

# Non-Renounceable Rights Issue Offer Document

**Hastings Technology Metals Ltd**

**ABN 43 122 911 399**

For a non-renounceable pro rata offer to Eligible Shareholders of approximately 39,481,260 Rights Issue Shares at an issue price of \$0.31 per Share on the basis of 1 Rights Issue Share for every 17 Shares held to raise approximately \$12.2 million before issue costs.

The Offer is fully underwritten. See section 9.4 for details.

**IF YOU ARE AN ELIGIBLE SHAREHOLDER, THIS IS AN IMPORTANT DOCUMENT THAT REQUIRES YOUR IMMEDIATE ATTENTION.**

**THIS OFFER DOCUMENT SHOULD BE READ IN ITS ENTIRETY BEFORE DECIDING WHETHER TO APPLY FOR THE RIGHTS ISSUE SHARES. IF YOU HAVE ANY QUESTIONS OR DO NOT UNDERSTAND THE OFFER DOCUMENT YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER**

This Offer Document is not a prospectus and it does not contain all of the information that an investor may require in order to make an informed decision regarding the Rights Issue Shares offered.

The Rights Issue Shares offered by this Offer Document should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States

## IMPORTANT NOTICES

### General

This Offer Document is for the offer of Rights Issue Shares to Eligible Shareholders and issued in accordance with section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84), which enables certain entities to offer shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act.

This Offer Document was lodged with ASX on 12 February 2018. ASX takes no responsibility for the content of this Offer Document.

Neither this Offer Document nor the Application Form are required to be lodged with ASIC and a prospectus will not be prepared.

This Offer Document is not a prospectus and does not contain all of the information that a prospective investor may require in order to make an informed decision regarding the Rights Issue Shares offered, or all of the information which would otherwise be required under Australian law or any other law.

Investors should read this Offer Document in conjunction with their own knowledge of the Company, publicly available information, disclosures and announcements about the Company which can be obtained from ASIC and ASX (available from its website [www.asx.com.au](http://www.asx.com.au)), and advice from their professional advisers. The contents of any website are not incorporated into, nor constitute part of this Offer Document. In particular, important consideration should be given to the risk factors (see **section 8** of this Offer Document) that could affect the performance of the Company before making an investment decision.

The information in this Offer Document does not constitute a securities recommendation or financial product advice.

Investors should note that the past Share price performance of the Company provides no guidance to its future Share price performance.

### Application

By returning an Application Form or lodging an Application Form with your stockbroker or otherwise arranging for payment for your Rights Issue Shares through BPAY® in accordance with the instructions on the Application Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer and you agree to all of the terms and conditions as detailed in this Offer Document.

This Offer Document, the Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Western Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Western Australia.

### Offering Restrictions

This Offer Document does not constitute an offer in any place in which, or to any person to whom it would not be lawful to make such an offer. Refer to section **5.7** for treatment of overseas shareholders.

### Future performance and forward looking statements

Neither the Company nor any other person warrants or guarantees the future performance of the Rights Issue Shares or any return on any investment made pursuant to the Offer.

Forward looking statements in this Offer Document are based on the Company's current expectations about future events. These are subject to risks, uncertainties and assumptions that are often outside the control of the Company and its Directors and could cause actual results, performance or achievements to differ materially from the expectations expressed or implied by such forward looking statements (see Key Risks in **section 8** of this Offer Document).

### Disclaimer

This Offer Document has been prepared by the Company. No person is authorised to give information or to make any representation in connection with this Offer Document which is not contained in the Offer Document. Any information or representation not so contained may not be relied upon.

The Underwriters (other than Directors), their related bodies corporate, directors, employees, representatives or agents:

- (a) have not, authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Offer Document;
- (b) do not make, or purport to make, any statement in this Offer Document, and there is no statement in this Offer Document which is based on any statement by the Underwriters; and
- (c) to the maximum extent permitted by law, expressly disclaim all liability in respect of, make no representations regarding, and take no responsibility for, any part of this Offer Document.

### Privacy

As a Shareholder, the Company and its Share Registry currently hold certain personal information. Further information may be provided upon completion of the Application Form. The Company uses such information to assess your application, facilitate distribution payments, for corporate communications and services to you as a Shareholder, and for administrative purposes. Information may also be provided to regulatory bodies, persons inspecting the register, bidders for securities in the context of takeovers, authorised securities brokers, print service providers, mail houses and the Share Registry.

To access, correct and update your personal information please contact the Company or its Share Registry.

### Defined terms

Certain terms and abbreviations in this Offer Document are defined in section 2.

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## 1 CHAIRMAN'S LETTER

Dear Shareholder

On 2 February 2018 Hastings Technology Metals Limited (**Company**) announced a fully underwritten non-renounceable pro rata offer to shareholders with a registered address in Australia or New Zealand (**Eligible Shareholders**) of 1 fully paid ordinary share for every 17 existing shares held as at 7:00pm (AEST) on 7 February 2018 (**Record Date**), at an issue price of \$0.31 per Rights Issue Share (**Rights Issue**) to raise approximately \$12.2 million (before costs).

The Rights Issue will be at a price of A\$0.31 per new Hastings ordinary share, an 8.3% discount to the 30 days volume weighted average price of Hastings shares traded on the ASX prior to announcing the Rights Issue.

In 2017 Hastings achieved many milestones on the road to establishing a world-class rare earth production plant, culminating in the publication of the Definitive Feasibility Study in November last year that confirmed compelling economics for the Yangibana project. We anticipate that 2018 will be a pivotal year for the Company as we work towards raising the necessary funding to build the processing plant commencing with early construction work to prepare the Yangibana site and continue negotiations with European and Asian customers for additional off-take agreements. Hastings is exploring specific and innovative approaches to securing funding for the capex.

Numerous market trends continue to provide confirmation of a significant shift in the way we travel, generate energy, monitor and control our environment. The focus to reduce fossil-fuel usage is now well established. Many targets have been set globally to electrify transportation and advance renewable energy technology and new materials will be required to meet them. The Nd-Pr to be mined and processed from Yangibana will provide critical components to these electric vehicle and clean energy applications.

