



6 February 2020

Lynas Malaysia responds to False Statements reported in the media

Lynas Corporation Limited (ASX:LYC, OTC:LYSDY) attaches for the information of shareholders a media release of Lynas Malaysia Sdn Bhd dated 6 February 2020.

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.

Andrew Arnold
Company Secretary

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Lynas Malaysia responds to False Statements reported in the media

Lynas Malaysia is deeply disappointed by the behaviour of anti-Lynas activists who continue to make false statements and inflammatory accusations with the apparent intent of misleading the Malaysian people, such as those recently reported in the media.

We are pleased to state the facts which are:

Fact 1: The State Government of Pahang issued its consent to a site at Bukit Ketam for a Permanent Deposit Facility (PDF) for the Water Leach Purification (WLP) residue

- As the State Government of Pahang confirmed in its statement today, the State Government has issued a letter to Lynas Malaysia Sdn Bhd and agreed with Lynas Malaysia's proposal to locate the PDF site at Bukit Ketam Kuantan, subject to conditions relating to approval of the federal government.
- The consent letter received from the State Government of Pahang is one of the key criteria set by the Malaysian government for the renewal of Lynas' operating license.
- Lynas announced receipt of this consent to the Australian Securities Exchange (ASX) in a timely manner.
- As stated in the Lynas announcement on 30 January 2020, "Based on preliminary due diligence conducted by Lynas and its consultants, Lynas expects the site will be suitable as the location of the PDF."
- Prior to construction of the storage facility, further work will be undertaken in accordance with international guidelines and regulatory requirements.
- Consent from the State Government of Pahang is a first step towards our PDF being established and we will continue to engage with all relevant stakeholders, including the state and federal governments, regulatory authorities, and our communities, every step of the way.

Fact 2: The site identified at Bukit Ketam is NOT in a water catchment area

- The anti-Lynas activists have also made uninformed and misleading statements about the effect of Bukit Ketam on Kuantan's water.
- External experts have confirmed that the site at Bukit Ketam is NOT in a water catchment area.
- In addition, expert studies have shown that the PDF can be constructed to ensure there is NO PATHWAY for material to reach the water supply.



Lynas is committed to providing accurate and factual information to the people of Malaysia and to all of our stakeholders. We will not hesitate to take legal action against those who persist in defaming our people and our company.

Four independent scientific reviews have found that Lynas Malaysia is low risk and compliant with relevant regulation. This includes a scientific review by the International Atomic Energy Agency (IAEA) which concluded in its 2014 report that “... **the fears demonstrated by those who oppose the continuation of the operations did not find any support on scientific evidence.**”