



LYNAS CORPORATION

What's Down the Track

19 November 2020

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World's 2nd largest producer of separated Rare Earth materials

Malaysia



Lynas Malaysia: A dynamic operation in Gebeng, Malaysia with Cracking & Leaching, Solvent Extraction, Product Finishing

United States



Lynas signed contract with U.S. Dept of Defense in July 2020 for detailed design of a Heavy Rare Earths Separation Facility

Mt Weld, Western Australia



Mt Weld, WA: Tier 1 deposit with Mine and Concentration Plant. Continuing exploration and development to maintain a 25+ year Reserve¹

Kalgoorlie, Western Australia



Planned Rare Earth Processing Facility

Key Metrics

ASX Ticker	LYC
ISIN	AU000000LYC6
Shares Outstanding as at 30 September 2020	901,078,579
Debt as at 30 September 2020	US\$145m JARE
Market Capitalisation as at 12 November 2020	A\$2.95b

1. Please refer to Appendix A

Our value begins with our Tier 1 high grade, long life Rare Earth deposit at Mt Weld



Our Malaysian processing facility has been producing Rare Earth materials since 2012

We are building
a new Cracking
& Leaching plant
in Kalgoorlie



Coming through COVID-19 in good shape



- Lynas entered the COVID-19 pandemic in robust financial shape
- Both sites rapidly implemented safety and health best practices in March 2020
- Operations restarted in May 2020 and ramped up to 75% of the Lynas NEXT production rates in June, equivalent to original nameplate production

Wind energy industry continuing to grow

- Renewable energy has proven to be more resilient than other parts of the energy sector
- Wind industry forecast to achieve year on year growth in 2020
- We continue to see sustained demand for NdPr from the wind power industry Expect longer term trends to be clearer after end of CY2020

Car electrification growing faster than expected



- Global sales down overall but performance varies by geography and vehicle type
- Strong growth in European EV sales - forecasts of year on year growth
- Based on customer feedback, car electrification is growing faster than expected
- May take a few quarters to clarify the effects of government economic policies on Rare Earths demand

What's happened since November 2019?

Commitment to Kalgoorlie	Signed Sub-lease option with CKB
WA Government Support	Obtained “Lead Agency” Status
Australian Government Support	Obtained “Major Project” Status
COVID-19	WA and Kuantan project team continued
Stakeholder and Community Engagement	KBCCI BAH, Online Community Forum, Hannan Street PopUp Info Point, Spring Festival, Stakeholder Briefings
Plant site tenure	Signed Sub-Lease with CKB Obtained General Purpose Lease from DMIRS
Australian Government Approvals	Submitted EPBC Act referral Decision – “not a controlled action”
WA Government Approvals	Submitted EPA referral
Long lead time critical path equipment	Rotary kiln, Pressure Filter orders placed
Project Funding	Successful capital raising
Research partnership with WASM	Joint projects to support support both local community development goals and national critical minerals strategy

Lynas in Kalgoorlie this year ...



Equity raising is enabling an exciting transformation

Equity Raising Overview

- Successfully completed fully underwritten Placement, Institutional Entitlement Offer and Retail Entitlement Offer in September 2020 to raise ~\$425m to fund:
 - Planned **Kalgoorlie Rare Earths Processing Facility** to produce mixed Rare Earths carbonate for shipment to the Lynas Malaysia Plant
 - **Associated upgrades at the Lynas Malaysia Plant**
- The Offer Price was A\$2.30 per New Share

Rationale for the Equity Raise

- Major Projects deliverable in 2023 are essential steps towards the *Lynas 2025* vision and will provide foundation capability for further growth
- Securing funding now provides Lynas with the flexibility to continue to transform and reshape its business despite the unstable economic environment due to COVID-19
- On time delivery of Lynas 2025 foundation projects is essential to meet regulatory requirements

