



16 May 2017

FINAL DFS DRILLING PROGRAMME COMMENCES AT YANGIBANA

HIGHLIGHTS

- **Resource Upgrade and Expansion Drilling Programmes Commence**
- **Infill drilling at well-defined deposits Fraser's, Bald Hill, Yangibana West and Yangibana North to upgrade current Inferred Resources**
- **Similar infill drilling planned for Auer and Auer North**
- **New prospects identified by the Company to be drilled to increase total Resources**
- **Objective is to increase Measured plus Indicated Resources to support a 10-year mining operation**
- **Further drilling planned post-DFS to further expand the life of the operation**

As part of the Company's soon to be completed Definitive Feasibility Study (DFS), Hastings Technology Metals (ASX:HAS, Hastings or the Company) has commenced its major 2017 drilling programme at the Yangibana Rare Earths Project in the Gascoyne region of Western Australia.

The initial Phase 5 programme, that started in April, aims to expand the current JORC Measured and Indicated Resources at the four best defined deposits within the Project, namely Fraser's, Bald Hill, Yangibana West and Yangibana North (Figure 1), by additional infill drilling within the current Inferred Resources at these sites. First results are expected within the next two weeks

The second programme, Phase 6, will commence in mid-May and targets prospects that do not currently host Measured or Indicated Resources. Prospects such as Auer and Auer North, that currently host Inferred Resources of 1.39 million tonnes at 1.03%TREO including 0.37%(Nd₂O₃+Pr₂O₃), will be upgraded by infill-drilling.

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Prospects identified by Hastings’s exploration, such as Yangibana, Yangibana South and Simon’s Find, will be drill-tested. Based on the Company’s assessment of historical exploration results and its own sampling, Yangibana and Yangibana South are considered to be exciting prospects because of the high ratio of the target neodymium plus praseodymium oxides to Total Rare Earth Oxides (Nd+Pr:TREO) encountered in historical (1980s) drilling and Hastings’ rock chip sampling. Limited rock chip sampling in the Simon’s Find area, that covers the mineralised unit between Bald Hill and Fraser’s deposits, has also returned similar high ratios. Locations of these targets are shown in Figure 1.

Drilling will also test the proximity of the major intersection in hole BHW04 as announced in the ASX release dated February 2nd 2017. This intersection lies outside the current JORC resources at Bald Hill and provides a significant prospective target for resource expansion.

The objective of this year’s drilling programme is to increase Measured and Indicated Resources to support the 10-year mining and processing operation at 1.0 million tonnes per annum that is being evaluated in the DFS.

