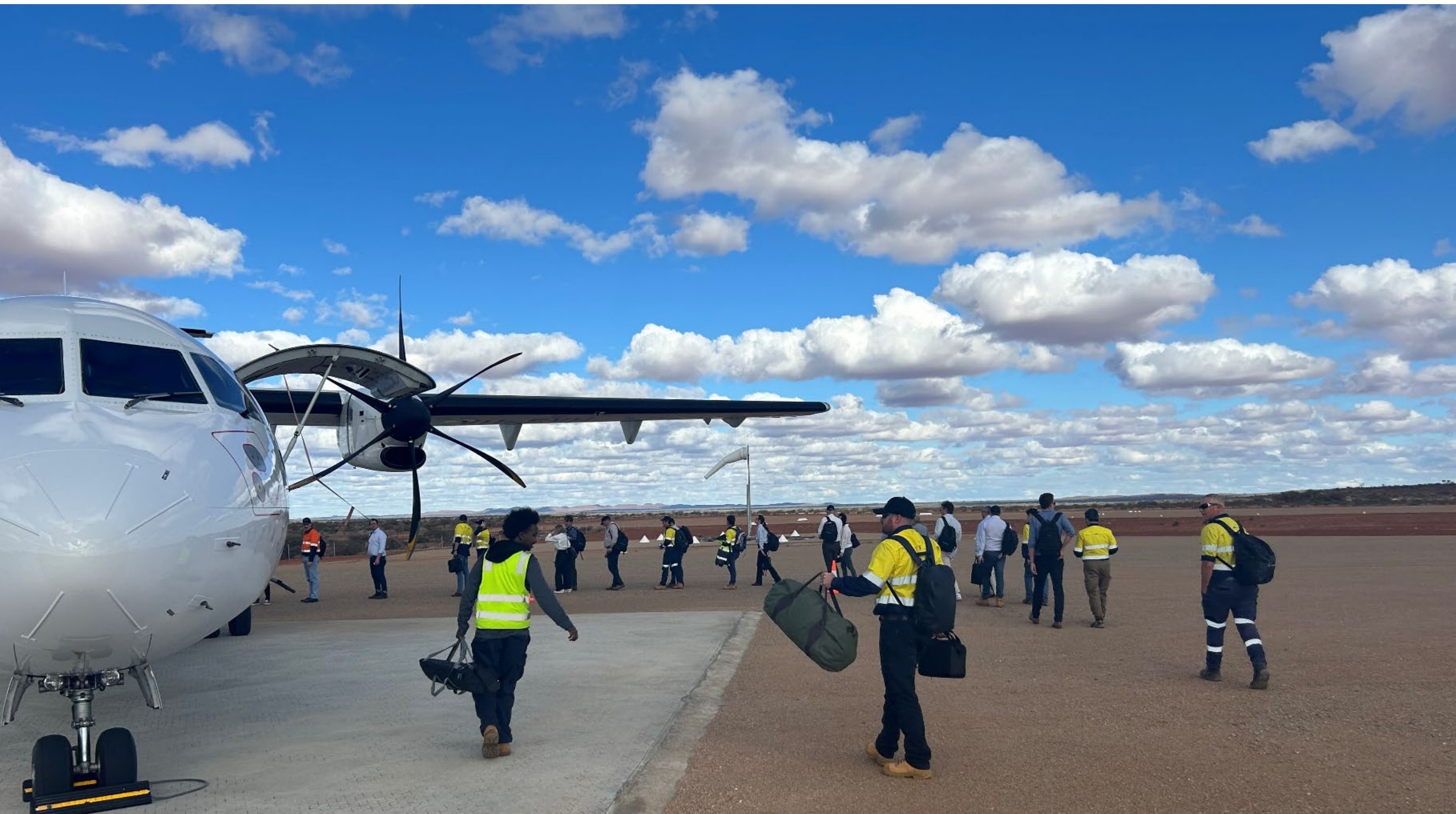
Consolidated Interim Financial Report

Half Year ended 31 December 2024



Hastings Technology Metals Ltd

ASX: HAS | hastingstechmetals.com| ACN 122 911 399

CORPORATE DIRECTORY

Directors

Charles Lew........Executive Chairman
Guy Robertson........Executive Director
Neil Hackett........Non-Executive Director
Jean Claude Steinmetz........Non-Executive Director
Malcolm Randall........Non-Executive Director

Joint Company Secretaries

Guy Robertson
Neil Hackett

Principal Place of Business and Register Office

Address:	Level 3, 5 Mill Street, Perth, Western Australia 6000
Phone:	+61 8 6117 6118
Website:	www.hastingstechmetals.com
Email:	info@hastingstechmetals.com

Auditors

PricewaterhouseCoopers, 125 St Georges Terrace, Perth, Western Australia 6000

Solicitors

Herbert Smith Freehills, Level 11/1 The Esplanade, Perth Western Australia 6000
King & Wood Mallesons, Level 30, 250 St Georges Terrace, Perth Western Australia 6000

Bankers

National Australia Bank, 100 St Georges Terrace, Perth Western Australia 6000
Westpac Banking Corporation, 109 St Georges Terrace, Perth Western Australia 6000

Share Registry

Automic Group, Level 5, 191 St Georges Terrace, Perth, Western Australia 6000

Home Exchange

Australian Securities Exchange Limited, Level 40, Central Park, 152-158 St Georges Terrace, Perth, Western Australia 6000

ASX Code

ASX:HAS

CONTENTS

DIRECTORS' REPORT

The Directors of Hastings Technology Metals Ltd ("Hastings" or the "Company") submit this interim financial report of the consolidated entity consisting of Hastings and the entities it controlled during the period (the "Group") for the half year ended 31 December 2024. Pursuant to the provisions of the Corporations Act 2001, the Directors report as follows.

DIRECTORS

The names of Directors who held office during or since the end of the interim period 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	Independent Non-Executive Director
Mr Bruce McFadzean (retired 18 Oct 2024)	Independent Non-Executive Director
Mr Malcolm Randall	Independent Non-Executive Director
Mr Jean Claude Steinmetz	Independent Non-Executive Director

JOINT COMPANY SECRETARIES

Mr Guy Robertson

Mr Neil Hackett

REVIEW OF OPERATIONS

Yangibana Rare Earths and Niobium Project

During the period, the Company continued to progress activities at the Yangibana Rare Earths and Niobium Project ("Yangibana Project" or the "Project").

As at 31 December 2024, 33% of the Project's construction budget had been spent. Main expenditures were for non-process infrastructure and long-lead equipment for the beneficiation plant. Long-lead equipment continued to arrive in Perth including the horizontal belt filter, flocculant plant and the wet screen.

A maiden Niobium resource was announced for the Yangibana Project in September 2024, with a niobium pentoxide Measured and Indicated Mineral Resource of 6.7Mt at 2,305ppm for 15,501t Nb_2O_5[1]. The niobium is present within the existing Yangibana Project's footprint and provide a multi-commodity revenue stream and by-product credit income.

Further drilling was completed to recover ore samples for niobium recovery test work in the period. The test work is ongoing and was conducted on representative ore to confirm that a saleable concentrate can be achieved. Preliminary results were encouraging, and significantly improved concentrate grades were achieved compared to previous tests. Hastings is working towards providing an updated Niobium Mineral Resource Estimate in Q2 2025.

[1] Refer ASX Announcement "Niobium Maiden Mineral Resource" dated 4 September 2024.

