



HASTINGS RARE METALS LIMITED

ACN 122 911 399

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9 am

DATE: 14 November 2013

PLACE: Norton Rose Fulbright Boardroom Level 18, 225 Grosvenor Street, Sydney
NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 2) 9078 7671.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the annual general meeting of the Shareholders to which this Notice of Meeting relates will be held at 9am on 14 November 2013 at:

Norton Rose Fulbright Boardroom, Level 18, 225 George Street, Sydney NSW 2000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7pm on 12 November 2013.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

1. A Shareholder can attend and vote at the Meeting and is entitled to appoint not more than 2 proxies. The appointment of one or more proxies will not preclude a Shareholder from attending and voting at the Meeting.
2. A proxy need not be a shareholder of Hastings.
3. A proxy may be either an individual or a body corporate. If you wish to appoint a body corporate as your proxy, you must specify on the proxy form:
 - the full name of the body corporate appointed as proxy; and
 - the full name or title of the individual representative of the body corporate at the meeting.
4. Where 2 proxies are appointed, each proxy may be appointed to represent a specified proportion or number of the voting rights of the Shareholder and neither proxy is entitled to vote on a show of hands if more than one proxy attends. If you wish to appoint 2 proxies, ensure you complete the relevant section on the proxy form.

5. If your proxy chooses to vote, he/she must vote in accordance with your directions. If you have directed your proxy to vote, and they fail to attend the meeting or they choose not to vote on a poll, then the Chairman of the meeting will vote your proxies as directed by you.
6. If you do not mark a box, your proxy may vote as they choose on that item. However, if you intend to appoint a member of the Key Management Personnel as your proxy, please ensure that you direct them how to vote on resolution 1, 8, 9 and 10.
7. If the Chairman of the meeting is your proxy (or he becomes your proxy by default), you will be taken to have expressly authorised him to exercise your proxy in relation to resolution 1 (Adoption of the Remuneration Report) and Resolutions 8, 9 and 10 (Issue of Shares to Directors) even though the Chairman is, and those items are, connected directly or indirectly with the remuneration of a director or member of the key management personnel of the Hastings Group. Shareholders will be informed of the proxy position and the manner in which the Chairman intends to vote undirected proxies at the meeting.
8. Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned before 7pm on 12 November 2013 in one of the following 3 ways:
 - By mail to : Hastings Rare Metals Limited
Level 9, 50 Margaret Street, Sydney NSW 2000
 - By facsimile: to the Company on + 61 2 9078 7661
 - By email: info@hastingsraremetals.com

At the meeting, the Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company and on the Remuneration Report. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor, HLB Mann Judd, questions about the content of its report, and the conduct of its audit of the Company, for the year.

By order of the Board

Guy Robertson
Company Secretary
Hastings Rare Metals Limited
8 October 2013

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2013.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GUY ROBERTSON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Guy Robertson, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR MALCOLM MASON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Constitution and for all other purposes, Mr Malcolm Mason, a Director who was appointed on 30 May 2013, retires, and being eligible, is re-elected as a Director.”

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR VAZ HOVANESSIAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Constitution and for all other purposes, Mr Vaz Hovanessian, a Director who was appointed on 23 September 2013, retires, and being eligible, is re-elected as a Director.”

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 18,440,857 SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rules 7.1 and 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 18,440,857 Shares to institutional and sophisticated investors on the terms and conditions set out in the Explanatory Statement."

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF 6,154,572 LISTED OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rules 7.1 and 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 6,154,572 listed options to brokers and advisors on the terms and conditions set out in the Explanatory Statement."

8. RESOLUTION 7 – APPROVAL TO ISSUE 30,000,000 SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to allot and issue, within three months of the date of this resolution, up to 30,000,000 Securities to the persons, for the purposes and on the terms and conditions set out in the Explanatory Memorandum."

9. RESOLUTION 8 – APPROVAL TO ISSUE 20,000,000 OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to allot and issue, within three months of the date of this resolution, up to 20,000,000 Options to the persons, for the purposes and on the terms and conditions set out in the Explanatory Memorandum."