Through this Rights Issue, shareholders will have the opportunity to add to their investment in Hastings as we journey together to build a world class Nd-Pr mine in Australia to produce the critical minerals needed for the manufacture of permanent magnets and used primarily in clean renewable energy and e-mobility. This Rights Issue is fully underwritten by four major shareholders (for \$12 million) and directors and senior management (for the balance).

Milestones highlights in the Definitive Feasibility Study (DFS)<sup>1</sup> are:

- Initial operating life of 8 years provides NPV of \$466m, IRR of 78% and a payback period of 2.3 years

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<sup>1</sup> See ASX Announcement 28 November 2018

- First Probable Reserves estimated at 5.16m tonnes at 1.12% TREO including 0.45% Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11</sub>
- Latest JORC Resources total 21.00mt at 1.17% TREO including 0.41% Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11</sub>
- Plan to produce up to 15,000 tons per annum of Mixed Rare Earths Carbonate on site at Yangibana
- Pre-production capital expenditure of A\$335 million and operating costs of A\$17.06/kg TREO (US\$12.8/kg)
- Native Title Agreement signed for the entire tenement area of 650sqkm covering all rare earths minerals mined and sold

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

The strengthening in Neodymium (Nd) and Praseodymium (Pr) prices (+42% and +39% respectively year-on-year) and the signing of three offtake Memorandum of Understanding (MOU) with three Chinese rare earth producers provide further confidence in the successful development of the Yangibana Rare Earths Project.

China further continued to fuel excitement around the announcement of electric vehicle (EV) developments. Chinese authorities hinted of policy changes in early September 2017, with the intention of banning fossil-fuel vehicles. This follows similar policy announcements made by India, Norway, France and the United Kingdom.

Vehicle manufacturers also made encouraging announcements regarding EV targets. Volkswagen will spend EUR 20 billion in R & D to develop electric vehicles. VW aims to roll out 80 EVs models across all its brands by 2025. Ford announced in January 2018 that it will invest \$11 billion on EVs through to 2022 - increasing previous committed amounts in an effort to catch up with peers on EV development.

Given both policy and manufacturer announcements, the International Energy Agency predicts that by 2030 the stock of EVs on the road globally will total between 160 to 200 million, an almost 100 times increase of the EV stock today. These developments will drive the robust support in demand for Nd and Pr well beyond 2030.

Funds raised under the Rights Issue will be used to progress development of the Company's Yangibana Rare Earths Project, including:

- Capital costs associated with the development of an access road and the procurement of an accommodation village; and
- Engineering design and specification work with respect to the mine infrastructure and construction of the processing plant.

The Rights Issue is severally underwritten by Equator Capital Management Limited (a family company in which I am a director and shareholder), Fong Kah Kuen, Astaman

Aziz and Simon Yim (all being long term shareholders of the Company) for \$12 million. These Underwriters will be paid an underwriting fee of 5%. The Company's directors who have confirmed their intention to participate in the Rights Issue have agreed to underwrite the balance of the Rights Issue and will not be paid an underwriting fee.

Given the funding necessary for the capex to build the mine at Yangibana, the Company will be accessing the capital markets to raise substantial amount of equity during the year. It is also conducting debt related discussions with global financial institutions for project finance loans. Accordingly, I am pleased that, at the outset of our funding programme, Eligible Shareholders are given pro rata rights to participate in this Rights Issue.

Although it has a number of Shareholders with registered addresses outside Australia and New Zealand (Foreign Shareholders), the Company has determined that the timing and cost of offering Rights Issue Shares to these Shareholders is impracticable. However and where permissible, the Company will place Rights Issue Shares not subscribed for by Eligible Shareholders with Foreign Shareholders who express an interest in the Rights Issue by writing to the Company, via email or post. This is explained in section 5.7 of this Offer Document.

Participating in the Rights Issue carries risk and your attention is drawn to section 8. Implementing the project is subject to a number of risks, including financing risks, commodity price fluctuations, mine construction and operating risks. Shareholders should carefully read section 8 and seek their own professional advice if they wish to do so.

If you have any queries regarding your entitlement or participation in the Rights Issue, please do not hesitate to contact your stockbroker or financial advisor.

I thank you for your continued support.

Yours faithfully

Charles Lew  
Chairman

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## 2 DEFINITION AND INTERPRETATION

**A\$, \$ and dollars** means Australian dollars, unless otherwise stated.

**Additional Rights Issue Shares** means Rights Issue Shares in addition to an Eligible Shareholder's Entitlement for which an Eligible Shareholder makes an Application.

**Application** means a valid application to subscribe for Rights Issue Shares accompanied by payment of the Price in respect of each Rights Issue Share made pursuant to this Offer Document and an Application Form.

**Application Form** means the application form accompanying this Offer Document.

**Application Money** means money received from an Eligible Shareholder in respect of their Application for Rights Issue Shares.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange, or the market operated by that entity.

**Closing Date** means 26 February 2018 or such other date as may be determined by the Directors under this Offer Document.

**Company or Hastings** means Hastings Technology Metals Ltd (ABN 43 122 911 399).

**Corporations Act** means the *Corporations Act 2001* (Cth), including as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 in relation to the Offer.

**Directors** means the directors of the Company.

**Eligible Shareholder** means an existing Shareholder as at 5.00pm (WST) on the Record Date, whose registered address is in Australia and New Zealand

**Entitlement or Right** means an Eligible Shareholder's entitlement to subscribe for Rights Issue Shares offered under this Offer Document.

**Existing Share(s)** means a share(s) issued on or before the Record Date.

**Listing Rules** means the listing rules of ASX.

**Foreign Shareholder** means an existing Shareholder as at 5.00pm (WST) on the Record Date, whose registered address is outside Australia or New Zealand.