Post the period, Hastings announced that it had signed an exclusive non-binding term sheet to enter into an unincorporated joint venture with Wyloo Consolidated Investments Pty Ltd ("Wyloo") for the Yangibana Project[2]. The proposed joint venture ("JV") will see Wyloo acquire a 60% interest and operatorship in the Stage 1 Yangibana Project and the Stage 2 Hydrometallurgical Plant, with Hastings retaining a 40% interest.

Consideration for the acquisition of the Wyloo joint venture interest was the cancellation of outstanding Exchangeable Notes issued by Hastings to Wyloo ($220 million at maturity) as well as the transfer of shares held by Hastings in Neo (see below).

Based on the implied valuation of the JV transaction, the recoverable amount of the Yangibana Project Cash Generating Unit ("CGU") is $220 million. The carrying value of this CGU post non-cash impairment of $141 million is $220 million. Total assets amount to $334 million. Refer to Note 16 for further information.

The proposed joint venture provides a credible path to funding the development and funding for the Yangibana Project and significantly reduces Hastings' exposure to the remaining project capital cost.

SUSTAINABILITY

Health and Safety

During the period, the Company marked six years lost time injury free, demonstrating its strong focus on health and safety. There were no recordable injuries reported during the half year period to 31 December 2024, with a Total Recordable Injury Frequency Rate ("TRIFR") of nil, consistent with the previous half year and well below industry average.

Environmental, Social and Governance

In September 2024, the Company published its annual Sustainability Report. The report provides an overview of the Company's sustainability performance over the 12 months to 30 June 2024 and sets out environmental, social, and governance ("ESG") objectives as the development of the Yangibana Project progresses. Some of the performance highlights included Hastings being rated in the 97th and 91st percentiles in the metals and mining sub-industry category by Sustainalytics and Ecovadis respectively.

During the period, activities focused on priority environmental initiatives and submissions, including updates to the Yangibana Mining Proposal and Mine Closure Plan, ongoing environmental monitoring and reporting, and updates to streamline and contemporise the Yangibana Project's Part V regulatory approvals and permits process.

A triennial-review of water-related licences was completed during this period in accordance with regulatory reporting requirements. An update to the existing Works Approval under Part V of the Environmental Protection Act was subsequently initiated in October 2024, and the process is progressing with the Department of Water and Environmental Regulation ("DWER").

Native Title Agreement

The Company continued to work constructively with the Thiin-Mah Warriyangka Jiwarli People under the terms of the relevant Project Agreement.

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[2] Refer ASX Announcement "Hastings and Wyloo to form Joint Venture on the Yangibana Rare Earths & Niobium Project" dated 20 February 2025.

CORPORATE

Board and Committee Update

In October 2024, Hastings announced the strengthening of its leadership team with the appointment Independent Non-Executive Director Mr Jean Claude Steinmetz to the role of Chair of the Project Review Committee[3]. Mr Steinmetz was previously Chief Operating Officer for 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, as well as oversight of Lynas' sales and marketing activities.

As part of this leadership strengthening, Mr Peter Phan was appointed as the Company's Project Director for Yangibana in October 2024. Mr Phan was the Project Director at Australian Premium Iron Management ("APIM"), the manager of assets owned by a Joint Venture between POSCO, AMCI and Aquila ("APIJV"), which had a participating interest in the landmark Ashburton Channel Iron Deposits' Stage 1 development with a total capital expenditure of $3 billion. Mr Phan has a strong track record with over 30 years of mining industry experience across a wide range of commodities (iron ore, gold, nickel and lithium) and, working closely with Mr Steinmetz, will be instrumental for the Company to advance Yangibana development with a core focus on construction costs and packages.

During the period, Mr Bruce McFadzean retired as a Non-Executive Director of the Company. Mr McFadzean had served as a Director of the Company since January 2021 and was the Chair of the Project Review Committee.

Investment in Neo Performance Materials Inc ("Neo")

Neo is a global leader in the manufacture of rare earth magnetic powders and neodymium-bonded magnets. Neo has a global platform that includes ten manufacturing facilities located in Canada, China, Estonia, Germany, Thailand, the United Kingdom, and the United States, as well as a dedicated research and development centre in Singapore. In addition, Neo operates the only rare earth oxides separation plant outside of China at its Estonian facility.

Hastings purchased ~8.97m Neo shares in mid-2022, representing a 19.9% stake, which subsequently increased to 21.5% through share buy-backs[4]. In June 2023, Hastings and Neo announced the signing of a non-binding Heads of Agreement, which outlines a framework for offtake and further downstream technical and commercial collaboration[5]. Hastings' investment in Neo is in line with its strategy of building a vertically integrated mine-to-magnet supply chain.

In July 2024, Neo's Board of Directors appointed Hastings nominee, Dr John McGarva, as an independent non-executive director[6]. Dr McGarva has over 30 years of experience in product development and manufacturing spanning the healthcare, industrial, and consumer electronics industries. He was formerly Head of Engineering at Dyson (Haircare division).

Neo has consistently paid quarterly dividends with Hastings receiving $1.97 million (gross of withholding tax) during the half year.

As part of the announced joint venture with Wyloo[7], the shares in Neo have been transferred to Wyloo as part consideration for the cancellation of the Wyloo Exchangeable Notes. As at the date of this report 8,350,311 shares representing a 19.99% shareholding in Neo have been transferred to Wyloo and security held by Wyloo over those shares has been released. Security over the remaining 623,816 Neo shares (being a 1.49% shareholding in Neo) held by Hastings will be released upon payment to the value of those shares (valued at the time of signing

[3] Refer ASX Announcement "Management and Board Structure Update" dated 18 October 2024.

[4] Refer ASX Announcement "To Acquire Shareholding in NEO - Investment in HAS by Wyloo" dated 26 August 2022

[5] Refer ASX Announcement "Hastings Signs Non-Binding Heads of Agreement with NEO" dated 13 June 2023

[6] Refer TSX:NEO Announcement "Neo Announces Update to its Board of Directors" dated 22 July 2024

[7] Refer ASX Announcement "Hastings and Wyloo to form Joint Venture on the Yangibana Rare Earths & Niobium Project" dated 20 February 2025:

the transaction and JV agreements). The value of the 623,816 Neo shares at the time of the term sheet announcement was approximately $6 million, which Hastings plans to realise via the sale of those shares.

MOU with Ministry of Investment, Kingdom of Saudi Arabia ("KSA")

Hastings and Ministry of Investment Saudi Arabia ("MISA") entered into a non-binding Memorandum of Understanding ("MOU"), with Hastings selected as one of nine parties for MISA's Global Supply Chain Resilience Initiative ("GSCRI") program totalling SAR 35 billion (US$9 billion / A$14 billion)[8]. The MOU sets out the pathway for Hastings to develop a fully integrated downstream rare earths processing facility with the support of MISA through their GSCRI program.

In addition, the MOU will enable Hastings to assess KSA as a potential location for its Stage 2 hydrometallurgical plant as well as advance funding discussions with suitable partners. Under the terms of this strategic MOU and collaboration, MISA will support Hastings to:

- refresh its BFS based on the location of the hydrometallurgical plant in the KSA;
- secure strategic JV partners, and facilitate the development signing of a JVA to develop the hydrometallurgical plant in KSA;
- facilitate access to potential KSA-based funding, as well as identify suitable local partners for all stages of business establishment; and
- provide Hastings further assistance as required, including guidance on licensing, legal, compliance, and regulatory matters in the KSA.

