



ASX: HAS Announcement

Hastings Signs Major Offtake Contract with thyssenkrupp Materials Trading GmbH.

20th April 2021

Highlights

- Hastings announces signing of a major offtake contract for the supply of its high grade product from its Yangibana Rare Earths Project in Western Australia to thyssenkrupp Materials Trading GmbH.
- Hastings will supply 9,000 tonnes per annum of its Mixed Rare Earth Carbonate (MREC) for the first 5 years and 5,000 tonnes per annum for the second 5 years, totalling 70,000 tonnes over a 10-year period.
- The committed offtake volume from thyssenkrupp represents 60% of Hastings annual Yangibana production volume for the first 5 years and 33% for the second 5 years.
- The contract grants thyssenkrupp exclusive rights to market and distribute Hastings' Yangibana high-quality rare earths product on a worldwide basis except for certain excluded customers of Hastings.

Australia's next rare earths producer Hastings Technology Metals Limited (**ASX: HAS**) (**Hastings** or the **Company**) is pleased to announce that it has executed a binding offtake contract with thyssenkrupp Materials Trading GmbH (**TK**), for high-grade mixed rare earth carbonate (**MREC**) from the Company's Yangibana Rare Earths Project (**Yangibana**) in the Gascoyne region of Western Australia.

TK is a well-established and internationally recognised German raw materials trading business with offices in 16 countries and core capabilities in materials trading that embrace complex logistic services for raw and finished materials along with supply chain knowledge and dependability. thyssenkrupp Materials Services, the holding company of TK, is the biggest mill-independent materials distributor and service provider in the western world with operations in more than 480 locations in nearly 40 countries.

The contract with TK requires Hastings to supply 9,000 tonnes per annum of MREC (equivalent to 60% of Yangibana's annual production) for the first five years; and for the subsequent five years, 5,000 tonnes per annum of MREC (equivalent to 33% of annual production) from its rare earth mine and processing facilities. Over a 10-year period, total MREC volume committed by TK amounts to 70,000 tonnes. Pricing for the MREC is referenced to Asian Metals average 90-days Ex Works price or at an agreed price between the parties.

In view of TK's global footprint for raw materials trading, the contract with Hastings grants TK the exclusive rights to market and distribute the Company's MREC on a worldwide basis under this offtake contract with the exception for certain excluded customers that Hastings has established relationships. In the event that Hastings pursues downstream processing opportunities for its MREC to produce rare earth oxides (REO), the contract provides for the flexibility for TK to accept Hastings' REO product.

The offtake contract with TK is a major milestone for Hastings' to supply its MREC under long-term offtake arrangements with highly respected customers in Europe and Asia whilst preserving Hastings' ability to also supply uncommitted volume into the spot market.

Charles Lew, Hastings Executive Chairman, said: *"This offtake contract with a leading and respected global player like TK is highly significant, demonstrating the commercial and technical strengths of the Yangibana rare earth project, primarily its high NdPr: TREO ratio of up to 52%. It further strengthens the economic viability of Yangibana thereby enabling Hastings to progress on the debt financing workstream with the objective of securing credit approvals in the coming months."*

"Hastings is targeting the commencement of early earth works on site in Yangibana in the next few months as our intention is to commence production by late 2023. This timing coincides with the strong increase in demand for magnet rare earths expected over the next 5 to 10 years driven by the EV revolution. The processing plants are designed to produce 15,000 tonnes of MREC per annum (when separated is equivalent to 3,400 tonnes of NdPr oxides), which Hastings is expected to deliver to high-quality partners such as thyssenkrupp under long-term offtake contracts with the balance of Yangibana's output reserved for other offtake customers or the spot market."

"Our company is entering an advanced stage of its growth cycle when we commence full-scale construction of the Yangibana rare earth project. We will continue to update shareholders and stakeholders of our progress."

Wolfgang Schnittker, CEO of thyssenkrupp Materials Trading, commented: *"Our product range of rare earths is unique in the trading business. With this agreement we secure volume from an important future producer, can further expand our customer range and can therefore serve customer demands even better than before"*.

Martin Polczyk, Chief Operating Officer and Managing Director responsible for the rare earths business added: *"The off-take with Hastings expands our distinctive position in rare earths trading in line with our long-term product strategy and expands our position in rare earths trading for years to come."*

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

For further information, please contact:

Charles Lew

Executive Chairman

+65 6220 9220

Matthew Allen

Chief Financial Officer

+61 8 6117 8634

For media and investor queries, please contact:

Peter Klinger

Cannings Purple

+61 411 251 540

pklinger@canningspurple.com.au

About Hastings Technology Metals Limited

Hastings Technology Metals Limited is positioned to become Australia's next pure rare earths producer and is advancing its flagship Yangibana Rare Earths Project in the Upper Gascoyne Region of Western Australia towards production. The proposed beneficiation and hydrometallurgy processing plant will treat rare earths deposits, predominantly monazite that host high neodymium and praseodymium contents, to produce a mixed rare earths carbonate that will be further refined into individual rare earth oxides at selected processing plants overseas.

Neodymium and praseodymium are vital components in the manufacture of permanent magnets, which are used in a wide and expanding range of advanced and high-tech products including electric vehicles, wind turbines, robotics, defence industries, medical applications, etc. Hastings aims to become the next significant producer of neodymium and praseodymium outside of China.

Hastings also operates the Brockman Heavy Rare Earths Project near Halls Creek in the Kimberley region of Western Australia. The deposits at Brockman contain high quantities of heavy rare earths, niobium pentoxide and zirconium oxide as well as rare metals tantalum, hafnium and gallium.

For further information on the Company and its projects visit www.hastingstechmetals.com