

19 August 2020

Lynas Corporation Successfully Completes Placement and Institutional Entitlement Offer to raise approximately A\$311 million as part of A\$425 million Equity Raising

- **Placement and Institutional Entitlement Offer attracted significant demand from both eligible existing and eligible new institutional investors located in Australia and offshore**
- **Fully underwritten¹ Retail Entitlement Offer to raise a further ~A\$114 million opens on Monday, 24 August 2020 and is expected to close at 5.00pm (Sydney time) on Monday, 7 September 2020**
- **Offer proceeds will be used to fund the *Lynas 2025* foundation projects expected to be delivered in 2023**
- **Strengthened balance sheet delivers timely funding for *Lynas 2025* foundation projects during a critical transformation period and mitigates current global economic uncertainties due to COVID-19**

Lynas Corporation Limited (ASX:LYC) ("**Lynas**") is pleased to announce the successful completion of its institutional placement ("**Placement**") and the institutional component of its 1-for-7.7 fully underwritten² pro rata accelerated non-renounceable entitlement offer ("**Institutional Entitlement Offer**", and together with the Placement, the "**Institutional Offer**") of new ordinary shares in Lynas ("**New Shares**") as announced on Monday, 17 August 2020.

Lynas received significant demand during the Institutional Offer bookbuild from high-quality, eligible existing and new institutional investors located in Australia and offshore.

The Institutional Offer closed on Tuesday, 18 August 2020, raising approximately A\$311 million. The Offer Price was A\$2.30 per New Share.

Lynas Chief Executive Officer and Managing Director, Amanda Lacaze, said:

"We are delighted by the level of demand for the Institutional Offer from eligible existing and new institutional investors, both in Australia and overseas. This is a clear indication of institutional support for our Lynas 2025 growth vision and our strengthened balance sheet will enable Lynas to mitigate global economic uncertainties and continue to progress with our Lynas 2025 foundation projects.

"We look forward to the participation of our retail shareholders when the Retail Entitlement Offer opens on Monday, 24 August."

¹ Excluding the circumstances described in Footnote 1 on page 2 of LYC's investor presentation released to the ASX on 17 August 2020 ("**Investor Presentation**"). Refer to "Equity raising risk" in the Key Risks in the Investor Presentation for a description of the terms and conditions of the underwriting arrangements.

² Please refer to Footnote 1.

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Completion of the Institutional Offer

The Institutional Offer comprised the issue of 92 million New Shares under the Placement to raise approximately A\$212 million, and approximately 44 million New Shares under the Institutional Entitlement Offer to raise approximately A\$100 million.

The New Shares subscribed for under the Institutional Offer are expected to settle on Tuesday, 25 August 2020, with allotment and normal trading on the ASX to commence on Wednesday, 26 August 2020. New Shares issued under the Institutional Offer will rank equally with existing Lynas shares on issue.

New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible institutional shareholders were offered and placed to institutional investors.

Lynas expects the ASX to lift the trading halt and for Lynas' ordinary shares to recommence trading on the ASX on an ex-entitlement basis from market open today.

Proceeds of the Institutional Offer, in conjunction with the retail component of the entitlement offer ("**Retail Entitlement Offer**", together with the Institutional Offer, the "**Offer**"), will fund the *Lynas 2025* foundation projects expected to be delivered in 2023, being:

- The planned **Kalgoorlie Rare Earth Processing Facility** to produce mixed Rare Earths carbonate for shipment to the Lynas Malaysia Plant, and
- **Associated upgrades at the Lynas Malaysia Plant.**

In addition to providing timely funding for the *Lynas 2025* foundation projects during this critical transformation period, the Offer proceeds mitigate the potential effects of current global economic uncertainties due to the COVID-19 pandemic.

As announced previously, Canaccord Genuity and Merrill Lynch Equities (Australia) Limited are acting as joint lead managers, underwriters and bookrunners to the Offer. Ord Minnett is acting as co-lead manager to the Offer.

Retail Entitlement Offer to commence Monday 24 August 2020

The Retail Entitlement Offer is expected to open on Monday, 24 August 2020 and close at 5.00pm on Monday, 7 September 2020 (unless extended).

Eligible retail shareholders with a registered address in Australia or New Zealand, as at 7.00pm (Sydney time) on Wednesday, 19 August 2020 ("**Record Date**") ("**Eligible Retail Shareholders**") will be invited to participate in the Retail Entitlement Offer at the Offer Price. Eligible Retail Shareholders will be able to subscribe for one New Share for every 7.7 Lynas shares held as at the Record Date. Eligible Retail Shareholders who take up their full retail entitlement will also be invited to subscribe for shares over and above their entitlement, up to a maximum of 50% above their entitlement, subject to the overall level of participation in the Retail Entitlement Offer and at the discretion of Lynas' Board of Directors.

Further information will be sent to Eligible Retail Shareholders in a booklet ("**Retail Offer Booklet**") expected to be lodged with the ASX and dispatched on or around Monday, 24 August 2020.

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In deciding whether to participate in the Retail Entitlement Offer, Eligible Retail Shareholders should carefully read the Retail Offer Booklet that is expected to be dispatched on 24 August 2020. The Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form will contain instructions on how to apply for the Retail Entitlement Offer. The Entitlement and Acceptance Forms and payments under the Retail Entitlement Offer must be received by no later than 5.00pm (Sydney time) on Monday, 7 September 2020.

Further Information

Further details of the Offer are set out in the Investor Presentation lodged on the ASX on 17 August 2020. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Offer. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

If you have any questions in relation to the Retail Entitlement Offer, please contact the Lynas Corporation Limited Entitlement Offer Information Line on 1300 655 683 (within Australia) or +61 2 9290 9685 (outside of Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday, between Monday, 24 August 2020 and Monday, 7 September 2020.

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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:
Andrew Arnold
Company Secretary

This announcement is not financial product, legal, tax or investment advice and has not taken into account your objectives, financial situation or needs.

This announcement contains certain “forward-looking statements”, which can generally be identified by the use of words such as “will”, “may”, “could”, “likely”, “ongoing”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “forecast”, “goal”, “objective”, “aim”, “seek” and other words and terms of similar meaning or by using future dates in connection with any discussion of, among other things, expectations regarding the completion of the Offer and the use of proceeds. Lynas cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. See the Investor Presentation for a description of key risks with respect to the Offer. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on forward-looking statements.

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