Funding

In July 2024, Hastings announced a binding term sheet with JL Mag Rare-Earth Co. Limited ("JL Mag") (market cap: $4.9 billion as at 31st December 2024) for a $7 million strategic investment (19.6 million shares at $0.36 per new ordinary share)[9]. JL Mag is the world's leading producer of sintered rare earths magnets with a global customer base which includes the world's top 10 New Energy Vehicles manufacturers. Mr Han Yu, Vice President of International division, JL Mag, will be JL Mag's nominee on the Hastings board. JL Mag is seeking the remaining government approvals for overseas direct investment placement.

In October 2024, the Company executed a $5 million Loan Notes facility ("Loan Notes") with Equator Capital Management Ltd ("Equator") to raise funds for costs associated with the progressive development of the Yangibana Project[10]. The Loan Notes included the entitlement of 1 option for every $3 of Loan Note principal resulting in 1.6 million options being issued on 14 January 2025[11]. The terms of these options are consistent with the terms of Hastings' existing $0.50 per share exercise price, 1 March 2026 expiry listed options (HASO). The Loan Notes are unsecured.

In December 2024, The Company utilised its existing At The Market ("ATM") facility to raise $358,530 net of transaction costs (1.3 million shares at $0.293 - $0.302)[12]. The ATM facility is held with Alpha Investment Partners ("AIP") and a residual 3.15 million shares remained as of the end of the period from the initial 6.5 million shares issued on 24 November 2023.

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[8] Refer ASX Announcement: "HAS Signs MOU Ministry of Investment Kingdom of Saudi Arabia" dated 28 November 2024:

[9] Refer ASX Announcement "JL MAG to Become 9.8% Strategic Investor in Hastings" dated 9 July 2024

[10] Refer ASX Announcement "Quarterly Activities Report" 28 October 2024

[11] Refer ASX Announcement "Application for quotation of securities – HAS"

[12] Refer ASX Announcement "Quarterly Activities Report" 30 January 2025

DIVIDENDS

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

OPERATING RESULTS FOR THE HALF YEAR AND FINANCIAL YEAR

The total comprehensive loss of the Group for the interim period, after providing for income tax amounted to $165,151,705 (2023: $21,291,286). The Group's operating income decreased to $2,096,132 (2023: $2,907,800) as a result of reduction in interest income resulting from the maturity and subsequent non-renewal of interest-bearing deposits.

Net loss after tax increased to $164,107,405 (2023: $13,247,021) primarily due to an impairment charge of $141,368,886 (2023: $2,768,081), increased finance costs of $19,881,288 (2023: $16,622,336) and no significant reversal of onerous provisions.

An impairment charge of $141,368,886 relating to the Yangibana Project CGU was recognised as the carrying amount of the CGU exceeded its recoverable amount as at 31 December 2024. For further information, refer to Note 16.

The increase in finance costs reflects the borrowing costs paid on Exchangeable Notes used to fund the Neo investment. Netted off within expenses is the reversal of $289,980 in onerous contract provisions relating to excess accommodation at Onslow previously recognised as of 30 June 2024. The reversal is the result of the contract obligation being discharged in December 2024.

Other comprehensive loss was $1,044,300 (2023: $8,044,265) as a result of the decrease in the fair value of the investment in Neo of $1,046,584 and foreign currency translation gain of $2,284.

Capitalised exploration and evaluation costs decreased to $63,786,615 (30 June 2024: $94,270,691) after the recognition of a $32,032,313 impairment charge (refer to Note 16).

Plant and equipment increased to $284,370,088 before impairment (30 June 2024: $277,013,442) reflecting the costs incurred for early works construction and the delivery of long lead items for the Yangibana Project ($175,065,167 net of impairment).

Net assets decreased to $131,651,670 (30 June 2024: $296,416,650) in line with the $165,151,705 total comprehensive loss for the period.

REVIEW OF FINANCIAL CONDITIONS

As at 31 December 2024, the Group had $7,486,199 in cash and cash equivalents (June 2024: $17,890,044), in addition to $1,603,795 in restricted cash. Offsetting the cash assets are borrowings of $188,161,641 (June 2024: $168,372,744) and lease liabilities of $649,568 (June 2024: $930,237). Cash and cash equivalents are earmarked for construction, corporate costs, and working capital.

GOING CONCERN

The Group had $7,486,199 in cash and cash equivalents and an additional $1,603,795 held in term deposits as restricted cash as of 31 December 2024.

As at 31 December 2024, there were $199,718,212 of Exchangeable Notes ($187,710,899 at fair value) due in October 2025, which were classified as current liabilities at period end. Based on the historical current liabilities balance as at 31 December 2024, there was a working capital deficit of $178,549,204, which was comprised largely of the Exchangeable Notes due in October 2025. However, subsequent to year end, as outlined in Note 12, $79,848,403 of Exchangeable Notes were cancelled as part of the Joint Venture transaction announced with Wyloo that included transfer of 8,350,311 Neo shares to Wyloo. The balance of the Exchangeable Notes will be cancelled upon settlement of the value of the remaining 623,816 Neo shares via a cash payment by Hastings to Wyloo and establishment of the JV. Hastings plans to sell the remaining 623,816 Neo shares to fund this payment.

The JV parties expect to procure project funding together (target minimum gearing 50%). The JV transaction reduces Hastings' final equity contribution to approximately $32 million assuming 50:50 project gearing structure ($13 million assuming 60:40 gearing). Hastings has received non-binding project finance proposals from multiple parties, including from global mining funds, commercial banks, and fixed income investors (debt capital markets), in addition to financing support from government agencies. The bankability of the Yangibana Project has improved through the JV structure, which may lead to improved financing terms. Final equity funding is only required post Final Investment Decision.

As the Group will need to undertake interim capital raisings for expenditures as is customary for pre-production companies, material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern, and therefore, that the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Directors believe that there are reasonable grounds that the use of the going concern basis remains appropriate as the Board raises funds via equity capital raisings including share purchase plans, entitlement offers/ rights issues and placements. Key considerations in forming this view:

- There is a demonstrated historical track record of the Group raising new capital noting the Company has raised over $430 million (net of fees) to date. Recent capital raisings include:
    - Partially underwritten renounceable rights issue raising $15.9 million in April 2024; and
    - Existing ATM Facility with Alpha Investment Partners with $1.27 million raised in March 2024, $358,530 raised in December 2024 and a further 3.15 million shares available for placement under this ATM facility.
- The Company has approved placement capacity pursuant to Listing Rule 7.1 (15%) and additional 10% placement capacity pursuant to Listing Rule 7.1A, available for placement to existing and new shareholders;
- As announced on 9 July 2024, Hastings has recently entered into a binding agreement with JL Mag for a 9.8% strategic investment in the Company for $7,072,920. Settlement is expected to occur pending Chinese government regulations on overseas direct investment approvals for sensitive industries;
- Hastings has received capital raising proposals from multiple investment banks and brokers;
- Ongoing and recent return of cash backed bank guarantees and release of related restricted cash of $2,408,786 during the period; and
- Hastings has paid the majority of progress payments for long lead equipment items and therefore the forecast cash outflows have reduced significantly compared to previous periods.

