

18 October 2016

YANGIBANA AIRBORNE SURVEY IDENTIFIES SIGNIFICANT ADDITIONAL RARE EARTHS TARGETS

HIGHLIGHTS

- Detailed independent report by Southern Geoscience identifies significant targets for rare earths mineralisation based on the recent geophysical (aeromagnetic and radiometric) survey.
- 108 individual targets summarised within 22 priority areas/zones, many untested.
- Initial follow up at Fraser's Southwest has intersected mineralisation over widths as predicted from the survey.
- Auer North prospect successfully drill-tested through cover with mineralisation intersected over 2km of strikelength indicating immediate success of the geophysical survey.

INTRODUCTION

Hastings Technology Metals Limited (ASX:HAS) has received the final report of the interpretation of the recent high-resolution (30m height and 25m flight line spacing) airborne magnetic and radiometric survey over the Yangibana Project, in the Gascoyne Province of Western Australia.

Southern Geoscience Consultants Pty Limited (SGC) undertook a litho-structural interpretation of aeromagnetic and radiometric data to identify rare earths targets. The neodymium-rich Fraser's Southwest area was identified for particular attention based on Hastings' earlier mapping and sampling.

The high quality, detailed survey data has delineated rare earths-bearing vein targets and structural sites that control mineralisation.

The radiometric data (Figure 1) were used to identify thorium anomalies, likely mapping monazite-bearing ferrocarbonatite veins.

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The magnetic data (Figure 2) were used to map structures such as faults and shear zones that may control the ferrocarnatite veins, along with the lithological units and contacts.

A total of 108 thorium anomalies were identified, summarised as 22 priority areas of significant exploration interest. These priority areas include the mineralised areas that have been tested to date, establishing the quality of the data and providing confidence in the new targets generated. Eleven areas were identified that have received only limited testing to date.

The Fraser's Southwest area (Figure 3) is one of the priority areas identified in the report. Previous mapping and rock chip sampling has identified a number of ironstone- and phosphorite-hosted rare earths prospects in this area. The SGC report has expanded on the potential of the area by identifying targets in areas on no outcrop. In particular the Auer prospect has been extended by some 2km to the north under cover.

