Future Producer of Neodymium & Praseodymium to the Permanent Magnet Industry
All currency amounts are in A$ unless stated otherwise.

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The terms “Target” or “Exploration Target” where used in this presentation should not be misunderstood or misconstrued as an estimate of a Mineral Resource as defined in this context. Exploration Targets are conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain further exploration will result in the determination of a Mineral Resource.

Competent Persons’ Statement
The information in this presentation 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 presentation 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 and DFS of the matters based on his information in the form and context in which it appears.

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

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

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Hastings Equity Statistics

Steady growth in market cap since Jan 2014

• Market Cap ~ A$ 220m
• ~ 1200 Shareholders +55% in 2017
• Top 10 shareholders owns ~ 70%
• A$59m raised since 2014
• Cash: A$25m post rights issue
• No Debt
• Included in the ASX All Ordinaries Index
Definitive Feasibility Study (DFS) – Yangibana

Independent Study by Wave International and Snowden

• **JORC Resource of 21m tonnes** supports an initial 8 years mine life on 100% held ground

• Maiden JORC Probable Ore **Reserves of 5.15 million tonnes** on 100% owned ground

• Highest known Neodymium & Praseodymium (Nd-Pr) content at **41% of TREO**

• Mining 1m tonnes pa to produce up to **15,000 tpa** of Mixed Rare Earths Carbonate

• Nd-Pr metallurgical recovery **75.6%** achieved in pilot test plant

• Financial Highlights:
  • **NPV (after tax) = A$466m at 8% discount rate**
  • **IRR = 78%**
  • **EBITDA payback of 2.3 years** from average equity drawdown period
  • Pre-production **CAPEX – A$335m ; OPEX - A$17.06/kg TREO (US$12.8/kg)**

• Additional Production Target will **increase Reserves to 8m tonnes** on 100% owned ground

*The underlying assumptions and production targets have not changed from the date of release of the DFS on 28 November 2017*
Four off-take MOUs signed

70% of Yangibana production under off-take MOUs to German and Chinese customers

➢ Thyssenkrupp Raw Materials GmbH – 5,000 tonnes per annum of Yangibana MREC for 10 years; for the German and European automotive and other industries (28 Feb 2018)

➢ Baotou Sky Rock Rare Earth New Material Co. Ltd – 2,500 tonnes per annum (1 Aug 2017)
   Sky Rock produces high tolerance NdFeB permanent magnets. Main products include
   • Sintered Neodymium Magnets
   • Sintered Samarium Cobalt Magnets

➢ China Rare Earth Holdings Ltd – 2,000 tonnes per annum (1 Sept 2017)
   • CREH started business in 1987 and listed on HKEX in 1999
   • Established manufacturer of rare earth derived and refractory products

➢ Qiandong Rare Earth Group (GQD) – 1,500 tonnes per annum (13 Sept 2017)
   • GQD founded in 1988
   • Through 11 subsidiary companies involved in all parts of the rare earth product supply chain

✓ Chinese offtake - Selling price will be set at average of 3 months market prices prior to shipment

✓ Potential for additional off-take with Japanese customers
Some End Uses for Magnets’ Rare Earth
Yangibana – Western Australia

AAA Sovereign Rating, Established Mining Region
Outcrops and level terrain, easy to mine

• Total Yangibana area ~ 650 km²
• 21 years Mining Leases Granted since March 2016 ~ 50 km²
• Native Title Agreement signed November 2017 covering all tenements
• Various Miscellaneous and General Purpose Leases granted supporting infrastructure
• Application lodged for permits to commence mine construction
### JORC Resources

**High Neodymium and Praseodymium content**

- **Total Measured, Indicated and Inferred Resources now at 21m tonnes**
- **Total Probable Ore Reserve at 5.15m tonnes and Additional Production Target of ~ 2.5m tonnes to be added** on by late 2018
- In-ground ratio of Nd-Pr as % of TREO ranges from 34% (0.40%/1.18%) to as high as 57% locally at Simon’s Find deposit
- Most resources contained on Hastings 100% owned ground and smaller portion on 70% JV ground

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#### Total Yangibana JORC Resources (rounded)

