

28 November 2024

## Hastings signs MOU with Ministry of Investment, Kingdom of Saudi Arabia as part of their GSCRI program

Hastings Technology Metals Limited ("**Hastings**" or the "**Company**") and the Ministry of Investment of Saudi Arabia ("**MISA**") have entered into a non-binding Memorandum of Understanding ("**MOU**"), as one of nine parties selected for their Global Supply Chain Resilience Initiative ("**GSCRI**") program totalling SAR 35 billion (US\$9 billion / A\$14 billion). This MOU sets out the intent of MISA and Hastings to establish a framework for cooperation between MISA and Hastings to create an integrated rare earths downstream processing supply chain in the Kingdom of Saudi Arabia ("**KSA**").

This MOU, in the Metals and Mining sector, signed and announced by MISA represents KSA's growing mining industry as part of their "**Vision 2030**" plan to diversify their economy and reduce reliance on oil revenue with a focus on 1) high tech industry 2) unlocking downstream opportunities 3) jobs and skill upgrading and 4) research and development.

The MOU sets out the strategy for Hastings to develop a fully integrated downstream rare earths processing facility with the support of MISA through their GSCRI program. In May last year, Hastings announced a two-stage strategy for the development of its Yangibana Rare Earths and Niobium Project<sup>1</sup>:

- **Stage 1:** Involves the construction of a Beneficiation Plant at the Yangibana Rare Earths and Niobium Project mine site in the Gascoyne Region of Western Australia, which is now 33% complete.
- **Stage 2:** Includes the development of a Hydrometallurgical Plant. Hastings will conduct assessments of various sites, including at Onslow in Western Australia, Estonia (MOU with the Estonian Government<sup>2</sup>) and in KSA, in determining its final location for Stage 2.

Decision on the development and location of Stage 2 will be assessed in terms of operating cost competitiveness and availability of financing support, as well as the ability to implement a shared vision to establish an integrated mine-to-magnet supply chain. The MOU with MISA provides Hastings with an opportunity to assess KSA as a location for its Stage 2 plant over the next six months as well as advance funding discussions with suitable Saudi Joint Venture partner(s). Rare earths magnet products produced in KSA are well positioned to supply components into Original Equipment Manufacturers (OEMs) and Tier 1 suppliers located in Europe, US and Middle East markets. Under the terms of this strategic MOU and collaboration, MISA will support Hastings to:

- refresh its Bankable Feasibility Study ("**BFS**") based on the location of the Hydrometallurgical Plant in the KSA;
- secure strategic Joint Venture ("**JV**") partners, and facilitate the development and signing of a Joint Venture Agreement ("**JVA**") to develop the Hydrometallurgical Plant in KSA;

<sup>1</sup> Refer ASX Announcement 31 May 2023 'Corporate Presentation – Staged Development Strategy'

<sup>2</sup> Refer ASX Announcement 29 January 2024 'Hastings and Estonian Government to Jointly Evaluate Downstream Processing Opportunities'

- facilitate access to potential KSA-based funding, as well as identify suitable local partners for all stages of business establishment (which includes Saudi Industrial Development Fund (“SIDF”) which can lend up to 75% of the Project cost); and
- provide Hastings further assistance as required, including guidance on licensing, legal, compliance, and regulatory matters in the KSA.

**Hastings Executive Chairman, Charles Lew said:** *“Hastings is pleased to have signed the MOU with MISA as the Company continues to progress its two-stage development strategy at Yangibana as part of our vision to create an integrated mine-to-magnet supply chain. Hastings looks forward to working with the Saudi Government to assess plans for the construction of a Hydrometallurgical Plant and downstream facilities in the KSA as well as working to secure KSA JV Partners and development financing support”.*



Hastings visit to Riyadh, KSA, to visit Government Ministries and Sponsors



Hastings’ Director, Jean-Claude Steinmetz presenting at the World Investment Conference in Riyadh where nine investment deals under Saudi Arabia’s Global Supply Chain Resilience Initiative (GSCRI) was announced

Furthermore, Hastings has successfully obtained the required Industrial Investment License from MISA in October 2024, enabling the Company to proceed with the necessary due diligence work in KSA. The collaboration with MISA involves four phases as set out in Appendix 1. Phase 1 (of Stage 2) will see the use of Hastings process flowsheet and hydrometallurgical equipment currently in storage in Perth, Western Australia<sup>3</sup>.

<sup>3</sup> Refer ASX Announcement 26 November 2024 ‘Annual General Meeting 2024 Presentation’ Slides 17 & 18

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Within the framework of this MOU, JL Mag Rare-Earth Company Ltd (“**JL Mag**”) is the designated offtaker for the downstream products in Phase 3. JL Mag is the world’s #1 leading producer of rare earths permanent magnets by volume, and widely acknowledged as the world leader in the application of Grain Boundary Diffusion technology for magnets. JL Mag is listed on the Hong Kong Stock Exchange (Code:6680) and has a market capitalisation of HK\$27.8 billion / A\$5.5 billion<sup>4</sup>.

JL Mag will become a 9.8% strategic investor in Hastings with Vice President – International of JL Mag, Mr Han Yu will be JL Mag’s nominee on Hastings Board<sup>5</sup>. JL Mag’s global customer base includes the world’s top 10 New Energy 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.

Hastings has been approached on opportunities to relocate its Stage 2 plant in KSA over the past 12 months. It recently appointed Mr Mohammed Mugaibel as its KSA country representative to accelerate the KSA JV company and assist with update of the BFS and regulatory approvals. Mr Mugaibel has over 20 years’ experience and has worked previously with KSA groups and Government entities such as Saudi Basic Industries Corporation (“**SABIC**”), Ma’aden and Dussur within their business development teams. Mr Mugaibel has a Bachelor of Chemical Engineering from Oregon State University, US and MBA from KSU, Georgia, US.

