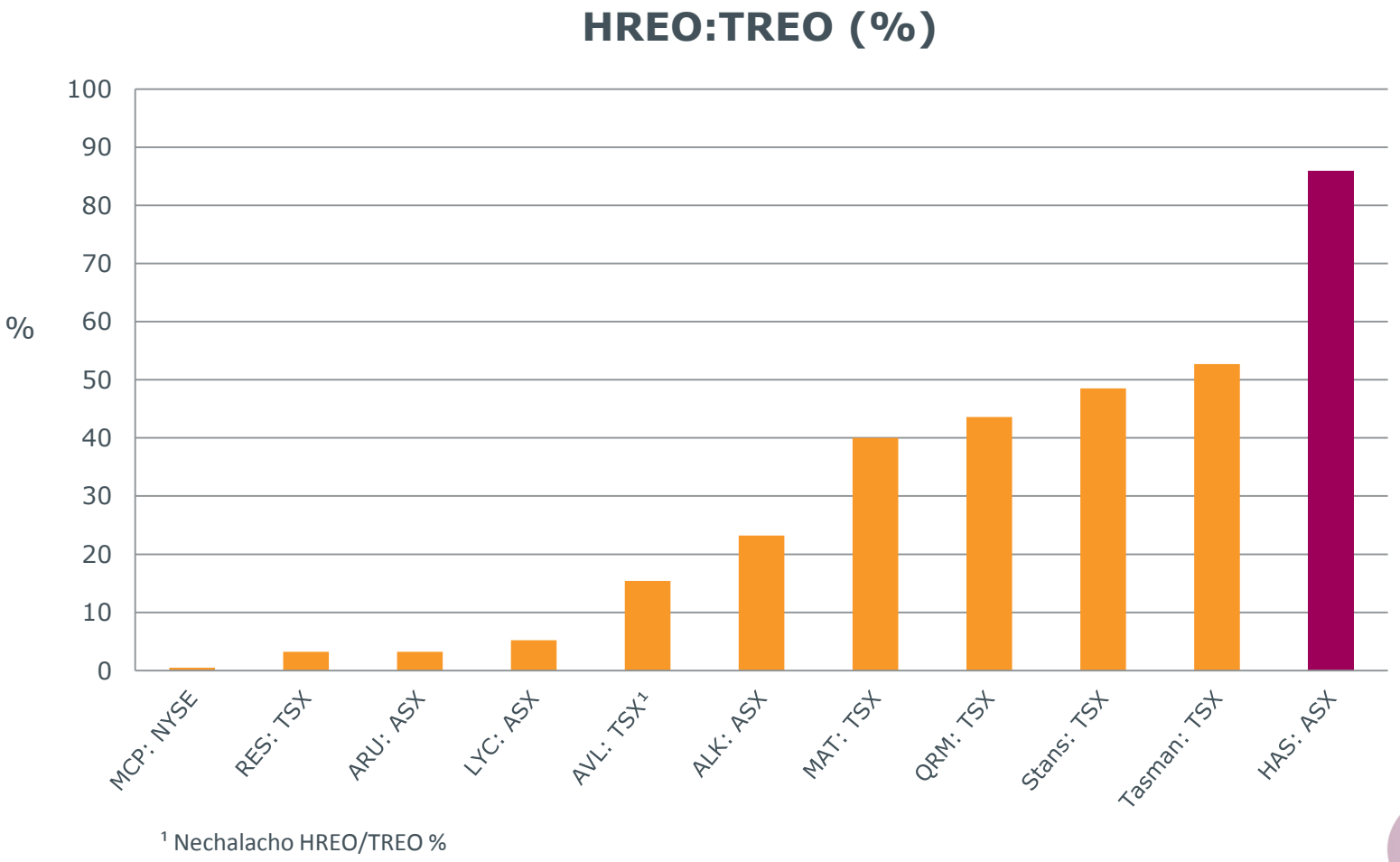
Key critical REO's as defined by US Dept. of Energy

# Hastings Project
## *Competitive Advantage*

- JORC Compliant - Long term operations
- 85% Heavy Rare Earths as a percentage of TREO
- Indicated JORC resource of >30 years operations at 1m tonnes per annum – potential to expand
- Historic pilot plant operation will significantly reduce development and optimisation timeline
- Schedule savings in Exploration and Metallurgy Development are significant compared to other potential HREO developers