**Offer or Rights Issue** means a non-renounceable offer made under this document to subscribe for Rights Issue Shares on the basis of 1 Rights Issue Share for every 17 Shares held on the Record Date at a price of A\$0.31 per Share made without disclosure under

section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84).

**Offer Document** means Rights Issue document for the offering of the Rights Issue Shares which will be issued by the Company and dispatched to Shareholders in accordance with the Timetable, including any supplements or replacements to this document.

**Record Date** means **7 February 2018**.

**Rights Issue Share(s)** means Share(s) to be issued under the Offer.

**Share(s)** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Security Transfer Registrars Pty Ltd.

**Shareholder(s)** means all registered persons who holds a share in the Company.

**Shortfall Shares** has the meaning given in section 5.4.

**Top Up Facility** has the meaning given in section 5.4.

**Underwriters** means persons who have agreed to severally underwrite the Offer following terms and conditions set out in the Underwriting Agreements.

**Underwriting Agreements** has the meaning given in section 9.4.

**US Person** has the meaning given to that term in Regulation S under the US Securities Act.

**US Securities Act** means the United States Securities Act of 1933, as amended.

**WST** means Western Australian Standard Time.

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### **3 SUMMARY OF OPTIONS AVAILABLE TO YOU**

If you are an Eligible Shareholder, you may take one of the following options:

- (a) Take up all of your Entitlement but not apply for any additional Rights Issue Shares.
- (b) Take up all of your Entitlement and also apply for additional Rights Issue Shares under the Top Up Facility.
- (c) Take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for your lapsed Entitlement.
- (d) Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

See section 6 for details.

Any questions concerning the Offer should be directed to Guy Robertson, Company Secretary, or Aris Stamoulis, Corporate Finance Director on the contact details as follows:

Guy Robertson: +61 2 9078 7674 or +61 407 983 270

Email: [guy.robertson@hastingstechmetals.com](mailto:guy.robertson@hastingstechmetals.com)

Aris Stamoulis: +65 6220 9220

Email: [aris.stamoulis@hastingstechmetals.com](mailto:aris.stamoulis@hastingstechmetals.com)

Alternatively, you can also consult your professional adviser.

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#### 4 TIMETABLE

Event	Date
Announcement of Offer, appendix 3B and section 708AA notice	2 February 2018
Ex rights date	6 February 2018
Record date to determine entitlement to Rights Issue Shares	7 February 2018
Dispatch of Offer document and Entitlement and Acceptance Form Opening date for subscription	12 February 2018
Closing date for subscription	5.00pm AEST on 26 February 2018
Securities quoted on deferred settlement basis	27 February 2018
Notify ASX of total subscriptions	28 February 2018
Allotment Date	2 March 2018
Dispatch of holding statements	5 March 2018

These dates are indicative, and the Company, in conjunction with the Underwriters and subject to the Corporations Act and the ASX Listing Rules, may vary the above dates.

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#### 5 SUMMARY OF THE OFFER

##### 5.1 The Offer

The Company proposes to raise approximately \$12.2 million under a fully underwritten non-renounceable pro rata issue of Rights Issue Shares on the basis of 1 Rights Issue Share for every 17 Existing Shares held, at an issue price of \$0.31 per Rights Issue Share to Eligible Shareholders who are registered on the Company's share register at 5.00pm WST on 7 February 2018 (**Record Date**).

The number of Rights Issue Shares to which you are entitled (your **Entitlement**) is shown on the accompanying Application Form. The Rights Issue is non-renounceable. Accordingly, Entitlements cannot be sold, transferred or otherwise disposed of.

The Rights Issue is fully underwritten. See section 9.4 for details.

Please refer to the ASX Announcement set out in section 7 for information on the purpose of the Rights Issue, the application of the proceeds of the Rights Issue and information on the Company and its assets. You should also consider other publicly available information about Hastings, including information available at [www.asx.com.au](http://www.asx.com.au) and [www.hastingstechmetals.com](http://www.hastingstechmetals.com).

## 5.2 Your Entitlement

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 Rights Issue Share for every 17 Existing Shares held on the Record Date with fractional entitlements rounded up to the nearest whole number of Rights Issue Shares) will accompany this Offer Document when it is dispatched to Eligible Shareholders. Eligible Shareholders may subscribe for all or part of your Entitlement. If you have more than one registered holding of Shares, you will be sent an Entitlement and Acceptance Form for each separate registered holding, and you will have separate Entitlements for each separate registered holding.

## 5.3 No Rights trading

The Offer is non-renounceable. This means that your right to subscribe for Rights Issue Shares under this Offer Document is not transferable and there will be no trading of Rights on the ASX. If you choose not to take up your Rights, you will receive no benefit and your shareholding in the Company will be diluted as a result.

## 5.4 Applying for Additional Rights Issue Shares

The Directors reserve the right to issue the shortfall at their discretion within 3 months from the close of the Rights Issue.

Eligible Shareholders may, in addition to their Entitlement, apply for extra Rights Issue Shares regardless of the size of their present holding (**Top Up Facility**).

Rights Issue Shares not subscribed for as Entitlement by Eligible Shareholders and Foreign Shareholders' notional entitlement (**Shortfall Shares**) will become available as Additional Rights Issue Shares. It is possible that there will be few or no Shortfall Shares available for issue. It is an express term of the Offer that applicants for Additional Rights Issue Shares will be bound to accept a lesser number of Additional Rights Issue Shares allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest.

The Company, in conjunction with the Underwriters, reserves the right to scale back any applications for Additional Rights Issue Shares in their absolute discretion. Any surplus Application Monies will be returned to applicants of the Additional Rights Issue Shares as soon as practicable without interest.

## **5.5 Allotment and Application Money**

Application Money will be held in a subscription account on trust until allotment of the Rights Issue Shares. If the Application Money is refundable, it will be refunded as soon as reasonably practicable. Interest earned on the Application Money will be for the benefit of the Company and will be retained by the Company irrespective of whether Rights Issue Shares are issued.

No allotment of the Rights Issue Shares will occur until ASX grants permission to quote the Rights Issue Shares.