10. RESOLUTION 9 – APPROVAL TO ISSUE SHARES – MR ANTHONY HO

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to allot and issue 550,000 shares to Mr Anthony Ho (or his nominee) who is a Director of the Company on the terms and conditions set out in the Explanatory Memorandum."

11. RESOLUTION 10 – APPROVAL TO ISSUE SHARES – MR GUY ROBERTSON

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to allot and issue 312,000 shares to Mr Guy Robertson (or his nominee) who is a Director of the Company on the terms and conditions set out in the Explanatory Memorandum."

12. RESOLUTION 11 – APPROVAL TO ISSUE SHARES – MR MALCOLM MASON

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to allot and issue 238,000 shares to Mr Malcolm Mason (or his nominee) who is a Director of the Company on the terms and conditions set out in the Explanatory Memorandum."

SPECIAL BUSINESS

13. RESOLUTION 12 – APPROVAL OF ISSUE OF SHARES

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 Statement."

DATED: 8 OCTOBER 2013

BY ORDER OF THE BOARD

**GUY ROBERTSON
COMPANY SECRETARY**

VOTING EXCLUSION STATEMENTS

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the Resolutions by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
1. Remuneration Report	<ul style="list-style-type: none"> • A member of the key management personnel (KMP), details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2013; or • A closely related party of a KMP¹
5. Ratification of Issue of 18,440,857 shares	<ul style="list-style-type: none"> • Any person who participated in the 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.
6. Ratification of Issue of 6,154,572 listed options	<ul style="list-style-type: none"> • Any person who participated 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.
7. Approval to issue 30,000,000 shares	<ul style="list-style-type: none"> • 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.
8. Approval to issue 20,000,000 options	<ul style="list-style-type: none"> • 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.
9. Approval to Issue Shares Mr Anthony Ho	<ul style="list-style-type: none"> • Mr Anthony Ho • Any of his associates.
10. Approval to issue Shares Mr Guy Robertson	<ul style="list-style-type: none"> • Mr Guy Robertson • Any of his associates.
11. Approval to issue shares Mr Malcolm Mason	<ul style="list-style-type: none"> • Mr Malcolm Mason • Any of his associates.
12. Approval of Issue of Equity Securities	<ul style="list-style-type: none"> • 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 person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

¹A closely related party of a member of the key management personnel means any of the following:

- a spouse, child or dependent of the member;
- a child or dependent of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this notice of meeting, no additional persons have been prescribed by regulation).

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.hastingsraremetals.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2014 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2014 annual general meeting. All of the Directors who were in office when the Company's 2014 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

2.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, *you must direct the proxy how they are to vote*. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

2.3 Directors' Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of this resolution.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GUY ROBERTSON

3.1 General

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, 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, 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 they otherwise agree 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.

The Company currently has 4 Directors, of which two were casual appointments during the period and up for re-election. Accordingly 1 of the other directors must retire.

Mr Guy Robertson, the Director longest in office since his last election, retires by rotation and seeks re-election.

A brief profile of Mr Guy Robertson is set out in the Annual Report.

3.2 Directors' Recommendation

The Board (other than Mr Guy Robertson) recommends that Shareholders vote in favour of this resolution.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR MALCOLM MASON

4.1 General

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Mr Malcolm Mason will retire in accordance with clause 13.4 of the Constitution and being eligible seeks re-election.

A brief profile of Mr Malcolm Mason is set out in the Annual Report.

4.2 Directors' Recommendation

The Board (other than Malcolm Mason) recommends that Shareholders vote in favour of this resolution.

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR VAZ HOVANESSIAN

5.1 General

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Mr Vaz Hovanesian will retire in accordance with clause 13.4 of the Constitution and being eligible seeks re-election.

A brief profile of Mr Vaz Hovanesian is set out in the Annual Report.