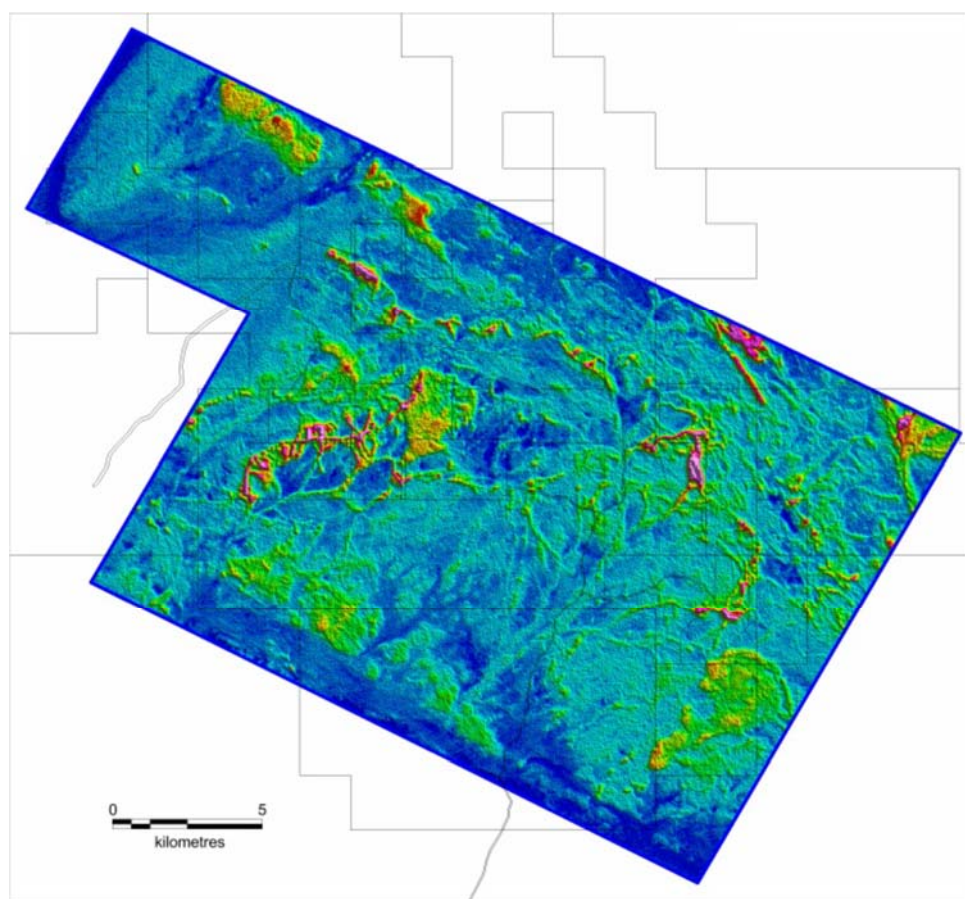


Figure 1 – Yangibana Project – Thorium radiometric image



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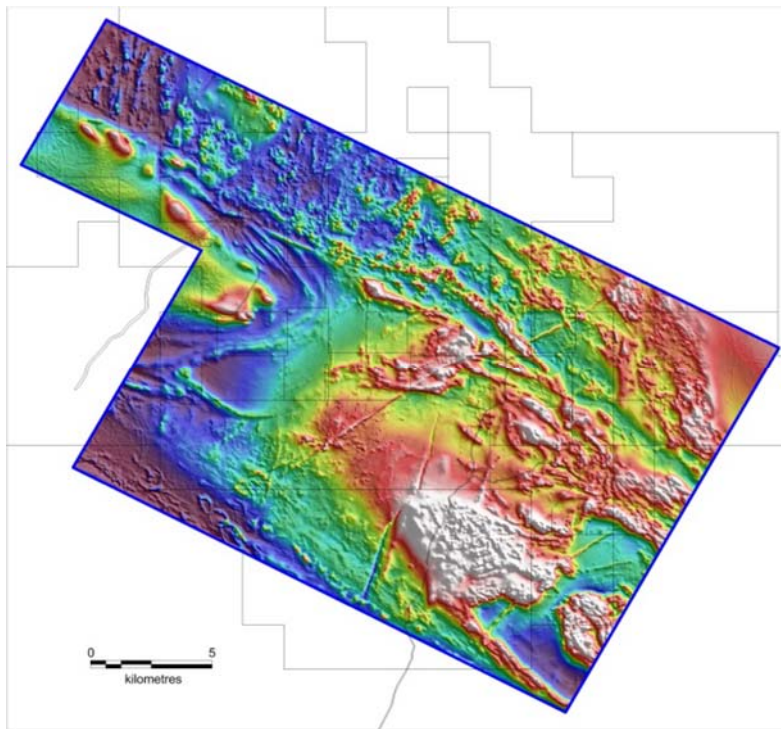


Figure 2 – Yangibana Project – Aeromagnetic image reduced to pole (RTP)

