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9 July 2024

LEADING PERMANENT MAGNET PRODUCER, JL MAG TO BECOME 9.8% STRATEGIC INVESTOR IN HASTINGS

HIGHLIGHTS

- The world's leading producer of rare earths permanent magnets, JL Mag Rare-Earth Co., Limited ("JL Mag"), via its wholly-owned subsidiary JL Mag Green Tech (Hong Kong) Company Limited to make $7 million strategic investment in Hastings (19.6 million shares at $0.36 per new ordinary share utilising its placement capacity under ASX Listing Rule 7.1)
- Following completion of the strategic investment, JL Mag will own 9.8% of the enlarged issued share capital of Hastings, and Han Yu, Vice President of JL Mag, will join the Board of Hastings
- The price is at a premium of 22.8% to Hastings' 10-day volume weighted average price ("VWAP") of $0.2932 and 38.8% premium to the 30-day VWAP of $0.2593 up to and including 5 July 2024
- Hong Kong Stock Exchange listed JL Mag has a market capitalisation of HK$16.4 billion / A$3.1 billion and is the world's number one producer of high-performance rare earth permanent magnets by volume and is also widely acknowledged as the world leader in the application of Grain Boundary Diffusion technology for magnets
- Hastings can offer JL Mag to participate in future capital raisings to maintain its 9.8% shareholding (subject to regulatory and shareholder approvals)
- JL Mag's global customer base includes: the world's top 10 Neighbourhood Electric Vehicles ("NEV") manufacturers, eight of the world's top ten variable-frequency air-conditioners ("VFAC") compressor manufacturers and five of the world's top ten wind turbine generators
- Investment proceeds will be used to advance the flagship Yangibana Rare Earths Project in Western Australia towards production, of which 32% of total project cost has been completed.

Hastings Technology Metals Ltd (ASX:HAS) ("Hastings" or "the Company") and JL Mag Rare-Earth Co., Limited, a company listed on both the Hong Kong Securities Exchange (SEHK:6680) and Shenzhen Stock Exchange (SZSE:300748), are pleased to announce a $7 million strategic investment whereby JL Mag has agreed to subscribe for 19,647,000 fully paid new ordinary shares at $0.36 per share representing a 9.8% shareholding in Hastings based on the enlarged share capital.

The investment proceeds will be used to advance the Yangibana Rare Earths Project ("Yangibana Project") and supplements the $16 million previously raised in April 2024 from the completed renounceable rights issue.

Hastings has already completed the construction of the mine infrastructure for the Yangibana Project. The Company is planning to complete the project debt funding and start construction of its beneficiation plant in Q4 2024 to produce 37,000 tonnes per annum of mixed rare earth concentrate scheduled for first production in H1 2026.

Commenting on the strategic investment, Hastings Executive Chairman, Mr. Charles Lew, said:

"I am very pleased to welcome JL Mag as a long-term, strategic investor in Hastings. JL Mag's position as the world's number one producer of high-performance rare earths permanent magnets makes it a highly valued partner for Hastings as we move the Yangibana Rare Earths Project forward into production."

"This year has seen significant cost reductions and improved economics at the Yangibana Project. To be able to attract support from JL Mag is a strong vote of confidence in the management of Hastings and our long-term prospects. We will continue to advance the Yangibana Project into beneficiation process plant construction and production and create long-term value for our shareholders."

About JL Mag Rare-Earth Co., Ltd

JL Mag is a high-tech enterprise that researches, develops, produces, and sells high-performance neodymium sintered magnets and magnetic components. In 2023, JL Mag was ranked first in high-performance rare earth permanent magnet production by volume and was also acknowledged as the leader in the application of Grain Boundary Diffusion technology for magnets.