# Hastings Project

## *HREO Ratio - A Clear Advantage*




[1] Nechalacho HREO/TREO %

Hastings Rare Metals Limited

# Hastings Project
## *Value Distribution*

| | | HASTINGS (HAS) | | NORRA KARR (TSM) | | STRANGE LK (QRM) | | NECHALACHO (AVL) | | DUBBO (ALK) | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | $/kg China | | In Situ | | In Situ | | In Situ | | In Situ | | In Situ |
| Oxides | fob* | % Dist | $/kg | % Dist | $/kg | % Dist | $/kg | % Dist | $/kg | % Dist | $/kg |
| Lanthanum | 105 | 1.6 | 1.68 | 9.9 | 10.44 | 12.4 | 12.99 | 17.1 | 17.99 | 19.6 | 20.53 |
| Cerium | 97 | 6.0 | 5.85 | 21.6 | 21.01 | 27.0 | 26.30 | 39.5 | 38.51 | 36.9 | 35.93 |
| Praseodymium | 130 | 0.9 | 1.17 | 2.8 | 3.59 | 3.0 | 3.91 | 4.9 | 6.40 | 4.0 | 5.24 |
| Neodymium | 275 | 3.5 | 9.63 | 10.9 | 29.89 | 11.1 | 30.48 | 19.2 | 52.80 | 14.1 | 38.83 |
| Samarium | 130 | 2.2 | 2.86 | 2.2 | 2.87 | 2.7 | 3.46 | 3.8 | 4.90 | 7.2 | 2.82 |
| **Total LREO Value/kg** | | | **21.19** | | **67.80** | | **77.14** | | **120.60** | | **103.35** |
| Europium | 4959 | 0.1 | 4.59 | 0.4 | 16.98 | 0.2 | 7.89 | 0.5 | 21.11 | 0.1 | 3.67 |
| Terbium | 3600 | 1.1 | 39.60 | 0.7 | 26.64 | 0.6 | 21.65 | 0.4 | 14.76 | 0.3 | 11.16 |
| Dysprosium | 2400 | 8.8 | 211.20 | 4.8 | 114.96 | 4.0 | 96.91 | 1.8 | 43.44 | 2.0 | 48.48 |
| Gadolinium | 200 | 3.6 | 7.20 | 3.3 | 6.62 | 2.7 | 5.33 | 3.1 | 6.22 | 2.2 | 4.34 |
| Yttrium | 180 | 53.2 | 95.76 | 34.9 | 62.82 | 28.7 | 51.65 | 7.8 | 14.09 | 15.8 | 28.48 |
| **Total HREO Value/kg** | | | **358.35** | | **228.02** | | **183.43** | | **99.62** | | **96.13** |
| **Total TREO Value/kg** | | | **379.59** | | **295.82** | | **260.57** | | **220.22** | | **199.48** |

* pricing as at 5/10/11

- **The Hastings deposit has the highest in situ value per kg of REO versus its HREO peers**
- **The Hastings deposit has the least exposure to any potential decline in Light Rare Earth Oxides (LREO) prices**
- **Lynas TREO Value $193/kg (as at 30 September 2011)**

# Hastings Project
## *Positioning*

| Advanced REE projects, sorted by contained tonnes of HREO | | | | | | | |
|---|---|---|---|---|---|---|---|
| Deposit | Company | Status | Con'd t HREO | Resource mt | % TREO | % HREO | HREO:TREO % |
| Nechalacho | AVL | I/I | 661,518 | 315.01 | 1.36 | 0.21 | 15.4 |
| Kvanefjeld | GGG | I/I | 548,400 | 457.00 | 1.07 | 0.12 | 11.2 |
| Strange Lake | QRM | I | 505,221 | 114.82 | 1.01 | 0.44 | 43.6 |
| Norra Karr | TSM | I | 175,450 | 60.50 | 0.55 | 0.29 | 52.7 |
| Dubbo | ALK | I/I | 150,792 | 73.20 | 0.89 | 0.21 | 23.6 |
| Mount Weld | LYC | M/I/I | 73,475 | 17.49 | 8.07 | 0.42 | 5.2 |
| **HASTINGS** | **HAS** | **I/I** | **65,270** | **36.20** | **0.21** | **0.18** | **85.7** |
| Zeus (Kipawa) | MAT | I/I | 50,970 | 50.97 | 0.25 | 0.10 | 40.0 |
| Kutessay II | RUU | I | 28,800 | 18.00 | 0.33 | 0.16 | 48.5 |
| Nolans Bore | ARU | M/I/I | 27,180 | 30.20 | 2.80 | 0.09 | 3.2 |
| Bear Lodge | RES | I | 17,463 | 15.88 | 3.45 | 0.11 | 3.2 |
| Mountain Pass | MCP | M/I/I | 9,466 | 31.55 | 6.55 | 0.03 | 0.5 |
| Sartarfoq | HUD | I | 5,623 | 14.06 | 1.53 | 0.04 | 2.6 |
| Cummins Range | NAV | I | 2,919 | 4.17 | 1.71 | 0.07 | 4.1 |
| Kangankunde | LYC | I | 759 | 2.53 | 4.23 | 0.03 | 0.7 |

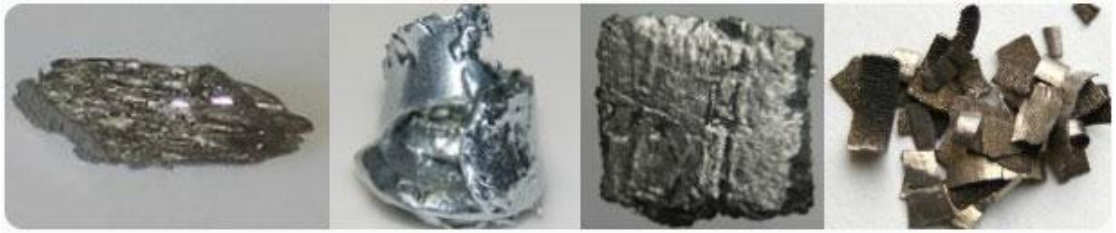
**Hastings contains one of the world's largest HREO resources**

# Hastings Project
## *Path Forward*

- Validation and Verification of previous metallurgy
- Scoping Study to confirm economics
- Optimisation of product suite
- Pilot plant
- Bankable Feasibility study

# Hastings Project
## *Previous Exploration*

- Early exploration for uranium highlighted radiometric anomalies.
- UNOCAL (previously parent co of Molycorp) (1982-85) carried out exploration including detailed mapping, sampling, trenching and 19 drillholes.
- Defined the "Niobium Tuff" as the rare metal-rare earth bearing horizon.
- Mineralogical studies at CSIRO confirmed fine-grained nature of mineralisation.
- West Coast Holdings (WCH) took over management and drilled a further 23 holes.
- Intensive metallurgical testwork undertaken including establishing a pilot plant at Warren Springs laboratory in the UK (1989).
- Testwork progressed positively but WCH fell into receivership and testwork and reporting was not completed.
- Various resource estimates carried out during the progress of exploration.

