



# First Quarter 2022 Results

# Safe Harbor

This presentation contains certain statements that are not historical facts and are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “will,” “target,” or similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the market for rare earth materials, future demand for electric vehicles and magnets, estimates and forecasts of our results of operations and other financial and performance metrics, and the Company’s Stage II and Stage III projects. Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect the Company’s future financial results and business.

Accordingly, the Company cautions that the forward-looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political and legal conditions; changes in demand for NdFeB magnets; the effects of competition on the Company’s future business; risks related to the rollout of the Company’s business strategy, including Stage II and Stage III, and the timing of achieving expected business milestones; risks related to the Company’s long-term agreement with General Motors, including the Company’s ability to produce and supply NdFeB magnets; the impact of the global COVID-19 pandemic, on any of the foregoing risks; and those risk factors discussed in the Company’s filings with the Securities and Exchange Commission, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed by the Company with the Securities and Exchange Commission. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. The Company does not intend to update publicly any forward-looking statements except as required by law. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation may not occur.

# Use of Non-GAAP Financial Measures

This presentation references certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted EPS, Total Value Realized, Production Costs, Free Cash Flow, Normalized Stage I Free Cash Flow, and Adjusted Operating Cash Flow, which have not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP").

We define Adjusted EBITDA as our GAAP net income before interest expense, net; income tax expense or benefit; and depreciation, depletion and amortization; further adjusted to eliminate the impact of stock-based compensation expense; transaction-related, start-up and other non-recurring costs; accretion of asset retirement and environmental obligations; gain or loss on sale or disposal of long-lived assets; tariff rebates; and other income or loss, net. We define Adjusted EBITDA Margin as our Adjusted EBITDA divided by our total revenue adjusted for the impact of tariff rebates related to prior period sales. Adjusted Net Income is defined as our GAAP net income excluding the impact of depletion; stock-based compensation expense; transaction-related, start-up and other non-recurring costs; gain or loss on sale or disposal of long-lived assets; tariff rebates; and other income or loss, net; adjusted to give effect to the income tax impact of such adjustments. Adjusted Diluted EPS is defined as GAAP diluted earnings per share ("EPS") excluding the per share impact, using GAAP diluted weighted-average shares outstanding as the denominator, of depletion; stock-based compensation expense; transaction-related, start-up and other non-recurring costs; gain or loss on sale or disposal of long-lived assets; tariff rebates; and other income or loss, net; adjusted to give effect to the income tax impact of such adjustments. Total Value Realized, which we use to calculate realized price per REO MT, is defined as our product sales adjusted for the revenue impact of tariff rebates related to prior period sales. Realized price per REO MT is calculated as the quotient of: (i) our Total Value Realized for a given period and (ii) our REO sales volume for the same period. Production Costs, which we use to calculate production cost per REO MT, is defined as our cost of sales (excluding depreciation, depletion and amortization), less stock-based compensation expense included in cost of sales, shipping and freight costs, and costs attributable to certain other sales, for a given period. Production cost per REO MT is calculated as the quotient of: (i) our Production Costs for a given period and (ii) our REO sales volume for the same period. We define Free Cash Flow as net cash provided by operating activities less additions of property, plant and equipment, net of proceeds received from government awards used for construction. Normalized Stage I Free Cash Flow is defined as Free Cash Flow plus (i) the non-cash portion of revenue from sales to Shenghe (i.e., Offtake Paydown), (ii) growth capital expenditures, and (iii) expenditures for transaction-related, start-up and other non-recurring costs. We define Adjusted Operating Cash Flow as net cash provided by operating activities plus the non-cash portion of revenue from sales to Shenghe. You can find the reconciliation of these measures to the most directly comparable GAAP measures in the Appendix.

MP Materials' management uses Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Diluted EPS to compare MP Materials' performance to that of prior periods for trend analyses and for budgeting and planning purposes. MP Materials believes Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Diluted EPS provide useful information to management and investors regarding certain financial and business trends relating to MP Materials' financial condition and results of operations. MP Materials believes that the use of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Diluted EPS provide an additional tool for investors to use in evaluating projected operating results and trends. MP Materials believes realized price per REO MT, which utilizes the non-GAAP financial measure, Total Value Realized, is an important measure of the market price of the Company's product. Furthermore, MP Materials believes production cost per REO MT sold, which utilizes the non-GAAP financial measure, Production Costs, is a key indicator of the Company's production efficiency. We believe Free Cash Flow, Normalized Stage I Free Cash Flow, and Adjusted Operating Cash Flow, are useful for comparing our ability to generate cash with that of our peers. Free Cash Flow is not meant to be considered in isolation or as an alternative to cash flows from operating activities and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. MP Materials' method of determining these non-GAAP measures may be different from other companies' methods and, therefore, may not be comparable to those used by other companies and MP Materials does not recommend the sole use of these non-GAAP measures to assess its financial performance. Management does not consider non-GAAP measures in isolation or as an alternative or to be superior to financial measures determined in accordance with GAAP. The principal limitation of non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in MP Materials' financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures.

# First quarter highlights

- **Growth in production and sales volumes of 10% and 20% YoY, respectively**
- **Higher realized prices and cost discipline resulted in record financial performance**
  - Revenues up 177% YoY to \$166.3M
  - Adjusted EBITDA<sup>1</sup> up 301% YoY to \$132.3M
  - Adjusted EBITDA Margin<sup>1</sup> up +23pts YoY to 80%
  - Adjusted Diluted EPS<sup>1</sup> increased 285% YoY to \$0.50 per share
- **Significant cash generated from operations while investing in transformational growth**
  - \$133.1M in Normalized Stage I Free Cash Flow<sup>1</sup>
  - \$71.2M in Free Cash Flow<sup>1</sup> after \$49.8M of capital expenditures<sup>2</sup> and \$13.6M for offtake paydown
- **Parallel progress on downstream expansion continued**
  - Stage II construction ramping and on track
  - Groundbreaking and commencement of construction of initial Stage III facility



1. See the "Use of Non-GAAP Financial Measures" slide for the definitions of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Diluted EPS, Normalized Stage I Free Cash Flow, and Free Cash Flow, which are non-GAAP financial measures. In addition, see Appendix for reconciliations of non-GAAP financial measures to their most directly comparable U.S. GAAP financial measure.

2. \$54.9 million of gross additions to PP&E offset by \$5.1 million of government funding in the quarter.



