

27th July 2018

HASTINGS SIGNS EXCLUSIVE MANDATE WITH GERMAN KfW IPEX-BANK FOR PROJECT FINANCING FOR ITS YANGIBANA RARE EARTHS PROJECT

Highlights:

- **Exclusive mandate executed with German KfW IPEX-Bank for project finance loan advisory services**
- **KfW IPEX-Bank has provided indicative terms for senior debt of up to A\$250 million for the project (conditional upon UFK Cover being obtained)**
- **KfW IPEX-Bank to make application to Euler Hermes for German Government Untied Loan Guarantee Cover**

Hastings Technology Metals Limited (ASX:HAS) (“Hastings” or the “Company”) is pleased to announce that it has executed an exclusive mandate with the German bank, KfW IPEX-Bank GmbH (“KfW IPEX-Bank”) to provide project finance loan advisory services in relation to securing approval from Euler Hermes Aktiengesellschaft (“Euler Hermes”) as mandated by the German Federal Government as administrators of the Untied Loan Guarantee scheme (“UFK Cover”). Upon approval from Euler Hermes and the authorised committees of KfW IPEX-Bank, KfW IPEX-Bank has indicated that it will provide senior debt facilities of up to A\$250m for the project.

Hastings has previously announced offtake MOU with German and Chinese companies to supply its high grade Neodymium and Praseodymium (NdPr) to its customers. It is able to feed its mixed rare earth carbonate into the German and Chinese supply chain, in particular for the automotive industry. For sales to German customers, the Company is in principle eligible for UFK Cover due to the strategic importance to Germany of securing long term future supplies of NdPr, a critical mineral necessary in the manufacture of permanent magnets for electrical motors.

The UFK Cover scheme is a German government backed insurance cover to lenders and is administered by Euler Hermes. The portion of total project debt that qualifies for UFK Cover is generally provided on attractive terms including lower interest rates and longer loan tenure.

KfW IPEX-Bank, a wholly owned subsidiary of KfW Group is a leading German export and project finance specialist with significant experience in the debt financing of mining projects worldwide. KfW IPEX-Bank’s engagement is to

Hastings Technology Metals
Limited

ABN 43 122 911 399

ASX Stock Code: HAS

Address:

Suite 506, Level 5, 50 Clarence
Street
Sydney NSW 2000

PO Box Q128 Queen Victoria
Building NSW 1220 Australia

Telephone: +61 2 9078 7674

Facsimile: +61 2 9078 7661

info@hastingstechmetals.com

Board

Charles Lew (Executive
Chairman)

Jean Claude Steinmetz
(Non-Executive Director)

Guy Robertson (Finance
Director and Company
Secretary)

assist Hastings in obtaining approval from Euler Hermes for UFK Cover. In addition, KfW IPEX-Bank has provided indicative senior debt terms to Hastings including a targeted total senior debt amount of up to A\$250 million.

The UFK Cover and subsequent senior debt project financing is subject to a detailed due diligence process. The execution of this engagement with KfW IPEX-Bank is an important step in support of the Yangibana Rare Earths project.

Charles Lew, Executive Chairman of Hastings commented that *“the signing of this mandate with the German KfW IPEX-Bank is yet another important milestone in getting the Yangibana rare earths mine financed and built. We are pleased to be a long term supplier of NdPr technology metals to German companies seeking permanent magnets and the interest of KfW IPEX-Bank to assist in the financing underscores the strategic value of our project to Germany.”*

For further information please contact:

Charles Lew, Executive Chairman: +65 9790 9008

Guy Robertson, Finance Director: +61 9078 7674

About Hastings Technology Metals

- Hastings Technology Metals is a leading Australian rare earths company, with two rare earths projects hosting JORC-compliant resources in Western Australia.
- The Yangibana Project hosts Probable Reserves totaling 5.15 million tonnes at 1.12% TREO including 0.45% $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$ within JORC Resources totalling 21.0 million tonnes at 1.17% TREO (comprising Measured Resources of 3.9 million tonnes at 1.19% TREO, Indicated Resources of 8.6 million tonnes at 1.25% TREO and Inferred Resources of 8.4 million tonnes at 1.09% TREO), including 0.40% $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$.
- The Brockman deposit contains JORC Indicated and Inferred Resources totalling 41.4 million tonnes (comprising 32.3mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.36% Nb_2O_5 and 0.90% ZrO_2 .
- Rare earths are critical to a wide variety of current and new technologies, including smart phones, electric vehicles, wind turbines and energy efficient light bulbs.
- The Company aims to capitalise on the strong demand for rare earths permanent magnets created by expanding new technologies.

Competent Persons' Statement

The information in this announcement that relates to Resources is based on information compiled by Lynn Widenbar. Mr Widenbar 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 consent to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.