



ASX Announcement

26 April 2012



The Manager
Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

Hastings Rare Metals Limited
ACN 122 911 399

Level 9, 50 Margaret Street
Sydney NSW 2000
PO Box R933 Royal Exchange
NSW 1225 Australia

Telephone: +61 2 9078 7674
Facsimile: +61 2 9078 7661
admin@hastingsraremetals.com
www.hastingsraremetals.com

Directors
David Nolan (Chairman)
Steve Mackowski (Director)
Anthony Ho (Director)

Advisory Board
Tony Grey
Dr Tony Mariano

ASX Code: HAS

Shares on Issue 125 million

MARCH 2012 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- **\$5.4 million capital raising completed.**
- **Hastings joins the Rare Earth Industry and Technology Association (REITA).**
- **Jacobs Engineering appointed project manager for Hastings project development.**
- **ANSTO engaged to undertake rare earth test work.**
- **Composite test work samples delivered and in transit to ANSTO.**
- **Airborne hyperspectral survey completed for Yangibana project.**

CORPORATE

Capital Raising

A capital raise of \$5.38 million was completed on 13 April 2012.

The raise was completed in two tranches. The first was completed on 8 February 2012 with the issue of 33,200,000 shares at 10 cents per share raising \$3.32. Tranche two was completed post an EGM on 11th April by the issue of a further 20,600,000 shares at 10 cents per share raising \$2.06 million. The raise included the issue of a free attaching option on a one for one basis with an exercise price of 15 cents per share and an expiry date of 31 March 2014. The Company is making an application to the ASX to have the options listed.

New shareholders included A1 Investments, a Japanese specialist rare earths fund, and Singapore based UOB (Union Overseas Bank) Kay Hian Private and Swift Resources. Institutional shareholders now make up approximately 20% of the share register.

European Trade Mission

Hastings has been requested to participate in an Industry, Technology, and Government trade mission to Europe in May. The mission is organised by the WA Chamber of Minerals and Energy and is in response to requests from a consortia of German, French and English industries looking to develop relationships with rare

earth suppliers to meet the long term needs of the high technology and green energy industries. The focus will be on automotive, wind turbine and high speed train industry leaders but opportunities to meet with other non-magnet industries are scheduled. Meetings will be held with the major vehicle manufacturers and other European manufacturers using rare earth products.

Hastings sees this opportunity as a significant point in time when Hastings is looking forward to the financing of the Hastings Project through the pilot plant and bankable feasibility phases. The invitation by the WA state government and leading industry body provides confirmation of the significance of Hastings as the major heavy rare earth project in WA.

REITA

Hastings' recently became a Corporate Member of the Rare Earth Industry and Technology Association (REITA). The participation will allow Hastings to work with REITA, a worldwide rare earths industry body, in the achievement of mutual objectives which include the development of the industry, responsible stewardship, engendering industry cooperation and active research and development to identify new opportunities. Other REITA members include Lynas, Molycorp, Avalon, Rhodia and Neo Materials.

HASTINGS PROJECT

During the quarter the Company announced the appointment of Jacobs Engineering Group (formerly Aker Solutions) as project manager for the Hastings HREO project development, located near Halls Creek in the east Kimberley region of Western Australia. Jacobs will work with the Company to progress the project development through to the Pre-Feasibility Study (PFS) stage. This will include flow sheet design, mass balance, OPEX and CAPEX determination.

ANSTO (Australian Nuclear Science and Technology Organisation) has been engaged to undertake the chemical test work on the project. The objectives of the test work are to:

- Validate and verify the work done 20 years ago by previous developers, West Coast Holdings; and
- Optimise the product suite reflecting the value of the dysprosium and yttrium content, both high value heavy rare earths, whilst including by products zirconium(Zr), niobium (Nb) and tantalum (Ta).

This will allow design of a pilot plant and conduct of a pre-feasibility study.

A composite sample that was collected during the 2011 reverse circulation (RC) drilling programme was delivered to ANSTO for preliminary sulphation and extraction tests during the period. A larger, approximately 900kg, sample was collected on site from stored RC samples and is currently in transit to ANSTO. This sample will be used for further test work on removal of Zr, Nb and Ta.



Figure 1: Hastings Project Location

YANGIBANA PROJECT

The Company has completed an airborne hyperspectral survey to cover the whole of the Yangibana Project area in the Gascoyne Province of Western Australia, where Hastings holds a 60% interest.

The survey was flown early in April and preliminary imagery will be available in the near future with the final processed imagery by the end of May 2012. This imagery will comprise high resolution base-map mosaics, and primary mineralisation and secondary alteration mineral assemblage maps. These maps will define the various alteration zones over the whole project and will identify the distribution of carbonatite and iron oxide minerals in the surveyed area.

This data will assist future fieldwork which is to be targeted at both the known ironstone – rare earth zones and also the as yet barely tested potential for carbonatite-hosted rare earth mineralisation.