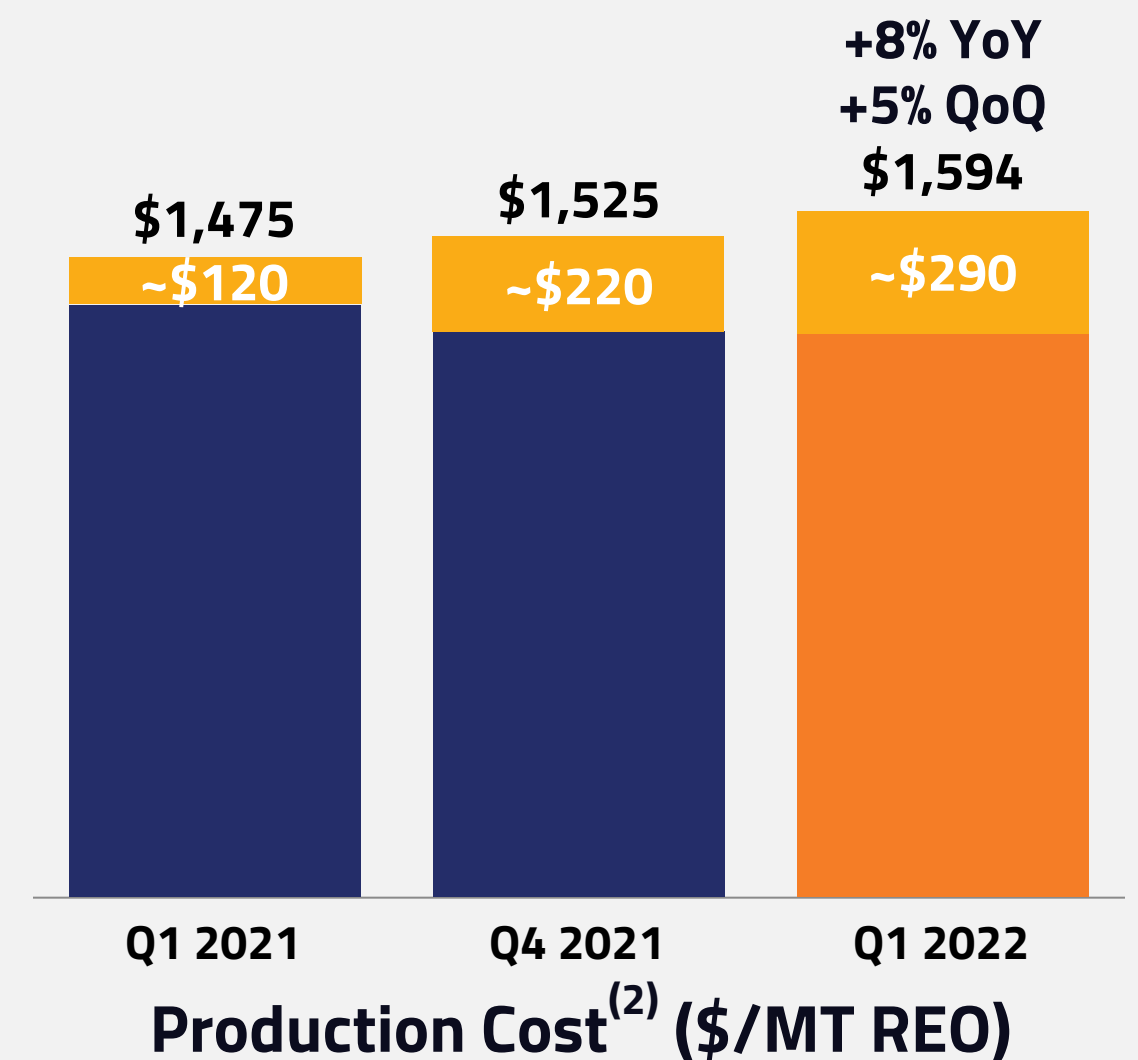
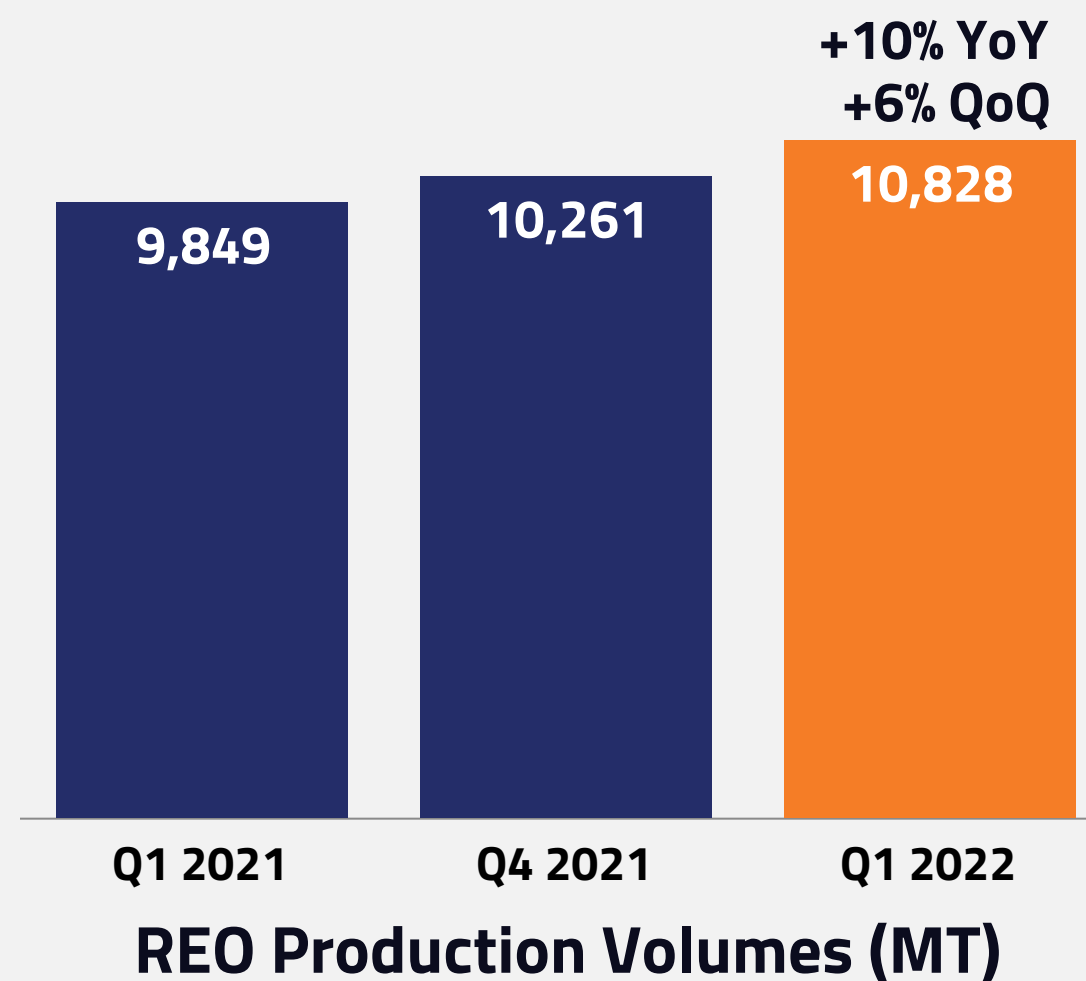
