Lynas Rare Earths

LYNAS RARE EARTHS LTD

Investor Presentation

May 2021

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Lynas supplies essential materials to exciting growth industries

Lynas Rare Earths

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Key Investment Drivers

- Global Climate Change Policy
- Industrial Automation
- Desire for Sustainable Mobility
- Increased global significance of Rare Earths
- Heightened focus on resilient supply chains
- Technology Incentives and R&D Subsidies

Electric Vehicles (EV) – Including Electric drive components, Hybrid motor technology, Electric public transport and Electric aviation
Benefits: Lighter and more efficient high-performance motors
Rare Earth products: NdPr, Dy, Tb

Green Technologies – Including automotive Catalytic Converters to reduce NOx, CO gases and new generation direct drive Wind Turbines
Benefits: Making vehicle emissions cleaner, and wind turbines lighter, more reliable, cheaper to maintain and lower energy production costs
Rare Earth products: NdPr, Dy, Tb, Ce

Consumer Electronics – Including smartphones and computer components
Benefits: Driving the evolution of smaller, lighter, cheaper and more efficient consumer devices
Rare Earth products: NdPr, Dy, Tb, Ce, La

Robotics, Appliances & Medical Devices – Including robotics, drones, household appliances, medical diagnostic equipment
Benefits: Improving energy efficiency and medical diagnoses
Rare Earth products: NdPr, Dy, Tb

Lynas offers exposure to global megatrends & future-facing technologies

Investing in Rare Earths provides excellent exposure to global megatrends that will shape economies and consumer behaviour over the next decade

- Sustainable mobility
- Electronics and industrial automation
- Global climate change policy incl. new energy sources (e.g. wind)
- Heightened focus on supply chain resilience
- Technology incentives & R&D subsidies

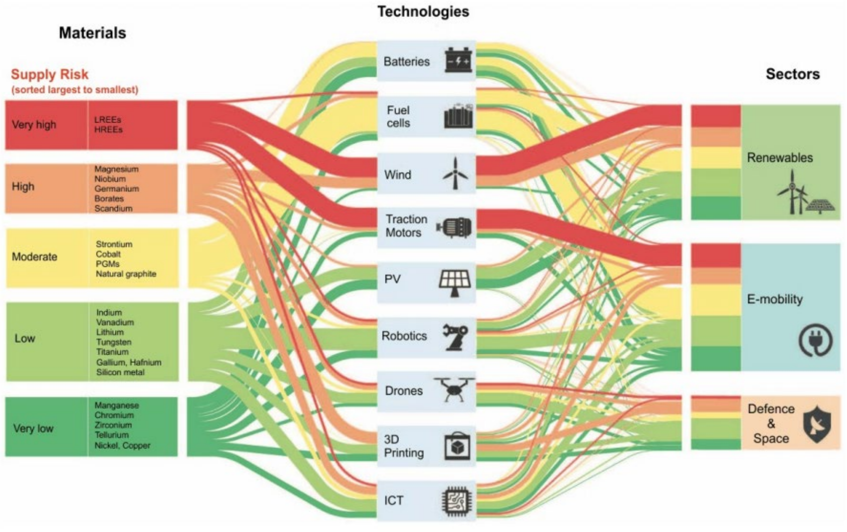
Lynas is uniquely positioned to respond to these megatrends

- World-leading ore body with further exploration planned
- Proven producer with inhouse IP & expertise
- Clear & ambitious growth strategy in progress
- Track record of successful execution de-risks growth plan

Megatrends

1. Digital transformation
2. Investing in supply chain resilience
3. Localisation and staying closer to home
4. A changing economic landscape
5. Stepping into the new normal

Source: Global Trade & Investment Megatrends, CSIRO Data 61, Austrade, November 2020



Source: European Commission, *Critical materials for strategic technologies and sectors in the EU-a foresight study*, 2020.