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnes</th>
<th>Nd_2O_3+Pr_6O_11</th>
<th>TREO</th>
<th>Nd_2O_3</th>
<th>Pr_6O_11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>ppm</td>
<td>ppm</td>
</tr>
<tr>
<td>Measured</td>
<td>3,900,000</td>
<td>0.42</td>
<td>1.19</td>
<td>3,372</td>
<td>851</td>
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<tr>
<td>Indicated</td>
<td>8,600,000</td>
<td>0.42</td>
<td>1.25</td>
<td>3,368</td>
<td>858</td>
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<tr>
<td>Inferred</td>
<td>8,400,000</td>
<td>0.36</td>
<td>1.09</td>
<td>2,829</td>
<td>740</td>
</tr>
<tr>
<td>TOTAL</td>
<td>21,000,000</td>
<td>0.40</td>
<td>1.17</td>
<td>3,152</td>
<td>809</td>
</tr>
</tbody>
</table>

#### Hastings 100% owned ground

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnes</th>
<th>Nd_2O_3+Pr_6O_11</th>
<th>TREO</th>
<th>Nd_2O_3</th>
<th>Pr_6O_11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>ppm</td>
<td>ppm</td>
</tr>
<tr>
<td>Measured</td>
<td>3,000,000</td>
<td>0.42</td>
<td>1.06</td>
<td>3,404</td>
<td>809</td>
</tr>
<tr>
<td>Indicated</td>
<td>6,600,000</td>
<td>0.41</td>
<td>1.09</td>
<td>3,324</td>
<td>794</td>
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<tr>
<td>Inferred</td>
<td>5,800,000</td>
<td>0.35</td>
<td>0.93</td>
<td>2,840</td>
<td>684</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15,400,000</td>
<td>0.39</td>
<td>1.03</td>
<td>3,158</td>
<td>756</td>
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</table>

#### Hastings 70% owned JV ground

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnes</th>
<th>Nd_2O_3+Pr_6O_11</th>
<th>TREO</th>
<th>Nd_2O_3</th>
<th>Pr_6O_11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>ppm</td>
<td>ppm</td>
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<tr>
<td>Measured</td>
<td>900,000</td>
<td>0.43</td>
<td>1.64</td>
<td>3,258</td>
<td>997</td>
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<tr>
<td>Indicated</td>
<td>2,100,000</td>
<td>0.46</td>
<td>1.76</td>
<td>3,507</td>
<td>1,061</td>
</tr>
<tr>
<td>Inferred</td>
<td>2,700,000</td>
<td>0.37</td>
<td>1.42</td>
<td>2,806</td>
<td>860</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5,600,000</td>
<td>0.41</td>
<td>1.58</td>
<td>3,134</td>
<td>955</td>
</tr>
</tbody>
</table>

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* Hastings ASX release 22 Nov 2017;
Favourable Terrain

Mineralised out crops, shallow open pit mining
Native Title Agreement signed

Agreement reached with Thiin-Mah Warriyangka, Tharrkari and Jiwarli

• Signed 9th November 2017
• < 1% royalty based on sales for the LoM
• Applicable to all rare earth and niobium mined
• Provision of jobs and training for the community
## Yangibana Advantage – Highest Nd-Pr ratio

