

14 February 2023

MALAYSIAN OPERATING LICENCE RENEWED

Lynas Rare Earths Ltd (ASX: LYC, OTC:LYSDY) (“Lynas”) confirms that wholly-owned subsidiary Lynas Malaysia has received notice from the Department of Atomic Energy that the Atomic Energy Licensing Board (AELB) has agreed to approve the application for renewal of Lynas Malaysia’s operating licence effective from 3 March 2023 for a period of 3 years.

The operating licence has been renewed with no change to the licence conditions that were first applied to the licence issued in March 2020. These conditions prohibit the import and processing of lanthanide concentrate after 1 July 2023.

Lynas applied to the Malaysian regulator for the removal of these conditions as they represent a significant variation from the conditions under which the previous four operating licences were issued and under which Lynas made the initial decision to invest in Malaysia. The conditions do not follow the recommendations of the 2018 Executive Review Committee report on Lynas Malaysia’s operations. If not removed by 1 July 2023, these conditions will require the closure of the cracking and leaching component of the Lynas Malaysia plant.

Other processes at the Lynas Malaysia plant are not covered by these conditions and will continue with new feedstock sourced from Lynas’ Kalgoorlie Rare Processing Facility once operational.

Lynas has been operating safely in Gebeng, Malaysia for over 10 years and four independent scientific reviews, including two reviews by the International Atomic Energy Agency, have found the plant to be low risk and compliant with relevant regulation.

The rare earths Lynas produces are essential inputs to future facing technologies required for the energy transition. The Lynas Malaysia plant is the world’s largest single rare earths processing facility and the only scale producer of separated rare earths outside China. This provides a unique foundation for the development of future industries in Malaysia and the closure of a key part of the plant will put further investment in the plant, the Malaysian rare earths industry and foreign investment at risk.

Malaysia offers administrative and legal avenues for the review of the licence conditions and Lynas will seek review through these processes in respect of the conditions.

Lynas Rare Earths CEO and Managing Director, Amanda Lacaze, commented:

“After 10 years of safe operation in Malaysia we are disappointed that the conditions that were applied to our 2020 operating licence remain. This is our sixth operating licence and the four licences granted prior to 2020 did not include these conditions. While these conditions do not come into effect until 1 July 2023, they are inconsistent with the conditions upon which Lynas was invited to invest in Malaysia and the recommendations of four independent scientific reviews, each of which has found our Malaysian operations to be low risk and compliant with regulations.

“We will now proceed with administrative and legal appeals to ensure that Lynas is treated fairly and equitably as a Foreign Direct Investor and a significant employer and contributor to the Malaysian economy.”



Authorised by: Sarah Leonard, Company Secretary

Media Relations:

Jennifer Parker or Lauren Stutchbury
E: media@Lynasre.com
T: +61 8 6241 3800

Investor Relations:

Daniel Havas
VP Strategy & Investor Relations
E: investorrelations@Lynasre.com