

28 October 2024

## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2024

### HIGHLIGHTS

- World's leading producer of rare earths permanent magnets, JL Mag Rare-Earth Co., Limited ("JL Mag") (market cap: \$4.1bn) to become 9.8% strategic investor in Hastings. Vice President – International of JL Mag, Mr Han Yu will be JL Mag's nominee on Hastings Board.
- Maiden Niobium Resource announced for the Yangibana Rare Earths and Niobium Project ("Yangibana Project"). By-product credits from niobium in addition to Hastings' primary focus on the rare earth elements' (Nd, Pr, Dy, Tb) will provide a multi-commodity revenue stream.
  - Maiden Niobium Mineral Resource (Measured & Indicated) totalling 6.7Mt at 2,305ppm for 15,501t Nb<sub>2</sub>O<sub>5</sub> with significant potential for continued expansion.
  - Hafnium, a critical metal, was also identified as present at the Yangibana Project.
- Release of Hastings 2024 Sustainability Report, sustainability ratings include:
  - Sustainalytics ranked Hastings 4th out of 187 companies in the metals and mining sub-industry category.
  - Ecovadis rated Hastings in the top 10th percentile of companies.
- Receipt of quarterly dividend, net of withholding tax, of CAD762,800 (\$821,984) from Hastings' 21.5% ownership in TSX-listed Neo Performance Materials Inc.
- \$9.9 million in cash and cash equivalents as at 30 September 2024. Additional funding of \$5 million secured through loan notes from existing shareholder and long-term supporter, Equator Capital Management Ltd ("Equator Capital") post quarter end.
- Senior government and stakeholder engagement including visit by the Hon. Peter Dutton MP, Libby Mettam MLA, WA Minister for Mines Hon David Michael MLA. Investor site visit conducted during the quarter with attendance from investors, research analysts, government, investment banks and media.
- Total Recordable Injury Frequency Rate of 0.0 with no recordable injuries during this quarter.
- Subsequent to quarter end, Mr Jean Claude Steinmetz (former Lynas COO), current Non-Executive Director was appointed Chair of the Project Review Committee following Mr Bruce McFadzean retirement from the Board. Hastings also announced the appointment of Mr Peter Phan as Project Director to strengthen the project delivery team with a core focus on Yangibana Project's construction costs and packages.

Hastings Technology Metals Ltd (ASX:HAS) ("Hastings" or the "Company"), is pleased to report on its development, corporate, and exploration activities for the three-month period ended 30 September 2024. Activities focused on the maiden niobium resource, funding and key stakeholder engagement for the Yangibana Project.

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## CORPORATE & SUSTAINABILITY

Hastings provided an update to key investors and stakeholders at the Diggers and Dealers forum in Kalgoorlie including to the Hon. Peter Dutton MP, Libby Mettam MLA and WA Minister for Mines Hon. David Michael MLA. The Company's advanced progress was highlighted and its target of becoming a near term rare earths producer in Australia.



Photo: (left to right) Teck Lim (CFO), Tim Gilbert (COO), Hon. Peter Dutton MP, Vince Catania (GM Corporate) and Libby Mettam MLA



Photo: (left to right) Andrew Chaplyn (Deputy Director General - DMIRS), Louis Schurmann (Chief Geologist), Tim Gilbert (COO), WA Minister for Mines Hon. David Michael MLA, Teck Lim (CFO) and Vince Catania (GM Corporate)

### Health and Safety

A Total Recordable Injury Frequency Rate of 0.00 was maintained for the quarter.

### Environment

Hastings released their annual sustainability report for 2024 at the end of the quarter. During the quarter, the Hastings' team has maintained priority environmental initiatives and submissions. This has included updates to the Yangibana Mining Proposal and Mine Closure Plan, ongoing environmental monitoring and reporting, and updates to streamline and contemporise the Yangibana Project's Part V regulatory approvals and permits process. The team completed a triennial review of water-related licences in accordance with regulatory reporting requirements this quarter.

## FUNDING

### JL Mag Strategic Investment

Hastings announced a binding term sheet with JL Mag for a \$7 million strategic investment<sup>1</sup> (19.6 million shares at \$0.36 per new ordinary share utilising approved placement capacity under ASX Listing Rule 7.1). JL Mag has obtained government approval in China from the National Development & Reform Commission (NDRC) and is now seeking final commerce/ foreign exchange approval for CNY to AUD conversion and remittance.

