

QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2025

21 January 2026

HIGHLIGHTS

	Q2 FY25	Q1 FY26	Q2 FY26
• Quarterly gross sales revenue:	A\$141.2m	A\$200.2m	A\$201.9m
• Sales receipts:	A\$145.9m	A\$171.3m	A\$185.0m
• Closing cash and short term deposits:	A\$308.3m	A\$1,060.0m	A\$1,030.9m
• Total REO production:	2,617t	3,993t	2,382t
○ NdPr production:	1,292t	2,003t	1,404t
• Cash payments for CAPEX, exploration and development	A\$140.9m	A\$65.7m	A\$45.2m

CEO REVIEW

As foreshadowed in our announcement of 25 November 2025, December quarterly production of NdPr, at 1,404 tonnes, was approximately 30% lower than in the previous quarter. This reflected the effect of significant power supply disruptions in Kalgoorlie during early November, coupled with major planned maintenance in Kuantan.

DyTb production at 26 tonnes included consumption of all work in progress (WIP) from the prior quarter alongside new production from the December quarter.

The average selling price across all rare earth products during the period was A\$85.60/kg. This reflects increased benchmark pricing and an increasing share of sales at prices independent of the market index. The positive market sentiment seen in the December quarter has continued into January 2026.

Invoiced revenue was slightly ahead of the previous quarter and 43% ahead of the prior corresponding period. This reflected improved pricing for NdPr and some drawdown of inventory. Revenue was further supported by new contracts leveraging DyTb which are being signed progressively.

The kiln maintenance at Lynas Malaysia was completed safely and Cracking and Leaching restarted in January 2026. Kalgoorlie power has also stabilised following works undertaken by the electricity provider. Notwithstanding the short-term improvement, we are continuing to develop plans for an off grid solution to ensure energy stability for the Kalgoorlie Facility.

During the quarter, commissioning of the Mt Weld expansion project was completed. The new flotation circuit has ramped up to 70% of nameplate. The 4 wind turbines, which are part of the off-grid Mt Weld hybrid renewable power station, were successfully commissioned and we are proud that December electricity production achieved 92% renewable content, well above the targeted 70% renewable content.

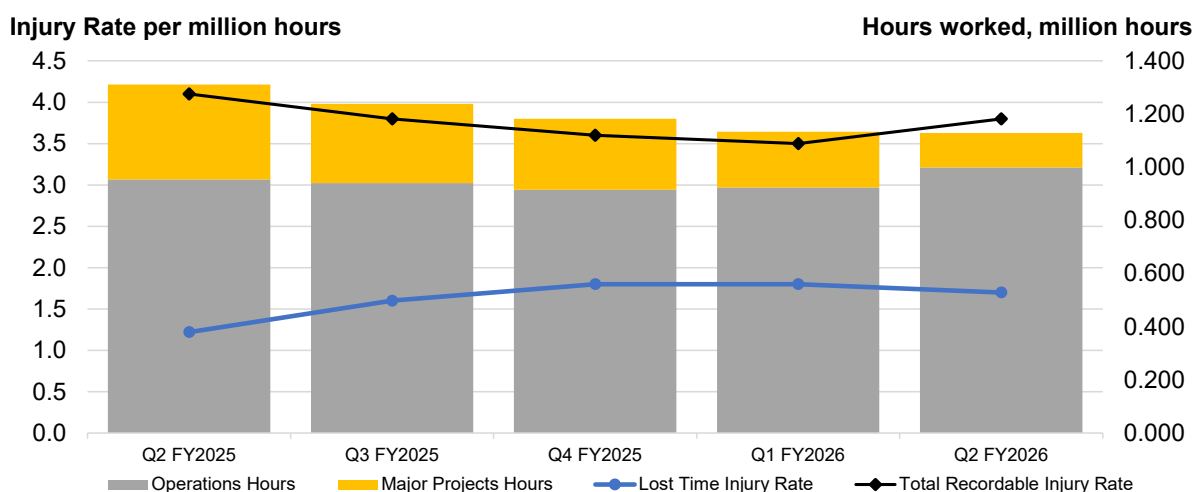
As part of the *Towards 2030* growth strategy, on 29 October 2025, we announced plans for an expanded Heavy Rare Earths (HRE) separation circuit at Lynas Malaysia. Work has commenced on this project during the December 2025 quarter. Activities include modifications to current circuits to enable production of Samarium, with first production forecast for Q4 FY26, and detailed engineering for the full HRE separation facility.

