



PRESS STATEMENT

MINISTER OF SCIENCE, TECHNOLOGY AND INNOVATION

LYNAS LICENSE RENEWAL – NO MORE RADIOACTIVE WASTE CAN BE PRODUCED BY LYNAS IN MALAYSIA

On May 17, 2022, Lynas submitted an application to the Department of Atomic Energy (JTA) and the Minister of Science, Technology and Innovation (then) to remove four (4) conditions from the LPTA/A/1333 license related to the management of Water Leach Purification (WLP) residue and cracking and leaching (C&L) activities at the Lynas Advanced Materials Plant (LAMP).

In addition, on October 26, 2022, Lynas submitted a license renewal application that is due to expire on March 2, 2023 to the JTA.

These applications were brought for consideration by the Atomic Energy Licensing Board (AELB) in several meetings that have been held. Accordingly, on February 13, 2023, the AELB officially notified Lynas Sdn Bhd of the decision on the application. During the board meeting that was held on January 19, 2023:

1. AELB has rejected Lynas' application to remove four (4) license conditions related to the management of WLP residue after July 2023, C&L activities at LAMP, and the importation of lanthanide concentrates from Australia;
2. AELB has approved the renewal of Lynas' license for a period of three (3) years, starting from March 3, 2023, until March 2, 2026.

Therefore, all license conditions that have been decided before on March 3, 2020, until March 2, 2023, must continue to be complied with by Lynas.

Since operating in Malaysia in 2012, Lynas has produced approximately 1.08 million metric tons of radioactive waste (WLP residue). This amount of waste is expected to reach 1.2 million metric tons by July 2023.

The Unity Government is committed to creating a business-friendly environment and understands the importance of the rare earth industry. However, no party has the right to continuously produce radioactive waste in our homeland.

Therefore, following the three years license extension, Lynas must comply with the conditions imposed since March 2020 so that C&L activities that produce radioactive waste will be conducted in Australia and no C&L activities will be carried out at LAMP in Gebeng, Pahang after July 2023. Other activities that do not involve the production of radioactive waste are allowed to continue operating.

In other words, there will be no additional radioactive waste produced by Lynas after July 2023.

YB CHANG LIH KANG

Minister of Science, Technology and Innovation

February 15, 2023

BACKGROUND

Lynas Malaysia Sdn. Bhd. is a company owned by Lynas Corporation Ltd., Australia (Lynas Australia). The company has a valid operating license for three years from 3 March 2020 to 2 March 2023 under the Atomic Energy Licensing Act 1984 [Act 304]. Lynas Advanced Materials Plant (LAMP) is a chemical plant operated by Lynas Malaysia.

As of 31 December 2022, the LAMP operation in Gebeng, Pahang has processed approximately 0.698 million metric tons of rare earth concentrate imported from Mount Weld, Australia, and the processing of the rare earth concentrate has resulted in approximately 1.08 million metric tons of Water Leached Purification (WLP) residue. Processing rare earth concentrate involves mixing various chemicals such as acids to produce rare earth elements and residues.

The WLP generated from LAMP's processing is temporarily stored at the Residue Storage Facility (RSF) located on the plant premises. The WLP residue stored at the RSF is expected to be relocated from February 2023 to the Permanent Disposal Facility (PDF) located nearby the plant premises.

Based on the licensing conditions imposed on March 3, 2020 regarding the operation of the Cracking and Leaching (C&L) plant outside of the country, a verification visit to the construction of the Kalgoorlie-Boulder C&L plant was conducted on December 20, 2022. The visit confirmed that the construction of the C&L plant is at the 70 to 80% completion and is expected to be operational by July 2023.

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