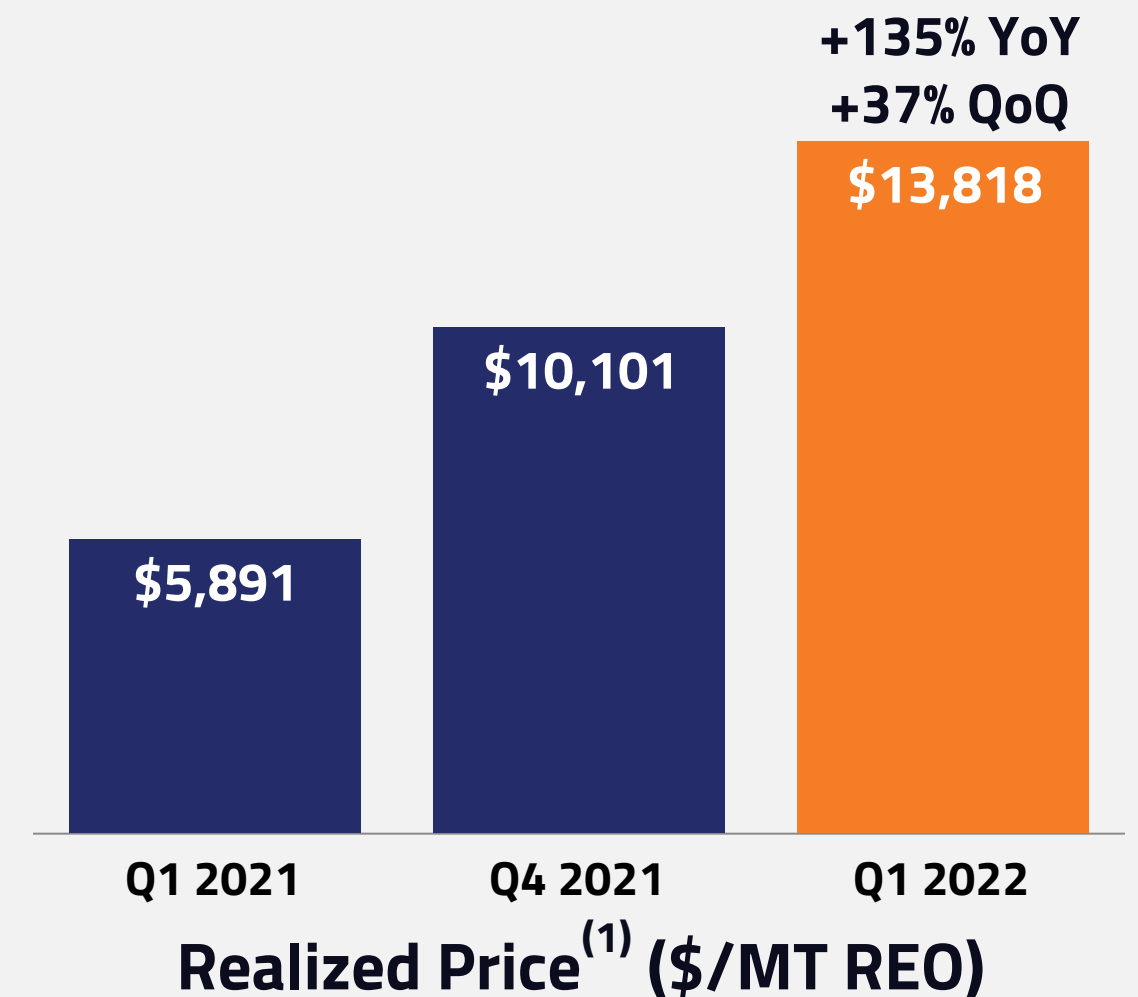
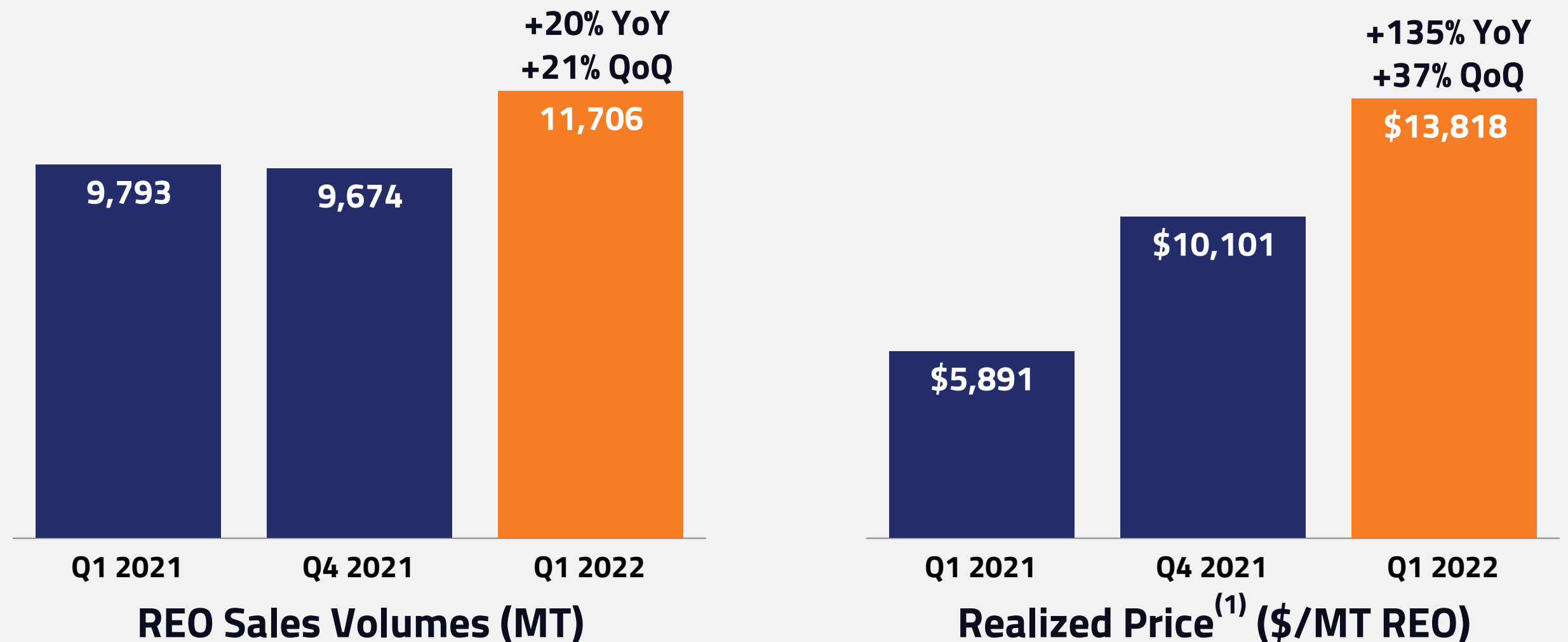
# Operations and Financial Overview

