



Quarterly Activities Report

For the period ended 31 March 2023

26 April 2023

HIGHLIGHTS

- Letter of Support from Export Finance Australia (EFA) secured for up to \$100 million in debt funding for the Yangibana Rare Earths Project (Yangibana)
- Increased the Ore Reserve estimate for Yangibana by 25 per cent to 20.93 million tonnes, including a 37 per cent component of neodymium and praseodymium (NdPr)
- Construction of stage one of Kurrbili Accommodation Village and earthworks for the Yangibana Airstrip 90 per cent complete
- Finalising the review of project execution and contracting strategy to identify potential areas for restructuring, optimisation and de-risking
- \$220 million in contractual commitments made to date, demonstrating the confidence from the Hastings Board in the Yangibana development
- Appointment of Chief Financial Officer, Teck Lim, and Project Director, Dirk Adams, completing the renewal process of Hastings' executive team
- Hastings had \$145.6 million in cash and equivalents as of 31 March 2023

Hastings Chief Executive Officer, Alwyn Vorster, said:

“As Hastings gears up for Yangibana’s main construction phase, we have seen increased activity in the last quarter across the Yangibana and Onslow sites with early infrastructure works achieving important milestones.

“The refresh of our Executive Team was completed, ensuring Hastings’ management has the depth of experience to steer Yangibana execution during a period of challenging market conditions and headwinds from a tight labour market and supply chain constraints.

“The Hastings team is finalising our comprehensive review of Yangibana’s construction delivery model and execution strategy, to mitigate scheduling, cost and project execution risks. Results will be communicated to the market during Q2 CY2023.

“We are confident that the world-class Yangibana project will be well-positioned by mid-2023 to move into main construction and become a significant player in the critical minerals sector, while also generating strong returns for our shareholders.”

Australia's next rare earths producer, Hastings Technology Metals Ltd (ASX: HAS) (Hastings or the Company), is pleased to report on development, corporate and exploration activities for the three-month period to 31 March 2023. Activity focused mainly on the Yangibana Rare Earths Project (Yangibana) in the Gascoyne region and Hydrometallurgical Plant in the Pilbara region of Western Australia.

SUSTAINABILITY

Health and Safety

There have been no lost time injuries in the quarterly period up to 31 March 2023, and Hastings has reached 1,704 days lost time injury free at the end of the period. The Total Recordable Injury Frequency Rate (TRIFR) was 4.38 per million hours worked, representing an excellent result for a project company in a construction phase.

Environment

During the quarter, additional approvals including ground water drawdown modelling and subterranean fauna surveys (relating to the expanded mining areas) are proceeding on schedule. These additional approvals will not impact commencement of main construction or initial mine development.

Hastings remains focused on compliance with existing approval conditions, and providing support to the construction teams through the issue of ground disturbance permits, environmental monitoring programs (including groundwater, surface water, dust and vegetation) and environmental inspections.

A commitment to 40 per cent renewables has been allowed for in the current capital forecast for the Yangibana power station, with Hastings exploring the opportunity to achieve this target or more, within the first three years of operations.

Government and Community

Hastings remains focused on engaging with community stakeholders during the quarter, including hosting the Shire of Upper Gascoyne on a tour of the Yangibana site, as well as meetings with the Shire of Carnarvon and Shire of Ashburton to provide updates on the progress of the project.

Regular project updates were also provided to the Thiin-Mah Warriyanka, Tharrkari and Jiwarli People, the Buurabalayji Thalanyji Aboriginal Corporation, the Chambers of Commerce in Carnarvon and Onslow, as well as pastoralists and land holders in the surrounding region of the Yangibana mine site.

Engagement with the WA Government and its agencies is ongoing, including with the Gascoyne Development Commission, Regional Development Australia Pilbara and Midwest Gascoyne, local members of parliament and State Government Ministers.

YANGIBANA PROJECT DEVELOPMENT

Construction Activities

Significant progress has been made on early infrastructure construction activities during the quarter, ensuring the site will be ready for main construction of the beneficiation plant to commence by Q3 CY2023. As of 31 March 2023, early works have progressed well at Yangibana, including:

- Site Access Road: Construction of ~25km access road alignment to connect with shire road network – 60 per cent complete.
- Kurrbili Accommodation Village: Stage one which includes the first 126 of 298 rooms, kitchen, messing facilities, medical centre, administration buildings and gym will be ready for occupancy in Q2 CY2023 – 90 per cent complete.
- Yangibana Airstrip: Construction of 2km x 30m airstrip to allow for up to 70-seater aircrafts – 90 per cent complete.
- Siphon Bore borefield and pipeline: Works are underway on water infrastructure, which will supply water to the village, mine and construction works – 40 per cent complete.
- Communications: A series of communication towers have been installed to allow permanent high-speed communication at site – 100 per cent complete.
- Additional enabling works contracts such as the civil works for beneficiation plant area to be awarded in Q2 CY2023.



