Hastings Rare Metals Limited
ABN 43 122 911 399

ASX Code: HAS

Level 25, 31 Market Street
Sydney NSW 2000
PO Box Q128 Queen Victoria Building
NSW 1225 Australia

Telephone: +61 2 8268 8689
Facsimile: +61 2 82688699
admin@hastingsraremetals.com

Board and Management
Charles Lew (Chairman)
Anthony Ho (Non Exec Director)
Malcolm Mason (Non Exec Director)
Simon Wallace (Non Exec Director)

www.hastingsraremetals.com

Media & Investor Relations
Fortbridge +612 9003 0477

Bill Kemmery +61 400 122 449
Marina Trusa +61 404 330 634

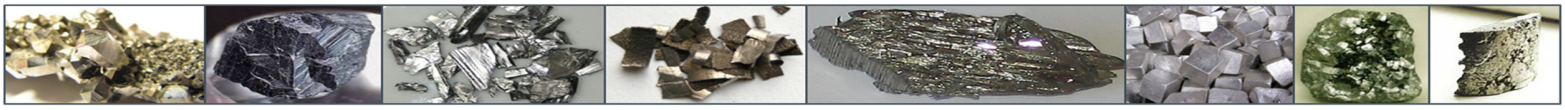
230% INCREASE IN JORC RESOURCES AT YANGIBANA PROJECT

HIGHLIGHTS

- **Total project resources significantly increased by 230% from 45,000 contained tonnes of Total Rare Earths Oxides (TREO) to 103,000 contained tonnes**
- **Total project resources contain approximately:-**
- **23,500 tonnes of Nd_2O_3**
- **6,600 tonnes of Pr_2O_3**
- **360 tonnes of Dy_2O_3, and**
- **625 tonnes of Eu_2O_3**
- **Improved geological understanding allows increase in grade at Yangibana North from 1.34% TREO to 1.73% TREO**
- **First JORC resource estimated for seven prospects including Indicated Resources at Bald Hill South**
- **New high quality aerial photography shows continuity of 12 km (only 2.3 km have been drilled to date) of mineralisation between the western end of Yangibana North and the eastern end of Kane's Gossan, indicating significant potential for additional shallow mineralisation to be encountered**
- **Calculation of neodymium oxide equivalents (Nd_2O_3-Eq) allows improved ranking of prospects**
- **Total resources contain approximately 47,000 tonnes of Nd_2O_3-Eq**
- **Scoping Study commences to assess initial economic viability of mining the resources**

Resources

Hastings Rare Metals Limited (ASX:HAS) is pleased to announce a significant increase (+230%) in the JORC compliant resources of Rare Earth Oxides at its Yangibana Project in the Gascoyne Region of Western Australia. The resources were estimated by independent consultant CoxsRocks Pty Limited and are summarised in the tables that follow.



All resources were estimated using a 0.5% (5,000ppm) Total Rare Earths Oxides (TREO) cut-off, which correlates with the geological structure hosting the majority of the rare earths at each prospect.

Each deposit was modelled on the 0.5% (5,000ppm) TREO cut-off with the models then wire-framed to produce 3-D models within which the block-modelling was carried out. Resource grades were calculated for each of the rare earths and the relevant figures were summed to provide TREO and critical rare earths oxides (CREO) figures. A specific gravity/bulk density of 2.8 was used in the estimation of tonnes at each prospect, based on the results of the Company's measurements on core samples from the recent diamond drilling programme.

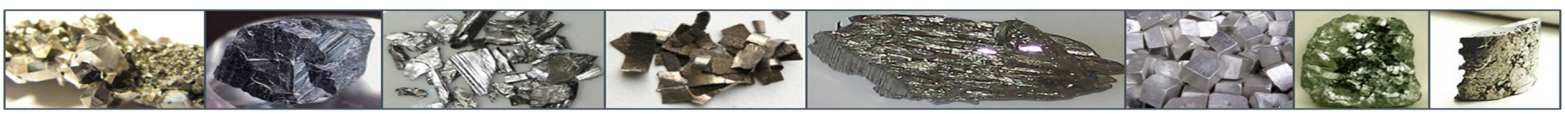
The total project resources have increased from 3.36 million tonnes (mt) at 1.34% TREO as reported in August 2014 to 6.79mt at 1.52% TREO. This represents an increase in contained tonnes of TREO of around 230% from the reported 45,000 tonnes in August to 103,000 tonnes.

The major value of the Yangibana mineralisation lies in its neodymium, praseodymium, dysprosium and europium oxides content. The grades of these oxides at the various prospects are displayed in the following resource tables. To allow comparison between the various prospects a neodymium oxide equivalent (Nd_2O_3-Eq) is also shown, based on the in-ground value of the four major constituents of the mineralisation.

Total Resources

Resource Classification	**Tonnes (mt)**	**% TREO**	**ppm Nd_2O_3**	**ppm Pr_2O_3**	**ppm Dy_2O_3**	**ppm Eu_2O_3**	**ppm Nd_2O_3-Eq**
Indicated	3.96	1.59	3,737	1,015	58	100	7,370
Inferred	2.83	1.43	3,189	916	47	81	6,309
TOTAL	6.79	1.52	3,509	974	53	92	6,925

The total resources for the Yangibana Project now stands at 6.79mt at 1.52% TREO, a significant increase from the resource of 3.36mt at 1.34% TREO as estimated in August 2014. This result culminates from the success of the Stage 2 Drilling Programme that commenced in late August to the end of October. The total resource contains 103,000 tonnes of contained TREO including approximately 23,500 tonnes of Nd_2O_3, 6,600 tonnes of Pr_2O_3, 360 tonnes of Dy_2O_3 and 625 tonnes of Eu_2O_3.



