

A wide-angle photograph of an industrial facility, likely a refinery or chemical plant, at night. The scene is illuminated by numerous bright yellow lights. In the foreground, a worker in a yellow high-visibility suit and white hard hat is walking on a metal walkway. To the right, there is a large, rectangular industrial building with a flat roof and a door. In the background, large storage tanks and complex piping systems are visible. The sky is dark with some clouds, and a distant horizon line is visible.

LYNAS CORPORATION ANNUAL GENERAL MEETING 2019

26 November 2019

A photograph of a man, Mike Harding, working at an industrial site. He is wearing a white hard hat, safety glasses, a high-visibility yellow and blue long-sleeved shirt, and blue jeans. He is standing on a metal platform, looking at a large piece of industrial machinery. The machinery has several large pipes and valves. A bright light is shining on the machinery. In the background, there is a building with a corrugated metal roof and a sign that says "LITECH". The sky is blue with some clouds.

MIKE HARDING

Chairman

A woman, Amanda Lacaze, is shown in a laboratory or industrial setting. She is wearing a high-visibility yellow and blue protective suit, a black face shield with a reflective orange visor, and white protective gloves. She is using long-handled metal tongs to handle a glowing orange-red sample inside a piece of equipment. The equipment has a label that reads "MODUTEMP" and "An XRF Scientific Company". In the background, there are various lab equipment and a computer monitor.

AMANDA LACAZE

**CEO & Managing
Director**

Disclaimer

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Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. This Presentation 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. Indications of, and guidance on, future earnings and

financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation 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 including projections, guidance on future earnings and estimates 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.

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Lynas: An **exciting company** in an **exciting market**



The Rare Earths market is exciting and growing

- A great opportunity to participate in the green revolution



A focus on Sustainability is essential to achieve growth in green industries

- Lynas leads the pack in the Rare Earths industry



The Rare Earths market is relatively small but very complex

- As a pure play Rare Earths company, Lynas has an exclusive focus on Rare Earths



At Lynas, we are passionate about Rare Earths

- Our customers and their needs
- Innovating to continuously improve Rare Earths Processing
- Innovating to develop new, valuable Rare Earths materials
- Contributing to the prosperity of our people, our communities and our shareholders

The Year in Review

- **Lynas NEXT project delivered**
- **Political and regulatory challenges in Malaysia**
- **Heightened geopolitical focus on Rare Earths**
- **Wesfarmers takeover proposal successfully defended**
- **Lynas 2025 growth plan announced**
- **New arrangements for JARE loan facility announced**

Building on our unique market position

Key Metrics

ASX Ticker	LYC
ISIN	AU000000LYC6
Shares Outstanding as at 30 September 2019	695,378,577
Cash Balance (30 September 2019)	A\$119.1m
Debt as at 30 September 2019	US\$145m JARE US\$13.7m Conv Bond
Enterprise Value as at 30 September 2019	A\$2.1b



- Mt Weld: A true Tier 1 resource
- World's 2nd largest producer and the only significant rest of world Rare Earth miner and producer
- Comprehensive approach to safety and sustainability; environmental stewardship and community engagement
- Continued process and product innovations
- Quality, long term customer relationships with manufacturing supply chains around the world

Delivering **strong financial performance** in challenging conditions

NPAT **\$80.0m** (FY18: \$53.1m)

EBIT **\$56.4m** (FY18: \$81.0m)

EBITDA **\$100.7m** (FY18: \$121.9m)

Revenue **\$363.5m** (FY18: \$374.1m)

