HASTINGS
Technology Metals Limited

Annual Report
2022

ASX | HAS | Australia's Next Rare Earth Producer

Corporate Information

ABN 43 122 911 399

Board of Directors and Senior Management

Directors
Mr Charles Lew (Chairman)
Mr Guy Robertson
Mr Neil Hackett
Mr Bruce McFadzean
Mr Malcolm Randall
Mr Jean Claude Steinmetz

Joint Company Secretaries
Mr Guy Robertson
Mr Neil Hackett

Registered office
Level 3, 5 Mill Street
Perth WA 6000
Telephone: +61 (8) 6117 6118

Principal place of business
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Perth WA 6000 Australia

Share register
Automic Group
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Perth WA 6000
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Solicitors
Herbert Smith Freehills – Perth WA Australia
King & Wood Mallesons – Perth WA Australia

Bankers
National Australia Bank – Perth WA Australia
Westpac – Sydney NSW 2000 Australia

Auditors
PricewaterhouseCoopers
125 St Georges Terrace
PERTH WA 6000

Website
www.hastingstechmetals.com

Securities Exchange
Australian Securities Exchange
ASX Code: HAS

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Letter from the **Chairman**

Charles Lew– Executive Chairman

> *I am pleased with the many milestones we have achieved in the last 12 months to progress the Yangibana Rare Earths Project steadily through to construction.*

Dear Shareholders,

Acknowledgement of Country: We wish to acknowledge the Traditional Owners of this land upon which we operate and pay our respect to the Elders' past, present and future for they hold the memories, the traditions, the culture, and the hopes of Aboriginal Australia.

It is my pleasure to present to you our Annual Report for the year ended 30 June 2022.

As the world re-emerged from dealing with the challenges of the global pandemic, supply chain disruptions and global inflationary cost pressures, our ambition to become Australia's next rare earth producer has continued apace. I am pleased with the many milestones we have achieved in the last 12 months to progress the Yangibana rare earths project steadily through to construction.

The global shift towards clean energy sources and electric mobility continues to gain momentum. As foreshadowed in previous reports, the demand for magnet rare earths, primarily neodymium ("Nd") and praseodymium ("Pr"), has continued to grow strongly and is forecasted to increase at a compound annual growth rate of about 8-10% a year for this decade. Market research analysts are predicting NdPr oxides consumption to increase 5 times from US$3 billion this year to US$15 billion by 2030. This is due to strong demand for Electric Vehicles ("EV") aided by favourable Government purchase incentives, stricter regulations on car exhaust emissions and an environmentally conscious consumer. Worldwide EV sales in 2021 grew 188% year-on-year[1].

Constrained by an under-supply of NdPr oxide from 2022 onwards, Adamas Intelligence forecasts that global shortages of NdFeB (neodymium magnets) alloy and powder will amount to 206,000 tonnes annually by 2035[2], roughly the amount needed for 50 million EV traction motors. This supply shortage presents Hastings with a unique opportunity as we maintain our momentum of mine development and aim to start commissioning the Yangibana rare earth project in mid 2024.

The COP26 forum and the resulting Glasgow Climate Pact have encouraged an urgent response to greenhouse gas emission reductions and providing more climate finance for developing countries. The impetus to address the climate challenge has accelerated globally despite the energy crisis that has been accentuated by the conflict that has emerged in the Ukraine.

At Hastings, we acknowledge the detrimental effects of climate change to society and are committed to do our part in reducing greenhouse gas emissions. Along with this Annual Report we are pleased to publish our second Sustainability Report which marks the genesis of our sustainability road map as we progress from construction into production. It sets out our recognition of the role we play in society and sensitivity to the environment in which we live and work. It delineates our contribution towards the climate change agenda via our mixed rare earths carbonate product and the way in which we will operate.

Hastings commenced site works at the Yangibana rare earth project in September 2021 with an initial package of work providing enabling infrastructure for plant construction and mine development activities. The package of work encompasses site access roads, private airstrip, accommodation village, microwave communication link, water reticulation and ongoing geotechnical works. These works were substantially progressed during the year with the mobilisation of plant construction workforce scheduled to commence in late 2022.

Drilling results from the 170-hole resource definition program undertaken at Yangibana late last year has extended mineralised zones with wide, high-grade intersections (ie. high NdPr content) reinforcing the exceptional quality of the Yangibana project mineralisation we have been gifted with. The drilling successfully in-filled inferred mineralised zones between Bald Hill, Simon's Find and Fraser's, and defined extensions down dip outside of the current Mineral Resource envelope. An updated Yangibana Project mineral resource estimate is scheduled for completion in the last quarter of this year.

In addition to commencing construction activities, Hastings has contractually committed to the fabrication of the key long lead items for the Yangibana beneficiation plant and Onslow hydrometallurgical plant including the off-gas scrubber, rotary kiln, filtration system, thickeners and flotation cells. These plant items will be fabricated and delivered to the Yangibana and Onslow sites for installation and commissioning. In addition to protecting the scheduled 2024 commencement of commissioning, committing to these long lead items enables Hastings to mitigate the current cost pressures in the procurement market.

The prevailing strong conditions in the mining sector has resulted in an over heated market that has not shown any

[1]Refer "Global EV Outlook 2022 Securing supplies for an electric future", International Energy Agency, May 2022
[2]Refer "Rare Earth Magnet Market Outlook to 2035:, Adamas Intelligence, 30 April 2022

signs of abating. Ongoing robust levels of activity across all construction sectors continue to drive a busy marketplace. Hastings has made adjustments to salaries for both the Hastings Owners team and its EPCM contractor DRA Global to align with recent marketplace increases. Allowances for equipment cost increases reflecting both vendor price increases and changes to scope were also made.

Personnel recruitment in the current labour market remains challenging, with DRA structural engineering resources located in the Eastern States continuing to be utilised with the Perth design and engineering team.

Following the announcement in July 2021 of an increase in the Yangibana reserves and mine life, Hastings undertook a review of the project key economic parameters and outcomes. The results of this review supported a post-tax Net Present Value ("NPV") of A$1.012 billion and Internal Rate of Return ("IRR") of 26% despite an increased capital budget of A$658 million (including contingency)[3].

First construction blast occurred in early June. For the coming year we will see an acceleration of construction related activities at both sites as the project moves into full-scale construction with the Yangibana plant commissioning scheduled to commence in the second half of 2024.

To finance the construction project, we have been actively working on the debt and equity solutions required to bring the Yangibana rare earth project into reality. In this regard, we are ably supported by key advisers including KPMG Corporate Finance on project financing and Barrenjoey Markets Pty Limited and Canaccord Genuity as joint lead managers to equity raises during this calendar year. These have resulted in a number of major events during the year, including:

- Northern Australia Infrastructure Facility's conditional approval of A$140 million loan to the Yangibana project[4];
- Conditional credit approval for up to US$130 million in ECA-covered and uncovered/commercial project finance debt from KfW IPEX-Bank[5];
- Raising A$40 million in a strategic placement to L1 Capital in March[6];
- Receipt of A$29.5 million from the exercise of listed options in April; and
- Raising A$110 million in a two-tranche placement to institutional and sophisticated investors in September 2022[7].

Finalisation of the funding stack required for the Yangibana rare earth project will be undertaken in the coming financial year with the support of Hastings's key advisers.

Globally, the challenge of supply chain resilience in the face of mounting geo-political tensions and supply chain disruptions caused by the Covid-19 pandemic has brought critical mineral policies to the forefront of governments around the world. Hastings' pro-Europe strategy has positioned the Company to be a reliable long-term source of supply for critical minerals including NdPr for manufacturing neodymium boron sintered/bonded magnets, known in the industry as NdFeB magnets.

In June, we entered into a binding agreement with our long standing joint venture partner, Cadence Minerals Plc and its subsidiary Mojito Resources Limited, to acquire their 30% interest in specific JV tenements within the Yangibana rare earth project for a total cost of A$9.0 million. This will be settled by the issue of fully paid ordinary shares in Hastings at a price

[3]Refer ASX announcement "Yangibana Project NPV8 Increases 84% to A$1 Billion (post-tax)", dated 21 February 2022
[4]Refer ASX announcement "NAIF approves $140m loan for Yangibana Rare Earths Project", dated 2 February 2022
[5]Refer ASX announcement "Hastings Strategic Direction and Financing Update", dated 4 July 2022
[6]Refer ASX announcement "Hastings Raises A$40 million in Strategic Placement to L1 Capital", dated 28 March 2022
[7]Refer ASX announcement "A$110 millionTwo-Tranche Placement to Accelerate Development of the Yangibana Rare Earths Project", dated 7 September 2022

to be determined based on 30 days VWAP prior to completion which is set at 6 months from the date of signing of this agreement. The acquisition adds 2.34Mt of mineral resources and 0.73Mt of ore reserves that were previously attributable to Cadence and it brings all tenements into 100% ownership of Hastings.

As the Company progresses from exploration into development and pre-production, it was considered necessary to improve on the marketability of the Company's stock to global institutional investors outside of Australia by a 1 for 20 stock consolidation. This exercise was completed in June.

Hastings recently commenced early-stage discussions with a number of companies around opportunities in Europe to partner on downstream processing of rare earths oxides feeding into NdFeB magnet production. A partnership of this nature would enable Hastings to participate in the end-to-end mine to magnet value chain with feedstock from the Yangibana Rare Earths Project being converted into permanent magnets in Europe.

The first concrete step in this direction was taken in August 2022 when Hastings announced that it had acquired a strategic shareholding in Neo Performance Materials, a leading global rare earth processing and permanent magnet manufacturer listed on the Toronto Stock Exchange. The proposed acquisition is to be funded by an investment by Wyloo Metals, through the issuance of A$150 million secured, redeemable, exchangeable notes. Hastings looks forward to working with both Neo and Wyloo as it progresses on its mine to magnet strategy, what we refer to as Hastings 2.0 in the years ahead as we bring Yangibana into production to synchronise with Neo's planned expansion into NdFeB sintered magnets production in Estonia.

Hastings has welcomed many key employees to the team during the year who, together with those who have been with us for many years, have worked diligently in our mission of getting Yangibana into production and beyond.

During the coming financial year, you can expect to see Hastings take further steps forward on the Yangibana Project as we move into the construction proper stage as well as executing on Hastings 2.0 as we turn the page to the next chapter of the Hastings journey which was started eight years ago.

I would like to take this opportunity to thank our Hastings team and my fellow Directors for their hard work, dedication and continued focus to become Australia's next rare earth producer.

In addition, we appreciate the continued support of our shareholders, Traditional Owners and all stakeholders in helping us achieve our mutual ambition of being Australia's next rare earth producer.

We look forward to the next stage of our journey which started back in 2014 with renewed energy and confidence. As we advance the Yangibana Project into the mainstream construction phase, Hastings is well timed to bring its high-grade magnets rare earth product to an emerging e-mobility and renewable energy market during this decade.

Our motto: One dream, one team.

Charles Lew
Executive Chairman

Directors

Charles Lew
Executive Chairman

Guy Robertson
Executive Director

Neil Hackett
Non-Executive Director

Bruce McFadzean
Non-Executive Director

Malcolm Randall
Non-Executive Director

Jean Claude Steinmetz
Non-Executive Director

Review Of Operations

Yangibana Rare Earths Project *(The "Yangibana Project")*

Overview

Hastings Technology Metals Limited ("Hastings") is fully focussed on bringing the Yangibana Project, which contains one of the world's highest ratios of high value rare earth elements neodymium and praseodymium to total rare earths, into production. The vision for the Yangibana Project's mining operations comprises conventional open pit mining methods (i.e. drill, blast, load, and haul), utilising the services of an Australian contract miner with technical services and management provided by Hastings. The overall processing operation will consist of conventional beneficiation (i.e. crushing, grinding, and flotation) at Yangibana followed by an acid baked kiln and hydrometallurgy back-end process at Onslow, producing a valuable Mixed Rare Earth Concentrate ("MREC") product.

Early site works at Yangibana commenced in September last year with the fly camp upgraded to 80 persons capacity and earthworks focussed on the access road, airstrip and permanent camp in progress. Several borrow pits have been developed to provide the appropriate material for the construction process. The first construction borrow pit blast was completed in June this year signalling the start of the next phase of infrastructure development works. At the end of the same month, early works progress was at 35%.

Hastings has entered into a 20-year licensing agreement with Water Corporation WA for access to a parcel of land with an existing water bore approximately 1km from the Ashburton North Strategic Industrial Area ("ANSIA") site at Onslow, the planned location for the hydrometallurgical plant. The ANSIA site is particularly attractive as it offers access to piped natural gas, a plentiful supply of water, and grid power. In addition, the location reduces the volumes of consumables, products and chemicals that need to be transported to the Yangibana mine site by as much as 80%.

Post financial year end, Hastings has finalised all key terms with respect to the "Option to Lease" agreement with DevelopmentWA for the Onslow ANSIA site which is the final precursor to a "lease agreement". This option to lease agreement allows all initial investigations to take place in the lead up to site-based earthworks for the 78ha parcel of land within ANSIA.

Test work on adding an ore sorter to Yangibana's process flowsheet has delivered significant life of mine improvements including a 26% upgrade to the life of mine Total Rare Earths Oxide (TREO) grade, a 7.1% improvement in concentrate recovery on sorted Simon's Find ore samples, and a 24% reduction of beneficiation plant reagent consumption.

Engineering, Procurement and Construction Management ("EPCM") activities now sit at 5.7% completed with DRA Global ramping up manning recruitment. Milestone engineering reviews were completed for both the beneficiation and hydrometallurgical plants, whilst bulk earthworks designs continue to progress to finalisation. Packages issued to market include the awarding of the Off-Gas scrubber, Rotary Kiln, Filtration System, Filter Press and Thickeners and Flotation Cells packages. The $17.4 million Acid-Bake Kiln to be constructed at Onslow was approved for fabrication with the design well advanced.

A key permit was achieved during the year with both the Yangibana Project Mining Proposal and Flora and Vegetation Environmental Management Plan approved by regulators in Q2 of the 2021-2022 Financial year.

Results of a comprehensive review and assessment of current inflationary pressures on the 2017 Definitive Feasibility Study ("DFS") using updated cost inputs and Ore Reserves were announced in February 2022. The Yangibana project post-tax Net Present ("NPV") increases by 84% to $1,012 million with a post-tax Internal Rate of Return ("IRR") of 26%. Life-of-Mine pre-tax Free Operating Cashflow increases by 71% to $4,376 million and a revised capital cost estimated at A$582 million (including contingency $658 million). Capital payback period is forecast at 2.7 years from commencement of production.

In June 2022 Hastings reached agreement to acquire the remaining 30% Yangibana Joint Venture tenement interests held by Cadence Minerals Plc. The interests will be acquired for A$9.0 million to be settled by the issue of fully paid ordinary shares in Hastings at a price to be determined based on 30 days VWAP prior to completion which is set at 6 months from the date of signing of this agreement. As a result of the acquisition, Hastings will control 100% of the previously reported 27.42Mt of Mineral Resources. This includes 2.34Mt of Mineral Resources and 0.73Mt of Ore Reserves that were attributable to Cadence.

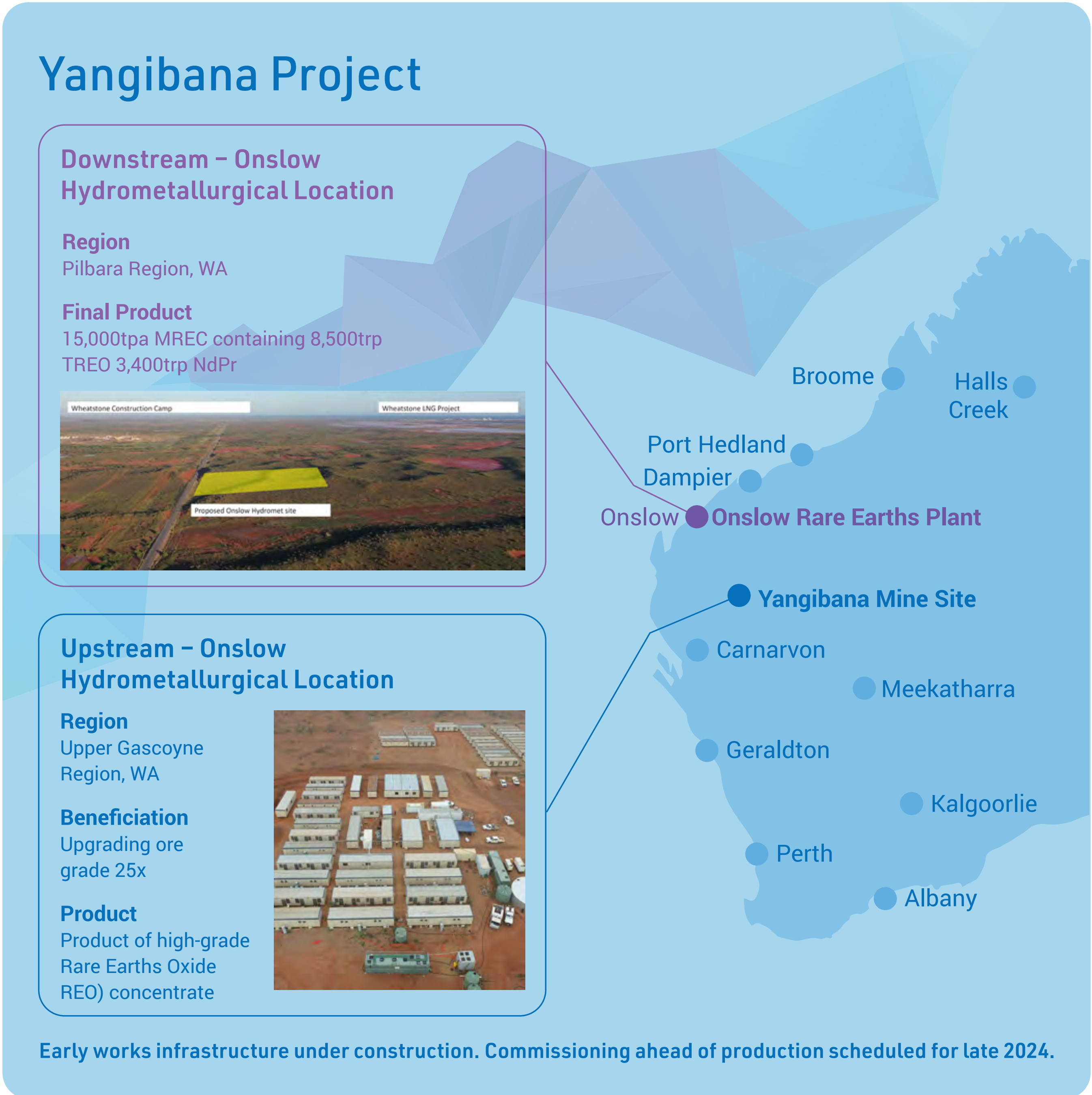


Figure 1. Location plan showing location of the mining/beneficiation plant at Yangibana and the Onslow hydrometallurgical plant location in the Gascoyne Region, and the Brockman Project in the Kimberly Region of Western Australia