The Rights Issue Shares are expected to be allotted by no later than 5.00pm WST on 2 March 2018. Statements of holding of Rights Issue Shares will be mailed after allotment occurs.

## **5.6 ASX Quotation**

Application for admission of the Rights Issue Shares to official quotation on ASX has been made.

Subject to approval being granted by ASX, it is expected that quotation and trading of Rights Issue Shares will commence on a deferred settlement basis on 5 March 2018.

The fact that ASX may agree to grant official quotation of the Rights Issue Shares is not to be taken in any way as an indication of the merits of the Company or the Rights Issue Shares.

## **5.7 Foreign Shareholders**

The Offer is not being extended to any Shareholder, as at the Record Date, whose registered address is not in Australia or New Zealand as the Company has decided that it is unreasonable to do so, having regard to the number of Shareholders outside Australia and New Zealand, the number and value of Rights Issue Shares that would be offered, and the cost of complying with the legal requirements, and requirements of regulatory authorities, outside Australia and New Zealand.

This Offer Document and accompanying Application Form do not, and are not intended to, constitute an offer in any place in which, or to any person whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Rights Issue Shares or the Offer, or otherwise to permit a public offering of the Rights Issue Shares in any jurisdiction outside Australia and New Zealand.

The Rights Issue Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of Rights Issue Shares is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

Recipients may not send or otherwise distribute this Offer Document or the Application Form to any person outside Australia or New Zealand.

The Rights Issue Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Rights Issue Shares to be issued under the Offer may be offered and sold solely outside the United States to persons that are not US Persons and are not acting for the account or benefit of US Persons in offshore transactions in reliance on Regulation S under the US Securities Act. No party has offered or sold and no party will offer or sell, directly or indirectly, any Rights Issue Shares in the United States or to, or for the account or benefit of, US Persons, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The Company and Underwriters have agreed that, where permissible, Shortfall Shares will be placed with Foreign Shareholders who satisfy the Company that it is lawful to do so, and in priority to the Underwriters. Foreign Shareholders wishing to subscribe for Shortfall Shares should contact the Company Secretary, Guy Robertson on:

- (a) By phone - +61 2 9078 7674 or +61 407 983 270
- (b) Email - [guy.robertson@hastingstechmetals.com](mailto:guy.robertson@hastingstechmetals.com)

## **5.8 Information availability**

Eligible Shareholders can obtain a copy of this Offer Document during the period of the Offer directly from the Company or on the Company's website at [www.hastingstechmetals.com](http://www.hastingstechmetals.com). The electronic version of this Offer Document will not include an Application Form. To request an Application Form contact the Company Secretary (see section 5.10 contact details). Persons who access the electronic version of this Offer Document should ensure that they download and read the entire Offer Document and any related information to which it refers.

## **5.9 Taxation**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Rights Issue Shares under this Offer Document.

Taxation implications will vary depending on the particular circumstances of individual Eligible Shareholders. Eligible Shareholders should consider whether to seek specific advice applicable to their own particular circumstances from their own professional advisers.

## **5.10 Enquiries**

Any questions concerning the Offer should be directed to Guy Robertson, Company Secretary, or Aris Stamoulis, Corporate Finance Director on the contact details as follows:

Guy Robertson: +61 2 9078 7674 or +61 407 983 270

Email: [guy.robertson@hastingstechmetals.com](mailto:guy.robertson@hastingstechmetals.com)

Aris Stamoulis: +65 6220 9220

Email: [aris.stamoulis@hastingstechmetals.com](mailto:aris.stamoulis@hastingstechmetals.com)

Alternatively, you can also consult your professional adviser.

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## **6 HOW TO APPLY**

### **6.1 What you may do**

The number of Rights Issue Shares to which you are entitled is shown on the accompanying Application Form.

Fractional Entitlements have been rounded up to the nearest whole number of Rights Issue Shares. For this purpose, holdings in the same name are aggregated for calculation of Entitlements. If the Company considers that holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated Eligible Shareholders for the purpose of calculating Entitlements.

As an Eligible Shareholder, you may:

- (a) take up all of your Entitlement;
- (b) apply for Additional Rights Issue Shares;
- (c) accept part of your Entitlement and allow the balance to lapse; or
- (d) allow all of your Entitlement to lapse.

The Company reserves the right to reject any Application Form that is not correctly completed or that is received after 5.00pm WST on the Closing Date.

The Company will treat you as applying for as many Rights Issue Shares as your payment will pay for in full. Amounts received by the Company in excess of the number of Rights Issue Shares and Additional Rights Issue Shares you are ultimately allocated will be returned as soon as practicable. No interest will be paid on returned Application Money.

### **6.2 To take up all or part of your Entitlement**

If you decide to take up all or part of your Entitlement, please follow the instructions on the Application Form and arrange for payment of the Application Money.

### **6.3 To apply for Additional Rights Issue Shares**

Eligible Shareholders may, in addition to their Entitlement, apply for Additional Rights Issue Shares regardless of the size of their present holding. Refer to section 5.4 if you wish to apply for Additional Rights Issue Shares.

### **6.4 To allow your Entitlement to lapse**

If you do not wish to take up any part of your Entitlement you are not required to take any action. If you allow all or part of your Entitlement to lapse you will receive

no benefit to the extent of Entitlements not taken up and your shareholding in the Company will be diluted as a result.

#### **6.5 Consequences of not accepting all or part of your Entitlement**

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those Rights Issue Shares for which you would have otherwise been entitled under the Rights Issue (including Rights Issue Shares that relate to the portion of your Entitlement that has not been accepted) will be issued to Eligible Shareholders under the Top Up Facility, the Underwriters or Foreign Shareholders who satisfy the Company that an offer of securities can be made to them without disclosure.

The Directors also reserve the right to place any shares not subscribed for by Eligible Shareholders at their discretion within three months of the Closing Date.

By allowing part or all of your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the Rights Issue Shares had you taken up your Entitlement in full and you will not receive any value for any part of your Entitlement which lapses. Your interest in Hastings will also be diluted.

