

Hastings Technology Metals Limited
(ACN 122 911 399)

Notice of Annual General Meeting

Notice is given that the Annual General Meeting for Hastings Technology Metals Limited (ACN 122 911 399) (the **Company**) for 2018 will be held on 29 November 2018 at 10.30 am at Allens, Level 37, QV.1, 250 St Georges Terrace, Perth Western Australia 6000 (the **Meeting**).

Important: The resolutions set out in this Notice should be read together with the accompanying Explanatory Memorandum.

Agenda

Financial Statements and Reports

To consider the annual financial report, directors' report and the auditors' report for the Company and its consolidated entities for the financial year ended 30 June 2018.

Remuneration Report

Resolution 1: Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

'That the Remuneration Report for the year ended 30 June 2018 be adopted.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Election of Directors

Resolution 2: Election of Director – Mr Jean Claude Steinmetz

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That, Jean Claude Steinmetz, who retires by rotation in accordance with the Company's constitution and the ASX Listing Rules and being eligible offers himself for election as a Director of the Company, be elected as a Director of the Company.'

Approval of Transactions

Resolution 3: Ratification of Prior Issue of 66,563,008 Ordinary Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify the allotment and issue of 66,563,008 Shares on the terms and conditions set out in the Explanatory Memorandum.'

Short explanation

On 16 August 2018, the Company announced that it had issued 66,563,008 shares at \$0.21 per share by way of institutional placement to raise \$13,978,231 (before costs). The proceeds of the placement were used to further develop the Yangibana rare earths project, and in particular to enable the order of the long lead time equipment for the processing plant, in particular the rotary kiln. Please refer to the Explanatory Memorandum for further information.

Voting exclusion

The Company will disregard particular votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 4: Approval of Placement Capacity

To consider and, if thought fit, to pass the following resolution as a special resolution:

'That, for the purposes of ASX Listing Rule 7.1A and all other purposes, approval is given for the Company to allot and issue Equity Securities up to 10% of the Company's issued share capital (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.'

Short explanation

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued capital through placements over a twelve month period after the Annual General Meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1.

Voting exclusion

The Company will disregard particular votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

The attached Explanatory Memorandum is incorporated into and forms part of this Notice. Detailed explanations of the background and reasons for the proposed resolutions are set out in the Explanatory Memorandum.

By order of the Board of Directors

Guy Robertson and Neil Hackett
Joint Company Secretaries

23 October 2018

Dated

Notes

Eligibility to Vote

Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) permits the Company to specify a time, not more than 48 hours before a general meeting, at which a 'snap-shot' of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the Meeting.

The Board has determined that the registered holders of ordinary shares at 10.30 am on 27 November 2018 will be taken to be holders of ordinary shares for the purposes of the Meeting and accordingly, will be entitled to attend and vote at the Meeting.

Voting by Proxy

An eligible shareholder can vote in person at the Meeting or appoint a proxy or, where a shareholder is entitled to two or more votes, two proxies. Where two proxies are appointed, a shareholder may specify the number or proportion of votes to be exercised by each proxy appointed. If no number or proportion of votes is specified, each proxy appointed will be taken to exercise half of that shareholder's votes (disregarding fractions).

An appointed proxy need not themselves be a shareholder.

To be valid, the appointment of a proxy (made using a properly completed and executed Proxy Form) must be received by the Company no later than 10.30 am on 27 November 2018.

Proxy Forms can be submitted in four ways:

- By **mail** to Security Transfer Australia Pty Ltd at PO Box 52, Collins Street West Vic 8007 using the enclosed return envelope; or
- By **facsimile** to +61 8 9315 2233; or
- By **email** to registrar@securitytransfer.com.au; or
- **Online** by logging into the Investor Centre using your holding details, click on "Proxy Voting" and provide your **Online Proxy ID** (contained in Proxy Form) to access the voting area.

Instructions on how to complete the Proxy Form are on the reverse of the Proxy Form attached to this Notice.

If a Proxy Form is signed by an attorney, a shareholder must also send in the original or a certified copy of the power of attorney or other authority under which the Proxy Form is signed.

Undirected Proxies

The Chair of the Meeting intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions below).

Voting by Corporate Representative

A shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the *Corporations Act 2001* (Cth) (the **Corporations Act**). The representative should bring to the Meeting evidence of his or her appointment unless it has previously been provided to the Company or its share registry.

Voting by Attorney

A shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the shareholder's behalf. An attorney need not themselves be a shareholder.

