

29 July 2020

**HASTINGS TO DELIVER ~\$68M CAPEX REDUCTION  
THROUGH RELOCATION OF YANGIBANA  
HYDROMETALLURGICAL PROCESSING PLANT**

- **Hastings to pursue a decoupled processing strategy and relocate Yangibana's Hydrometallurgical plant to the Pilbara region of Western Australia**
- **Decoupling strategy can reduce Yangibana's project capex by approximately \$68m:**
  - **reduction in on-site CAPEX associated with eliminating the need for a 114km gas pipeline**
  - **40% reduction in onsite water abstraction and power requirements results in further savings in upfront Capital**
  - **Additional CAPEX savings through 50km reduction in access road distances**
- **Proposed location has established gas, water, power, and telecommunications and is close to Port handling facilities**
- **Beneficiated Rare Earth Concentrate to be trucked by road to new location for cracking and leaching at the Hydrometallurgical plant**
- **Mining and Concentrate production to remain at Yangibana**

**Introduction**

Hastings Technology Metals Limited (ASX: HAS) (**Hastings** or the **Company**) is pleased to announce that it has progressed an agreement for a coastal location within the Pilbara region of Western Australia for the Yangibana Rare Earth Project's Hydrometallurgical cracking and leaching plant.

Hasting's proposal to decouple the Yangibana processing facility and relocate the Hydrometallurgical plant to a coastal location will add substantial value to the Yangibana Project in the near term, through reductions in required upfront capital financing. The long-term benefits include greater opportunities to optimise operating expenditure through project risk mitigation.

Hasting's assessed a number of fully serviced locations along the coast from Port Hedland to Geraldton. The new plant location, which is being evaluated, will significantly reduce on-site capex because of the presence of existing and accessible services such as gas, water, mains power and telecommunications infrastructure.

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**Board**

Charles Lew (Executive  
Chairman)

Guy Robertson  
(Finance Director)

Jean Claude Steinmetz  
(Non-Executive Director)

Neil Hackett (Non-Executive  
Director and Company  
Secretary)

Mal Randall (Non-Exec Director)

Access to gas is particularly important because the centrepiece of the hydrometallurgical plant is the acid-baked kiln. The kiln is a large consumer of gas and thus the relocation of the hydrometallurgical plant will eliminate the need to construct a 114km gas pipeline from the Dampier-to-Bunbury Natural Gas Pipeline (DBNGP) to the Yangibana mine site which is the single largest capex item.

Other major benefits of the Yangibana processing decoupling strategy include:

1. Reduces Yangibana on-site power requirements by 40% allowing the introduction of a smaller modular power station, which can then be provided as a build/own/operate power offtake contract with an established 3<sup>rd</sup> party provider;
2. Reducing the scale of on-site water and associated infrastructure facilities by 40% providing further expected capex savings; and
3. Providing close proximity to port facilities for importation of construction materials and export of product, thus reducing Yangibana's transport costs.

In addition, the proposal to locate the hydrometallurgical plant at a coastal location in the Pilbara will enable Hastings to:

4. Leverage existing chemical storage facilities in an established regional centre, significantly reducing the need for onsite storage and expensive transportation of reagents;
5. Benefit from a greater availability of large local service providers and skilled personnel;
6. Reduce the number of onsite personnel at Yangibana by 30%, lowering FIFO costs in manning and transportation; and
7. Promote residential employment positions in the new coastal location.

Detailed capital and logistic studies of the location have commenced. There will be a need for some additional costs through duplication of equipment and services for the new location. Transportation of a beneficiated concentrate will be required from the Yangibana mine site to the new location. However, this transport cost is offset by eliminating the need to transport large volumes of sulphuric acid, caustic soda and other chemical reagents to the Yangibana mine site.

The proposed hydrometallurgical plant location has an already established Native Title Agreement which does not impact any cultural Heritage Sites.

Hastings will continue to work with the local Shire and the communities while completing the remaining technical, environmental and regulatory reviews for the approval processes. Hastings' decision to relocate the hydrometallurgical plant has been boosted by the support it has received to date from all levels of government and the community because of the jobs and economic benefits that the plant will bring to the region.

**Charles Lew, Hastings Executive Chairman, said** *"The Yangibana rare earths project is proving to be an economically strong project even in this challenging COVID-19 environment. In line with our pursuit of continuous improvement in the project's robustness, the Hastings leadership saw an opportunity to optimise and improve the proposed Yangibana project layout and further reduce the required capital expenditure. The decision to consider a de-coupling of Yangibana's processing set-up not only allows us to reduce the overall project's capex but deliver significant benefits including streamlining operating*



*expenditure associated with logistics arrangements and other associated infrastructure costs, alongside creating significant residential job opportunities in regional Western Australia.”*

This announcement has been approved by the Board.

For further information on the Company and its projects visit [www.hastingstechmetals.com](http://www.hastingstechmetals.com)

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**ENDS**

**About Hastings Technology Metals Limited**

*Yangibana Project*

Hastings Technology Metals Limited (ASX:HAS, Hastings or the Company) is advancing its Yangibana Rare Earths Project in the Upper Gascoyne Region of Western Australia towards production. The proposed beneficiation and hydro metallurgy processing plant will treat rare earths deposits, predominantly monazite, hosting high neodymium and praseodymium contents to produce a mixed rare earths carbonate that will be further refined into individual rare earth oxides at processing plants overseas.

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

Hastings holds 100% interest in the most significant deposits within the overall project, and 70% interest in additional deposits that will be developed at a later date, all held under Mining Leases. Numerous prospects have been identified warranting detailed exploration to further extend the life of the project.

*Brockman Project*

The Brockman deposit, near Halls Creek in Western Australia, contains JORC Indicated and Inferred Mineral Resources, estimated using the guidelines of JORC Code (2012 Edition).

The Company is also progressing a Mining Lease application over the Brockman Rare Earths and Rare Metals Project.

Hastings aims to capitalise on the strong demand for critical rare earths created by the expanding demand for new technology products.