

Lynas Rare Earths Limited

1H 22 Results Presentation

25 February 2022

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1H 22 financial highlights

Record Profit

\$156.9M

1H 21 NPAT: \$40.6M

Record Sales

\$314.8M

1H 21 : \$202.5M

EBITDA

\$189.8M

1H 21: \$80.6M

Cash
and Short Term
Deposits

\$674.2M

1H 21: \$512.6M

Lynas
Rare Earths



1H 22 operational highlights

7,375t

Total REO
production

1H 21: 7,520 tonnes

2,614t

NdPr production

1H 21: 2,709 tonnes

\$48.6

Average selling price
per kg REO

1H 21: \$23.7/kg

\$117.7m

Capital commitments
at 31 December

30 June 2021: \$82.5m

Lynas
Rare Earths



1H 22 ESG highlights

Over 99% of employees have received two doses of COVID-19 vaccination and boosters underway

24.5% women senior executives at 31 December

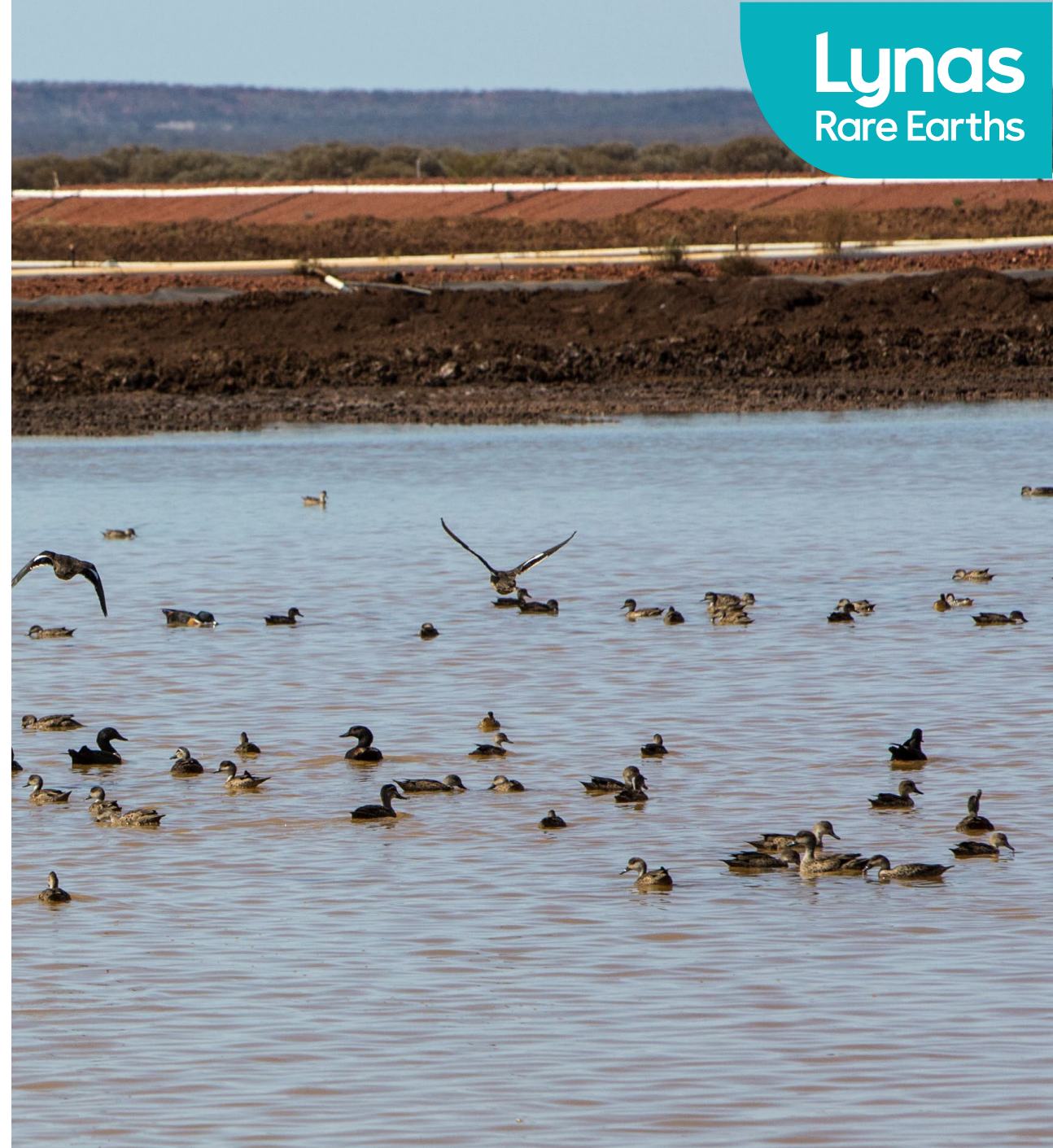
21.5% women employees at 31 December

GHG Policy released

Science Based Targets initiative (SBTi) commitment

September 2021

Environmental approval obtained for Kalgoorlie project & Malaysian PDF reflecting Lynas' high environmental standards



Favourable market dynamics

Demand for rare earths continues to accelerate