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The power of attorney appointing the attorney must be signed and specify the name of each of the shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms.

Voting Exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote in particular ways, and the Company must disregard particular votes cast by or on behalf of certain persons, on two of the resolutions to be considered at the Annual General Meeting. These voting exclusions are described below.

Resolution 1: Remuneration Report

Votes may not be cast, and the Company will disregard any votes cast, on Resolution 1:

- by or on behalf of any KMP member whose remuneration details are included in the Remuneration Report, or any of their closely related parties, regardless of the capacity in which the votes are cast; or
- by any person who is a KMP member as at the time the resolution is voted on at the Annual General Meeting, or any of their closely related parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting in accordance with an express authorisation in the proxy appointment to cast the votes even if the resolution is connected directly or indirectly with the remuneration of a KMP member.

Resolution 2: Election of Director – Mr Jean Claude Steinmetz

No voting exclusion statement is applicable to Resolution 2.

Resolution 3: Ratification of Prior Issue of 66,563,008 Ordinary Shares

The Company will disregard any votes cast on Resolution 3 by:

- any person who participated in the issue; and
- any of their associates.

Resolution 4: Approval of Placement Capacity

The Company will disregard any votes cast on Resolution 4 by:

- any person who may participate in the proposed issue;
- any person who might obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary shares) if the resolution is passed; and
- any of their respective associates.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chairman of the Annual General Meeting in accordance with an express authorisation in the proxy appointment to vote as the proxy decides.

For the purposes of these voting exclusions:

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- The **KMP** (or **key management personnel**) are those persons having authority and responsibility for planning, directing and controlling the activities of the Company consolidated group, either directly or indirectly. This includes all Directors (executive and non-executive) and all members of the Executive Committee reporting to the Chairman. The KMP for the Company consolidated group during the year ended 30 June 2018 are listed in the Remuneration Report contained in the Company's 2018 Annual Report.
- A **closely related party** of a KMP member means:
 - a spouse or child of the member; or
 - a child of the member's spouse; or
 - a dependant of the member or of the member's spouse; or
 - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
 - a company the member controls.

The Company will also apply these voting exclusions to persons appointed as attorney by a shareholder to attend and vote at the Annual General Meeting under a power of attorney, as if they were appointed as a proxy.

Resolutions

All items of business involving a vote by shareholders other than Resolution 4 require ordinary resolutions, which means that, to be passed, the item needs the approval of a simple majority of the votes cast by shareholders entitled to vote on the resolution.

Resolutions 4 requires a special resolution, which means that, to be passed, the item needs the approval of at least 75% of the votes cast by shareholders entitled to vote on the resolution.

Explanatory Memorandum

This Explanatory Memorandum forms part of the notice convening the Annual General Meeting of Hastings Technology Metals Limited to be held at Allens, Level 37, QV.1, 250 St Georges Terrace, Perth Western Australia 6000 at 10.30 am (Western Standard Time) on Thursday, 29 November 2018.

Financial Statements and Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company and its consolidated entities for the most recent financial year (namely the period ended 30 June 2018) will be laid before the Meeting. Shareholders will be provided with the opportunity to ask questions about the reports.

There is no requirement for a shareholder resolution on this item. Accordingly, there will be no resolution put to the Meeting.

Resolution 1: Remuneration Report

The Remuneration Report is required to be considered by Shareholders in accordance with section 250R of the Corporations Act.

The Remuneration Report for the year ended 30 June 2018 contains:

- the remuneration policy for the Company;
- an overview of the link between remuneration and corporate performance; and
- a report on the remuneration arrangements in place for the Chairman, Non-executive and Executive Directors and certain members of senior management.

The Remuneration Report, contained in the 30 June 2018 Annual Report, is available on the Company's website at <http://hastingstechmetals.com>.

Shareholders will have an opportunity to ask questions and make comments about the Remuneration Report at the Meeting. Ordinary shareholders will be asked to vote on a resolution to adopt the Remuneration Report. Under the Corporations Act, the vote on the resolution is advisory only and does not bind the Board or the Company.

Directors' recommendation: *Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report) and, that each Director (or any closely related party of a Director) is excluded from voting their shares on the resolution (as described in the 'Voting exclusions' section of the Notes to the Notice), the Directors unanimously recommend that shareholders vote in favour of the adoption of the Remuneration Report.*

Resolution 2: Election of Director – Mr Jean Claude Steinmetz

The ASX Listing Rules require the Company to hold an election of Directors each year. Clause 13.2 of the Company's Constitution also requires one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office at each annual general meeting of the Company, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless otherwise agreed among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

In accordance with the ASX Listing Rules and rule 13.2 of the Company's constitution, Jean Claude Steinmetz retires from office and offers himself for election.