5.2 Directors' Recommendation

The Board (other than Mr Vaz Hovanesian) recommends that Shareholders vote in favour of this resolution.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 18,440,857 SHARES

6.1 General

Resolution 5 seeks ratification of the allotment and issue by the Company of 18,440,857 Shares. Of this amount 2,800,000 shares were issued to Artemis Resources Limited in settlement of outstanding debt and interest and a further 15,640,857 Shares were issued to institutional and sophisticated investors. These Shares were issued within the Company's existing capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month

period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

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 5 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 18,440,857 Shares.

6.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Placement:

- (a) The number of securities allotted

The number of Shares allotted and issued was 18,440,857.

- (b) Issue Price

The Shares were issued at the following prices; 2,800,000 Shares at a deemed price of 10 cents per share on 17 December 2012 and 15,640,857 Shares at a price of 3.6 cents per share on 23 September 2013.

- (c) Name of Allottees

The first allotment was made to Artemis Resources Limited (2,800,000 Shares) in settlement of an outstanding debt plus interest and the second allotment 15,640,857 Shares to institutional and sophisticated investors. No Shares were issued to related parties.

- (d) 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) Intended use of Funds Raised

No funds were received in respect of 2,800,000 Shares. These Shares were issued in relation to an outstanding debt plus interest owing to Artemis Resources Limited arising from the purchase of the Yangibana project. The funds received from the issue of 15,640,857 Shares will be used in project development and for working capital.

- (f) Voting Exclusion

A voting exclusion statement forms part of this notice.

6.3 Directors' Recommendation

The Board recommends that Shareholders vote in favour of this resolution.

7. RESOLUTION 6 – RATIFICATION OF ISSUE OF 6,154,572 LISTED OPTIONS

7.1 Background

Under Resolution 6, the Company seeks Shareholder approval and ratification of the allotment and issue of 6,154,572 Options which occurred on 7 December 2012 and 25 January 2013. Refer to the Appendix 3B lodged with the ASX on 7 December 2012 and 25 January 2013 in respect of the issue of these Options. These Options were issued within the Company's existing capacity under ASX Listing Rule 7.1.

7.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides, in summary, that a listed company may not 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 6 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 6,154,572 Options.

7.3 ASX Listing Rule Disclosure Requirements

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

(a) *The number of equity securities allotted*

The number of Options issued was 6,154,572.

(b) *The price at which the equity securities were issued*

The Options were issued for no cash consideration, and were issued as consideration to advisors for services rendered.

(c) *The terms of the equity securities*

The Options have an exercise price of 15 cents and expire on 31 March 2014. The detailed terms of the Options are set out in Schedule 1.

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

The Options were issued as consideration to brokers and advisors (being Beach Capital Limited 3,077,286 and Mark Chartres 3,077,286) for services rendered.

- (e) *The use (or intended use) of the funds raised*

No funds were raised from the issue of the Options.

7.4 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6 as it will allow the Company greater flexibility to issue further securities which could assist the Company to raise capital and to preserve cash resources.

8.0 RESOLUTION 7 - APPROVAL TO ISSUE 30,000,000 SHARES

8.1 Background

Under Resolution 7, the Company seeks Shareholder approval to issue and allot up to 30,000,000 Shares for capital raising purposes.

8.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides, in summary, that a listed company may not 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.

Resolution 7 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of up to 30,000,000 Shares. The effect of such approval is that any such Securities will be not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

15.3 ASX Listing Rule Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.3:

- (a) *The maximum number of equity securities the entity is to issue*

The maximum number of Shares to be issued is 30,000,000. The Directors will have the discretion to issue Shares to any person they deem appropriate up to a maximum of 30,000,000 Shares in total.

- (b) *The date by which the entity will issue the equity securities*

The Shares will be issued no later than three months after the date of the Meeting, or such later date as may be approved by ASX.

- (c) *The issue price of the equity securities*

The Shares will be issued at a price that is at least 80% of the volume weighted average market price for Shares, where the average is calculated, in accordance with ASX Listing Rule 7.3.3, over the last five days on which sales in Shares were recorded before the day on which the issue was made or, if there was a prospectus, or offer information statement relating to the issue, over the last 5 days on which sales in the Shares were recorded before the date the prospectus, or offer information statement is signed.