#### **6.6 Payment**

Acceptance of Rights Issue Shares must be accompanied by payment in full of the price of \$0.31 per Rights Issue Share. A single payment should be made for the Application Money for your Entitlement you wish to take up as stated on the Application Form and any Additional Rights Issue Shares you wish to apply for.

Cash will not be accepted and no receipts will be issued. Payments will only be accepted in Australian currency and as follows:

- BPAY® as per the Application Form.
- Cheque, bank draft or money order drawn on and payable at any Australian financial institution.
- Direct fund transfer.

**(a) For payment by BPAY®**

If you are paying by BPAY® payment, ensure you follow the instructions on the Application Form. You do not need to mail the Application Form.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5pm WST on the closing date 26 February 2018. You should be aware of, and account for, any earlier cut-off times that may be implemented by your financial institution with regard to electronic payment.

**(b) For payment by cheque, bank draft or money order:**

To participate in the Offer, your completed Application Form, together with your Application Money, must be received no later than 5.00 pm WST on the Closing Date at either of:

By Hand:	By Post:
Hastings Technology Metals Ltd Suite 506, Level 5 50 Clarence Street Sydney NSW 2000	Hastings Technology Metals Ltd PO Box Q128 Queen Victoria Building NSW 1230

Please follow the instructions on the Application Form.

Cheques or bank cheques should be made payable to 'Hastings Share Registry Account' and crossed '**Not Negotiable**'. A single cheque should be used for the Application Money for your Entitlement you wish to take up as stated on the Application Form and any Additional Rights Issue Shares you wish to apply for.

The Company will present the cheque or bank draft on or around the day of receipt of the Application Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Application Form.

If the amount of your cheque or bank draft for Application Money (or the amount for which the cheque or bank draft clear in time for allocation) is insufficient to pay for the number of Rights Issue Shares you have applied for in your Application Form, you may be taken to have applied for such lower number of Rights Issue Shares as your cleared Application Money will pay for (and to have specified that number of Rights Issue Shares in your Application Form) or your Application may be rejected.

(c) Direct fund transfer

You can transfer Application Money directly to a bank account established by the Company to hold Application Monies:

Hastings Share Registry Account  
Westpac Bank  
60 Martin Place, Sydney NSW 2000  
BSB           032 024  
Account      938630  
SWIFT:       WPACAU2S

Please advise the Company Secretary, Guy Robertson, by email - [guy.robertson@hastingstechmetals.com](mailto:guy.robertson@hastingstechmetals.com) - when funds are transferred. Please also note to include any bank fees.

## **6.7 Application Form is binding**

A completed and lodged Application Form constitutes a binding offer to subscribe for Rights Issue Shares on the terms and conditions set out in this Offer Document and, once lodged, cannot be withdrawn. If the Application Form is not completed correctly, it may still be treated as a valid application for Rights Issue Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form with the requisite Application Monies, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Offer Document, does not prohibit you from being given the Offer Document and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Rights Issue Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Offer Document is not investment or financial product advice or a recommendation that Rights Issue Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Rights Issue Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the Rights Issue Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

## **6.8 Notice to nominees and custodians**

Nominees and custodians should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial

owners of securities. Where any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

2 February 2018

ASX ANNOUNCEMENT

**FULLY UNDERWRITTEN RIGHTS ISSUE TO RAISE \$12.2M**

- **1 for 17 non-renounceable rights issue to raise approximately \$12.2 million (in place of the shares purchase plan)**
- **Priced at A\$0.31 cents, a discount of 8.3% to 30 days VWAP of A\$0.338 cents and fully underwritten by four major shareholders, directors and senior management**
- **Participating shareholders including (where permitted to do so) foreign shareholders (in proportion to their holding) will have the opportunity to participate in any shortfall in the rights issue subscription, in conjunction with the underwriters**

Hastings Technology Metals Ltd (ASX: HAS) (“Hastings” or the “Company”) is pleased to announce that, following significant interest from its shareholders and growing base of overseas shareholders, it has decided to restructure the \$12 million capital raising announced on 30 January 2018 from a shareholder purchase plan (“SPP”) to a non-renounceable rights issue of 1 new Hastings ordinary share for every 17 Hastings ordinary shares held (“Rights Issue”).

This gives shareholders the opportunity to take up shares proportional to their shareholding, i.e. if they participate fully they will not be diluted, and (where permitted to do so) allows shortfall in the rights issue subscription (“shortfall”) to be placed to overseas shareholders (outside of Australia and New Zealand) in proportion to their holding; an option that was not available under the SPP.

The Rights Issue will be at a price of A\$0.31 cents per new Hastings ordinary share, the same offer price as the SPP, an 8.3% discount to the 30 days volume weighted average price of Hastings shares traded on the ASX prior to the announcement of the SPP, and is fully underwritten on the same terms as the SPP.

Charles Lew, Executive Chairman, commented *“Hastings has a growing number of overseas shareholders and in 2017 its shareholder base increased by 55%. Following a number of enquiries from those shareholders, the Board has determined it appropriate to restructure the \$12m capital raising as a rights issue. This will provide an equitable mechanism for the participation in this share offering opportunity by all shareholders where possible. In 2017, Hastings achieved many milestones on the road to establishing a world-class rare earth production plant, culminating in the publication of the Definitive Feasibility Study in November last year that confirmed compelling economics for the Yangibana project. We anticipate that 2018 will be a pivotal year for the Company as we work towards raising the necessary funding to build the processing plant commencing with early construction work to prepare the Yangibana site, and continue negotiations with European and Asian customers for*

*additional off-take agreements. Hastings is exploring specific and innovative approaches to securing funding for the capex.*

*Numerous market trends continue to provide confirmation of a significant shift in the way we travel, generate energy, monitor and control our environment. The focus to reduce fossil-fuel usage is now well established. Many targets have been set globally to electrify transportation and advance renewable energy technology and new materials will be required to meet them. The Nd-Pr to be mined and processed from Yangibana will provide critical components to these electric vehicle and clean energy applications.*