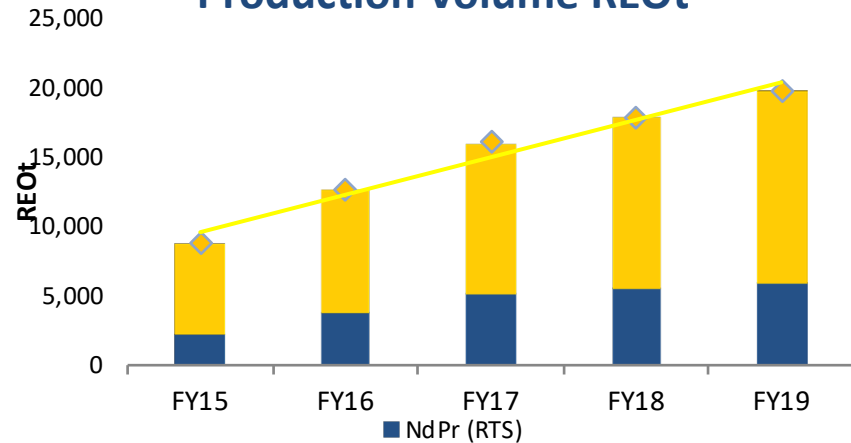
Production **19,737t REO**
(FY18: 17,753t)

5,898t NdPr
(FY18: 5,444t)

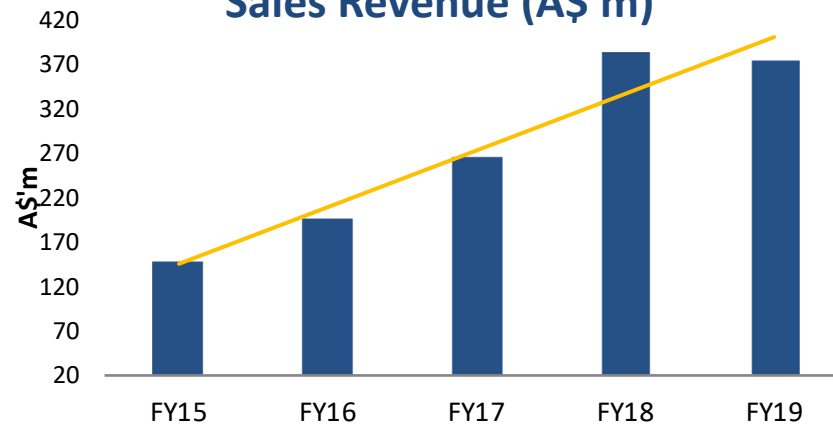
Cash Flow **\$104.1m**
(FY18: \$118.5m)