As shareholders will be aware from the announcement released on 13 January 2026, I have advised the Board of my intention to retire from my position as CEO and Managing Director at the end of the current financial year. I have been privileged to lead this company for the past 12 years and believe this is the right time to make the transition. I remain fully committed to my role, to continuing to deliver value for shareholders, and working to ensure a smooth transition.

SAFETY

Lynas is committed to ensuring the Company's operations and projects around the world are consistent with national and international safety and sustainability best practice.

The Company-wide 12-month rolling Lost Time Injury Rate, as at the end of December 2025, was 1.7 per million hours worked while Total Recordable Injury Rate was 3.8 per million hours for the same period.



At Lynas we are proud of our compliance with local laws and regulations and adoption of international best practices. Information concerning the Company's safety programs is available at www.LynasRareEarths.com.

SALES & MARKET DEVELOPMENT

	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Sales Volume REOt	2,871	2,434	2,828	3,691	2,359
Gross Sales Revenue ¹	A\$141.2m	A\$123.0m	A\$170.2m	A\$200.2m	A\$201.9m
Average Selling Price ²	A\$49.2/kg	A\$50.5/kg	A\$60.2/kg	A\$54.3/kg	A\$85.6/kg
Sales Receipts (cash)	A\$145.9m	A\$124.6m	A\$152.7m	A\$171.3m	A\$185.0m

¹ Gross sales revenue excludes any other income / expenses from price adjustments on quotational sales

² Average selling price across all rare earth products excludes price adjustments

Note: Sales information in this report is provided on an unaudited basis

The December quarter sales volume delivered a higher proportion of NdPr sales than in the prior quarter. This was enabled by the strong NdPr production outcome in the September 2025 quarter and reflected increased demand from key strategic customers from both existing supply chains and new supply chains developed due to the growth of the outside China industry.

The average selling price across all rare earth products during the period was A\$85.60/kg. This increased average selling price reflects increased benchmark pricing and an increasing share of sales at prices independent of the market index. The positive market sentiment seen in the December quarter has continued into January 2026.

The initiatives to improve pricing include improving the product mix with higher sales volumes of Dysprosium (Dy) and Terbium (Tb) and further developing new supply chains with a focus on pricing agreements independent of the market index.

Sales revenue of A\$201.9m and sales receipts of A\$185.0m were generated. Lynas achieved sales revenue growth of 43% compared to the prior corresponding quarter (December quarter (Q2) FY25).

Market conditions are gradually improving. The relaxation of the China magnet export controls during the prior quarter translated to increased demand for NdPr from China magnet makers, accompanied by an increase in the market price from October through to December. The market effects from the recent announcement by China of further restrictions on supply to Japan are not yet clear. We remain in close contact with our Japanese customers to mitigate any negative effects.

Lynas is uniquely positioned to operate effectively in the evolving market environment as the only commercial producer of light and heavy rare earth oxides outside of China. Lynas continues to experience increased demand from direct end customers and new metal and magnet maker projects. In line with the *Towards 2030* growth strategy announced in August 2025, Lynas continues to develop partnerships with metal and magnet makers to expand the outside China metal and magnet supply chain.

Discussions continued during the quarter with multiple U.S. rare earth buyers, including major defence and automotive OEMs as well as new metal and magnet projects. Ongoing disruption of U.S. domestic supply chains, especially for dual use rare earth materials, remains a key concern for U.S. buyers.

OPERATIONS

Upstream

The high efficiency of mining operations during the quarter meant that ore requirements were delivered ahead of schedule.