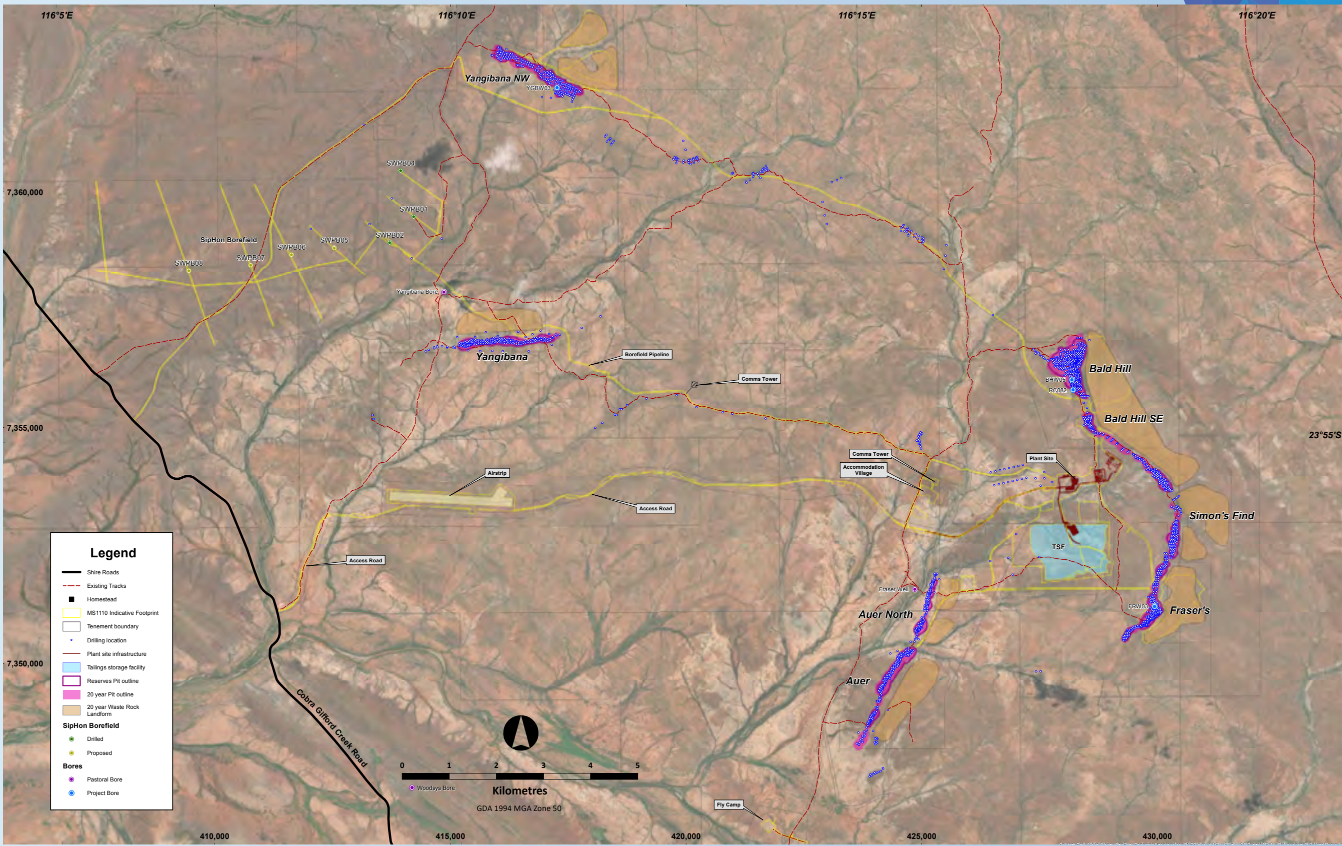


Figure 2 – Yangibana site layout, location of the deposits hosting mineral resources.

GEOLOGY AND MINERAL RESOURCES

Geology

The near surface mineralisation throughout the Yangibana Project in Western Australia's Gascoyne region is hosted by iron oxides and hydroxides termed ironstone, being the alteration products of the primary hosts ferro-carbonatite and phoscorite intrusive veins. The main rare earths-bearing mineral is monazite which has locally undergone alteration at shallow depths (to 25 metre depth) to its hydrous equivalent rhabdophane and to rare earths-bearing aluminium-phosphates such as florencite.

The deposits occur as narrow but strike extensive veins that have a range of dips from almost horizontal (10-20°) to sub-vertical. The Fraser's deposit has the most extreme range from 5° in portions towards its north-eastern end to 65° at its southwestern end. Average true thickness varies from 2.2 metres to 3.5 metres throughout the Yangibana Project deposits although locally true thicknesses in excess of 20 metres occur (Figure 2).

Resource Definition drilling commenced in late November along the 8km long Bald Hill – Simon's Find – Frasers mineralised trend with 13,334m drilled from 170 holes by the end of the program. The drilling extended mineralised zones with some wide, high-grade intersections (high NdPr content) reinforcing the exceptional quality of the Yangibana Project mineralisation. The drilling has been successful in in-filling inferred mineralised zones as well as defining extensions down dip outside of the current Mineral Resource envelope. In addition, holes drilled over a 400m strike length between Bald Hill and Bald Hill Southeast where previous limited drilling gave poor results encountered strong Rare Earth Elements ("REE") mineralisation with 7m average widths.

Mineral Resources

Total Mineral Resources at the Yangibana Project now stand at 27.42Mt @ 0.97% TREO, unchanged from the 2021 Annual Report.

Resources for Yangibana, Auer, Bald Hill, Simon's Find and Fraser's were estimated using a 0.24% TREO cut-off. Mineral Resources for Yangibana Northwest and additional Inferred Mineral Resources from Gossan, Kane's Gossan, Lion's Ear and Hook remain unchanged from 2019, stated at a 0.20% NdPr cut-off.

All Yangibana Project deposits start from surface, with no overburden and contain large coherent domains comprising mostly high-value rare earths dominated mineral assemblage. Hastings intends to continue to progress additional drilling programs across all Yangibana Project deposits in due course.

The total resources as at 30 June 2022 are as shown in Table 1.

Table 1 – Yangibana Project – Total JORC Mineral Resources as at 30 June 2022. Includes JV tenement contributions

Category	Million Tonnes	%TREO	%Nd2O3+Pr6O11	TREO Tonnes
Measured	4.9	1.01	0.38	49,442
Indicated	16.24	0.95	0.33	154,750
Sub-total	**21.14**	**0.97**	**0.34**	**204,192**
Inferred	6.27	0.99	0.31	62,225
TOTAL	**27.42**	**0.97**	**0.33**	**266,417**

All table numbers may not add up due to rounding.

The work completed on the inferred deposits was completed by Lynn Widenbar and Associates incorporating all information and data as per the previous Mineral Resource announcement from 28 November 2018. All other deposits were re-estimated by D Princep, of Gill Lane Consulting, as per the announcement dated 5 May 2021.

Differences between the Mineral Resource estimate released in May 2021 and the October 2019 estimates are resultant from additional drilling conducted by Hastings, adjustments to modelling and estimation methodologies, changes in bulk densities applied to the estimates and changes to the reporting cut-off grade. The changes in cut-off grade to 0.24% TREO followed mine planning and economic studies. This value was initially based on a net smelter return ("NSR") calculation using all component elements making up the TREO value, with additional work allowing this to be simplified to a singular TREO value. The cut-off grade is based on Hastings' view on the individual prices for the various rare earth elements, individual processing recoveries and overall processing costs.

The Mineral Resources have been classified in the Measured, Indicated, and Inferred categories, in accordance with the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC) by the Competent Person. A range of criteria was considered in determining the classification including geological and grade continuity, data quality, drill hole spacing, and modelling technique and kriging output parameters.

The JORC 2012 Mineral Resource estimate for the Brockman main deposit was prepared in January 2021.

Table 2 – Updated JORC 2012 Brockman Project Mineral Resources. Lower cut-off grade is 700ppm Nb2O5

Inferred	M tonnes	TREO %	HREO %	Nb2O5 %	Ta2O5 %	Y2O3 %	ZrO2 %
Total	41.6	0.20	0.17	0.35	0.02	0.11	0.86

Mining Ore Reserves

The Ore Reserve estimate is derived from the Measured and Indicated ore tonnes from the mineral resource estimates undertaken for the Bald Hill, Frasers, Simon's Find, Auer, Yangibana and Yangibana North deposits. Only the Measured and Indicated Blocks from the mineral resources were converted to an ore reserve using Whittle 4D software which generated optimised pit shells defining economic envelopes based on various modifying factors, geotechnical domains, operational costs, and sales pricing. The optimised pit shells were used as the basis for detailed open pit designs and subsequent mine scheduling which aim to maximise net present values.

Total Proven and Probable Ore Reserves are 16.7Mt at 0.95% TREO (Table 3) (see ASX announcement dated 27 July 2021 "Yangibana Rare Earths Project Significant Ore Reserve tonnes increase of 37%, NdPr tonnes up 18% to 58kt")

The Ore Reserve reported below is unchanged from the reserve reported in July 2021. The Ore Reserve gives the Yangibana Project a 15 year mine life.

Table 3 Total JORC (2012) Ore Reserves by Deposit June 2022

Deposit	Mt	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	6.75	0.86	0.34	39
Fraser's	1.40	1.09	0.47	43
Simon's Find	1.72	0.57	0.30	52
Auer	2.07	0.96	0.35	35
Yangibana	1.35	0.79	0.37	47
Yangibana North	3.42	1.31	0.34	26
TOTAL	16.70	0.95	0.35	38

Native Title Agreement

In November 2017 Hastings signed a Native Title Agreement with the Thiin-Mah Warriyangka, Tharrkari and Jiwarli People ("TMWTJ People") in respect of the Yangibana Project. To date, Hastings has met all obligations with respect to its Native Title Agreement.

Brockman Project

Hastings holds the Brockman Project, a rare earth niobium resource centred 18km south-east of the historical gold mining centre of Halls Creek in the East Kimberley Region. Total tenement package measures approximately 120 km^2. The Brockman project comprises a Mining Lease Application that covers ten Prospecting Licences, and one Exploration Licence. The process of granting the Mining Lease Application continued during the past year.

Terminology used in this report

TREO is the sum of the oxides of the heavy rare earth elements (HREO) and the light rare earth elements (LREO).

HREO is the sum of the oxides of the heavy rare earth elements europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu), and yttrium (Y).

CREO is the sum of the oxides of neodymium (Nd), europium (Eu), terbium (Tb), dysprosium (Dy), and yttrium (Y) that were classified by the US Department of Energy in 2011 to be in critical short supply in the foreseeable future.

LREO is the sum of the oxides of the light rare earth elements lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), and samarium (Sm).

Andrew Reid
Chief Operating Officer

30 September 2022

Annual Ore Reserves and Mineral Resources Statement

Summary

This statement represents the Mineral Resources and Ore Reserves (“MROR”) for Hastings Technology Metals Limited as at 30 June 2022. This MROR statement has been compiled and reported in accordance with the guidelines of the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (2012 JORC Code).

This statement is to be reviewed and updated annually in accordance with Section 15 of the 2012 JORC Code. The nominated annual review date for this MROR statement is 30 June.

The Group’s Mineral Resources at the Yangibana Project which were announced in May 2021. The information in this statement has been extracted from the relevant reports as indicated below in each ore reserve or mineral resource table.

The Group is not aware of any new information or data that materially affects the information included in the relevant market releases for this estimate. The Group confirms that all material assumptions and technical parameters underpinning the estimate in the relevant market releases continue to apply and have not materially changed. The Group confirms that the form and context in which the Competent Person’s findings are presented here have not been materially modified. Reserves are reported from tenements in which Hastings holds a 100% interest as well as a 70% controlling interest through a joint venture arrangement (Table 16).

The quoted Yangibana Project’s Mineral Resource estimate was first reported in November 2017 in accordance with the 2012 JORC Code. In November 2018, October 2019, and again in May 2021, the Group announced major mineral resource increases over the 2017 estimate. The Group is not aware of any new information or data that materially affects the information included in the relevant market releases for these estimates. The Group confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market releases continue to apply and have not materially changed. The Group confirms that the form and context in which the Competent Person’s findings are presented here have not been materially modified. Resources are shown for the total project (Table 4), and this total then splits into the 100% Hastings tenements (Table 5); and the joint venture ground in which Hastings holds a 70% interest (Table 6).

The Brockman Mineral Resource estimate was first reported in September 2011 in accordance with the guidelines of the 2004 Edition of the JORC Code and was subsequently updated in January 2021 to comply with the 2012 JORC Code. The mineral resource estimate for the Southern Extension was first reported in the Group’s December 2015 Quarterly Report. The Group is not aware of any new information or data that materially affects the information included in the relevant market releases for this estimate. The Group confirms that all material assumptions and technical parameters underpinning the estimate in the relevant market releases continue to apply and have not materially changed. The Group confirms that the form and context in which the Competent Person’s findings are presented here have not been materially modified. Resources are shown for the main Brockman Project in Table 21.

Yangibana Project's Mineral Resources

Updated resource estimates were prepared for Bald Hill, Frasers, Auer, Yangibana, and Simon's Find and detailed in the Company's ASX announcement dated 5 May 2021 "Yangibana Project Updated Measured and Indicated Resource Tonnes up 54%, TREO Oxides up 32%". The remaining resources have not been updated since the October 2019 Minerals Resource announcement.

Table 4 – Total Yangibana Project's Mineral Resource by category.

Category	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	TREO Tonnes
Measured	4.9	1.01	0.38	49,442
Indicated	16.24	0.95	0.33	154,750
Sub-total	21.14	0.97	0.34	204,192
Inferred	6.27	0.99	0.31	62,225
TOTAL	**27.42**	**0.97**	**0.33**	**266,417**

- Numbers may not add up due to rounding. Includes joint venture tenement contributions.
- Reporting of Minerals Resources for Auer, Auer North, Bald Hill, Frasers, Simons Find and Yangibana is at a cut-off grade of 0.24% TREO.
- Reporting of Mineral Resources for all other deposits is at 0.2% Nd_2O_3+Pr_6O_{11} cut-off grade.

Total Mineral Resource in Tenements 100% held by Hastings

Table 5 – Yangibana Project's resources within 100% Hastings tenements (see note for cut-off grade), 30 June 2022

Category	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}
Measured	4.53	0.98	0.39
Indicated	13.59	0.88	0.33
Inferred	3.84	0.80	0.28
TOTAL	**21.96**	**0.88**	**0.33**

Total Mineral Resource in Tenements 70% held by Hastings

Table 6 – Yangibana Project's resources within joint venture tenements (see note for cut-off grade), 30 June 2022

Category	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}
Measured	0.38	1.42	0.36
Indicated	2.65	1.35	0.35
Inferred	2.43	1.34	0.36
TOTAL	**5.46**	**1.35**	**0.36**

Re-Estimated JORC (2012) Mineral Resources – by Deposit

The following tables represent those deposits which were estimated in May 2021. Numbers may not add up due to rounding.

Table 7 – Bald Hill Mineral Resource, 100% Hastings

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	3.51	0.86	0.35	30,369
Indicated	3.78	0.83	0.32	31,172
Sub-total	**7.29**	**0.84**	**0.33**	**61,541**
Inferred	1.17	0.63	0.26	7,446
TOTAL	**8.46**	**0.82**	**0.32**	**68,986**

Table 8 – Frasers Mineral Resource, 100% Hastings

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	0.73	1.36	0.58	9,899
Indicated	1.01	0.77	0.34	7,797
Sub-total	**1.74**	**1.02**	**0.44**	**17,695**
Inferred	0.25	0.9	0.36	2,255
TOTAL	**1.99**	**1.00**	**0.43**	**19,950**

Table 9 – Auer Mineral Resource, 100% Hastings

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	–	–	–	–
Indicated	3.54	0.93	0.32	32,796
Sub-total	**3.54**	**0.93**	**0.32**	**32,796**
Inferred	1.10	0.76	0.24	8,297
TOTAL	**4.64**	**0.89**	**0.30**	**41,093**

Table 10 – Yangibana Mineral Resource, Total

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	–	–	–	–
Indicated	1.98	0.71	0.34	14,034
Sub-total	**1.98**	**0.71**	**0.34**	**14,034**
Inferred	0.33	0.64	0.31	2,146
TOTAL	**2.31**	**0.70**	**0.33**	**16,180**

Table 11 – Simon's Find Mineral Resource, 100% Hastings

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	–	–	–	–
Indicated	1.79	0.58	0.30	10,437
Sub-total	**1.79**	**0.58**	**0.30**	**10,437**
Inferred	0.63	0.53	0.27	3,365
TOTAL	**2.42**	**0.57**	**0.30**	**13,802**

Table 12 – Yangibana North Mineral Resource, Total

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Measured	–	–	–	–
Indicated	1.79	0.58	0.30	10,437
Sub-total	**1.79**	**0.58**	**0.30**	**10,437**
Inferred	0.63	0.53	0.27	3,365
TOTAL	**2.42**	**0.57**	**0.30**	**13,802**

JORC (2012) Mineral Resources, not updated since November 2018– by Deposit

The following Tables represent those deposits which have not been updated or altered since the 28 November 2018 minerals resource announcement. Numbers may not add due to rounding errors.

