

17 October 2018

**HASTINGS EXECUTES AGREEMENT FOR DESIGN AND SUPPLY OF ACID-BAKE ROTARY KILN AND TECHNICAL ASSISTANCE WITH FLSMIDTH PTY Ltd**

Hastings Technology Metals Limited

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**Board**

Charles Lew (Executive Chairman)

Jean Claude Steinmetz (Non-Executive Director)

Guy Robertson (Finance Director and Joint Company Secretary)

Neil Hackett (Joint Company Secretary)

**Highlights:**

- **Design and Supply of Acid-Bake Rotary Kiln and Technical Assistance with FLSmidth Pty Ltd**
- **FLSmidth Pty Ltd globally recognised supplier of engineering, equipment and service solutions**
- **Fixed price contracting consideration of AUD13.2million**
- **Significant milestone in development of Yangibana rare earths mine**

Hastings Technology Metals Limited (ASX: HAS) (“Hastings” or the “Company”) is pleased to announce that, through its wholly owned subsidiary Yangibana Pty Ltd, it has signed an agreement with FLSmidth Pty Limited (FLSmidth) for the Design and Supply of Acid-Bake Rotary Kiln and Technical Assistance, an essential rare earths processing component required to progress development of the Yangibana Rare Earths Project.

Key conditions of the Design, Supply and Technical Assistance contract for the Acid-Bake Rotary Kiln include:

1. Fixed price contracting consideration of AUD13.2million, funded from Hastings existing cash reserves
2. Deed of Parent Company Guarantee entered into between Hastings and FLSmidth
3. Mechanical guarantee for Acid-Bake Rotary Kiln performance from FLSmidth
4. Delivery anticipated in Q1 2020

The Acid-Bake Rotary Kiln incorporates integral and associated acid concentrate mixing and feeding equipment, directs waste gas to a separate scrubbing facility, roasts product discharge and provides a natural gas fired heating system essential for the processing of rare earths.

Following receipt of tender submissions, Hastings awarded the Acid-Bake Rotary Kiln contract to FLSmidth, a market-leading supplier of engineering, equipment and service solutions to the global mining industry. Based in Copenhagen, Denmark, with more than 11,700 employees worldwide, FLSmidth improves performance, drives down costs, and reduces the environmental impact of operations. FLSmidth is listed on NASDAQ OMXC20 Nordic Copenhagen (former Copenhagen Stock Exchange) and has offices in more than 50 countries.

Charles Lew, Executive Chairman of Hastings commented that *“execution of the Acid-Bake Rotary Kiln contract with internationally recognised FLSmidth is a crucial step towards development plans for Yangibana. Combined with the appointment of KfW IPEX-Bank, and recent EPA progress, this is yet another important milestone in getting the Yangibana rare earths mine built so that we can satisfy global demand and supply high grade Neodymium and Praseodymium (NdPr) to our MOU offtake customers.”*

**ENDS**

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**About Hastings Technology Metals**

*Yangibana Project*

Hastings Technology Metals (ASX: HAS, the Company) is advancing the Yangibana Rare Earths Project towards production following the completion of a positive Definitive Feasibility Study in November 2017. The Yangibana Project hosts rare earths deposits rich in neodymium and praseodymium, elements vital to permanent magnets that provide many critical components of wide ranging high-tech products, including electric vehicles, renewable energy wind turbines, robotics, medical applications and others. The Company aims to be the next significant producer of neodymium and praseodymium outside of China.

The established Yangibana reserves and resources are predominantly within tenements held 100% by Hastings, with the majority in granted Mining Leases. Lesser resources are held in a joint venture in which Hastings holds a 70% interest and has management control.

A November 2017 Yangibana Project DFS established JORC Probable Ore Reserves of 5.15 million tonnes at 1.12% total rare earths oxides (TREO) including 41% neodymium and praseodymium oxides ( $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$ ). This Ore Reserve was the basis of the initial operation at a planned production rate of up to 15,000 tonnes per annum (tpa.) MREC including 3,400 tpa. of  $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$ . In July 2018 the Yangibana Probable Ore Reserve was increased to 7.74 million tonnes at 1.13% TREO including 0.43%  $\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$ . The increase in Probable Ore Reserves is demonstrated by additional Pre-Feasibility Study work that supports extension of production over the full eight-year period considered in the Company's November 2017 DFS.

Including the above Ore Reserves, the Company has JORC Measured, Indicated and Inferred Mineral Resources of 21.0 million tonnes at 1.17% TREO including 0.40%Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11</sub>.

Many more areas of the Company's deposits have the potential for additional resources and exploration programmes are in place to evaluate these areas in future.

#### *Brockman Project*

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

The Brockman deposit, near Halls Creek in Western Australia, contains JORC Indicated and Inferred Mineral Resources, estimated using the guidelines of JORC Code (2012 Edition) totalling 41.4 million tonnes (comprising 32.3 million tonnes Indicated Mineral Resources and 9.1 million tonnes Inferred Mineral Resources) at 0.21% TREO, including 0.18% HREO, plus 0.36% Nb<sub>2</sub>O<sub>5</sub> and 0.90% ZrO<sub>2</sub>.

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

#### **Competent Persons' Statement**

*The information in this announcement that relates to Resources is based on information compiled by Lynn Widenbar. Mr Widenbar is a consultant to the Company and a member of the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to Exploration Results is based on information compiled by Andy Border, an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy.*

*Each has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Each consent to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*