# Continued operational execution

■ 2021 ■ 2022  
 ■ Stage II Related

- YoY production growth driven by higher feed rates and recoveries; QoQ comparison impacted by planned Q4 maintenance turnaround
- Sales volumes remain robust with timing of shipments driving sales in excess of production
- Realized pricing driven by strong demand for NdPr in concentrate
- Tight cost control with reported growth in production costs driven by advanced Stage II hiring and recommissioning of combined heat and power plant

## Comparable Operational Metrics—Sequential and Year-over-Year



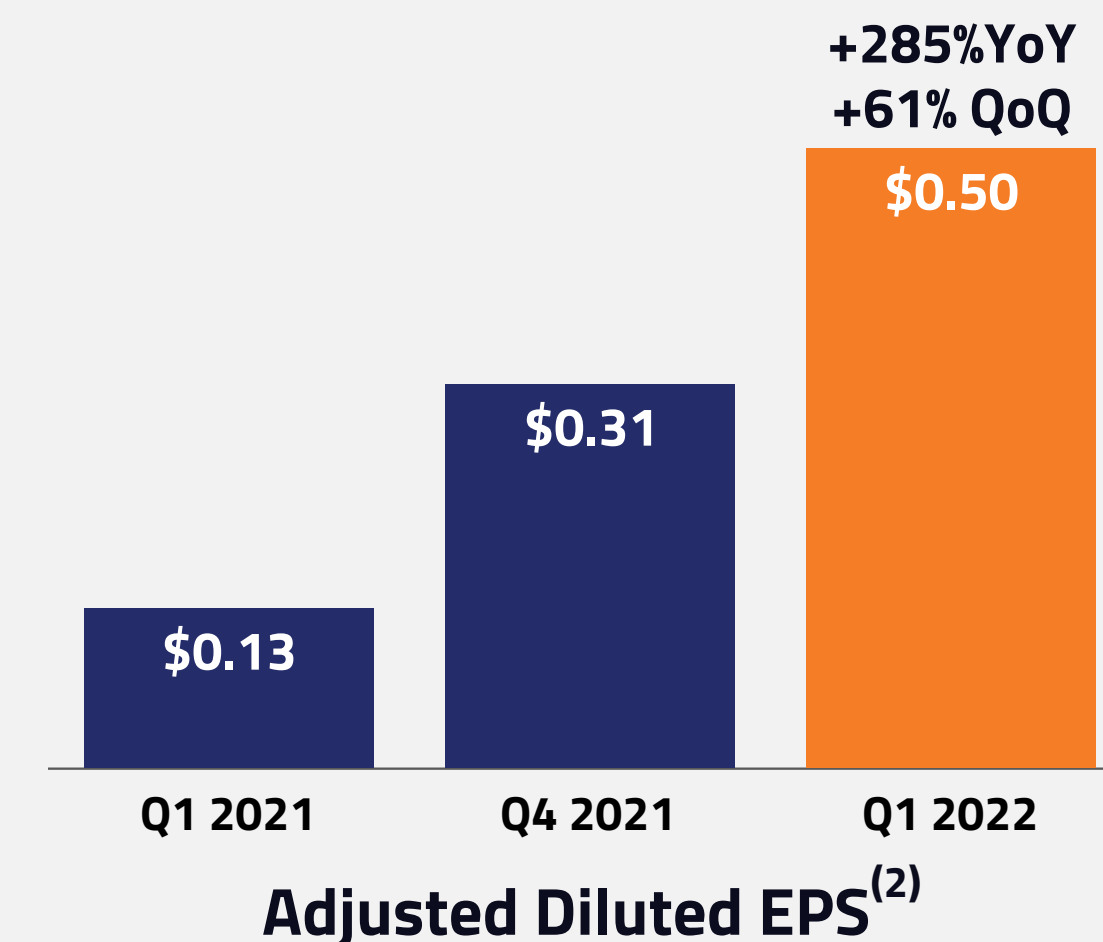