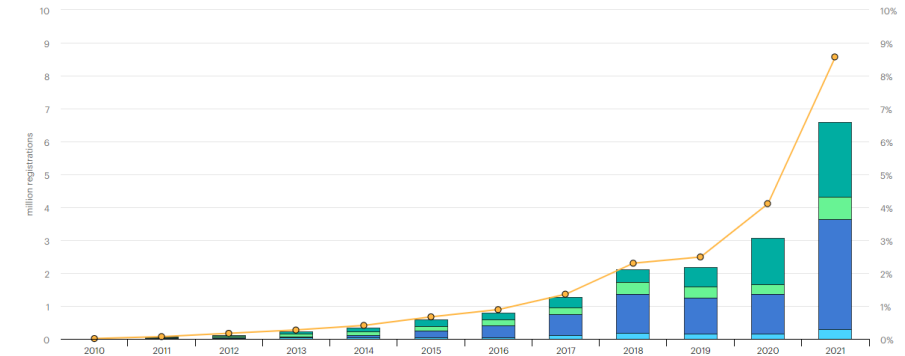
- Continued strong demand for rare earths is reflected in market pricing
- China MITI announced Rare Earths Mining and Separation Quota for 1st half of 2022 with an increase of 20% versus 2021 (31 January 2022)
- Customer feedback suggests demand for NdPr will remain strong in the second half of FY22, with a corresponding increase in demand for Dy and Tb

Future-facing markets are driving demand growth

- Governments around the world have set electrification targets for new cars
- Electric car sales more than doubled to 6.6 million in CY2021, close to 9% of the global car market (IEA, Jan 2022)
- Sharp growth in EVs and Wind Turbines will drive significant growth in NdPr demand
- 1m EVs will require 600t NdPr
 - 20% EV penetration by 2025 = 10kt increased demand for NdPr
- 1GW offshore turbine requires 300t NdPr oxide
 - GWEC forecasts that over 235GW of new offshore wind capacity will be installed by 2030, bringing total offshore wind capacity to 270GW
 - This additional 235GW will require 70kt of NdPr over 10 years

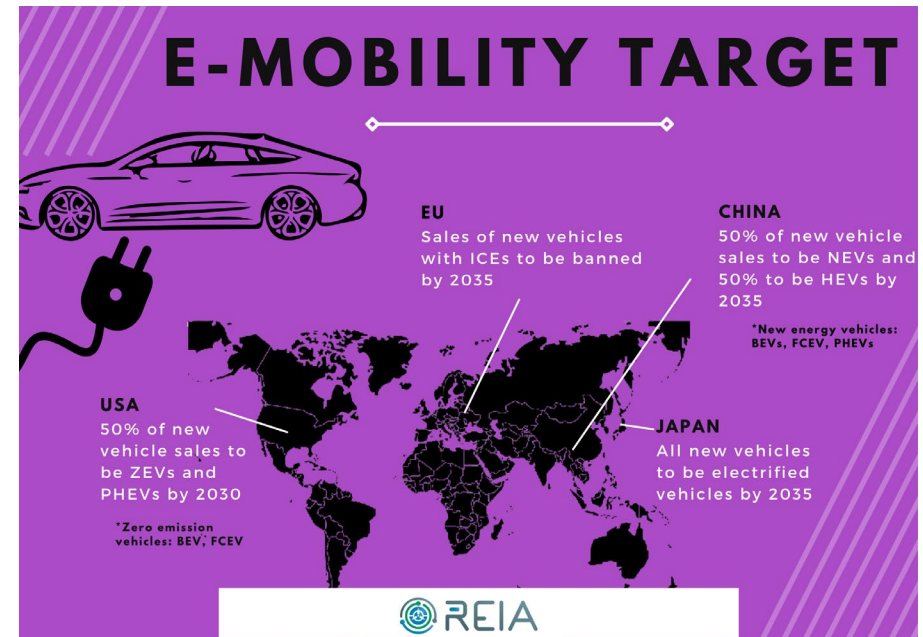
Global sales and sales market share of electric cars, 2010-2021