Table 13 – Mineral Resources not updated since 2018, 100% Hastings, all Mineral Resources are Inferred only

Category	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	TREO Tonnes
Gossan	0.25	1.43	0.35	3,518
Lion's Ear	0.71	1.54	0.39	10,934
Hook	0.29	1.52	0.33	4,393
Kane's Gossan	0.57	1.04	0.29	5,970
TOTAL	**1.82**	**1.39**	**0.34**	**24,814**

Updated resource estimates were prepared for Bald Hill, Frasers, Auer, Yangibana, and Simon's Find and detailed in the Company's ASX announcement dated 5 May 2021 "Yangibana Project Updated Measured and Indicated Resource Tonnes up 54%, TREO Oxides up 32%". The remaining resources have not been updated since the October 2019 Minerals Resource announcement. There have been no resource adjustments made since the May 2021 announcement, available to view at www.hastingstechmetals.com.

Yangibana Project's Ore Reserves

The below quoted Yangibana Project's Ore Reserve was first reported in July 2021 in accordance with the 2012 JORC Code (refer to ASX Release dated 27 July 2021 titled "Yangibana Rare Earths Project Significant Ore Reserve tonnes increase of 37%, NdPr tonnes up 18% to 58kt"), available to view at www.hastingstechmetals.com.

The deposits occur in a range of dips as shown in Table 3, with Fraser's having the most extreme variation from 5° towards its north-eastern end to 65° at its south-western end. Average true thickness varies from 3.0 to 4.9 metres throughout the ore reserve deposits although locally true thicknesses in excess of 20 metres occur.

Table 14 – Total Ore Reserves by deposit

Deposit	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$\%Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	6.75	0.86	0.34	39
Fraser's	1.40	1.09	0.47	43
Simon's Find	1.72	0.57	0.30	52
Auer	2.07	0.96	0.35	35
Yangibana	1.35	0.79	0.37	47
Yangibana North	3.42	1.31	0.34	26
TOTAL	**16.70**	**0.95**	**0.35**	**38**

Proved and Probable Ore Reserves within tenements held 100% by Hastings are shown in Tables 15 and 16 respectively, with those within tenements in which Hastings holds a 70% interest being shown in Tables 19 and 20.

Table 15 – Yangibana Project – Proved Ore Reserves by deposit, 30 June 2022

Deposit	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	%Nd_2O_3+Pr_6O_{11} as % of TREO
Bald Hill	3.45	0.86	0.35	40
Fraser's	0.69	1.36	0.58	42
Simon's Find	–	–	–	–
Auer	–	–	–	–
Yangibana	–	–	–	–
Yangibana North	0.56	1.35	0.36	26
TOTAL	**4.69**	**0.99**	**0.38**	**39**

Table 16 – Yangibana Project - Probable Ore Reserves by deposit, 30 June 2022

Deposit	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	%Nd_2O_3+Pr_6O_{11} as % of TREO
Bald Hill	2.87	0.86	0.33	38
Fraser's	0.71	0.83	0.36	43
Simon's Find	1.72	0.57	0.30	52
Auer	2.07	0.96	0.35	35
Yangibana	1.35	0.79	0.37	47
Yangibana North	2.87	1.31	0.34	26
TOTAL	**12.00**	**0.93**	**0.34**	**36**

Table 17 – Yangibana Project - Proved Ore Reserves within tenements held 100% by Hastings, 30 June 2022

Deposit	Million Tonnes	%TREO	%Nd_2O_3+Pr_6O_{11}	%Nd_2O_3+Pr_6O_{11} as % of TREO
Bald Hill	3.45	0.86	0.35	40
Fraser's	0.69	1.36	0.58	42
Simon's Find	–	–	–	–
Auer	–	–	–	–
Yangibana	–	–	–	–
Yangibana North	0.29	1.31	0.36	27
TOTAL	**4.43**	**0.97**	**0.39**	**39**

Table 18 – Yangibana Project – Probable Ore Reserves within tenements held 100% by Hastings, 30 June 2022

Deposit	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$\%Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	3.30	0.86	0.33	38
Fraser's	0.71	0.83	0.36	43
Simon's Find	1.72	0.57	0.30	52
Auer	2.07	0.96	0.34	35
Yangibana	1.25	0.81	0.38	47
Yangibana North	1.54	1.31	0.36	27
TOTAL	**10.58**	**0.89**	**0.34**	**39**

Table 19 – Yangibana Project – Proved Ore Reserves within tenements held 70% by Hastings, 30 June 2022

Deposit	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$\%Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	–	–	–	–
Fraser's	–	–	–	–
Simon's Find	–	–	–	–
Auer	–	–	–	–
Yangibana	–	–	–	–
Yangibana North	0.27	1.38	0.35	26
TOTAL	**0.27**	**1.38**	**0.35**	**26**

Table 20: Yangibana Project – Probable Ore Reserves within tenements held 70% by Hastings, 30 June 2020

Deposit	Million Tonnes	%TREO	$\%Nd_2O_3+Pr_6O_{11}$	$\%Nd_2O_3+Pr_6O_{11}$ as % of TREO
Bald Hill	–	–	–	–
Fraser's	–	–	–	–
Simon's Find	–	–	–	–
Auer	–	–	–	–
Yangibana	0.10	0.56	0.26	47
Yangibana North	1.33	1.27	0.33	26
TOTAL	**1.43**	**1.22**	**0.32**	**27**

Brockman Project's Mineral Resources

The JORC 2012 Mineral Resource estimate for the Brockman main deposit was prepared in January 2021.

Table 21 – Updated JORC 2012 Brockman Project Mineral Resources. Lower cut-off grade is 700ppm Nb2O5

Inferred	M tonnes	TREO %	HREO %	Nb_2O_5 %	Ta_2O_5 %	Y_2O_3 %	ZrO_2 %
Total	41.6	0.20	0.17	0.35	0.02	0.11	0.86

Material Changes and Resource Statement Comparison

The Group reviews and reports its Mineral Resources at least annually and provides an Annual Mineral Resource Statement. The date of reporting is 30 June each year, to coincide with the Group's end of financial year balance date. If there are any material changes to its mineral resources over the course of the year, the Group is required to promptly report these changes.

Governance Arrangements and Internal Controls

Hastings has ensured that the Ore Reserves and Mineral Resources quoted are subject to good governance arrangements and internal controls. The Ore Reserves and Mineral Resources reported have been generated by independent external consultants who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimation. In addition, Hastings' management carries out regular reviews of internal processes and external contractors that have been engaged by the Group.

All Mineral Resources reported here were compiled in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code) 2012 Edition.

Competent Persons' Statement

The information that relates to the Ore Reserves at Bald Hill, Fraser's, Yangibana, Auer and Auer North and Yangibana West is based on information reviewed or work undertaken by Mr Stephen O'Grady, AusIMM, a Director of Intermine Engineering Consultants. Mr O'Grady has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the preparation of mining studies to qualify as a Competent Person as defined by the JORC Code 2012. Mr O'Grady consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The scientific and technical information that relates to process metallurgy is based on information reviewed by Ms. Narelle Marriott (Manager – Process Development). Ms Marriott is a member of the AusIMM. She has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the 2012 JORC Code. Ms Marriott consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

The information that relates to Mineral Resources at the Yangibana Deposit is based on information compiled by Mr David Princep of Gill Lane Consulting. Mineral Resources at Brockman were completed by Mr David Princep of Gill Lane Consulting, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Gill Lane is a consultant to Hastings Technology Metals Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 and 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Princep and Mr Coxhell consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information that relates to Exploration Results is based on information compiled by Mr Andrew Ford. Mr Ford is an employee of the Group and is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). Mr Ford has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Ford consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Tenement Schedule

As at 30 June 2022 (All tenements are in Western Australia)

Yangibana Rare Earths Project

Gascoyne Metals Pty Limited (100% subsidiary)

E09/1989	100%
E09/2007	100%
E09/2084	100%
E09/208	100%
E09/2095	100%
E09/2129	100%
E09/2137	100%
E09/2334	100%
E09/2364	100%
E09/2403-2404	100%
G09/10	100%
G09/14	100%
G09/23-25	100%
L09/66	100%
L09/67	100%
L09/68	100%
L09/69	100%
L09/70	100%
L09/71	100%
L09/72	100%
L09/74	100%
L09/75	100%
L09/80	100%
L09/81	100%
L09/82	100%
L09/83	100%
L09/85	100%
L09/86	100%
L09/87	100%
L09/89	100%
L09/91	100%
M09/157	100%
M09/160	100%
M09/164	100%
M09/165	100%
M09/177	(Application)
M09/179	(Application)

Gascoyne Metals Pty Limited (100% subsidiary)

P09/489	100%
E09/1703-1706	70%
E09/2296	70%
E09/2298	70%
E09/2333	70%
G09/11	70%
G09/13	70%
M09/159	70%
M09/161	70%
M09/163	70%

Yangibana Pty Limited (100% subsidiary)

E09/1700	100%
E09/1943	100%
E09/1944	100%
E09/2018	100%
G09/17	100%
G09/18	100%
G09/20	100%
G09/21	100%
G09/22	100%
G09/26	100%
G09/27	100%
G09/28	100%
L09/93	100%
L09/95	100%
L09/96	100%
L09/97	100%
M09/158	100%
M09/162	100%
M09/176	(Application)
M09/178	(Application)

Brockman Rare Earths Project

Brockman Project Holdings Pty Limited (100% subsidiary)

E80/5248	(Application)
M80/636	(Application)
P80/1626-1635	100%

Other Project

Ark Gold Pty Limited	(100% subsidiary)
E09/2385	100%
E09/2399	100%

Directors' Report

Your directors submit the annual financial statements of the consolidated entity consisting of Hastings Technology Metals Limited (the "Company" or "Hastings") and the entities it controlled during the period (the "Group") for the financial year ended 30 June 2022. Pursuant to the provisions of the Corporations Act, the Directors report as follows:

Directors

The names of directors who held office during or since the end of the year and to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Particulars
Mr Charles Lew	Executive Chairman
Mr Guy Robertson	Executive Director
Mr Neil Hackett	Non-Executive Director
Mr Bruce McFadzean	Non-Executive Director
Mr Malcolm Randall	Non-Executive Director
Mr Jean Claude Steinmetz	Non-Executive Director

Names, qualifications, experience, and special responsibilities

Mr Charles Lew
Executive Chairman

Qualifications: BA Hons Finance and Accounting, MSc Management Science

Mr Lew has more than 30 years of investment banking experience, including serving as Managing Director of ABN Amro's investment banking business in Singapore from 1997 to 2000. He has been involved in a diverse range of investment banking activities, including IPOs, equity placements, corporate mergers and acquisitions, debt/equity restructuring, private equity investments and venture capital financing.

After leaving ABN Amro in year 2000, Mr Lew started his own investment management company, Equator Capital, which manages a hedge fund (which he exited active management in 2018) that is primarily involved in trading global managed futures, US equities and options. In addition, Equator Capital has been a private equity/pre-IPO investor in growth companies in Singapore, Malaysia, and China some of whom were subsequently listed on the Singapore Exchange.

Mr Lew served as an Independent Non-Executive Director of one of Malaysia's prominent banking group, RHB Bank from March 2004 until his retirement from the group in May 2016. During this period, he was on the board of RHB Investment Bank (2004 to 2016), RHB Islamic Bank (2008 to 2016) and RHB Capital Berhad (2005 to 2007). He was an Independent Director on the board of Singapore Medical Group between 2007 and 2013. He is also Founder and Chairman of Muddy Murphy Holdings, an operator of traditional and concept pubs that was established in 1996.

Mr Lew holds a BA (Hons) in Finance and Accounting from the University of East London and a MSc in Management Science from Imperial College, University of London.

Mr Lew has held no other ASX directorships in the past three years.

Mr Guy Robertson
Executive Director and Joint Company Secretary

Qualifications: BCom (Hons) CA

Mr Robertson has significant experience as a director and company secretary of ASX listed and private companies in both Australia and Hong Kong.

Mr Robertson previously held senior roles in the Jardine Matheson group of companies over a period of sixteen years including Finance Director and Managing Director (NSW) for Jardine Lloyd Thompson Australia Insurance Brokers, Finance Director and Chief Operating Officer for Colliers International Property Services Asia Pacific, and General Manager Finance of the Franklins Limited supermarket chain.

Mr Robertson is an Executive Director of Metal Bank Limited (ASX: MBK), Artemis Resources Limited (ASX:ARV), Bioxyne Limited (ASX:BXN), and a Non-Executive Director of GreenTech Metals Limited. He has held no other ASX directorships in the past three years.

Mr Neil Hackett
Non-Executive Director and Joint Company Secretary

Qualifications: BEcon, GDAFI, GDFP, FFin, GAICD (Merit)

Mr Hackett is a professional Australian Securities Exchange director with over 25 years practical experience with ASX200 resources entities, diversified industrials, funds management, and ASIC. He is currently Non-Executive Director of Ardiden Ltd (ASX: ADV), Non-Executive Director of Footwear Industries Pty Ltd (trading as Steel Blue Safety Boots), Council Member of John XXIII College and Course Facilitator with the Australian Institute of Company Directors. Mr Hackett's previous ASX resources experience includes InteliCare Holdings Ltd, Ampella Mining Ltd, African Chrome Fields Ltd, Calima Energy Ltd, Modun Resources Ltd and Sundance Resources Ltd.

He holds a Bachelor of Economics from University of Western Australia, Graduate Diploma in Applied Finance & Investment, Graduate Diploma in Financial Planning, is a Fellow of FINSIA, and a Graduate (Order of Merit) and Facilitator with the Australian Institute of Company Directors and has undertaken geological studies at the WA School of Mines.

Mr Hackett's other directorships in listed companies during the last 3 years are for InteliCare Holdings Limited (19/10/2019 – 15/9/2022), Ardiden Limited (1/6/2012 – present), and Calima Energy Limited (26/3/2012 – 20/11/2020)

Mr Bruce McFadzean
Non-Executive Director

Qualifications: Fellow of Australian Institute of Mining and Metallurgy (FAUSIMM), Graduate Diploma in Mining

Mr McFadzean, mining engineer, has more than 40 years' experience in the global resources industry and was the Managing Director of Sheffield Resources Limited from Nov 2015 until July 2021. Mr McFadzean who has led the financing, development, and operation of several new mines around the world has experience in gold, copper, nickel, diamonds, iron ore, lithium and mineral sands.

Mr McFadzean's professional career includes 15 years with BHP and Rio Tinto in a variety of positions and four years as managing director of successful ASX gold miner Catalpa Resources Limited which merged into Evolution Mining Limited. Mr McFadzean has successfully completed several mergers, acquisitions and joint ventures.

Mr McFadzean has held the position of Chairman and Director of several ASX listed companies and is currently Non-Executive Chair of Ardiden Limited (ASX: ADV) – November 2021 to present, Non-Executive Chair of Aquirian Limited (ASX: AQN) – April 2021 to present, and Non-Executive Director of Argosy Limited (ASX:AGY) – April 2022 to present.

Over the past 3 years, Mr McFadzean is a former ASX director of Indiana Resources Limited and Sheffield Resources Limited.

Mr Malcolm Randall
Non-Executive Director

Qualifications: Dip Applied Chem, FAICD

Mr Randall holds a Bachelor of Applied Chemistry degree and has more than 45 years of experience in corporate, management and marketing in the resources sector, including more than 25 years with the Rio Tinto group of companies.

His experience has covered a diverse range of commodities including iron ore, base metals, uranium, mineral sands, lithium, and coal.

Mr Randall has held the position of Chairman and Director of several ASX listed companies. Current directorships include Ora Gold Limited (ASX:OAU), Magnetite Mines Limited (ASX: MGT), Kingsland Minerals (ASX: KNG), and Argosy Minerals Limited (ASX:AGY).

Over the past 3 years, Mr Randall is a former Director of Kalium Lakes Limited.

Mr Jean Claude Steinmetz
Non-Executive Director

Qualifications: BSc in Chemical Engineering, MSc in Industrial Management

Mr Steinmetz has been involved in the specialty chemical industry for more than 26 years with a strong focus on the automotive industry leading breakthrough projects in body developments and major reductions programmes of carbon dioxide (CO2) in compliance with European and global legislation. Mr Steinmetz has also held management positions in Rhodia-Solvay, GE and Du Pont. He currently serves as Chairman of the Auto Plastic and Innovative Materials Committee of Sino-EU Chemical Manufacturers Association.

Mr Steinmetz's was previously Chief Operating Officer for the ASX listed rare earth company Lynas Corporation where he had operational responsibility for the mining operations and concentration plant at Mount Weld in Western Australia and the Lynas Advanced Materials Plant in Malaysia. He also had oversight of the sales and marketing activities at Lynas and is fluent in English, Dutch, German and French.

Mr Steinmetz has held no other ASX directorships in the past three years.

Interests in the shares and options of the Company

The following relevant interests in shares and options of the Group or a related body corporate were held by the Directors as at the date of this report.

