

27 June 2024

LYNAS MALAYSIA TO PRODUCE SEPARATED HEAVY RARE EARTHS

First production of Dysprosium and Terbium targeted for CY25

Lynas Rare Earths Ltd (ASX: LYC, OTC:LYSDY) ("Lynas") is pleased to announce that Lynas Malaysia is targeting first production of two separated Heavy Rare Earths (HRE) products in the 2025 calendar year (CY). A new process will produce separated Dysprosium (Dy) and Terbium (Tb) at Lynas Malaysia for the first time and will complement Lynas' existing Light Rare Earths product range.

Dy and Tb are both essential to high performance rare earth permanent magnets used in electric vehicles and high-tech applications such as micro-capacitors which are essential to all electronic devices. Currently, Dy, Tb and other HRE oxides from the Mt Weld ore body are sold as a mixed HRE compound known as SEGH¹.

The reconfiguration of one of Lynas Malaysia's solvent extraction circuits will facilitate the production of Dy and Tb. The new circuit is designed with capacity to separate up to 1,500 tonnes of SEGH per year². Front end engineering design (FEED) has been completed and detailed engineering design is underway, with commissioning and ramp up expected in mid-CY2025. The approximately \$25 million CAPEX for this project will be accommodated within the previously disclosed Lynas Malaysia Industrial Plan.

As a result of the separation of Dy and Tb from the SEGH compound, Lynas' HRE product range will increase to 5 products: Dy; Tb; unseparated Samarium/Europium/Gadolinium; Holmium concentrate; and unseparated SEGH.

At the same time, Lynas is progressing pre-construction activities for its planned U.S. Rare Earths Processing Facility. Both Lynas Malaysia and the planned U.S. Rare Earths Processing Facility have been designed to accept third party feedstocks as they come online.

Lynas CEO and Managing Director, Amanda Lacaze, commented: "Lynas' Mt Weld deposit is remarkable for its endowment of Heavy Rare Earth minerals as well as Light Rare Earth Minerals. This circuit reconfiguration at Lynas Malaysia provides a pathway to accelerate our commitment to processing all of the elements in the Mt Weld ore body.

"Dy and Tb are important inputs to high performance magnets and electronic devices and we are pleased to enhance our product range to meet current and prospective customers' needs. The initial separation of Heavy Rare Earths at our Malaysian Facility is an exciting development for our Company and the first step towards offering an expanded suite of Heavy Rare Earth products."

¹ SEGH is a mixed Heavy Rare Earth compound containing mixed Samarium, Europium, Gadolinium, Holmium, Dysprosium and Terbium

² The circuit separation capacity figure relates to engineering designed infrastructure nameplate capacity only and is not, nor is it intended to be, a 'production target' for the purposes of Chapter 5 of the ASX Listing Rules.

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Important Information

Future performance

This announcement 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. Forward-looking statements, opinions and estimates provided in this announcement 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 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.