### Comparison of REO Distribution & Basket Value Between Hastings and Major Light RE Producers

<table>
<thead>
<tr>
<th>RE Oxide/TREO</th>
<th>Unit</th>
<th>Hastings</th>
<th>China</th>
<th>Outside of China</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Baotou</td>
</tr>
<tr>
<td>Lanthanum</td>
<td>%</td>
<td>9.99</td>
<td>25.94</td>
<td>36.50</td>
</tr>
<tr>
<td>Cerium</td>
<td>%</td>
<td>39.59</td>
<td>50.69</td>
<td>47.90</td>
</tr>
<tr>
<td>Praseodymium</td>
<td>%</td>
<td>8.01</td>
<td>5.15</td>
<td>4.10</td>
</tr>
<tr>
<td>Neodymium</td>
<td>%</td>
<td>33.80</td>
<td>15.90</td>
<td>10.00</td>
</tr>
<tr>
<td>Samarium</td>
<td>%</td>
<td>3.88</td>
<td>1.21</td>
<td>0.70</td>
</tr>
<tr>
<td>Europium</td>
<td>%</td>
<td>0.84</td>
<td>0.22</td>
<td>0.08</td>
</tr>
<tr>
<td>Gadolinium</td>
<td>%</td>
<td>1.80</td>
<td>0.39</td>
<td>0.23</td>
</tr>
<tr>
<td>Terbium</td>
<td>%</td>
<td>0.15</td>
<td>0.05</td>
<td>0.04</td>
</tr>
<tr>
<td>Dysprosium</td>
<td>%</td>
<td>0.50</td>
<td>0.11</td>
<td>0.06</td>
</tr>
<tr>
<td>Yttrium</td>
<td>%</td>
<td>1.14</td>
<td>0.25</td>
<td>0.31</td>
</tr>
<tr>
<td>Other</td>
<td>%</td>
<td>0.29</td>
<td>0.10</td>
<td>0.08</td>
</tr>
<tr>
<td>Economic Value Factor</td>
<td></td>
<td>1.90</td>
<td>1.00</td>
<td>0.72</td>
</tr>
</tbody>
</table>

- Nd-Pr/TREO composition is validated by customers in the MREC
- Economic Value Factor calculated on individual % of REE in the ore body x REO prices
- Yangibana: high Nd-Pr content of 41%
- Yangibana basket price @ USD30.50/kg (Oct 2017) used in DFS
- 9th Mar 2018 basket price is $29.20

<table>
<thead>
<tr>
<th>Basket Price USD/kg</th>
<th>Hastings</th>
<th>China</th>
<th>Outside of China</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29.20</td>
<td>15.35</td>
<td>11.15</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17.45</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12.40</td>
</tr>
</tbody>
</table>
### China F.o.B. Export prices 09-Mar-2018 (USD/kg) & YTD change

<table>
<thead>
<tr>
<th>Oxide</th>
<th>Formula</th>
<th>Price (USD/kg)</th>
<th>YTD change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lanthanum oxide</td>
<td>La2O3</td>
<td>$2.37</td>
<td>1 %</td>
</tr>
<tr>
<td>Cerium oxide</td>
<td>CeO2</td>
<td>$2.30</td>
<td>0 %</td>
</tr>
<tr>
<td>Praseodymium oxide</td>
<td>Pr6O11</td>
<td>$70.50</td>
<td>+11 %</td>
</tr>
<tr>
<td>Neodymium oxide</td>
<td>Nd2O3</td>
<td>$58</td>
<td>+22 %</td>
</tr>
<tr>
<td>Dysprosium oxide</td>
<td>Dy2O3</td>
<td>$190.50</td>
<td>+9 %</td>
</tr>
<tr>
<td>Terbium oxide</td>
<td>Tb4O7</td>
<td>$517.50</td>
<td>+22 %</td>
</tr>
<tr>
<td>Samarium oxide</td>
<td>Sm2O3</td>
<td>$2.25</td>
<td>-2 %</td>
</tr>
<tr>
<td>Europium oxide</td>
<td>Eu2O3</td>
<td>$59.50</td>
<td>-9 %</td>
</tr>
<tr>
<td>Erbium oxide</td>
<td>Er2O3</td>
<td>$26</td>
<td>+2 %</td>
</tr>
<tr>
<td>Holmium oxide</td>
<td>Ho2O3</td>
<td>$64.35</td>
<td>+3 %</td>
</tr>
<tr>
<td>Lutetium oxide</td>
<td>Lu2O3</td>
<td>$671.10</td>
<td>+3 %</td>
</tr>
<tr>
<td>Yttrium oxide</td>
<td>Y2O3</td>
<td>$3.35</td>
<td>0 %</td>
</tr>
</tbody>
</table>

Source: ASIAN METAL 09 Mar 2018
The Yangibana Process and Product

From Mining to Mixed Rare Earth Carbonate (MREC)

Successful Beneficiation and Hydrometallurgy pilot plan test-work proves simple and effective production process flow sheet.

