

15th March 2019

AWARD OF TWO SIGNIFICANT EQUIPMENT SUPPLY PACKAGES

- **Design and Supply of Rotary Kiln Off Gas Scrubbing Plant awarded to Total Air Pollution Control Pty Ltd (TAPC)**
 - **TAPC has significant experience building plants of a similar nature including work on other rare earth processing plants**
 - **Gas Scrubbing Plant award allows significant additional engineering progress to be made to the Rotary Kiln package previously awarded to FLSmidth**
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- **Design and Supply of SAG Mill awarded to Outotec Pty Ltd**
 - **Outotec is a globally recognised supplier of engineering, equipment and service solutions**
 - **Award of the SAG Mill ensures Hastings has another of the long lead packages procured for the Project**

Introduction

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 awarded the following equipment supply contracts:

Design and Supply of Rotary Kiln Off Gas Scrubbing Plant awarded to Total Air Pollution Control Pty Ltd (TAPC)

Key features of the Agreement:

- Fixed price contract with staged commitments: stage 1 Design and stage 2 Manufacturing
- Mechanical and process guarantees for Off-Gas Scrubbing Plant performance from TAPC
- Delivery to site due Q3 2020 (subject to confirmation of commencement of phase 2)

The Off-Gas Scrubbing Plant is a critical and significant component of the processing plant and manages the treatment of the waste gas generated by the Acid Baked Rotary Kiln (previously awarded to FLSmidth) to ensure environmental emission compliance.

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Board

Charles Lew (Executive
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Jean Claude Steinmetz
(Non-Executive Director)

Mal Randall
(Non-Executive Director)

Neil Hackett (Non-Executive
Director and Company
Secretary)

Award of the Off-Gas Scrubbing Plant facilitates both the progress of associated civil and structural design work as well as allowing commencement of the approvals associated with the Kiln/Scrubber system.

Following the tender process, TAPC was selected as the preferred tenderer and has worked with Hastings to refine the unique Off-Gas Scrubber Plant design requirements. TAPC brings significant experience in developing similar facilities and has access to the experience in the design, supply and commissioning of similar facilities for rare earth producers.

Design and Supply of SAG Mill awarded to Outotec Pty Ltd

Key features of the Agreement:

- Contract with staged commitments: stage 1 Design and stage 2 Manufacturing
- Mechanical and process guarantees for SAG Mill performance from Outotec
- Delivery to site due Q1 2020 (subject to confirmation of commencement of phase 2)

The SAG Mill is one of several long lead packages for the Project. Award of the package provides certainty to the schedule and allows further progress of the associated civil, mechanical and electrical design works.

Outotec is an internationally recognised company with a well-established presence in Perth and Western Australia.

“Awarding these equipment packages represents another significant milestone in the development of the Yangibana Project. Partnering with TAPC and Outotec fits with our commitment to select only Tier 1 equipment suppliers capable of delivering the required performance guarantees and ongoing local support, said its Executive Chairman, Charles Lew

TERMINOLOGY USED IN THIS REPORT

Total Rare Earths Oxides, TREO, is the sum of the oxides of the light rare earth elements lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), and samarium (Sm) and the heavy rare earth elements europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu), and yttrium (Y).

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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 as the majority participant, has been appointed as the manager of the joint venture.

The November 2017 Yangibana Project DFS established JORC Probable Ore Reserves of 5.15 million tonnes at 1.12% total rare earths oxides (TREO) including 0.41% 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 $\text{Nd}_2\text{O}_3+\text{Pr}_6\text{O}_{11}$. The July 2018 Yangibana Probable Ore Reserve 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 January 2019 Probable Ore Reserve has increased this to 10.35 million tonnes at 1.22% 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 more than 10 years.

Including the above Ore Reserves, the Project has JORC Measured Mineral Resources of 4.7 million tonnes at 1.17% TREO including 0.42% $\text{Nd}_2\text{O}_3+\text{Pr}_6\text{O}_{11}$, JORC Indicated Mineral Resources of 8.6 million tonnes at 1.24% TREO including 0.41% $\text{Nd}_2\text{O}_3+\text{Pr}_6\text{O}_{11}$, and JORC Inferred Mineral Resources of 8.4 million tonnes at 1.09% TREO including 0.36% $\text{Nd}_2\text{O}_3+\text{Pr}_6\text{O}_{11}$, providing total JORC Measured, Indicated and Inferred Mineral Resources of 21.7 million tonnes at 1.17% TREO including 0.39% $\text{Nd}_2\text{O}_3+\text{Pr}_6\text{O}_{11}$.

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 plus the numerous other targets identified to date.

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_2O_5 and 0.90% ZrO_2 .

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