Director	Number of Fully Paid Ordinary Shares	Number of Performance Rights
Mr Charles Lew	6,581,821	400,000
Mr Guy Robertson	45,074	52,500
Mr Neil Hackett	22,500	52,500
Mr Bruce McFadzean	50,658	87,500
Mr Malcolm Randall	47,881	87,500
Mr Jean Claude Steinmetz	213,545	52,500

Dividends

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activities of the Group during the year were the exploration and evaluation and early works construction of the Yangibana Rare Earths Project ("the Project"), and the further advancement of project debt funding.

For a review of operations, please refer to the section Review of Operations on pages 7 to 13.

Operating results for the year and financial review

The comprehensive loss of the consolidated entity for the financial year, after providing for income tax amounted to $9,426,219 (2021: $6,334,423).

The Group's income increased to $328,910 (2021: $175,915) primarily due to an increase in interest income earned on increased funds, received from the exercise of options and share placements, held in term deposits.

Expenses increased to $9,764,165 (2021: $6,509,067) primarily due to higher employee numbers resulting in increased employee benefits expenses and share-based payment expenses. Administration and occupancy expenses also increased having too been impacted by the higher employee numbers.

Capitalised exploration increased to $71,411,125 (2021: $64,704,236) reflecting the costs associated with drilling on the Yangibana Rare Earths Project to increase probable reserves, and heritage and environmental approvals.

Plant and equipment increased to $82,932,086 (2021: $46,446,450) reflecting the commencement of early works construction, design and engineering costs, and the partial payments for long lead items.

Net assets increased to $282,428,491 (2021: $221,931,429) reflecting equity funds received, before costs, during the year of $69,476,499 (2021: $122,166,837) offset by the net loss for the year.

Review of financial conditions

As at 30 June 2022 the consolidated entity had $134,276,193 (2021: 109,954,906) in net cash, of which $119,866,547 (2021: $28,067,095) was in cash and cash equivalents and $15,000,000 (2021: $82,000,000) in term deposits with maturities greater than 3 month terms. The funds are earmarked for construction, corporate costs, and working capital.

Going concern

In light of the $134,866,547 in funds held by the Group as of 30 June 2022, and the Group's forecasted cash outflows over the next 12 months, the Directors expect that the Group can continue its normal business activities, subject to any changes to the underlying assumptions on which those forecasts have been made. This includes the ability to extinguish liabilities as and when they fall due without the need for additional funding. The Directors therefore have determined it is appropriate for the financial statements to be prepared on a going concern basis.

The Group continues discussions with the support of its appointed debt adviser, KPMG, on project debt funding with a syndicate including KfW IPEX-Bank, Finland's Export Credit Agency Finnvera Oyj, Northern Australian Infrastructure Facility ("NAIF"), and a number of commercial banks. NAIF approved an investment decision for a $140 million loan facility on 2 February 2022 with a 12½ year tenor, subject to pre-completion conditions.

In September 2022, the Group announced a $110 million share placement of which $100 million is underwritten.

The Group also conducted a US$350m Nordic Bond market sounding exercise during the year which exceeded expectations and remains a project debt funding option. The preferred funding pathway for the Project's debt funding is expected to be finalised during calendar Q4 2022.

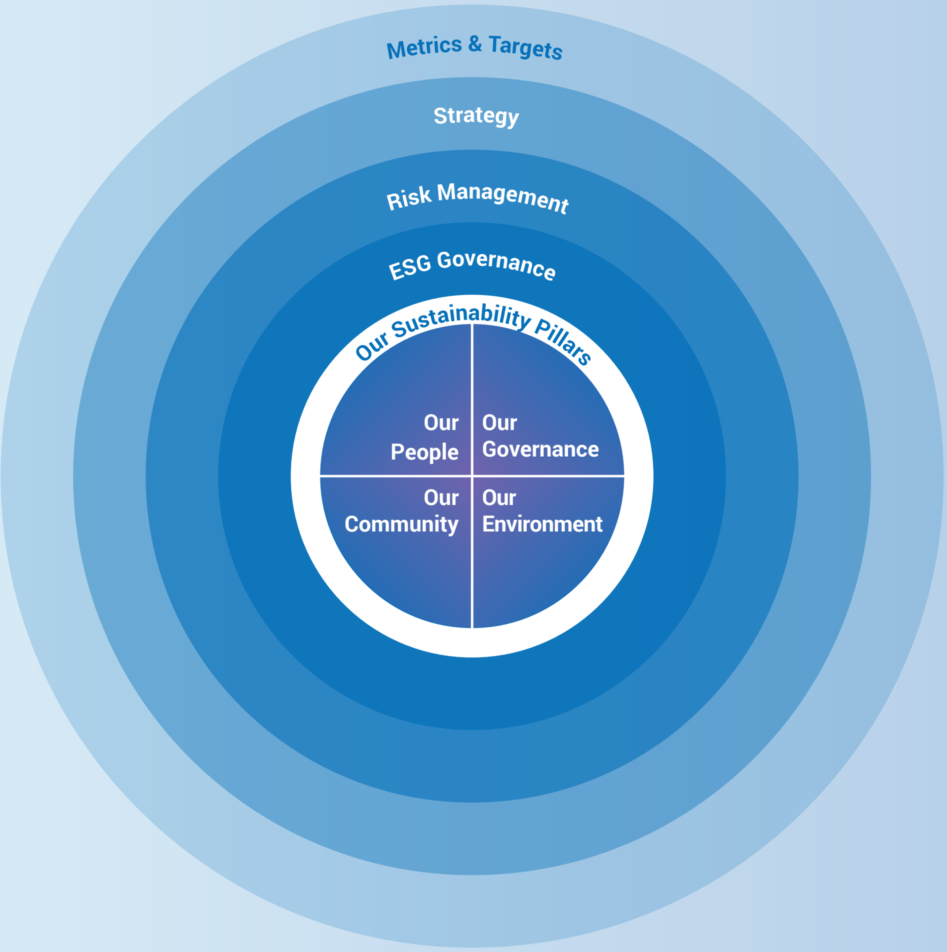
For further information concerning going concern, refer to Note 1(d) to the financial statements.

Environmental, Social, and Governance ("ESG")

The value of our company is not only defined by our financial performance, but also by our environmental, social and governance performance. Hastings reports its ESG performance in its Annual Sustainability Report, which is aligned with the Global Reporting Initiative standards.

Our approach to operating in a sustainable manner is built around integrating four key pillars (i.e., environment, people, governance, community) into our business. Under each of our material topics, we have set objectives and targets and will report our progress against them in the annual sustainability report. ESG topics that are material to our business include:

1. Environment: We seek to understand and manage our impact on the environment and be efficient in the way that we use resources. Our performance was reported under the following topics:
   - Climate change including consideration of physical and transitional risks and their integration within our corporate risk register and reporting our scope 1 and 2 emissions this year;
   - Water stewardship includes consideration of water sources and their interaction of groundwater dependent ecosystems as inputs into an ecohydrological model;
   - Waste and tailings management includes waste characterisation, waste management and long-term integrity of waste landforms;
   - Biodiversity includes the assessment of biodiversity values in areas where we will operate; and
   - Rehabilitation and closure include progressive rehabilitation of previously disturbed areas and planning for closure prior to construction.
2. People: We aim to create a workplace that is respectful and inclusive. We attract and retain talent by developing and supporting our people, and putting in place measures to protect their health, safety and wellbeing. Our performance was reported under the following topics:
   - Health, safety and wellbeing including Covid-19, and mental health; and
   - Attracting and retaining employees.



ESG Governance

- ESG Committee includes Executive Chairman, Non-Executive Director and senior executive management team.
- Board oversight
- Policy implementation programs
  - Systems
  - Culture
  - Stakeholder Engagement
- Policies approved by the Board

Risk Management

- Risk assessment
- Stakeholder engagement
- Identify risks that are material to our business
- Business impacts and opportunities
- Identify management actions to mitigate risk
- Integrate into the broader business

Strategy

- Set objectives and targets
- Management plans
- Implementation
- Measure and monitor
- Continual improvement

Metrics & Targets

- Set objectives and short and longer-term targets for material topics
- Identify quantitative and qualitative metrics
- Measure
- Disclose performance metrics in annual Sustainability Report
- Aim to continually improve our performance and achieve our targets

3. Governance: We conduct our business with integrity, transparency and we honour our commitments. This is underpinned and guided by a structured set of policies and procedures, and strong leadership. Our performance was reported under the following topics:

   - Ethics and Conduct, inclusive of human rights and tax transparency;
   - Risk management, inclusive of cyber-security, project risks associated with early works, construction, commissioning and operations phases, and climate-related risks; and

- Supply chain management.

4. Community: We engage meaningfully with our stakeholders and look to make a positive contribution to the communities where we operate. Our performance was reported under the following topics:

   - Cultural heritage.
   - Stakeholder engagement.

Key performance highlights this year include:

- Our inaugural climate change report aligned with the Task Force on Climate Related Financial Disclosures ("TCFD") recommendations and verified by a third party;
- Formal Board oversight of ESG and climate change via an ESG Committee Charter (approved by the Board);
- 100% employee participation in anti-bribery and corruption training;
- Launch of an employee well-being program;
- No long-term employee or contractor injuries during the reporting period;
- Formal signatory of the United Nations (UN) Global Compact, with our sustainability report being the communication on progress of our contribution to the UN Sustainable Development Goals ("SDG"), specifically:
- SDG 3 Good Health and Well-being;
- SDG 5 Gender Equality;
- SDG 7 Affordable and Clean Energy;
- SDG 8 Decent Work and Economic Growth;
- SDG 12 Responsible Consumption and Production; and
- SDG 13 Climate Action.
- Diversity targets approved by our Board; and
- ESG ratings assessment by Sustainalytics.

Significant changes in the state of affairs

The following summary of events were significant milestones in the state-of-affairs of the Group during the year:

- First construction blast for the Project occurring in June 2022;
- The consolidation of shares on a 1 for 20 basis in May 2022;
- Share capital increased by $29 million as a result of a $40 million strategic placement and $29 million received from the exercise of expiring listed options;
- NAIF approved a $140 million loan facility with 12½ year tenor, subject to pre-completion conditions;
- The Project's total Ore Reserve increased 37% to 16.7Mt at 0.95% TREO, extending the mine's life to at least 15 years. TREO tonnes rose 15% to 158,400t, with NdPr increasing 18% to 58,300
- The Town of Onslow announced as the location for the hydrometallurgical plant;
- Received Commonwealth Government environmental approval for the hydrometallurgical plant at Onslow; and
- Received commendation from the Western Australia State Government for the Yangibana Rare Earths Project.

Significant events after balance sheet date

Since 30 June 2022, the Group has announced:

- A $110 million two-tranche placement to accelerate development of the Yangibana Rare Earths Project;
- Hastings to acquire a 22.1% strategic shareholding in Neo Performance Materials Inc., a leading global rare earth processing and advanced permanent magnets producer listed on the Toronto Stock Exchange;
- A $150 million investment in Hastings by Wyloo Metals through the issuance of secured, redeemable, exchangeable notes; and
- The high grade extension of Bald Hill mineralisation beyond previous resource boundaries.

Other than as outlined above, there were no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or state-of-affairs of the consolidated entity in future financial years.

Shares under option

At the date of this report there were 4,000,000 unlisted options on issue exercisable at $6.50 per option expiring 1 April 2024.

The Group has 1,560,021 performance rights on issue to Directors and employees, of which 93,333 (post a 1:20 consolidation) were issued during the year to Chief Operating Officer, Mr Andrew Reid.

Likely developments and expected results

During the coming financial year, the Group plans to focus on sourcing the balance of the Project's funding and progress mine development construction.

The material business risks faced by the Group that are likely to impact the financial prospects of the Group, and how the Group manages these risks, are:

- Future capital needs – The Group currently does not generate cash from its operations and will require further funding to develop the Yangibana Project in a period of rapidly escalating construction prices, meet exploration obligations, and cover corporate costs;
- Development risks – The Yangibana Project has a substantial resource and will face development, construction, and commissioning risk prior to going into production. The Group employs technical specialists and engages external consultants where appropriate to address this risk; and
- Commodity price risk – As a Group which is focused on the exploration and bringing into production of rare earth oxides, notably neodymium, praseodymium, dysprosium, and terbium, it is exposed to movements in the price of these commodities. The Group monitors historical and forecast price information from a range of sources to support its planning and decision making.

Environmental legislation

The consolidated entity is subject to significant environmental and monitoring requirements in respect of its natural resources' exploration and development activities.

The Directors are not aware of any significant breaches of these requirements during the year.

Indemnification and insurance of Directors and Officers

The consolidated entity has agreed to indemnify all Directors of the Group for any liabilities to another person (other than the Group or related body corporate) that may arise from their position as Directors of the Group, except where the liability arises out of conduct involving a lack of good faith.

Indemnity of auditors

The Group has agreed to indemnify its auditors, PricewaterhouseCoopers, to the extent permitted by law, against any claim by a third party arising from the Group's breach of their agreement. The indemnity stipulates that Hastings Technology Metals Limited will meet the full amount of any such liabilities including a reasonable amount of legal costs.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for key management personnel of Hastings Technology Metals Limited for the financial year ended 30 June 2022.

The following people acted as key management personnel during the financial year.

Name	Particulars
Mr Charles Lew	Executive Chairman
Mr Guy Robertson	Executive Director
Mr Neil Hackett	Non-Executive Director
Mr Bruce McFadzean	Non-Executive Director
Mr Malcolm Randall	Non-Executive Director
Mr Jean Claude Steinmetz	Non-Executive Director
Mr Andrew Reid	Chief Operating Officer
Mr Matthew Allen	Chief Financial Officer

Remuneration philosophy

The performance of the Group depends upon the quality of the Directors and Executives. The philosophy of the Group in determining remuneration levels is to:

- Provide competitive remuneration, referencing appropriate industry market benchmarks;
- Present progressive incentive structures to encourage outstanding performance;
- Provides a mix of rewards that will attract, retain, and motivate Executives;
- Rewards behaviour and performance that are aligned to the company goals, values, and external stakeholder expectations.

Remuneration Committee

The Remuneration Committee of the Board of Directors of the Group is responsible for determining and reviewing remuneration arrangements for the Directors and Executives.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and Executives on a periodic basis referencing relevant employment market conditions, peer benchmarking and independent remuneration benchmarking with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Statutory key performance indicators of the Group over the last five years

	2022	2021	2020	2019	2018
Loss for the year attributable to owners of Hastings Technology Metals Limited	9,426,219	6,334,423	4,230,338	5,143,029	2,891,278
Basic loss per share[1]	10.33	9.51	8.60	13.00	8.60
Opening share price[1]	3.40	2.30	3.00	4.50	1.80
Closing share price[1]	3.96	3.40	2.30	3.00	4.50
Increase/(decrease) in share price	16%	48%	(23%)	(33%)	150%

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and senior management remuneration is separate and distinct.

Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time-to-time by a general meeting. The latest determination was at the Annual General Meeting held on 25 November 2021 when shareholders approved an aggregate remuneration of up to $500,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders, and the manner in which it is apportioned amongst directors, is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each Director receives a fee for being a director of the Group.

The remuneration of Directors for the year ended 30 June 2022 is detailed below.

Senior manager and executive director remuneration

Remuneration consists of fixed remuneration and performance rights to shares (as determined from time-to-time). In addition to Group employees and Directors, the Group may contract key consultants on a contractual basis. These contracts stipulate the remuneration to be paid to the consultants.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of relevant comparative remuneration in the market, performance of the executive, Company performance and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary. Fixed remuneration is paid in the form of cash payments.

The fixed remuneration component of the key management personnel is detailed below.