1m t.p.a. mined

MINING
- Open pit contract mining @ rate of 1m t.p.a.
- Total JORC Resource ~ 21m tonnes
- In-ground Total Rare Earth Oxides (TREO) Grade ~ 1.17%

30 - 40k t.p.a. Beneficiated Concentrate

BENEFICIATION
- Upgrade TREO more than 20x from ore to Beneficiated concentrate
- Pilot Plant achieved 23% TREO concentrate
- Post-pilot optimisation - 27% TREO at 85%

HYDROMETALLURGY
- Acid bake, water leach, impurity removal & RE carbonate precipitation
- TREO recovery rates in final MREC =/> lab results
- Produced Samples for offtake customers testing

MREC
- Up to 43% Nd-Pr portion of TREO in MREC
- Removed impurities to acceptable product specifications
- Sale of MREC

~15,000 t.p.a. MREC = ~8,500 t.p.a. REO

* See Company ASX releases for additional information on all processes.

* ASX release: 22-Nov-2017
* ASX release: 20-Mar-2017
* ASX release: 22-May-2017
* ASX release: 22-May-2017
Yangibana Flowsheet

Pilot test work at ALS and ANSTO confirms production process

• **Beneficiation** – more than 20x upgrade with 85% Nd-Pr recovery at optimum conditions

• **Hydrometallurgy** – 41% Nd-Pr content in the Yangibana MREC

Downstream Toll Treatment

Estimated Tolling cost USD 2.50/kg (based on 15,000 tons MREC)

Mixed Rare Earths Carbonate (MREC)

MREC Dissolving

Separation with Solvent Extraction

Separated REE Precipitation

Dewatering of Precipitated Solids

Calcination of Precipitated Solids

Separated RE Oxides to RE Metal/Magnet Maker

Global Separation Capacity

- 85% Inside China
- 15% Outside of China

Excess Separation capacity outside of China includes the separators in Malaysia, India, Vietnam, Kazakhstan/eastern EU, etc.
Global Rare Earth Supply 2016

Supply diversification increasingly strategic

% Total Global Rare Earth Supply

- **China**: 83%
- **Australia**: 11%
- **Russia**: 1%
- **India**: 1%
- **Brazil**: 1%
- **Thailand**: 1%
- **Vietnam**: 1%
- **Malaysia**: 1%

HASTINGS

Second source Supply outside of China

2016 Global Supply 126,000 MT
Excluding Illegal Supply
China aggressively targeting illegal mining in 2017 – expected to reduce global supply.

Source: US Geological Survey, Mineral Commodity Summaries 2017
Global Nd-Pr Oxide Supply Demand 2017 - 2025

Possible shortage - crossover point in 2020

Imports to rise due to higher domestic demand from “Made in China 2025” policy

Exports fall as Japan sources more from Lynas and ROW

Source: Adamas Intelligence 14th International Rare Earth Conference, Nov 2017
NdFeB cheapest by strength per unit/sqcm

<table>
<thead>
<tr>
<th>Materials</th>
<th>Average Price ($/lb.)</th>
<th>Average Max. Energy Product (MGOe)</th>
<th>$/MGOe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Ferrite</td>
<td>2.0</td>
<td>3.5</td>
<td>N/A</td>
</tr>
<tr>
<td>NdFeB</td>
<td>75.0</td>
<td>30.0</td>
<td>2.3</td>
</tr>
<tr>
<td>Samarium-Cobalt</td>
<td>162.0</td>
<td>22.0</td>
<td>7.4</td>
</tr>
<tr>
<td>AlNiCo</td>
<td>27.0</td>
<td>8.0</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Considering weight, material costs and overall strength, the NdFeB magnet offers the **best value for money**

