

3 April 2019

ASX ANNOUNCEMENT

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HASTINGS SUCCESSFULLY COMPLETES SHARE PLACEMENT AND LAUNCHES RIGHTS ISSUE

- **A\$12 million raised from share placement at A\$0.17 per share exceeded the original target of A\$10m.**
- **Rights issue to raise up to approximately A\$16,500,000.**
- **Funds raised from placement and rights issue will be used for ongoing construction of the 380 room accommodation village, early infrastructure earth works on the mine site and progress payments for long lead time equipment currently on order.**

Hastings Technology Metals Ltd (**Hastings** or **Company**) (**ASX:HAS**) is pleased to advise that it has successfully completed a placement of A\$12 million after costs to shareholders and investors both in Australia and overseas. The placement shares will be issued at a price of A\$0.17 cents per share and will also be issued with a free Option to subscribe on the basis of 1 free Option for every 2 Placement shares. Existing shareholders have strongly supported the placement in view of the on going progress made by the Company in developing its Yangibana project, a high grade neodymium (Nd) and praseodymium (Pr) rare earth mine under construction in the Gascoyne region of Western Australia.

In addition, the Company has today launched a non-renounceable rights issue on the basis of 1 new ordinary share for every 8 ordinary shares held (**Rights Issue**) at a price of A\$0.17 cents per ordinary share to raise approximately A\$16.5m.

Share Placement

The placement shares priced at A\$0.17 cents per share represent a discount of 12.8% to the 5 day VWAP of A\$0.1946 cents and 15% discount to last Friday's closing price of A\$0.20 cents. For every 2 (two) placement shares subscribed the holder will be entitled to 1 (one) free attaching Option on the basis of 1 Option for every 2 Placement shares. The Option Exercise Price is A\$0.25 cents and has an Expiry date of 12 April 2022. The call option value using the Black Scholes option pricing model is A\$0.062 cents assuming a 64% volatility (based on last 12 months of trading) and a RBA cash rate of 1.5%. The Company intends to apply to ASX for the listing of the Options and will lodge a prospectus with ASIC and ASX in relation to the Options. All securities issued under the placement will be issued in accordance ASX listing rule 7.1.

It is expected that the Placement shares will be allotted by 12 April 2019 and the attaching Options will be allotted 7 days following the lodgement of the prospectus.

Hastings Technology Metals Limited

ABN 43 122 911 399

ASX Stock Code: HAS

Address:

Level 8 Westralia Plaza
167 St Georges Terrace
Perth WA 6000

Box 6 Westralia Plaza
167 St Georges Terrace
Mercantile Lane
Perth WA 6000

Telephone: +61 8 6117 6118

info@hastingstechmetals.com

Board

Charles Lew (Executive
Chairman)

Jean Claude Steinmetz
(Non-Executive Director)

Mal Randall
(Non-Executive Director)

Neil Hackett (Non-Executive
Director and Company
Secretary)

Rights Issue

The 1 (one) for 8 (eight) Rights Issue is on a non-renounceable basis. Eligible shareholders are being offered the opportunity to subscribe for 1 New Share for every 8 existing Hastings shares held as at the Record Date (5:00pm Perth time on 8 April 2019), to raise up to (approximately) A\$16.5 million. Eligible Shareholders who take up their entitlement in full may also apply to subscribe for additional shares in excess of their entitlement. Assuming full take up of the Rights Issue, the Company will issue 97,259,460 new ordinary shares (**New Shares**)

The Rights Issue will be partially underwritten (to A\$1 million) by Hastings' Executive Chairman, Mr Charles Lew.

An offer booklet will be sent to eligible shareholders on or before 11 May 2019.

Use of funds

The funds raised as part of this capital raising exercise will be used to continue construction of the 380 room accommodation village, early infrastructure earth works on the mine site and progress payments for long lead time equipment currently on order, namely the rotary kiln and off-gas scrubber with the remainder used as working capital.

Following this placement, the company has exhausted its LR 7.1 and has remaining approximately [20.7 million] shares spare capacity under LR7.1A. Accordingly, a notice of meeting is to be mailed to shareholders shortly which outlines resolutions to refresh the Company's placement capacity and to seek shareholder approval to refresh the Company's placement capacity and to permit participation of the Directors in this capital raising.

Charles Lew said *"the success of this placement shows the growing attention of investors in permanent magnets and the role they play in the e-mobility revolution as well as in clean and renewable energy space. The funds raised will enable us to continue with the pace of development at Yangibana with the target of coming into production in 1H 2021"*.

For further information please contact:

Mr Charles Lew – Executive Chairman +65 6220 9220

Mr Andrew Reid – Chief Operating Office +618 6117 6118