HASTINGS
Technology Metals Limited

30 April 2018

MARCH 2018 QUARTERLY REPORT

Hastings Technology Metals Limited

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- **EPA approval received to initiate construction of Stage 1 – for access road and accommodation village. Accommodation village contract signed.**
- **Geohydrological drilling completed and water supply source confirmed.**
- **Final EPA referral documentation expected to be submitted in Q2 2018.**
- **Commenced drilling program targeted at increasing the Probable Ore Reserves from the current 5.1Mt to ~7.5Mt in Q3 2018 and ~10Mt by Q1 2019**
- **MOU signed with Thyssenkrupp Raw Materials GmbH**
- **Fully underwritten rights issue raised $12.2 million.**
- **Project funding discussions underway.**

Yangibana Project

Early Infrastructure Work and Preparation of Site

The Company has received Environmental Protection Authority (EPA) approvals for the construction and operation of the access road and accommodation facility (with initial 100-man occupancy limitation).

The Company has executed the accommodation village contract for approximately A$10 million (being $4 million less than budget per DFS[1]) and works are expected to commence after the wet season in May 2018.

In addition, further EPA approvals have been received to undertake the earthworks for an exploration camp and laydown area at the future process plant site, including an extension of the access road from the accommodation village up to the process plant site. This approval permits the use of the area as a laydown for exploration samples, materials and equipment.

[1] See ASX DFS announcement dated 28 November 2017
The production targets and underlying assumptions have not changed from the date of the release of the DFS on 28 November 2017. See comments under project financing below.

These preliminary approvals will ensure that the process plant earthworks will be completed and ready for plant construction to start when the main EPA approvals are received.

Geohydrological Drilling

Further geohydrological drilling was undertaken during the quarter to confirm adequate water supply for the process plant. The availability of sufficient water resources for the Yangibana project was demonstrated through test pumping of the initial four production bores. Modelling is currently being undertaken to determine the sustainable yield from the boreholes and design the ultimate production borefield configuration.

Once finalised, the geohydrological report will form part of the EPA referral documentation.

Final EPA Documentation

The Public Environmental Review (PER) documentation to be submitted to the EPA is substantial. Preliminary documentation has been submitted to the EPA and with the assistance of Lead Agency Project status under the Department of Mines Industry Resources and Safety (DMIRS) lead agency framework, the review is proceeding expeditiously.

It is expected that the final EPA reports will be lodged in Q2 2018.

Resource and Reserve Drilling to Increase Mine Life

The first phase of the 2018 drilling programme has commenced and comprises reverse circulation (RC) and diamond drillholes within the defined ore reserves and mineral resources at the Bald Hill and Fraser's deposits (Figure 1) to provide samples to the metallurgical team for testwork to further upgrade the processing plant design and enhance equipment selection.