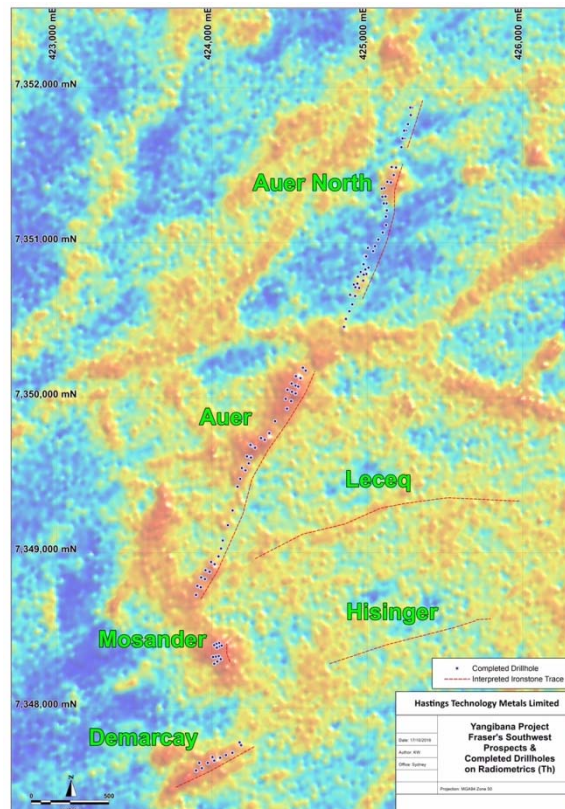


Figure 3 – Yangibana Project, Fraser's Southwest Prospects

Subsequent drilling has now tested this Auer North prospect, intersecting significant widths of mineralisation. Assays are awaited.

INTERPRETATION

SGC completed an initial phase of targeting and interpretation over the Yangibana aeromagnetic-radiometric survey area. This work primarily consisted of identifying thorium anomalies associated with rare earths-bearing ferrocarnatite dykes, along with any associated or discrete magnetic anomalies.

Litho-structural domains were delineated based on their magnetic response (texture and amplitude), and structural fabric, supplemented by reference to the Geological Survey of Western Australia's Edmund 1:100,000 scale geology map.

SGC's detailed aeromagnetic data interpretation map indicates a geologically- and structurally-complex area (Figure 4).

This complexity provides numerous structural sites that can potentially host mineralisation associated with the multi-phase intrusive events that have occurred in the area. The known rare earths prospects are located along major structural boundaries, folded and faulted contact zones, or in other structurally favourable areas. By combining this structural data with the radiometric data, SGC has identified 22 significant areas of exploration interest (Figure 4). Eleven of the identified areas are relatively untested.