Certainty

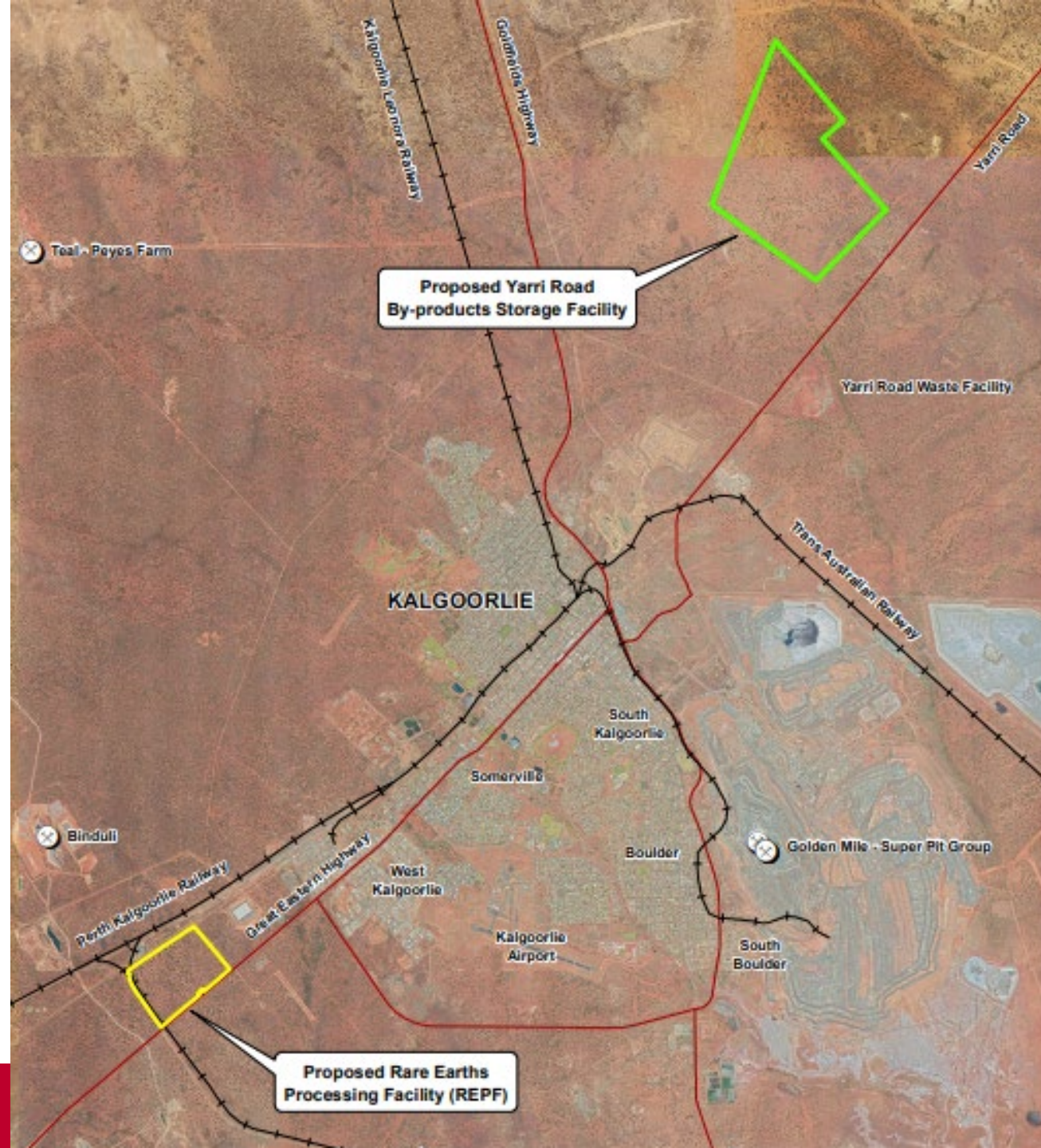
- Equity raising to deliver timely funding for Lynas 2025 foundation projects
- Equity raise mitigates uncertainty created by COVID-19 in the near and intermediate term
- Raising funds now allows better planning and management of the extensive capital plan through to 2023