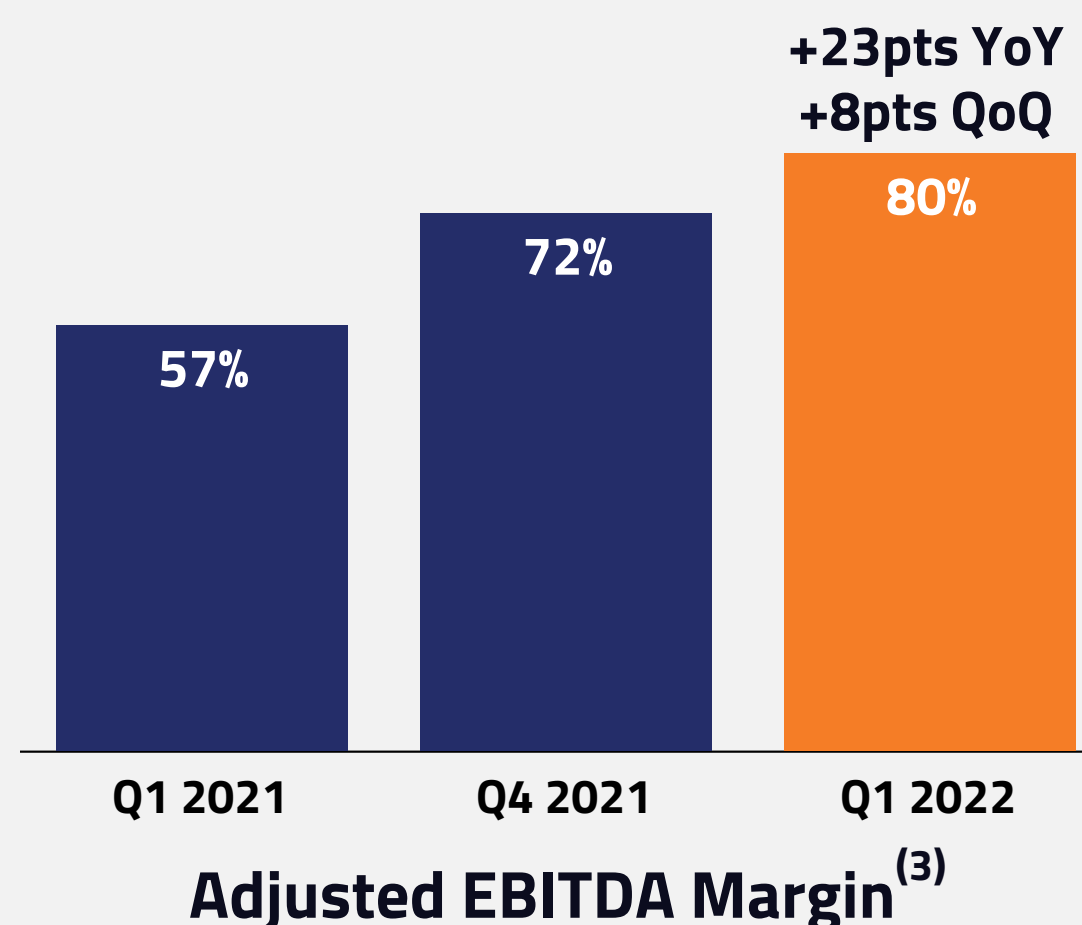
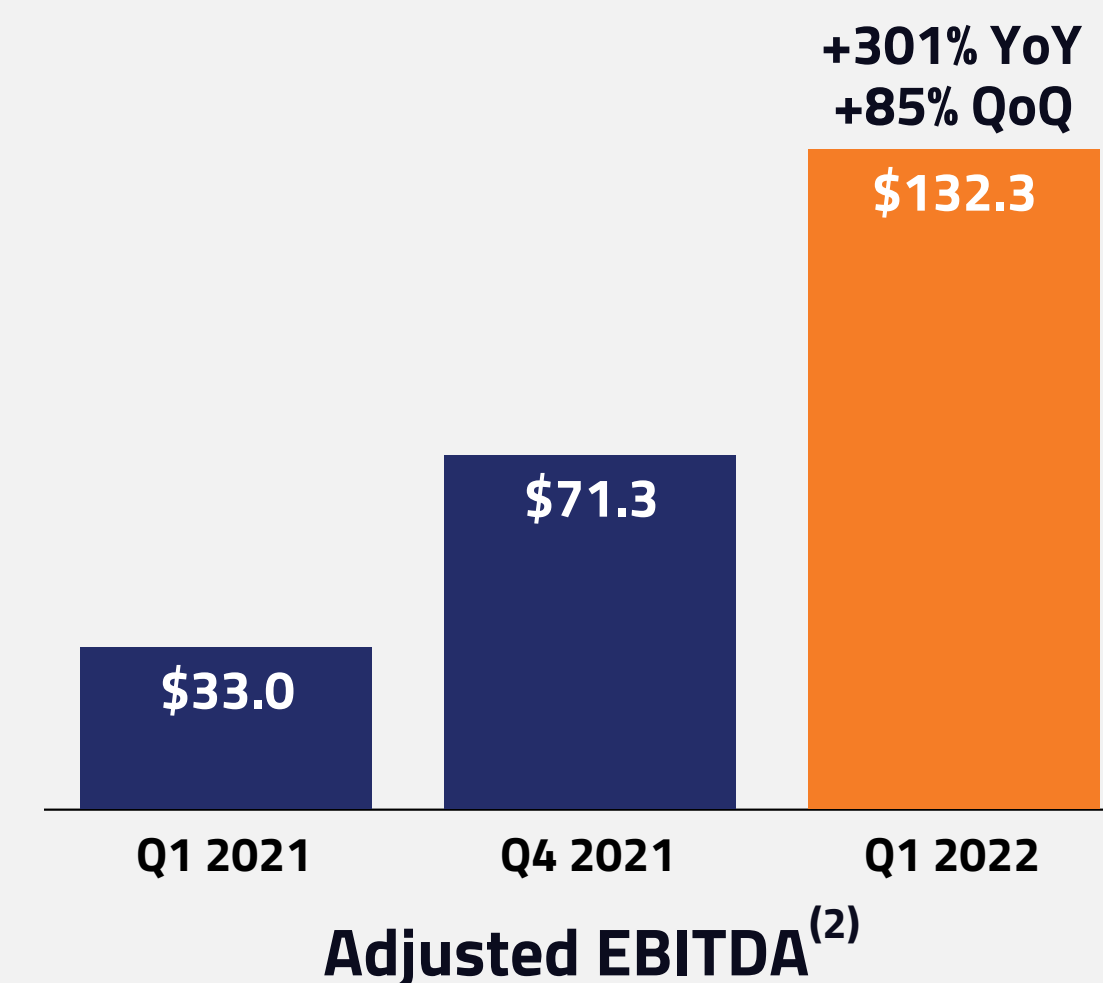
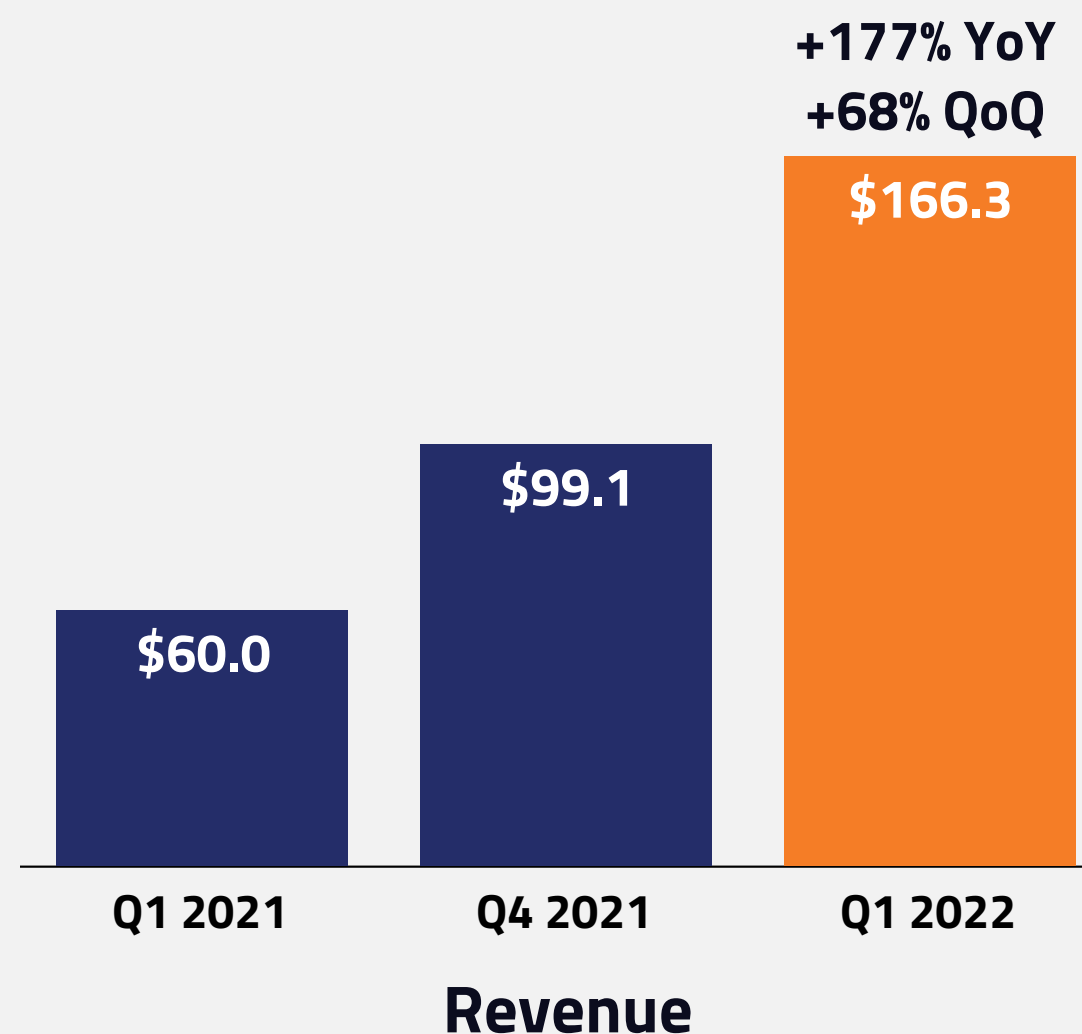
1. See Appendix for calculation of realized price per REO MT, which includes the non-GAAP financial measure, Total Value Realized. See Appendix for a reconciliation of Total Value Realized (non-GAAP) to Product sales (GAAP).  
 2. See Appendix for calculation of production cost per REO MT, which includes the non-GAAP financial measure, Production Costs. See Appendix for a reconciliation of Production Costs (non-GAAP) to Cost of sales (GAAP).