Yangibana airstrip nearing completion



Stage one of Kurrbili Accommodation Village



Construction of water boreholes at Onslow Site

Engineering Designs and Contracts

Milestone engineering design progress achieved for the Yangibana beneficiation plant (60 per cent complete) and Onslow hydrometallurgical plant (50 per cent complete).

Significant additional scopes of work awarded during the quarter, including the supply of slurry pumps, belt filters, SAG mill liner handler, and beneficiation plant online analyser.

A total of \$221 million in contractual commitments has been made to date, demonstrating the high degree of confidence by the Hastings Board in the Yangibana development.

Review of Project Delivery Model

As previously communicated to the market, Hastings is now finalising a review of the project execution and contracting strategy, capital cost and schedule.

To date, the review has confirmed increased delivery cost associated with

- (i) market conditions (including skilled labour and supply chain constraints),
- (ii) third party imposed conditions (including access road design and environmental obligations), and
- (iii) provisions for operational readiness and design growth.

The Company is considering various risk reduction options including the potential introduction of a fixed cost Engineering Procurement and Construction (EPC) contracting model for the process plants to limit cost increases and reduce the number of construction packages.

Results of the review will be communicated to the market during Q2 CY2023.

ORE RESERVE UPDATE

In February, Hastings announce a significant increase in the Ore Reserve estimate at the Yangibana Rare Earths Project (*ASX Release, 6 February 2023, Yangibana Ore Reserve Increases by 25%*).

Total Proven and Probable Ore Reserves have increased to 20.93 million tonnes at 0.90% TREO which includes a 37 per cent component of Nd₂O₃+Pr₆O₁₁ (NdPr). This is a 25 per cent increase in Ore Reserve tonnes, compared to the previous announcement to the ASX dated 27 July 2021.

This allows planning for a mine operating life of at least 17 years, building on Hastings' strong record of organic growth. Importantly, there remains substantial mineral resource upside potential at Yangibana, bringing further benefit as approvals are secured in the future.

Table 1: Total JORC (2012) Proved and Probable Reserve January 2023

Category	M Tonnes	%TREO	%Nd2O3+Pr6O11	TREO t
Proved	4.89	0.95	0.37	46,700
Probable	16.03	0.88	0.32	141,435
TOTAL	20.93	0.90	0.33	188,135

CORPORATE

Executive Team Update

In March 2023, Hastings announced two senior management appointments, completing the strengthening and renewal process of Hastings' executive team. These include:

- Mr Teck Lim as Chief Financial Officer, bringing over two decades of accounting and finance experience specialising in mining and metals project development funding. Teck was the lead debt financial advisor to Hastings when he was a director at KPMG Corporate Finance.
- Mr Dirk Adams as Project Director, bringing over two decades of experience managing and delivering complex projects in Australia and overseas. Most recently, Dirk was the Project Director – Kemerton for Albermarle Lithium.

Project Finance

During the quarter, Hastings secured a non-binding and conditional Letter of Support from Export Finance Australia (EFA) for up to \$100 million towards the project, complementing the existing \$220 million commitment by the Northern Australia Infrastructure Facility (NAIF).

Subject to EFA Board Approval, this could be converted into a binding agreement following additional due diligence, legal agreements, sufficient and acceptable other lender support and other customer financing terms.

Additional discussions are underway with several Australian and international banks to complete the debt requirements.

Corporate Growth

The Company has engaged Boston Consulting Group to assist in further investigating the merits of an integrated mine to magnets strategy and partnership opportunities.

Expenditure

The Company paid approximately \$1.3 million on exploration and \$27.5 million for project development during the quarter.

The Company paid \$264,000 to Directors during the quarter in respect of Directors fees, salaries and consulting fees.

This report has been approved by the Board for release to the ASX.

FOR FURTHER INFORMATION CONTACT:

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ABOUT HASTINGS TECHNOLOGY METALS LIMITED

Hastings Technology Metals Limited (ASX: HAS) is a Perth based rare earths company primed to become the world's next producer of neodymium and praseodymium concentrate (NdPr).