Vice President of JL Mag, Han Yu will join the Board of Hastings. JL Mag is the world's leading producer of rare earths permanent magnets with a market capitalisation of \$4.1bn (SEHK:6680). JL Mag's global customer base includes:

- the world's top 10 New Energy Vehicles ("NEV") manufacturers;
- eight of the world's top ten variable-frequency air-conditioners ("VFAC") compressor manufacturers; and

<sup>1</sup> ASX announcement 9 July 2024 'Leading Permanent Magnet Producer, JL Mag to become 9.8% Strategic Investor in Hastings'

- five of the world's top ten wind turbine generators.

With JL Mag's strategic investment and board representation, Hastings will have considerable rare earths market capabilities.

## Secured Loan Notes

Post quarter end, on 25 October 2024 the Company executed a Senior Secured Project Loan Notes ("Loan Notes") Facility to raise funds to be applied towards payment of project costs associated with the staged development of the Project. The initial subscriber under this facility is Equator Capital Management Ltd ("Equator") for \$5 million. Equator is a long-term supporter of the Company and currently holds a ~3.8% shareholding interest in the Company. Mr Charles Lew, the Company's Executive Chairman, has a non-controlling interest in Equator.

The Loan Notes have a 5-year term with a fixed coupon of 10%. Prior to project completion (commercial operations), 50% of interest will be capitalised (by way of a payment in kind through the issue of additional Loan Notes) and 50% paid in cash. The Loan Notes includes attaching options ("Attaching Options") at the rate of 1 option for every \$3 of Loan Notes subscribed. The Attaching Options are on the same terms as Hastings' existing \$0.50 exercise price, 1 May 2026 expiry listed options (ASX: HASO). The exercise price represents a premium of 75% to the last closing price of \$0.285 per share on 25 October 2024. The issue of the Attaching Options is subject to shareholder approval if LR 7.1 capacity is not available.

The Loan Notes facility is structured as single series and can be expanded for further note issuances by way of multiple tranches. The Loan Notes will be secured initially against the hydrometallurgical plant equipment owned by Hastings (e.g., acid bake kiln) and held in storage. The security will be held by a security trustee, CSC Nominees Australia Pty Ltd.

Funding via the Loan Notes program from existing shareholders and potential new investors is designed to match the next phase of staged Project construction. This includes bulk earthworks and concrete construction to be managed cost effectively via separable portions. The staged development reduces upfront funding requirements and equity dilution.

## Investor Site Visit

During July 2024, Hastings hosted a large group of investors, media, banks, research analysts, government and key stakeholders for a site visit, showcasing the infrastructure and progress at Yangibana. The positive feedback received has reinforced Hastings's commitment to deliver the Yangibana Rare Earths & Niobium Project.



Attendees arrive at Yangibana Airport



Kurrbili Village (Yangibana)

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Drill core inspection with Chief Geologist, Louis Schurmann



Kurrbili Village Tour (Yangibana)

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## YANGIBANA PROJECT DEVELOPMENT

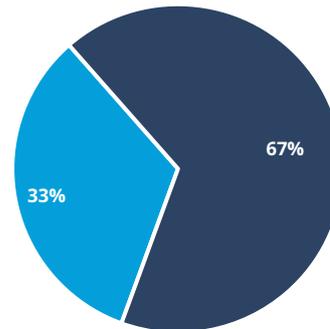
### Development Activities

As of 30 September 2024, 33% of the Yangibana Project's budget has been spent to date. Main activities are for non-process infrastructure and long-lead equipment for the beneficiation plant.

- Total Capital Cost Budget \$474 million
- Capital Expenditure Spent to Date \$156 million (as of 30 September 2024)
- Remaining Capital Cost Budget \$318 million (including contingency of \$27 million)

### Yangibana - Updated Capital Cost Estimate

Capital cost	A\$m	%
Processing Plant & NPI	201.0	42%
Enabling Works <sup>2</sup>	114.1	24%
<b>Subtotal - Direct Capital Cost</b>	<b>315.1</b>	<b>67%</b>
Hastings Project Management	50.2	11%
Other Indirects <sup>3</sup>	81.3	17%
<b>Subtotal - Indirect Capital Cost</b>	<b>131.5</b>	<b>28%</b>
Contingency/Reserve	26.9	6%
<b>Total Capital Cost</b>	<b>473.5</b>	<b>100%</b>
Incurred to 30-Sep-24	156.0	33%
<b>Remaining (incl. contingency)</b>	<b>317.5</b>	<b>67%</b>



■ Incurred to 30-Sep-24 ■ Remaining (incl. contingency)

### Procurement

Long-lead equipment for the Yangibana Project continued to arrive during the quarter including horizontal belt filter, flocculant plant and the trash screen.