Commodity prices (Source: Metal Pages) for Nd, Pr and Dy have remained steady since August 2014 at US$119.5/kg, US$59.5/kg and US$340/kg respectively. Praseodymium is the only rare earths oxide to have increased its value (+27%) as at October 2014 compared to average 2013 prices. Europium remains the second highest value rare earths oxide at US$725/kg. Eu oxide is used as a phosphor activator in flat screen colour TVs and computer monitors.

The drill programme:-

- improved the definition of the mineralisation at Yangibana North
- enabled a new, higher grade JORC resource to be estimated
- discovered a higher grade deposit of CREO at the Bald Hill South prospect
- enabled the first JORC resources to be estimated for Bald Hill South, Bald Hill North, Frasers, Kane's Gossan, Hook, Lion's Ear and Gossan prospects
- provided encouraging intersections indicating that most prospects remain open along strike and at depth

The locations of the various prospects are shown in Figure 1.

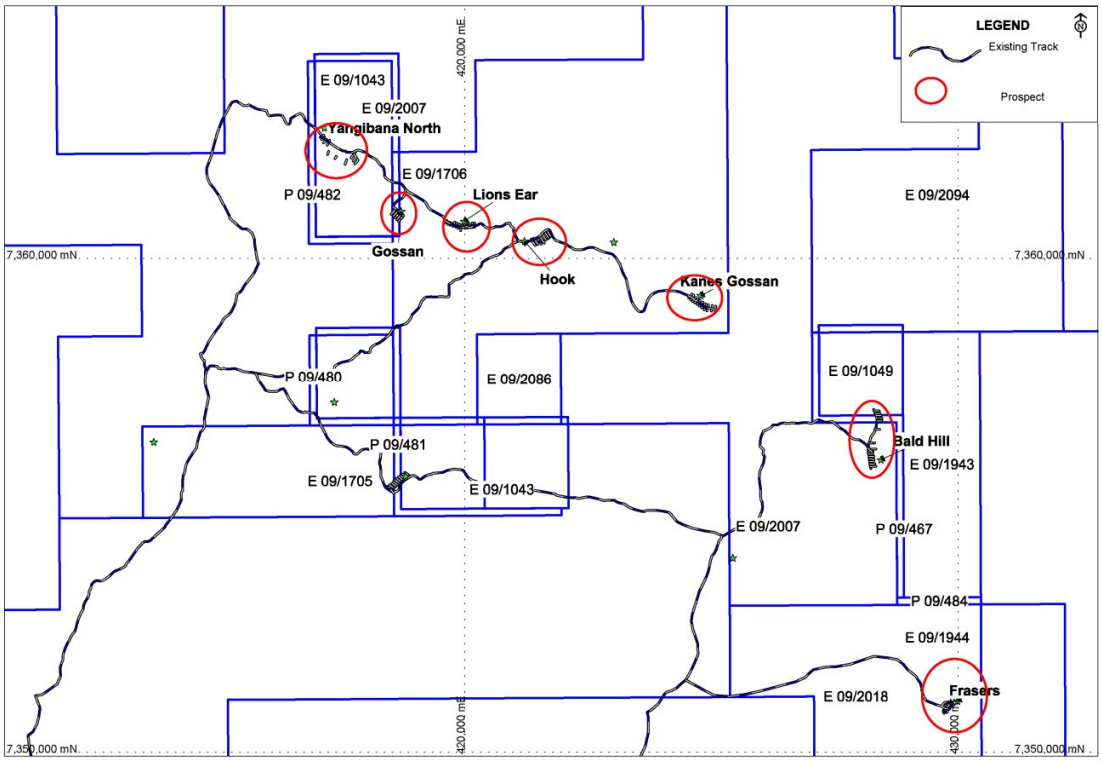
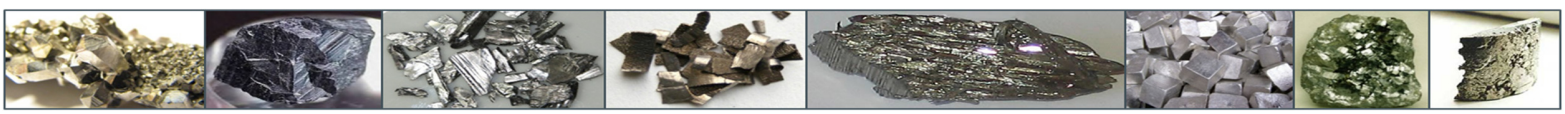


Figure 1 – Yangibana Project –Prospect Location Plan



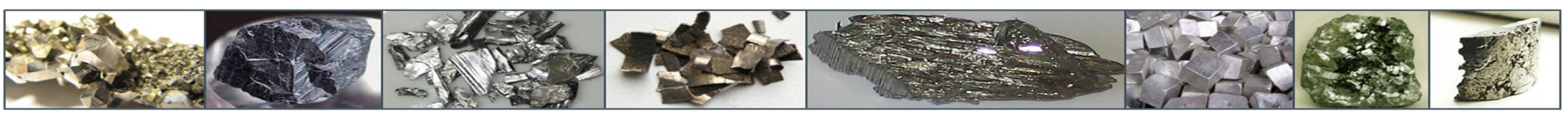
Yangibana North Prospect

Resource Classification	Tonnes (mt)	% TREO	ppm Nd_2O_3	ppm Pr_2O_3	ppm Dy_2O_3	ppm Eu_2O_3	ppm Nd_2O_3-Eq
Indicated	2.73	1.75	3,546	1,064	47	100	7,203
Inferred	0.73	1.65	3,343	1,003	44	94	6,785
TOTAL	3.46	1.73	3,503	1,051	46	99	7,116

The most significant increase in the JORC resources has been at Yangibana North where an improved understanding of the geological controls of the mineralisation has improved definition of the target mineralisation. This has allowed a strict 0.5% TREO cut-off to be used in the new estimation whereas the August estimate incorporated a large amount of un-mineralised quartz vein material into the resource framework.