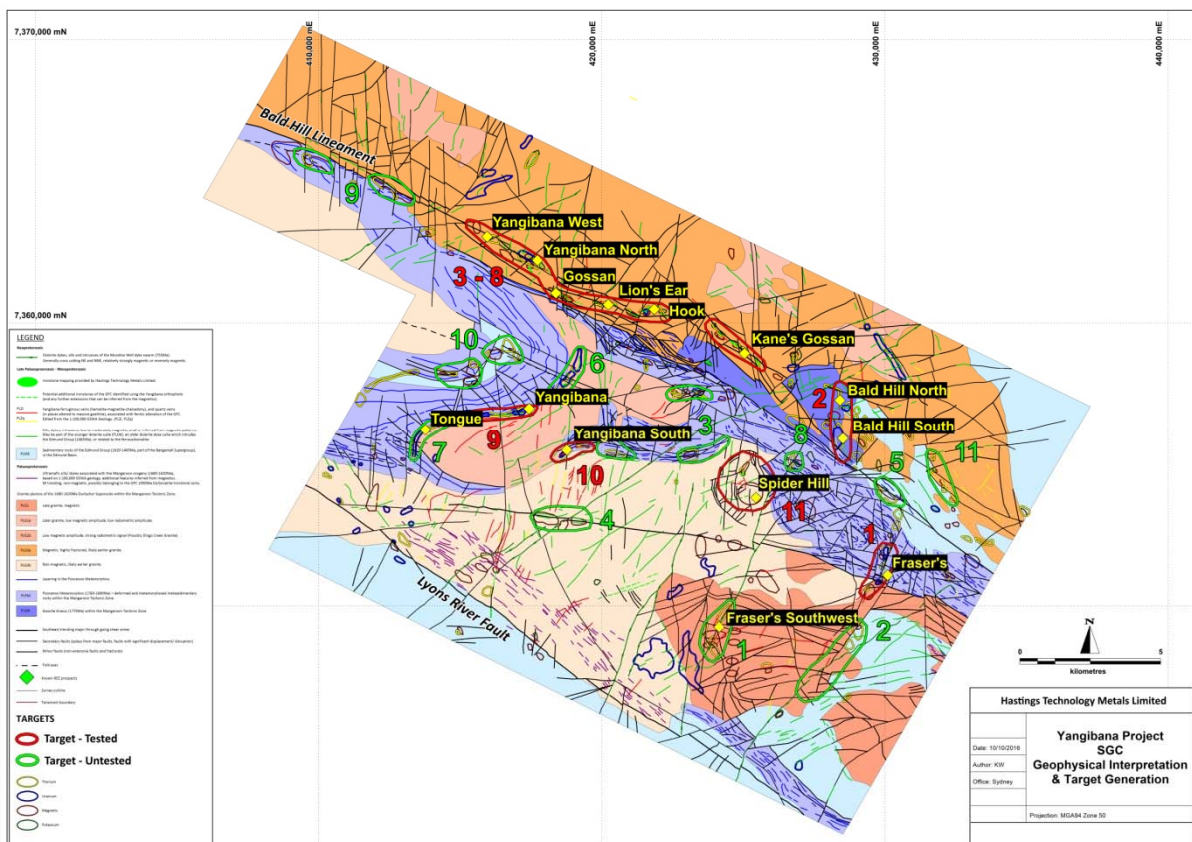


Figure 4 – Yangibana project, interpreted geology and targets identified

Each of the targets identified warrants follow-up detailed magnetic modelling to improve definition prior to drill testing. This magnetic modelling provides information such as the dip and thickness of the target, and the likely depth of cover in areas with no outcrop. Such modelling was carried out by SGC to define the target at the northern end of the Auer prospect in the Fraser's Southwest area. This Auer North prospect has been successfully drill tested over some 2km under cover, intersecting significant widths of mineralisation. Assays are awaited. This confirmed the ability of the geophysical data to define exploration targets.

CONCLUSIONS

The detailed aeromagnetic and radiometric survey provided high quality data that has enabled SGC to undertake a detailed litho-structural interpretation of the Yangibana Project. This interpretation has identified numerous targets warranting follow up, with a number being under cover and hence not previously identified.

Hastings has drill tested one of these hidden targets at Auer North and has successfully intersected the ironstone, magnetite and phosphorite target that hosts rare earths mineralisation elsewhere within the Project. Assays are awaited.

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About Hastings Technology Metals

- Hastings Technology Metals is a leading Australian rare earths company, with two rare earths projects hosting JORC-compliant resources in Western Australia.
- The Yangibana Project hosts JORC Indicated and Inferred Resources totalling 12.36 million tonnes at 1.10% TREO, including 0.35% $\text{Nd}_2\text{O}_3 + \text{Pr}_2\text{O}_3$, comprising 8.13 million tonnes at 1.11% TREO Indicated Resources and 4.24 million tonnes at 1.09% TREO in Inferred Resources).
- The Brockman deposit contains JORC Indicated and Inferred Resources totalling 41.4 million tonnes (comprising 32.3mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.36% Nb_2O_5 and 0.90% ZrO_2 .
- Rare earths are critical to a wide variety of current and new technologies, including smart phones, hybrid cars, wind turbines and energy efficient light bulbs.
- The Company aims to capitalise on the strong demand for critical rare earths created by expanding new technologies.

Competent Persons' Statement

The information in this announcement that relates to Geophysical Exploration Results is based on information compiled by Mr Russell Mortimer, who is employed as a Consultant to the Company through geophysical consultancy Southern Geoscience Consultants Pty Ltd. Mr Mortimer is a member of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists. The information in this announcement that relates to Exploration Results is based on information compiled by Andy Border, an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy.

Each has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Each consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.