# Rapid revenue & earnings growth

■ 2021 ■ 2022

- Revenue growth driven by strong sales volumes and higher realized pricing
- Adjusted EBITDA growth driven by higher profit per metric ton of REO
- Margin growth demonstrates the leverage in the business model driven by increasing demand - and price - of NdPr

## Comparable Financial Metrics—Sequential and Year-over-Year<sup>(1)</sup>

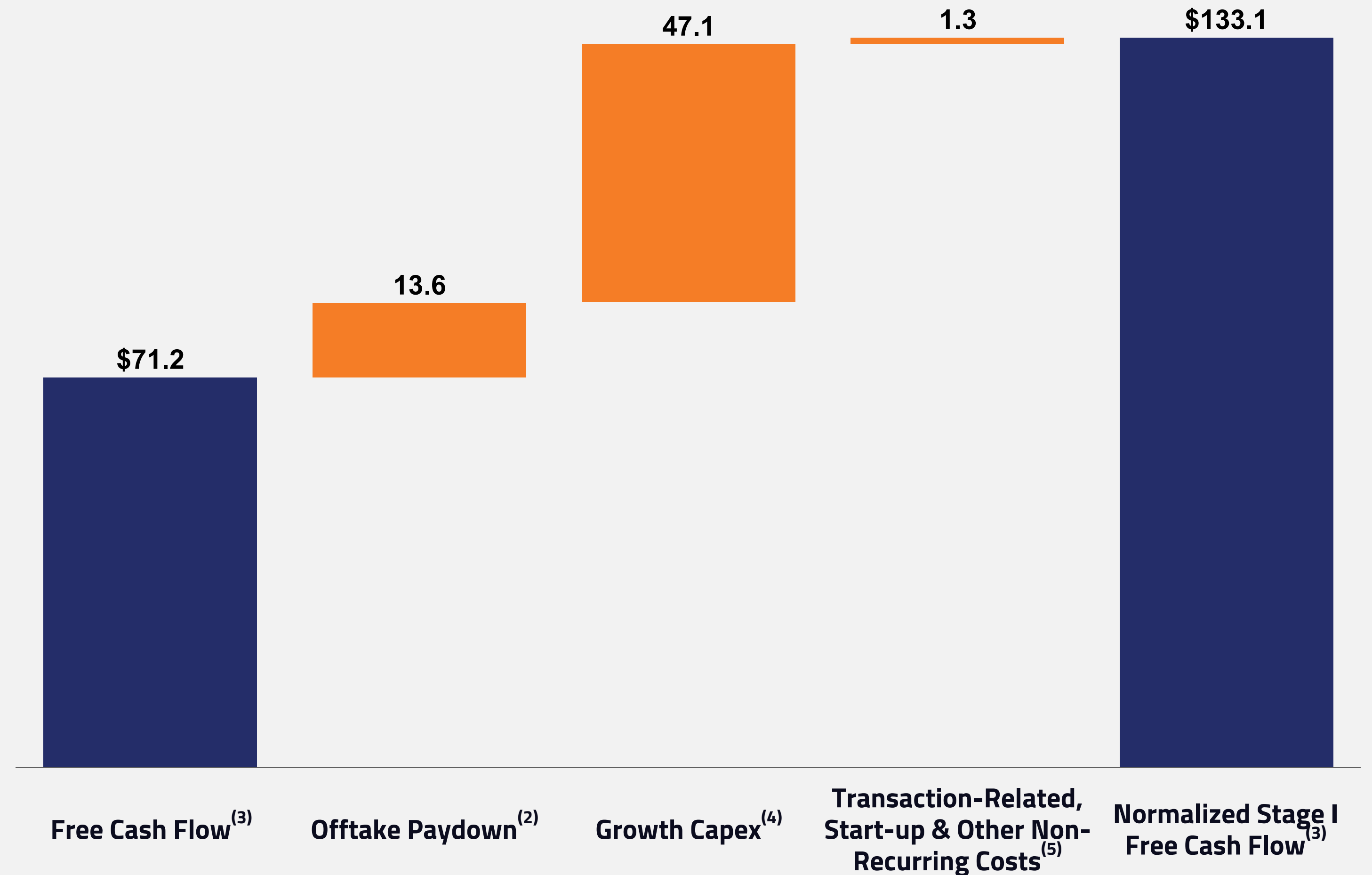


1. All figures in millions except for margins and per share amounts  
 2. See Appendix for reconciliation of Adjusted EBITDA and Adjusted Diluted EPS to the most directly comparable financial measure prepared in accordance with U.S. GAAP  
 3. Adjusted EBITDA Margin, which is a non-GAAP financial measure, is calculated as our Adjusted EBITDA divided by our total revenue adjusted for the impact of tariff rebates related to prior period sales.

## YTD 2022 Reported Free Cash Flow to Normalized Stage I Free Cash Flow Bridge<sup>(1)</sup>

# Significant Stage I normalized free cash flow

- **Normalized Stage I Free Cash Flow of \$133.1M or 80.1% of YTD revenue**
- **Offtake Agreement completed in Q1 2022; \$13.6M paydown was reflected as a reduction of GAAP operating cash flows<sup>(2)</sup> in the quarter**



1. All figures in millions. May not recompute as presented due to rounding.  
 2. Reflects the reduction in the Shenghe Offtake balance, which is now complete. See Appendix for further details on the U.S. GAAP cash flow treatment of the offtake paydown.  
 3. See Appendix for reconciliation of Free Cash Flow and Normalized Stage I Free Cash Flow to the most directly comparable financial measure prepared in accordance with U.S. GAAP.  
 4. Consists primarily of capitalized costs for Stage II, Stage III, recommissioning and other growth related projects, net of government reimbursements.  
 5. Relates principally to start-up costs that do not qualify for capitalization, which relate to the restart of our CHP plant as well as certain costs associated with our Stage III initiatives. Excludes items that were accrued but not yet paid.



