



**HASTINGS**  
Technology Metals Limited

**1 August 2017**

**FIRST OFFTAKE MOU AGREEMENT SIGNED  
WITH BAOTOU SKY ROCK RARE EARTH NEW  
MATERIAL CO. LTD**

**HIGHLIGHTS**

- **Hastings announces first MOU with Baotou Sky Rock for the future supply of Mixed Rare Earth Carbonate from Hastings' Yangibana project in Western Australia.**
- **The parties have agreed to enter discussions to formalise a commercial offtake agreement for Hastings to sell 2,500 tonnes of Mixed Rare Earth Carbonate (MREC) per annum to Baotou Sky Rock.**
- **The signing of this first MOU reflects the strong level of interest and demand from potential customers and off-take partners in the Yangibana project.**

**INTRODUCTION**

Hastings Technology Metals Limited's (ASX:HAS) (Hastings or the Company) is pleased to advise that it has signed the first Memorandum of Understanding (MOU) with Baotou Sky Rock Rare Earth New Material Co. Ltd (Sky Rock). Under the MOU the parties have outlined their intent to enter into a binding commercial offtake agreement for the sale by Hastings and purchase by Sky Rock of Mixed Rare Earth Carbonate ("MREC"), which will be produced from Yangibana, Western Australia. The framework for the commercial offtake agreement is set out in the MOU, and the final terms and conditions will be formalised in a contract.

The Parties have undertaken to negotiate in good faith to reach agreement for a commercial offtake contract within 12 months from the date of the MOU. Pricing for the MREC will be based on a formula taking into account prevailing market prices prior to shipment.

Charles Lew, Hastings Executive Chairman, said *"This first MOU for an offtake agreement with Sky Rock is a significant milestone*

Hastings Technology Metals Limited

ABN 43 122 911 399

ASX Code: Shares - HAS

Address:

Suite 506, Level 5, 50 Clarence  
Street  
Sydney NSW 2000

PO Box Q128 Queen Victoria  
Building NSW 1220 Australia

Telephone: +61 2 9078 7674

Facsimile: +61 2 9078 7661

info@hastingstechmetals.com

**Board**

Charles Lew (Executive Chairman)

Anthony Ho (Non-Exec Director)

Jean Claude Steinmetz (Non-Exec  
Director)

Guy Robertson (Finance Director  
and Company Secretary)

*for the Company. The high NdPr content of our ore body is gaining firm recognition in the rare earth and magnets industry.*

*Further offtake agreements are expected to follow, which will reinforce the Company's financing plan to fund the development of the mine and the construction of the processing plant".*

The Parties have additionally acknowledged that any commercial offtake agreement is contingent on Hastings starting operations and production of MREC from the Yangibana mine, and with any additional conditions usually included in commercial off-take contracts.

Hastings estimates an annual production quantity of 15,000 tonnes of MREC, which it will sell to offtake partners, with production projected to commence in 2H 2019.

### **Sky Rock**

Sky Rock, based in Baotou (the largest industrial city in Inner Mongolia), China, is a company set up in 2006 that is involved in the production of high temperature tolerance NdFeB permanent magnets. Its main products are Sintered Neodymium Magnets and Sintering Samarium Cobalt Magnets. Its products are sold to computer, mobile phone, motor and generator, automobile (EV/HEV), audio-video system, office automation and many other major international companies worldwide. The company has strong technical competence and invests substantially in R&D for rare earth usage in magnets and its long term sustainability of production.

### **Hastings Technology Metals**

Hastings is currently developing a rare earths mine and processing plant at Yangibana in the Gascoyne Region of Western Australia. The processing plant is anticipated to commence production of MREC in 2H 2019. Hastings has completed both beneficiation and hydrometallurgy pilot plants, in the process producing MREC samples which are high in neodymium and praseodymium content. These are critical materials for the production of permanent magnets and other technology applications. The MREC will be capable of being further refined and treated to produce a number of separated rare earth oxides outside of Australia. Hastings estimates an annual production quantity of 15,000 tonnes of MREC, which it will sell to offtake partners.

The Yangibana Project hosts JORC Resources totalling 17.02 million tonnes at 1.27% TREO (comprising Measured Resources of 2.92 million tonnes at 1.04% TREO, Indicated Resources of 7.19 million tonnes at 1.43% TREO and Inferred Resources of 6.90 million tonnes at 1.21% TREO), including 0.41% Nd<sub>2</sub>O<sub>3</sub>+Pr<sub>6</sub>O<sub>11.1</sub>

### **For further information please contact:**

Aris Stamoulis, Director Corporate Finance, +61 455 105 607  
Charles Tan, Chief Operating Officer, +61 457 853 839

---