<table>
<thead>
<tr>
<th>Application</th>
<th>2016 USDm</th>
<th>2017 USDm</th>
<th>2022 USDm</th>
<th>CAGR% 2017–2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer electronics</td>
<td>1,933.9</td>
<td>2,090.8</td>
<td>3,078.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Electric motors</td>
<td>1,888.9</td>
<td>2,074.6</td>
<td>3,287.3</td>
<td>9.6</td>
</tr>
<tr>
<td>Sonic equipment, magnetic sensors, actuators and transducers</td>
<td>1,131.8</td>
<td>1,228.5</td>
<td>1,846.8</td>
<td>8.5</td>
</tr>
<tr>
<td>Medical devices</td>
<td>951.9</td>
<td>1,025.1</td>
<td>1,514.4</td>
<td>8.1</td>
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<tr>
<td>Generators</td>
<td>914.5</td>
<td>984.4</td>
<td>1,514.4</td>
<td>9.0</td>
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<tr>
<td>Others</td>
<td>674.7</td>
<td>732.2</td>
<td>1,071.0</td>
<td>7.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>7,495.7</strong></td>
<td><strong>8,135.6</strong></td>
<td><strong>12,311.9</strong></td>
<td><strong>8.6</strong></td>
</tr>
</tbody>
</table>

Blockchain-enabled Supply Chain Platform

A De-Centralised supply chain management tracking system

1. To assure
   • Source of Origin Business Footprint
   • Compliance to International Standards and Regulations
   • Socially Responsible from Mine to Production (Market)

2. To deliver
   • 100% Transparency
   • Good Governance
   • Efficacious & Efficient Cost
   • Market Confidence & Trust

Providing the global community a product value that is both an Economic and Ethical investment!
How does it work? – TRACK & TRACE HASTINGS MREC

**Source Of Origin**
- Yangibana (MREC) *AAA

**Blockchain Platform**
- Tracks each step of goods and services between businesses and across borders
- Decentralised Digital Ledger

**Metal Trader**
- RFID is coded with the Sales Contract ID #C01

**Step 1**
- Each package tagged (tamper proof) RFID or QR Code.
- Data composite : weight, date, time, source
- Ledger of Transactions

**Step 2**
- Smart Contract
  - Computer code on the BC
  - Code facilitates, verifies, enforce performance of contract
  - Automate exchange of value transparently, conflict-free
  - Reliable Pricing & History
  - Removes middleman service

**The mobile App will read the Contract ID and display package info including the source of origin**

Updates location of package using mobile application and syncs the data with the Supply Blockchain Platform.
Early Works Programme

Commenced Q2 2018

- Bulk earthworks contracts scope developed and work to start in April
- 240 room Accomodation village - construction starts in May
- Civil engineering design being finalised for:
  - Access roads
  - Village areas
  - Laydown pad for core and Sample prep yard
- Established an Owners Team for Early Contractor Involvement (ECI) for project construction to completion
- Order Critical Path Long lead time items ie. Rotary Kiln, Sulphuric Acid Plant, SAG mill
• Mining by conventional drill and blast

• Pit optimisations were completed to determine the economic mining limits for each deposit

• Waste dumps located to minimise haulage distances

• Mining schedule based on value creation and waste reduction

• Water supply – sourced from bore-field near to process plant
Capital Cost for Infrastructure A$50-60m

Expected Completion 4Q 2018

- Roads /Bulk Earthworks - Access Roads & and River Crossings
- Accommodation Village and support infrastructure
- Airstrip on site to be constructed 2Q 2019
- Power Plant – Diesel, LNG and Solar being evaluated
- Alternative Trucking & Shipping Logistics – Geraldton vs Fremantle
- Exploring partial funding support for infrastructure with NAIF
## Project Implementation Schedule for Yangibana Rare Earths Project

<table>
<thead>
<tr>
<th>Activities</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definitive Feasibility Study (DFS)</td>
<td>N</td>
<td>D</td>
<td>J</td>
<td>F</td>
</tr>
<tr>
<td>Permitting &amp; Approvals</td>
<td>M</td>
<td>A</td>
<td>M</td>
<td>A</td>
</tr>
<tr>
<td>Design for Access Road &amp; Bulk Earthwork for Accommodation Camp</td>
<td>A</td>
<td>S</td>
<td>J</td>
<td>A</td>
</tr>
<tr>
<td>Construct Access Road &amp; Accommodation Camp</td>
<td>M</td>
<td>J</td>
<td>A</td>
<td>S</td>
</tr>
<tr>
<td>Basic Engineering Design (BED)</td>
<td>J</td>
<td>M</td>
<td>A</td>
<td>M</td>
</tr>
<tr>
<td>Detailed Engineering</td>
<td>J</td>
<td>M</td>
<td>A</td>
<td>M</td>
</tr>
<tr>
<td>Procure Long Lead Equipment - Rotary Kiln</td>
<td>J</td>
<td>M</td>
<td>A</td>
<td>M</td>
</tr>
<tr>
<td>Procure Long Lead Equipment - Sulphuric Acid Plant</td>
<td>J</td>
<td>A</td>
<td>S</td>
<td>J</td>
</tr>
<tr>
<td>Procurement (other equipment &amp; bulk material)</td>
<td>J</td>
<td>A</td>
<td>S</td>
<td>J</td>
</tr>
<tr>
<td>Production Plant Construction</td>
<td>J</td>
<td>A</td>
<td>S</td>
<td>J</td>
</tr>
<tr>
<td>Commissioning</td>
<td>J</td>
<td>A</td>
<td>S</td>
<td>J</td>
</tr>
<tr>
<td>Commercial Production Start</td>
<td>J</td>
<td>A</td>
<td>S</td>
<td>J</td>
</tr>
</tbody>
</table>