Delivering strong financial performance in challenging conditions

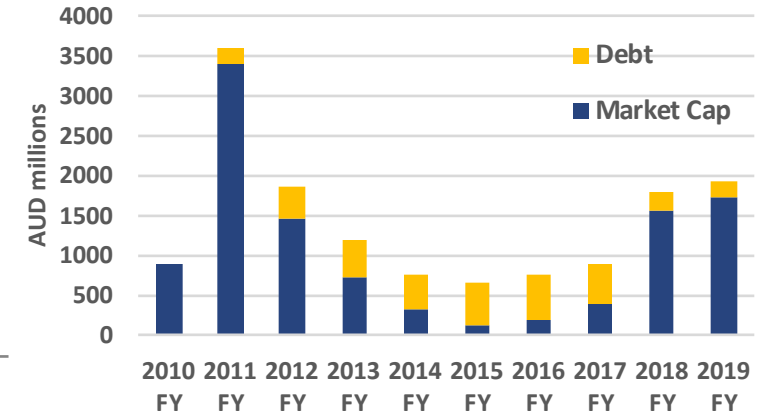
Production Volume REOt



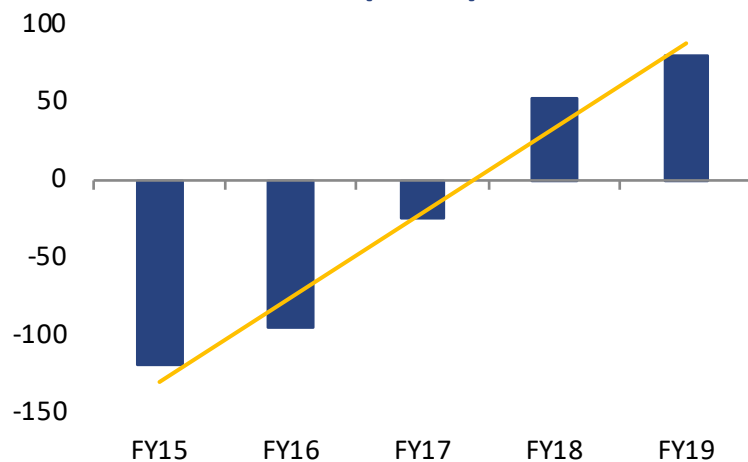
Sales Revenue (A\$m)



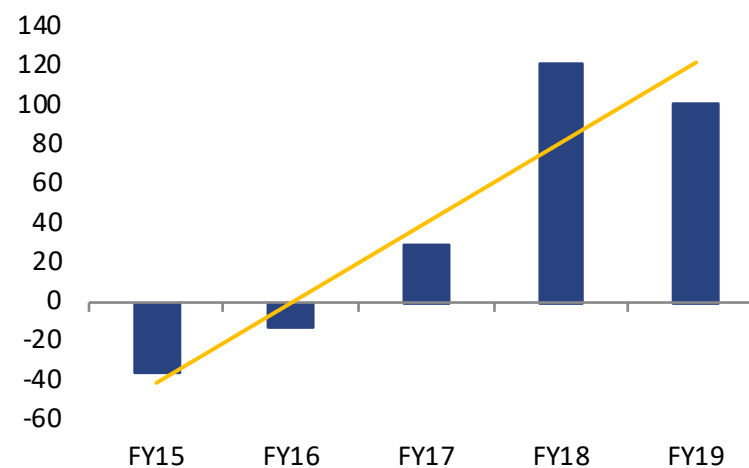
Lynas Enterprise Value



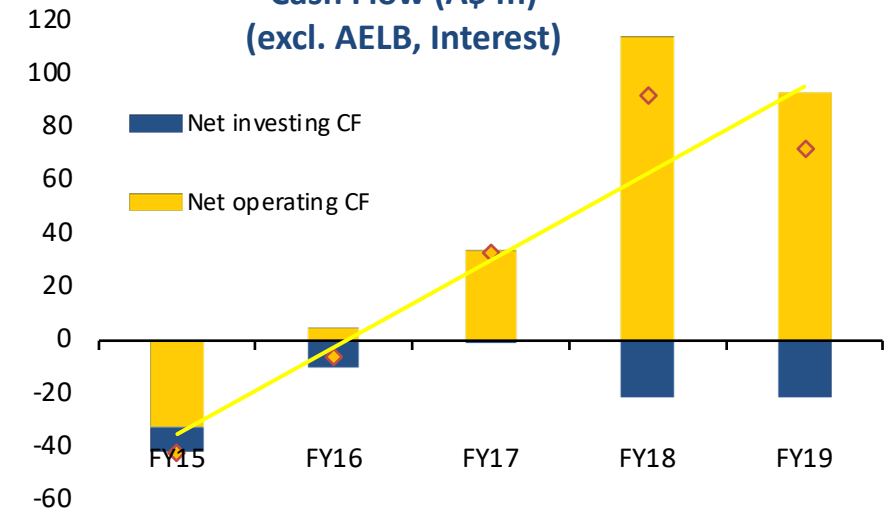
NPBT (A\$m)



EBITDA (A\$m)



Cash Flow (A\$m) (excl. AELB, Interest)



Achieving \$35m Lynas NEXT capacity building project on time and on budget

Demonstrated capacity to produce at higher rates, resulting in record NdPr and REO sales volume and production



New Nd and Pr separation circuit successfully commissioned and first production and sales of separated Nd and Pr delivered



Operational improvements at Mt Weld and in Malaysia including new equipment and improved circuits