The Yangibana project is centred approximately 270km east-northeast of Carnarvon on Gifford Creek Station in the Gascoyne region of Western Australia. Rare earth elements are known to occur in association with ironstone lenses within the Yangibana tenements (Figure 2).

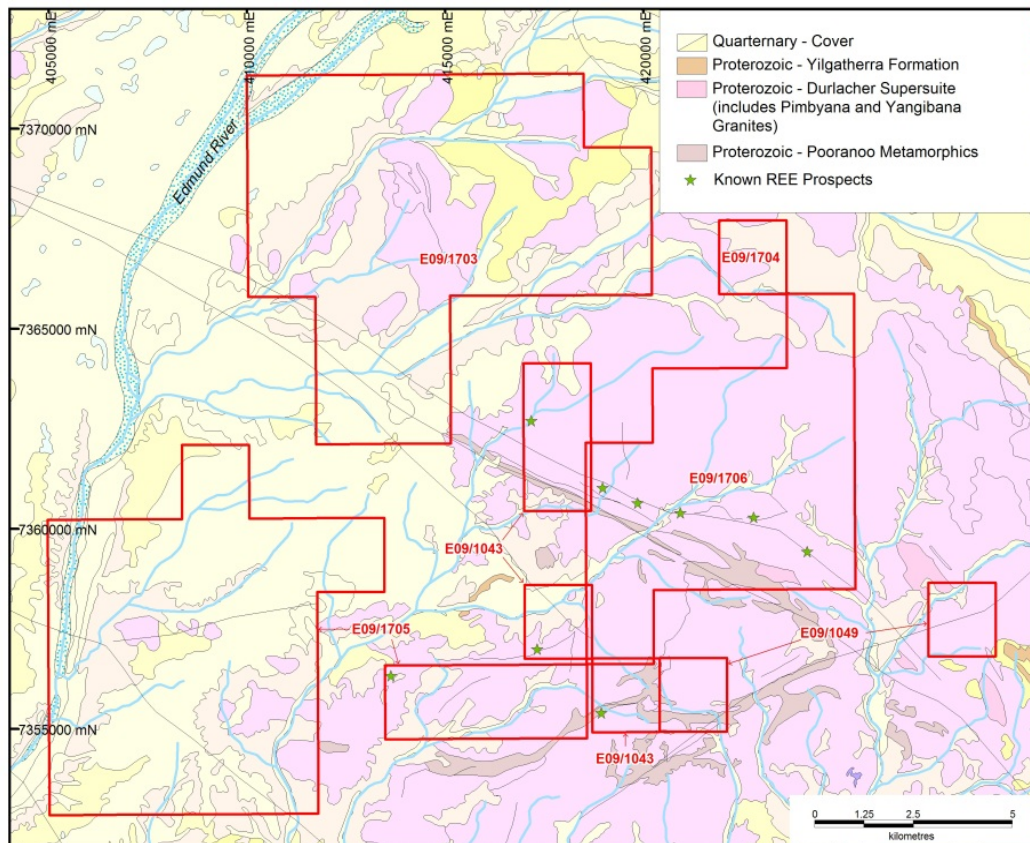


Figure 2 – Yangibana Project tenements, geology and known REE prospects

For further information please contact:

Hastings Rare Metals Limited, Tel: (02) 9078 7666 www.hastingsraremetals.com

About Hastings

In 2011 Hastings was acquired and became a listed ASX company focused on the advanced Hastings Heavy Rare Earth project and also a majority interest in the Yangibana rare earth project both located in the North West of Western Australia.

Hastings has JORC Compliant Resource of 36.2 million tonnes (27.1 indicated and 9.1 inferred)@ 2102ppm (0.21%) Total Rare earth Oxides (TREO) including 85% Heavy Rare Earth Oxides (HREO) 3546ppm (0.35%) Nb₂O₅ 8913ppm (0.89%) ZrO.

- Hastings projects include significant resources of Dysprosium and Yttrium and Yangibana contains Neodymium, three of the critical rare earths (CREO).
- The Hastings project mineralisation contains 85% HREO to TREO the highest percentage of all advanced exploration projects.

Previously owned by the predecessor of Molycorp, it has undergone extensive development work in the 1980s including metallurgical test work and the construction of a pilot plant in 1989. The project is at an advanced stage with the current work focused on validating previous work and optimising product suite.

A leading team of rare earth experts has been engaged to take the project forward.

For further information please contact:

David Nolan Steve Mackowski
Chairman Technical Director
dnolan@hastingsraremetals.com smackowski@hastingsraremetals.com

Media contact: Mark Westfield, Westfield | Wright +61 457 805 838

Hastings Rare Metals Limited, Tel: (02) 9078 7674
www.hastingsraremetals.com

Competent Person's Statement

The information in this presentation that relates to Resources is based on information compiled by Simon Coxhell. Simon Coxhell is a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy. Simon Coxhell has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this presentation and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Simon Coxhell consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results is based on information compiled by Andy Border. Andy Border is a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy. Simon Andy Border has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this presentation and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Andy Border consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.