



5 August 2020

### **Update on Malaysian PDF**

Lynas Corporation Limited (ASX:LYC, OTC:LYSDY) welcomes recent comments from the Honourable Minister of Science, Technology and Innovation Khairy Jamaluddin that the Atomic Energy Licensing Board (AELB) has approved the proposed site at Bukit Ketam, Malaysia for the construction of a Permanent Deposit Facility (PDF) for Water Leach Purification (WLP) residue, subject to completion of relevant studies and final approvals by regulatory authorities.

Lynas will be submitting all relevant studies and applying for final regulatory approvals over the coming months, with the aim of commencing development by early 2021. This is a further step towards satisfying the key conditions of the three year Lynas Malaysia operating licence that was announced on 27 February 2020.

The siting, design, construction, operation and closure of the PDF at Bukit Ketam will be in compliance with Malaysia's regulatory requirements, IAEA recommendations and international best practices.

WLP is an iron phosphate and Malaysia currently imports phosphate for the manufacture of fertilizer. WLP is classified as very low level radioactive waste under IAEA guidelines and is therefore "suitable for disposal in near surface landfill type facilities with limited regulatory control" according to IAEA guidelines. Internationally, materials similar to WLP are used as a phosphate source in fertilizers or are used in the construction industry.

To ensure zero pathways for contamination, the construction and monitoring of the PDF will comply with the standards set by the IAEA. Lynas Malaysia has over 8 years of experience in safely managing WLP in regulator-approved residue storage facilities at the Lynas Malaysia plant.

Lynas Malaysia will continue to engage with all relevant stakeholders, including the state and federal governments, regulatory authorities, and our communities, every step of the way. Before construction of the PDF begins, further work will be undertaken in accordance with international guidelines and regulatory requirements and will be submitted for final approvals.

Through Lynas, Malaysia has a strategic and important role in producing valuable Rare Earth materials that are used in cars, green technologies and electronics. Lynas Malaysia is the only major factory outside China that produces separated Rare Earth products and this progress on the PDF will provide further certainty for the over 650 direct employees and the thousands of indirect employees of the Lynas Malaysia plant.

**If you have any queries in relation to this announcement, please contact Jennifer Parker or Lauren Stutchbury, our communications consultants at Cannings Strategic Communications on +61 2 8284 9990.**

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