All Directors have a letter of appointment. Remuneration of Non-Executive Directors is set at $60,000 per annum (inclusive of superannuation where applicable) and the Executive Chairman at $570,000 per annum. Non-Executive Director fees over and above $60,000 per annum are for additional consulting services paid at agreed rates. Key Management Personnel contract details are as follows:

Name	Position	Directors' Fee $[3]	Other Fees/Salary $[3]	Termination Notice Period
Mr Charles Lew	Executive Chairman	120,000	450,000	12 months
Mr Guy Robertson	Executive Director	60,000	36,000	–
Mr Neil Hackett[1]	Non-Executive Director	60,000	7,000	–
Mr Bruce McFadzean	Non-Executive Director	60,000	10,000	–
Mr Malcolm Randall	Non-Executive Director	60,000	11,000	–
Mr Jean Claude Steinmetz[2]	Non-Executive Director	60,000	8,000	–
Mr Andrew Reid	Chief Operating Officer	–	438,568	3 months
Mr Matthew Allen	Chief Financial Officer	–	386,568	8 weeks

[1]Mr Hackett receives an hourly fee as joint company secretary, which are included in the table below
[2]Mr Steinmetz's agreement provides for additional consulting services at a daily rate
[3]All fees are per annum and inclusive of superannuation where applicable

Remuneration of key management and personnel

Table 1: Key management personnel remuneration for the year ended 30 June 2022

	Short-term employee benefits Salary & Fees $	Annual leave and long service leave $	Post-employment benefits Superannuation $	Equity Performance Rights[1] $	Total $	% Performance Related
Mr Charles Lew	570,000	–	–	206,453	776,453	26.6
Mr Guy Robertson[2]	96,000	–	–	12,659	108,659	11.7
Mr Neil Hackett[3]	88,524	–	–	12,659	101,183	12.5
Mr Bruce McFadzean	63,636	–	6,364	152,358	222,358	68.5
Mr Malcolm Randall	64,545	–	6,455	21,098	92,098	22.9
Mr Jean Claude Steinmetz	68,000	–	–	12,659	80,659	15.7
Mr Andrew Reid	402,500	17,147	23,568	496,662	939,877	52.8
Mr Matthew Allen	346,500	26,996	23,568	343,521	740,585	46.4
Total	**1,699,705**	**44,143**	**59,955**	**1,258,069**	**3,061,872**	**41.1**

[1]Performance rights have been granted and valued, with vesting subject to performance hurdles being met
[2]Mr Robertson is paid through Integrated CFO Solutions Pty Ltd, a company in which he has a controlling interest
[3]Mr Hackett is paid through Corporate-Starboard Pty Ltd, a company in which he has a controlling interest

Table 2: Key management personnel remuneration for the year ended 30 June 2021

	Short-term employee benefits Salary & Fees $	Annual leave and long service leave $	Post-employment benefits Superannuation $	Equity Performance Rights[1] $	Total $	% Performance Related
Mr Charles Lew	498,750	–	–	443,605	942,355	47.1
Mr Guy Robertson[2]	96,000	–	–	48,379	144,379	33.5
Mr Neil Hackett[3]	70,036	–	–	48,379	118,415	40.9
Mr Bruce McFadzean[4]	27,397	–	2,603	133,311	163,311	81.6
Mr Malcolm Randall	52,055	–	4,945	80,632	137,632	58.6
Mr Jean Claude Steinmetz	57,000	–	–	48,379	105,379	45.9
Mr Andrew Reid	376,502	10,676	21,694	96,282	505,154	19.1
Mr Matthew Allen[5]	137,500	11,579	9,039	99,960	258,078	38.7
Total	**1,315,240**	**22,255**	**38,281**	**998,927**	**2,374,703**	**42.1**

[1] Performance rights have been granted and valued, with vesting subject to performance hurdles being met. Amounts have been adjusted from those disclosed in the FY2021 Annual Report reflecting a correction on the valuation of the 17,000,000 performance rights replaced at the 2020 Annual General Meeting
[2]Mr Robertson is paid through Integrated CFO Solutions Pty Ltd, a company in which he has a controlling interest
[3]Mr Hackett is paid through Corporate-Starboard Pty Ltd, a company in which he has a controlling interest
[4]Mr McFadzean was appointed 1 January 2021
[5]Mr Allen was appointed 1 February 2021

Director performance rights in existence during the year ended 30 June 2022 (and the prior comparative year) were approved for granting at the 2020 Annual General Meeting (30 November 2020), with the exception of Mr McFadzean's performance rights which were issued on his appointment as Director (1 January 2021).

Details of current performance rights are outlined below. All details, including share prices at grant, are as at the time of granting of the performance rights and do not reflect the impact of the 1:20 capital restructure on 23 May 2022 unless otherwise stated.

At the 2020 Annual General Meeting, shareholders approved the replacement of 17,000,000 performance rights to Directors.

Vesting occurs up until the end of the last performance period ended 31 December 2023, with a nil exercise price, if the following performance conditions are met:

Non-market based performance conditions

- 30% of the performance rights will vest on commencement of construction of the beneficiation plant in 2021;
- 30% of the performance rights will vest on commencement of construction of the hydrometallurgy plant before 31 December 2022; and
- 40% of the performance rights will vest on achieving production throughput performance of no less than 90% of beneficiation design capacity for a consecutive period of no less than 3 days post C3 commissioning but not exceeding 180 days post C3 commissioning.

595,000 performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 5,100,000 performance rights having vested during the year.

2,500,000 in additional Director performance rights were issued to Mr McFadzean on his appointment as Director on 1 January 2021. These performance rights were issued on the same terms as the 17,000,000 Directors' performance rights and were valued at $0.18/performance right based the Black-Scholes Model utilising the following assumptions:

- $0.18 share price at grant date;
- 3 year maturity period;
- 0.001% risk-free interest rate; and
- 0.04-0.16% volatility.

87,500 performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 750,000 having vested during the year.

At the 2020 AGM, shareholders approved the granting of an addition 2,000,000 employee performance rights to Mr Lew. The performance rights were valued at $0.16/performance right based on the Black-Scholes Model utilising the following assumptions:

- $0.16 share price at grant date;
- 2.2 year maturity period;
- 0.09-0.11% risk-free interest rate; and
- 0.52-3.22% volatility.

These employee performance rights have a nil exercise price, and vest based on the following performance conditions being met:

Non-market based performance conditions

- 25% of the performance rights will vest 31 December 2020 upon demonstrating improvement in project CAPEX estimate vs published in November 2019 - $517 million. Improvement in CAPEX must be greater than 10% or $52 million;
- 25% of the performance rights will vest 31 December 2021 on confirmation a) CAPEX is +/- 5% of $449 million, b) OPEX is within a +/- 5% variation from the November 2019 Life-Of-Mine of $20.50, and c) a 10% improvement in the net present valuation as published in November 2019 of $549 million; and
- 50% of the performance rights will vest 31 December 2022 on confirmation construction is on schedule and on budget within a 5% variance to time and budget according to the Master Schedule and Master Budget as of 31 December 2022.

50,000 of these performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 500,000 having vested during the year.

The performance conditions are specified lead indicators designed to be proactive and influence future events with measures being put in place which outline a set of actions and deliverables, as listed above.

The performance conditions for the 2021 calendar year were based around the relocation of the hydrometallurgical plant to Port Hedland and did not include a number of process flow sheet improvements which have subsequently been included into the capital requirements for the Yangibana Rare Earths Project. Hastings announced on 16 September 2021 that it is relocating the construction of the hydrometallurgical plant to the Town of Onslow.

Both the relocation to Onslow and the additional capital improvements projects were taken into account when considering the 2021 performance conditions, with the $449 million CAPEX normalised to get alignment with current capital expenditure flowsheet requirements.

On 23 October 2020, Mr Reid was granted 1,700,000 employee performance rights on the same terms as Mr Lew's employee performance rights. These performance rights were valued at $0.14 per performance right based on the Black-Sholes Model utilising the following assumptions:

- $0.14 share price at grant date;
- 2.2 year maturity period;
- 0.09-0.11% risk-free interest rate; and
- 0.52-3.22% volatility.

42,500 of these performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 425,000 having vested during the year.

An additional 2,800,00 employee performance rights were granted to Mr Reid on 3 September 2021 on the same terms as his previously granted 1,700,000 performance rights. These performance rights were valued at $0.22 per performance right based on the Black-Sholes Model utilising the following assumptions:

- $0.22 share price at grant date;
- 1.3 year maturity period;
- 0.01% risk-free interest rate; and
- 1.97-3.94% volatility.

93,333 of these performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 933,333 having vested during the year.

Mr Allen was granted 3,000,000 employee performance rights on his appointment as Chief Financial Officer on 1 February 2021. These performance rights were valued at $0.21 per performance right based on the Black-Sholes Model utilising the following assumptions:

- $0.21 share price at grant date;
- 2 year maturity period;
- 0.001% risk-free interest rate; and
- 0.34-0.36% volatility.

Vesting of Mr Allen's performance rights occurs up until the end of the last performance period ended 31 December 2022, with a nil exercise price, if the following performance conditions are met:

- 1,000,000 of the performance rights will vest in 2021 on confirmation a) CAPEX is +/- 5% of $449 million, b) OPEX is within a +/- 5% variation from the November 2019 Life-Of-Mine of $20.50, and c) a 10% improvement in the net present valuation as published in November 2019 of $549 million; and
- 2,000,000 of the performance rights will vest on confirmation construction is on schedule and on budget within a 5% variance to time and budget according to the Master Schedule and Master Budget as of 31 December 2022.

100,000 of these performance rights (post a 1:20 consolidation in May 2022) remain outstanding as at the date of this report, with 1,000,000 having vested during the year.

Shareholdings of Key Management Personnel

30 June 2022	Balance at beginning of period Ord	Purchased Ord	On vesting of Performance Rights Ord	On exercise of Options Ord	1:20 consolidation Ord	Balance at end of period Ord
Mr Charles Lew[1]	123,603,734	–	3,500,000	4,532,677	(125,054,590)	6,581,821
Mr Guy Robertson	451,472	–	450,000	–	(856,398)	45,074
Mr Neil Hackett	–	–	450,000	–	(427,500)	22,500
Mr Bruce McFadzean[2]	263,157	–	750,000	–	(962,499)	50,658
Mr Malcolm Randall[3]	175,074	–	750,000	32,537	(909,730)	47,881
Mr Jean Claude Steinmetz[4]	3,720,890	–	450,000	100,000	(4,057,345)	213,545
Mr Andrew Reid	955,000	–	1,358,333	15,000	(2,211,916)	116,417
Mr Matthew Allen	–	–	1,000,000	–	(950,000)	50,000
Total	**129,169,327**	**–**	**8,708,333**	**4,680,214**	**(135,429,978)**	**7,127,896**

[1]4,484,170 shares are held by nominee entities on Mr Lew's behalf
[2]13,158 shares are held by nominee entities on Mr McFadzean's behalf
[3]47,881 shares are held by nominee entities on Mr Randall's behalf
[4]32,500 shares are held by nominee entities on Mr Stenmetz's behalf

30 June 2021	Balance at beginning of period Ord	Purchased Ord	On vesting of Performance Rights Ord	On exercise of Options Ord	Balance at end of period Ord
Mr Charles Lew[1]	113,289,155	9,814,579	500,000	–	123,603,734
Mr Guy Robertson	331,472	120,000	–	–	451,472
Mr Neil Hackett	–	–	–	–	–
Mr Bruce McFadzean[2]	–	263,157	–	–	263,157
Mr Malcolm Randall[3]	115,074	60,000	–	–	175,074
Mr Jean Claude Steinmetz	3,720,890	–	–	–	3,720,890
Mr Andrew Reid	530,000	–	425,000	–	955,000
Mr Matthew Allen	–	–	–	–	–
Total	**117,986,591**	**10,257,736**	**925,000**	**–**	**129,169,327**

[1]71,883,402 shares are held by nominee entities on Mr Lew's behalf
[2]263,157shares are held by nominee entities on Mr McFadzean's behalf
[3]175,074 shares are held by nominee entities on Mr Randall's behalf

Option holdings of Key Management Personnel

During the year ended 30 June 2019, the Group issued listed options exercisable at 25 cents per share expiring on 12 April 2022. The options were issued as free attaching options to a share placement based on one option for every two new shares purchased.

30 June 2022	Balance at beginning of period Options	Purchased Options	On exercise of Options Options	Other Options	Balance at end of period Options
Mr Charles Lew[1]	4,532,677	–	(4,532,677)	(360,000)	–
Mr Guy Robertson	–	–	–	–	–
Mr Neil Hackett	–	–	–	–	–
Mr Bruce McFadzean	–	–	–	–	–
Mr Malcolm Randall[2]	32,537	–	(32,537)	–	–
Mr Jean Claude Steinmetz	100,000	–	(100,000)	–	–
Mr Andrew Reid	15,000	–	(15,000)	–	–
Mr Matthew Allen	–	–	–	–	–
Total	**4,680,214**	**–**	**(4,680,214)**	**–**	**–**

[1]Mr Lew's balance at beginning of period of 4,532,677 has been restated from 4,892,677 due to a prior year calculation error
[2]32,537 options are held by nominee entities on Mr Randall's behalf

30 June 2021	Balance at beginning of period Options	Purchased Options	On exercise of Options Options	Other Options	Balance at end of period Options
Mr Charles Lew[1]	2,581,177	1,951,500	–	–	4,532,677
Mr Guy Robertson	–	–	–	–	–
Mr Neil Hackett	–	–	–	–	–
Mr Bruce McFadzean	–	–	–	–	–
Mr Malcolm Randall[2]	32,537	–	–	–	32,537
Mr Jean Claude Steinmetz	100,000	–	–	–	100,000
Mr Andrew Reid	15,000	–	–	–	15,000
Mr Matthew Allen	–	–	–	–	–
Total	**2,728,714**	**1,951,500**	–	–	**4,680,214**

[1]Mr Lew's balance at beginning of period of 2,581,177 has been restated from 2,941,177 due to a prior year calculation error
[2]32,537 options are held by nominee entities on Mr Randall's behalf

Performance rights held by Directors and Key Management Personnel

The following performance rights were held during the current and prior year and are subject to the Group achieving certain milestones as set out above.

	Number	Grant date	Performance period to	% vested	% lapsed/ cancelled
Mr Charles Lew	10,000,000	27 November 2019	31 December 2022	–	100%
Mr Charles Lew	10,000,000	30 November 2020	31 December 2023	30%	–
Mr Charles Lew	2,000,000	30 November 2020	31 December 2022	50%	–
Mr Guy Robertson	1,500,000	27 November 2019	31 December 2022	–	100%
Mr Guy Robertson	1,500,000	30 November 2020	31 December 2023	30%	–
Mr Neil Hackett	1,500,000	27 November 2019	31 December 2022	–	100%
Mr Neil Hackett	1,500,000	30 November 2020	31 December 2023	30%	–
Mr Bruce McFadzean	2,500,000	1 January 2021	31 December 2023	30%	–
Mr Malcolm Randall	2,500,000	27 November 2019	31 December 2022	–	100%
Mr Malcolm Randall	2,500,000	30 November 2020	31 December 2023	30%	–
Mr Jean Claude Steinmetz	1,500,000	27 November 2019	31 December 2022	–	100%
Mr Jean Claude Steinmetz	1,500,000	30 November 2020	31 December 2023	30%	–
Mr Andrew Reid	3,000,000	4 June 2019	31 December 2021	17%	83%
Mr Andrew Reid	1,700,000	23 October 2020	31 December 2022	50%	–
Mr Andrew Reid	2,800,000	3 September 2021	31 December 2022	33%	–
Mr Matthew Allen	3,000,000	19 January 2021	31 December 2022	33%	–

Performance Rights 30 June 2022	Balance at beginning of period	Granted as remuneration	Vested and exercised during period	1:20 consolidation	Balance at end of period	Max value yet to vest[1]
Mr Charles Lew	11,500,000	–	(3,500,000)	(7,600,000)	400,000	$259,940
Mr Guy Robertson	1,500,000	–	(450,000)	(99,7500)	52,500	$28,962
Mr Neil Hackett	1,500,000	–	(450,000)	(997,500)	52,500	$28,962
Mr Bruce McFadzean	2,500,000	–	(750,000)	(1,662,500)	87,500	$176,832
Mr Malcolm Randall	2,500,000	–	(750,000)	(1,662,500)	87,500	$48,271
Mr Jean Claude Steinmetz	1,500,000	–	(450,000)	(997,500)	52,500	$28,962
Mr Andrew Reid	1,275,000	2,800,000	(1,358,333)	(2,580,834)	135,833	$275,055
Mr Matthew Allen	3,000,000	–	(1,000,000)	(1,900,000)	100,000	$186,519
Total	**25,275,000**	**2,800,000**	**(8,708,333)**	**(18,398,334)**	**968,333**	**$1,033,503**

[1]The maximum value of the deferred shares yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed. The minimum value of deferred shares yet to vest is nil, as the shares will be forfeited if the vesting conditions are not met.

Performance Rights 30 June 2021	Balance at beginning of period	Granted as remuneration	Vested and exercised during period	Lapsed or cancelled	Balance at end of period	Max value yet to vest[1,2]
Mr Charles Lew	10,000,000	12,000,000	(500,000)	(10,000,000)	11,500,000	$466,395
Mr Guy Robertson	1,500,000	1,500,000	–	(1,500,000)	1,500,000	$41,621
Mr Jean Claude Steinmetz	1,500,000	1,500,000	–	(1,500,000)	1,500,000	$41,621
Mr Neil Hackett	1,500,000	1,500,000	–	(1,500,000)	1,500,000	$41,621
Mr Malcolm Randall	2,500,000	2,500,000	–	(2,500,000)	2,500,000	$69,369
Mr Bruce McFadzean	–	2,500,000	–	–	2,500,000	$329,189
Mr Andrew Reid	2,500,000	1,700,000	(425,000)	(2,500,000)	1,275,000	$141,718
Mr Matthew Allen	–	3,000,000	–	–	3,000,000	$530,040
Total	**19,500,000**	**26,200,000**	**(925,000)**	**(19,500,000)**	**25,275,000**	**$1,661,574**

[1]The maximum value of the deferred shares yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed. The minimum value of deferred shares yet to vest is nil, as the shares will be forfeited if the vesting conditions are not met.
[2]Max value yet to vest have been restated for a fair value correction

Related Party Transactions

	2022 $	2021 $
Office and administration costs[1]	88,412	87,478

[1]Office and administration costs were paid to Equator Capital Pte Limited, a company in which Mr Charles Lew has a controlling interest. Of this amount $7,374 (2021: $4,661) remains payable as at 30 June 2022.

Reliance on external remuneration consultants

In August 2021, the Group engaged The Reward Practice to undertake a desktop review of its current long-term incentive arrangements. The review did not contain a remuneration recommendation.

Voting of shareholders at last year's annual general meeting

Hastings Technology Metals Limited received more than 99% of "yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM on its remuneration practices.

End of audited remuneration report.

Directors' Meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	Director Meetings		Audit Committee		Remuneration Committee	
Director	**Attended**	**Eligible to Attend**	**Attended**	**Eligible to Attend**	**Attended**	**Eligible to Attend**
Mr Charles Lew	10	10	2	2	4	4
Mr Guy Robertson	10	10	2	2	4	4
Mr Neil Hackett	10	10	2	2	–	–
Mr Bruce McFadzean	10	10	–	–	–	–
Mr Malcolm Randall	10	10	2	2	4	4
Mr Jean Claude Steinmetz	10	10	–	–	4	4

In addition to the above meeting attendances, 4 circular resolutions were signed by the Board during the year.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, PricewaterhouseCoopers, to provide the Directors of the Group with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 41 and forms part of this Directors' Report for the year ended 30 June 2022.