The attached interim report for the half year ended 31 December 2024 contains an independent auditor's report which highlights the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. For further information, refer to Note 1(b) to the financial statements, together with the auditor's report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes to the state of affairs of the Company during the period.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

In February 2025, the Company announced the signing of an exclusive, non-binding term sheet with Wyloo to enter into an Unincorporated Joint Venture ("UJV") for the Yangibana Project and Niobium Project. The transaction is subject to executing a UJV agreement, transaction agreement, and other binding JV documentation. Key commercial terms include:

- 60:40 UJV with Wyloo holding a 60% participating interest and Hastings holding a 40% participating interest through its wholly owned subsidiary, Yangibana Jubilee Pty Ltd.
- Consideration includes cancellation of all Exchangeable Notes owing to Wyloo, which represents an early repayment of debt in full ahead of maturity in October 2025, upon transfer of all Neo shares held by Hastings to Wyloo.
    - The transfer of shares to Wyloo will be conducted over two tranches, with the first tranche of 8,350,311 Neo shares (representing an approximate 19.99% shareholding interest in Neo, valued at $79,848,403) being completed in February 2025.
    - The balance of the Exchangeable Notes will be cancelled upon settlement of the value of the remaining 623,816 shares (1.49%, valued at $5,965,132) via cash payment by Hastings to Wyloo.
- Hastings retains a 40% share of revenue through rare earths, niobium and other by-product credits and Project cash flows.
- UJV includes both Stage 1 of the Yangibana Project and Stage 2 hydrometallurgical plant.

Wyloo will act as the UJV Manager and Operator with an option to increase its participating interest to 70% at the lower of fair market value as determined by independent valuation, or $20 million (subject to CPI escalation). Project funding will be jointly procured by Wyloo and the Company.

Other than as outlined above, there are 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 periods.

AUDITORS INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the *Corporations Act 2001* requires our auditors, PricewaterhouseCoopers, to provide the Directors of the Company with an Independence Declaration. This Independence Declaration is set out on page 12 and forms part of this Directors' report for the interim period ended 31 December 2024.

Signed in accordance with a resolution of the Directors.

Charles Lew

Executive Chairman

14 March 2025

DISCLAIMERS

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This report contains reference to certain intentions, expectations, future plans, strategies and prospects of the Company. Those intentions, expectations, future plans, strategies and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers, or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategies and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

The Company is under no obligation to, nor makes any undertaking to, update or revise such forward looking statements, but believes they are fair and reasonable at the date of the presentation.

COMPETENT PERSONS STATEMENT

The information in this release that relates to Mineral Resources and Ore Reserves has been extracted from the release title 'Annual Report to shareholders' dated 30 September 2024 which is available to view at www.asx.com.au under the code "HAS" (the original release). Hastings confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original release.

The information that relates to the Ore Reserves at Bald Hill, Fraser's, Yangibana, Auer and Auer North and Yangibana North is based on information reviewed or work undertaken by Mr Stephen O'Grady, 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 report 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 Mr Scott Atkinson. Mr Atkinson is a full-time employee of Hastings and a member of the Australasian Institute of Mining and Metallurgy (AusIMM: 3056865) and 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 JORC Code (2012). Mr Atkinson consents 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 Mineral Resources at the Yangibana Project and the Brockman Deposit is based on information compiled by Mr David Princep of Gill Lane Consulting, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Princep is a consultant to Hastings 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 JORC Code (2012). Mr Princep consents 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 reviewed and compiled by Dr Louis Schürmann. Dr Schürmann is an employee of the Company and is a Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM: 308067). Dr Schürmann 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 JORC Code (2012). Dr Schürmann consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Auditor’s Independence Declaration

As lead auditor for the review of Hastings Technology Metals Ltd for the half-year ended 31 December 2024, 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 review, and

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

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

Anthony Hodge
Partner
PricewaterhouseCoopers

Perth
14 March 2025

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Consolidated 31 Dec 2024 $	 31 Dec 2023 $
Continuing operations			
Other income	2	2,096,132	2,907,800
Administration expenses		(419,730)	(718,080)
Consulting and professional fees		(694,366)	(599,275)
Depreciation – plant and equipment		(126,764)	(133,707)
Depreciation – right-of-use assets		(223,380)	(104,452)
Directors' fees		(536,608)	(513,743)
Employee benefits expense		(1,704,821)	(4,617,511)
Fair value gain on embedded derivatives		-	2,205,053
Finance costs	4	(19,881,288)	(16,622,336)
Insurance		(734,023)	(159,843)
Legal fees		(140,667)	(226,335)
Occupancy income	3	186,644	8,518,474
Travel expenses		(157,480)	(214,148)
Impairment of exploration and evaluation expenditure	6,16	(32,032,313)	(2,768,081)
Impairment of property, plant and equipment	15,16	(109,336,573)	-
Share-based payments	8	(106,707)	(199,577)
Loss before income tax expense		(163,811,944)	(13,245,761)
Income tax expense		(295,461)	(1,260)
Net loss for the period		(164,107,405)	(13,247,021)
Other comprehensive loss			
Loss in the fair value of equity investments at fair value through other comprehensive income	5	(1,046,584)	(8,045,937)
Exchange gain on translation of foreign operations		2,284	1,672
Other comprehensive loss for the period		(1,044,300)	(8,044,265)
Total comprehensive loss for the period		(165,151,705)	(21,291,286)
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic and diluted loss per share (cents per share)		(90.75)	(10.24)

The accompanying notes form part of these consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		Consolidated	
	Notes	31 Dec 2024 $	30 June 2024 $
Assets			
Current Assets			
Cash and cash equivalents		7,486,199	17,890,044
Other receivables		643,953	1,134,995
Other current assets		6,261,626	6,256,209
Total current assets		**14,391,778**	**25,281,248**
Non-current assets			
Deferred exploration and evaluation expenditure	6,16	63,786,615	94,270,691
Financial assets at fair value through other comprehensive income	5	80,222,952	81,269,536
Plant and equipment	15,16	175,065,165	277,013,442
Right-of-use assets		586,205	567,880
Other non-current assets		-	1,600,488
Total non-current assets		**319,660,937**	**454,722,037**
Total assets		**334,052,715**	**480,003,285**
Liabilities			
Current liabilities			
Trade and other payables		3,186,530	7,821,870
Employee benefit obligations		1,071,041	1,618,722
Lease liability		321,770	787,109
Borrowings	7	188,161,641	300,491
Provisions		200,000	724,700
Total current liabilities		**192,940,982**	**11,252,892**
Non-current liabilities			
Borrowings	7	4,925,539	168,072,253
Lease liability		327,798	143,128
Employee benefit obligations		175,047	161,144
Provisions		4,031,679	3,957,218
Total non-current liabilities		**9,460,063**	**172,333,743**
Total Liabilities		**202,401,045**	**183,586,635**
Net Assets		**131,651,670**	**296,416,650**
Equity			
Issued capital	8	452,752,549	452,318,531
Reserves	8	(74,918,836)	(73,824,959)
Accumulated losses		(246,182,043)	(82,076,922)
Total Equity		**131,651,670**	**296,416,650**