Source: IEA, 30 January 2022



IEA. All Rights Reserved

Others China United States Europe Global market share



Lynas Malaysia successfully managed pandemic-related challenges

- Continued focus on operational excellence
- Ongoing maintenance and productivity improvements
- New logistics solutions implemented including use of charter ships to support ongoing excellent production performance



Mt Weld progressed mining, drilling & commissioning

- Mining campaign 4-1 commenced
- 7,220 metres of reverse circulation drilling completed as part of resource extension drilling program
- Construction of concentrate dryer completed in preparation for commissioning

Lynas 2025 growth plan to meet accelerating market demand

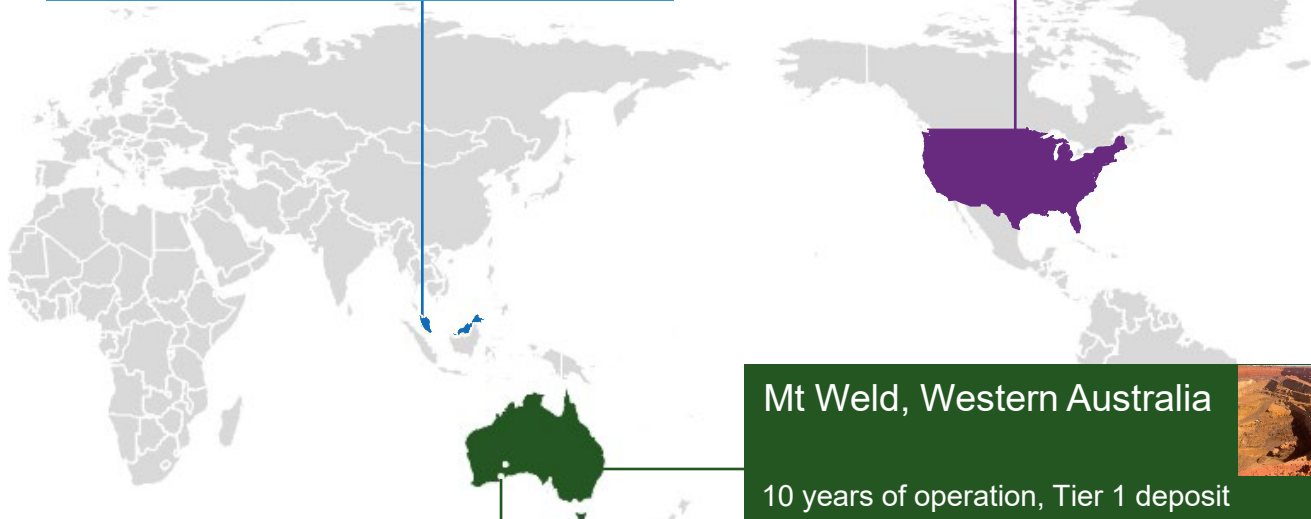
Malaysia



Lynas Malaysia: Over 8 years of operation in Gebeng, Malaysia
Efficient Cracking & Leaching, Solvent Extraction, Product Finishing

United States

Establish RE processing platform for LRE/HRE separation & specialty materials
Initial contracts for financial support signed with U.S. DoD in FY21



