

February 7, 2021

HYPERION SIGNS MOU FOR ZIRCON OFFTAKE WITH MARIO PILATO

- MoU for the potential supply of zircon products to Mario Pilato, a leading international supplier of raw materials for ceramics, glass and refractories, from Hyperion's Titan Project in Tennessee, USA.
- The MoU contemplates a supply agreement for an initial five-year term on an agreed market-based pricing methodology for the annual supply of up to 20,000 tonnes of zircon products.
- The benchmark price for Zircon is currently reported to be over US\$2,000 per tonne (CIF China), up ~40% since Q1 2021, driven by significant global demand, including from China, and limited new supply.
- Hyperion is currently completing a scoping study at the Titan Project, due for completion in the coming months, which will further inform zircon supply volumes, product quality and pricing.

Hyperion Metals Limited (ASX: HYM) is pleased to announce that it has entered into a non-binding Memorandum of Understanding ("MoU") with Mario Pilato BLAT S.A. ("Mario Pilato") for the potential supply of zircon products.

Mario Pilato is a leading international supplier of raw materials for ceramics, glass and refractories, headquartered in Valencia, Spain. The MoU contemplates the commencement of negotiations of a supply agreement between Hyperion and Mario Pilato for an initial five-year term on an agreed market-based pricing methodology for the annual supply of up to 20,000 tonnes of zircon products from Hyperion's Titan Project, Tennessee, USA.

The benchmark price for Zircon is currently reported to be over US\$2,000 per tonneⁱ (CIF, China), up approximately 40% since Q1 2021, driven by significant global demand, including from China, and limited available new supply. Zircon is used for various applications, including traditional industries such as ceramics, refractories and foundries, as well as new applications including in additive manufacturing and semiconductors.

Hyperion holds a 100% interest in the Titan Project, covering ~11,100 acres of titanium, rare earth minerals and zircon rich mineral sands properties in Tennessee, USA. Hyperion's maiden mineral resource estimate has confirmed that the Titan Project is one of the largest and most important critical mineral deposits in the U.S., with a high in-situ value underpinned by a product assemblage of high value zircon, titanium minerals and heavy and light rare earth elements. The shallow, high grade and unconsolidated nature of the sandy mineralization enables the potential for simple mining operations such as dozer push followed by an industry standard mineral processing flowsheet.

Hyperion is currently completing a scoping study at the Titan Project, which is due for completion in the coming months and will further inform zircon supply volumes, product quality and pricing to Mario Pilato.

Anastasios (Taso) Arima, CEO and Managing Director said:

"We are excited to be working with Mario Pilato, an industry leader in zircon products, including the production of ceramics, to develop a long term supply agreement from the Titan project.

The large scale and high quality critical mineral assemblage at the Titan Project, including the potential to produce significant quantities of high quality, high value zircon, provides the opportunity for the Company to deliver compelling economics in our upcoming scoping study."

Hyperion and Mario Pilato have agreed to work in good faith to execute a definitive supply agreement within 18 months from the signing of the MOU. The MOU is non-exclusive, non-binding and remains subject to negotiation and execution of a definitive supply agreement to give effect to the MOU. The MOU expires on 31 January 2025 and can be renewed by agreement by both parties.

This announcement has been authorized for release by the CEO and Managing Director.

For further information and enquiries please contact:

info@hyperionmetals.us
+1 704 461 8000

About Hyperion Metals

Hyperion's mission is to be the leading developer of low carbon, sustainable, critical material supply chains focused on advanced industries including space, aerospace, electric vehicles and 3D printing. Hyperion's breakthrough titanium technologies have demonstrated the potential to produce titanium products which are sustainable, 100% recyclable, low carbon intensity and at product qualities which exceed current industry standards. The Company also holds a 100% interest in the Titan Project, covering approximately 11,100 acres of titanium, rare earth minerals, high grade silica sand and zircon rich mineral sands properties in Tennessee, United States.

Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Persons Statement – JORC Code 2012

The information in this announcement that relates to Exploration Results and Mineral Resources is extracted from Hyperion's ASX Announcement dated October 6, 2021 ("Original ASX Announcement") which is available to view at Hyperion's website at www.hyperionmetals.us. Hyperion confirms that a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcement; b) all material assumptions included in the Original ASX Announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this report have not been materially changed from the Original ASX Announcement.

The Mineral Resource Estimate ("MRE") for the Titan Project comprises 431Mt @ 2.2% THM, containing 9.5Mt THM at a 0.4% cut-off, including 241Mt @ 2.2% classified in the Indicated resource category and 190Mt @ 2.2% classified in the Inferred resource category.

ⁱ Fastmarkets IM, February 3, 2022