

26 February 2025

LYNAS RARE EARTHS HALF YEAR 2025 RESULTS

Continuing to deliver on Capacity, Efficiency and Sustainability

	1H FY24	1H FY25
• Net Profit After Tax (NPAT):	\$39.5m	\$5.9m
• Revenue:	\$234.8m	\$254.3m
• EBITDA:	\$62.6m	\$38.1m
• Cost of sales:	\$159.0m	\$205.3m
• Closing cash and cash equivalents:	\$686.1m	\$308.3m

Lynas Rare Earths Limited (“Lynas”) (ASX: LYC, OTC: LYSDY) today released its Financial Report for the half year ending 31 December 2024.

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

“In the December half of the 2025 financial year, Lynas increased NdPr production, sales volume and revenue versus the prior corresponding period. The reduced profit recorded for the period reflected low market prices.

“The company recognised a positive Net Profit After Tax of \$5.9m. Compared to the prior corresponding period, there was a 22% increase in NdPr production volume to 2,969t. Sales revenue increased to \$254.3m due to the increased NdPr sales volume. This was achieved despite the average China domestic price of NdPr (VAT excluded) decreasing from US\$56/kg in December 2023 to US\$49/kg in December 2024. NdPr family sales volumes increased by 23% during the period.

“Cost of sales increased by 29%, mainly due to the 23% increase in NdPr sales volume and a \$5m net realisable value provision against low-value inventory and work in progress (WIP) on hand at the end of the period. Overall, Lynas saw a slight increase in the unit cost of production, as expected with the additional facilities at Mt Weld, Kalgoorlie and Malaysia coming online. A closing cash balance of \$308.3m was maintained.

“We made significant progress on our major projects which together will deliver increased capacity, efficiency and sustainability, ensuring Lynas is well placed to benefit from improvements in market price. Capital expenditure of \$267.0m was invested into Major Projects during the half year. Key growth project milestones achieved included successfully commissioning and integrating Stage 1 of the Mt Weld Expansion project into operations, ramping up production at the Kalgoorlie Rare Earths Processing Facility and the official opening of the Kalgoorlie Facility.

“Significant milestones were also achieved at Lynas Malaysia, including commissioning and operating the new MREC receival facility, operating the new SX flowsheet and installing new equipment in Product Finishing. Substantial progress was made on installation of the new Dy and Tb separation circuit, with commissioning and ramp up expected in mid-CY2025.

“During the period, we were pleased to announce a strong uplift in the Mt Weld mineral resource and ore reserve¹. The 2024 Mt Weld Mineral Resource and Reserve Update supports a 20+ year life of mine at the target 12,000 tpa NdPr finished product production capacity. This was the outcome of a multi-year exploration program that included over 84,000 metres of drilling and reported significant increases in Mineral Resource, Mineral Reserve and contained Heavy Rare Earth elements. The updated Statement provides confidence to our customers that we can continue to meet their needs for responsibly produced rare earth materials into the future. Our capital programme provides confidence we can process these materials efficiently and sustainably.

“The Rare Earths market continues to be subject to complex influences. Conditions which may support improved market conditions include demand growth which continues in key sectors, proposed changes to the regulatory environment in China, and sustained support for supply chain development from key governments.

¹ Refer to announcement on 5 August 2024 “2024 Mineral Resource and Ore Reserve Update”:
<https://wcsecure.weblink.com.au/pdf/LYC/02835257.pdf>

“Lynas has a strong track record of operating in challenging rare earth market conditions. Our sales team continues to focus on prioritising high value customers and products whilst contributing to the development of outside China markets. We see the current challenges as short-term issues and our team has the skills and competence to manage these and deliver stronger results in the future. We remain focused on growing to meet customer demand, maximising efficiencies and delivering excellent value,” said Ms Lacaze.

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Important Information

Future performance

This announcement contains certain “forward-looking statements”. The words “expect”, “should”, “could”, “may”, “will”, “predict”, “plan”, “scenario”, “forecasts”, “anticipates” “estimates” and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

Appendix A: JORC Compliance and Competent Person’s Statement

Exploration Results

The information in this report is based on, and fairly represents information and supporting documentation jointly prepared by Marcelle Watson, Geology Manager, and Dr. Ganesh Bhat, Principal Resource Geologist. Marcelle Watson is a full-time employee of Lynas Rare Earths Ltd and member of AusIMM. Dr Ganesh Bhat is a full-time employee of Lynas Rare Earths Ltd and member of AusIMM. Ms Watson and Dr Bhat have the relevant experience in relation to the mineralisation being reported on to qualify as a Competent Persons as defined in the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Identified Mineral Resource and Ore Reserves 2012. Ms Watson and Dr Sadangaya Ganesh Bhat consent 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. Drilling has been completed to 200 metres below surface. 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 2024 are reported in the Lynas ASX announcement dated August 5, 2024, titled “**2024 Mineral Resource and Ore Reserve update: Lynas announces a 92% increase in Mineral Resources and a 63% increase in Mt**”

Weld Ore Reserves - with significant increase in contained heavy rare earth mineralisation". The company confirms that all material assumptions and technical parameters underpinning the estimated Ore Reserves set out in the ASX announcement dated August 5, 2024 continue to apply and have not materially changed. Refer to announcement on Lynas Rare Earths website: <https://wcsecure.weblink.com.au/pdf/LYC/02835257.pdf>