Above shows only the main Tender Packages

Critical Path
DFS Capital Cost A$335m

An improvement of 20% from PFS

<table>
<thead>
<tr>
<th>Cost Centre</th>
<th>A$ Million</th>
<th>Cost Centre</th>
<th>A$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Plant</td>
<td>$130.2</td>
<td>Non Process Infrastructure</td>
<td>$105.1</td>
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<tr>
<td>Crushing and Screening</td>
<td>3.6</td>
<td>Mine Infrastructure</td>
<td>3.9</td>
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<tr>
<td>Grinding</td>
<td>14.1</td>
<td>TSF 1, 2 and 3</td>
<td>19.5</td>
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<tr>
<td>Flotation</td>
<td>27.0</td>
<td>Evaporation Pond</td>
<td>0.3</td>
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<tr>
<td>Beneficiation</td>
<td>4.1</td>
<td>Accommodation Village</td>
<td>14.6</td>
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<tr>
<td>Hydrometallurgy</td>
<td>50.9</td>
<td>Roads</td>
<td>22.3</td>
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<tr>
<td>Hydrometallurgy Reagents</td>
<td>8.1</td>
<td>Air strip</td>
<td>1.6</td>
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<tr>
<td>Reagents Plants</td>
<td>19.7</td>
<td>Plant / Mining Buildings</td>
<td>9.8</td>
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<tr>
<td>Pipe Racks</td>
<td>2.7</td>
<td>Water Supply</td>
<td>9.2</td>
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<tr>
<td></td>
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<td>Power Supply</td>
<td>17.0</td>
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<tr>
<td></td>
<td></td>
<td>ICT</td>
<td>0.9</td>
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<tr>
<td>Indirect Costs</td>
<td>$56.3</td>
<td>Other Services</td>
<td>6.2</td>
</tr>
<tr>
<td>Spares &amp; First Fills</td>
<td>5.9</td>
<td>Contingency</td>
<td>43.7</td>
</tr>
<tr>
<td>EPCM Costs</td>
<td>37.6</td>
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<td></td>
</tr>
<tr>
<td>Owners Costs / Pre Production</td>
<td>7.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vendor Support / Commissioning</td>
<td>3.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Insurances</td>
<td>1.2</td>
<td>Total Pre-Production CAPEX</td>
<td>$335.3</td>
</tr>
</tbody>
</table>

DFS Capital Cost A$335m

Process Plant 39%

Contingency 13%

Indirect Costs 15%

Other Costs 2%

Services 10%

Infrastructure 14%

Tailings Facility 6%
DFS¹ Operating Cost A$17.06/kg (US$13.00/kg) of TREO

An improvement of 30% from PFS

- March 2018 MREC Basket Price USD 29/kg
- Opex Costs estimates between USD13/kg and conservatively USD15/kg depending on life of mine
- Estimate for separation costs ~ USD3/kg, rounded up
- Financing costs² up to ~ USD3/kg
  - Conservative est of Pre-tax profit of USD8/kg = 27% profit margin

¹There have been no changes in underlying assumptions or production targets since the DFS was released on 28 November 2017.
²Funding discussions in progress, final costs dependent on structure of financing – a conservative estimate is US$3/kg (DFS US$1/kg)
Funding Programme