The accompanying notes form part of these consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Consolidated	Notes	Issued Capital $	Accumulated Losses $	Fair Value Reserve $	Share-Based Payment Reserve $	Total $
Balance at 30 June 2024		**452,318,531**	**(82,076,922)**	**(74,579,533)**	**754,574**	**296,416,650**
Loss for the period		-	(164,107,405)	-	-	(164,107,405)
Other comprehensive gain/(loss)		-	2,284	(1,046,584)	-	(1,044,300)
Total comprehensive loss for the period		**-**	**(164,105,121)**	**(1,046,584)**	**-**	**(165,151,705)**
Shares/options issued during the period	8	531,400	-	-	-	531,400
Transaction costs on share issue	8	(97,382)	-	-	-	(97,382)
Share-based payments	8	-	-	-	106,707	106,707
Transfer from share-based payments	8	-	-	-	(154,000)	(154,000)
Balance at 31 December 2024		**452,752,549**	**(246,182,043)**	**(75,626,117)**	**707,281**	**131,651,670**
Balance at 30 June 2023		**435,316,770**	**(48,323,188)**	**(71,950,037)**	**128,965**	**315,172,510**
Loss for the period		-	(13,247,021)	-	-	(13,247,021)
Other comprehensive gain/(loss)		-	1,672	(8,045,937)	-	(8,044,265)
Total comprehensive loss for the period		**-**	**(13,245,349)**	**(8,045,937)**	**-**	**(21,291,286)**
Shares/options issued during the period		-	-	-	-	-
Transaction costs on share issue		(139,436)	-	-	-	(139,436)
Share-based payments		-	-	-	199,577	199,577
Balance at 31 December 2023		**435,177,334**	**(61,568,537)**	**(79,995,974)**	**328,542**	**293,941,365**

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Consolidated 31 Dec 2024 $	Consolidated 31 Dec 2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(4,822,803)	(4,149,908)
Interest and finance costs paid		(8,881)	(17,118)
Income tax paid		(295,461)	-
Interest received		207,269	1,422,943
Net cash used in operating activities		(4,919,876)	(2,744,083)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(3,240,040)	(5,200,242)
Payments for plant and equipment		(10,358,793)	(52,351,130)
Research and development tax offset in relation to exploration assets		-	244,268
Dividends from financial assets at fair value through other comprehensive income		1,969,735	1,718,134
Release of funds held in term deposits		2,408,786	-
Proceeds from sale of fixed assets		-	900
Net cash used in investing activities		(9,220,312)	(55,588,070)
Cash flows from financing activities			
Proceeds from issue of shares and options		377,400	-
Payments for share issue costs		(35,641)	-
Proceeds from borrowings		5,357,869	-
Payment of borrowing costs		(1,412,381)	(1,118,581)
Principal elements of lease payments		(525,000)	(419,234)
Net cash provided by/(used in) financing activities		3,762,247	(1,537,815)
Net (decrease) in cash held		(10,377,941)	(59,869,968)
Foreign exchange loss		(25,904)	(17,082)
Cash and cash equivalents at the beginning of the period		17,890,044	98,644,239
Cash and cash equivalents at the end of the period		7,486,199	38,757,189

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of Preparation

These interim condensed consolidated financial statements for the half year ended 31 December 2024 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 30 June 2024 and any public announcements made by the Group during the interim reporting period in accordance with the conditions disclosure requirements of the *Corporation Act 2001*.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024.

b) Going Concern

The condensed 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.

For the half year ended 31 December 2024, the Group incurred a total comprehensive loss of $165,151,705 (2023: $21,291,286), had net cash outflows from operating activities of $4,919,876 (2023: $2,744,083) and net cash outflows from investing activities of $9,220,312 (2023: $55,588,070).

The Group had $7,486,199 in cash and cash equivalents and an additional $1,603,795 held in term deposits as restricted cash as of 31 December 2024.

As at 31 December 2024, there were $199,718,212 of Exchangeable Notes ($187,710,899 at fair value) due in October 2025, which were classified as current liabilities at period end. Based on the historical current liabilities balance as at 31 December 2024, there was a working capital deficit of $178,549,204, which was comprised largely of the Exchangeable Notes due in October 2025. However, subsequent to year end, as outlined in Note 12, $79,848,403 of Exchangeable Notes were cancelled as part of the Joint Venture transaction announced with Wyloo that included transfer of 8,350,311 Neo shares to Wyloo. The balance of the Exchangeable Notes will be cancelled upon settlement of the value of the remaining 623,816 Neo shares via a cash payment by Hastings to Wyloo and establishment of the JV. Hastings plans to sell the remaining 623,816 Neo shares to fund this payment.

The JV parties expect to procure project funding together (target minimum gearing 50%). The JV transaction reduces Hastings' final equity contribution to approximately $32 million assuming 50:50 project gearing structure ($13 million assuming 60:40 gearing). Hastings has received non-binding project finance proposals from multiple parties, including from global mining funds, commercial banks, and fixed income investors (debt capital markets), in addition to financing support from government agencies. The bankability of the Yangibana Project has improved through the JV structure, which may lead to improved financing terms. Final equity funding is only required post Final Investment Decision.

As the Group will need to undertake interim capital raisings for expenditures as is customary for pre-production companies, material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern, and therefore, that the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Directors believe that there are reasonable grounds that the use of the going concern basis remains appropriate as the Board raises funds via equity capital raisings including share purchase plans, entitlement offers/ rights issues and placements. Key considerations in forming this view:

- There is a demonstrated historical track record of the Group raising new capital noting the Company has raised over $430 million (net of fees) to date. Recent capital raisings include:
  - Partially underwritten renounceable rights issue raising $15.9 million in April 2024; and

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONT.)

  - Existing ATM Facility with Alpha Investment Partners with $1.27 million raised in March 2024, $358,530 raised in December 2024 and a further 3.15 million shares available for placement under this ATM facility;

- The Company has approved placement capacity pursuant to Listing Rule 7.1 (15%) and additional 10% placement capacity pursuant to Listing Rule 7.1A, available for placement to existing and new shareholders;
- As announced on 9 July 2024, Hastings has recently entered into a binding agreement with JL Mag for a 9.8% strategic investment in the Company for $7,072,920. Settlement is expected to occur pending Chinese government regulations on overseas direct investment approvals for sensitive industries;
- Hastings has received capital raising proposals from multiple investment banks and brokers;
- Ongoing and recent return of cash backed bank guarantees and release of related restricted cash of $2,408,786 during the period; and
- Hastings has paid the majority of progress payments for long lead equipment items and therefore the forecast cash outflows have reduced significantly compared to previous periods.

The financial report does not include any adjustments relating to the amounts or classifications of recorded assets and liabilities that might be necessary if the Group does not continue as a going concern.

c) Statement of Compliance

The interim condensed consolidated financial report was authorised for issue by the Board on 14 March 2024. The Board has the power to amend the financial statements after their issue.

d) Adoption of new and revised standards

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

Various jurisdictions have implemented, or are in the process of implementing, Pillar Two tax legislation based on the framework published by the Organisation for Economic Co-operation and Development ("OECD"). The Australian Pillar Two rules were legislated in December 2024. The Company maintains an office in Singapore through a non-trading related party entity, which is operated on a cost-reimbursable basis. The Company is not a part of, and does not have any other, foreign operations during the period to which the Pillar Two laws might apply.

e) Impact of standards issued but not yet applied by the entity

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTE 2: OTHER INCOME

	Consolidated half year	
	31 Dec 2024 $	31 Dec 2023 $
Interest income[13]	126,397	1,188,766
Dividends[14]	1,969,735	1,718,134
Sales of assets	-	900
	2,096,132	**2,907,800**

NOTE 3: ONEROUS CONTRACTS PROVISION

The Directors continually assess the Group's contracts for being onerous with a provision recognised equal to the present value of any onerous obligations.

During the period, $103,336 of occupancy expenses were incurred, reduced by $289,980 in previously recognised onerous contracts provision expenses being reversed. The reversal related to committed Onslow accommodation for Stage 2 which the Company managed to on-sell, therefore reducing the commitment value. As at 31 December 2024, the obligation under the contract has been extinguished and the provision balance was nil.