# Stage II and Stage III Updates

# Stage II & Stage III progress

Stage II  
Concentrate dryer and calciner



Stage III  
Fort Worth magnetics facility





# Additional Photos

Lanthanum filtration, drying, and packaging



Salt crystallizer and brine concentrator



NdPr finishing and warehouse



NdPr finishing and warehouse – night shift



# Leaching





# Appendix

# Summary

## P&L

### MP MATERIALS CORP. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<i>(in thousands, except share and per share data, unaudited)</i>			
<b>Revenue:</b>			
Product sales	\$ 161,755	\$ 59,739	\$ 97,721
Other sales	4,503	232	1,388
Total revenue	166,258	59,971	99,109
<b>Operating costs and expenses:</b>			
Cost of sales (excluding depreciation, depletion and amortization)	23,173	17,936	18,455
Selling, general and administrative	20,565	13,458	16,229
Advanced projects, development and other	1,818	125	2,137
Depreciation, depletion and amortization	5,260	6,150	4,615
Accretion of asset retirement and environmental obligations	418	593	595
Total operating costs and expenses	51,234	38,262	42,031
<b>Operating income</b>	115,024	21,709	57,078
Other income, net	194	55	98
Interest expense, net	(1,905)	(1,154)	(2,487)
<b>Income before income taxes</b>	113,313	20,610	54,689
Income tax expense	(27,762)	(4,491)	(5,700)
<b>Net income</b>	<u>\$ 85,551</u>	<u>\$ 16,119</u>	<u>\$ 48,989</u>
<b>Earnings per share:</b>			
Basic	\$ 0.49	\$ 0.10	\$ 0.28
Diluted	\$ 0.45	\$ 0.09	\$ 0.26
<b>Weighted-average shares outstanding:</b>			
Basic	176,355,566	168,922,566	176,117,180
Diluted	193,490,330	179,319,489	193,389,482

# Reconciliation

## Net Income to Adjusted EBITDA

<i>(in thousands, unaudited)</i>	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<b>Net income</b>	\$ 85,551	\$ 16,119	\$ 48,989
<i>Adjusted for:</i>			
Depreciation, depletion and amortization	5,260	6,150	4,615
Interest expense, net	1,905	1,154	2,487
Income tax expense	27,762	4,491	5,700
Stock-based compensation expense <sup>(1)</sup>	9,773	5,673	8,208
Transaction-related, start-up and other non-recurring costs <sup>(2)</sup>	1,525	1,058	497
Accretion of asset retirement and environmental obligations	418	593	595
Loss (gain) on sale or disposal of long-lived assets <sup>(3)</sup>	257	(133)	350
Tariff rebate <sup>(4)</sup>	—	(2,050)	—
Other income, net	(194)	(55)	(98)
<b>Adjusted EBITDA</b>	<b>\$ 132,257</b>	<b>\$ 33,000</b>	<b>\$ 71,343</b>

1. Principally included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

2. For the three months ended March 31, 2022, and December 31, 2021, amounts are principally comprised of start-up costs that do not qualify for capitalization, which relate to the restart of our CHP plant as well as certain costs associated with our Stage III initiatives. For the three months ended March 31, 2021, amount relates to advisory, consulting, accounting, and legal expenses incurred in connection with non-recurring transactions.

3. Included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

4. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.

# Reconciliation

## Net Income to Adjusted Net Income

<i>(in thousands, unaudited)</i>	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<b>Net income</b>	\$ 85,551	\$ 16,119	\$ 48,989
<i>Adjusted for:</i>			
Depletion <sup>(1)</sup>	3,069	4,531	3,229
Stock-based compensation expense <sup>(2)</sup>	9,773	5,673	8,208
Transaction-related, start-up and other non-recurring costs <sup>(3)</sup>	1,525	1,058	497
Loss (gain) on sale or disposal of long-lived assets <sup>(4)</sup>	257	(133)	350
Tariff rebate <sup>(5)</sup>	—	(2,050)	—
Other income, net	(194)	(55)	(98)
Tax impact of adjustments above <sup>(6)</sup>	(3,644)	(1,966)	(1,686)
<b>Adjusted Net Income</b>	<b>\$ 96,337</b>	<b>\$ 23,177</b>	<b>\$ 59,489</b>

1. Represents the depletion associated with the mineral rights for the rare earth ores contained in the Company's mine.

2. Principally included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

3. For the three months ended March 31, 2022, and December 31, 2021, amounts are principally comprised of start-up costs that do not qualify for capitalization, which relate to the restart of our CHP plant as well as certain costs associated with our Stage III initiatives. For the three months ended March 31, 2021, amount relates to advisory, consulting, accounting, and legal expenses incurred in connection with non-recurring transactions. 20

4. Included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

5. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.

6. Tax impact of adjustments is calculated using an adjusted effective tax rate, excluding the impact of discrete tax costs and benefits, to each adjustment. The adjusted effective tax rates were 25.3%, 21.8%, and 13.8% for the three months ended March 31, 2022 and 2021 and for the three months ended December 31, 2021, respectively.

# Reconciliation

## Diluted EPS to Adjusted Diluted EPS

<i>(unaudited)</i>	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<b>Diluted EPS</b>	\$ 0.45	\$ 0.09	\$ 0.26
<i>Adjusted for:</i>			
Depletion <sup>(1)</sup>	0.01	0.02	0.02
Stock-based compensation expense <sup>(2)</sup>	0.05	0.03	0.04
Transaction-related, start-up and other non-recurring costs <sup>(3)</sup>	0.01	0.01	0.00
Loss (gain) on sale or disposal of long-lived assets <sup>(4)</sup>	0.00	0.00	0.00
Tariff rebate <sup>(5)</sup>	0.00	(0.01)	0.00
Other income, net	0.00	0.00	0.00
Tax impact of adjustments above <sup>(6)</sup>	(0.02)	(0.01)	(0.01)
<b>Adjusted Diluted EPS</b>	\$ 0.50	\$ 0.13	\$ 0.31
<b>Diluted weighted-average shares outstanding</b>	<b>193,490,330</b>	<b>179,319,489</b>	<b>193,389,482</b>