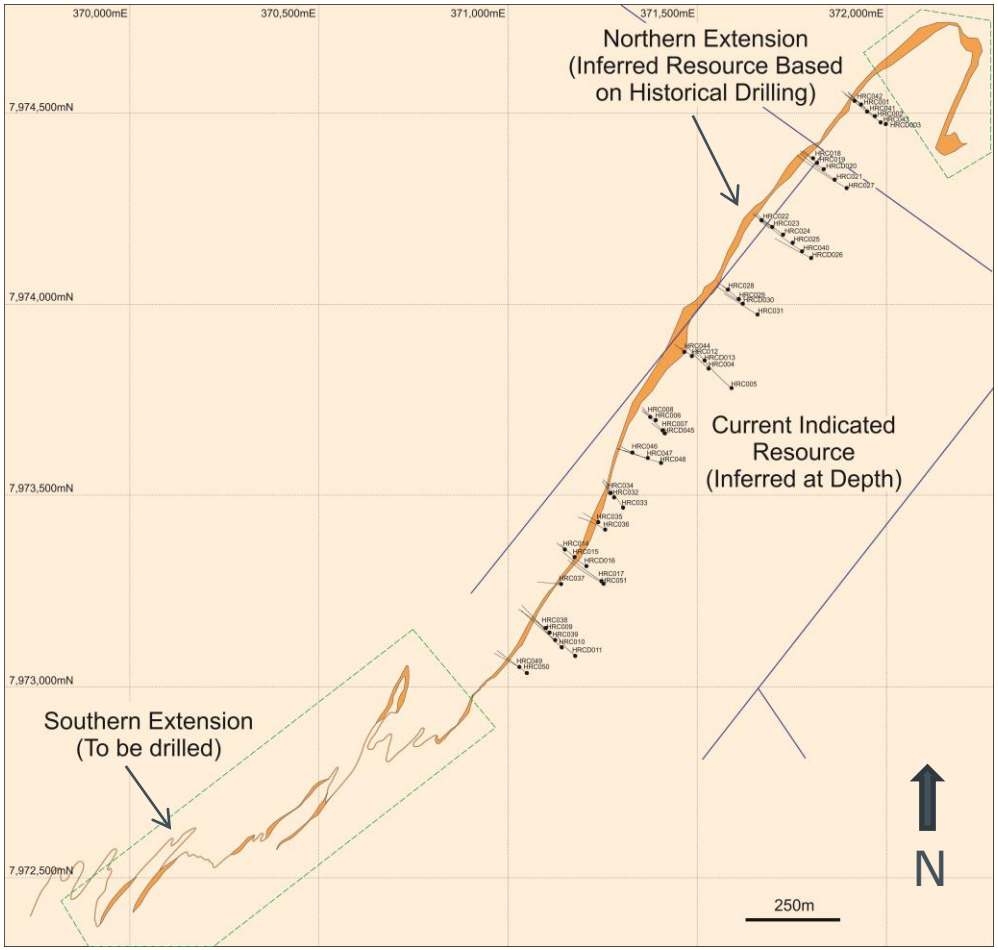


# Hastings Project *Resources*

- In 2011 Hastings drilled 51 reverse circulation holes (7443m) and 8 diamond drill tails (HQ3) (739m).
- This tested the central 1.8km of strike to a maximum depth of 290m.
- This enabled a detailed interpretation and resource estimation to be carried out, leading to the establishment of JORC-compliant resources of:

| Lens/zone | Category | Oxide/ Primary | Tonnes | ppm | ppm | ppm | ppm | ppm | ppm | ppm | ppm | ppm |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | $ZrO_2$ | $Nb_2O_5$ | $Ta_2O_5$ | $Ga_2O_5$ | $HfO_2$ | TREO | HREO | $Dy_2O_5$ | $Y_2O_3$ |
| Main | Indicated | Oxide | 1,400,000 | 8860 | 3507 | 183 | 113 | 322 | 2151 | 1828 | 190 | 1132 |
| | Indicated | Primary | 25,400,000 | 8914 | 3547 | 182 | 110 | 318 | 2100 | 1802 | 186 | 1120 |
| H/Wall | Indicated | Primary | 300,000 | 9080 | 3625 | 183 | 104 | 311 | 2130 | 1772 | 185 | 1096 |
| Total | Indicated | | 27,100,000 | 8913 | 3545 | 183 | 110 | 318 | 2103 | 1803 | 186 | 1120 |
| Nth Extension | Inferred | Oxide | 250,000 | 8860 | 3507 | 182 | 113 | 322 | 2151 | 1828 | 190 | 1132 |
| | Inferred | Primary | 2,100,000 | 8914 | 3547 | 183 | 110 | 318 | 2100 | 1802 | 186 | 1120 |
| Main Deep | Inferred | Primary | 6,750,000 | 8914 | 3547 | 183 | 110 | 318 | 2100 | 1802 | 186 | 1120 |
| Total | Inferred | | 9,100,000 | 8914 | 3547 | 183 | 110 | 318 | 2100 | 1802 | 186 | 1120 |
| **TOTAL** | | | **36,200,000** | **8913** | **3546** | **182** | **110** | **318** | **2102** | **1802** | **186** | **1120** |