<sup>2</sup> Enabling works - represents: equipment, roads, aerodrome, village, borefields construction

<sup>3</sup> Other indirects - represents: fuel, accommodation, IT & comms, health & safety, consultants, insurances and other



Additional Hastings equipment in storage

## GEOLOGY UPDATE

### Maiden Niobium Resource

A project wide remapping and geological review was initiated in May 2024, and currently is still ongoing. The outcome to date is that the exploration database has been improved and all new data, information and results uploaded. Based on the above-mentioned data, Hastings announced their maiden niobium Resource for the Yangibana Project, with a niobium pentoxide Measured and Indicated Mineral Resource of 6.7Mt at 2,305ppm for 15,501t Nb<sub>2</sub>O<sub>5</sub>. The niobium is present within the existing Yangibana Project's footprint and provides a multi-commodity revenue stream and by-product credit income. Hastings is investigating the inclusion of a niobium circuit to the Yangibana Project.

Hastings will proceed with further drilling to recover a bulk sample for metallurgical testing. A flow sheet will be finalised to enable the current Mineral Resource Estimate for the Hastings Simon's Find deposit to be upgraded to Ore Reserve status.

### Metallurgical Testwork

Following drilling of additional bulk samples, Hastings has committed to further metallurgical test work to confirm the niobium recovery circuit and concentrate grade. Initial test work has identified that following rare earth processing, the niobium recovery circuit will likely utilise a WHIMS to recover the paramagnetic niobium ore, followed by flotation to further upgrade the niobium ore to a valuable and saleable concentrate.

Hafnium, a critical metal used in aerospace, defence, and energy technologies, was also identified as present at the Yangibana Project, with additional potential for another recoverable valuable revenue stream.

### Appointment of Project Director

Subsequent to the quarter end, Hastings announced the appointment of experienced mining professional, Mr Peter Phan as the Company's Project Director for Yangibana. With the Project having incurred one third of budgeted costs to date, Peter's appointment was instrumental for Hastings to advance the balance of the Project development. Peter was recently Project Director at Australian Premium Iron Management ("APIM") the manager of assets owned by a Joint Venture between, POSCO, AMCI and Aquila, ("APIJV"), which had a participating interest in the landmark, Ashburton Channel Iron Deposits' Stage 1 development with a total capital expenditure of \$3 billion. Peter on behalf of APIM oversaw the development of Ashburton, from approvals and permitting to First Ore on Ship in May 2024.

### Quarterly Expenditure

During the quarter, the Company had cash outflows on exploration and evaluation costs of \$1.5 million, and cash outflows for project development of \$7.8 million. \$288,360 was paid in respect of directors' fees, salaries, and consulting fees. Hastings had \$9.9 million in cash and equivalents as of 30 September 2024, excluding the \$5 million Loan Notes subscription from Equator Capital post quarter end.

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Authorised 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 is a Perth-based rare earths company focused on the development of its 100% owned Yangibana Rare Earths and Niobium Project. Located in the Gascoyne region of Western Australia, the Yangibana Project contains one of the most highly valued deposits of NdPr in the world with an NdPr to Total Rare Earth Oxide ratio of up to 52% in some areas of the orebody.

With an initial mine life of 17 years, the Yangibana Project will become a globally significant source of NdPr, a critical component in the manufacture of permanent magnets used in advanced technology products including electric vehicles, renewable energy, humanoid robotics, and digital devices.

The Yangibana Project is fully permitted for immediate development and is well-timed to meet the forecast supply gap for rare earth elements accelerated by the growth in electric vehicles and wind turbines, both vital for the global energy transition. It will be developed in two stages with an initial focus on the construction of the mine and beneficiation plant to produce 37,000 tonnes per annum of mixed rare earth concentrate.