Audit and Non-Audit Services

Details on the amounts paid or payable to the auditor (PricewaterhouseCoopers Australia) for audit and non-audit services during the year are disclosed in note 25.

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board, in accordance with advice provided by the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

Signed in accordance with a resolution of the Directors.

Charles Lew
Executive Chairman

30 September 2022

Corporate Governance Statement

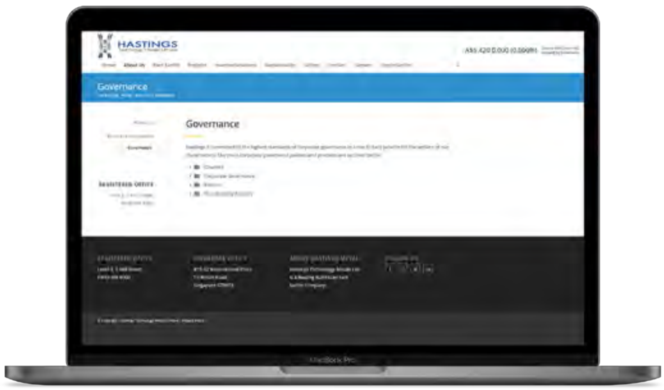
The Board of Directors of Hastings Technology Metals Limited is responsible for the corporate governance of the Group.

Hastings Technology Metals Limited, through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with the Company. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

The fourth edition of ASX Corporate Governance Council Principles and Recommendations (the "Principles") sets out recommended corporate governance practices for entities listed on the ASX.

The Group has issued a Corporate Governance Statement which discloses the Group's corporate governance practices and the extent to which the Group has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 30 September 2022 and is available on the Group's website: **hastingstechmetals.com/about-us/governance/**



Auditor's Independence Declaration

As lead auditor for the audit of Hastings Technology Metals Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Hastings Technology Metals Limited and the entities it controlled during the period.

Helen Bathurst

Helen Bathurst
Partner
PricewaterhouseCoopers

Perth
30 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

		Consolidated	
	Notes	2022 $	2021 $
Continuing operations			
Other income	2	328,910	175,915
Administration expenses		(1,418,264)	(552,281)
Depreciation – plant and equipment	11	(171,257)	(130,484)
Depreciation – right-of-use assets		(203,446)	(187,459)
Directors' fees		(957,940)	(808,786)
Occupancy expenses		(165,926)	(162,109)
Employee benefits expense	3	(3,457,163)	(1,898,344)
Legal fees		(278,927)	(290,958)
Consulting and professional fees		(771,698)	(369,311)
Share-based payments	4	(2,311,540)	(2,091,034)
Finance costs		(28,004)	(18,301)
Loss before income tax expense		(9,435,255)	(6,333,152)
Income tax benefit	5	–	–
Net loss for the year		(9,435,255)	(6,333,152)
Other comprehensive profit/(loss)		9,036	(1,271)
Total comprehensive loss for the year		(9,426,219)	(6,334,423)

	Notes	2022 Cents per Share	2021 Cents per Share
Basic and diluted loss per share	6	(10.33)	(9.51)

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

		Consolidated	
	Notes	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	7	119,866,547	28,067,095
Trade and other receivables	9	8,587,476	4,612,174
Other financial assets at amortised cost	10	15,000,000	82,000,000
Total current assets		**143,454,023**	**114,679,269**
Non-current assets			
Plant and equipment	11	82,932,086	46,446,450
Right-of-use assets		540,308	78,926
Deferred exploration and evaluation expenditure	12	71,411,125	64,704,236
Total non-current assets		**154,883,519**	**111,229,612**
Total assets		**298,337,542**	**225,908,881**
Liabilities			
Current liabilities			
Trade and other payables	13	11,891,030	2,692,483
Lease liability		204,655	112,189
Employee benefit obligations		341,475	202,703
Total current liabilities		**12,437,160**	3,007,375
Non-current liabilities			
Lease liability		385,699	–
Rehabilitation provision	14	2,957,581	883,683
Employee benefit obligations		128,611	86,394
Total non-current liabilities		3,471,891	970,077
Total Liabilities		15,909,051	3,977,452
Net Assets		**282,428,491**	**221,931,429**
Equity			
Issued capital	15	318,790,910	242,275,502
Reserves	16,17	1,657,446	8,285,175
Accumulated losses		(38,019,865)	(28,629,248)
Total Equity		**282,428,491**	**221,931,429**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Issued Capital $	Accumulated Losses $	Option Revaluation Reserve $	Share-Based Payment Reserve $	Total $
Balance at 1 July 2021		242,275,502	(28,629,248)	6,790,066	1,495,109	221,931,429
Loss for the year		–	(9,435,255)	–	–	(9,435,255)
Other comprehensive profit		–	9,036	–	–	9,036
Total comprehensive loss for the year		–	**(9,426,219)**	–	–	**(9,426,219)**
Shares/options issued during the year		69,476,499	–	–	–	69,476,499
Exercised options		6,790,066	–	(6,790,066)	–	–
Transaction costs on share issue		(1,864,758)	–	–	–	(1,864,758)
Share-based payments		–	–	–	2,311,540	2,311,540
Forfeited share-based payments		–	35,602	–	(35,602)	–
Transfer from share-based payments		2,113,601	–	–	(2,113,601)	–
Balance at 30 June 2022		**318,790,910**	**(38,019,865)**	–	**1,657,446**	**282,428,491**
Balance at 1 July 2020		125,691,027	(22,294,825)	6,546,798	–	109,943,000
Loss for the year		–	(6,333,152)	–	–	(6,333,152)
Other comprehensive loss		–	(1,271)	–	–	(1,271)
Total comprehensive loss for the year		–	**(6,334,423)**	–	–	**(6,334,423)**
Shares/options issued during the year		121,923,528	–	243,309	–	122,166,837
Exercised options		41	–	(41)	–	–
Transaction costs on share issue		(5,935,019)	–	–	–	(5,935,019)
Share-based payments		–	–	–	2,091,034	2,091,034
Transfer from share-based payments		595,925	–	–	(595,925)	–
Balance at 30 June 2021		**242,275,502**	**(28,629,248)**	**6,790,066**	**1,495,109**	**221,931,429**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement **of Cash Flows**

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated 2022 $	Consolidated 2021 $
		Inflows/(Outflows)	
Cash flows from operating activities			
Payments to suppliers and employees		(10,277,329)	(4,828,127)
Interest and finance costs paid		(6,832)	(10,872)
Government grants received		–	61,918
Interest received		277,598	74,990
Net cash used in operating activities	8	(10,006,563)	(4,702,091)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(7,662,618)	(6,577,778)
Payments for plant and equipment		(25,528,789)	(4,172,677)
Research and development tax offset in relation to exploration assets		568,389	506,025
Payments for other financial assets at amortised cost	10	–	(82,000,000)
Proceeds from other financial assets at amortised cost		67,000,000	–
Net cash proficed by/(used in) investing activities		34,376,982	(92,244,430)
Cash flows from financing activities			
Proceeds from issue of shares and options		69,476,499	121,531,669
Payments for share issue costs		(1,864,758)	(5,755,020)
Repayment of borrowings	14	–	(9,078)
Principal element of lease payments		(186,664)	(203,024)
Net cash provided by financing activities		67,425,077	115,564,547
Net increase/(decrease) in cash held		91,795,496	(8,936,334)
Effects of exchange rate changes on cash and cash equivalents		3,956	(4,447)
Cash and cash equivalents at the beginning of the year		28,067,095	9,453,516
Cash and cash equivalents at the end of the year	7	119,866,547	28,067,095

The accompanying notes form part of these consolidated financial statements.

Notes to the Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001.

The accounting policies detailed below have been consistently applied to all years presented unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of Hastings Technology Metals Limited and its subsidiaries. Hastings Technology Metals Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

The financial statements have been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The Group is a listed public company, incorporated and operating in Australia. The entity's principal activity is exploration for and development of natural resources.

(b) Statement of Compliance

The financial statements were authorised for issue by the Board on 30 September 2022. The Board has the power to amend the consolidated financial statements after their issue.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements, comprising the consolidated financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) Effects of Changes in Accounting Policy

A number of amended standards became effective during the current reporting year, however were not applicable to the Group. The Group therefore did not have to change its accounting policies or make retrospective adjustments as a result of these amended standards.

New standards not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(d) Going concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the settlement of liabilities in the normal course of business.

As disclosed in the consolidated financial statements, the Group incurred a comprehensive loss of $9,426,219 and had net cash outflows from operating activities of $10,006,563. Furthermore, the Group had outstanding commitments for construction contracts of $92,532,471, all due within 2 years.

Considering the Group's positive net cash position of $134,276,193 (refer to Note 8(b)), and the outstanding commitments, the Directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Group will be able to continue to meet its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis.

Notwithstanding the above, based on the Group's cash flow forecast to maintain the current schedule for the development of the Yangibana Project, the Group will require additional funding in the next 12 months. The current funding status is set out below:

- The Group announced a $110 million two-tranche placement to accelerate development of the Yangibana Rare Earths Project in September 2022;
- NAIF, an Australian Government implemented initiative, approved a $140 million loan facility with 12½ year tenor, subject to pre-completion conditions;
- The Group received confirmation of in-principal eligibility from Finnvera Oyj for project financing of up to $93.8 million (refer to 1 July 2020 ASX announcement "Hastings Receives In-Principle Eligibility From Finnvera For The Project Financing Of Yangibana Rare Earth Project);
- To assist the Group raise project debt capital, KPMG have been engaged for support with, but not limited to, senior debt and any form of junior capital including to subordinated and mezzanine finance, hybrid debt and debt like capital; and
- The Directors are of the view that the Group will be able to raise further equity capital.

(e) Principles of consolidation

Subsidiaries
Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Joint operations
The Group has an interest in a joint operation, a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint operation involves use of assets and other resources of the parties rather than establishment of a separate entity. The Group recognises its interest in the joint operation by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint operation.

(f) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and for changes to previous estimates.

The areas involving significant estimates of judgements are:

Deferred exploration expenditure:

The Directors continually assess the Group's exploration projects to determine the existence of any indications of impairment. Where any such indications are present, an impairment assessment is conducted under AASB 6 *Exploration for and Evaluation of Mineral Resources* and any resulting impairment is expensed to Consolidated Statement of Profit or Loss. During the current financial year, no impairment triggers were identified.

Equity-settled transactions:

The Group measures the cost of equity-settled transactions by reference to the fair value of the services provided. Where the services provided cannot be reliably estimated fair value is measure by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value of share-based payments and options are determined using either a Black-Scholes model or external valuations, refer to Note 4, Note 16, and Note 17.

The Remuneration Committee regularly reviews the non-market based performance conditions in assessing the likelihood of share-based performance rights vesting.

(g) Other income recognition

Other income is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. The current sources of other income are interest income and government grants.

(h) Interest income

Interest income is recognised on a time proportionate basis that considers the effective yield on the financial asset.

(i) Government grants

Government grants related to construction or exploration and evaluation assets are offset against the associated assets' costs in the Consolidated Statement of Financial Position. Government grants are recognised when received.

(j) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents exclude term deposits with banks which mature beyond three months which are disclosed as other financial assets at amortised cost.

(k) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Other receivables are amounts generally arising from transactions outside the usual operating activities of the Group.

Receivables are recognised initially at fair value and then subsequently measured at amortised cost, less provision for credit losses. In determining the recoverability of a trade or other receivable using the expected credit loss model, the Group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, and timing of payments.

(l) Other financial assets at amortised cost

Term deposits with maturity terms >3 month are classified by the Group as other financial assets at amortised cost. They are recognised as financial assets on contract execution and derecognised on term deposit maturity or when the term is broken and funds transferred to cash and cash equivalents.

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent measurement of the term deposits is at amortised cost. Interest income from the term deposit is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss.

(m) Property, plant, and equipment

Property, plant, and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant, and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use.

Plant and equipment are depreciated over a period ranging from 2 to 20 years and in the case of mining plant over the life-of-mine, currently projected to be 15 years.

Software is depreciated over a period ranging from 3 to 5 years.

The assets' residual values and useful lives are reviewed, and adjusted where appropriate, at the end of each reporting period.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Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(n) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

I. the rights to tenure of the area of interest are current; and

II. at least one of the following conditions is also met:

a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

A decision to proceed with development in respect of a particular area of interest is determined with reference to when the commercial viability and technical feasibility are demonstrated. Once a decision to proceed has occurred, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Research and development tax offsets received are accounted for as a reduction of exploration and evaluation costs.

(o) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Research and development tax offsets are recognised on receipt against deferred exploration expenditure.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates, or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(p) Other taxes

Revenues, expenses, and assets are recognised net of the amount of Goods and Services Tax ("GST") except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(q) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(r) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(s) Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

(t) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Rehabilitation provision

The Group has obligations to dismantle and remove certain items of property, plant and equipment and to restore and rehabilitate the land on which they sit and also where the Group has impacted the environment. A provision is raised for the estimated cost of settling the rehabilitation and restoration obligations existing at balance date, discounted to present value using an appropriate pre-tax discount rate.

Where the obligation is related to an item of property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset and restoring and rehabilitating the site on which it is located. Costs that relate to obligations arising from waste created by the production process are recognised as production costs in the period in which they arise.

An increase in the provision associated with unwinding of the discount rate is recognised as a finance cost.

(u) Share-based payment transactions

The Group provides incentives to employees (including senior executives) and Directors of the Group in the form of share-based payments, whereby employees and Directors receive performance rights over shares which will vest in the event performance hurdles are met (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled due to market conditions, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. If an equity-settled award is cancelled due to non-market conditions, it is treated as if it had vested on the date of cancellation, and no further expense is recognised. Any vested balances recognised in the share-based payment reserve is transferred and offset against retained earnings. However, if a new award is substituted for a cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(v) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(x) Parent entity financial information

The financial information for the parent entity, Hastings Technology Metals Limited, disclosed in Note 27 has been prepared on the same basis as the consolidated financial statements, except as set out below:

(i) Investments in subsidiaries, associates, and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements of Hastings Technology Metals Limited.

(y) Interest in a joint operation

The Group has an interest in a joint venture that is a joint operation. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the joint operation by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint operation.

(z) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Hastings Technology Metals Limited.

(aa) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollar ($), which is Hastings Technology Metals Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(bb) Finance Costs

Finance costs principally represent interest expense, bank charges and the unwinding of discounts on lease liabilities. They are recognised in the statement of profit or loss except when directly attributable with the construction of qualifying assets, where they are added to the cost of the qualifying asset until such time as the assets are substantially ready for their intended use or sale. Where funds are used to finance a qualifying asset form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant borrowings during the construction period.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(cc) Comparatives

Where applicable, certain comparatives have been adjusted to conform with current year presentation.

NOTE 2: OTHER INCOME

	Consolidated	
	2022 $	2021$
Interest income	328,910	113,997
Government grants	–	61,918
	328,910	175,915

NOTE 3: EMPLOYEE BENEFITS EXPENSE

	Consolidated	
	2022 $	2021$
Wages and salaries	5,707,646	3,758,635
Superannuation	478,888	286,908
Payroll tax	265,040	186,125
Recruitment	336,755	166,693
Provision for annual and long service leave	180,990	89,645
Other employee expenses	62,999	54,215
Geologist and technical costs capitalised	(3,575,155)	(2,643,877)
	3,457,163	1,898,344

NOTE 4: SHARE-BASED PAYMENTS

Performance rights plan

The establishment of the Company's Performance Rights Plan ("PR Plan") was approved by shareholders at the 2012 annual general meeting and last re-approved at the 2019 annual general meeting. The PR Plan is designed to provide eligible participants with an opportunity to share in the growth of the Company and to assist the Group in retaining and attracting highly skilled and experienced people. Under the PR Plan, participants are granted rights which only vest if certain performance standards are met (refer to the Remuneration Report for performance conditions). Participation in the plan is at the Board's discretion with no guarantee to receive any benefits. All performance rights have a nil exercise price.

Performance rights are granted under the PR Plan for no consideration and carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share.

Refer to Note 17 for movements in the amount of performance rights on hand during the year.

	Consolidated	
	2022 $	2021$
Director granted performance rights expense	124,321	1,096,249
Employee granted performance rights expense	2,187,219	994,785
	2,311,540	2,091,034

NOTE 5: INCOME TAX

	Consolidated	
	2022 $	2021$
(a) Income tax expense		
Current tax	–	–
Deferred tax	–	–
	–	–
(b) Income tax recognised in the statement of profit or loss and other comprehensive income		
Loss from ordinary activities before tax	(9,435,256)	(6,333,152)
Income tax using the Group's domestic tax rate of 25.0% (2021: 26.0%)	(2,358,814)	(1,646,620)
Share-based payments	577,885	543,669
Other non-deductible items	–	262
Unused tax losses for which no deferred tax asset has been recognised	1,780,929	1,102,689
Income tax benefit reported in the consolidated statement of profit or loss and other comprehensive income	–	–
(c) Deferred tax balances		
Deferred tax assets comprise:		
Tax losses carried forward	13,682,710	9,589,017
Accrued expenses	48,310	208,972
Share issue costs	1,699,110	1,683,218
Less: Deferred tax liabilities offset	(15,430,130)	11,481,207
	–	–
Deferred tax liabilities comprise:		
Capitalised exploration costs	(15,430,130)	(11,481,207)
Less: Offset against deferred tax asset	15,430,130	11,481,207
	–	–
(d) Income tax benefit not brought to account in equity during the year		
Share issue costs	(1,780,506)	(1,543,105)

(e) Tax losses

The Group has total carried forward tax losses of $72,051,774 (2021: $54,688,429) available for offset against future assessable income of the Group. Deferred tax assets related to tax losses have only been recognised to the extent that they can be offset against deferred tax liabilities. The net deferred tax asset attributable to residual tax losses of $7,932,822 (2021: $4,629,975) has not been brought to account.