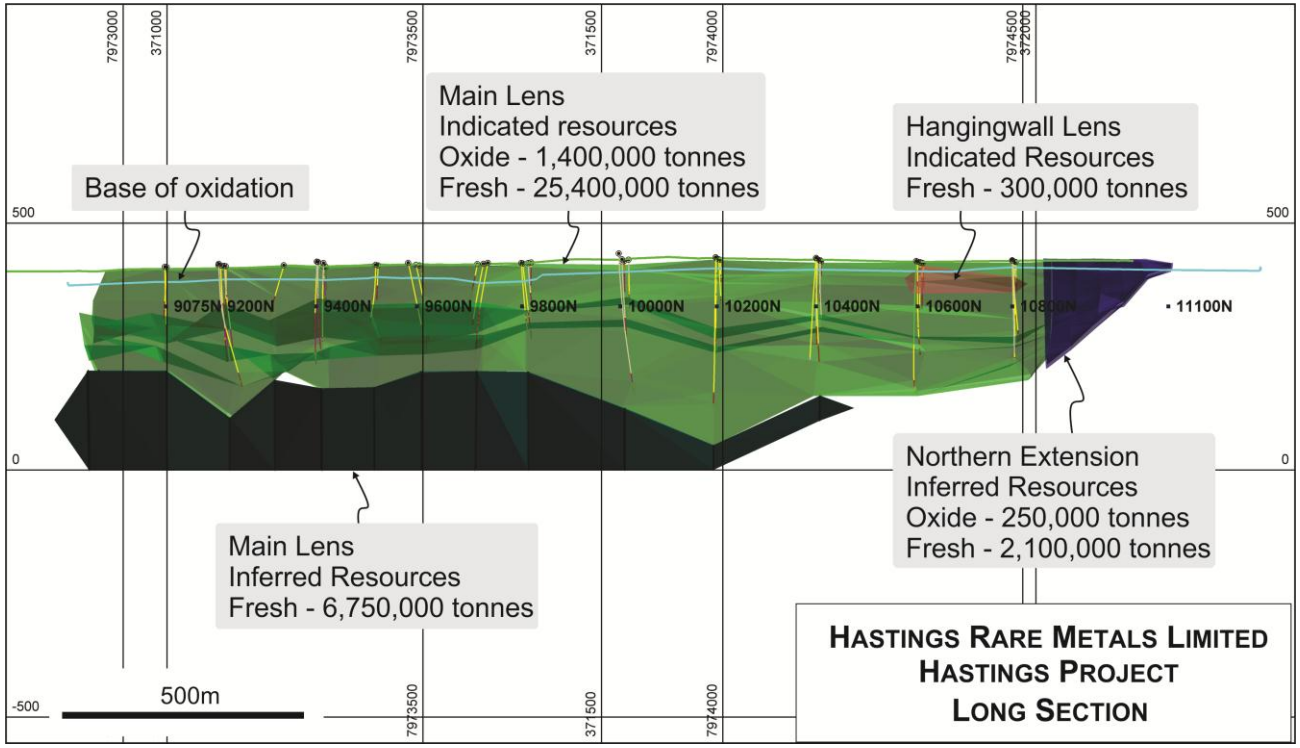
# Hastings Project
## *Significant Potential to Increase Resource*




**Hastings Project – Resource and Target Areas**

- Current Indicated resources confined to central 1.9km of sub-cropping mineralisation
- Inferred Resources at depth below Indicated Resources and around the northern fold closure
- Southern Extension locally returns high scintillometer readings over significant widths (to 40m) and warrants drilling (strike length of 750 metres)
- Long mine life potential > 30 years

# Hastings Project *Resources*



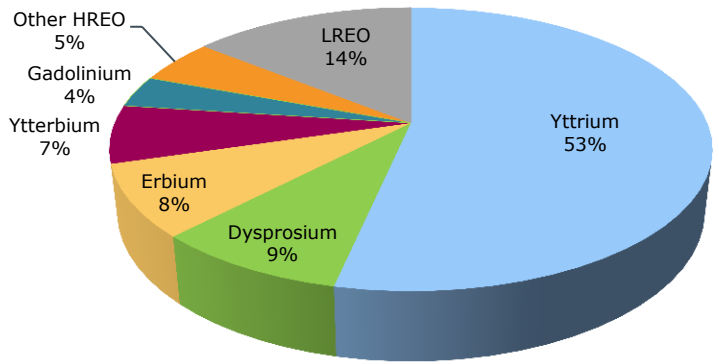

- Indicated and Inferred Resources extend to the base of the south – plunging syncline at the north end and to a maximum depth of around 400m
- Mineralisation remains open at depth down to the base of the syncline
- Mineralisation remains open to the south where it becomes tightly folded but can be traced for at least a further 750m