The new estimation shows a minor increase in tonnage (3.46mt compared to 3.36mt) but significantly, at a higher grade (1.73% TREO compared to 1.34% TREO) compared to the August figures. Stage 2 drilling has also successfully extended the mineralisation to the west of the previous resources where the mineralisation occurs at very shallow depths providing even better mining opportunities. Stage 2 drilling has also extended the mineralisation at depth into the former Inferred Resource area and confirmed the continuation of the mineralisation at the greater depths tested to date, with no signs of the mineralisation weakening

Figure 2 shows the grade distribution of the block model established for Yangibana North on the recently flown high quality aerial photography.



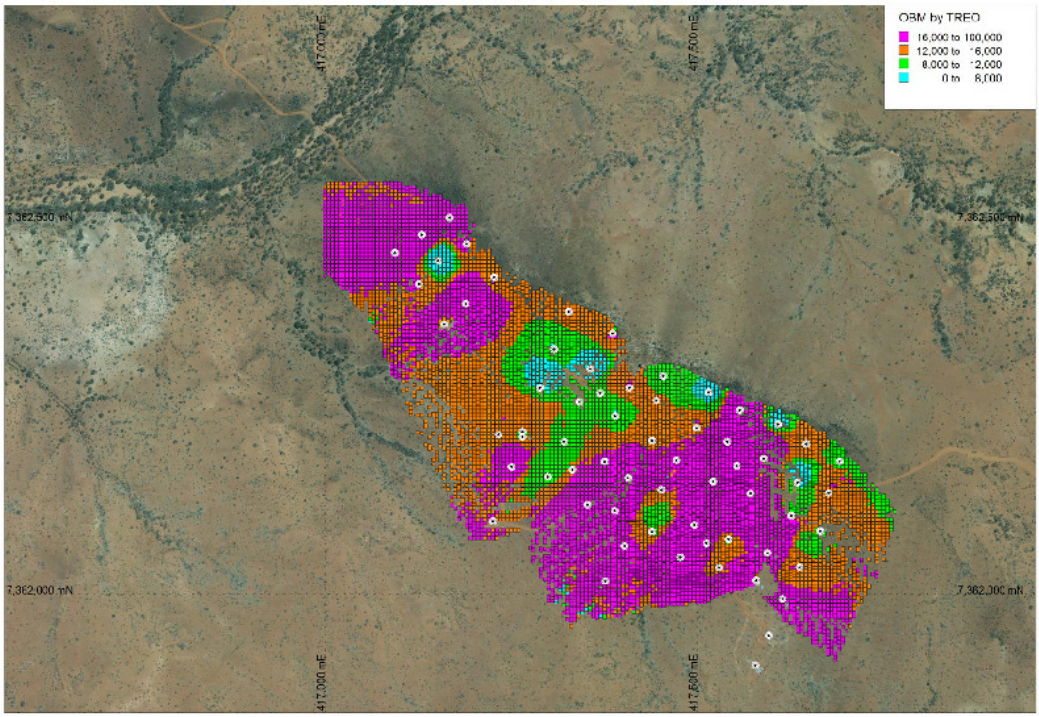


Figure 2 – Yangibana Project, North Yangibana Prospect, Grade Distribution in Block Model for November 2014 JORC Resource Estimation

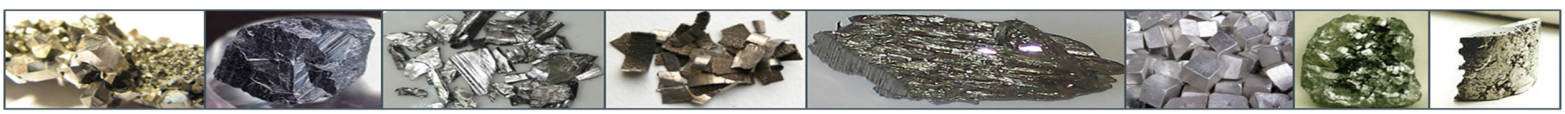
Bald Hill South Prospect

Resource Classification	Tonnes (mt)	% TREO	ppm Nd_2O_3	ppm Pr_2O_3	ppm Dy_2O_3	ppm Eu_2O_3	ppm Nd_2O_3-Eq
Indicated	1.23	1.22	4,162	905	83	100	7,744

As announced on 5th November, the Stage 2 drilling at Bald Hill South has discovered mineralisation containing a significantly higher proportion of the Company's designated target rare earths of neodymium, praseodymium, dysprosium and europium oxides. These oxides accounts for 43% of the rare earths mineralisation at Bald Hill South and 88% of the in-ground value based on current commodity prices (Source: Metal Pages). This compares to equivalent figures of 27% and 84% at Yangibana North.

As such Bald Hill South mineralisation has a 10% higher in-ground value than Yangibana North, despite a lower TREO resource grade (1.22% compared to 1.73%).

The drill hole coverage is clearly shown in the aerial photograph below (Figure 3).