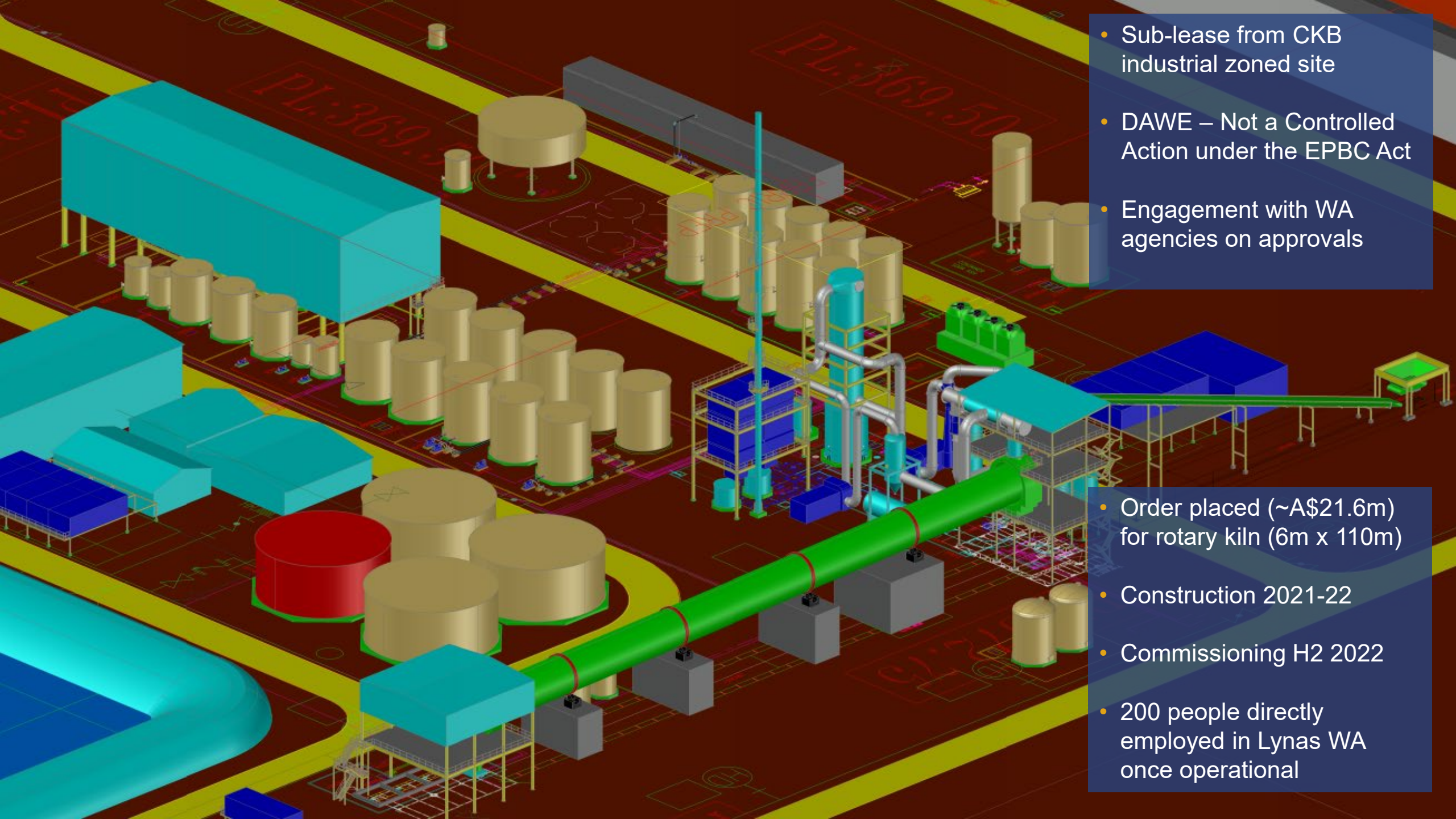
Flexibility

- Able to use operating cash flow for other essential capital projects including Malaysian Permanent Deposit Facility (PDF)
- Flexibility to use other funding solutions to capture additional growth opportunities as they arise
- Equity funding significantly enhances Lynas' balance sheet during a critical transformation and growth period

Where will we be located?

1. Lynas Kalgoorlie Rare Earth Processing Facility
2. Proposed Yarri Road By-Products Storage Facility





- Sub-lease from CKB industrial zoned site
- DAWE – Not a Controlled Action under the EPBC Act
- Engagement with WA agencies on approvals

- Order placed (~A\$21.6m) for rotary kiln (6m x 110m)
- Construction 2021-22
- Commissioning H2 2022
- 200 people directly employed in Lynas WA once operational

Procurement & Contract Tender Packages

PROCUREMENT & CONTRACT UPDATE AND STATUS

TENDER PACKAGES STATUS CATEGORY	2020	2021	2022	TOTAL
Awarded	8			8
In Progress (Bidding, Technical / Commercial Evaluation)	13	2		15
Upcoming ITB Issuance	24	44	3	71

- For the next coming 12 months (Nov'20 – Oct'21), we are expecting about 70 packages to be out for Tender
- Lynas is offering few packages type namely as follows :
 1. Detailed Engineering Design (DED) Packages
 2. Procurement Packages
 3. Construction Packages
 4. Construction Package for major plant (EPC free issuance of selected equipment)
 5. Engineering, Procurement & Construction (EPC) package