A brief profile of Mr Jean Claude Steinmetz is set out in the Annual Report.

Directors' recommendation: *The Directors (with the candidate abstaining) unanimously recommend that shareholders vote in favour of Jean Claude Steinmetz's election as a Director.*

Resolution 3: Ratification of Prior Issue of 66,563,008 Ordinary Shares

Background

Under Resolution 3, the Company seeks Shareholder ratification of the issue by the Company of 66,563,008 ordinary shares issued to sophisticated and institutional investors – see ASX Announcement dated 16 August 2018.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides, in summary, that a listed company must not, subject to specified exceptions, issue equity securities in any 12 month period which, when aggregated with the equity securities issued by a company during the previous 12 months, will exceed 15% of the total number of fully paid ordinary shares on issue in the company at the beginning of the 12 month period, except with the prior approval of Shareholders.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's members subsequently approve it.

While the outcome of Resolution 3 will have no effect on the issue of the shares in question, Shareholder approval will restore the Company's ability to issue further equity securities under ASX Listing Rule 7.1 in the next 12 months from the date of issue, to the extent of the 66,563,008 shares issued.

ASX Listing Rules Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

(a) The maximum number of securities the entity issued

The maximum number of securities issued was 66,563,008.

(b) The issue price of the securities

66,563,008 shares at a price of \$0.21 per share.

(c) The names of the allottees (if known) or the basis upon which the allottees will be identified or selected

The shares were issued to sophisticated and institutional investors.

(d) The terms of the securities

The shares issued are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

(e) The intended use of the funds raised

The funds are being used for further development of the Yangibana rare earths project, and in particular to enable the order of the long lead time equipment for the processing plant, being the rotary kiln and the sulphuric acid plant.

(f) Voting Exclusion

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any of their associates.

Directors' recommendation: *The Directors unanimously recommend that shareholders vote in favour of this resolution.*

Resolution 4: Approval of Placement Capacity

Background

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) up to 10% of their issued capital through placements over a twelve month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities (if any) to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2. The Company may use funds raised from any 10% Placement Facility for funding specific projects and/or general working capital. It may also use the 10% Placement Facility for non-cash consideration purposes such as joint venture or project acquisitions (although the Company presently has no intention to do so).

ASX Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has one class of Equity Securities, being Shares.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula: **(A x D) - E**

A is the number of shares on issue 12 months before the date of the issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;

- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note: A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

(d) ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

(e) Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume weighted average price of Equity Securities in the same class calculated over the 15 Trading Days (as defined in the ASX Listing Rules) immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking)

(the 10% Placement Period).

Effect of Resolution

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period separate to the Company's 15% placement capacity under ASX Listing Rule 7.1. Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific Information Required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Minimum Price

Any Equity Securities issued will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Risk of Voting Dilution

If Resolution 4 is approved by the Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company would be diluted as shown in the below table (in the case of unlisted option, only if the unlisted options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable **A** calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows:

- (i) two examples where variable **A** has increased by 50% and 100%. Variable **A** is based on the number of ordinary shares the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

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Variable A in ASX Listing Rule 7.1A.2		Dilution		
		50% decrease in Deemed Price \$0.09	Deemed Price \$0.18	100% increase in Deemed Price \$0.36
Current variable A 778,075,683 shares	10% Voting Dilution	77,807,568 shares	77,807,568 shares	77,807,568 shares
	Funds Raised	\$7,002,681	\$14,005,362	\$28,010,724
50% increase in current variable A 1,167,113,524 shares	10% Voting Dilution	116,711,352 shares	116,711,352 shares	116,711,352 shares
	Funds Raised	\$10,504,022	\$21,008,043	\$42,016,087
100% increase in current variable A 1,556,151,366 shares	10% Voting Dilution	155,615,136 shares	155,615,136 shares	155,615,136 shares
	Funds Raised	\$14,005,362	\$28,010,724	\$56,021,449

The table has been prepared on the following assumptions:

