Making significant progress on Lynas 2025 initiatives

Mt Weld, WA: Production ramp up to meet forecast demand growth

Kalgoorlie, WA: Building a new Cracking & Leaching in WA

Malaysia: Investing in increased downstream processing, product range, recycling

United States: Filling a market gap with new separation and product finishing capability

FY20 Progress

- Increasing Dysprosium (Dy) and Terbium (Tb) content of SEG by blending Duncan ore into the feed
- Optimising circuit changes
  - Pre-leach to reduce carbonate levels in concentrate
  - Kiln drying of concentrate
- Option signed on industrial site in Kalgoorlie for new plant (Dec 2019)
- Kalgoorlie processing plant awarded Lead Agency status by the Government of Western Australia (Dec 2019)
- Major Project status awarded by the Australian Government (Feb 2020)
- La and Ce quality improvements delivered increased average selling price during the half year
- Completed circuit upgrades to further improve product quality
- Advanced plans for proposed Texas separation plant developed with Blue Line Corporation following signing of MOU on 20 May 2019
Lynas Kuantan RE Processing Facility - Cracking & Leaching Plant
Restart of Malaysian operations with **COVID-19 Protocols** at both sites

- Arrival at front gate < 50% staffing
- Social distancing in control room & other site facilities
- Pre-start meeting
- Disinfecting surfaces
- Temperature testing
Rare Earths make vehicles lighter and more efficient

Electric drives and generators
Electric motors throughout vehicle

Rare Earths make vehicle emissions cleaner

Catalytic Convertor
Reducing NOx, CO

Hybrid NiMH battery
Continued **global demand for Rare Earths**

- **Global market**: Short term uncertainties related to COVID-19; long term growth expectations remain strong

- **NdPr growth over the next 10 years**
  - Automotive: Major effect of COVID-19, but expected to be more limited for EVs
    - Predicted -20% Global sales in 2020
    - Increased government support for EVs
      - Proposed 500 billion Euro EU Recovery Fund
      - China extended subsidies for EVs
      - Seeing greater resilience in NE Asian auto markets e.g. Korea
        - Korea -6% in Q1 20, growing in April
  - Wind Energy growth expected to accelerate from 2021
  - Reports of new stock piling program in China for NdPr, Dy, Tb (first since 2017)

- **Lynas**: Alternative to China gaining traction; Development of higher value added product

- **COVID19 has increased appetite for RE supply chain alternatives to China**:
  - Lynas is engaging with end users and governments

- **Successful development of higher value products for La, Ce**:
  - New grades piloted in Q3 FY20; under qualification by selected customers.
  - Commercialisation starting in Q4 FY20, including for new applications
  - Opportunity for substantial margin improvement with decreased dependence on market prices.
## Sustainable Success. What does it take?

<table>
<thead>
<tr>
<th>Vertical Integration</th>
<th>Geology &amp; Mining ➔ Concentrator ➔ Cracking &amp; Leaching ➔ Separation ➔ Product Finishing ➔ Product Development ➔ Sales &amp; Marketing</th>
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| Development of Intellectual Property | • Developed inhouse expertise  
• Deeper than technical experts  
• Technical support  
• Takes time |
| Supportive Financiers and Shareholders | • Long term view  
• Extended ramp up  
• Growth |
| Hard Earned Market Position | • Bespoke product development  
• Product qualification year(s) not months  
• Supportive customers |
| Community and Regulatory Support | • Community education about NORM  
• Sustainable Producer – (ISO accreditation, LCA, Ecovadis “Gold level”) |
| Competitive Cost Position | • High grade, long life orebody  
• Capital efficiency  
• Economies of scale |
| Capable and Resilient People | • Will to win  
• Develop & retain capability  
• Hands on  
• Agile |
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