Commenced Q1 2018

- Project Finance funding – 65% Debt : 35% Equity
- Senior & Subordinated Debt financing - potential sources:
  - Export Credit Agencies ie. Euler Hermes, JBIC
  - Australian Government funded loan agencies ie. NAIF, CEFC
  - Short term Bridging Loan
  - Off take customer finance
- Working capital financing and trade lines
- Equity – Private Placement, Rights Issue
- Cash post rights issue – A$25m (zero debt)
Projected Funding Schedule and Drawdown

Cash as @ 31 March 2018 - A$25m

HAS Projected Quarterly Drawdown and Proposed Cash Raising (A$’000)

Current  $25M  Mar 18 $50M  Jul 18 $50M  Oct 18 $50M  Jan 19 $150M  Aug 19 $50M

Total Cash  $375M

- Project Finance Loan  $200M
- Subordinated Debt  $50m
- Progressive drawdown in line with Construction expenditure

$50M Shares placement
$50M Mezz Debt / Shares Placement
Guy Robertson
Finance Director & Company Secretary
- 30+ years CFO experience
- CFO for various ASX listed junior mining companies
- Senior finance executive in Jardine Matheson Group in Hong Kong and Australia including Jardine Lloyd Thompson, Colliers Jardine, and Franklins Limited

Charles Lew
Executive Chairman
- Corporate Finance Director HG Asia Securities 1990 - 1997
- MD of ABN Amro Investment Bank Singapore 1997 - 2000
- Independent Director of RHB Banking Group 2004 - 2016
- 30+ years experience in investment banking in London (HSBC & Robert Fleming) and in Singapore
- Private investor and entrepreneur in F&B, real estate, financial services, etc

Jean Claude Steinmetz
Non-Exec. Director / Commercial Director
- Previously Chief Operating Officer for Lynas Corporation
- 25+ years Involved in the chemical industry with Rhodia and General Electric
- Chairman of the Auto Plastic and Innovative Materials Committee of Sino-EU Chemical Manufacturers Association

Experienced Directors and Management Team
Management Team

In depth experience and specialised skills

Andy Border
General Manager Exploration

- 40+ years experience as a geologist
- Rare earths, copper, gold and industrial minerals
- Recent roles include Exploration Manager, COO and MD of a number of ASX-listed companies with projects in Australia and elsewhere

Stefan Wolmarans
Chief Operating Officer

- 20 years experience in planning & management of mining projects including non-process mine infrastructure, municipal, commercial and industrial projects in Australia and Africa.
- Study Leader responsible for delivering the Yangibana Project DFS
- Chartered professional engineer (CPEng:Civil) Australia; Registered Professional Engineer (RPEQ) in Queensland

Hannes Zandberg
Project Director

- 30 years experience in mining, metallurgy, chemical refinery, infrastructure, power generation and advanced control systems; 10 years in operations and 20 years in projects
- Area Manager – SNC-Lavalin Project Services, Project Director - Dundee Precious Metals, Engineering Manager – Moly Mines

Robin Zhang
Process Engineering Manager

- 20+ years experience in R&D, project engineering, plant commissioning & operations
- 8 years at Lynas Corporation - Senior Technical Services & Project Development Manager
- 11 years with Gansu Rare Earth Group, China - Deputy Director of Technical Centre
Summary

- Experienced management team with rare earth production experience
- Definitive Feasibility Study (DFS) completed Nov 2017
- Off-take MOUs signed with Thyssenkrupp, Germany and 3 Chinese RE producers
- Native Title Agreement signed
- Mining Lease granted for 21 yrs since March 2016
- MREC with 41% NdPr content
- Basket price (March 2018): USD29.20/kg
- Mine construction 2Q 2018 Production Q2 2020
- Probable Ore Reserves 5.15m tonnes + ~ 2.5m tonnes 3Q’18
- JORC Resource Estimate currently @ 21.0m tonnes
- Market Cap A$240m
- NPV A$466m
- IRR 78%
- EBITDA payback 2.3yrs
- Cash post rights issue A$25m
- No debt
- Pre-tax profits margin (est) USD8/kg
Thank you.

Q & A