The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised; and
- The conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Group in realising the benefit.

(f) Tax consolidation

Hastings Technology Metals Limited and its wholly-owned Australia subsidiaries formed a tax consolidated group as of 1 July 2017 and have applied the tax consolidation legislation which means that these entities are taxed as a single entity. As a result, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

NOTE 6: LOSS PER SHARE

	2022 Cents per Share	2021 Cents per Share
Basic loss per share:		
Continuing operations	(10.33)	(9.51)

Loss used in the calculation of total basic loss per share reconciles to net loss in the statement of profit or loss and other comprehensive income as follows:	2022 $	2021 $
Loss used in the calculation of basic loss per share	(9,435,255)	(6,333,152)
Loss used in the calculation of basic loss per share from continuing operations	(9,435,255)	(6,333,152)

Basic loss per share	Number of shares[1]	
The earnings and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:	91,351,538	66,615,103

The Group has 1,560,021 (2021: 1,898,250[1]) performance rights on issue and a further 4,000,000 unlisted options (2021: Nil). Nil listed options were on issue as of 30 June 2022 (2021: 6,332,571[1]). The performance rights and options are not considered dilutive as the Group has a net loss.

[1]Values reflect a post consolidation 1:20 capital restructure on 23 May 2022.

NOTE 7: CASH AND CASH EQUIVALENTS

	2022 $	2021 $
Cash at bank and on hand	64,866,547	22,067,095
Short-term deposits	55,000,000	6,000,000
	119,866,547	28,067,095

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Short term deposits maturing after three months are shown as financial assets at amortised costs (refer to Note 10).

The Group did not engage in non-cash financing activities.

NOTE 8: CASH FLOW INFORMATION

(a) Reconciliation of loss for the year to net cash flows from operating activities

	2022 $	2021$
Loss for the year	(9,435,255)	(6,333,152)
Share-based payments expense	2,311,540	2,091,034
Depreciation – plant and equipment	171,257	130,484
Depreciation – right-of-use assets	203,446	187,459
Changes in working capital		
Increase in trade and other receivables	(3,975,484)	(716,422)
Increase/(decrease) in trade and other payables	717,933	(61,494)
Net cash used in operating activities	(10,006,563)	(4,702,091)

(b) Net Cash reconciliation

	2022 $	2021$
Cash and cash equivalents	119,866,547	28,067,095
Other financial assets at amortised costs (Term deposits expiring <12 months)	15,000,000	82,000,000
Lease Liability	(590,354)	(112,189)
Borrowings	–	–
Net Cash used in operating activities	134,276,193	109,954,906

	2022 $	2021$
Cash and cash equivalents	119,866,547	28,067,095
Gross assets – fixed interest rates	15,000,000	82,000,000
Gross debt – fixed interest rates	(590,534)	(112,189)
Net Cash used in operating activities	134,276,193	109,954,906

	Liabilities from financing activities			Other assets		
	Borrowings $	Leases $	Subtotal $	Cash $	Other financial assets at amortised costs $	Total $
Net (debt)/cash as at 30 June 2020	(9,078)	(315,214)	(324,292)	9,453,516	–	9,129,224
Cash flows	9,078	203,025	212,103	18,618,026	–	18,830,129
New other financial assets at amortised costs	–	–	–	–	82,000,000	82,000,000
Foreign exchange loss	–	–	–	(4,447)	–	(4,447)
Net (debt)/cash as at 30 June 2021	–	(112,189)	(112,189)	28,067,095	82,000,000	109,954,906
Cash flows	–	(478,165)	(478,165)	91,795,497	–	91,317,332
Proceeds from other financial assets at amortised costs	–	–	–	–	(67,000,000)	(67,000,000)
Foreign exchange gain	–	–	–	3,955	–	3,955
Net (debt)/cash as at 30 June 2022	–	(590,354)	(590,354)	119,866,547	15,000,000	134,276,193

NOTE 9: TRADE AND OTHER RECEIVABLES

	2022 $	2021$
Prepayments[1]	5,629,586	4,336,214
Bank guarantee backed term deposits	2,234,717	106,636
GST recoverable	619,837	118,641
Interest receivable	101,995	50,683
Other receivables	1,341	–
Trade and other receivables	8,587,476	4,612,174

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. No impairment losses were recognised against the prepayments, GST recoverable, interest receivable, and other receivables.

As at 30 June 2022, the Group has determined that the expected provision for credit losses is not material.

[1]Prepayments consist predominately of debt funding transaction costs to later be offset against the fair value of future debt associated with the transaction costs. After recognition of the debt, the transaction costs are to be subsequently measured at amortised cost using the effective interest method. Should such debt not eventuate, the transaction costs are to be transferred to the Profit and Loss and expensed in full.

NOTE 10: OTHER FINANCIAL ASSETS AT AMORTISED COST

	2022 $	2021$
Term deposits >3 months	15,000,000	82,000,000

NOTE 11: PLANT AND EQUIPMENT

Cost	Plant and Equipment $	Software $	Construction in Progress $	Total $
Opening balance, 1 July 2021	580,260	455,962	45,800,657	46,836,879
Foreign exchange	679	–	–	679
Disposals	–	–	–	–
Additions	179,955	–	36,476,897	36,656,852
Closing balance, 30 June 2022	760,894	455,962	82,277,554	83,494,410
Opening balance, 1 July 2020	529,757	453,986	42,323,866	43,307,609
Foreign exchange	(690)	–	–	(690)
Disposals	(8,967)	–	–	(8,967)
Additions	60,160	1,976	3,476,791	3,538,927
Closing balance, 30 June 2021	580,260	455,962	45,800,657	46,836,879
Accumulated depreciation				
Opening balance, 1 July 2021	(298,594)	(91,835)	–	(390,429)
Foreign exchange	(638)	–	–	(638)
Disposals	–	–	–	–
Depreciation	(133,563)	(37,694)	–	(171,257)
Closing balance, 30 June 2022	(432,795)	(129,529)	–	(562,324)
Opening balance, 1 July 2020	(214,883)	(54,470)	–	(269,353)
Foreign exchange	441	–	–	441
Disposals	8,967	–	–	8,967
Depreciation	(93,119)	(37,365)	–	(130,484)
Closing balance, 30 June 2021	(298,594)	(91,835)	–	(390,429)
Book value 30 June 2022	328,099	326,433	82,277,554	82,932,086
Book value 30 June 2021	281,666	364,127	45,800,657	46,446,450

NOTE 12: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:	2022 $	2021$
Exploration and evaluation phase – at cost		
Balance at beginning of year	64,704,236	57,224,056
Exploration expenditure	7,475,783	7,600,477
Rehabilitation provision	(200,505)	385,728
Less research and development tax offset	(568,389)	(506,025)
Total deferred exploration and evaluation expenditure	71,411,125	64,704,236

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTE 13: TRADE AND OTHER PAYABLES

	2022 $	2021$
Trade payables[1]	11,331,636	1,685,660
Accruals	371,858	803,739
Other payables	187,536	203,084
Total trade and other payables	11,891,030	2,692,483

[1]Trade payables are non-interest bearing and are normally settled on 45-day terms.

NOTE 14: REHABILITATION PROVISION

	2022 $	2021$
Non-current	2,957,581	883,683

Movement in rehabilitation provision

	2022 $	2021$
Balance as at 1 July	883,683	–
Additional provision charged to plant and equipment	2,265,083	497,955
Additional provision charged to deferred exploration and evaluation	165,350	385,728
Charged to profit or loss – unwinding of discount	9,320	–
Amounts used during the year	(365,855)	–
Balance as at 30 June	2,957,581	883,683

NOTE 15: ISSUED CAPITAL

	2022 $	2021$
Ordinary shares		
At 1 July	242,275,502	125,691,027
Shares issued – placement	40,000,000	121,008,863
Shares issued – rights issue	–	914,500
Shares issued on vesting of performance rights	2,113,601	595,925
Exercised options	36,266,565	206
Less share issue costs	(1,864,758)	(5,935,019)
At 30 June	318,790,910	242,275,502

	2022 No.	2021 No.
Movements in ordinary shares on issue		
At 1 July	1,738,455,928	1,034,649,093
Movements during the period		
Shares issued on vesting of performance rights	12,583,333	4,030,000
Shares issued – share placement[1]	160,000,000	692,460,173
Shares issued – rights issue	–	7,316,000
Exercised options	117,905,998	662
1:20 consolidation[2]	(1,927,496,634)	–
At 30 June	101,448,625	1,738,455,928

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

[1]Under terms of the 28 March 2022 share placement, 4,000,000[2] free-attaching unlisted options were issued on a 1 for 2 basis with an exercise price of $6.50[2] and an expiry date two years from the date of issue.

[2]On 23 May 2022, a 1:20 equity capital restructure was undertaken. The restructure reduced the units of equity on hand, and correspondingly increased the exercise price for unlisted unexpired options.

NOTE 16: OPTION REVALUATION RESERVE

	2022 $	2021 $
Listed options	–	6,790,066

Listed options

Listed options carry no voting rights and carry no right to dividends:

Movements in listed call options	2022 $	2021 $
At 1 July	6,790,066	6,546,798
Options issued – placement	–	243,309
Exercised and expired options	(6,790,066)	(41)
At 30 June	–	6,790,066

The listed call options were valued using the Black-Scholes Option Pricing Model utilising the following parameters:

Movements in listed call options	2022 No.	2021 No.
At 1 July	126,651,415	120,060,577
Options issued – placement	–	6,591,500
Exercised and expired options	(126,651,415)	(662)
At 30 June	–	126,651,415

The following table illustrates the number (No.) and weighted average exercise prices of and movements in listed call options during the year.

	2022 No.	Weighted average exercise price 2022 $	2021 No.	Weighted average exercise price 2021 $
Outstanding at the beginning of the year	126,651,415	$0.25	120,060,577	$0.25
Issued during the year	–	–	6,591,500	$0.25
Exercised or expired during the year	126,651,415	$0.25	662	$0.25
Outstanding at the end of the year	–	–	126,651,415	$0.25
Exercisable at the end of the year	–	–	126,651,415	$0.25

All unexercised listed options expired on 12 April 2022.

NOTE 17: SHARE-BASED PAYMENT RESERVE

	2022 $	2021 $
Performance rights	1,657,446	1,495,109

Performance rights	2022 $	2021 $
Movements in the performance rights were as follows:		
Balance 1 July	1,495,109	–
Performance rights lapsed – transferred from accumulated losses	(35,602)	–
Value of performance rights issued during the year	2,311,540	2,091,034
Performance rights vested – transferred to issued capital	(2,113,601)	(595,925)
Balance 30 June	1,657,446	1,495,109

The share-based payments reserve is used to record the value of equity benefits provided to employees and directors as part of remuneration.

Movements in performance rights were as follows:	2022 No.	2021 No.
At 1 July	37,965,000	20,250,000
Performance rights cancelled during the year	–	(20,250,000)
Performance rights issued during the year	8,043,750	43,120,000
Performance rights vested during the year	(12,583,333)	(4,030,000)
Performance rights lapsed during the year	(2,225,000)	(1,125,000)
1:20 Consolidation	(29,640,396)	–
At 30 June	1,560,021	37,965,000

i. Details of the Directors' issued performance rights during the period are as follows:

Date granted	Grant date fair value[1]	Performance period ended
30 November 2020	$3.10	31 December 2021
30 November 2020	$3.10	31 December 2022
30 November 2020	$3.10	31 December 2023
30 November 2020	$3.10	31 December 2020
30 November 2020	$3.10	31 December 2021
30 November 2020	$3.10	31 December 2022
1 January 2021	$3.70	31 December 2021
1 January 2021	$3.70	31 December 2022
1 January 2021	$3.70	31 December 2023

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

Shareholders at the Annual General Meeting held on 30 November 2020 approved the granting of 17,000,000 replacement performance rights to Directors. The performance rights, which are subject to a three-year performance period, were valued at 6.0 cents per performance right based on the fair value of the original replaced performance rights using the Black-Scholes Model. This was on the basis the replacement performance rights were assessed as a modification to the orginally issued performance rights.

On Mr Bruce McFadzean's appointment as a Director on 1 January 2021, 2,500,000 performance rights valued at 18.5 cents per performance right were granted to Mr McFadzean on the same terms as the existing 17,000,000 Director performance rights.

Following shareholder approval, an additional 2,000,000 performance rights were issued to the Chairman, Mr Charles Lew, on 30 November 2020 on the same terms as the employee performance rights issued 23 October 2020 (refer to ii below).

An expense of $124,321 (2021: $1,096,249) was recognised for the year ended 30 June 2022 in relation to Directors' performance rights.

ii. Details of the employees' issued performance rights relating to the current and prior years are as follows:

Date granted	Grant date fair value[1]	Performance period ended
23 October 2020	$2.80	31 December 2020
23 October 2020	$2.80	31 December 2021
23 October 2020	$2.80	31 December 2022
19 January 2021	$4.20	31 December 2021
19 January 2021	$4.20	31 December 2022
22 January 2021	$4.70	31 December 2020
22 January 2021	$4.70	31 December 2021
22 January 2021	$4.70	31 December 2022
3 February 2021	$4.40	31 December 2021
3 February 2021	$4.40	31 December 2022
3 February 2021	$4.40	31 December 2023
12 March 2021	$4.10	31 December 2021
12 March 2021	$4.10	31 December 2022
14 April 2021	$3.80	31 December 2021
14 April 2021	$3.80	31 December 2022
29 April 2021	$3.70	31 December 2021
29 April 2021	$3.70	31 December 2022
18 August 2021	$4.30	31 December 2022
3 September 2021	$4.50	31 December 2022
29 November 2021	$5.10	31 December 2022
27 January 2022	$4.80	31 December 2022
18 February 2022	$5.90	31 December 2022
21 February 2022	$5.60	31 December 2022
2 March 2022	$5.80	31 December 2022
10 March 2022	$5.20	31 December 2022
17 March 2022	$5.30	31 December 2022
24 March 2022	$5.40	31 December 2022
29 April 2022	$5.50	31 December 2022
10 May 2022	$5.00	31 December 2022
19 May 2022	$5.00	31 December 2022
30 May 2022	$4.90	31 December 2022

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

Date granted	Grant date fair value[1]	Performance period ended
24 March 2022	$5.40	31 December 2022
29 April 2022	$5.50	31 December 2022
10 May 2022	$5.00	31 December 2022
19 May 2022	$5.00	31 December 2022
30 May 2022	$4.90	31 December 2022

[1]Amounts reflect a post consolidation 1:20 capital restructure on 23 May 2022

The vesting of the employee performance rights is conditional on non-market based performance conditions. These performance conditions are key objectives specific to each employee.

An expense of $2,187,219 (2021: $994,785) was recognised for the year ended 30 June 2022 in relation to employee performance rights.

NOTE 18: FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	2022 $	2021 $
Financial assets		
Cash and cash equivalents	119,866,547	28,067,095
Receivables	8,587,476	4,612,174
Other financial assets at amortised cost	15,000,000	82,000,000
	143,454,023	114,679,269
Financial Liabilities		
Trade and other payables	11,891,030	2,692,483
Lease liability	590,354	112,189
	12,481,384	2,804,672

The carrying amount of the financial assets and liabilities approximates their fair values.

The following table details the expected maturity for the Group's non-derivative financial assets and liabilities. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

2022	Weighted average effective interest rate %	Less than 1 month $	1 – 3 Months $	3 months – 1 year $	1 – 5 years $	5+ years $
Assets						
Variable interest rate instruments	–	64,866,547	–	–	–	–
Fixed interest rate instruments	1.36%	–	55,000,000	15,000,000	–	–
		64,866,547	55,000,000	15,000,000	–	–
Liabilities						
Lease liability	3.0%	16,680	50,138	137,837	385,699	–
		16,680	50,138	137,837	385,699	–

2021	Weighted average effective interest rate %	Less than 1 month $	1 – 3 Months $	3 months – 1 year $	1 – 5 years $	5+ years $
Assets						
Variable interest rate instruments	–	22,067,095	–	–	–	–
Fixed interest rate instruments	0.3%	–	6,000,000	82,000,000	–	–
		22,067,095	6,000,000	82,000,000	–	–
Liabilities						
Lease liability	4.2%	20,704	41,669	49,816	–	–
		20,704	41,669	49,816	–	–

NOTE 19: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents the information about the Group's exposure to each of the above risks, their objectives, policies, and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks as summarised below.

The Group's principal financial instruments comprise cash and term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group maintains a policy of dealing with creditworthy counterparties and mitigates the risk of financial loss from default by a counterparty by obtaining sufficient collateral where appropriate. The Group transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Group deposits funds with financial institutions rate A- and above.

Term deposits with maturity terms of >3 months were held with the following financial institutions:

Name	Fitch Ratings Credit Rating	2022 $	2021 $
Westpac Banking Corporation	A+	2,234,717	52,000,000
National Australia Bank	A+	15,000,000	30,000,000
		17,234,717	82,000,000

The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group did not have any undrawn facilities at its disposal as at balance date.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Consolidated Group	Within 1 year		1 to 5 years		Over 5 years		Total	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Financial liabilities – due for payment:								
Trade and other payables	11,891,030	2,692,483	–	–	–	–	11,891,030	2,692,483
Lease liability	212,328	112,189	391,585	–	–	–	603,913	112,189
Total contractual outflows	12,103,358	2,804,672	391,585	–	–	–	12,494,943	2,804,672

Management and the Board monitor the Group's liquidity reserve based on expected cash flows. The information that is prepared by senior management and reviewed by the Board includes:

(i) Annual cash flow budgets; and

(ii) Monthly rolling cash flow forecasts.

(c) Market risk management

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of the holdings of financial instruments. The Group is exposed to movements in market interest rates on term deposits. The policy is to monitor the interest rate yield curve to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long-term debt, and therefore this risk is minimal.