Update of Mt Weld Mineral Resources and Ore Reserves Statement released on 6 August 2018, with a 70% increase in Mineral Resource and a 60% increase in Ore Reserve; confirmed 25+ year life at Lynas NEXT rates





Mt Weld in FY19

Lynas NEXT initiatives

- Updated Mt Weld Mineral Resources and Ore Reserves Statement released on 6 August 2018:
 - 70% increase in Mineral Resource
 - 60% increase in Ore Reserve
 - Ore Reserve confirmed 25+ year life at Lynas NEXT rates (7000t NdPr/annum)
- 3rd Tailings Storage Facility (TSF3) completed and commissioned
- Pre-Rougher Stack Cell commissioned

Mining Campaign 3 commenced

Lynas Malaysia in FY19

**365 Days LTI free
Record Production (total REO and NdPr)**

Lynas NEXT initiatives

- Proven ability to produce NdPr at Lynas NEXT rates
- Successful start-up of new Nd and Pr separation circuit:
 - Separated Nd oxide produced from December 2018
 - Separated Pr oxide produced from February 2019
- New SX circuits optimised to increase production and quality of La and Ce
- Upgrade of product finishing circuits to accommodate increased product range
- Upgrade of kiln waste gas treatment circuits
- Improved MgO circuit to improve recoveries
- A 3rd larger water storage pond constructed and commissioned



Increased product range through Lynas NEXT



Nd oxide - targeting 1500t per annum
for magnets & catalysts



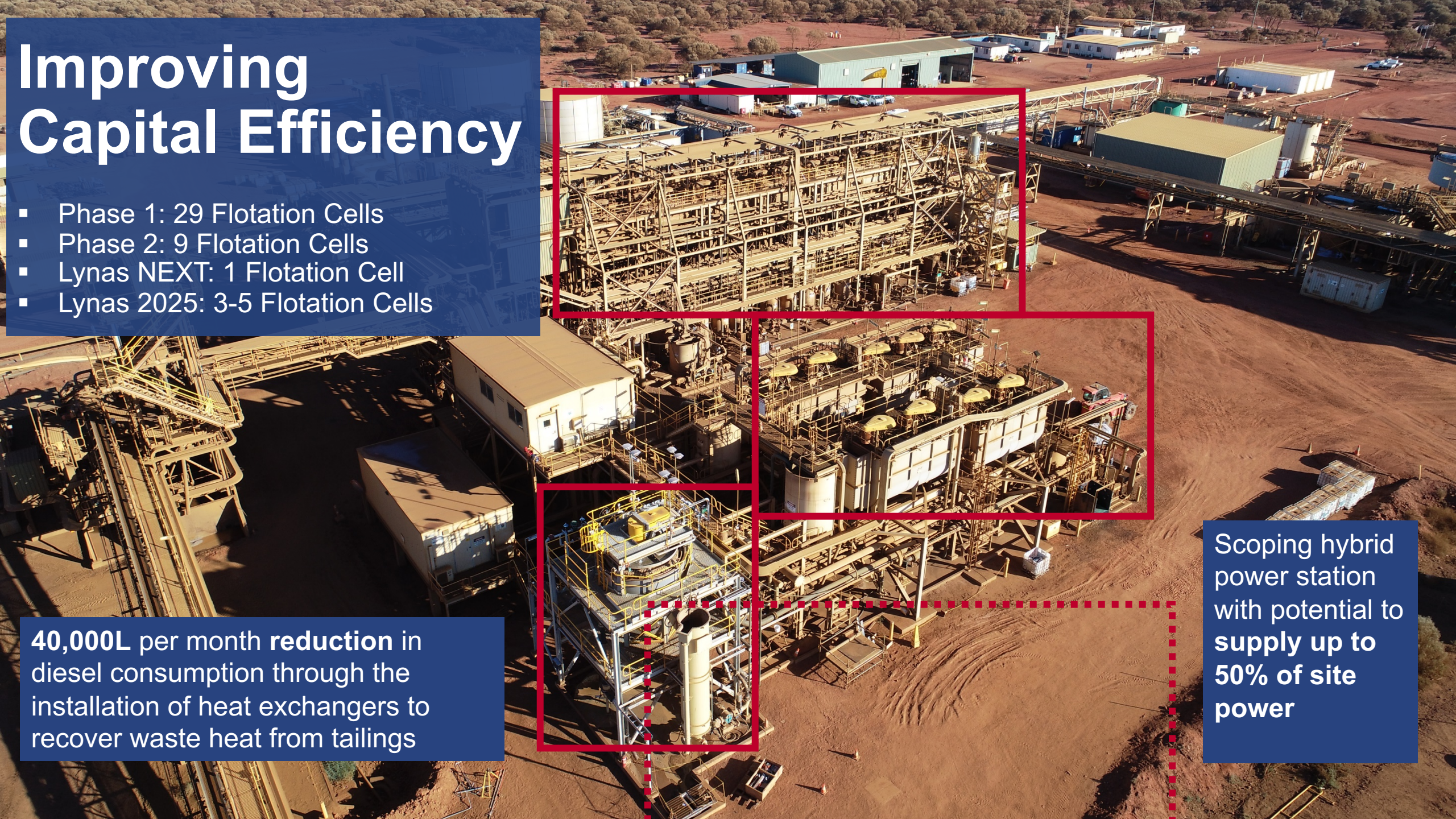
Pr oxide - targeting 300 tonnes/annum
for catalysts, pigments & magnets