NOTE 4: FINANCE COSTS

	Consolidated Half Year	
	31 Dec 2024 $	31 Dec 2023 $
Lease interest	11,997	17,118
Borrowing costs (refer Note 7)	19,755,879	16,524,288
Unwinding of discount on rehabilitation provision	88,239	66,637
Transaction costs	25,173	14,353
	19,881,288	**16,622,336**

NOTE 5: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 Dec 2024 $	30 June 2024 $
Equity Securities		
Listed Securities – Neo Performance Materials Inc		
Fair value at beginning of period	81,269,536	75,853,095
Changes in the fair value of investments at fair value through other comprehensive income	(1,046,584)	5,416,441
Fair value at end of period	**80,222,952**	**81,269,536**

In October 2022, the Group purchased a 19.9% strategic interest in Neo which subsequently increased to 21.5% interest as a result of a share buy-back. The Group has determined that it does not having significant influence or joint control over Neo.

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[13] Interest income is solely derived within Australia.

[14] Dividends from investment in Neo Performance Materials Inc.

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NOTE 6: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:	31 Dec 2024 $	30 June 2024 $
Exploration and evaluation phase – at cost		
Total deferred exploration and evaluation expenditure at beginning of period	94,270,691	92,693,240
Exploration expenditure	1,548,237	1,571,317
Rehabilitation provision	-	286,300
Impairment of exploration and evaluation assets (Refer Note 16)	(32,032,313)	-
Less research and development tax offset received	-	(280,166)
Total deferred exploration and evaluation expenditure at end of period	**63,786,615**	**94,270,691**

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

NOTE 7: BORROWINGS

Current Liability	Convertible Notes - Secured	Loan Notes	Insurance Finance & Other	Total
Current liability as at 1 July 2024	-	-	300,491	300,491
Transfer from non-current liability	177,679,737	-	-	177,679,737
Face value of borrowings issued in the period	6,564,768	-	357,868	6,922,636
Interest expense	10,031,162	103,333	13,900	10,148,395
Interest paid in cash	-	-	(13,899)	(13,899)
Interest paid in-kind via additional notes	(6,564,768)	-	-	(6,564,768)
Principal paid	-	-	(310,951)	(310,951)
Current liability as at 31 Dec 2024	**187,710,899**	**103,333**	**347,409**	**188,161,641**

Non-Current Liability	Convertible Notes - Secured	Loan Notes	Insurance Finance & Other	Total
Non-current liability as at 1 July 2024	168,072,253	-	-	168,072,253
Face value of notes issued in the period	6,354,083	5,000,000	-	11,354,083
Interest expense to 10 Oct 2024	9,607,484	-	-	9,607,484
Interest paid in-kind via additional notes	(6,354,083)	-	-	(6,354,083)
Loan impairment	-	-	(74,461)	(74,461)
Transfer to current liability	(177,679,737)	-	-	(177,679,737)
Non-current liability as at 31 Dec 2024	**-**	**5,000,000**	**(74,461)**	**4,925,539**

Non-Current Liability	Convertible Notes - Secured	Loan Notes	Insurance Finance & Other	Total
Non-current liability as at 1 December 2023	149,711,314	-	-	149,711,314
Face value of notes issued in the period	11,883,262	-	-	11,883,262
Interest expense	18,360,939	-	-	18,360,939
Interest paid-in-kind via additional notes	(11,883,262)	-	-	(11,883,262)
Non-current liability as at 30 June 2024	**168,072,253**	**-**	**-**	**168,072,253**

NOTE 7: BORROWINGS (CONT.)

Convertible Notes and Embedded Derivatives

The Group issued 150,000,000 secured, redeemable Exchangeable Notes with a face value of $150,000,000 on 11 October 2022. The notes were convertible into ordinary shares of the Company, at the option of the holder, for $5.50 per share and had a maturity date of 11 October 2025.

Interest on the outstanding value of the notes accrues at the rate equivalent to the 3-month BBSY plus 9% per annum and is to be settled-in-kind via the issue of additional notes on a quarterly basis subject to a cash payment election. $12,918,851 of interest was settled-in-kind as convertible notes in the period ended 31 December 2024.

The notes were used to fund the purchase of, and secured against, the Group's interest in Neo (refer Note 5).

The initial fair value of the liability portion of the notes was determined using a market interest rate for an equivalent non-convertible note at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the notes. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity, net of income tax, and not subsequently remeasured.

Embedded within the convertible notes are derivatives relating to the exchange rights and redemption rights of the notes. The initial fair value of the embedded derivatives has been estimated using Monte Carlo option pricing models with subsequent fair value movements recognised in profit and loss. As at 31 December 2024, the fair value of the embedded derivatives was determined to be nil.

Loan Notes and Attaching Options

In October 2024, the Company executed a Loan Notes facility to raise funds for project costs associated with the staged development of the Yangibana Project. The subscriber under this facility is Equator Capital Management Ltd for $5 million. Equator is a long-term shareholder of the Company with ~3.8% shareholding interest. The Company's Executive Chairman, Mr Charles Lew, has a non-controlling interest in Equator. The Loan Notes are unsecured and expressly subordinated to Wyloo's guarantee in respect of the Exchangeable Notes.

The Loan Notes have a 5-year term with a fixed coupon of 12%, with 6% to be paid in cash and 6% to be capitalised by way of a payment in-kind through the issue of additional Loan Notes. The Loan Notes includes Attaching Options at the rate of 1 option for every $3 of Loan Notes subscribed at an exercise price of $0.50 and an expiry date of 9th March 2026. A total of 1.67 million Attaching Options were issued to Equator in January 2025.

NOTE 8: ISSUED CAPITAL

Ordinary Shares

Movements in the ordinary shares were as follows:	31 Dec 2024 $	30 June 2024 $
Balance at beginning of period	452,318,531	435,177,334
Shares issued – placement	377,400	1,275,050
Shares issued – rights issue	-	15,883,032
Shares issued - vesting of performance rights	154,000	571,200
Less share issue costs	(97,382)	(588,085)
Balance at end of period	452,752,549	452,318,531

Movements in the ordinary shares were as follows:	31 Dec 2024 No.	30 June 2024 No.
At beginning of period	180,826,133	135,866,652
Shares issued – rights issue	-	44,119,481
Shares issued - vesting of performance rights	560,000	840,000
Balance at end of period	181,386,133	180,826,133

NOTE 8: ISSUED CAPITAL (CONT.)

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 with the Company not having a limited amount of authorised capital.

Fair Value Reserve

Movements in the fair value reserve were as follows:	31 Dec 2024 $	30 June 2024 $
Balance at beginning of the period	(74,579,533)	(79,995,974)
Changes in the fair value of equity investments at fair value through other comprehensive income (refer Note 5)	(1,046,584)	5,416,441
Balance at end of period	(75,626,117)	(74,579,533)

Share-Based Payments Reserve

Movements in value of share-based payments reserve were as follows:	31 Dec 2024 $	30 June 2024 $
Balance at beginning of period	754,574	328,542
Performance rights lapsed – transferred from accumulated losses	-	(43,829)
Share-based payment expenses	106,707	1,041,061
Performance rights vested – transferred to issued capital	(154,000)	(571,200)
Balance at end of period	707,281	754,574

The share-based payments reserve is used to record the value of equity benefits provided to third parties as payments for goods and or/services and employees and Directors as part of remuneration.

Movements in number of performance rights on issue were as follows:	31 Dec 2024 No.	30 June 2024 No.
Balance at beginning of period	2,437,253	8,800,112
Performance rights lapsed	-	11,159,412
Performance rights issued	-	(8,984,032)
Performance rights vested	(560,000)	(8,538,239)
Balance at end of period	1,877,253	2,437,253

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 on Hastings Annual Report 2023 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.