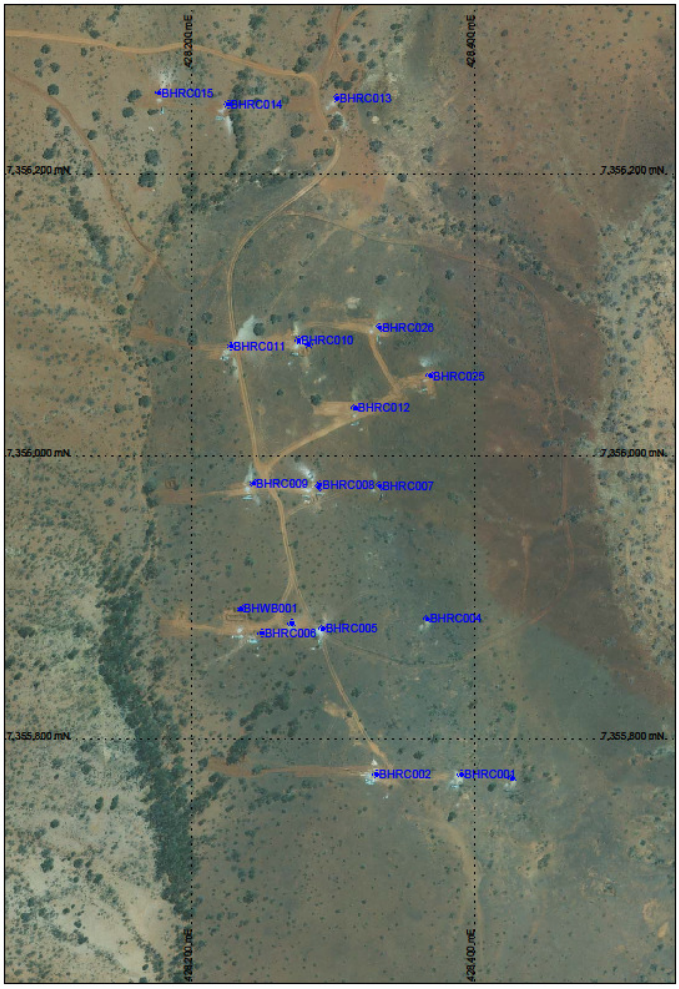
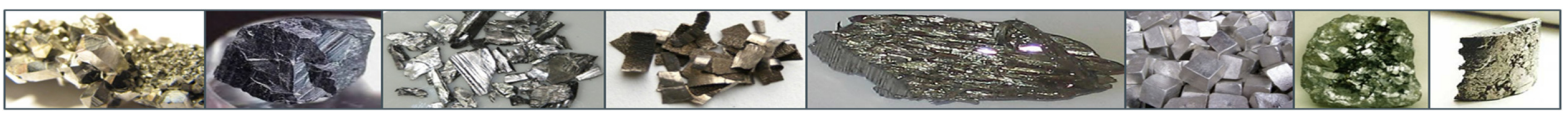


Figure 3 – Yangibana Project, Bald Hill South Prospect, Aerial Photograph showing 2014 Stage 2 Drilling

Other Prospects – Inferred Resources

Prospect – Inferred Resources	Tonnes (mt)	% TREO	ppm Nd_2O_3	ppm Pr_2O_3	ppm Dy_2O_3	ppm Eu_2O_3	ppm Nd_2O_3-Eq
Frasers	0.35	1.31	4,703	1,147	68	88	8,483
Bald Hill North	0.14	0.87	3,068	641	74	87	5,920
Kane's Gossan	0.61	1.18	2,501	762	43	58	4,993
Hook	0.10	1.93	3,251	1,080	37	72	6,494
Lion's Ear	0.67	1.55	3,044	902	46	88	6,226
Gossan	0.23	1.39	2,695	835	25	66	5,321



Widely spaced drilling during Stage 2 at each of the prospects shown in the table above has allowed the estimation of the first JORC compliant resources for each target. Frasers prospect has a high content of the Company's target oxides and, based on current commodity prices, hosts the highest value mineralisation in terms of US$/t in the ground, represented by the Nd_2O_3-Eq figure.

Each of the prospects hosts mineralisation that has the potential to be economically viable. As such, each prospect will be further drill tested at a later stage. In some instances, superior drill intersections were achieved in holes at the edge of the Stage 2 drilling pattern indicating that mineralisation of potential interest could extend beyond the drill pattern and is not confined to areas with strong outcrop.

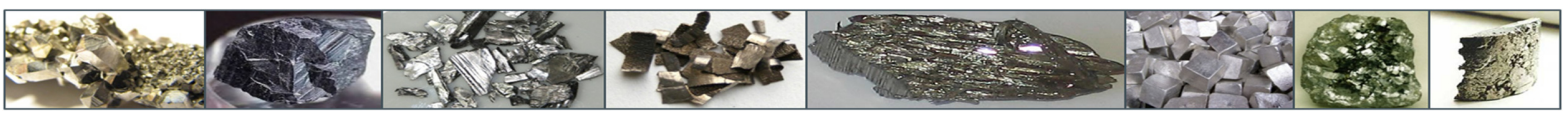
The recently acquired high quality aerial photography and topographic data clearly indicates the continuity between various prospects with the zone between the western end of Yangibana North and the eastern end of Kane's Gossan (Figure 1) being clearly identified as a continuous, 12km long structure. Of this, drilling to date has tested only around 2.3km, indicating significant potential for additional shallow mineralisation to be encountered.

Metallurgical Test Work

Initial reports have been received regarding the metallurgical test work currently under way on samples from the Yangibana North prospect. These results are being reviewed and results will be reported in the near future.

Scoping Study

As indicated in the release earlier today, independent mining consultants Snowden has commenced a Scoping Study to determine the economic viability of the Yangibana Project. Results will be reported in due course.



*** 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.

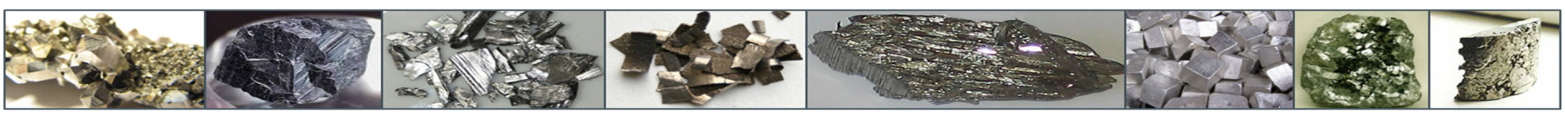
LREO is the sum of the oxides of the light rare earth elements lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), and samarium (Sm).