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

The names of the allottees of the Shares are currently unknown and will be chosen at the discretion of the Directors, but will not be related parties or their Associates. They will be identified on the basis of the Directors' view of their ability to participate in the proposed placement and any added value they are able to bring to the Company.

- (e) *The terms of the equity securities*

The Shares will rank equally in all respects with the Company's current issued Shares.

- (f) *The intended use of the funds raised*

The funds to be raised by the Company are intended to be used for the following purposes:

- (i) exploration expenditure in relation to the Company's existing projects;
- (ii) general working capital requirements of the Company; and
- (iii) other expenditure to achieve the Company's stated objectives as previously announced.

- (g) *The dates of allotment or a statement that allotment will occur progressively*

The Shares will be allotted progressively.

8.4 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7, as the placement will provide the Company with necessary funds to enable it to continue with its exploration program, to achieve objectives previously announced, and additional funding to meet the Company's working capital requirements.

9 RESOLUTION 8 – APPROVAL TO ISSUE UP TO 20,000,000 OPTIONS TO INVESTORS, ADVISORS AND/OR CONSULTANTS

9.1 Background

Under Resolution 8, the Company seeks Shareholder approval under ASX Listing Rule 7.1 to issue a total of up to 20,000,000 Options to investors, advisors and/or consultants to the Company or to their respective nominees.

9.2 ASX Listing Rule Requirements

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.

Resolution 8 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of a total of up to 20,000,000 Options described above. The effect of such approval is that any such Options will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

9.3 ASX Listing Rule Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.3:

(a) *The maximum number of securities the entity is to issue*

The maximum number of securities to be issued is 20,000,000 Options. The maximum number of Shares to be issued if the 20,000,000 Options all become exercisable and are exercised is 20,000,000.

(b) *The date by which the entity will issue the equity securities*

The Options will be issued no later than three months after the date of the Meeting, or such later date as may be approved by ASX.

(c) *The issue price of the securities*

Consideration will be paid by the parties concerned for the grant of their Options will be \$0.0001 per Option, payable in cash. The options will not be issued to related parties of the Company, or their Associates.

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

The allottees of the Options will be advisors and/or consultants engaged by the Company to assist in the capital raising for the Company and ongoing investor relations and marketing support.

The Options will be granted as an incentive to them to assist the Company in taking its business forward and in consideration of the services provided by them to the Company in the activities outlined above.

(e) *The terms of the securities*

Subject to the ASX Listing Rules, it is the Company's intention to apply to the ASX for the Options to be listed on the ASX as soon as practicable following the issue of those Options. The Options will have an exercise price of \$0.06 and will expire on 30 November 2016. The Options will be issued on the terms and conditions set out in Schedule 2.

(f) *The intended use of the funds raised*

The \$2,000 raised on grant of the options will be used for working capital purposes.

If all of the Options become exercisable and are exercised at a price of 6 cents per Option, \$1,200,000 of additional funding will be raised for the Company which will be used for exploration and working capital purposes.

- (g) *The dates of allotment or a statement that allotment will occur progressively*

The Options will be allotted progressively.

- (h) *Voting Exclusion*

A voting exclusion statement forms part of this Notice.

9.4 Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 8 as the issue of the proposed Options will form part of the remuneration of, and accordingly, act as an incentive to the advisors/consultants in their work for the Company.

10.0 RESOLUTION 9 – ISSUE OF SHARES ANTHONY HO

10.1 Background

Under Resolution 9, the Company seeks Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares to Mr Anthony Ho (and/or their nominees), who is a Director.

Mr Ho, a non-executive Director, has agreed to receive 550,000 Shares at a deemed price of \$0.09 or cash equivalent of \$49,472 (being VWAP over the period of service – 17 months) in lieu of a cash payment of a portion (50%) of his annual remuneration.

This will allow Hastings to apply the funds which would have been applied to each Director's remuneration to its development program and demonstrates each Director's confidence in and commitment to Hastings.

