



**COMPENSATION COMMITTEE CHARTER
OF
MP MATERIALS CORP.
(the “Company”)**

As adopted by the Board of Directors, effective November 17, 2020

Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company is to (i) discharge the Board’s responsibilities relating to compensation of the Company’s executive officers and directors and (ii) evaluate, review and recommend to the Board compensation plans, policies and programs, as well as approve individual executive officer compensation, intended to attract, retain and appropriately reward employees in order to motivate their performance in the achievement of the Company’s business objectives and align their interests with the long-term interests of the Company’s stockholders. The Committee shall also prepare the compensation committee report on executive compensation required to be included in the Company’s annual report or proxy statement relating to the election of directors.

Composition of the Committee

The Committee shall be comprised of three or more directors, each of whom meets the independence requirements of the New York Stock Exchange (the “NYSE”), the Company’s corporate governance guidelines and any other requirements deemed by the Board to be applicable, including any requirements imposed by the Securities and Exchange Commission or the Internal Revenue Service. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board.

Committee members (i) shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee, (ii) shall serve for such terms as the Board may determine, or until their earlier resignation, death or removal, and (iii) may be removed by the Board in its discretion. The Board shall designate one member of the Committee to serve as its chairperson.

Meetings

The Committee shall meet with such frequency and at such intervals as it determines necessary to carry out its duties and responsibilities. The chairperson will preside, when present, at all meetings of the Committee and is responsible for setting the agendas for Committee meetings. The Committee will meet at such times as determined by its chairperson or as requested by any two of its members. Notice of all Committee meetings shall be given, and waiver thereof

determined, in accordance with the notice and waiver of notice requirements applicable to the Board. The Committee may meet by telephone, video conference or similar means of remote communication.

Each member of the Committee shall have one vote. A majority of the Committee members in office from time to time shall constitute a quorum. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members.

The Committee shall maintain copies of minutes of each meeting of the Committee, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents shall be placed in the Company's minute book.

Delegation

The Committee may form and delegate authority to subcommittees consisting of one or more members when it deems appropriate; provided, however, that when appropriate to satisfy the requirements of Section 16b-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), any such subcommittee shall be composed solely of two or more members that have been determined to be "Non-Employee Directors" within the meaning of Rule 16b-3 under the Exchange Act.

The Committee may delegate to one or more officers of the Company the authority to make grants and awards of cash or options or other equity securities to any non-executive officer (as defined below) of the Company under the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plan; provided that such delegation is in compliance with the relevant incentive compensation plan, the Company's bylaws and applicable state law.

Authority

The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel or other adviser (a "Committee Adviser") as it deems appropriate to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall be directly responsible for appointing, compensating and overseeing the work of any Committee Adviser retained by the Committee and shall receive appropriate funding from the Company, as determined by the Committee, for payment of reasonable compensation to such Committee Adviser as well as for any costs or expenses related to the ordinary administrative expenses of the Committee that are necessary or appropriate for carrying out its duties. To the extent required by NYSE rules, the Committee shall assess the independence of any Committee Adviser taking into account the factors specified by applicable NYSE rules.

The Committee will evaluate, on at least an annual basis, whether any work provided by the Committee's compensation consultant raised any conflict of interest. It is expected that the Committee shall pre-approve any services to be provided to the Company or its subsidiaries by any of the Committee's compensation consultants.

In connection with the performance of its duties under this Charter, the Committee shall also have full access to any of the Company's management and employees it deems appropriate and shall have access to any necessary Company books and records. Any meeting or contact that the Committee wishes to initiate with any employee or access to company books or records must be arranged through the CEO or General Counsel of the Company.

Duties and Responsibilities

In furtherance of its purpose, the Committee shall:

1. Review and approve annually corporate goals and objectives relevant to chief executive officer ("CEO") compensation, evaluate at least annually the CEO's performance in light of those goals and objectives and, either as a Committee or together with the other directors who meet the independence requirements of the NYSE (as directed by the Board), determine and approve the CEO's compensation, including salary, bonus, fees, benefits, incentive awards and perquisites, based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years.
2. Review and approve corporate goals and objectives relevant to the compensation of executive officers other than the CEO, evaluate at least annually such offices' performance in light of those goals and objectives. Review and approve, or make recommendations to the Board, with respect to the compensation of the Company's executive officers other than the CEO, including salaries, bonuses, fees, benefits, incentive awards and perquisites. "Executive officer" means any "officer" as defined in Rule 16a-1(f) under the Exchange Act.
3. Review and administer or provide oversight of the Company's employee and management compensation and benefit plans and policies.
4. Review and approve, or make recommendations to the Board, regarding the adoption or material modification of the Company's compensation plans, including with respect to incentive compensation plans and equity-based plans, policies and programs.
5. Approve grants and/or awards of restricted stock, stock options and other forms of equity-based compensation under the Company's stock option, incentive compensation and equity-based plans.
6. Review and approve, for the CEO and other executive officers of the Company, when and if appropriate, employment agreements, severance agreements, consulting agreements and change in control or termination agreements.
7. Evaluate and recommend to the full Board appropriate compensation for the Company's non-employee directors, including compensation and expense reimbursement policies for attendance at Board and committee meetings.

8. Review and discuss with management the compensation discussion and analysis required to be included in the Company's annual report or proxy statement. Based on such review and discussion, the Committee shall make a recommendation to the Board as to whether such compensation discussion and analysis shall be included in such annual report or proxy statement and shall prepare the compensation committee report required to be included in such annual report or proxy statement.
9. Consider at least annually whether risks arising from the Company's compensation plans, policies and programs for its employees are reasonably likely to have a material adverse effect on the Company, including whether the Company's incentive compensation plans encourage excessive or inappropriate risk taking.
10. Review the results of any advisory stockholder votes on executive compensation and consider whether to recommend adjustments to the Company's executive compensation policies and practices in light of such votes.
11. Develop and implement policies with respect to the recovery or "clawback" of any excess compensation (including stock options) paid to any of the Company's executive officers based on erroneous data.
12. Determine any stock ownership guidelines for the directors, CEO and other executive officers of the Company and monitor compliance with such guidelines.
13. Review and monitor any employee retirement, profit sharing and benefit plans.
14. Report regularly to the Board on the activities of the Committee.
15. Conduct an annual performance evaluation of the Committee and its members, including a review of adherence to this Charter.
16. Periodically review and reassess the adequacy of this Charter and recommend to the Nominating and Corporate Governance Committee or the Board any proposed changes to this Charter that the Committee considers necessary or appropriate.
17. Review the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
18. Conduct or authorize investigations into any matter within the scope of the duties and responsibilities delegated to the Committee as it deems appropriate.
19. Perform such other duties and responsibilities, consistent with this Charter, the Company's bylaws, governing law, the rules and regulations of the NYSE, the federal securities laws and such other requirements applicable to the Company, as may be delegated to the Committee by the Board from time to time or required under the provisions of any compensation or benefit plan maintained by the Company.