

26 August 2020

Oversubscribed Placement Raised \$14.6M

- Hastings has received firm commitments to raise \$14.6 million (before costs) at \$0.125 per share (**Placement**).
- An additional \$3.1 million to be raised via a Conditional Placement and a further \$3.0 million to be raised from a fully underwritten Share Purchase Plan (SPP).
- Strong interest received from existing shareholders and new institutional and sophisticated investors resulted in a significantly over subscribed Placement.
- Funds will be used to advance the company's flagship Yangibana Project.

Australia's next rare earths producer, Hastings Technology Metals Limited (ASX:HAS) (**Hastings** or the **Company**) is pleased to announce that it has received firm commitments for a share placement to institutional, sophisticated and professional investors (**Placement**) and provide details about a Share Purchase Plan (**SPP**) and Conditional Placement (together, the **Capital Raise**).

Placement

The Placement will raise approximately \$14.6 million (before costs) from the issue of approximately 117 million new fully paid ordinary shares in the Company to institutional, sophisticated and professional investors (**New Shares**).

The offer price of A\$0.125 per New Share represents a 21.9% discount to the last traded price of A\$0.16 (on 21 August 2020) and a 9.8% discount to the Company's 10 day VWAP of \$0.139.

New Shares are expected to be issued on or around Tuesday, 1 September 2020 and will be issued without shareholder approval under the Company's remaining placement capacity under LR7.1 and LR7.1A (21,900,000 shares under LR7.1 and 95,290,000 shares under 7.1A). For the purposes of LR7.1A the 15-day VWAP is \$0.138.

Hastings Technology Metals Limited

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ASX Code: Shares - HAS

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Board

Charles Lew (Executive Chairman)

Guy Robertson (Finance Director)

Jean Claude Steinmetz (Non-Exec Director)

Neil Hackett (Non-Exec Director and Company Secretary)

Mal Randall (Non-Exec Director)

www.hastingstechmetals.com

SPP and Conditional Placement

The Company received applications significantly in excess of the Placement size. Taking this into consideration and the broad shareholder base of more than 2,000 shareholders within Australia and New Zealand, the Board has decided to conduct a fully underwritten SPP to raise up to an additional \$3.0 million and enable all eligible shareholders to participate in the Capital Raise at the same price as the Placement. Details of the SPP are expected to be sent to eligible shareholders within a week. The record date for the SPP will be 21 August 2020.

Given the significant level of demand and to accommodate as many new investors as possible, a number of cornerstone investors who anchored the Placement prior to launch had to be significantly scaled back. The Company has elected to increase the size of the Placement by approximately \$3.1 million, to accommodate these investors, of which \$2.6 million will be conditional on shareholder approval at an upcoming General Meeting to enable the Company to refresh its capacity to issue new shares under Listing Rule 7.1. (Conditional Placement), and a further \$0.5 million subject to approval outlined below.

The Company's Chairman, Mr Charles Lew, will participate in the raise for an amount of \$0.5 million, subject to shareholder approval at the Annual General Meeting in November 2020. As far as the Company is aware, no other New Shares will be issued or agreed to be issued in the Placement or Conditional Placement to a related party, or otherwise to any person referred to in Listing Rule 10.11.

New shares issued under the Placement and shares issued for the SPP and Conditional Placement will rank equally with existing fully paid shares of the Company. Total funds raised under the Placement, SPP and Conditional Placement are expected to total approximately \$20.7 million.

Ord Minnett Limited acted as the Lead Manager to the Placement.

Use of Funds

Funds raised from the Capital Raise will be used to:

- a) Procure equipment arising from the decoupling of the beneficiation plant and the hydrometallurgy plant;
- b) Further engineering design;
- c) Grade and resource drilling to increase mining reserves;
- d) Mine site works; and
- e) Working capital.

Commenting on the capital raising, Hastings Executive Chairman, Charles Lew said:

“It is gratifying to see the strong interest from new investors in the Hastings story and testament to the hard work done by the Company’s management team in recent months to advance our world-class Yangibana rare earths project from a technical, financial, regulatory and customer point of view.

“I welcome the new investors onto the Hastings register and look forward to offering the same terms to our existing loyal shareholder base through the SPP and Conditional Placement.

“The funds from the capital raising will enable us to continue to drive the Yangibana rare earths project forward alongside our target to begin construction next year.”

This announcement has been approved by the Board for release to the ASX.



About Hastings Technology Metals Limited

Yangibana Project

Hastings Technology Metals Limited (ASX:HAS, Hastings or the Company) is advancing its Yangibana Rare Earths Project in the Upper Gascoyne Region of Western Australia towards production. The proposed beneficiation and hydro metallurgy processing plant will treat rare earths deposits, predominantly monazite, hosting high neodymium and praseodymium contents to produce a mixed rare earths carbonate that will be further refined into individual rare earth oxides at processing plants overseas.

Neodymium and praseodymium are vital components in the manufacture of permanent magnets which is used in a wide and expanding range of advanced and high-tech products including electric vehicles, wind turbines, robotics, medical applications and others. Hastings aims to become the next significant producer of neodymium and praseodymium outside of China.

Hastings holds 100% interest in the most significant deposits within the overall project, and 70% interest in additional deposits that will be developed at a later date, all held under Mining Leases. Numerous prospects have been identified warranting detailed exploration to further extend the life of the project.

Brockman Project

The Brockman deposit, near Halls Creek in Western Australia, contains JORC Indicated and Inferred Mineral Resources, estimated using the guidelines of JORC Code (2012 Edition).

The Company is also progressing a Mining Lease application over the Brockman Rare Earths and Rare Metals Project.

Hastings aims to capitalise on the strong demand for critical rare earths created by the expanding demand for new technology products.

For further information on the Company and its projects visit www.hastingstechmetals.com

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