For further information please contact:

Andy Border, General Manager Exploration +61 2 9078 7674
Guy Robertson, Company Secretary +61 2 9078 7674

About Hastings Rare Metals

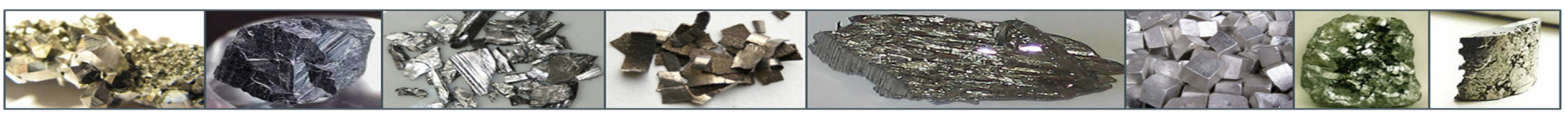
- Hastings Rare Metals is a leading Australian rare earths company, with two JORC compliant rare earths projects in Western Australia.
- The Hastings deposit contains JORC Indicated and Inferred Resources totalling 36.2 million tonnes (comprising 27.1mt Indicated Resources and 9.1mt Inferred Resources) at 0.21% TREO, including 0.18% HREO, plus 0.89% ZrO_2 and 0.35% Nb_2O_5.
- The Yangibana deposit contains JORC Indicated and Inferred Resources totalling 6.79 million tonnes at 1.52% TREO, including 6,925ppm Nd_2O_3-Eq) (comprising 3.96 million tonnes at 1.59% TREO in Indicated Resources and 2.83 million tonnes at 1.43% TREO in Inferred Resources).
- Rare earths are critical to a wide variety of current and new technologies, including smart phones, hybrid cars, wind turbines and energy efficient light bulbs.
- The Yangibana deposits host significant amounts of the critical rare earths used in the high value, and growing permanent magnets sector.
- The Hastings deposit contains predominantly heavy rare earths (85%), such as dysprosium and yttrium, which are substantially more valuable than the more common light rare earths.
- The Company aims to capitalise on the strong demand for critical rare earths created by expanding new technologies.



Competent Person's Statement

The information in this report that relates to Resources is based on information compiled by Simon Coxhell. Simon Coxhell is a consultant to the Company and a member of the Australasian Institute of Mining and Metallurgy. The information in this report that relates to Exploration Results is based on information compiled by Andy Border, an employee of the Company and a member of the Australasian Institute of Mining and Metallurgy.

Each has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are 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"). Each consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

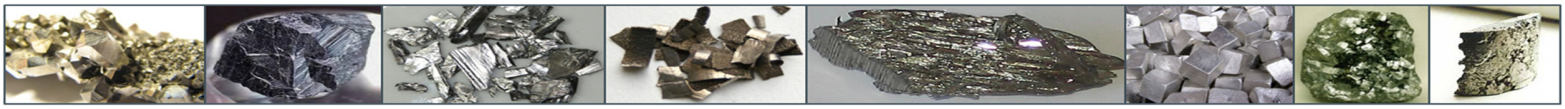


JORC Code, 2012 Edition – Table 1

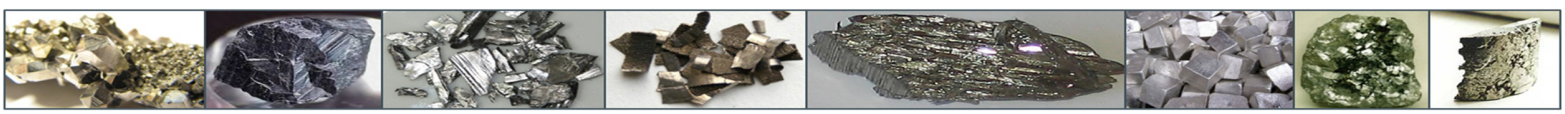
Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

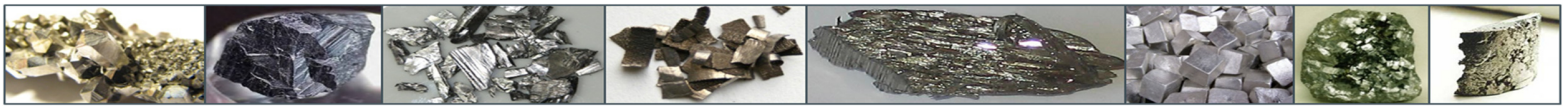
Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse circulation drilling was carried out at the Yangibana prospects to obtain drill chip samples from one-metre intervals from which a 2-4kg sample was collected for submission to the laboratory for analysis for rare earths, rare metals, U and Th. Mineralised zones were identified visually during geological logging in the field. • Samples from each metre were collected in a cyclone and split using a 3 level riffle splitter. Field duplicates and Reference Standards were inserted at a rate of approximately 1 in 40. • Hurlston Pty Limited drilled RC holes at eleven ironstone targets within tenements in which Hastings has an interest, in the 1980s. The prospects on which the Exploration Targets are based were all drilled to some extent during that phase of exploration. Hurlston reported the results of most drill holes and a non-JORC resource estimation in its Annual Report for the period 1/1/87 to 31/12/88 (A25937). This report provides little data regarding processes used during the exploration, but Hastings has undertaken sufficient work on the project to indicate that Hurlston's work was carried out professionally and that certain assumptions can reasonably be based on the results reported in that report.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation drilling at Yangibana utilised a nominal 5 1/4 inch diameter face-sampling hammer. • No details are known regarding the RC drilling carried out by Hurlston.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Recoveries are recorded by the geologist in the field at the time of drilling/logging. • If poor sample recovery is encountered during drilling, the geologist and driller have endeavoured to rectify the problem to ensure maximum sample recovery. Visual assessment is made for moisture and contamination. A cyclone and splitter were used to ensure representative samples and were routinely cleaned. • Sample recoveries to date have generally been