The purpose of Resolution 9 is to seek approval of the issue of 550,000 Shares to Mr Ho in lieu of remuneration as outlined above.

10.2 ASX Listing Rule Requirements

Unless one of the exceptions under ASX Listing Rule 10.12 applies, ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities, such as the Shares proposed to be issued under Resolution 9, to a related party of the Company. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

The Company requires shareholder approval to issue the Shares to Mr Ho as, for the purposes of ASX Listing Rule 10.11, the Director is a related party of the Company.

If Shareholder approval is obtained under Resolution 9, the Shares referred to in Resolution 9 will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

10.3 ASX Listing Rule Disclosure Requirements

The following information is provided to members for the purpose of Listing Rule 10.13:

- (a) *The name of the person to whom the securities will be issued*
The Shares will be granted to Mr Ho, who is a Director of the Company, or his nominee.
- (b) *The maximum number of securities to be issued*
The maximum number of Shares to be issued is 550,000 Shares to Mr Ho and/or his nominee.
- (c) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be allotted and issued no later than one month after the date of the Meeting, or such later date as may be approved by the ASX.
- (d) *The issue price of the securities*
The price at which the Shares will be issued will be at a deemed price of \$0.09 per Share.
- (e) *The names of the allottees (if known) or the basis upon which the allottees will be identified or selected*
The allottee will be Mr Ho and/or his nominee.
- (f) *The terms of the securities*
The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (g) *The intended use of the funds raised*
No funds will be raised in this issue. The issue is in part payment of remuneration owing to Mr Ho as outlined above.
- (h) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

10.4 Directors' Recommendation

The Directors, excluding Mr Ho, recommend that Shareholders vote in favour of Resolution 9. Mr Ho abstains from making a recommendation to Shareholders in respect of Resolution 9 as he is personally interested in the outcome of Resolution 9 in that he (or his nominee(s)) is the proposed recipient of the Shares.

11.0 RESOLUTION 10 – ISSUE OF SHARES GUY ROBERTSON

11.1 Background

Under Resolution 10, the Company seeks Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares to Mr Guy Robertson (and/or their nominees), who is a Director.

Mr Robertson, an executive Director, has agreed to receive 312,000 Shares at a deemed price of \$0.064 (VWAP over the period of service (12 months)) in lieu of a cash payment (\$20,000) of a portion (50%) of his annual remuneration.

This will allow Hastings to apply the funds which would have been applied to each Director's remuneration to its development program and demonstrates each Director's confidence in and commitment to Hastings.

The purpose of Resolution 10 is to seek approval of the issue of 312,000 Shares to Mr Robertson in lieu of remuneration as outlined above.

11.2 ASX Listing Rule Requirements

Unless one of the exceptions under ASX Listing Rule 10.12 applies, ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities, such as the Shares proposed to be issued under Resolution 10, to a related party of the Company. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

The Company requires shareholder approval to issue the Shares to Mr Robertson as, for the purposes of ASX Listing Rule 10.11, the Director is a related party of the Company.

If Shareholder approval is obtained under Resolution 10, the Shares referred to in Resolution 10 will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

11.3 ASX Listing Rule Disclosure Requirements

The following information is provided to members for the purpose of Listing Rule 10.13:

- (i) *The name of the person to whom the securities will be issued*
The Shares will be granted to Mr Robertson, who is a Director of the Company, or his nominee.
- (j) *The maximum number of securities to be issued*
The maximum number of Shares to be issued is 312,000 Shares to Mr Robertson and/or his nominee.
- (k) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be allotted and issued no later than one month after the date of the Meeting, or such later date as may be approved by the ASX.
- (l) *The issue price of the securities*
The price at which the Shares will be issued will be at a deemed price of \$0.064 per Share.
- (m) *The names of the allottees (if known) or the basis upon which the allottees will be identified or selected*
The allottee will be Mr Robertson and/or his nominee.
- (n) *The terms of the securities*
The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (o) *The intended use of the funds raised*
No funds will be raised in this issue. The issue is in part payment of remuneration owing to Mr Robertson as outlined above.