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Lynas is a proven & profitable producer

Lynas Rare Earths

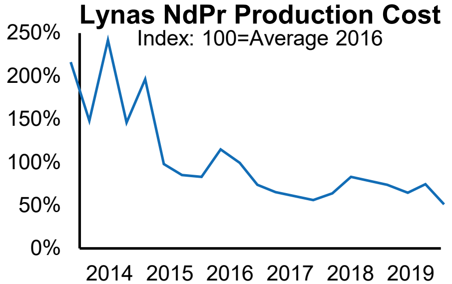
- Unique Tier 1, high grade, long life (25+ year) resource at Mt Weld[1]
- Rich in both LRE & HRE elements
- Provides guaranteed feedstock for separation facilities

- Environmentally-responsible Rare Earths producer
- Mine to magnet traceability
- Life Cycle Assessment with selected partners
- Certified to ISO 14001 (Env Mgmt Systems)

- 8 years' experience as a reliable supplier of quality Rare Earth products
- Hard won inhouse IP, not easily replicated
- Development of processing expertise which is unique to each deposit

- Trusted Customer Relationships
- Quality products and reliable supply has delivered share growth in all key customer markets
- Market leader in Japan

- Strong cost position relative to other suppliers
- Track Record of optimizing costs



1. Please refer to Appendix A

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Our value begins with our unique Rare Earth deposit at Mt Weld, Western Australia

We add value at our Malaysian processing facility - the world's largest single Rare Earths separation plant

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Artist Impression of our planned Kalgoorlie Rare Earth Processing Facility

Lynas
Rare Earths

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Strong 1H FY21 results on all financial measures

Lynas Rare Earths

	1H 21	1H 20	Movement	
	$m	$m	$m	%
Sales Revenue	202.5	180.1	22.4	12%
Cost of Sales	(150.8)	(151.6)	0.8	(1%)
EBITDA	80.6	44.2	36.4	82%
Net Profit after tax	40.6	3.9	36.7	944%

	31 Dec 20	30 June 20	Movement	
	$m	$m	$m	%
Cash and short- term deposits	512.6	101.8	410.8	404%
Net Assets	964.4	518.4	446.0	86%
Market Capitalisation	3,586.3	1,262.1	2,324.2	184%

- Increased sales revenue
- Costs maintained on increased NdPr production
- Approx. $425m equity raising successfully completed
- Strengthened Balance Sheet
- Continued progress on *Lynas 2025* growth objectives
- Lynas to repay subsidies received from the Australian and Malaysian governments in 1H FY21

March Quarter (Q3) results continued the strong performance shown in the first half of FY2021

Note: Percentages may differ from the sum of the separate figures due to rounding

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Favourable market settings

- Effect of global megatrends becoming apparent supports continued confidence in market growth

Demand for electric vehicles has accelerated

International Energy Agency (IEA) estimates 40% growth in global sales of EVs in 2020 vs. 2019[1]

Wind energy capacity growth of 8% in 2020, despite COVID-19 disruptions (IEA)[2]

Consumer Electronics market expected to grow to $17.7 billion by 2030 at CAGR of 4.9% [3]

(2020: $10.9 billion)

Global Smart Homes market expected to surpass US$289 billion by 2030 from US$63 billion in 2018 at CAGR of 27%[4]

1 https://www.iea.org/commentaries/how-global-electric-car-sales-defied-covid-19-in-2020
2 https://www.iea.org/fuels-and-technologies/wind

3 https://www.marketwatch.com/press-release/global-consumer-electronics-market-size-worth-17738889-mn-with-cagr-of-49-by-2030-top-industry-trends-and-outlook-2021-01-27

4 https://www.fatposglobal.com/reports/smart-homes-market/345

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Lynas is the only scale producer of separated Rare Earths outside China