For further information regarding Hastings, please visit the ASX platform (ASX: HAS) or the Company’s website [www.hastingstechmetals.com](http://www.hastingstechmetals.com)

Authorised by the Board for release to the ASX.

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<sup>4</sup> as at 25 November 2024 S&P Capital IQ Pro

<sup>5</sup> Refer ASX Announcement 9 July 2024 ‘JL Mag to become 9.8% Strategic Investor in Hastings’

## APPENDIX 1

The MOU involves four phases to be implemented progressively with JV parties, with the first phase using Hastings' Hydrometallurgical Plant equipment currently in storage in Perth, Western Australia.

Total investment for the four phases is expected to range between SAR 5.6 and 7.2 billion (US\$1.5 billion - 1.9 billion), over a period of up to 10 years. Hastings' focus is on phase 1, and funding will be procured over the various stages through JV structures and funding from KSA entities such as SIDF (for up to 75%).

**Phase 1:** Construction and management of a Hydrometallurgy Plant to produce a Mixed Rare Earth Carbonate with an annual production capacity of 15,000 tonnes.

**Phase 2:** Establishment of a SX Separation Facility to produce rare earth oxides.

**Phase 3:** Establishment of a Refining and Downstream Manufacturing Facility.

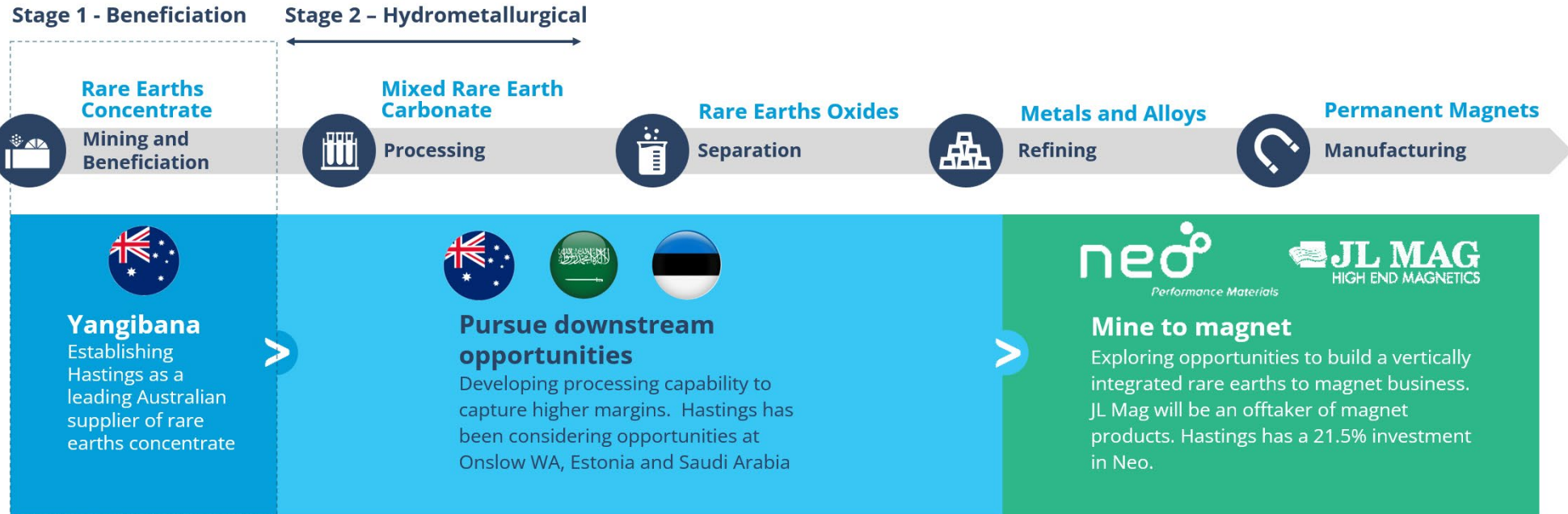
**Phase 4:** Sourcing rare earths concentrate supply from local mines in KSA.

This represents a strategic opportunity for KSA to realise its Vision 2030 industrial diversification and in becoming a major participant in the global rare earths magnets supply chain.

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## APPENDIX 2 – HASTINGS MINE TO MAGNET STRATEGY

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## APPENDIX 3 – HYDROMETALLURGICAL EQUIPMENT IN STORAGE

The majority of the A\$67m in Stage 2 Hydrometallurgical Plant equipment is in industrial storage in Western Australia which can be transported to the final Stage 2 location.

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Acid Bake Kiln (weight 100 tonnes)



Transportation to Storage



Main Ducting to Venturi Scrubber



Uranium Removal Circuit



Filtrate Return Pumps Skid



Filtrate Receiver to Storage Tank Piping



Regen Liquor Transfer Pumps Skid



Cloth Wash Pumps Skid



Main Venturi Scrubber



Main Stack



Storage Warehouse



Halide Conductivity Probe Board

## 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 and Niobium 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 Oxide 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 plant to capture more of the rare earth value chain. The Company holds a strategic 21.5% shareholding in TSX-listed Neo Performance Materials Inc., a leading global rare earth processing and permanent magnets producer, providing additional scope to create an integrated mine to magnet supply chain.

Hastings recognises in its geological model and mine plan the potential for a multi-commodity recovery process stream which underpins the economic recovery of rare earth minerals and associated critical minerals like ferro-columbite, and hafnium-enriched zircon.

For more information, please visit [www.hastingstechmetals.com](http://www.hastingstechmetals.com)

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