



27 November 2024

**Lynas Rare Earths Annual General Meeting 2024**  
**Address by John Humphrey, Chair**

I am delighted to address you today. This is my first address as Chair of the Lynas Rare Earths Board, although I have served on the Board as a Non-Executive Director since May 2017.

In the 2024 financial year, your company delivered a positive financial performance despite challenging external market conditions. This is a credit to the entire team and their focus on cost control and efficiency.

Significant progress was made on key growth initiatives during the year, positioning the company to benefit from future market improvements and deliver long term shareholder value.

Reflecting the challenging market conditions, sales revenue for the year was \$463.3m and the net profit after tax achieved was \$84.5m.

While NdPr production decreased by 8% year on year, this was due in large part to the 6-week temporary shutdown at Lynas Malaysia while capacity upgrade works were undertaken.

Pleasingly, total costs reduced by 17% year on year, demonstrating the company's strong financial discipline and steadfast focus on delivering process efficiencies and improved recoveries across all operations.

During the year, the average China domestic price of NdPr (VAT excluded) decreased from US\$60.4/kg in June 2023 to US\$44.0/kg in June 2024. There have been some positive movements in the NdPr market price in recent months, however, it is Lynas' view that prices are likely to remain volatile until there is a strengthening in the Chinese economy.

Turning to operations, the variation to the terms of the Malaysian operating licence announced in October 2023 was a significant achievement for Lynas. This variation has enabled the continuation of cracking and leaching in Malaysia and provides confidence for further investment.

This investment includes the capacity upgrade works completed at Lynas Malaysia in the December 2023 quarter. It also includes the reconfiguration of a circuit to deliver Malaysia's first production of two heavy rare earth products - Dysprosium and Terbium - in the 2025 calendar year.

In Western Australia, commissioning was completed for our new Kalgoorlie Rare Earths Processing Facility and production commenced in the June 2024 quarter.



This milestone was achieved as a result of excellent collaboration between our Australian and Malaysian teams. Pleasingly, we continue to have a number of our Malaysian experts working on site in Kalgoorlie to share their expertise.

The Mixed Rare Earth Carbonate produced in Kalgoorlie – we call it MREC – is shipped to Lynas Malaysia for further processing.

Recently, I was proud to join Amanda, our Kalgoorlie team, and the Australian Resources Minister, the Hon Madeleine King MP, to officially open our Kalgoorlie Rare Earths Processing Facility. Amanda will share some photos of the ceremony in the CEO presentation.

At Mt Weld, key achievements included the successful completion of the exploration drilling program. We also commenced a new mining program and completed construction for Stage 1 (concentrate dewatering) of the Mt Weld expansion project.

Stage 2, the balance of plant, is in progress and forecast to be complete by the end of FY25. It will be progressively commissioned.

Following year end, on 5 August 2024, the 2024 Mt Weld Mineral Resource and Ore Reserve update was released.

This update is the result of extensive drilling and resulted in a 92% increase in Mineral Resources and a 63% increase in Mt Weld Ore Reserves.

Importantly for shareholders, the updated Mineral Ore Reserve includes a 92% increase in contained Dysprosium. Dysprosium and Terbium are essential for high performance rare earth permanent magnets used in electric vehicles and essential for high-tech electronics.

Also at Mt Weld, in July this year contracts were signed with Zenith Energy for the supply of power from a gas-fired hybrid renewable power station.

The new power station will include wind, solar and battery storage and is a key initiative to reduce our Greenhouse Gas emissions intensity. Early works for the new power station commenced in FY24.

Once fully operational, the hybrid power station is forecast to reduce GHG emissions by approximately 60,000t of CO<sub>2</sub>-equivalent per year, compared to a diesel-only power station of equivalent size.



As you can see in the presentation, we have also installed a rooftop solar array at Lynas Malaysia to provide a renewable energy supply.

This summary of our key growth initiatives in FY24 demonstrates our commitment to growing our footprint and production capacity and making the most of the world-class Mt Weld resource.

Lynas holds an important position in global manufacturing supply chains as an ethical and responsible rare earths producer. We take this responsibility seriously.

This includes making a positive contribution to our communities through local employment and supplier opportunities and community volunteering and investment.

We are pleased to provide transparent reporting on Lynas' environmental, social and governance performance in the annual ESG report. The report is on our website at [lynasrareearths.com](https://lynasrareearths.com). If you haven't already read the report, I encourage you to do so and welcome your feedback.

From a capital management perspective, the Board continues to consider capital management plans, including the potential for a dividend.

To date, given the capital investment required for growth initiatives, the Board has decided that capital is best used for reinvestment in growth projects.

The Board is working to develop a dividend policy appropriate for a growth company like Lynas.

In terms of Board composition, the Board continues to plan for director succession and renewal. We expect to appoint one or two additional directors over the coming year. We will update you on this as appropriate.

In closing, on behalf of the Board, I would like to thank Amanda Lacaze and the executive team for their leadership this year. I also thank the entire Lynas team for their contributions to Lynas' success in 2024.

The Board would also like to thank our shareholders for your continued support.

I would now like to invite Amanda Lacaze to address the meeting.

- Ends -



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