Improving Capital Efficiency

- Phase 1: 29 Flotation Cells
- Phase 2: 9 Flotation Cells
- Lynas NEXT: 1 Flotation Cell
- Lynas 2025: 3-5 Flotation Cells

40,000L per month **reduction** in diesel consumption through the installation of heat exchangers to recover waste heat from tailings

Scoping hybrid power station with potential to supply up to **50% of site power**



Lynas NEXT: Cracking and Leaching



MgO Circuit Split, new heat exchangers added, new pumping designs, new hopper designs, changed filter configurations



Redesigned WGT ducting



Emissions improvements

Malaysian political and regulatory challenges

- 4th scientific Review completed
 - Lynas operations are low risk and compliant with all relevant regulations
 - Lynas residue facilities are properly managed
- Quality relationships created with PH government
- Staff and local community support stronger than ever
- License renewed with specific conditions
 - Cracking & Leaching relocated to WA within 4 years
 - Lynas to build Permanent Deposit Facility (PDF) for WLP residue
 - 0.5% previously required to be invested in R&D to be submitted to the Government of Malaysia as an additional security until Cracking & Leaching relocated to Australia



Making a meaningful contribution to our communities



- The safety of our people, our communities and the environment is our first priority
- We focus on making a positive contribution to local employment, skills, education, health & the environment
- We support disadvantaged groups including the elderly, disabled and women and girls
- We provide meaningful opportunities for Lynas staff to directly contribute to their communities

Delivering on our commitment to safe, sustainable production



WE SUPPORT



- Designed from the ground up as a state-of-the-art environmentally-responsible Rare Earths operation
- Certified to OHSAS 18001 (Occupational Health and Safety Management Systems), ISO 14001 (Environmental Management Systems) and ISO 9001 (Quality Management Systems)
- Life Cycle Assessment with selected partners
- Awarded Gold EcoVadis CSR rating - ranking in the top 5% of 55,000 companies evaluated
- Released first Sustainability Report in 2019

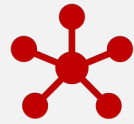
Creating opportunities from the spotlight on Rare Earths



Geopolitics

US-China trade tensions have led to concerns about security of supply and single sourcing

Lynas is uniquely positioned as the only significant rest of world Rare Earths producer



Macroeconomics

Increased government focus, in key markets, on enhancing manufacturing capability for digital age technologies

Lynas connects with governments around the world regarding Rare Earths supply chains



Market Pricing

NdPr published price decreased in FY19 and despite a temporary lift in Jun 2019 remains volatile