(p) *Voting Exclusion*

A voting exclusion statement forms part of this Notice.

11.4 Directors' Recommendation

The Directors, excluding Mr Robertson, recommend that Shareholders vote in favour of Resolution 10. Mr Robertson abstains from making a recommendation to Shareholders in respect of Resolution 10 as he is personally interested in the outcome of Resolution 10 in that he (or his nominee(s)) is the proposed recipient of the Shares.

12.0 RESOLUTION 11 – ISSUE OF SHARES MALCOLM MASON

12.1 Background

Under Resolution 11, the Company seeks Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares to Mr Malcolm Mason (and/or their nominees), who is a Director.

Mr Mason, a non-executive Director, has agreed to receive 238,000 Shares at a deemed price of \$0.042 (VWAP over the period of service (6 months)) in lieu of a cash payment (\$10,000) of a portion (50%) of his annual remuneration.

This will allow Hastings to apply the funds which would have been applied to each Director's remuneration to its development program and demonstrates each Director's confidence in and commitment to Hastings.

The purpose of Resolution 11 is to seek approval of the issue of 238,000 Shares to Mr Mason in lieu of remuneration as outlined above.

12.2 ASX Listing Rule Requirements

Unless one of the exceptions under ASX Listing Rule 10.12 applies, ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities, such as the Shares proposed to be issued under Resolution 11, to a related party of the Company. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

The Company requires shareholder approval to issue the Shares to Mr Ho as, for the purposes of ASX Listing Rule 10.11, the Director is a related party of the Company.

If Shareholder approval is obtained under Resolution 10, the Shares referred to in Resolution 11 will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

12.3 ASX Listing Rule Disclosure Requirements

The following information is provided to members for the purpose of Listing Rule 10.13:

(q) *The name of the person to whom the securities will be issued*

The Shares will be granted to Mr Mason, who is a Director of the Company, or his nominee.

(r) *The maximum number of securities to be issued*

The maximum number of Shares to be issued is 238,000 Shares to Mr Mason and/or his nominee.

- (s) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be allotted and issued no later than one month after the date of the Meeting, or such later date as may be approved by the ASX.
- (t) *The issue price of the securities*
The price at which the Shares will be issued will be at a deemed price of \$0.042 per Share.
- (u) *The names of the allottees (if known) or the basis upon which the allottees will be identified or selected*
The allottee will be Mr Mason and/or his nominee.
- (v) *The terms of the securities*
The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (w) *The intended use of the funds raised*
No funds will be raised in this issue. The issue is in part payment of remuneration owing to Mr Mason as outlined above.
- (x) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

12.4 Directors' Recommendation

The Directors, excluding Mr Mason, recommend that Shareholders vote in favour of Resolution 11. Mr Mason abstains from making a recommendation to Shareholders in respect of Resolution 11 as he is personally interested in the outcome of Resolution 11 in that he (or his nominee(s)) is the proposed recipient of the Shares.

13.0 RESOLUTION 12 – APPROVAL OF 10% PLACEMENT ISSUE

13.1 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 12 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 12 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 7.1.A.2 (refer to Section 12.2 (c) below). 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).

13.2 ASX Listing Rule 7.1.A

(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 (refer to Section 2(c) above).

(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).

13.3 ASX Listing Rule 7.1A

The effect of Resolution 12 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 12 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).

13.4 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 12 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 options, 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.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		50% decrease in Deemed Price	Deemed Price	100% Increase in Deemed Price
		\$0.0235cents	\$0.047 cents	\$0.094cents
Current Variable A 129,463,462 Shares	10% Voting Dilution	12,946,346 shares	12,946,346 shares	12,946,346 shares
	Funds Raised	\$304,239	\$ 608,479	\$1,216,957
50% increase in current Variable A 194,195,193 shares	10% Voting Dilution	19,419,519 shares	19,419,519 shares	19,419,519 shares
	Funds Raised	\$456,359	\$912,717	\$1,825,435
100% increase in current Variable A 258,926,924 Shares	10% Voting Dilution	25,892,692 shares	25,892,692 shares	25,892,692 shares
	Funds Raised	\$608,478	\$1,216,957	\$2,433,913

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 84,436,355 listed options and 5,000,000 unlisted 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 \$0.047 cents, being the closing price of the Company's listed securities on ASX on 2 October 2013 (**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 12 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 specific Company projects 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 28 November 2012.