The Mt Weld hybrid renewable power station's 4 wind turbines have all been operational since November. This has contributed to excellent energy generation performance and in December, 92% of electricity produced by the power station was from renewable sources.

Downstream

	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Ready for Sale Production Volume Total REO	2,617t	1,911t	3,212t	3,993t	2,382
Ready for Sale Production Volume NdPr	1,292t	1,509t	2,080t	2,003t	1,404t
Ready for Sale Production Volume Dy & Tb	-	-	-	9t	26t

As disclosed on 25 November 2025, Lynas Malaysia undertook major maintenance work in the Cracking & Leaching section during the December quarter. This reduced Lynas Malaysia's cracking and leaching capacity during the quarter. This major maintenance work involved over 30 subcontracting companies and was executed to schedule and without any safety incident. Lynas Malaysia Cracking and Leaching was successfully restarted in early January 2026 and the team is focused on maximising production volumes.

The remaining Lynas Malaysia production was reliant on Kalgoorlie MREC feedstock. As disclosed on 25 November 2025, the Kalgoorlie Rare Earths Processing Facility was affected by significant power disruptions during 2025 with an increase in outage frequency and duration during November 2025. This led to lost production during November, which significantly reduced the ability to feed Malaysian production in December. Following engagement with our electricity provider and consequential remediation works, electricity supply stabilised from December onwards. Lynas continues to work on off-grid solutions to ensure energy stability.

Production of Heavy Rare Earths, Dy and Tb, reached a satisfactory 26 tonnes during the quarter reflecting drawdown of all WIP generated in the September quarter (Q1 FY26).

LYNAS GROWTH PROJECTS

Mt Weld expansion project

Commissioning of all parts of the Mt Weld expansion project was completed in the December quarter, and the flotation process was running steadily at 70% of design capacity in December. The focus has now turned to optimising production costs and recoveries.

Expanded HRE processing facility at Lynas Malaysia

The first modifications have been executed for the Heavy Rare Earths (HRE) expansion at Lynas Malaysia and first production of Samarium is forecast in Q4 2026.

Detailed engineering for the full HRE separation facility is progressing well and major equipment will be purchased before the end of the March 2026 quarter.

United States

Lynas has an expenditure-based contract with the U.S. Department of War (DoW) for the construction of a Heavy Rare Earths processing facility at Seadrift, Texas. As previously advised, significant uncertainty remains as to whether the construction of the Heavy Rare Earth processing facility at Seadrift, Texas will proceed and, if so, in what form.

Negotiations continued with the U.S. DoW to agree terms for a mutually acceptable offtake agreement for production from Lynas' operating assets.

FINANCE

Cash Position

A summarised cash flow for the quarter ended 31 December 2025 is set out below.

CASH FLOW	A\$ million	A\$ million
	Dec 25 quarter ¹	FY26 YTD ¹
Cash Inflows		
Receipts from customers	185.0	356.3
Net proceeds from issue of shares	(1.1)	913.7
Net interest received	7.6	14.1
Cash Outflows		
Payment for production, administration and royalty costs	(140.1)	(255.6)
Payments for capex, exploration and development ²	(45.2)	(110.9)
Payment for income taxes	(4.4)	(8.3)
Payments of borrowings	(14.9)	(14.9)
Payments for extinguishment of rehabilitation liability	(10.6)	(15.5)
Net exchange rate adjustment	(5.4)	(14.5)
OPENING CASH AND SHORT TERM DEPOSITS	1060.0	166.5
CLOSING CASH AND SHORT TERM DEPOSITS	1030.9	1030.9

(1) Financial information in this report is provided on an unaudited basis.

(2) Primarily related to continuing investment in Lynas growth projects.

CORPORATE

Following the conclusion of the quarter, on 13 January 2026, Lynas announced that Chief Executive Officer and Managing Director Amanda Lacaze had advised the Board of her intention to retire after 12 years in the role. The Board has initiated a search process to select a new CEO to lead the company through its next stage of growth. This process will consider both internal and external candidates. Ms Lacaze intends to remain with the company until the end of the current financial year to enable a smooth transition.

Authorised by:
John Humphrey
Chair