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

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NOTE 8: ISSUED CAPITAL (CONT.)

On 29 December 2023, the Company announced the issue of performance rights to three Key Management Personnel with performance milestones ending on 30 June 2024 and 31 October 2024, including 2.8 million performance rights for Executive Chairman, Mr Charles Lew. One of the vesting conditions for those performance rights was triggered in the period to 30 June 2024, and the Company awarded 560,000 shares to Mr Charles Lew. The award and issue of these shares was approved by shareholders by resolution in the Annual General Meeting held on 26 November 2024.

Reserve Balances

	31 Dec 2024 $	30 June 2024 $
Fair value reserve	(75,626,117)	(74,579,533)
Share-based payments reserve	707,281	754,574
Balance at end of period	(74,918,836)	(73,824,959)

NOTE 9: 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 Project

Hastings owns the Yangibana Rare Earths Project in the Upper Gascoyne region of Western Australia through the 100% ownership of twenty-two (22) Exploration Licenses, sixteen (16) General Licenses, twenty-two (22) Miscellaneous Licenses, and thirteen (13) Mining Leases, in all covering an area of approximately 672 square kilometres.

Ark Gold Project

Hastings also holds two (2) Exploration Licences under the 100% owned entity Ark Gold Pty Ltd, which are approximately 15km southeast of the Yangibana Project and cover an area of 85 square kilometres.

Brockman Rare Earths Project

Hastings is the owner of the Brockman Rare Earths Project, comprising of four (4) wholly owned Prospecting Licenses in the East Kimberley region of Western Australia. The project hosts significant Mineral Resources reported under the JORC (2012) Code of the rare metal's zircon, niobium and tantalum, and the heavy rare earth element 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 financial statements and in the prior period.

NOTE 9: SEGMENT REPORTING (CONT.)

Project Segments	Brockman Rare Earths Project $	Yangibana Project $	Unallocated $	Total $
31 December 2024				
Other income				
Interest and other income	-	36,138	2,059,994	2,096,132
Total segment other income	-	36,138	2,059,994	2,096,132
Expenses				
Administration	-	(227,144)	(4,619,071)	(4,846,215)
Finance costs	-	(93,617)	(19,889,338)	(19,982,955)
Onerous contract provision reversal	-	289,980	-	289,980
Impairment on deferred exploration expenditure	-	(32,032,313)	-	(32,032,313)
Impairment on property, plant and equipment	-	(109,336,573)	-	(109,336,573)
Loss before income tax expense	-	(141,363,529)	(22,448,415)	(163,811,944)
Income tax expense	-	-	(295,461)	(295,461)
Other comprehensive loss	-	-	(1,044,300)	(1,044,300)
Segment result	-	(141,363,529)	(23,788,176)	(165,151,705)
Cash flows from operating activities	-	5,807	(4,925,683)	(4,919,876)
Cash flows from investing activities	27,452	(7,418,907)	(1,828,857)	(9,220,312)
Cash flows from financing activities	-	(442,811)	4,205,068	3,762,247

Project Segments	Brockman Rare Earths Project $	Yangibana Project $	Unallocated $	Total $
31 December 2024				
Segment assets	12,515,725	226,245,588	95,291,402	334,052,715
Segment liabilities	-	(5,956,142)	(196,444,903)	(202,401,045)
Acquisition of exploration assets[15]	(23,533)	1,571,770	-	1,548,237
Acquisition of property, plant and equipment[16]	-	10,097,702	4,082	10,101,784

Project Segments	Brockman Rare Earths Project $	Yangibana Project $	Unallocated $	Total $
31 December 2023				
Other income				
Interest and other income	-	310,847	2,596,953	2,907,800
Total segment other income	-	310,847	2,596,953	2,907,800
Expenses				
Administration	-	(6,359,938)	976,758	(5,383,180)
Finance costs	-	-	(16,622,336)	(16,622,336)
Onerous contract provision reversal	-	8,620,036	-	8,620,036
Impairment on deferred exploration expenditure	(2,768,081)	-	-	(2,768,081)
Loss before income tax expense	(2,768,081)	2,570,945	(13,048,625)	(13,245,761)
Income tax expense	-	-	(1,260)	(1,260)
Other comprehensive loss	-	-	(8,044,265)	(8,044,265)

[15] For the 6-month period to 31 December 2024.

[16] For the 6-month period to 31 December 2024.

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NOTE 9: SEGMENT REPORTING (CONT.)

Segment result	(2,768,081)	2,570,945	(21,094,150)	(21,291,286)
Cash flows from operating activities	-	-	(2,744,083)	(2,744,083)
Cash flows from investing activities	(13,133)	(57,145,652)	1,570,715	(55,588,070)
Cash flows from financing activities	13,133	57,293,971	(58,844,919)	(1,537,815)

Project Segments	**Brockman Rare Earths Project $**	**Yangibana Project $**	**Unallocated $**	**Total $**
30 June 2024				
Segment assets	12,539,257	368,304,448	99,159,581	480,003,285
Segment liabilities	-	(15,514,382)	(168,072,253)	(183,586,635)
Acquisition of exploration assets[17]	7,101	1,564,216	-	1,571,317
Acquisition of property, plant and equipment[18]	-	28,888,514	196,916	29,085,430

NOTE 10: DIVIDENDS

The Directors of the Group have not declared any dividend for the half year ended 31 December 2024 (31 December 2023: Nil).

NOTE 11: CONTINGENT LIABILITIES

There are no contingent liabilities at period end (30 June 2024: Nil).

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

In February 2025, the Company announced the signing of an exclusive, non-binding term sheet with Wyloo to enter into an Unincorporated Joint Venture ("UJV") for the Yangibana Project and Niobium Project. The transaction is subject to executing a UJV agreement, transaction agreement, and other binding JV documentation. Key commercial terms include:

- 60:40 UJV with Wyloo holding a 60% participating interest and Hastings holding a 40% participating interest through its wholly owned subsidiary, Yangibana Jubilee Pty Ltd.
- Consideration includes cancellation of all Exchangeable Notes owing to Wyloo, which represents an early repayment of debt in full ahead of maturity in October 2025, upon transfer of all Neo shares held by Hastings to Wyloo.

  The transfer of shares to Wyloo will be conducted over two tranches, with the first tranche of 8,350,311 Neo shares (representing an approximate 19.99% shareholding interest in Neo, valued at $79,848,403) completed in February 2025.

  The balance of the Exchangeable Notes will be cancelled upon settlement of the value of the remaining 623,816 shares (1.49%, valued at $5,965,132) via cash payment by Hastings to Wyloo.

[17] For the 6-month period to 30 June 2024.
[18] For the 6-month period to 30 June 2024.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE (CONT.)

- Hastings retains a 40% share of revenue through rare earths, niobium and other by-product credits and Project cash flows.
- UJV includes both Stage 1 of the Yangibana Project and Stage 2 hydrometallurgical plant. `

Wyloo will act as the UJV Manager and Operator with an option to increase its participating interest to 70% at the lower of fair market value as determined by independent valuation, or $20 million (subject to CPI escalation). Project funding will be jointly procured by Wyloo and the Company.

The target completion date for the execution of the UJV agreement, transaction agreement and other binding documentation is the end of March 2025, and is subject to shareholder approval with an Extraordinary General Meeting ("EGM") expected in April 2025.

Other than as outlined above there are 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 periods.