The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 1,059,043 representing 0.42% 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 3 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.

13.5 Directors' Recommendation

The Board recommends that Shareholders vote in favour of this resolution.

GLOSSARY

\$ means Australian dollars.

AGM, Annual General Meeting or Meeting means the meeting convened by the Notice.

Annual Report means the Annual Report of the Company for the year ended 30 June 2013.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Hastings Rare Metals Limited (ACN 122 911 399).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Director Options has the meaning given to it in Section 12 of the Explanatory Statement.

Directors means the current directors of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice or Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1 and Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2013.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

VWAP means Volume Weighted Average Price

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS – RESOLUTION 6

The Options entitle the holder (**Optionholder**) to subscribe for Shares on the following terms and conditions:

- (a) Subject to (i), each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (EST) on 31 March 2014 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.

An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (f) Within 2 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (d) The Schedule 1 Options will be freely transferable in whole or in part at any time prior to expiry.
- (g) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (h) The Company will apply for quotation of the Options on ASX. The Options are of the same class as options currently listed – HASO. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 2 Business Days after the date of allotment of those Shares.
- (i) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (k) Subject to (i), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS – RESOLUTION 8

The Options entitle the holder (**Optionholder**) to subscribe for Shares on the following terms and conditions:

- (a) Subject to (i), each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (EST) on 30 November 2016 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.06 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.

An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (f) Within 2 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (d) The Schedule 2 Options will be freely transferable in whole or in part at any time prior to expiry.
- (g) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (h) The Company may apply for listing of the options on the ASX.
- (i) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (j) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (k) Subject to (i), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 3 - INFORMATION REQUIRED BY LISTING RULE 7.3A.6 – RESOLUTION 12

	Issue 1	Issue 2	Issue 3	Issue 4
Date of issue:	19 October 2012	7 December 2012	7 December 2012	17 December 2012
Number issued:	19,419,518	7,853,217	17,136,390	2,800,000
Class/Type of equity security:	Ordinary shares	Ordinary shares	Listed Options	Ordinary Shares
Summary of terms:	Placement announced 15 October 2012	Placement announced 15 October 2012	Placement announced 15 October 2012. Listed options exercise price 15c expiry 31/3/14	Shares issued to Artemis Resources Limited in settlement of outstanding debt and interest. See resolution 5 above.
Names of persons who received securities or basis on which those persons was determined:	Issued to institutional and sophisticated investors. No shares were issued to related parties.	Issued to institutional and sophisticated investors. No shares were issued to related parties.	Issued to institutional and sophisticated investors. No shares were issued to related parties. 3,500,000 of these options were issued to advisors	Artemis Resources Limited
Price:	11 cents per share	11 cents per share	Listed options attached to issue 1 & 2 on the basis of 1 for 2.	Deemed price of 10 cents per share
Discount to market price (if any):	15%	15%	N/A	Nil. Market price at this date was 9 cents per share
For cash issues				
Total cash consideration received:	\$2,136,147	\$863,853	N/A	N/A

	Issue 1	Issue 2	Issue 3	Issue 4
Amount of cash consideration spent:	Of Issue 1&2 the Company has spent \$1,074,000 (\$370,000 on exploration, \$184,000 on the capital raising and & \$510,000 on administration and general working capital)	See Issue 1.	N/A	N/A
Use of cash consideration:	The majority of funds spent on exploration are on the Hastings project. This has included fieldwork on defining the Southern Extension and the identification of new targets Levon & Haig. \$200,000 was spent on EHSIS and Golder Associates being environmental & heritage assessments on the Hastings project		N/A	N/A
Intended use for remaining amount of cash (if any):	\$1,926,000 remaining. Expanding the resource through drilling of Southern Extension and new targets. General working capital including costs of developing strategic partner to fund Hastings project development going forward.		N/A	N/A