# Hastings Project
## *Rare Earth Distribution*

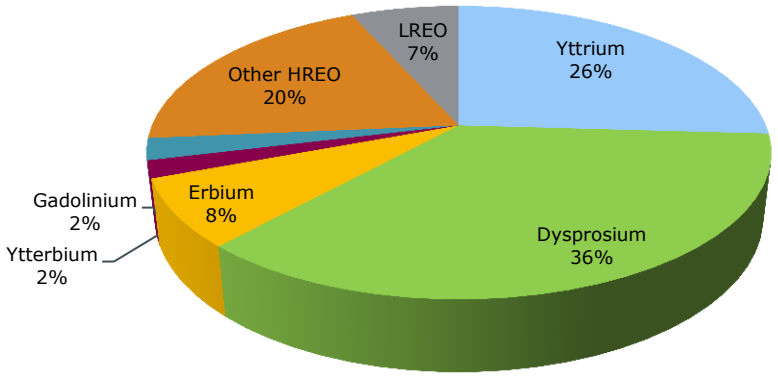
| | $La_2O_5$ | $Ce_2O_5$ | $Pr_2O_5$ | $Nd_2O_5$ ● | $Sm_2O_5$ | $Eu_2O_5$ ● | $Gd_2O_5$ | $Tb_2O_5$ ● | $Dy_2O_5$ ● | $Ho_2O_5$ | $Er_2O_5$ | $Tm_2O_5$ | $Yb_2O_5$ | $Lu_2O_5$ | $Y_2O_3$ ● |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade ppm | 34 | 127 | 19 | 73 | 46 | 3 | 75 | 24 | 186 | 43 | 173 | 22 | 139 | 18 | 1120 |

● Critical Rare Earths (US Department of Energy December 2010)

**Distribution of REOs by Volume**




**Distribution of REOs by $ Value**




- Hastings has highest HREO to TREO of all advanced projects* at 85%
- Significant value contained in Y and Dy (HREO) component

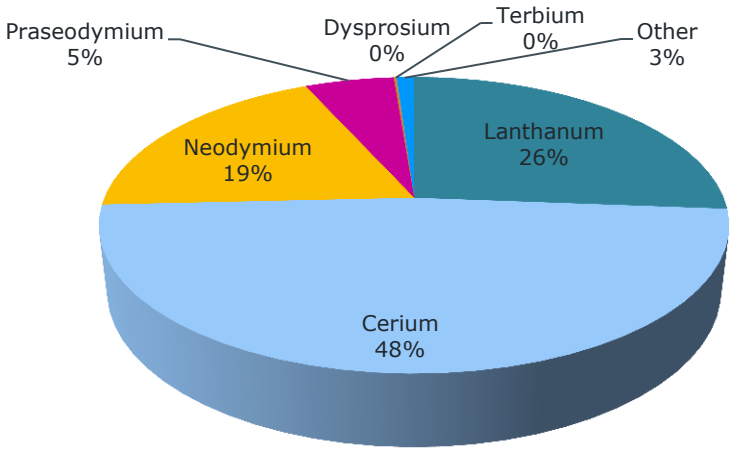
* Defined as projects with formally defined mineral resources or reserves under the guidelines of a relevant scheme such as the JORC code or NI43-101

# Lynas Project
## *Rare Earth Distribution*

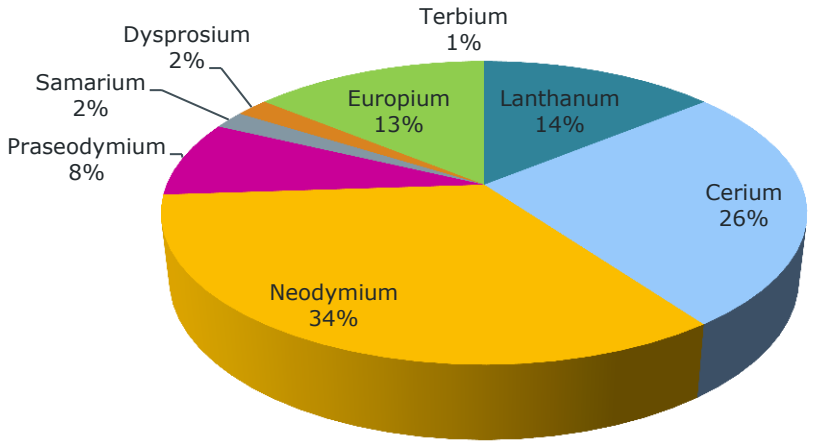
| | $La_2O_5$ | $Ce_2O_5$ | $Pr_2O_5$ | $Nd_2O_5$ | $Sm_2O_5$ | $Eu_2O_5$ | $Gd_2O_5$ | $Tb_2O_5$ | $Dy_2O_5$ | $Ho_2O_5$ | $Er_2O_5$ | $Tm_2O_5$ | $Yb_2O_5$ | $Lu_2O_5$ | $Y_2O_3$ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade ppm | 20655 | 37859 | 4309 | 14985 | 1839 | 359 | 0 | 55 | 100 | 0 | 0 | 0 | 0 | 0 | 0 |

Source: (Lynas Corporation website)

