

Lynas Rare Earths 2023 AGM report

ASX code	LYC
Meeting date	Wednesday, 29 November 2023
Type of meeting	Hybrid (webcast)
Monitor	Keith Mellis and Julieanne Mills
Pre AGM-meeting	Online meeting with Chair Kathleen Conlon and Chair elect John Humphrey

Meeting Statistics

Number of holdings represented by ASA	111
Number of shares represented by ASA	916,629
Value of shares represented by ASA	\$6.07m
Total number attending meeting	71 attendees in person and 112 online.
Market capitalisation	\$5.98 billion
ASA open proxies voted	ASA voted in favour of all the resolutions except the Remuneration Report.

A generally friendly AGM for Lynas.

This was the last AGM for the Chair Kathleen Conlon who retired at the end of the meeting after 12 years at Lynas. Kathleen was responsible for appointing Amanda Lacaze as the CEO. A successful team, building Lynas into a successful rare earths company, the largest supplier of rare earths outside of China. NED John Humphrey, who addressed shareholders at the end of the meeting, has replaced Kathleen as Chair and a couple of new directors are to join in the new year. NED John Beevers attended the meeting on-line.

There was little new information in their addresses. Kathleen stuck to the script, talking about how proud she was of their ethical and responsible supply of rare earths, the growth market and changes in demand for their products due to the rise in demand for EVs and iPhones. She pointed out the strong balance sheet, positive cash position, capital for growth, but also acknowledged that the board will now consider a dividend policy.

Chairman's address and CEO presentation can be found here.

<https://lynasrareearths.com/investors-media/asx-announcements/>

CEO Amanda Lacaze went off script with an upbeat engaging review of the year. She gave credit to her team and the record production achieved from Jan to June in Malaysia and Mt Weld. The focus on world best practice and achievement of extension of the license to 2026 was also referred to. Amanda explained that the licence extension required Lynas to commit 1% of revenue to R & D in Malaysia. A video of Lynas's 10 years in Malaysia and its future as an industry partner to Malaysia's net zero technology industry was screened.

The CEO talked about growth in the market with increasing demand for EVs and the catalytic use of their products. The cost benefits of Malaysia now that Lynas has the license to continue all processing will give greater flexibility across the two processing plants. The capacity of 16,000tpa across Malaysia and Kalgoorlie will be managed for cost outcomes. They have a production target of 10,500tpa minimum for

2024 and they believe there is significantly more demand than they can supply. Much will depend on price and she was not prepared to speculate on that.

Amongst issues raised on-line and in person were:

- The Kalgoorlie plant delay and cost over-run. No start-up date was given but Amanda's response was the kiln is on, the refractory cured, but they are still waiting on a gas inspector sign off.
- So-called news that third-party RE stockpiles were available. Amanda advised that they were happy to take them for processing but so far had received nothing.
- China competition and critical mass. Amanda stated that normal rules of supply and demand have not been operating in the market in recent years. She went on to iterate the need for a cohesive industry outside of China, not just individual RE entities, and that size was therefore very important.
- Water and chemical treatment. The Chief Operating Officer reviewed Lynas activity in this regard.

Directors up for election spoke to the meeting. Dr Guthrie confirmed her commitment, time and energy for the role and ASA voted in favour of this resolution.

The recorded proxy position was shown before each vote.

The ASA voted against the remuneration report on the basis of the large jump in maximum remuneration, the lack of transparency with short-term incentive hurdles and the non-disclosure of actual CEO remuneration.

All resolutions passed with more than 94% support.

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