

26 August 2022

## LYNAS RARE EARTHS FULL YEAR 2022 RESULTS

*A record result in a growing Rare Earths market*

• Net Profit After Tax (NPAT):	\$540.8m	<i>FY2021: \$157.1m</i>
• Revenue:	\$920.0m	<i>FY2021: \$489.0m</i>
• EBIT:	\$540.6m	<i>FY2021: \$169.5m</i>
• EBITDA:	\$601.2m	<i>FY2021: \$235.3m</i>
• Cost of sales:	(\$348.4m)	<i>FY2021: (\$302.2m)</i>
• Closing cash and cash equivalents:	\$965.6m	<i>FY2021: \$680.8m</i>

Lynas Rare Earths Limited (“Lynas”) (ASX: LYC, OTC: LYSDY) today released its Financial Report for the full year ending 30 June 2022.

Lynas Rare Earths CEO and Managing Director, Amanda Lacaze, commented: “I am pleased to report a record result for 2022, with the company recording \$920m in revenue and a net profit after tax of \$540.8m.

“Closing cash at \$965.6m allows us to confidently progress our various growth initiatives. This is important as Lynas is uniquely positioned with a resilient supply chain for rare earth materials from our facilities in Western Australia and Malaysia to our partners in Vietnam, Japan and Europe. This is valued by our key customer base.

“Favourable market conditions and strong demand for Lynas’ rare earth materials saw sales revenue increase by 88.1% and Net Profit After Tax (NPAT) increase by 244% from the 2021 result. Rare earths prices were sustained at high levels during the second half of the year, and the NdPr market price remained 70% to 80% higher than in the same period last year,” Ms Lacaze continued.

“Ongoing measures implemented across the business mitigated some of the challenges presented by the external environment, including shipping delays, input cost increases, water supply issues and the ongoing effects of the COVID-19 pandemic. The Lynas team prioritised production to meet the needs of our customers and remained focused on growing the business to support customer growth.

“Importantly for our shareholders, we made good progress on the Lynas 2025 growth project and achieved a number of key milestones during the year,” Ms Lacaze added.

### ***Lynas 2025 growth plan***

Our expansion initiatives will support the further growth and development of outside China supply chains, including the re-establishment of a rare earths supply chain in the United States.

The objectives of the Lynas growth plan are to grow with the market, diversify the company’s industrial footprint, and increase the product range for customers. The company is pleased to have made progress on these initiatives during the year and is now working to accelerate growth capacity at the Mt Weld site.

Construction of the Kalgoorlie Rare Earths Processing Facility progressed during the year. All necessary approvals for the Kalgoorlie project were received, 100% of equipment was ordered, and construction works at the end of FY2022 were over 40% complete.

Lynas was delighted to be awarded a US\$120m contract by the U.S. Department of Defense for construction of a commercial Heavy Rare Earths separation facility in the United States during the year (announced 14 June 2022). The Heavy Rare Earths Facility will be co-located with the Light Rare Earth separation facility (announced on 22 January 2021) which is sponsored and half funded by the U.S. Government. Detailed planning is underway for the Facility which is expected to be located within an existing industrial area on the Gulf Coast of the State of Texas and targeted to be operational in financial year 2025.

Demand for rare earth materials is accelerating and Lynas is investing in the further development of the Mt Weld resource and beneficiation circuit. On 3 August 2022, Lynas announced an approximately \$500m project to expand capacity at the Mt Weld mine and concentration plant beyond the previously announced 10,500 tonnes per annum of NdPr finished product to produce the feedstock concentrate required for 12,000 tonnes per annum of NdPr finished product. This is an essential step to meet accelerating market demand for rare earth materials.

Together with the construction of the Kalgoorlie Processing Facility, this project brings Lynas’ investment in the development of critical minerals capacity on the Goldfields region of Western Australia to approximately \$1 billion.

An industrial plan has been developed for the Lynas Malaysia plant. Capital investment will be allocated to asset integrity as well as to growth, efficiency and environmental initiatives. This includes:

- Ongoing works required for the Lynas Malaysia plant to receive and process the mixed rare earth carbonate (MREC) feedstock from the Kalgoorlie Rare Earths Processing Facility;
- Solvent extraction and product finishing works to achieve the capacity uplift to 10,500tpa NdPr finished product; and
- Repurposing existing equipment to expand the range of products.

### ***CEO commentary***

“This excellent full year result is a credit to our teams in Australia and Malaysia, who have focused on serving our customers and growing our business whilst addressing ongoing challenges.

“I am pleased to report to our shareholders these strong results and progress made on growth initiatives. Further investment in capacity increases at each stage of production will ensure that Lynas is well positioned to continue to grow with the market as a supplier of choice to 2025 and beyond.” Amanda Lacaze commented.

**Authorised by:** Sarah Leonard, Company Secretary

#### **Media Relations:**

Jennifer Parker or Lauren Stutchbury

E: [media@Lynasre.com](mailto:media@Lynasre.com)

T: +61 (0) 498 808 604

#### **Investor Relations:**

Daniel Havas

E: [investorrelations@Lynasre.com](mailto:investorrelations@Lynasre.com)