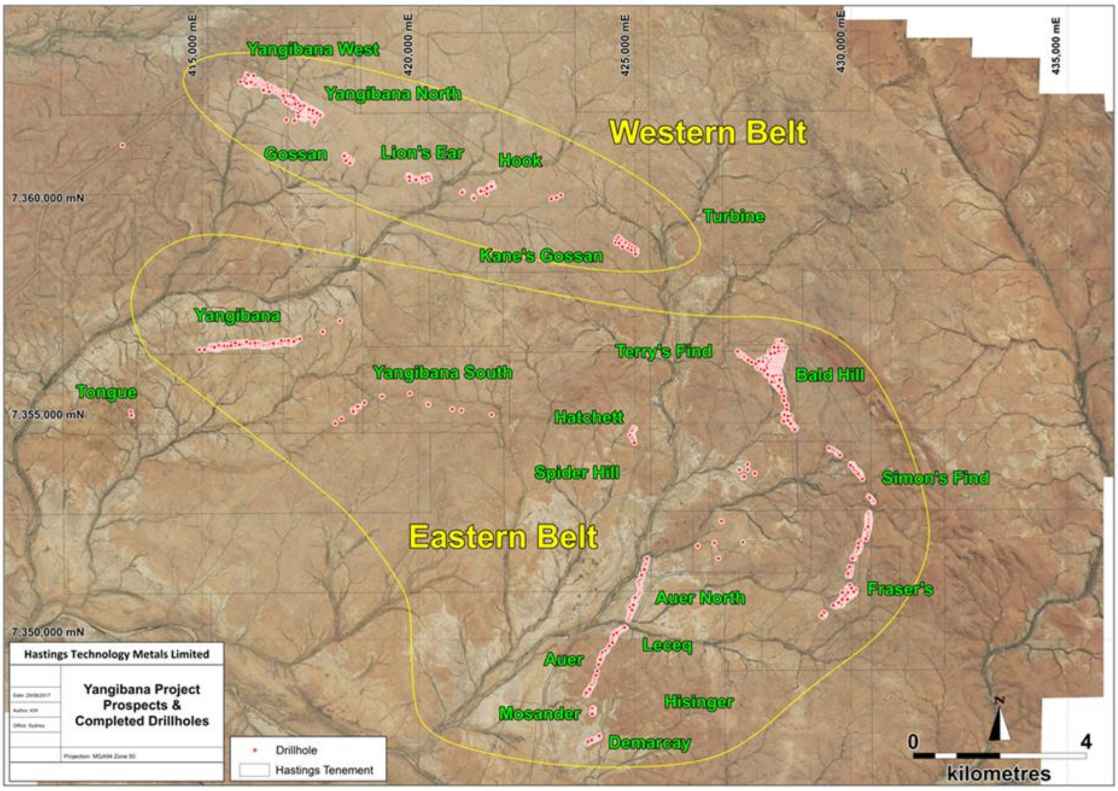

Figure 1 – Yangibana Project - Deposits and Drilling to Date

Diamond drilling will be undertaken to provide geotechnical and geochemical data at Auer, Auer North, Yangibana and Yangibana West deposits (Figure 1). Results from the geotechnical studies will assist in pit designs for these deposits and, along with other studies that have largely been completed, will lead to the establishment of the first ore reserves at each. The target is to increase Probable Ore Reserves within the overall project from the current 5.1 million tonnes to around 7.5 million tonnes early in Q3 2018.

The second phase of drilling will infill and extend the current Indicated and Inferred Mineral Resources at Auer and Auer North deposits. Incorporating additional geotechnical, metallurgical and environmental studies, expanded ore reserves are expected to be announced in Q1 2019. The target is to increase total probable ore reserves to around 10 million tonnes.

Detailed interpretation of the Company's aeromagnetic and radiometric data (Figure 2) will be undertaken to improve the definition of drill targets at Auer and Auer North and to assess the potential of a number of additional targets that occur in the area between Fraser's and Auer/Auer North.

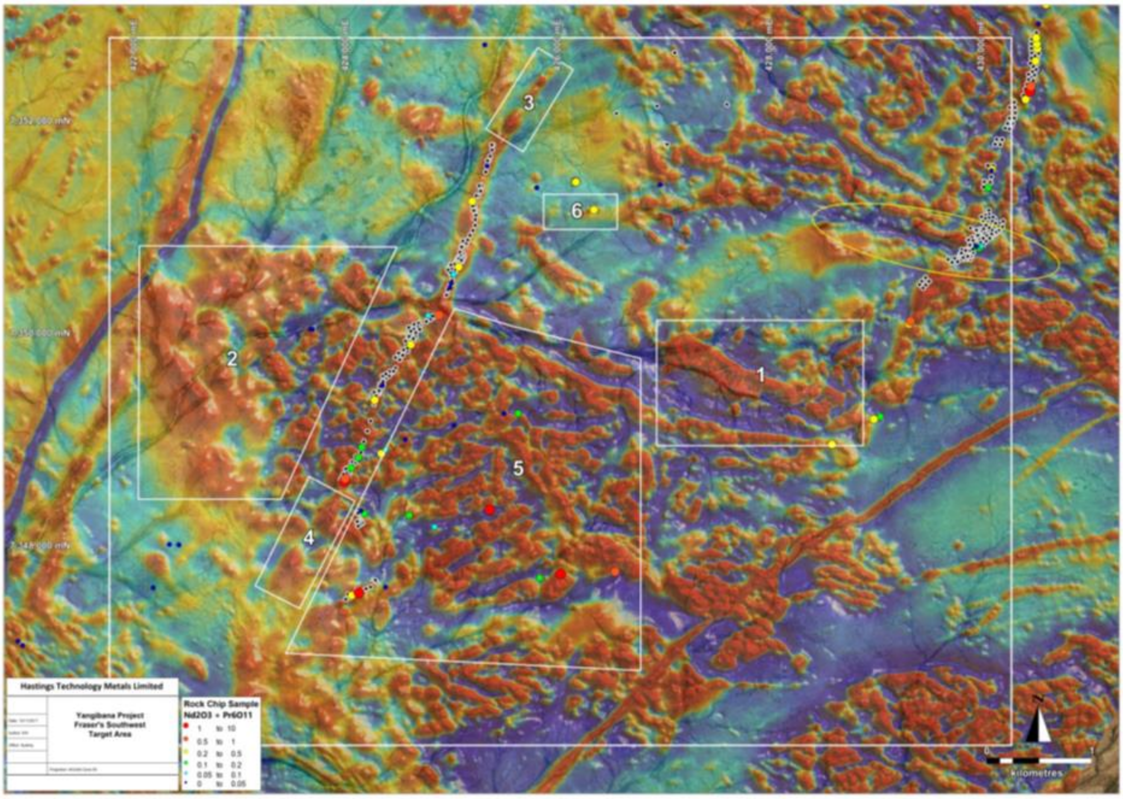

Figure 2 – Yangibana Project – Aeromagnetic Data in Fraser's Southwest Area

Offtake MOU Agreement Signed with Thyssenkrupp Raw Materials GmbH

During the quarter Hastings announces its fourth offtake MOU with *Thyssenkrupp Raw Materials GmbH* for the future supply of Mixed Rare Earth Carbonate (MREC) from its Yangibana project in Western Australia.