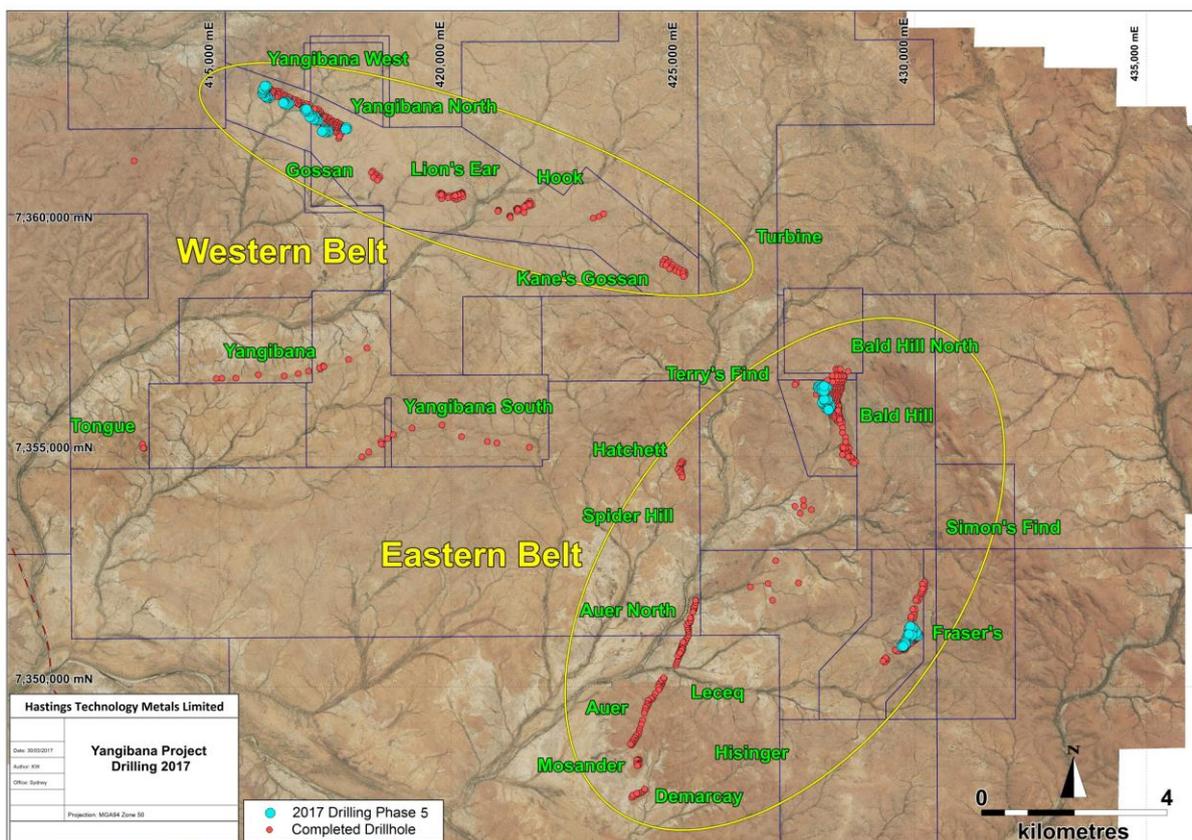


Figure 1 – Yangibana Project – Phase 5 Drilling Programme Highlighted

As announced in the ASX release dated January 17th 2017, current JORC resources are as shown in Table 1. This table highlights the neodymium and praseodymium oxide ($\text{Nd}_2\text{O}_3+\text{Pr}_2\text{O}_3$) contents of the resources along with the Total Rare Earths Oxides (TREO) value.

| Category | Tonnes | $\text{Nd}_2\text{O}_3+\text{Pr}_2\text{O}_3$ | TREO | Nd_2O_3 | Pr_2O_3 |
|--------------|-------------------|---|-------------|-------------------------|-------------------------|
| | | % | % | ppm | ppm |
| Measured | 2,155,000 | 0.42 | 1.01 | 3,410 | 770 |
| Indicated | 5,446,000 | 0.41 | 1.30 | 3,260 | 870 |
| Inferred | 5,807,000 | 0.36 | 1.12 | 2,820 | 770 |
| TOTAL | 13,408,000 | 0.39 | 1.18 | 3,100 | 810 |

Table 1 – Yangibana Project – JORC Resources January 2017

Phase 5 is nearing completion, with one reverse circulation (RC) rig and one diamond drilling (DD) rig in operation and Phase 6 will commence in the coming days.

The programmes include a significant diamond drilling component to provide additional data regarding grade distribution within the mineralised zones, specific gravity measurements, and geotechnical data under the supervision of Snowden Mining Industry Consultants (Snowden). This geotechnical data will feed into the pit optimisations to be carried out as part of Snowden's mining studies for the DFS, to be undertaken on completion of the drilling programmes and the subsequent resource estimation.

Once the DFS is completed the Company will assess the numerous additional targets that have been identified in fieldwork undertaken over the last three years and other targets based on the results of the 2016 geophysical programme.

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

- Hastings Technology Metals is a leading Australian rare earths company, with two rare earths projects hosting JORC-compliant resources in Western Australia.
- The Yangibana Project hosts JORC Resources totalling 13.41 million tonnes at 1.18% TREO (comprising Measured Resources of 2.16 million tonnes at 1.01% TREO, Indicated Resources of 5.45 million tonnes at 1.30% TREO and Inferred Resources of 5.81 million tonnes at 1.12% TREO), including 0.39% Nd₂O₃+Pr₆O₁₁.
- The Brockman deposit contains JORC Indicated and Inferred Resources totalling 41.4 million tonnes (comprising 32.3mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.36% Nb₂O₅ and 0.90% ZrO₂.
- Rare earths are critical to a wide variety of current and new technologies, including smart phones, hybrid cars, wind turbines and energy efficient light bulbs.
- The Company aims to capitalise on the strong demand for critical rare earths created by expanding new technologies.

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 consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.
