ASX Announcement
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Hastings Signs Strategic Alliance with REE Partner

Highlights:

- **Hastings has attracted a REE partner which has significant experience in operating mines and investing in the mining industry**
- **The partner has an existing investment in an integrated Rare Earth business with expertise in mining and processing of Heavy Rare Earths**
- **Both parties to work collaboratively to commercialise the Hastings Project**
- **The MOU will investigate funding requirements for future testwork, pilot studies, BFS and to establish commercial production**
- **Identify the optimal processing of ores including toll treatment opportunities**
- **Funding to include potential offtake arrangements, refining and marketing agreements**

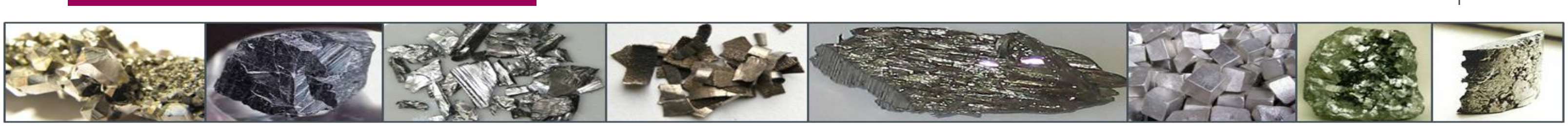
Strategic Partner

Hastings is pleased to advise that it has signed a Strategic Alliance MOU (“Alliance”) with a REE strategic investor, to provide for the staged funding of the Hastings Project with the aim of establishing commercial production.

The Alliance allows for an initial period of further mutual due diligence to formalise a detailed plan to move the Hastings Project into production.

Hastings strategic partner has access to low cost capital. Funding will cover the key stages of development including test work, pilot plant studies, BFS and project construction.

Importantly the strategic partner has a deep technical understanding of the separation and refining process required for Heavy Rare Earths.



The Strategic partner's REE separation facility consistently achieves high purity, and high recovery rates for key elements including Dysprosium and Yttrium (purity up to 99.999%).

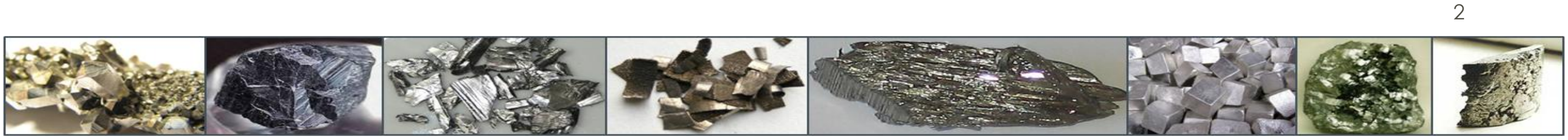
Hastings Chairman Tony Ho commented that: "We are extremely pleased to have identified a partner who shares our enthusiasm and commitment for Heavy REE's, and brings a wealth of technical and financial skills which complement and enhance our assets.

As part of the alliance, we have commenced work to reduce the capital costs to de-risk, and to maximise the NPV of the Hastings project."

Hastings brings to the alliance a world class HREE project with a completed scoping study, located within a favourable jurisdiction, with excellent existing infrastructure, a proven technical team, and the ability to move to being production ready, based upon the funding framework in this Alliance.

The strategic partner has an existing team of scientists and production staff with a world class capability in the Rare Earth Industry. The business specialises in the separation, refining and trading of REE with a focus on the more valuable heavy rare earths.

The Strategic Alliance is in the form of a non-binding memorandum of understanding. It is expected that the parties will work collaboratively to complete further due diligence, progress studies required to bring the project into production, and to negotiate definitive funding agreements.



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About Hastings Rare Metals

- Hastings Rare Metals is a leading Australian rare earths company, with two rare earths projects in Western Australia.
- The Hastings deposit contains JORC Indicated and Inferred Resources totaling 36.2 million tonnes (comprising 27.1mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.89% ZrO_2 and 0.35% Nb_2O_5.
- 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 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 has recently validated the extensive historical work and completed a Scoping Study to confirm the economics of the Project.