*Through this Rights Issue, shareholders will have the opportunity to add to their investment in Hastings as we journey together to build a world class Nd-Pr mine in Australia to produce the critical minerals needed for the manufacture of permanent magnets and used primarily in clean renewable energy and e-mobility. This Rights Issue is underwritten by four major shareholders, directors and senior management.”*

**Milestones highlights in the Definitive Feasibility Study (DFS)<sup>2</sup> are:**

- ✓ **Initial operating life of 8 years provides NPV of \$466m, IRR of 78% and a payback period of 2.3 years**
- ✓ **First Probable Reserves estimated at 5.16mt at 1.12% TREO including 0.45% Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11</sub>**
- ✓ **Latest JORC Resources total 21.00mt at 1.17% TREO including 0.41% Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11</sub>**
- ✓ **Plan to produce up to 15,000 tons per annum of Mixed Rare Earths Carbonate on site at Yangibana**
- ✓ **Pre-production capital expenditure of A\$335 million and operating costs of A\$17.06/kg TREO (US\$12.8/kg)**
- ✓ **Native Title Agreement signed for the entire tenement area of 650sqkm covering all rare earths minerals mined and sold**

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

The strengthening in Neodymium (Nd) and Praseodymium (Pr) prices (+42% and +39% respectively year-on-year) and the signing of three offtake Memorandum of Understanding (MOU) agreements with three Chinese rare earth producers provide further confidence in the successful development of the Yangibana Rare Earths Project.

China further continued to fuel excitement around the announcement of electric vehicle (EV) developments. Chinese authorities hinted of policy changes in early September 2017, with the intention of banning fossil-fuel vehicles. This follows similar policy announcements made by India, Norway, France and the United Kingdom.

Vehicle manufacturers also made encouraging announcements regarding EV targets. Volkswagen will spend EUR 20 billion in R & D to develop electric vehicles. VW aims to roll out 80 EVs models across all its brands by 2025.

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<sup>2</sup> See ASX Announcement dated 28 November 2017

Given both policy and manufacturer announcements, the International Energy Agency predicts that by 2030 the stock of EVs on the road globally will total between 160 to 200 million, an almost 100 times increase of the EV stock today. These developments will drive the robust support in demand for Nd and Pr well beyond 2030.

The Rights Issue is a pro rata non-renounceable offer of up to 39,481,260 fully paid ordinary shares, on the basis of 1 (one) new Hastings ordinary share for every 17 (seventeen) existing Hastings ordinary shares held by eligible shareholders on the record date, at an issue price of \$0.31 per share, to raise approximately \$12.2 million (before costs).

In addition to their entitlement, eligible shareholders may also apply for shortfall.

The Offer is severally underwritten by Equator Capital Management Limited (a company in which Charles Lew, Executive Chairman is a director and shareholder), Fong Kah Kuen, Astaman Aziz and Simon Yim (all being long term shareholders of the Company) for \$12 million.

The Company's directors who have confirmed their intention to participate in the rights issue and agreed to underwrite the balance of the Rights Issue.

Funds raised under the Rights Issue will be used to fund the following ongoing work on site:

- Capital costs associated with the development of an access road and the procurement of an accommodation village; and
- Engineering design and specification work with respect to the mine infrastructure and construction of the processing plant.

The Rights Issue will be made without disclosure and in reliance of section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). The Rights Issue timetable is as follows:

#### TIMETABLE

Event	Date
Announcement of Offer, appendix 3B and section 708AA notice	2 February 2018
Ex rights date	6 February 2018
Record date to determine entitlement to new shares	7 February 2018
Dispatch of Offer document and Entitlement and Acceptance Form Opening date for subscription	12 February 2018
Closing date for subscription	5.00pm AEST on 26 February 2018
Securities quoted on deferred settlement basis	27 February 2018
Notify ASX of total subscriptions	28 February 2018
Allotment Date	2 March 2018
Dispatch of holding statements	5 March 2018

These dates are indicative, and the Company, in conjunction with the underwriters and subject to the Corporations Act and the ASX Listing Rules, may vary the above dates.

### **Competent Person Statements**

*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 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 announcement of the matters based on his information in the form and context in which it appears.*

*The information in this announcement that relates to the Fraser's and Bald Hill Ore Reserve is based on information reviewed or work undertaken by Mr Frank Blanchfield, FAusIMM, and an employee of Snowden Mining Industry Consultants. Mr Blanchfield has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the preparation of mining studies to qualify as a Competent Person as defined by the JORC Code 2012. Mr Blanchfield consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

*The scientific and technical information in this announcement and DFS that relates to process metallurgy is based on information reviewed by Mr Dale Harrison MAusIMM, who is a metallurgical consultant and employee of Wave International. Mr Harrison has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the JORC Code 2012. Mr Harrison consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

Guy Robertson  
Company Secretary  
2 February 2018

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## 8 KEY RISK FACTORS

### 8.1 Overview

Investment in the Rights Issue Shares offered under this Offer Document entails risk as the Company is yet to finance and develop its Yangibana rare earths mine and is yet to generate any revenue. Neither the Company nor the Directors warrant the future performance of the Company or any investment made pursuant to this Offer Document.

The Directors recommend that Eligible Shareholders and potential investors examine the contents of this document together with previous ASX disclosures and public documents of the Company, including its announcement to ASX on 28 November 2017 titled “Successful Completion of Yangibana Definitive Feasibility Study” (a copy of which can be obtained from [www.asx.com.au](http://www.asx.com.au)), and rely on the advice of their professional advisers before deciding whether or not to apply for Rights Issue Shares pursuant to this Offer Document.

The following summary, which is not exhaustive, represents some of the material risk factors that may affect the financial position of the Company, the value of an investment in the Company, as well as the Company’s operations, which potential investors need to be aware of.

The risks outlined below are specific to the Company’s operations and to the resource exploration industry in which the Company operates.