NdPr are vital components in the manufacture of permanent magnets used every day in advanced technology products ranging from electric vehicles to wind turbines, robotics, medical applications, digital devices, etc.

Located in the Gascoyne and Pilbara regions, Hastings' flagship Yangibana Rare Earths Project comprises a mine and beneficiation plant at the Yangibana site and a hydrometallurgical plant at Onslow.

The project contains one of the most highly valued NdPr deposits in the world with NdPr:TREO ratio of up to 52 per cent in some areas of the orebody, and is permitted for long-life production and with offtake commitments signed and debt finance in advanced stage.

In 2022, Hastings acquired a strategic 19.9 per cent shareholding in TSX-listed Neo Performance Metals, a leading global rare earth processing and advanced permanent magnets producer, providing the Company with the opportunity to explore opportunities to create a fully integrated mine-to-magnet business.

Hastings also owns and operates the Brockman project, Australia's largest heavy rare earths deposit, near Halls Creek in the Kimberley.

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



COMPETENT PERSONS AND QUALIFYING PERSONS STATEMENT

The information in this announcement that relates to Mineral Resources is based on information compiled by David Princep. Mr. Princep is an independent consultant to the Company and a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Princep 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").

The information in this announcement that relates to the Ore Reserves at Bald Hill, Simon's Find, Fraser's, Auer, Auer North, Yangibana, Yangibana North is based on information reviewed or work undertaken by Mr. Stephen O'Grady, member of the Australasian Institute of Mining and Metallurgy, and a Director of Intermine Engineering Consultants. Mr O'Grady has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the preparation of mining studies to qualify as a Competent Person as defined by the JORC Code 2012. Mr O'Grady consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The scientific and technical information in this announcement and that relates to process metallurgy is based on information reviewed by Ms. Narelle Marriott (Manger Process Development) Hastings Technology Metals Limited. Ms. Marriott is a member of the AusIMM and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the JORC Code 2012. Ms. Marriott consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

APPENDIX – MINING TENEMENTS HELD AS AT 31 MARCH 2023

YANGIBANA PROJECT			
All tenements are in Western Australia			
Gascoyne Metals Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E09/1989	WA	Granted	Gascoyne Metals Pty Ltd
E09/2007	WA	Granted	Gascoyne Metals Pty Ltd
E09/2084	WA	Granted	Gascoyne Metals Pty Ltd
E09/2086	WA	Granted	Gascoyne Metals Pty Ltd
E09/2095	WA	Granted	Gascoyne Metals Pty Ltd
E09/2129	WA	Granted	Gascoyne Metals Pty Ltd
E09/2137	WA	Granted	Gascoyne Metals Pty Ltd
E09/2334	WA	Granted	Gascoyne Metals Pty Ltd
E09/2364	WA	Granted	Gascoyne Metals Pty Ltd
E09/2403	WA	Granted	Gascoyne Metals Pty Ltd
E09/2404	WA	Granted	Gascoyne Metals Pty Ltd
G09/10	WA	Granted	Gascoyne Metals Pty Ltd
G09/14	WA	Granted	Gascoyne Metals Pty Ltd
G09/23	WA	Granted	Gascoyne Metals Pty Ltd
G09/24	WA	Granted	Gascoyne Metals Pty Ltd
G09/25	WA	Granted	Gascoyne Metals Pty Ltd
L09/66	WA	Granted	Gascoyne Metals Pty Ltd
L09/67	WA	Granted	Gascoyne Metals Pty Ltd
L09/68	WA	Granted	Gascoyne Metals Pty Ltd
L09/69	WA	Granted	Gascoyne Metals Pty Ltd
L09/70	WA	Granted	Gascoyne Metals Pty Ltd
L09/71	WA	Granted	Gascoyne Metals Pty Ltd
L09/72	WA	Granted	Gascoyne Metals Pty Ltd
L09/74	WA	Granted	Gascoyne Metals Pty Ltd
L09/75	WA	Granted	Gascoyne Metals Pty Ltd
L09/80	WA	Granted	Gascoyne Metals Pty Ltd
L09/81	WA	Granted	Gascoyne Metals Pty Ltd
L09/82	WA	Granted	Gascoyne Metals Pty Ltd
L09/83	WA	Granted	Gascoyne Metals Pty Ltd
L09/85	WA	Granted	Gascoyne Metals Pty Ltd
L09/86	WA	Granted	Gascoyne Metals Pty Ltd
L09/87	WA	Granted	Gascoyne Metals Pty Ltd
L09/89	WA	Granted	Gascoyne Metals Pty Ltd
L09/91	WA	Granted	Gascoyne Metals Pty Ltd
M09/157	WA	Granted	Gascoyne Metals Pty Ltd
M09/160	WA	Granted	Gascoyne Metals Pty Ltd
M09/164	WA	Granted	Gascoyne Metals Pty Ltd

