

13 August 2020

RECONFIRMATION OF JARE'S LONG TERM SUPPORT FOR LYNAS

Lynas Corporation Limited (ASX:LYC, OTC:LYSDY) (“**Lynas**”) is pleased to announce the signing of a letter agreement with Japan Australia Rare Earths B.V. (“**JARE**”) reconfirming JARE’S long term support for the Lynas business.

JARE is a special purpose company established by Japan Oil, Gas and Metals National Corporation and Sojitz Corporation. Lynas and JARE are parties to a long term senior loan facility, with a principal balance of US\$145 million, an interest rate of 2.5% p.a. and a maturity date of 30 June 2030 (“**Loan Facility**”). The terms of the Loan Facility were summarized in the Lynas ASX announcement dated 27 June 2019.

Pursuant to the agreement, Lynas and JARE continue to work together on additional funding solutions related to the continued development of the Lynas business, particularly in relation to Heavy Rare Earths separation.

As announced on 27 June 2019, JARE revised the repayment schedule under the Loan Facility with minimal repayments until December 2024, to allow Lynas to use cash flow from operations on capital expenditure for the Lynas 2025 Projects. Consistent with this, JARE will defer further interest payments of US\$11.5 million until 31 October 2021, with no penalty and no additional interest.

Lynas CEO & Managing Director, Amanda Lacaze, commented:

“This further agreement between Lynas and JARE reflects our long and mutually beneficial relationship. Both parties are committed to continued development of global Rare Earth supply chains. In addition, JARE’s continued support of Lynas ensures we have confidence in executing our growth plans.”

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.

Authorised By:
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