Lynas helps mitigate sourcing risks through long term agreements



Market Dynamics

NdPr magnet market currently weakened by Chinese economy and temporary slow growth of automotive market

Catalyst market is focused on long-term security of supply and Lynas has now contracted all Lanthanum production



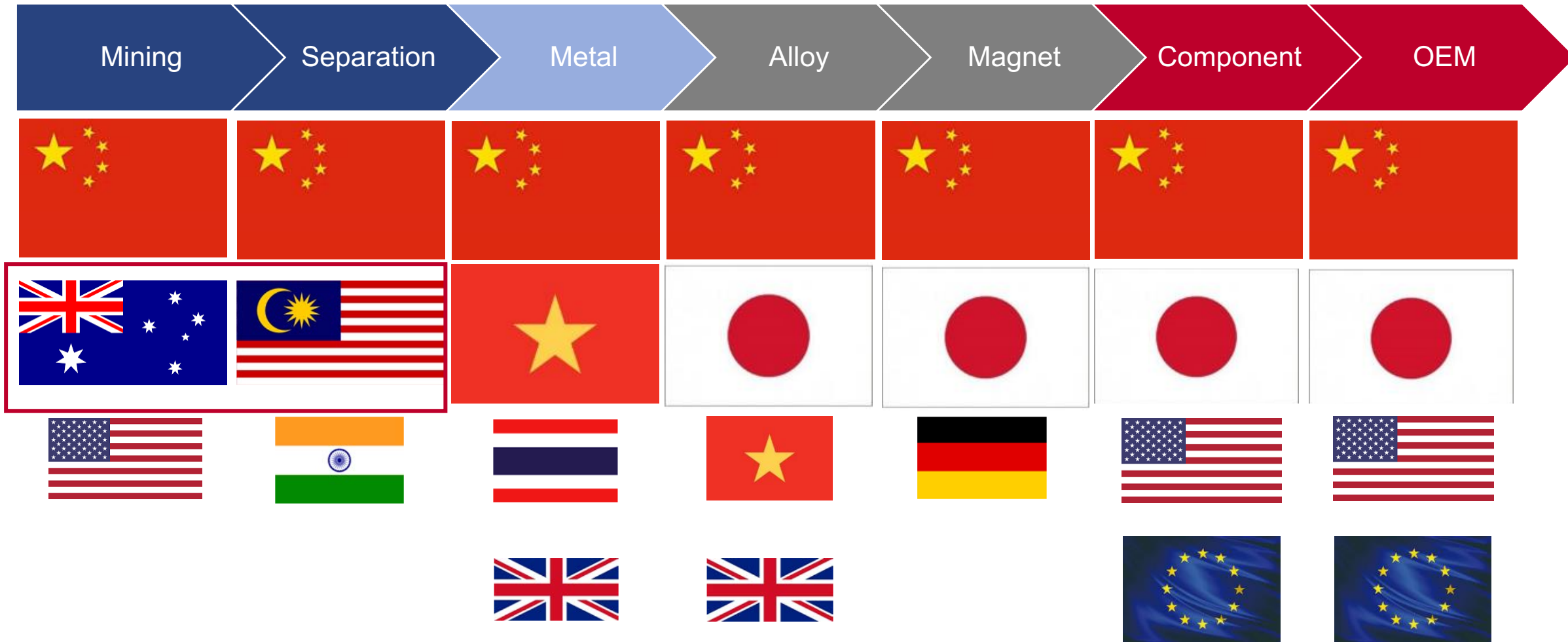
Strategic Partners

NdPr demand is forecast to accelerate from 2021 with launch of most new EV models