#### (a) Future capital needs and additional funding

The funds raised from the Offer will be used to fund the development of the Yangibana rare earths mine. These funds will not be sufficient to complete the proposed development and significant further funding will be required - see Investor presentation lodged with the ASX on 23 January 2018 and on the Company’s website [www.hastingstechmetals.com](http://www.hastingstechmetals.com).

The Company’s ability to raise further capital (equity and debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to various factors, including the price of relevant commodities, final Environmental Protection Authority (EPA) approval, securities market and industry conditions, and the timely execution of preliminary infrastructure works currently underway.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects leaving the Company to explore other avenues to maximise value for shareholders.

(b) Commodity prices

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. While the prices of the key products the Company is to produce - Neodymium (Nd) and Praseodymium (Pr) have risen substantially over the last year, they are subject to fluctuation. Factors impacting on these commodity prices include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's project development and production plans and activities, together with the ability to fund those plans and activities.

(c) Environmental

As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts.

While the Company has been successful in obtaining approvals for preliminary infrastructure works, full development of the mine and processing plant is subject to stage by stage approvals with the relevant authorities including the EPA. Hastings has been granted Level 2 Lead Agency Project (LAP 2) status by the Western Australian State Government. With the LAP 2 status, a government official is assigned to provide assistance and advice to the company to work through the approvals process.

(d) Construction risks

Construction risks can be categorized into safety, financial, time and industrial relations. These risks can and will impact on each other.

Safety risk will be managed through contractor selection processes which will ensure best practice to minimize potential for harm. Financial risk will be mitigated through the tendering process and contract documentation to minimize opportunity for variation. The schedule or time risk will be managed through applicable contractual clauses and tight contractor management processes. Historical impact of industrial relations in the Australian mining construction sector has been low and this will be further reduced by Hastings engaging good industrial relations practices.

## 8.2 General investment risks

The risks outlined below are some of the general risks that may affect an investment in the Company.

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may be less than liquid depending on an investor's shareholding. As a consequence, investors with a sizeable shareholding may be unable to readily exit or realise their investment.

(c) Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

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## **9 ADDITIONAL INFORMATION**

### **9.1 Disclosing entity**

The Company is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to ASX which a reasonable person would expect to have a material effect on the price or the value of the Company's Shares.

This document contains a summary of information only which the Company does not purport to be complete. The Offer Document is intended to be read in conjunction with the Company's periodic and continuous disclosure announcements lodged with the ASX.

Copies of the Company's announcements can be obtained from [www.asx.com.au](http://www.asx.com.au) or the Company's website [www.hastingstechmetals.com](http://www.hastingstechmetals.com).

### **9.2 Ranking of Rights Issue Shares**

The Rights Issue Shares issued under the Rights Issue will be fully paid and rank equally with Existing Shares.

### **9.3 Rights Issue Offer Document**

This Offer Document is issued pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84).

The Company provided ASX with a notice that complied with the requirements of section 708AA(7) on 2 February 2018. In addition to certain minor and technical matters that notice was required to:

- (a) set out any information that had been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require and expect to find in a disclosure document, for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
  - (ii) the rights and liabilities attaching to the Rights Issue Shares; and
- (b) state the potential effect of the issue of the Rights Issue Shares on the control of the Company and the consequences of that effect.

#### 9.4 Underwriting Agreements

The Company has entered into underwriting agreements (**Underwriting Agreements**) each on the same terms and dated 1 February 2018 with Equator Capital Management Limited (a company in which Charles Lew, Executive Chairman is a director and shareholder), Fong Kah Kuen, Astaman Aziz and Simon Yim (all being long term shareholders of the Company) to severally underwrite the Rights Issue for \$12 million, and with the Company's Directors to severally underwrite the balance of the Rights Issue as follows:

Director	Underwriting commitment	
	Shares	\$
Charles Lew	510,294	158,190
Jean Claude Steinmetz	100,000	31,000
Guy Robertson	161,290	50,000

The Underwriters for \$12.0 million will be paid a 5% underwriting fee. The Company will also be required to reimburse the Underwriters for all of the reasonable costs incurred by them in relation to the Offer.

No Underwriter either has a relevant interest in 5% or more of the Company's Shares or will, as a result of performing their obligations under the Underwriting Agreements, acquire a relevant interest in 19.9% or more of the Company's Shares.

In accordance with the Underwriting Agreements and as is customary with these types of arrangements:

- (a) the Company has (subject to certain limitations) agreed to indemnify the Underwriters, their officers, employees, advisers and related bodies corporate, and the officers, employees and advisers of any of its related

bodies corporate against losses suffered or incurred in connection with the Offer; and

- (b) the Company and the Underwriters have given representations, warranties and undertakings in connection with (among other things) the conduct of the Offer;

An Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate their Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where:

- (a) (Indices fall): any of the S&P/ASX 200 Index or the S&P/ASX 300 Metals and Mining Index as published by ASX is at any time after the date of the Underwriting Agreement falls 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or
- (b) (No Official Quotation): Official Quotation has not been granted for all Rights Issue Shares by the Shortfall Notice Deadline Date or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (c) (Non-compliance with the Corporations Act): it transpires that the Offer does not comply with the Corporations Act; or
- (d) (Restriction on allotment): the Company is prevented from allotting the Rights Issue Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (e) (Takeovers Panel): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (f) (Authorisation) any authorisation which is material to anything referred to in this Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner reasonably unacceptable to the Underwriter;
- (g) (Indictable offence): a director or senior manager of a relevant company is charged with an indictable offence;
- (h) (Termination Events): subject to the event being materially adverse or exposing the Underwriter to a liability under the Corporations Act or otherwise, any of the following events occurs:
  - (i) (Default): default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

- (ii) (Incorrect or untrue representation): any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
- (iii) (Contravention of constitution or Act): a contravention by a relevant company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (iv) (Adverse change): an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any relevant company including, without limitation, if any forecast in the Rights Issue Offer Document becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (v) (Significant change): a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (vi) (Public statements): without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Rights Issue Offer Document;
- (vii) (Misleading information): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of any relevant company is or becomes misleading or deceptive or likely to mislead or deceive;
- (viii) (Official Quotation qualified): the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
- (ix) (Change in Act or policy): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (x) (Prescribed Occurrence): a Prescribed Occurrence occurs;
- (xi) (Suspension of debt payments): the Company suspends payment of its debts generally;