Interest rate risk management

The Group is exposed to interest rate risk as the Group deposits the bulk of the Group's cash reserves in term deposits with Westpac, and National Australia Bank. The risk is managed by the Group by maintaining an appropriate mix of term deposits.

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax profit and equity would have been affected as shown. The analysis has been performed on the same basis for 2022 and 2021.

Consolidated 30 June 2022		Carrying	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Amount $	Profit $	Equity $	Profit $	Equity $
Financial Assets	Footnote					
Cash and cash equivalents	1	119,866,547	(657,087)	(657,087)	1,198,665	1,198,665
Trade and other receivables		101,995	–	–	–	–

Consolidated 30 June 2021		Carrying	Interest Rate Risk -1%		Interest Rate Risk +1%	
		Amount $	Profit $	Equity $	Profit $	Equity $
Financial Assets	Footnote					
Cash and cash equivalents	1	28,067,095	(280,671)	(280,671)	280,671	280,671
Trade and other receivables		106,636	–	–	–	–

[1]Cash and cash equivalents are denominated in AUD include deposits at call at floating and short-term fixed interest rates.

NOTE 20: COMMITMENTS

Remuneration Commitments

The Group has a contract with the Executive Chairman, Mr Lew, with annual remuneration of $450,000 (2021: $405,000), excluding director's fees of $120,000 (2021: $120,000), which can be terminated by either party by giving 12 months' notice.

The Group's employment contracts have termination periods of between one and three months. The Group also employs consultants who are contracted under standard consultancy rates. There were no other remuneration commitments made.

Guarantees

The Group has provided cash backed financial guarantees in respect of property leases amounting to $2,234,717 for the year ended 30 June 2022 (2021: $106,636). No liability has been recognised in relation to these financial guarantees.

Western Australian Projects

The Group has minimum expenditure commitments on its beneficially owned Western Australian granted tenements.

The Group currently has commitments for expenditure as at balance date on its Australian exploration tenements as follows:

	2022 $	2021 $
Not later than 12 months	1,680,842	1,463,467
Between 12 months and 5 years	3,469,368	4,225,869
Greater than 5 years	7,035,264	6,952,592
	12,185,474	12,641,928

As at 30 June 2022, outstanding commitments for construction contracts amounted to $92,532,471 (2021: $13,129,306). The outstanding commitments are all due within 2 years.

NOTE 21: SEGMENT REPORTING

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the nature of its interests and projects. Discrete financial information about each of these projects is reported to the executive management team on at least a monthly basis.

Location of interests and nature of projects

Yangibana Rare Earths Project

Hastings owns the Yangibana Rare Earths Project in the Gascoyne region of Western Australia through the 100% ownership of fifteen (15) tenements/exploration licences, one (1) prospecting license, and six (6) mining leases and through a 70% held joint venture comprising seven (7) granted exploration licences and three (3) mining lease, in all covering an area of approximately 590 square kilometres.

Brockman Rare Earths Project

Hastings is the owner of the Brockman Rare Earths Project, comprising of ten (10) wholly owned prospecting licenses, in the East Kimberley region of Western Australia. The project hosts significant JORC compliant resources of the rare metals zircon, niobium and tantalum, and the heavy rare earth yttrium.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 1 to the accounts and in the prior period.

Project segments 30 June 2022	Brockman Rare Earths Project $	Yangibana Rare Earths Project $	Unallocated $	Total $
Other income				
Interest and other income	–	–	328,910	328,910
Total segment other income	–	–	328,910	328,910
Expenses				
Administration	–	(6,116,142)	(3,648,023)	(9,764,165)
Loss before income tax expense	–	(6,116,142)	(3,319,113)	(9,435,255)
Income tax benefit	–	–	–	–
Other comprehensive income	–	–	(9,036)	(9,036)
Segment result	–	(6,116,142)	(3,310,077)	(9,426,219)
Cash flows from operating activities	–	(5,743,142)	(4,263,421)	(10,006,563)
Cash flows from investing activities	(15,371)	(32,607,647)	67,000,000	34,376,982
Cash flows from financing activities	15,371	–	67,409,706	67,425,077

Project segments 30 June 2022	Brockman Rare Earths Project $	Yangibana Rare Earths Project $	Unallocated $	Total $
Segment assets	15,267,611	145,968,668	137,101,263	298,337,542
Segment liabilities	–	15,909,051	–	15,909,051
Acquisition of exploration assets	15,371	7,453,565	–	7,468,936
Acquisition of property, plant and equipment	–	36,476,897	179,956	36,656,852

Interest income of $328,910 was solely derived within Australia. $277 in non-current assets are located overseas.

Project segments 30 June 2021	Brockman Rare Earths Project $	Yangibana Rare Earths Project $	Unallocated $	Total $
Other income				
Interest and other income	–	61,918	113,997	175,915
Total segment other income	–	61,918	113,997	175,915
Expenses				
Administration	–	(4,687,435)	(1,821,632)	(6,509,067)
Loss before income tax expense	–	(4,625,517)	(1,707,635)	(6,333,152)
Income tax benefit	–	–	–	–
Other comprehensive income	–	–	(1,271)	(1,271)
Segment result	–	(4,625,517)	(1,708,906)	(6,334,423)
Cash flows from operating activities	–	(2,993,185)	(1,708,906)	(4,702,091)
Cash flows from investing activities	(19,830)	(10,224,600)	(82,000,000)	(92,244,430)
Cash flows from financing activities	19,830	–	115,544,717	115,564,547

Project segments 30 June 2021	Brockman Rare Earths Project $	Yangibana Rare Earths Project $	Unallocated $	Total $
Segment assets	15,252,240	115,841,786	94,814,855	225,908,881
Segment liabilities	–	3,977,452	–	3,977,452
Acquisition of exploration assets	19,830	7,580,647	–	7,600,477
Acquisition of property, plant and equipment	–	3,525,799	3,469	3,529,268

Interest income of $113,997 was solely derived within Australia. $1,784 in non-current assets are located overseas.

NOTE 22: DIVIDENDS

The directors of the Group have not declared any dividend for the year ended 30 June 2022 (2021: $Nil).

NOTE 23: CONTINGENT LIABILITIES

There are no contingent liabilities at year end.

NOTE 24: EVENTS SUBSEQUENT TO REPORTING DATE

Since 30 June 2022, the Group has announced:

- A $110 million two-tranche placement to accelerate development of the Yangibana Rare Earths Project;
- Hastings to acquire a 22.1% strategic shareholding in Neo Performance Materials Inc., a leading global rare earth processing and advanced permanent magnets producer;
- A $150 million investment in Hastings by Wyloo Metals through the issuance of secured, redeemable, exchangeable notes; and
- The high grade extension of Bald Hill mineralisation beyond previous resource boundaries.

Other than as outlined above, there were no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or state-of-affairs of the consolidated entity in future financial years.

NOTE 25: AUDITOR'S REMUNERATION

During the year, the following fees were paid or payable for services provided by PricewaterhouseCoopers Australia (PwC) as the auditor of the parent entity, Hastings Technology Metals Limited, by PwC's related network firms and by non-related audit firms:

PricewaterhouseCoopers Australia

	2022 $	2021 $
Audit or review of the financial statements of the Group	97,716	75,000
Other services	6,120	17,000
	103,836	92,000

NOTE 26: DIRECTORS AND EXECUTIVES DISCLOSURES

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

	2022 $	2021 $
Short term benefits	1,743,848	1,337,495
Post-employment benefits	59,955	38,281
Performance rights	1,258,069	998,927
	3,061,872	2,374,703

NOTE 27: RELATED PARTY DISCLOSURES

The consolidated financial statements include the financial statements of Hastings Technology Metals Limited and the subsidiaries listed in the following table.

Name	Country of Incorporation	Functional Currency	% Equity Interest		Investment ($)	
			2022	2021	2022	2021
Ark Gold Pty Ltd	Australia	A$	100%	100%	1	1
Brockman Project Holdings Pty Ltd	Australia	A$	100%	100%	4,000,000	4,000,000
Dorothyeum Rare Earths Pty Ltd	Australia	A$	100%	–	1,000	–
Elletaph Resources Pty Ltd	Australia	A$	100%	–	1,000	–
Gascoyne Metals Pty Ltd	Australia	A$	100%	100%	2,050,000	2,050,000
Yangibana Pty Ltd	Australia	A$	100%	100%	85,000	85,000
Hastings Technology Metals (Asia) Limited	Hong Kong	HK$	100%	100%	100	100
Hastings Technology Metals Pte Ltd	Singapore	S$	100%	100%	99,602	99,602

Hastings Technology Metals Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Related party transactions with key management personnel	2022 $	2021 $
Office rental and administration expenses[1]	88,412	87,478

[1]Office rental and administration expenses were paid to Equator Capital Pte Ltd, a company associated with the Executive Chairman, Mr Charles Lew. These fees are commensurate with those charged on an arm's length basis.

Shares and options acquired

Shares and options were acquired via placements and rights issues with key management personnel:

30 June 2022	Ordinary Shares Purchased[1]	Options Purchased	$
Mr Charles Lew	4,532,677	–	1,133,169
Mr Malcolm Randall	32,537	–	8,134
Mr Jean Claude Steinmetz	100,000	–	25,000
Mr Andrew Reid	15,000	–	3,750
Total	**4,680,214**	–	**1,170,053**

[1]Exercise of options at 25 cents per share.

30 June 2021	Ordinary Shares Purchased	Options Purchased[2]	$
Mr Charles Lew	9,814,579	1,951,500	1,910,338
Mr Guy Robertson	120,000	–	15,000
Mr Malcolm Randall	60,000	–	7,500
Mr Bruce McFadzean	263,157	–	50,000
Total	**10,257,736**	**1,951,500**	**1,982,838**

[2]Options exercisable at 25 cents per share expiring on 12 April 2022.

NOTE 28: PARENT ENTITY DISCLOSURES

	2022 $	2021 $
Assets		
Current assets	142,682,867	114,470,221
Non-current assets	144,854,532	109,775,666
Total assets	287,537,399	224,245,887
Liabilities		
Current liabilities	4,594,598	2,228,064
Non-current liabilities	514,310	86,394
Total liabilities	5,108,908	2,314,458
Net Assets	282,428,491	221,931,429
Equity		
Issued capital	318,790,910	242,275,502
Reserves	1,657,446	8,285,175
Accumulated Losses	(38,019,865)	(28,629,248)
Total Equity	292,728,491	221,931,429
Financial performance		
Loss for the year	(9,390,617)	(6,238,697)
Other comprehensive income	–	–
Total comprehensive loss	(9,390,617)	(6,238,697)

Contingent liabilities of the parent entity

For details on contingent liabilities, refer to Note 23.

Commitments of the parent entity

The parent entity has nil (2021: nil) tenement commitment obligations as at 30 June 2022.

NOTE 29: INTEREST IN JOINT OPERATION

The Group has a 70% joint venture interest (2021: 70%) in certain tenements (refer to page 19) that comprise part of the Yangibana Project. The Group is the manager of, and is sole funding, the joint venture tenements.

On 23 June 2022, the Group announced the intention to acquire the remaining 30% joint venture tenement interests already not held. The acquisition is expected to be finalised during the year ended 30 June 2023.

Refer to Note 20 for details on capital commitments and guarantees.

There were no impairment triggers identified in the jointly controlled operation.

Directors'
Declaration

1. In the opinion of the directors of Hastings Technology Metals Limited ("the Company" or "the Group"):

    a. The consolidated financial statements and notes thereto, as set out on pages 42 to 73, are in accordance with the Corporations Act 2001 including:

        i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of the performance of the Group for the year then ended; and

        ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. The consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

4. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Charles Lew
Executive Chairman

30 September 2022

Independent auditor's report

To the members of Hastings Technology Metals Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Hastings Technology Metals Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2022
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

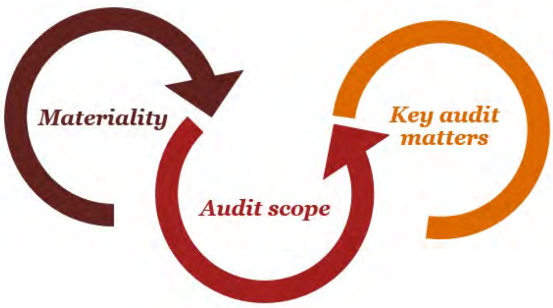
Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality	Audit scope
• For the purpose of our audit we used overall Group materiality of $2,983,375, which represents approximately 1% of the Group's total assets • We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. • We chose the Group's total assets because, in our view, it is the benchmark against which the performance of the Group is most commonly measured whilst in the exploration and development phase. • We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.	• Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • The Group's operational and financial processes are managed by a corporate function in Perth, where substantially all of our audit procedures were performed.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
Carrying amount of deferred exploration expenditure *(Refer to note 1(f) and note 12)* As at 30 June 2022 the Group recognised deferred exploration expenditure of $71,411,125 in the statement of financial position relating to the Brockman and Yangibana projects. Judgement was required by the Group to assess whether there were indicators of impairment of the deferred exploration expenditure under AASB 6 *Exploration for and Evaluation of Mineral Resources* due to the need to make estimates about future events and circumstances, such as whether the mineral resources may be economically viable to mine in the future. This was a key audit matter because of the size of the balance and judgement in considering the risk of impairment of the assets, should results of exploration activities indicate these costs will not be recoverable.	We performed the following procedures, amongst others: • Evaluated the Group's assessment that there had been no indicators of impairment for its deferred exploration expenditure assets, including performing inquiries with management and directors to develop an understanding of the current status and future intentions for the Group's exploration projects. • Assessed whether the Group retained right of tenure for all of its exploration licence areas by obtaining licence status records from relevant government databases. • For a sample of additions to exploration and evaluation assets during the year inspected relevant supporting documentation, such as invoices, and compared the amounts to accounting records. • For a sample of additions to exploration and evaluation assets during the year, tested the nature of the expense being capitalised and whether this was in accordance with AASB 6. • Obtained management's exploration expenditure forecasts supporting their assessment of indicators of impairment and compared these to the approved budgets and future cash flow forecasts of the Group.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 30 to 38 of the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of Hastings Technology Metals Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Helen Bathurst

Helen Bathurst
Partner

Perth
30 September 2022

Additional Shareholder Information

A. Corporate Governance

A statement disclosing the extent to which the Group has followed the best practice recommendations set by the ASX Corporate Governance Council during the year is contained within the Director's Report.

B. Shareholding

1. Substantial Shareholders

The following substantial holders are listed on the Company's register as at 9 September 2022:

1	L1 Capital Pty Ltd	14,609,303	14.40%
2	Charles Lew	6,581,821	6.49%

2. Number of holders in each class of equity securities and the voting rights attached (as at 9 September 2022)

Fully Paid Ordinary Shares

There are 8,302 holders of ordinary shares. Each shareholder is entitled to one vote per share held.

In accordance with the Company's Constitution, on a show of hands every number present in person or by proxy or attorney or duly authorized representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorized representative has one vote for every fully paid ordinary share held.

3. Distribution schedule of the number of holders in each class of equity security as at 9 September 2022

Fully Paid Ordinary Shares

Spread of holdings	Holders	Units	% of issued capital
1-1,000	4,758	1,950,285	1.92%
1,001-5,000	2,506	6,402,806	6.31%
5,001-10,000	469	3,534,645	3.48%
10,001-100,000	515	13,440,313	13.25%
Over 100,000	54	76,120,576	75.04%
	8,302	**101,448,625**	**100.00%**

There are 257 shareholders with less than a marketable parcel.

4. Twenty largest holders of each class of quoted equity security

The names of the twenty largest holders of each class of quoted security, the number of equity security each holds and the percentage of capital each holds (as at 9 September 2022) is as follows:

Ordinary Shares Top 20 holders and percentage held

Position	Holder Name	Holding	% IC
1	CITICORP NOMINEES PTY LIMITED	17,096,675	16.85%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	16,359,200	16.13%
3	BNP PARIBAS NOMS PTY LTD <DRP>	10,027,024	9.88%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,989,556	9.85%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,353,135	2.32%
6	MR FOON KEONG LEW	2,087,651	2.06%
7	MR WING SOON YIM	1,751,324	1.73%
8	FF OKRAM PTY LTD <THE FF OKRAM A/C>	1,745,179	1.72%
9	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,205,361	1.19%
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,157,659	1.14%
11	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	902,029	0.89%
12	MS SOCK-LAN ELEANOR LIM <AUS SECURITIES A/C>	736,000	0.73%
13	NATIONAL NOMINEES LIMITED	657,361	0.65%
14	MR HOE CHUAN SOON	627,718	0.62%
15	MR HENRI STEINMETZ	563,358	0.56%
16	GANGUS PTY LTD <THE JIG FAMILY A/C>	562,500	0.55%
17	MS XUE NI TAN	492,201	0.49%
18	MR HOE CHUAN SOON	468,943	0.46%
19	MR LINGBIN HUANG <HUANG A/C>	450,975	0.44%
20	DR CHOON HUAT LEE	359,750	0.35%
	Total	**69,593,599**	**68.60%**
	Total issued capital – selected security class(es)	**101,448,625**	**100.00%**

1. Company Secretary

The joint company secretaries are Mr Guy Robertson and Mr Neil Hackett.

2. Address and contact details of the Company's registered office and principal place of business

Level 3, 5 Mill Street
Perth WA 6000 Australia
Telephone: +61 (8) 6117 6118

3. Address and telephone details of the office at which a registry of securities is kept

Automic Group
Level 5/191 St Georges Terrace
Perth WA 6000

4. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange (ASX: HAS).

5. Restricted Securities

The Company does not have any restricted securities on issue.

6. Review of Operations

A review of operations is contained in the Directors' Report.

HASTINGS TECHNOLOGY METALS LIMITED

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