M09/165	WA	Granted	Gascoyne Metals Pty Ltd
Tenement	Locality	Status	Holder/s
M09/165	WA	Granted	Gascoyne Metals Pty Ltd
M09/177	WA	Granted	Gascoyne Metals Pty Ltd
M09/179	WA	Granted	Gascoyne Metals Pty Ltd
P09/489	WA	Granted	Gascoyne Metals Pty Ltd

Gascoyne Metals Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E09/1703	WA	Granted	Gascoyne Metals Pty Ltd
E09/1704	WA	Granted	Gascoyne Metals Pty Ltd
E09/1705	WA	Granted	Gascoyne Metals Pty Ltd
E09/1706	WA	Granted	Gascoyne Metals Pty Ltd
E09/2296	WA	Granted	Gascoyne Metals Pty Ltd
E09/2298	WA	Granted	Gascoyne Metals Pty Ltd
E09/2333	WA	Granted	Gascoyne Metals Pty Ltd
G09/11	WA	Granted	Gascoyne Metals Pty Ltd
G09/13	WA	Granted	Gascoyne Metals Pty Ltd
M09/159	WA	Granted	Gascoyne Metals Pty Ltd
M09/161	WA	Granted	Gascoyne Metals Pty Ltd
M09/163	WA	Granted	Gascoyne Metals Pty Ltd

Yangibana Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
G09/26	WA	Granted	Yangibana Pty Ltd
G09/27	WA	Granted	Yangibana Pty Ltd
G09/28	WA	Granted	Yangibana Pty Ltd
L09/96	WA	Granted	Yangibana Pty Ltd
L09/97	WA	Granted	Yangibana Pty Ltd
M09/176	WA	Granted	Yangibana Pty Ltd
M09/178	WA	Granted	Yangibana Pty Ltd
E09/1700	WA	Granted	Yangibana Pty Ltd
E09/1943	WA	Granted	Yangibana Pty Ltd
E09/1944	WA	Granted	Yangibana Pty Ltd
E09/2018	WA	Granted	Yangibana Pty Ltd
G09/17	WA	Granted	Yangibana Pty Ltd
G09/18	WA	Granted	Yangibana Pty Ltd
G09/20	WA	Granted	Yangibana Pty Ltd
G09/21	WA	Granted	Yangibana Pty Ltd
G09/22	WA	Granted	Yangibana Pty Ltd
L09/93	WA	Granted	Yangibana Pty Ltd
L09/95	WA	Granted	Yangibana Pty Ltd
M09/158	WA	Granted	Yangibana Pty Ltd
M09/162	WA	Granted	Yangibana Pty Ltd

BROCKMAN PROJECT			
All tenements are in Western Australia			
Brockman Project Holdings Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E80/5248	WA	Application	Brockman Project Holdings Pty Limited
M80/636	WA	Application	Brockman Project Holdings Pty Limited
P80/1626	WA	Granted	Brockman Project Holdings Pty Limited
P80/1627	WA	Granted	Brockman Project Holdings Pty Limited
P80/1628	WA	Granted	Brockman Project Holdings Pty Limited
P80/1629	WA	Granted	Brockman Project Holdings Pty Limited
P80/1630	WA	Granted	Brockman Project Holdings Pty Limited
P80/1631	WA	Granted	Brockman Project Holdings Pty Limited
P80/1632	WA	Granted	Brockman Project Holdings Pty Limited
P80/1633	WA	Granted	Brockman Project Holdings Pty Limited
P80/1634	WA	Granted	Brockman Project Holdings Pty Limited
P80/1635	WA	Granted	Brockman Project Holdings Pty Limited

OTHER			
All tenements are in Western Australia			
Ark Gold Pty Ltd (100% subsidiary)			
Tenement	Locality	Status	Holder/s
E09/2385	WA	Granted	Ark Gold Pty Ltd
E09/2399	WA	Granted	Ark Gold Pty Ltd