Criteria	JORC Code explanation	Commentary
		high, and moisture in samples minimal. Insufficient data is available at present to determine if a relationship exists between recovery and grade. This will be assessed once a statistically valid amount of data is available to make a determination. • No details are known regarding the RC drilling carried out by Hurlston.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill chip samples are geologically logged at 1m intervals from surface to the bottom of each individual hole to a level that will support appropriate future Mineral Resource studies. • Logging is considered to be semi-quantitative given the nature of reverse circulation drill chips and the inability to obtain detailed geological information. • All RC drill holes in the current programme are logged in full. • No details are known regarding the RC drilling carried out by Hurlston.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The RC drilling rig was equipped with an in-built cyclone and triple tier riffle splitting system, which provided one bulk sample of approximately 20kg, and a sub-sample of 2-4kg per metre drilled. • All samples were split using the system described above to maximise and maintain consistent representivity. The majority of samples were dry. For wet samples the cleanliness of the cyclone and splitter was constantly monitored by the geologist and maintained to avoid contamination. • Bulk samples were placed in green plastic bags, with the sub-samples collected placed in calico sample bags. • Field duplicates were collected directly off the splitter as drilling proceeded through a secondary sample chute. These duplicates were designed for lab checks as well as lab umpire analysis. • A sample size of 2-4kg was collected and considered appropriate and representative for the grain size and style of mineralisation. • No details are known regarding the RC drilling carried out by Hurlston.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations*	• Genalysis (Perth) was used for all analysis work carried out on the 1m drill chip samples and the rock chip samples. The laboratory techniques below are for all samples submitted to Genalysis and are considered appropriate for the style of mineralisation defined at the Yangibana REE Project: FP6/MS



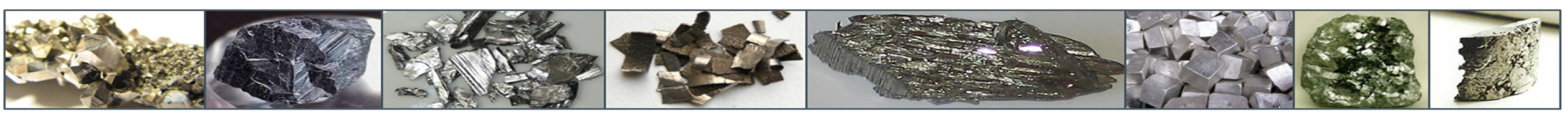
Criteria	JORC Code explanation	Commentary
	factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Blind field duplicates were collected at a rate of 1 duplicate for every 40 samples that are to be submitted to Genalysis for laboratory analysis. Field duplicates were split directly off the splitter as drilling proceeded at the request of the supervising geologist. • No details are known regarding the RC drilling carried out by Hurlston.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• At least two company personnel verify all significant intersections. • All geological logging and sampling information is completed firstly on to paper logs before being transferred to Microsoft Excel spreadsheets. Physical logs and sampling data are returned to the Hastings head office for scanning and storage. Electronic copies of all information are backed up daily. • No adjustments of assay data are considered necessary. • No details are known regarding the RC drilling carried out by Hurlston.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A Garmin GPSMap62 hand-held GPS is used to define the location of the drill hole collars. Standard practice is for the GPS to be left at the site of the collar for a period of 5 minutes to obtain a steady reading. Collar locations are considered to be accurate to within 5m. Collars will be picked up by DGPS in the future. Down hole surveys are conducted by the drill contractors using a Reflex electronic single-shot camera with readings for dip and magnetic azimuth nominally taken every 30m down hole, except in holes of less than 30m. The instrument is positioned within a stainless steel drill rod so as not to affect the magnetic azimuth. • Grid system used is MGA 94 (Zone 50) • Topographic control is obtained from surface profiles created by drillhole collar data. It will be necessary to undertake more detailed topographic controls later in the programme. • Most of Hurlston's RC hole collars are preserved in the field. Many have been surveyed using a Garmin GPSMap62 hand-held GPS and results indicate that the Hurlston data can be regarded as professional and certainly indicative of the potential of the mineralisation.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral*	• Drill hole spacing is nominally 50m along drill-lines, with a line spacing of 100m. Collar locations were varied slightly dependent on access at a given site. • Further details are provided in the collar co-



Criteria	JORC Code explanation	Commentary
	Resource and Ore Reserve estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	ordinate table contained elsewhere in this report. • No sample compositing is used in this report, all results detailed are the product of 1m down hole sample intervals. • Hurlston's RC drilling was not systematic other than holes were drilled to test obvious outcropping mineralised zones at each of the eleven targets tested by them.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Most drill holes are planned to intersect the interpreted mineralised structures/lodes as near to a perpendicular angle as possible (subject to access to the preferred collar position). • Hurlston's drilling was generally planned to intersect mineralisation as near to perpendicular as possible. A few holes tested specific conceptual targets away from the obvious lenses.