**Distribution of REOs by Volume**




**Distribution of REOs by $ Value**




- **Majority of value contained in LREO's**

# Hastings Project
## *Processing Testwork*

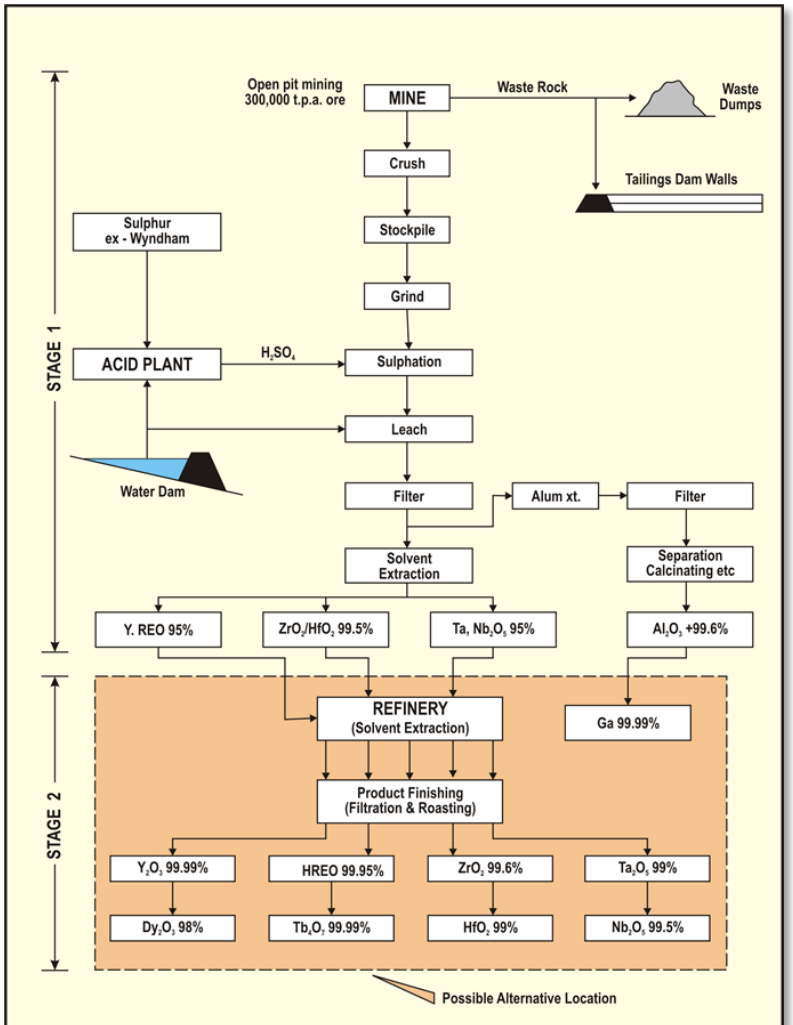



Figure 6
**HASTINGS PROPOSED PROCESS FLOW SHEET**

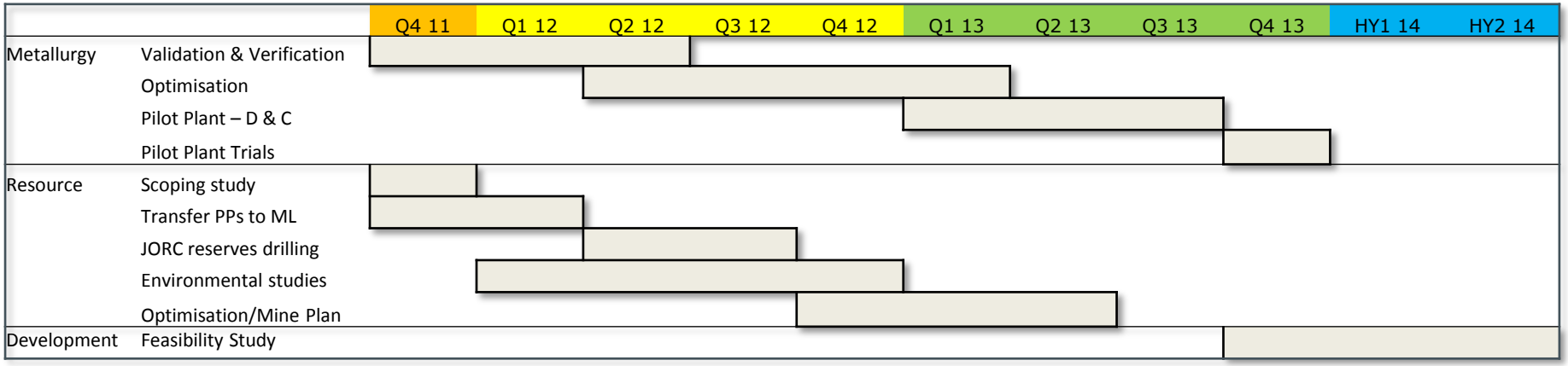
Source: West Coast Holdings Limited

AB003

Flow Sheet (1990) to be verified and validated

- West Coast Holdings (WCH) undertook significant amounts of processing test work in the 1980s culminating in the establishment of a pilot plant at the Warren Springs laboratory in UK.
- 100 tonnes of oxidised mineralisation was sent to UK and test work was proceeding well when WCH entered receivership and the test work was halted.
- Hastings has commenced validation and verification processing test work with a number of experienced rare earth processing groups in Australia, with both oxidised and primary mineralisation. Optimisation test work will follow to reflect the changes in market conditions from 1990 to today.
- Previously optimised metallurgical test work resulted in extraction efficiencies of around 75% for Yttrium and Dysprosium, and 80% for Nb and Zr.
- Financial assessment of product suite and form is underway to reflect current and future market requirements