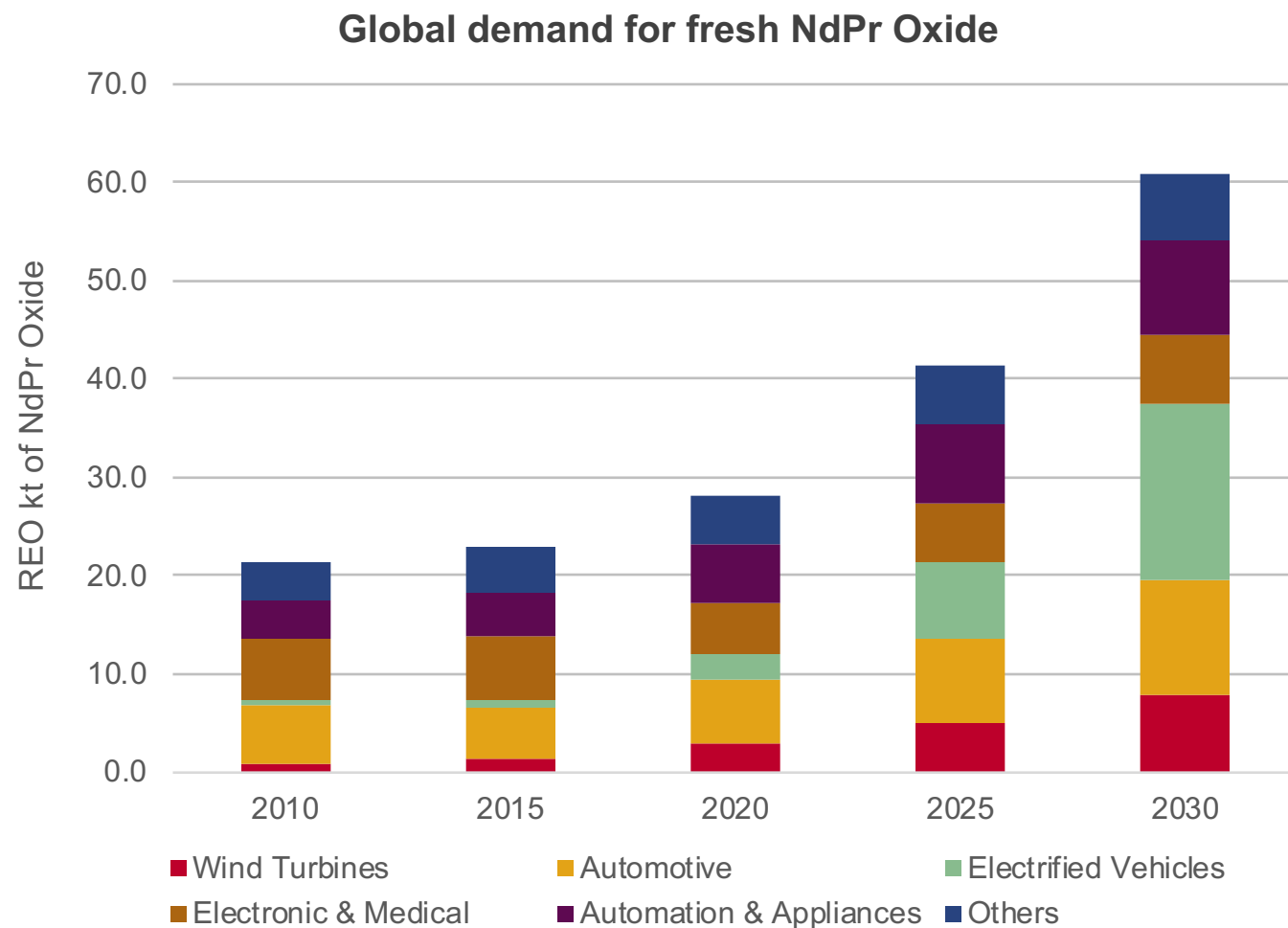
From H2 FY19, Lynas has reserved all NdPr production for strategic customers