Sample security	• *The measures taken to ensure sample security.*	• The chain of custody is managed by the project geologist who places calico sample bags in polyweave sacks. Up to 10 calico sample bags are placed in each sack. Each sack is clearly labelled with:
		  • Hastings Rare Metals Ltd
		  • Address of laboratory
		  • Sample range
		• Samples were delivered by Hastings personnel to the Nexus Logistics in order to be loaded on the next available truck for delivery to Genalysis. The freight provider delivers the samples directly to the laboratory. Detailed records are kept of all samples that are dispatched, including details of chain of custody.
		• No details are known regarding the RC drilling carried out by Hurlston

Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audit of sampling data has been completed to date but a review will be conducted once all data from Genalysis (Perth) has been received. Data is validated when loading into the database and will be validated again prior to any Resource estimation studies. • No details are known regarding the RC drilling carried out by Hurlston



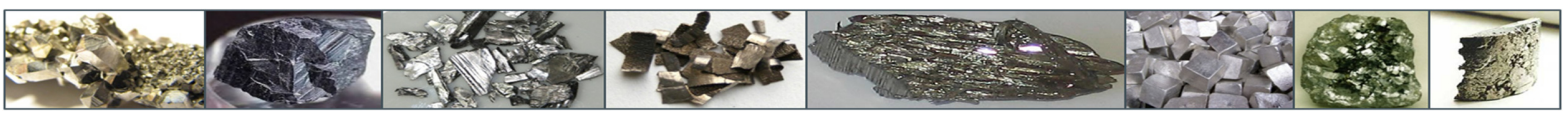
Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

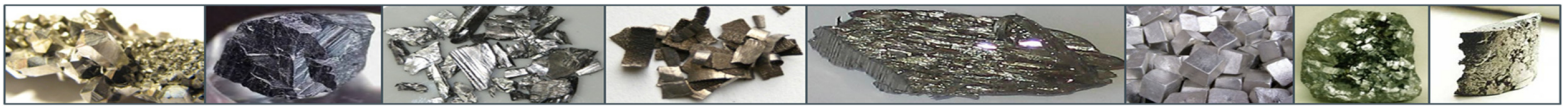
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The RC drilling at Yangibana was carried out within the following tenements, with Hastings' interest shown Es09/1043, 1049, 1705 and 1706 – 70%; Es09/2007 and 2018, and P09/467 – 95% P09/481 – 100%. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• RC drilling was completed at eleven ironstone targets in the 1980s by Hurlston Pty Limited. Rock chip sampling programmes have been carried out more recently but adds little to the project.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Yangibana ironstones within the Yangibana Project are part of an extensive REE-mineralised system associated with the Gifford Creek Carbonatite Complex. The lenses have a total strike length of at least 12km. • These ironstone lenses have been explored previously to limited degree for base metals, manganese, uranium, diamonds and rare earths. • The ironstones are considered by GSWA to be coeval with the numerous carbonatite sills that occur within Hastings tenements, or at least part of the same magmatic/hydrothermal system.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Refer to details of drilling in table in the body of this report and the appendices.

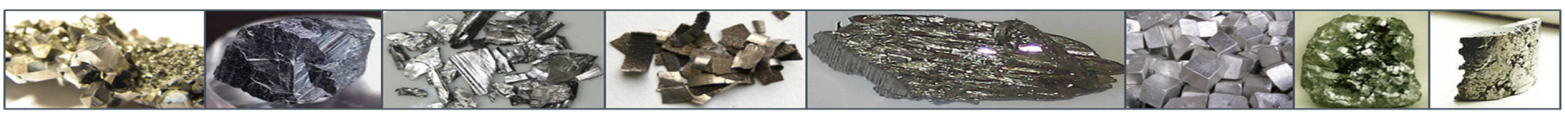
Data aggregation	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or*	• All intervals reported are composed of 1m down hole intervals and as such are length weighted.



Criteria	JORC Code explanation	Commentary
methods	*minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	A lower cut-off grade of 5000ppm TREO has been used for assessing significant intercepts, and no upper cut-off grade was applied. • Maximum internal dilution of 1m was incorporated in reported significant intercepts. • No metal equivalents are used for reporting. .
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• True widths for mineralisation have not been calculated and as such only down hole lengths have been reported. • While interpretation of the results is still in the early stages, a better understanding of the geometry of the deposit will be achieved, and true widths reported, later in the programme. It is expected that true widths will be less than down hole widths, due to the apparent steep nature of the mineralisation.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps and sections are available in the body of this ASX announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other significant exploration work has been done by Hastings.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions, depth*	• Based on the success of the drilling programme the Company is undertaking metallurgical test



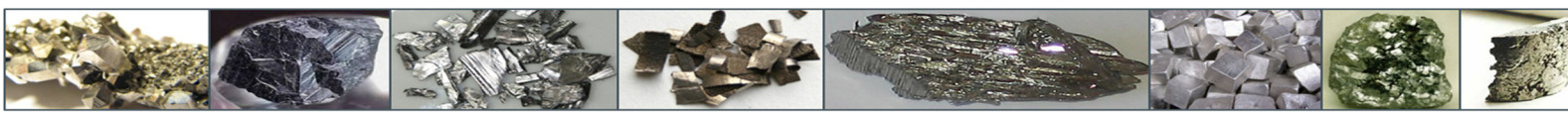
extensions or large-scale step-out drilling). • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	work and Scoping Study.



