

22 July 2021

LYNAS RARE EARTHS AWARDED \$14.8M AUSTRALIAN GOVERNMENT GRANT

Lynas Rare Earths Limited (ASX:LYC, OTC:LYSDY) ("Lynas") is pleased to announce the Company has been awarded a \$14.8 million grant as part of the Australian government's Modern Manufacturing Initiative.

The grant will enable Lynas to commercialise an industry-first Rare Earth carbonate refining process that has been developed by our inhouse research and development team. The new process has been tested at bench scale and has proven effective in producing a higher purity Rare Earth carbonate that can feed the Lynas Malaysia plant as well as the proposed U.S. Rare Earth processing facility.

The process will be installed during the construction of our Rare Earth Processing Facility in Kalgoorlie and the grant is expected to contribute approximately 50 per cent of the implementation cost.

In keeping with our commitment to sustainable and responsible Rare Earths production, the new refining process will contribute to reducing chemical consumption and processing costs.

The grant was awarded following a competitive selection process as part of round 1 of the Modern Manufacturing Initiative's Manufacturing Translation Stream for Resources Technology and Critical Minerals Processing. This Stream supports the translation of high quality research and ideas into commercial outcomes.

"We're excited to bring this world-first Rare Earth carbonate refining process to Kalgoorlie with the support of the Australian government. Its commercialisation is the culmination of significant research and development by our inhouse team," commented Amanda Lacaze, CEO and Managing Director, Lynas Rare Earths.

"In keeping with our commitment to the efficient use of industry capital, this process has been designed to treat our own Mt Weld concentrate and concentrate from 3rd party feedstock as other projects come on line in the future," Ms Lacaze added.

The \$500m Kalgoorlie Rare Earth Processing Facility project (including associated upgrades at the Lynas Malaysia plant) will increase employment by approximately 290 positions during construction and approximately 120 ongoing jobs once operational. As previously announced, the strategic significance of the project has been recognised with Major Project Status from the Australian government and Lead Agency Status from the Government of Western Australia.

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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Company Secretary

LynasRareEarths.com