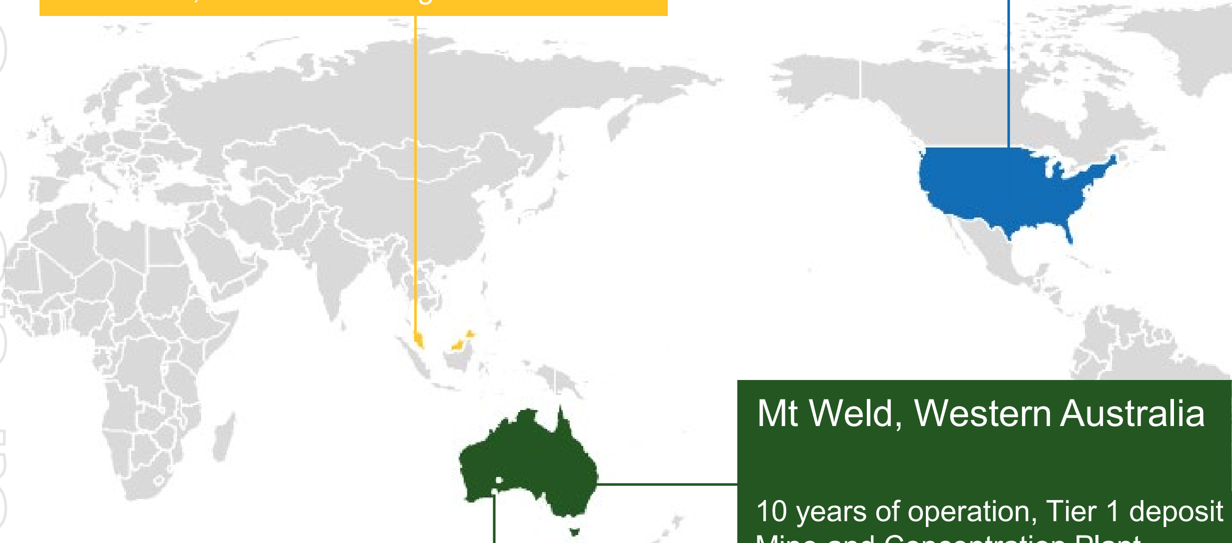
Lynas Rare Earths

Malaysia

Lynas Malaysia: 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



Mt Weld, Western Australia

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

Kalgoorlie, Western Australia

Well progressed Rare Earths Processing Facility project, fully funded & progressing to schedule

We currently supply approx. 20% of world demand for separated Rare Earth products

Our operations in 2021

2 operating sites

2 countries
Headquartered in WA

Global sales

Our operations in 2025

4 operating sites

3 countries
Headquartered in WA

Global sales
& operations

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Transforming for the Future

Lynas Rare Earths

Lynas Today

- Tier 1 Rare Earths deposit at Mt Weld, WA
- The World's largest single Rare Earths separation plant in Malaysia
- Strategic customer relationships in North America, Asia & Europe
- Balance sheet fit for growth
- Inhouse skills & capability to grow
- March Qtr 2021:
  Cash balance A$568.5m
  Revenue A$110m
- Submit Phase 1 deliverables for U.S. HRE Facility in the June 2021 quarter

Lynas in 2023

- Kalgoorlie Rare Earths Processing Facility operating by July 2023
- Kalgoorlie Facility producing mixed RE carbonate & able to process concentrate from 3rd party sources
- Kalgoorlie Facility able to feed to downstream operations in Malaysia
- Well progressed development of U.S. Rare Earths Facility

Lynas in 2025

- Target NdPr production capacity of at least 10,500 tonnes p.a.[1]
- Diversified industrial footprint with processing facilities in optimal locations
- Kalgoorlie Facility able to feed to downstream operations in U.S. & Malaysia
- Able to accept 3rd party feed at various stages
- Continued track record of delivering projects on time and on budget
- U.S. RE Processing Platform in operation

Capital Projects Plan

- Continued investment in Mt Weld operations and exploration
- Kalgoorlie Rare Earths Processing Facility plus associated upgrades at the Lynas Malaysia Plant
- U.S. Rare Earth Processing Platform
- Malaysian PDF

Our track record underpins our confidence in the future

1. The capacity of our facilities represents the maximum annual production volume achievable at normal production rates, subject to factors including customer demand and any applicable regulatory constraints

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Sustained focus on Zero Harm as part of our commitment to ESG

Lynas Rare Earths

Caring for our people

- The 12-month total recordable injury frequency rate as at 31 December 2020 was 1.3 per million hours worked (June 2020: 3.5 per million hours worked).
- Strict COVID-19 health and wellbeing protocols remain in place at both operating sites

Caring for the environment

- Environmentally-responsible Rare Earths producer by design
- Mine to magnet traceability
- Life Cycle Assessment with selected partners
- Certified to ISO 14001 (Environmental Management Systems)

Caring for and supporting our communities

- Increased contributions to our local communities in Malaysia affected by the recent floods and the pandemic
- Sharing our best practice COVID-19 protocols with other firms in Malaysia
- Supporting community health/sport initiatives in Laverton, Western Australia

GOLD 2019 ecovadis CSR Rating

TOGETHER FOR SUSTAINABILITY

WE SUPPORT UN GLOBAL COMPACT

SUSTAINABLE DEVELOPMENT GOALS

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Lynas Rare Earths

OUR VALUES

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 our Investor Centre at LynasRareEarths.com

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Appendix A: JORC Compliance and Competent Person's Statement

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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 Ltd. 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 2020 Annual Report created on 6 October 2020 and available to view at: https://lynasrareearths.com/wp-content/uploads/2020/10/LYC_AR20-30Sep20-LODGE-2122450-1.pdf. 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.