This MOU agreement is to supply 5,000 tonnes per annum (tpa) for a period of 10 years, bringing the total of four MOUs signed so far to represent approximately 70% of planned MREC annual production of 15,000 tonnes[2,3] from Yangibana.

The Parties have undertaken to negotiate in good faith to reach agreement for an exclusive commercial offtake contract for Germany, Europe and the supply chain of German and European automotive companies.

[1]ASX Announcement 28 November 2017

[2] The production targets and underlying assumptions have not changed from the date of release of the DFS on 28 November 2017.

[3] 15,000t MREC equals 8,500t TREO @~59% grade.

Corporate

During the quarter the Company raised approximately $12.2 million from a fully underwritten rights issue, with the issue of 39,481,259 shares at 31 cents each. The funds raised are to fund the first stage infrastructure outlined above.

The Company has recently been admitted to the ASX All Ordinaries Index reflecting the increase in its market capitalisation.

As per the DFS it is expected that financing of the processing plant will be structured on a debt : equity basis of 65% : 35%. During the quarter considerable progress has been made towards securing additional equity funding and conducting more formal discussions with project finance bankers after seeking expressions of interest based on a term sheet and the DFS financial model.

The underlying assumptions and production targets in the DFS have not changed substantially since the date of its release on 28 November 2017. Based on the current MREC basket price of ~US $ 29, the project remains strongly economically viable with profitability of ~ US $8 on a per kg TREO basis after taking into account all processing, separation and financing costs.

The Company will update the market as these funding discussions proceed.

Brockman project

The Company is in the process of preparing documentation to support the application of a Mining Lease on the Brockman Project.

Board and management changes

Mr Aris Stamoulis resigned as a Director of the Company on 15 March 2018 for personal family reasons.

The Company has recently appointed Mr Stefan Wolmarans as Chief Operating Officer. Mr Wolmarans, a chartered professional engineer (CPEng Civil) Australia; Registered Professional Engineer (RPEQ) in Queensland, has 20 years' experience in planning and management of mining projects including non-process mine infrastructure, municipal, commercial and industrial projects in Australia and Africa.

Mr Wolmarans, representing Wave International engineering consultants, was the study leader responsible for delivering the Yangibana Project's Definitive Feasibility Study released in November last year.

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).

Compliance Statements

Forward looking statements and important notice:

This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations, estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Hastings' control. Actual results and developments will almost certainly differ materially from those expressed or implied. Hastings has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. To the maximum extent permitted by applicable laws, Hastings makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

Competent Person Statements

The information in this report and DFS 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 report and DFS 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 DFS 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 report and DFS of the matters based on his information in the form and context in which it appears.

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. The Yangibana Project hosts rare earths deposits rich in neodymium and praseodymium, elements vital in the production of 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 ore reserves and mineral resources are predominantly within tenements held 100% by Hastings, with the majority in granted Mining Leases. Lesser mineral resources are held in a joint venture in which Hastings holds a 70% interest and has management control.

The Definitive Feasibility Study has established Probable Ore Reserves of 5.15 million tonnes at 1.12% total rare earths oxides (TREO) including 0.45% neodymium and praseodymium oxides (Nd_2O_3+Pr_6O_{11}). This ore reserve is 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 Nd_2O_3+Pr_6O_{11}.

Including the above Ore Reserves, the Project hosts JORC Measured, Indicated and Inferred Mineral Resources of 21.00 million tonnes at 1.17% TREO including 0.40% Nd_2O_3+Pr_6O_{11}. From this Mineral Resource, an Additional Production Target (APT) of a further 2.64 million tonnes from 100% owned ground, from Measured and Indicated Mineral Resources, will add to feed for the production plant in later years.

Many more of the Company's deposits have the potential for additional mineral resources, and exploration programmes are in place to evaluate these areas in the future, plus the numerous other targets identified to date.

Brockman Project

The Company is 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 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.

For further information please contact:

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Stefan Wolmarans, Chief Operating Officer, +61 488 070 534

TENEMENT SCHEDULE

as at 31 March 2018 (All tenements are in Western Australia)

YANGIBANA PROJECT

Hastings Technology Metals Ltd

Es09/2084, 2086, 2095, 2129 - 100%

P09/482 - 100%

M09/157 - 100%

Gascoyne Metals Pty Limited (100% subsidiary)

Es09/1989, 2007, 2137, - 100%

Es09/1043, 1703, 1704, 1705, 1706, 2278, 2279 2280 - 70%

Ms09/159, 161, 163 - 70%

Ms09/160, 164, 165 - 100%

G09/10 - 100%

G09/11, 13, 14 - 70%

L09/66-72, 74, 75, 80-83 - 100%

Yangibana Pty Limited (100% subsidiary)

Es09/1700, 1943, 1944, 2018 - 100%

Ms09/158, 162 -100%

Gs09/16-18 – 100%

BROCKMAN PROJECT

Brockman Project Holdings Pty Limited (100% subsidiary)

M80/636

P80/1626 to 1635 - 100%

E80/4555 - 100%