Key Customers are progressively agreeing long term supply and pricing agreements

Playing a role in diversifying the Rare Earths supply chain



Serving a high growth market



- **Energy International Agency: 125-220m electric cars on the road in 2030**
 - ➔ Equivalent to 88-155ktns additional supply of NdPr over next 10 years
- **Most new models will be launched in 2021 when growth of NdPr demand will accelerate**
- **From late 2020s, end of life recycling will affect demand for fresh oxide**



Lynas today



Western Australia

A true tier 1 resource, high grade, long life, Mt Weld is recognised as the world's premier deposit



Malaysia

Lynas Malaysia is the world's largest, most modern RE plant designed on best practice sustainability principles

Lynas in 2025

Malaysia

A dynamic operation in Gebeng with increased investment in downstream processing; SX, Product Finishing and recycling.



Western Australia

An expanded WA operation; Mining, Concentrator, Cracking & Leaching and potentially upstream SX



United States

Exciting specialty materials market opportunity with a skilled U.S. based partner. HRE, value added processing and potentially LRE.



Lynas 2025: Growing with the market

A larger business to meet forecast demand growth



- Efficient capacity expansion leveraging Lynas' unique assets
- 10,500 tpa NdPr products

Diversified Industrial footprint with processing facilities in optimal locations



- Upstream processing close to the resource; relocation of C&L to WA
- Downstream processing close to our customers; Malaysia and US

Supplier of choice to non Chinese customers with a fit for market product portfolio



- Separated Heavy Rare Earth products
- Value added Cerium

Enhanced earnings



- A step change in production
- Improved portfolio pricing
- Continued flow sheet and cost efficiencies

Capital plan



- Self-funded with support of JARE
- Enhancing long term shareholder value

Lynas: Continuing to build on our **unique competitive advantages**



Mt Weld

- A true Tier 1 Resource
- Continuing exploration and development to maintain a 25+ year Reserve at new rates



Market position

- World's second largest Rare Earths producer
- Only Rare Earths miner and processor outside China
- Established long-term, trusted relationships built with our key customers



Inhouse Intellectual Property

- Technical, Engineering and Processing IP positions Lynas as the Rare Earths Centre of Excellence outside China



Proven Operations

- Established operating assets
- Strong capital and operating cost culture



Will to win

- Corporate culture founded on our capable and resilient people
- Focused on building long term shareholder value

**Visit our Investor Centre at:
www.lynascorp.com**



Competent Person's Statement

COMPETENT PERSON'S STATEMENTS— MINERAL RESOURCES

The information in this report that relates to the 2018 Mineral Resources is based on information compiled by Mr Alex Wishaw under the guidance of Dr Andrew Scogings. Mr Wishaw and Dr Scogings are full-time employees of CSA Global. Mr Wishaw is a member of the Australasian Institute of Mining and Metallurgy. Dr Scogings is a Member of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and an RPGeo (Industrial Minerals). Dr Scogings 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 Scogings consents to the disclosure of information in this report in the form and context in which it appears.

COMPETENT PERSON'S STATEMENTS— ORE RESERVES

The information in this presentation which relates to the Ore Reserves estimate accurately reflect information prepared by Competent Persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The information in this public statement that relates to the Mt Weld Rare Earths Project is based on information resulting from Feasibility works carried out by Auralia Mining Consulting Pty Ltd. Mr Steve Lampron completed the Ore Reserve estimate. Mr Steve Lampron is a Member and Chartered Professional (Mining) of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify him as a Competent Person as defined in accordance with the 2012 Edition of the Australasian Joint Ore Reserves Committee (JORC). Mr Steve Lampron consents to the inclusion in the document of the information in the form and context in which it appears.

A wide-angle photograph of an industrial facility, likely a refinery or chemical plant, at night. The scene is illuminated by numerous bright yellow lights. In the foreground, a worker in a yellow high-visibility suit and white hard hat is walking on a metal walkway. To the right, there is a large, rectangular industrial building with a flat roof and several windows. In the background, more industrial structures, including large storage tanks and complex piping, are visible against a dark sky with a hint of sunset or sunrise. The overall atmosphere is industrial and active.

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