	Issue 5	Issue 6	Issue 7	
Date of issue:	25/1/2013	15/2/2013	23/9/2013	
Number issued:	3,500,000	7,233,333	16,700,000	
Class/Type of equity security:	Listed Options	Ordinary shares	Ordinary shares	
Summary of terms:	Listed options exercise price 15c expiry 31/3/14	Issued in return for cancellation of 52,500,000 unlisted options	Share Placement	
Names of persons	Advisors to the Company.	Option Holders. The option	Issued to institutional	

	Issue 5	Issue 6	Issue 7	
who received securities or basis on which those persons was determined:	These were not related parties. Relating to capital raise above.	holders included one director of the Company (now retired) for 137,778 shares	and sophisticated investors. No shares were issued to related parties.	
Price:	Nil	Deemed price of 12 cents per share	3.6 cents	
Discount to market price (if any):	N/A	Nil	10% discount to 15 day VWAP	
For cash issues				
Total cash consideration received:	Nil	Nil	\$601,200	
Amount of cash consideration spent:			\$36,000	
Use of cash consideration:			Capital Raising	
Intended use for remaining amount of cash (if any):			\$565,200 remaining to be spent on Hastings Project Development. General working capital. Assessing new resource opportunities.	

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.

HASTINGS RARE METALS LTD

ABN: 43 122 911 399

REGISTERED OFFICE:
LEVEL 9
50 MARGARET STREET
SYDNEY NSW 2000

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: HAS

Holder Number:

SECTION A: Appointment of Proxy

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

Empty box for Chairperson appointment

OR

Grid for name of person appointed

The meeting Chairperson
(mark with an "X")

The name of the person you are appointing
(if this person is someone other than the Chairperson of the meeting).

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 9am, on 14 November 2013 at Norton Rose Fullbright, Level 18, 225 George Street, Sydney and at any adjournment thereof.

Comment

"Important for Resolution 1: If the Chair of the Meeting or any member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, another member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or Closely Related Party of that member is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1."
If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

SECTION B: Voting Directions to your Proxy

Please mark "X" in the box to indicate your voting directions to your Proxy.

Resolution

- 1. Adoption of Remuneration Report
2. Re-election of Director - Mr Guy Robertson
3. Re-election of Director - Mr Malcolm Mason
4. Re-election of Director - Mr Vaz Hovanessian
5. Ratification of Placement of Shares
6. Ratification of Issue of Options
7. Approval to issue 30,000,000 Shares
8. Approval to issue 20,000,000 Options
9. Approval of Issue of Shares Tony Ho in lieu of cash
10. Approval of Issue of Shares Guy Robertson in lieu of cash
11. Approval of Issue of Shares Malcolm Mason in lieu of cash
12. Approval of 10% Placement Issue

For Against Abstain*

Grid of boxes for voting directions (For, Against, Abstain) for each resolution

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: Please Sign Below

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

Signature box for Individual or Security Holder

Signature box for Security Holder 2

Signature box for Security Holder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

2200217598

Reference Number:

Reference Number input box

1

HAS

1

My/Our contact details in case of enquiries are:

NAME

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

TELEPHONE NUMBER

(

--	--

)

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NOTES

1. Name and Address

This is the name and address on the Share Register of HASTINGS RARE METALS LTD. 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.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Section A.

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 HASTINGS RARE METALS LTD.

3. Directing your Proxy how to vote

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.

4. Appointment of a Second Proxy

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 telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- 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
- Return both forms in the same envelope.

5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

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.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Hastings Rare Metals Ltd no later than 9am on 12 November 2013, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

Hastings Rare Metals Ltd

Street Address:

LEVEL 9
50 MARGARET STREET
SYDNEY NSW 2000

Telephone +61 2 9078 7674

Facsimile +61 2 9078 7661

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, 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 Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.