# Hastings Project *Schedule*



# Hastings Project
## *News Flow*

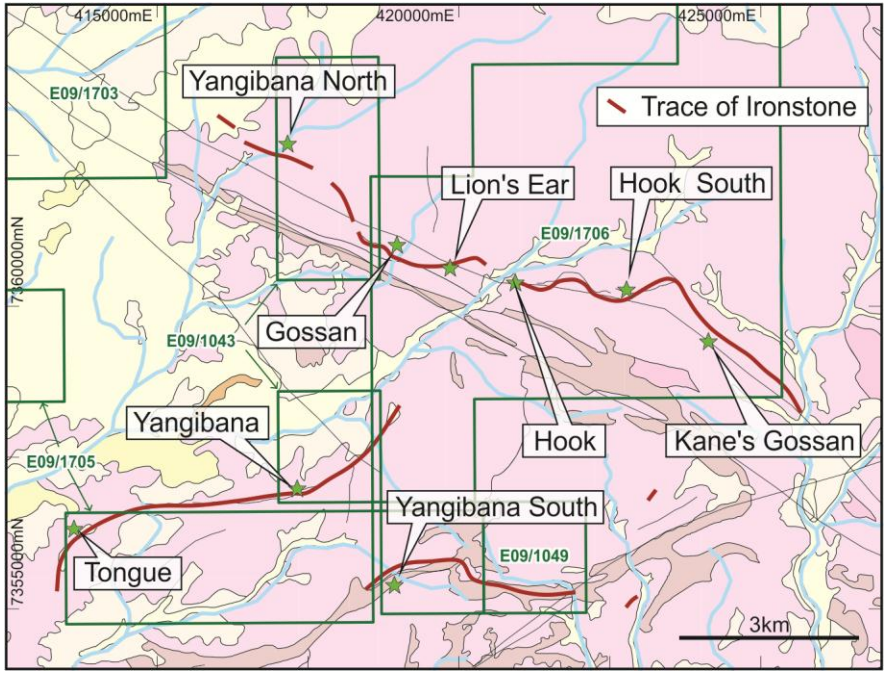
Next 6 months

- Results of scoping study indicating economics of Hastings Project
- Validation and Verification of historical data
- Road Map to Pre-Feasibility Study
- Begin Process Optimisation Program
- Completion of Stage One of Optimisation Study
- Analysis of Yangibana Project and importance

# Yangibana Project
## *History*

- Known mineralisation is associated with long linear, narrow ironstone outcrops
- Early exploration based on elevated radio metrics assessed the ironstones for uranium, but also base metals
- Rock chips returned elevated rare earth values and the ironstones were drilled in the late 1980s
- 80 reverse circulation holes tested the ten main outcropping bodies
- Almost all holes intersected shallow oxidised mineralisation over widths from 2 to 6m
- Rare earth values associated with the mineral monazite
- Rare earths are heavily biased to LREO, with HREO averaging only 600ppm
- However, the deposit contains unusually high neodymium values, averaging 4000ppm $Nd_2O_5$
- Drilling and resource estimation tested only 2.2km of the potential strike length of the main mineralised zone that exceeds 7km within Hastings' ground
- Subsequent surface sampling has returned TREO values up to 19.4%, with an arithmetic average of 56 samples taken from four areas in 2008 being 2.84%TREO

# Yangibana Project
## *Previous Exploration*




Yangibana – REO Mineralisation zones

| RC DRILLING RESULTS INCLUDED | | |
|---|---|---|
| Prospect | m | %TREO |
| Yangibana North | 7 | 2.21 |
| | 8 | 2.78 |
| | 4 | 1.83 |
| | 6 | 2.40 |
| Gossan | 3 | 2.12 |
| The Lion's Ear | 4 | 1.80 |
| | 4 | 2.05 |
| | 4 | 2.73 |
| | 3 | 1.78 |
| | 4 | 1.77 |
| Hook South | 2 | 1.65 |
| Kane's Gossan | 8 | 1.43 |
| | 5 | 1.18 |
| Yangibana | 2 | 1.25 |

| ROCK CHIP SAMPLES INCLUDED | | |
|---|---|---|
| Prospect | No of Samples | Av. %TREO grade |
| Yangibana North | 22 | 3.88 |
| Hook | 5 | 1.00 |
| Kane's Gossan | 9 | 3.22 |
| Yangibana | 10 | 1.50 |
| Yangibana South | 15 | 1.97 |

# Yangibana Project
## *Proposed Exploration*

- The obvious initial target is to pattern drill the exposed ironstone outcrops and the intervening ground along strike, with only 2.2km of the main mineralised zone tested to date. This zone has a strike length of around 7km within Hastings' ground.
- Closer spaced drilling over the 7km of strike could define resources of up to 10 million tonnes of oxidised mineralisation at grades comparable to those indicated by previous drilling
- All previous drilling has tested only the oxidised portion of these linear structures. Deeper drilling is required to determine whether the grades within the oxidised portion of the lenses are enriched or whether similar grades extend to depth in the primary zone
- The Yangibana ironstones are known to be of ferrocarbonatite composition. They are presumably sourced from a large ferrocarbonatite body at some depth. Widespread fenitisation (K-feldspar alteration) of the surrounding granites has been identified by previous explorers and the Geological Survey of Western Australia (GSWA)
- The GSWA is undertaking mapping in the Yangibana region and is very positive regarding the potential for a large buried rare earth-bearing body to be present in this area
- Ongoing discussions with GSWA will lead to a detailed programme to evaluate this potentially large target