Mt Weld, Western Australia



10 years of operation, Tier 1 deposit
Mine and Concentration Plant
Continuing exploration and development

Kalgoorlie, Western Australia

Rare Earths Processing Facility project funded and well progressed



Our operations in 2022

-  2 operating sites
-  2 countries
Headquartered in Western Australia
-  Global sales

Our operations in 2025

-  4 operating sites
-  3 countries
Headquartered in WA
-  Global sales & operations

Kalgoorlie Rare Earths Processing Facility

Project details:

\$500m capital project

Operational by July 2023

Replacement + growth capacity

Able to process 3rd party feedstock

Our advantage is our proven track record of project delivery – on time and on budget

1H 22 construction highlights:

- All project **approvals** have now been **received** and construction activities have accelerated
- **Preliminary site works** well advanced
- **3 Kiln shell sections delivered to site**; remaining 2 sections delivered January 2022
- **30 WA fabricated steel tanks delivered** to site to date
- **100% of long lead time orders placed**
- **85% of total equipment orders placed**
- **Water Agreement signed** with the City of Kalgoorlie-Boulder
- **Power access agreement signed** with Western Power
- **\$14.8m Australian Government grant** to commercialise industry first RE carbonate refining process
- **Recruitment commenced** for operational workforce
- **Direct management of freight** to effectively manage logistics