NOTE 13: RELATED PARTY DISCLOSURE

	Consolidated	
	2024 $	2023 $
Office rental and administration expenses[19]	40,812	46,639

	Consolidated	
	31 Dec 2024 $	30 June 2024 $
Right-of-use asset[20]	89,950	29,237
Current lease liability [21]	(91,714)	(29,760)

NOTE 14: OUTSTANDING COMMITMENTS

As of 31 December 2024, the Group had outstanding commitments of $12,525,243 (2023: $40,748,781). The outstanding commitments are all due within 12 months.

During the period, new project construction commitments which were raised related to storage, preservation and site running costs. The majority of open commitments relate to longer-term contracts raised in prior years now coming to completion.

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

[20] The landlord of the Group's Singapore office is Equator Capital Pte Ltd, a company associated with the Executive Chairman, Charles Lew. The lease is commensurate with those on an arm's length basis.

[21] The landlord of the Group's Singapore office is Equator Capital Pte Ltd, a company associated with the Executive Chairman, Charles Lew. The lease is commensurate with those on an arm's length basis.

NOTE 15: PLANT AND EQUIPMENT

Cost	Plant and Equipment $	Software $	Construction in Progress $	Total $
Opening balance, 1 July 2024	68,632,827	386,982	213,269,625	282,289,434
Foreign exchange	1,442	-	-	1,442
Disposals	(47,133)	(5,572)	-	(52,705)
Transfers	58,615	(58,615)	-	-
Additions	4,082	-	10,097,702	10,101,784
Closing balance, 31 Dec 2024	68,649,833	322,795	223,367,327	292,339,955
Opening balance, 1 July 2023	1,135,279	241,626	211,991,634	213,368,529
Foreign exchange	(25)	-	-	(25)
Disposals	(4,570)	-	-	(4,570)
Transfers	67,302,264	-	(67,302,264)	-
Additions	199,879	145,356	68,580,255	68,925,490
Closing balance, 30 June 2024	68,632,827	386,982	213,269,625	292,289,434

Accumulated depreciation	Plant and Equipment $	Software $	Construction in Progress $	Total $
Opening balance, 1 July 2024	(5,064,123)	(211,869)	-	(5,275,992)
Foreign exchange	(1,134)	-	-	(1,134)
Disposals	46,237	1,461	-	47,698
Depreciation	(2,725,556)	(14,884)	-	(2,740,440)
Closing balance, 31 Dec 2024	(7,744,576)	(225,292)	-	(7,969,868)
Opening balance, 1 July 2023	(525,885)	(158,502)	-	(684,387)
Foreign exchange	60	-	-	60
Disposals	2,632	-	-	2,632
Depreciation	(4,540,931)	(53,367)	-	(4,594,298)
Closing balance, 30 June 2024	(5,064,123)	(211,869)	-	(5,275,992)

Accumulated impairment	Plant and Equipment $	Software $	Construction in Progress $	Total $
Opening balance, 1 July 2024	-	-	-	-
Impairment	(23,333,739)	-	(85,971,183)	(109,304,922)
Closing balance, 31 Dec 2024	(23,333,739)	-	(85,971,183)	(109,304,922)
Book value 31 Dec 2024	37,571,518	97,503	137,396,144	175,065,165
Book value 30 June 2024	63,568,704	175,113	213,269,625	277,013,442

NOTE 16: IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

In accordance with AASB 136 *Impairment of Assets* and internal policies, the Group is required to assess at each reporting date whether there is any indication that its assets may be impaired. In considering impairment, assets are grouped together based on their capability of producing independent cash inflows and are referred to as CGU.

Management has identified that the Group has one CGU being the Yangibana Project, which comprises the majority of the plant and equipment (including Construction in Progress) and deferred exploration and evaluation expenditure of the Group at 31 December 2024.

As at 31 December 2024, indicators of potential impairment were identified as the carrying value of the Group's net assets were greater than the Group's market capitalisation. In assessing impairment, the Group is required to estimate the recoverable amount as the higher of the value in use, being the net present value of expected future cashflows of the CGUs in their current condition, and the fair value less cost of disposal. For this reporting period, future cash flows were also compared to the indication of market value inferred from the Wyloo announcement.

Fair Value Less Costs of Disposal ("FVLCD")

AASB 136 defines FVLCD as the price that would be received to sell an asset, less costs to dispose the asset. In February 2025, the Company announced the signing of an exclusive, non-binding term sheet with Wyloo to enter into a UJV for the Yangibana Project and Niobium Project. The transaction is subject to executing a UJV agreement, transaction agreement, and other binding JV documentation. Key commercial terms include:

- 60:40 UJV with Wyloo holding a 60% participating interest and Hastings holding a 40% participating interest through its wholly owned subsidiary, Yangibana Jubilee Pty Ltd.
- Cancellation of all Exchangeable Notes owing to Wyloo, which represents an early repayment of debt in full ahead of maturity in October 2025, upon transfer of all Neo shares held by Hastings to Wyloo.

Given the term sheet was signed within a short period of time after 31 December 2024, the inferred valuation arising from this arrangement is considered current and represents a market valuation for 60% of Yangibana CGU. Accordingly, FVLCD has been assessed at balance date as equal to the implied value in the Wyloo transaction of $223 million, less costs of disposal, resulting in a recoverable amount of $220 million.

Outcome of Impairment Assessment

The carrying amount of the CGU is compared to the CGU's recoverable amount with an impairment loss recognised for the amount by which an asset's carrying amount exceeds its recoverable amount.

The following summarises the outcome from the impairment testing conducted on Yangibana CGU as of 31 December 2024 compared to the last balance date.

Group CGU	Indicator for Impairment		Valuation Method of Recoverable Amount		Impairment Charge $	
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
Yangibana Project	Y	Y	FVLCD	FVLCD	141,368,886	-

NOTE 16: IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT (CONT.)

The impairment loss is allocated on a pro-rata basis to the assets comprising the CGU.

Yangibana Project	Consolidated 31 Dec 2024 $	Consolidated 30 June 2024 $
Impairment		
Deferred exploration and evaluation expenditure	32,032,313	2,768,081
Plant and equipment	109,304,922	-
Right-of-use assets	31,651	-
Total	141,368,886	2,768,081

DIRECTORS' DECLARATION

In the opinion of the Directors of Hastings Technology Metals Ltd:

a. The financial statements and notes thereto, as set out on pages 13 to 29, are in accordance with the *Corporations Act 2001* including:

    i. giving a true and fair view of the Group's financial position as at 31 December 2024 and of the performance of the Group for the half year then ended; and

    ii. complying with Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and

b. Subject to the matters set out in Note 1(b) to the Financial Statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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	**Guy Robertson**
Executive Chairman	Executive Director
14 March 2025	**14 March 2025**

Independent auditor's review report to the members of Hastings Technology Metals Ltd

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Hastings Technology Metals Ltd (the Company) and the entities it controlled during the half-year (together the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Hastings Technology Metals Ltd does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty relating to going concern

We draw attention to Note 1(b) in the half-year financial report, which indicates that the Group incurred a total comprehensive loss of $165,151,705, had net cash outflows from operating activities of $4,919,876 for the half-year ended 31 December 2024 and, as of that date, had a working capital deficit of $178,549,204 mainly as a result of Exchangeable Notes to the value of $187,710,899 included in current liabilities. These conditions, along with other matters set forth in Note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibilities of the directors for the half-year financial report

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

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

Anthony Hodge
Partner

Perth
14 March 2025

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