1. Represents the depletion associated with the mineral rights for the rare earth ores contained in the Company's mine.

2. Principally included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

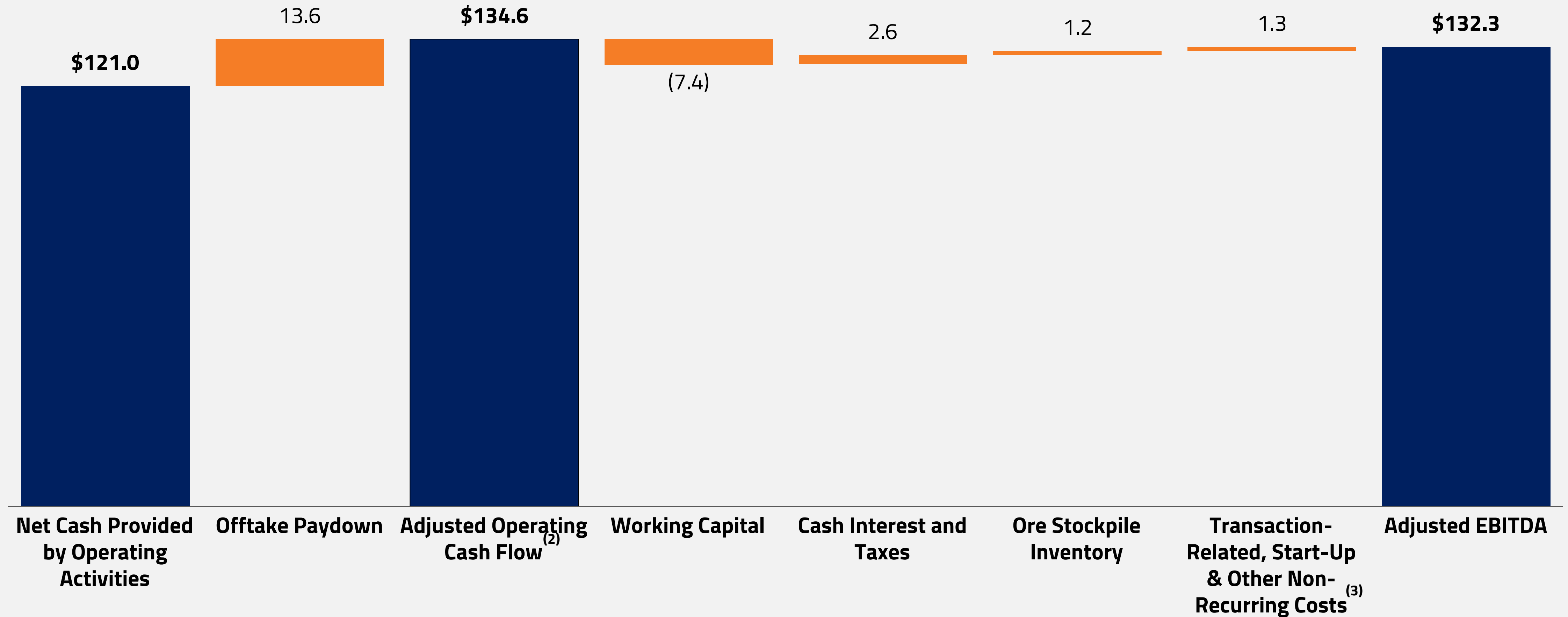
3. For the three months ended March 31, 2022, and December 31, 2021, amounts are principally comprised of start-up costs that do not qualify for capitalization, which relate to the restart of our CHP plant as well as certain costs associated with our Stage III initiatives. For the three months ended March 31, 2021, amount relates to advisory, consulting, accounting, and legal expenses incurred in connection with non-recurring transactions. 21

4. Included in "Selling, general and administrative" within our unaudited Condensed Consolidated Statements of Operations.

5. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.

6. Tax impact of adjustments is calculated using an adjusted effective tax rate, excluding the impact of discrete tax costs and benefits, to each adjustment. The adjusted effective tax rates were 25.3%, 21.8%, and 13.8% for the three months ended March 31, 2022 and 2021 and for the three months ended December 31, 2021, respectively.

# YTD 2022 Cash Flow Bridge<sup>(1)</sup>



1. All figures in millions. May not recompute as presented due to rounding.

2. See "Use of Non-GAAP Financial Measures" for definition and further information. See next slide for a reconciliation to the most comparable metric prepared in accordance with U.S. GAAP.

3. Principally comprised of start-up costs that do not qualify for capitalization, which relate to the restart of our CHP plant as well as certain costs associated with our Stage III initiatives. Excludes items that were accrued but not yet paid.

# Reconciliations

## Net Cash Provided by Operating Activities to Non-GAAP Financial Measures

<i>(in thousands, unaudited)</i>	<b>For the three months ended March 31, 2022</b>	
<b>Net cash provided by operating activities</b>	\$	120,971
Additions of property, plant and equipment, net <sup>(1)</sup>		(49,802)
<b>Free Cash Flow</b>		71,169
<i>Adjusted for:</i>		
Revenue recognized in exchange for debt principal reduction <sup>(2)</sup>		13,566
Growth capital expenditures <sup>(1)</sup>		47,106
Transaction-related, start-up and other non-recurring costs <sup>(3)</sup>		1,282
<b>Normalized Stage I Free Cash Flow</b>	\$	133,123
<b>Net cash provided by operating activities</b>	\$	120,971
Revenue recognized in exchange for debt principal reduction <sup>(2)</sup>		13,566
<b>Adjusted Operating Cash Flow</b>	\$	134,537

1. Amount is net of \$5.1 million in proceeds received from government awards used for construction, specifically, our Stage II optimization project.

2. Referred to previously as Offtake Paydown. Under the terms of the A&R Offtake Agreement and pursuant to the accounting treatment thereof, we recognized \$13.6 million of non-cash revenue during the three months ended March 31, 2022, which was retained by Shenghe to reduce our outstanding debt obligation. Accordingly, such amount is excluded from operating cash flows under GAAP.

3. Excludes items that were accrued but not yet paid.

# KPI – Realized Price

## Reconciliation and Calculation

<i>(in thousands, unless otherwise stated, unaudited)</i>	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<b>Product sales</b>	\$ 161,755	\$ 59,739	\$ 97,721
<i>Adjusted for:</i>			
Tariff rebate <sup>(1)</sup>	—	(2,050)	—
<b>Total Value Realized<sup>(2)</sup></b>	161,755	57,689	97,721
<i>Divided by:</i>			
REO sales volume (in MTs)	11,706	9,793	9,674
<b>Realized price per REO MT (in dollars)<sup>(3)</sup></b>	<u>\$ 13,818</u>	<u>\$ 5,891</u>	<u>\$ 10,101</u>

1. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.
2. See "Use of Non-GAAP Financial Measures" for definition and further information.
3. May not recompute as presented due to rounding.

# KPI – Production Cost

## Reconciliation and Calculation

<i>(in thousands, unless otherwise stated, unaudited)</i>	For the three months ended March 31,		For the three months ended December 31,
	2022	2021	2021
<b>Cost of sales<sup>(1)</sup></b>	\$ 23,173	\$ 17,936	\$ 18,455
<i>Adjusted for:</i>			
Stock-based compensation expense <sup>(2)</sup>	(715)	(1,318)	(1,856)
Shipping and freight	(3,244)	(2,098)	(1,847)
Other <sup>(3)</sup>	(556)	(73)	—
<b>Production Costs<sup>(4)</sup></b>	18,658	14,447	14,752
<i>Divided by:</i>			
REO sales volume (in MTs)	11,706	9,793	9,674
<b>Production cost per REO MT (in dollars)<sup>(5)</sup></b>	\$ 1,594	\$ 1,475	\$ 1,525

1. Excluding depreciation, depletion and amortization.
2. Pertains only to the amount of stock-based compensation expense included in cost of sales.
3. Pertains primarily to costs (excluding shipping and freight) attributable to sales of stockpiles, including rare earth fluoride.
4. See "Use of Non-GAAP Financial Measures" for definition and further information.
5. May not recompute as presented due to rounding.