

13/06/2023

**Cadence Minerals Plc**

("Cadence Minerals", "Cadence", or "the Company")

**Corporate Update - Hastings Technology Metals**

Cadence Minerals (AIM/NEX: KDNC; OTC: KDNCY) is pleased to note the announcement by Hastings Technology Metals (ASX: HAS) ("Hastings") and Neo Performance Materials Inc (TSX: NEO) ("Neo") regarding the signing of a non-binding Heads of Agreement for rare earth concentrate offtake from the Yangibana Rare Earths Project ("Yangibana") and further downstream collaboration.

The agreement signals the intention of Hastings and Neo to take an important step forward in a potential strategic partnership between the two companies to strengthen their shared vision for an integrated mine-to-magnet rare earth supply chain. The Agreement outlines the framework for both parties to negotiate a binding offtake agreement and pursue further downstream technical and commercial collaboration.

**Highlights:**

- Hastings and Neo sign a non-binding Heads of Agreement, outlining the framework for the parties to negotiate a binding commercial offtake agreement for the supply of rare earth concentrate from Stage 1 of the Yangibana Rare Earths Project.
- In Yangibana Stage 1, Hastings would supply up to 25,000 tonnes per annum of concentrate from Q1 CY2025 for Neo's downstream processing facilities across Europe and Asia, to be followed by up to 10,000 tonnes per annum of Mixed Rare Earth Carbonate upon completion of Stage 2
- The offtake arrangement for concentrate from Yangibana would provide an additional source of feedstock for NPM Silmet OÜ ("Silmet"), Neo's rare earth separation facility in Sillamäe, Estonia
- Silmet plans to produce separated rare earth oxides for Neo's sintered rare earth permanent magnet manufacturing plant under development in nearby Narva, Estonia, which is expected to supply the European electric vehicle and renewable energy markets
- The contemplated offtake arrangement could cover up to 70% of Stage 1 and 2 Yangibana production for an initial period of 10 years
- The Agreement also provides for cooperation in the areas of evaluating joint downstream processing opportunities, technical, and commercial collaboration

Link [here](#) to view the full Hastings announcement

**Hastings Executive Chairman Charles Lew commented:** "The signing of this Heads of Agreement builds on Hastings' strategic investment in Neo Performance Materials, representing a significant step forward in our vision to advance synergies between both companies with a view to creating a fully integrated mine-to-magnet supply chain. We share this vision with our partner Wyloo Metals, who has been very supportive in our mine-to-magnet strategy as we see a unique opportunity to be a major player in building a European centric magnet supply chain during this decade. This agreement with Neo represents the first step in a strategic partnership that will establish Hastings as a reliable supplier of rare earth feedstock to the European permanent magnets industry, and further strengthens the staged development strategy for the Yangibana Project, with a pathway to early project cashflows from Stage 1 concentrate sale."

**Neo Performance Materials CEO, Constantine Karayannopoulos, said:** "This initiative supports Neo's strategic efforts to continue to globally diversify our sources of rare earth feedstock and to provide our customers with maximum supply chain optionality. The Yangibana resource is an attractive potential source of magnetic rare earths--NdPr in particular--and it could contribute to meeting the feedstock targets of our planned Estonia magnet manufacturing facility as well as a potential future Project 2 of 4 expansion in North America. Neo looks forward to working toward a definitive agreement with Hastings on the

**Cadence CEO Kiran Morzaria, commented:** "To echo the words of Hastings Chairman Charles Lew, today's agreement marks another step along the road for the Yangibana mine-to-magnet chain. Cadence remain enthusiastic shareholders and supporters of Hastings Technology Metals and the Yangibana Rare Earths project, and we look forward to further updates."

### Cadence shareholding in Hastings

On 25 January 2023, Cadence completed the sale of its 30% stake in several mineral concessions forming part of the Yangibana Rare Earths project for a consideration of 2.45 million Hastings shares, equating to approximately 1.9% Hastings issued share capital. This consideration was a premium over the Net Present Value ("NPV") of the Cadence portion of the mineable material, based on the definitive feasibility ("DFS") updated by Hastings on 21 February 2022.

The full announcement concerning the Yangibana sale is available [here](#).

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### Qualified Person

Kiran Morzaria B.Eng. (ACSM), MBA, has reviewed and approved the information contained in this announcement. Kiran holds a Bachelor of Engineering (Industrial Geology) from the Camborne School of Mines and an MBA (Finance) from CASS Business School.

#### **Cautionary and Forward-Looking Statements**

Certain statements in this announcement are or may be deemed to be forward-looking statements. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envise", "estimate", "intend", "may", "plan", "will", or the negative of those variations or comparable expressions including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the company's future growth results of operations performance, future capital, and other expenditures (including the amount, nature, and sources of funding thereof) competitive advantages business prospects and opportunities. Such forward-looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes actions by governmental authorities, the availability of capital markets reliance on key personnel uninsured and underinsured losses and other factors many of which are beyond the control of the company. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions. The company cannot assure investors that actual results will be consistent with such forward-looking statements.

*The information contained within this announcement is deemed by the company to constitute Inside Information as stipulated under the Market Abuse Regulation (E.U.) No. 596/2014, as it forms part of U.K. domestic law under the European Union (Withdrawal) Act 2018, as amended. Upon the publication of this announcement via a regulatory information service, this information is considered to be in the public domain.*

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