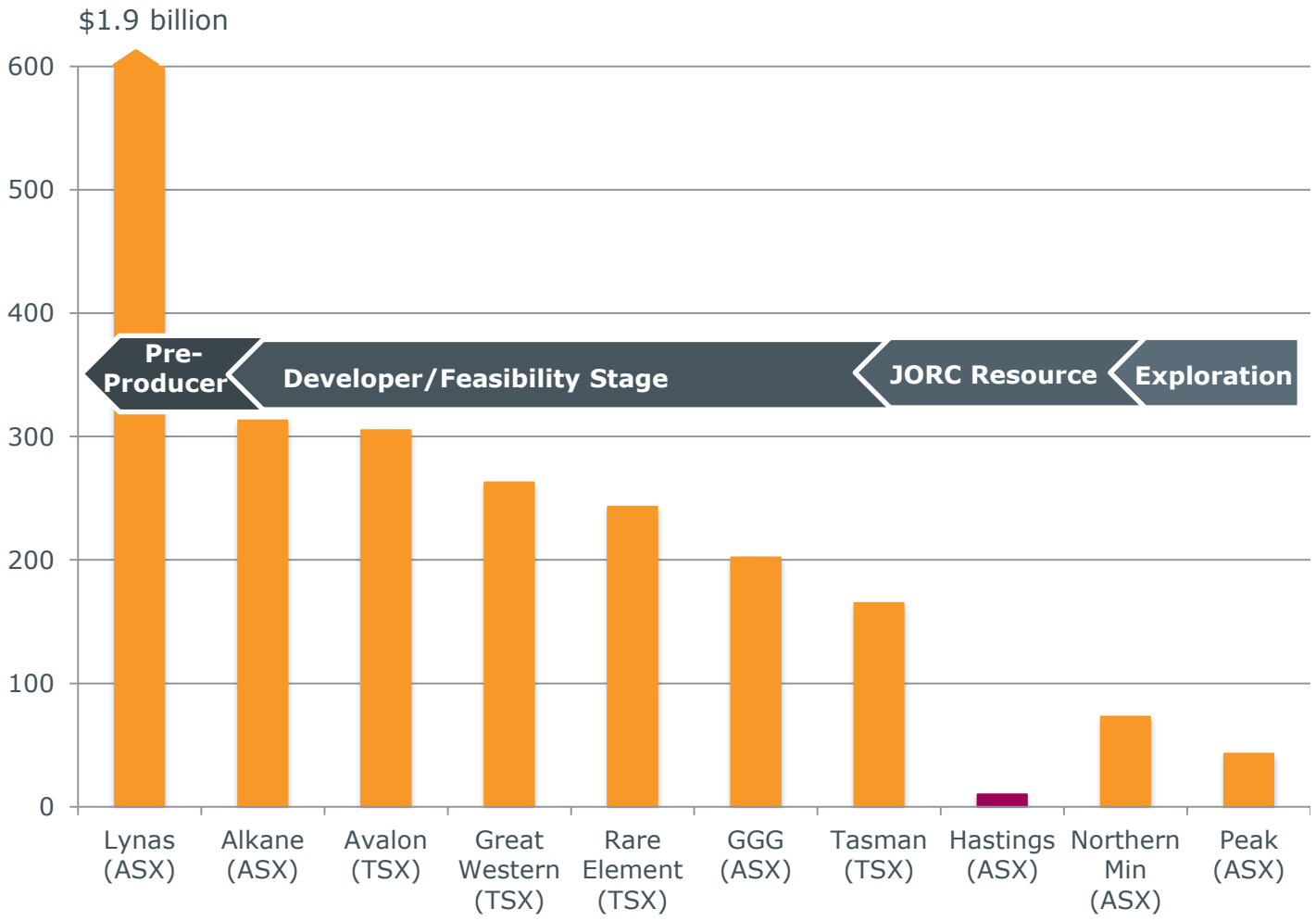
# Summary

- An Australian rare earths company with potential to supply the world with critical metals.
- Two potentially world class projects targeting the extremely high value rare metals in critical short supply.
- **Hastings Project** – a substantial JORC compliant resource of 36.2Mt has already been confirmed.
- Validation and verification of the previous metallurgical works have commenced with results expected second quarter 2012. Optimisation to follow
- **Yangibana Project** – an advanced exploration project with extensive rare earth occurrences known to exist.

**Current low market capitalisation provides excellent leverage relative to industry peers.**

# Market Comparisons

## *Significant upside at current levels*



# Contact Details


Hastings Rare Metals Limited

**Steve Mackowski**
Technical Director

T: +61 2 9078 7660
F: +61 2 9078 7661

E: smackowski@hastingsraremetals.com
Level 9, 50 Margaret Street, Sydney NSW 2000
**www.hastingsraremetals.com**



Hastings Rare Metals Limited

**David Nolan**
Chairman

T: +61 2 9078 7660
F: +61 2 9078 7661

E: dnolan@hastingsraremetals.com
Level 9, 50 Margaret Street, Sydney NSW 2000
**www.hastingsraremetals.com**