- (xii) (Event of Insolvency): an Event of Insolvency occurs in respect of a relevant company;
- (xiii) (Judgment against a Relevant Company): a judgment in an amount exceeding \$50,000 is obtained against a relevant company and is not set aside or satisfied within 7 days;
- (xiv) (Litigation): litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against any relevant company, other than any claims foreshadowed in this Offer Document;
- (xv) (Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before the underwritten Rights Issue Shares are issued without the prior written consent of the Underwriter;
- (xvi) (Change in shareholdings): there is a material change in the major or controlling shareholdings of a relevant company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a relevant company;
- (xvii) (Timetable): there is a delay in any specified date in the Rights Issue timetable which is greater than 3 Business Days;
- (xviii) (Force Majeure): a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (xix) (Certain resolutions passed): a relevant company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriters;
- (xx) (Capital Structure): any relevant company alters its capital structure in any manner not previously advised to the Underwriters;
- (xxi) (Investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of a related company;
- (xxii) (Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, any member of the European Union, the United Kingdom, the United States of America or other international financial markets;
- (xxiii) (Suspension): the Company is removed from the Official List or the Shares become suspended from Official Quotation and that suspension is not lifted within 24 hours following such suspension; or

(xxiv) (Hostilities): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Japan, the United Kingdom, the United States of America, the People's Republic of China or any member of the European Union.

**9.5 No cooling off rights**

Cooling off rights do not apply to an investment in Rights Issue Shares. You cannot withdraw your application once it has been accepted.

**9.6 No investment advice**

This Offer Document is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Hastings is not licenced to provide financial product advice in respect of Rights Issue Shares. The information contained in this Offer Document does not purport to contain all the information that you may require to evaluate a possible application for Rights Issue Shares, nor does it purport to contain all the information that would be required in a prospectus prepared in accordance with the Corporations Act. It should be read in conjunction with Hasting's continuous and periodic disclosure announcements lodged with ASX.

**9.7 Governing law**

This Offer Document, the Rights Issue and the contracts formed on acceptance of the Applications are governed by the law of Western Australia, Australia.

ENTITLEMENT AND ACCEPTANCE APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**REGISTERED OFFICE:**  
SUITE 506, LEVEL 5  
50 CLARENCE STREET  
SYDNEY NSW 2000  
AUSTRALIA

# HASTINGS TECHNOLOGY METALS LTD

ABN: 43 122 911 399

**SHARE REGISTRY:**  
Security Transfer Australia Pty Ltd

**All Correspondence to:**  
**PO Box 52**  
**Collins Street West VIC 8007**



«Post\_zone»  
«Company\_code» «Sequence\_number»

T: 1300 992 916 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

Code:

Holder Number:

Eligible Holding as at 5.00pm WST  
on 7 February 2018:

Entitlement to Securities 1:17:

Amount payable on acceptance  
@ \$0.31 per Security:

**NON-RENOUNCEABLE SHARE OFFER CLOSING AT 5.00PM WST ON 26 FEBRUARY 2018**

(1) I/We the above named being registered at 5.00pm WST on the 7 February 2018 as holder(s) of Shares in the Company hereby accept as follows:

	NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR	AMOUNT ENCLOSED @ \$0.31 PER SHARE
Entitlement or Part Thereof	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
Additional new Shares *	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>
<b>TOTAL</b>	<input type="text"/> , <input type="text"/> , <input type="text"/>	<b>TOTAL \$</b> <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>

(\* refer to section 5.4 of the Offer Document)

- (2) I/We have enclosed/made payment for amount shown above (following the payment instructions as detailed overleaf).
- (3) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept this form, and how to construe, amend or complete it shall be final.
- (4) I/We authorise the Company to send me/us a substituted form if this form ceases to be current.
- (5) I/We declare that I/we have received a full and unaltered version of the Offer Document either in an electronic or paper format.
- (6) My/Our contact details in case of enquiries are:

**NAME**

**TELEPHONE NUMBER**  
(  )

**EMAIL ADDRESS**

**PAYMENT INFORMATION - Please also refer to payment instructions overleaf.**



**Biller code:** 159483  
**Ref:** <<EFT\_REFERENCE\_NUMBER>>

**Telephone & Internet Banking – BPAY®**  
Contact your bank or financial institution to make this payment from your cheque, savings, debit, or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)

**CHEQUE / MONEY ORDER**

All cheques (expressed in Australian currency) are to be made payable to **HASTINGS TECHNOLOGY METALS LTD** and crossed "Not Negotiable".

**REGISTRY DATE STAMP**

E & O.E.

Your BPAY reference number is unique to this offer and is not to be used for any other offer.

**BPAY PAYMENT OR THE RETURN OF THIS FORM WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.**

**You do not need to return this form if you have made payment via BPAY.**

+

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## LODGEMENT INSTRUCTIONS

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### PAYMENT INFORMATION



**Billers code: 159483**

© Registered to BPAY Pty Ltd ABN 69 079 137 518

Contact your bank or financial institution to make this payment from your cheque, savings, debit, or transaction account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY® applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

**Your BPAY® reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.**

### CHEQUE / MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Australia Pty Ltd  
PO Box 52  
Collins Street West VIC 8007

**Applications must be received by Security Transfer Australia Pty Ltd no later than 5.00pm WST on the closing date.**

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### EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of Securities and the price payable on acceptance of each Security.
2. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.

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### ENQUIRIES

All enquiries should be directed to the Company's share registry:

**Security Transfer Australia Pty Ltd**

**PO Box 52, Collins Street West, VIC, 8007**

**Telephone 1300 992 916**

**Facsimile +61 8 9315 2233**

**Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)**

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### PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

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