Construction progressing on Kalgoorlie site

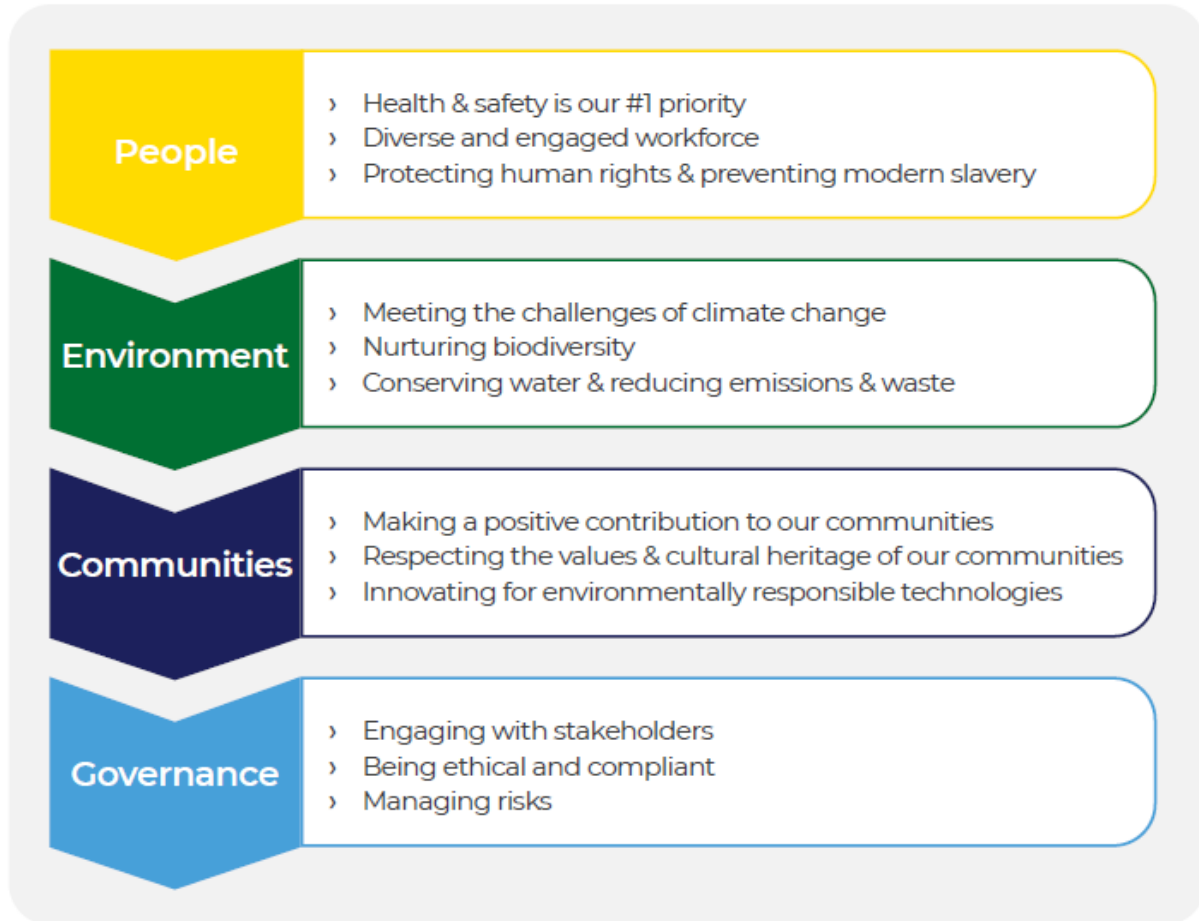
Site
clearing

Process
water tank

Noise
wall
structure

Primary
leach

Our ESG framework guides our actions



Enhancing our COVID-19 response for Omicron

Enhanced protocols to protect the health of our people, their families and our communities and to minimise business disruptions

This includes:

- Surveillance testing in WA & Malaysia
- Contact tracing
- Mask wearing
- Promoting personal hygiene
- Cleaning & disinfection
- Isolation accommodation where needed
- Encouraging booster vaccinations
- 14 day COVID-19 Special Leave policy
- Education and resources



Making a positive contribution to our communities

Malaysia

- Supporting community members affected by the COVID-19 pandemic and extreme weather events including delivering groceries to staff, local families and students
- Ongoing support for local schools including technology donations
- Support for National Environment Day Virtual Run and Ride 2021, *Universiti Malaysia Pahang*

Australia

- Supporting the WA Country Health Service COVID-19 Vaccination Clinic through our involvement in the Laverton Cross Cultural Association
- Joint donation to the Perth Children's Hospital Trust to support Goldfields families with contractor Jagcor & Boulder Rotary
- Support for sports and arts community awards programs
- Involvement in the SEGRA community development conference hosted by the City of Kalgoorlie-Boulder



Our focus in 2022

Enhancing

Operational
performance

Resource
development

Industrial footprint

Accelerating

Growth

Innovation

Organisation
capability

Delivering

Financial
performance

ESG outcomes

Community benefits



Care

We care for and respect each other, our communities and the environment. We make sure we all go home safe and well.



Achievement

We are resilient and committed. We overcome challenges to achieve our goals.



Expertise

We are driven to be the world's best in Rare Earths and to earn the respect of our customers.



Diversity

We are a multicultural company. We value and embrace diversity.



Sustainability

We are passionate about contributing to a sustainable future and green technologies.

Visit us at
LynasRareEarths.com

Appendix A: JORC Compliance and Competent Person's Statement

Exploration Results

The information in this report that relates to the Exploration Results is based on information compiled by Dr Sadangaya Ganesh Bhat. Dr Sadangaya Ganesh Bhat is a full-time employee of Lynas Rare Earths. Dr Sadangaya Ganesh Bhat is a member of the AusIMM. Dr Sadangaya Ganesh Bhat has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Dr Sadangaya Ganesh Bhat consents to the disclosure of information in this report in the form and context in which it appears.

The potential extent and grade of the Fresh Carbonatite is unknown at this stage, as there has been insufficient exploration and it is uncertain if further exploration will result in estimation of a Mineral Resource. The Exploration Results have been prepared and reported in accordance with the 2012 edition of the JORC Code

Mineral Resources and Ore Reserves

Full details of the material change that occurred in 2018 are reported in the Lynas ASX announcement dated August 6, 2018, titled “**Lynas announces a 60% increase to Mt Weld Ore Reserves, one of the world’s richest sources of Rare Earths**”. Current Resource and Reserve Statements for the Mt Weld Rare Earth Mineral Deposit Mineral Resources are in the 2021 Annual Report created on 12 October 2021 and available to view at: <https://lynasrareearths.com/investors-media/reporting-centre/annual-reports/>. The company confirms that all material assumptions and technical parameters underpinning the estimated Ore Reserves set out in the ASX announcement dated August 6, 2018 continue to apply and have not materially changed.