- (i) the Company issues the maximum securities available under the ASX Listing Rule 7.1A being 10% of the Company's shares on issue at the date of the Meeting;
- (ii) No listed or unlisted options are exercised into fully paid ordinary securities before the date of the issue of securities under ASX Listing Rule 7.1A. The Company has no options on issue at the date of this Notice of Meeting;
- (iii) The table does not demonstrate an example of dilution that may be caused to a particular shareholder by reason of placements under ASX Listing Rule 7.1A, based on that shareholder's holding at the date of the Meeting;
- (iv) The table only demonstrates the effect of issues of securities under ASX Listing Rule 7.1A. It does not consider placements made under ASX Listing Rule 7.1 (the '15% rule');
- (v) The price of ordinary securities is deemed for the purposes of the table above to be \$0.18, being the closing price of the Company's listed securities on ASX on 16 October 2018 (Deemed Price). The Deemed Price is indicative only and does not consider the 25% discount to market that the securities may be placed at;
- (vi) The table does not demonstrate the effect of listed options being issued under ASX Listing Rule 7.1A. It only considers the issue of the fully paid ordinary securities;

(c) Date of Issue

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

(d) Purpose of Issue under the 10% Placement Capacity

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration including for joint venture, licensing or collaboration agreements or the acquisition of new projects (although the Company presently has no proposal to do so). In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards advancing the Yangibana rare earths project and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new resources assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

(f) Previous Approval

The Company obtained Shareholder approval under ASX Listing Rule 7.1A on 29 November 2017.

The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 106,894,247 representing 18.3% of the total number of Equity Securities on issue at the commencement of that 12 month period.

The details of all issues of Equity Securities by the Company during the 12 months preceding the date of the meeting is set out in schedule 1 to this Explanatory Memorandum.

(g) Voting Exclusion Statement

A voting exclusion statement is included in the Notice of Meeting to which this Explanatory Statement relates. At the date of that Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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Directors' recommendation: The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

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Schedule 1 – Information required by Listing Rule 7.3A.6 – Resolution 4

	Issue 1 Cash	Issue 2 Non-Cash	Issue 3 Cash	Issue 4 Non-Cash	Issue 5 Non-Cash	Issue 6 Cash
Date of issue:	2/3/18	2/3/18	16/3/18	30/4/18	26/6/18	15/8/18
Number issued:	5,770,284	350,000	33,710,975	500,000	1,500,000	66,563,008
Class/Type of equity security:	Ordinary	Ordinary	Ordinary	Ordinary	Performance rights	Ordinary
Summary of terms:	Cash	Non-Cash	Cash	Non-Cash	Non-Cash	Cash
Names of persons who received securities or basis on which those persons was determined:	Rights Issue	Executive Management	Shareholders	Executive Management	Executive Management	Professional and sophisticated investors
Price:	31 cents per share	30.5 cents per share deemed	31 cents per share	Nil cents per share deemed	Nil cents per performance right deemed	21 cents per share
Discount to market price (if any):	3 cent discount to market	3.5 cent discount to market	2 cent discount to market	27 cent discount to market	N/A	1 cent discount to market
For cash issues						
Total cash consideration received:	\$1,788,788	N/A	\$10,450,402	N/A	N/A	\$13,978,321
Amount of cash consideration spent:	\$1,788,788	N/A	\$10,450,402	N/A	N/A	\$13,978,321
Use of cash consideration:	Expended on Yangibana Project roads and village	N/A	Expended on Yangibana Project development	N/A	N/A	Expended on Yangibana Project development
Intended use for remaining amount of cash (if any):	N/A	N/A	N/A	N/A	N/A	Yangibana Project development and working capital
For non-cash issues						
Value of consideration	N/A	\$106,750	N/A	\$135,000	\$337,500	N/A

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HASTINGS TECHNOLOGY METALS LTD

ACN: 122 911 399

REGISTERED OFFICE:
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167 ST GEORGES TERRACE
PERTH WA 6000

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SHARE REGISTRY:
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«Post_zone»
«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Code: HAS

Holder Number: «HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:30am WST on Thursday 29 November 2018 at Allens, Level 37, 250 St Georges Terrace, Perth Western Australia 6000 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies **in FAVOUR** of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. Remuneration Report

For Against Abstain*

☐ ☐ ☐

2. Election of Director - Mr Jean Claude Steinmetz

☐ ☐ ☐

3. Ratification of Prior Issue of 66,563,008 Ordinary Shares

☐ ☐ ☐

4. Approval of Placement Capacity

☐ ☐ ☐

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:30am WST on Tuesday 27 November 2018.

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Name:

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This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

Email registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.