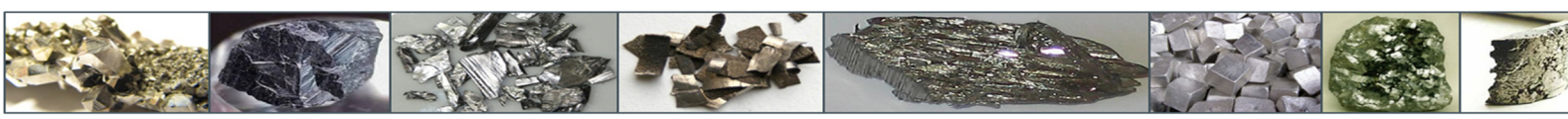
Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

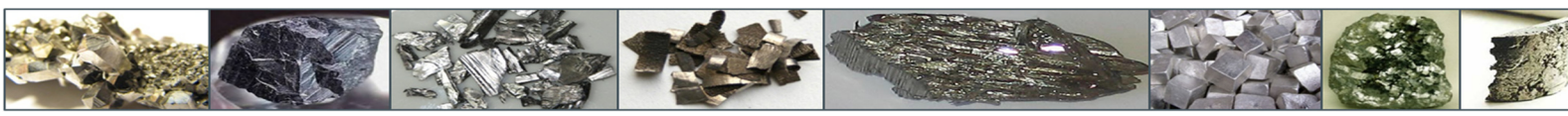
Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data was provided as a validated Access Database and digitally imported into Micromine Mining Software. Micromine validation routines were run to confirm validity of all data. • Analytical results have all been electronically merged to avoid any transcription errors.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Site visits have been undertaken, drilling techniques and methods reviewed, diamond core has been logged and verified with surrounding RC drill intersections.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is excellent. • Detailed geological logging and surface mapping allows extrapolations of drill intersections from section to section. • Alternative interpretations will result in similar tonnage and grade estimation techniques • Geological boundaries are determined by the spatial locations of the various mineralized structures • Iron rich zones,spatially associated with quartz iron rich zones associated with ox carbonate rich zones and corresponding increase in rare earths are the key factors affecting continuity
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Yangibana North Indicated Mineral Resource is 900 metres long (NE) by 300 metres wide (shallow dipping 2-8 metre wide vein) by 110 metres deep. • The Bald Hill South Indicated Mineral Resource is 650 metres long (NS) by 100 metres wide (shallow dipping 2-12 metre wide iron rich vein) by 70 metres deep. • The Gossan Inferred Mineral Resource is 300 metres long,by 100 metres wide by 80 metres deep. • The Lions Ear Inferred Mineral Resource is 520 metres long,by 80 metres wide by 80 metres deep. • The Hook Inferred Mineral Resource is 380 metres long,by 120 metres wide by 100 metres deep. • The Kanes Gossan Inferred Mineral Resource is 550 metres long,by 100 metres wide by 100 metres deep. • The Bald Hill North Inferred Mineral Resource is 280 metres long,by 100 metres wide by 50 metres deep. • The Frasers Inferred Mineral Resource is 300 metres long,by 80 metres wide by 120 metres deep. •
Estimation and modelling	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including*	• Grade Estimation using Inverse Distance Squared applied to a block model was



Criteria	JORC Code explanation	Commentary
techniques	*treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	used for all the Indicted Mineral Resources. One Wireframe was used to subset and constrain the data points used in the interpolation and only individual grades from individual wireframes were used. • All of the Inferred Mineral Resources are based on the mean grade of the various elements lying within a validated wireframed solid. • A previous non JORC compliant resource has been made and is consistent given the drilling at the time with this latest estimate. • No assumptions have been made regarding recovery of by-products. • No estimation of any deleterious elements have been made • The block model was constructed using a 5m X 5m x 2m block size, constrained by one individual wireframes. One interpolation passes were made, with a 140m X 80 m X 4 m search orientated parallel to the azimuth and dip of the mineralized zone (no plunge component assumed) to ensure all portions of the wireframe were filled. • Geological interpretation of a consistent shallow dipping vein structure (2-8 metres true thickness). • Visual validation of comparing block grades with drill hole assay values, via cross sections, plans and long sections was completed.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• A nominal cut off 0.5% TREO corresponds with the visual mineralization as determined by quartz and iron stone, coupled to anomalous scintillometer values effectively maps the mineralized zones.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The mining scenario if the deposit is shown to be economically viable would be a simple open pit mine. • The shallow dipping nature of the mineralisation lends itself to a low strip ratio open it mining operation.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Representative samples have been collected from the recent drilling campaign to conduct metallurgical test work. • It is thought that simple gravity/flotation techniques may be applicable for the production of a high grade rare earth concentrate.



Criteria	JORC Code explanation	Commentary
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions at this stage in regards to environmental factors or assumptions have been made.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• An in situ bulk density of 2.80 tonnes per cubic metre has been incorporated for the mineralisation. This is the average of 12 ISBD measurements made by Hastings during the Stage 2 Programme.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource has been classified as Indicated and Inferred based on the drilling spacing completed and the use or otherwise of diamond check drilling. • Additional data collection relating to final DGPS survey of all drillholes will result in the Indicated Resource being upgraded to Measured. • The result of the Resource Estimation reflects the view of the Competent Person
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• This is the second JORC 2012 Resource Estimate for Yangibana North and no audits have been carried out.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The relative accuracy of the Mineral Resource is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JOC Code. • The statement relates to global estimates of tonnes and grade.



CoxsRocks Pty Ltd: ABN 69 111 457 231

Consultants to the Exploration and Mining Industry

9 November 2014

The Directors
Hastings Rare Metals Limited

Pursuant to the requirements of ASX listing rules 5.6, 5.22 and 5.24 and Clause 9 of the JORC Code 2012 Edition

Report named	**ASX Announcement**
By	**Hastings Rare Metals Limited**
Mineral Deposit	**Yangibana Project Resource Estimation**
Dated	**10 November 2014**

I confirm that I am the Competent Person for the Report and: I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012Edition).

- I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists.
- I have reviewed the Report to which this Consent Statement applies.

I am a consultant working for CoxsRocks Pty Ltd and engaged by Hastings Rare Metals Limited to prepare the documentation for the Yangibana Project Resource Estimate.

I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Targets, Exploration Results, Minerals Resources and/or Ore Reserves.

Simon Coxhell
Principal Geological Consultant
CoxsRocks Pty Ltd