As a leading supplier in the new energy, energy conservation, and environmental protection sectors, JL Mag's products are extensively utilised in new energy vehicles, automotive parts, energy-saving air conditioners, wind power generation, electronics, robotics, industrial motors, elevators, and rail transit systems. JL Mag's global customer base includes: the world's top ten NEV manufacturers, eight of the world's top ten VFAC compressor manufacturers and five of the world's top ten wind turbine generators.

Since 2019, JL Mag's production capacity increased from 8,800 tonnes per annum (tpa) to 23,000 tpa and sales revenue grew at a compound annual growth rate of 32%. Sales in 2023 was RMB6.7bn (US$920m) and gross profit was RMB1.07bn (US$148m). The company's expansion plans will see its production capacity increase to above 40,000 tpa by the end of 2025.

JL Mag is listed on the Hong Kong Securities Exchange (SEHK:6680) and Shenzhen Stock Exchange (SZSE:300748) with a market capitalisation of HK$16.4bn (US$2.1bn).

Authorised by the Board for release to the ASX.

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ABOUT HASTINGS TECHNOLOGY METALS LIMITED

Hastings Technology Metals Limited is a Perth-based rare earths company focused on the development of its 100% owned Yangibana Rare Earths Project. Located in the Gascoyne region of Western Australia, the Yangibana Project contains one of the most highly valued deposits of NdPr in the world with an NdPr to Total Rare Earth Oxides ratio of up to 52% in some areas of the orebody.

With an initial mine life of 17-years, the Yangibana Project will become a globally significant source of NdPr, a critical component in the manufacture of permanent magnets used in advanced technology products including electric vehicles, renewable energy, humanoid robotics, and digital devices.

The Yangibana Project is fully permitted for immediate development and is well-timed to meet the forecast supply gap for rare earth elements accelerated by the growth in electric vehicles and wind turbines, both vital for the global energy transition. It will be developed in two stages with an initial focus on the construction of the mine and beneficiation plant to produce 37,000 tonnes per annum of mixed rare earth concentrate.

Hastings continues to assess downstream processing opportunities including the development of a hydrometallurgical and oxides separation plant to capture more value of the rare earth to magnet supply chain. Additionally, the Company holds a strategic 21.5% shareholding in TSX-listed Neo Performance Materials Inc., a global rare earth processing and permanent magnets producer with operations in China, Estonia, Thailand and Singapore.

For more information, please visit www.hastingstechmetals.com

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Appendix 1 - Binding Term Sheet

Parties	▪ Hastings Technology Metals Ltd ▪ JL Mag Green Tech (Hong Kong) Company Limited
Transaction	▪ JL Mag Green Tech (Hong Kong) Company Limited (or related entity) to subscribe for 19,647,000 ordinary shares in Hastings ▪ JL Mag Green Tech (Hong Kong) Company Limited will own 9.8% of Hastings based on enlarged share capital post-placement
Placement Amount	▪ $7,072,920 (subscription sum)
Purpose	▪ Funds raised from the shares subscription will be used for the development of the Yangibana Rare Earths Project and working capital
Structure	▪ Hastings to issue the shares to JL Mag Green Tech (Hong Kong) Company Limited via its placement capacity under ASX Listing Rule 7.1 as approved by shareholders at the AGM in November 2023
Anti-Dilution Construct	▪ Hastings can offer JL Mag Green Tech (Hong Kong) Company Limited to participate in future capital raisings to maintain its 9.8% shareholding (subject to regulatory and shareholder approvals)
Placement Price	▪ $0.36 ▪ 22.8% premium to Hastings' 10-day volume weighted average price (VWAP) of $0.2932 per share and 38.8% premium to the 30-day VWAP of $0.2593 per share up to and including 5 July 2024; and ▪ 7.5% premium to Hastings last traded price on 5 July 2024 of $0.335 per share
Other Terms/ Conditions	▪ Final documentation (Subscription Agreement) ▪ JL Mag Green Tech (Hong Kong) Company Limited will be offered one Board seat on the Hastings' Board ▪ The closing of the transaction shall be subject to customary approvals

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