Hastings continues to assess downstream processing opportunities including the development of a hydrometallurgical plant to capture more of the rare earth value chain. The Company holds a strategic 21.5% shareholding in TSX-listed Neo Performance Materials Inc., a leading global rare earth processing and advanced permanent magnets producer, providing future optionality to explore the creation of a mine to magnet supply chain.

Hastings recognises in its geological model and mine plan the potential for a multi-commodity recovery process stream which underpins the economic recovery of rare earth minerals and associated critical minerals like ferro-columbite, and hafnium-enriched zircon.

For more information, please visit [www.hastingstechmetals.com](http://www.hastingstechmetals.com)

## FORWARD LOOKING STATEMENTS

This release contains reference to certain intentions, expectations, future plans, strategies and prospects of the Company. Those intentions, expectations, future plans, strategies and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers, or agents that any intentions, expectations, or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause the Company's actual future results, performance, or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategies and prospects. The Company does not warrant or represent that the actual results, performance, or achievements will be as expected, planned or intended.

The Company is under no obligation to, nor makes any undertaking to, update or revise such forward looking statements, but believes they are fair and reasonable at the date of this release.

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## APPENDIX – MINING TENEMENTS HELD AS AT 30 SEPTEMBER 2024

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YANGIBANA PROJECT					
Gascoyne Metals Pty Ltd (70%) / Yangibana Pty Ltd (30%)			Gascoyne Metals Pty Ltd (100%)		
Tenement	Locality	Status	Tenement	Locality	Status
E09/2296	WA	Live	E09/1989	WA	Live
E09/2298	WA	Live	E09/2007	WA	Live
E09/1703	WA	Live	E09/2084	WA	Live
E09/1704	WA	Live	E09/2086	WA	Live
E09/1705	WA	Live	E09/2095	WA	Live
E09/1706	WA	Live	E09/2129	WA	Live
E09/2333	WA	Live	E09/2137	WA	Live
M09/0159	WA	Live	E09/2334	WA	Live
M09/0161	WA	Live	E09/2364	WA	Live
M09/0163	WA	Live	E09/2403	WA	Live
G09/0011	WA	Live	E09/2404	WA	Live
G09/0013	WA	Live	G09/0010	WA	Live
			G09/0014	WA	Live
			G09/0023	WA	Live
			G09/0024	WA	Live
			G09/0025	WA	Live
			G09/0029	WA	Live
			L09/0066	WA	Live
			L09/0067	WA	Live
			L09/0068	WA	Live
			L09/0069	WA	Live
			L09/0070	WA	Live
			L09/0071	WA	Live
			L09/0072	WA	Live
			L09/0074	WA	Live
			L09/0075	WA	Live
			L09/0080	WA	Live
			L09/0081	WA	Live
			L09/0082	WA	Live
			L09/0083	WA	Live
			L09/0085	WA	Live
			L09/0086	WA	Live
			L09/0087	WA	Live
			L09/0089	WA	Live
			L09/0091	WA	Live
			M09/0157	WA	Live
			M09/0160	WA	Live
			M09/0164	WA	Live
			M09/0165	WA	Live
			M09/0177	WA	Live
			M09/0179	WA	Live

Yangibana Pty Ltd (100%)		
Tenement	Locality	Status
G09/0017	WA	Live
G09/0018	WA	Live
G09/0020	WA	Live
G09/0021	WA	Live
G09/0022	WA	Live
G09/0026	WA	Live
G09/0027	WA	Live
G09/0028	WA	Live
L09/0093	WA	Live
L09/0095	WA	Live
L09/0096	WA	Live
L09/0097	WA	Live
M09/0158	WA	Live
M09/0162	WA	Live
M09/0176	WA	Live
M09/0178	WA	Live
E09/1700	WA	Live
E09/1943	WA	Live
E09/1944	WA	Live
E09/2018	WA	Live

BROCKMAN PROJECT		
Hastings Technical Metals Ltd (100%)		
Tenement	Locality	Status
E80/5248	WA	Live
P80/1626	WA	Live
P80/1628	WA	Live
P80/1629	WA	Live
P80/1630	WA	Live

ARK GOLD PROJECT		
Hastings Technical Metals Ltd (100%)		
Tenement	Locality	Status
E09/2385	WA	Live
E09/2399	WA	Live