List of some of the Tender packages to be sought locally within the next 12 months

No	Package Description
1	DED : For Concrete Civils, Bunds, Tanks and SMP (4 packages)
2	DED : Lab Interior
3	Construction : Clearing, Earthworks, Storage Facilities, Ponds
4	Construction : Concrete Civils, etc (5 packages)
5	Construction : Major Plants Area SMP (4 packages)
6	Construction : Weighbridge
7	Construction : Fire Ring Main System & Fire Alarm System
8	Construction : Electrical (TBD)
9	EPC : Corporate Network & Communication (IT)
10	EPC : Diesel Tank Farm
11	EPC : Natural Gas Pipeline System
12	EPC : Sewerage System

No	Package Description
13	EPC : Process Water System
14	EPC : Feed System
15	EPC : Electrical Installation
16	EPC : Brick Lining Tank
17	Procurement : Lab Equipment
18	Procurement : 4WD, Fire Trailer, Forklift
19	Procurement : Franna Mobile Crane
20	Procurement : Emergency Generator
21	Procurement : Weighbridge Kit
22	Procurement : Reach Stacker

Increasing focus on resilient critical minerals supply chains



English **EN**

Home > Press corner > Speech Commissioner Breton

Available languages: English ▼

Speech | 29 September 2020 | Brussels

Speech by Commissioner Breton at the launch of the European Raw Materials Alliance

Page contents

[Top](#)
[Print friendly pdf](#)
[Press contact](#)

"Check against delivery"

Ladies and Gentlemen,

Welcome to the launch meeting of the European Raw Materials Alliance!

Europe has set out the ambition to be the first supplier of green energy, to be the first digital continent, and also the first continent in terms of the



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EXECUTIVE ORDERS

Executive Order on Addressing the Threat to the Domestic Supply Chain from Reliance on Critical Minerals from Foreign Adversaries

ECONOMY & JOBS | Issued on: September 30, 2020

U.S.-Australia-India-Japan Consultations (“The Quad”)

MEDIA NOTE

OFFICE OF THE SPOKESPERSON


SEPTEMBER 25, 2020

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Senior officials from the United States, Australia, India, and Japan met virtually on September 25, 2020, for consultations on collective efforts to advance a free, open, and inclusive Indo-Pacific region.

The four democracies discussed ways to work together to respond to the COVID-19 pandemic, promote transparency and counter disinformation, and protect the rules-based order the region has long enjoyed.

Noting the importance of digital connectivity and secure networks, the officials discussed ways to address vulnerabilities, particularly for fifth generation (5G) networks. They explored ways to enhance cooperation on counterterrorism, maritime security, cyber security, and regional security infrastructure based upon international best practices, such as the G20 Infrastructure Investment. Participants also highlighted the need to improve security of supply chains, including critical minerals, medical supplies, and pharmaceuticals.



Australian Government
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About us | Ministers [12](#) | Consultations [12](#) | Contact us

[Menu](#)

Home > News media > Modern Manufacturing Strategy

Modern Manufacturing Strategy

News

1 October 2020

The Modern Manufacturing Strategy is a whole-of-government strategy to help Australian manufacturers scale-up, become more competitive and resilient — creating jobs for now and future generations. The Australian Government is backing an enterprise-led recovery. It sends a clear signal that Australia is open for business.

Find out about each of the initiatives:

- [Modern Manufacturing Initiative and National Manufacturing Priorities](#)
- [Supply Chain Resilience Initiative](#)
- [Manufacturing Modernisation Fund round two](#)

The [Minister announced initiatives to transform Australian manufacturing](#) [12](#) on 1 October 2020.



The Australian Government is backing an enterprise-led recovery through the Modern Manufacturing Strategy. Not only is Australia open for business, we mean business.

Meeting our customers' needs for sustainably produced Rare Earths



Lynas Rare Earth materials are used in industries where environmental provenance and sustainability matter

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:
www.lynascorp.com

Appendix A: JORC Compliance

The information in this presentation is extracted from the report entitled Lynas Corporation 2020 Annual Report created on (October 6 2020) and is available to view on (https://www.lynascorp.com/wp-content/uploads/2020/10/LYC_AR20-30Sep20-LODGE-2122450-1.pdf).

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.