

ANSTO test work confirms successful rare earths recoveries at Hastings heavy rare earths project

Highlights

- ANSTO completes first stage of test work program
- Recoveries of heavy rare earths of 70% to 80% match the historic results
- Rapid progress is being achieved by leveraging historic work

Hastings Rare Metals Limited (ASX Code: HAS) announced in April that it had engaged the Australian Nuclear Science and Technology Organisation (ANSTO) to review the processing flow sheet for the Hastings project. The primary objective was to validate and verify Stage 1 of the flow sheet that was developed as part of the 1990 pilot plant tests in Warren Spring, UK (refer attached diagram).

The program involved a range of bench tests to investigate the extraction of rare earths and other valuable components by sulphation baking and water leaching a representative sample of ore. The program is focussed on the extraction of heavy rare earths, such as Dysprosium and Yttrium.

Hastings Rare Metals is pleased to announce that the first stage of test work has been completed successfully. The rare earths recoveries matched the results of the 1990 pilot plant, and were in a range of 70% to 80% when testing different operating conditions.

Steve Mackowski, Technical Director, stated: "These results validate the advanced status for this project. All rare earths projects go through a very detailed program of experimental work to "crack the chemistry". The 1990 work at the Warren Spring pilot plant did just that. We have taken just 6 months to get to a stage of development that can take 2-3 years. Together with our JORC resource and advanced metallurgy, we are on track to be an early producer of dysprosium and yttrium to the world market."

Next steps: The next steps for the Hastings project are:

- To feed the results of the ANSTO work into the scoping study work currently being undertaken by Jacobs Engineering.
- To conduct additional optimisation work on the sulphation process, conduct work on the extraction of niobium and zirconium, and then commence work on the separation stage (Stage 2).
- The scoping study is on schedule for completion and reporting by the end of August 2012.

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Steve Mackowski (Technical Director)
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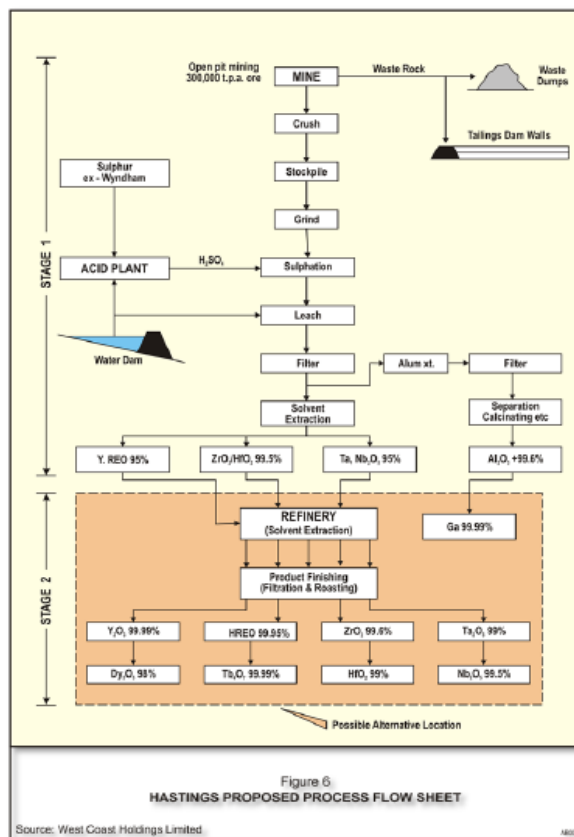
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Flow Sheet (1990) to be verified and validated

About Hastings Rare Metals

- Hastings Rare Metals is a leading Australian rare earths company, with two rare earths projects in Western Australia.
- Rare earths are critical to a wide variety of current and new technologies, from smart phones to hybrid cars and from wind turbines to energy efficient light bulbs.
- The Hastings deposit contains predominantly heavy rare earths (85%), such as Dysprosium and Yttrium, which are substantially more valuable than the more common 'light' rare earths.
- The company aims to capitalise on the strong demand for heavy rare earths created by expanding new technologies. It is currently validating the extensive historical work and undertaking further scoping studies to confirm the economics.

Competent person statement - The information in this document that relates to Mineral Resources is based on information compiled by Simon Coxhell. Mr Coxhell is employed as a consultant to the Company is a member of the Australian Institute of Mining and Metallurgy. Mr 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"). Mr Coxhell consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

