



MP Materials Overview

NOVEMBER 7, 2023

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, including NdPr oxide production and shipments in the 2023 third quarter, and the Company’s Stage II and Stage III projects, including the Company’s ability to achieve run rate production of separated rare earth materials and production of magnetic alloy and magnets. 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 fluctuations and uncertainties related to demand for and pricing of rare earth products; 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 in Stage II and Stage III including producing NdPr oxide and shipments; risks related to our Stage II operations and our ability to separate rare earth materials, 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; risks related to current and future governmental environmental laws, regulations, licenses or legal requirements; 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 and Adjusted EBITDA Margin, which have not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP").

MP Materials defines Adjusted EBITDA as GAAP net income or loss 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; start-up costs; transaction-related and other non-recurring costs; accretion of asset retirement and environmental obligations; gain or loss on disposals of long-lived assets; and other income or loss. We define Adjusted EBITDA Margin as our Adjusted EBITDA divided by our total revenue. You can find the reconciliation of these measures to the most directly comparable GAAP measures in the Appendix.

MP Materials' management uses Adjusted EBITDA and Adjusted EBITDA Margin to compare MP Materials' performance to that of prior periods for trend analyses and for budgeting and planning purposes. MP Materials believes Adjusted EBITDA and Adjusted EBITDA Margin 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' management believes that the use of Adjusted EBITDA and Adjusted EBITDA Margin provide an additional tool for investors to use in evaluating projected operating results and trends.

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.

MP Materials Overview

MP Materials (NYSE: MP) is America's only scaled producer of rare earth materials

Owns and operates the Mountain Pass Rare Earth Mine and Processing Facility in CA

Second largest producer of global rare earth content and the largest in the Western Hemisphere

~\$1.1B cash on balance sheet;
~\$3.0B market capitalization

- \$305M LTM Revenue
- \$156M LTM Adjusted EBITDA
- 51% LTM Adjusted EBITDA Margin

Investing in three-stage strategy

- Stage I - rare earth concentrate
- Stage II - separated rare earth oxides
- Stage III - NdPr metal, alloy, and magnets

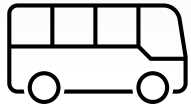
Founder-led, owner-operator culture where all employees have an ownership stake

Mission to support the development of a diverse, ex-China supply chain for rare earth materials

Rare Earths – The Lanthanide Series

57 La Lanthanum	58 Ce Cerium	59 Pr Praseodymium	60 Nd Neodymium	61 Pm Promethium	62 Sm Samarium	63 Eu Europium	64 Gd Gadolinium	65 Tb Terbium	66 Dy Dysprosium	67 Ho Holmium	68 Er Erbium	69 Tm Thulium	70 Yb Ytterbium	71 Lu Lutetium	39 Y Yttrium	21 Sc Scandium
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Transportation



Energy



Industrial



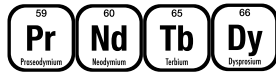
Robotics



Consumer Tech



Aerospace



Rare Earths

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Magnet

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EV Motor

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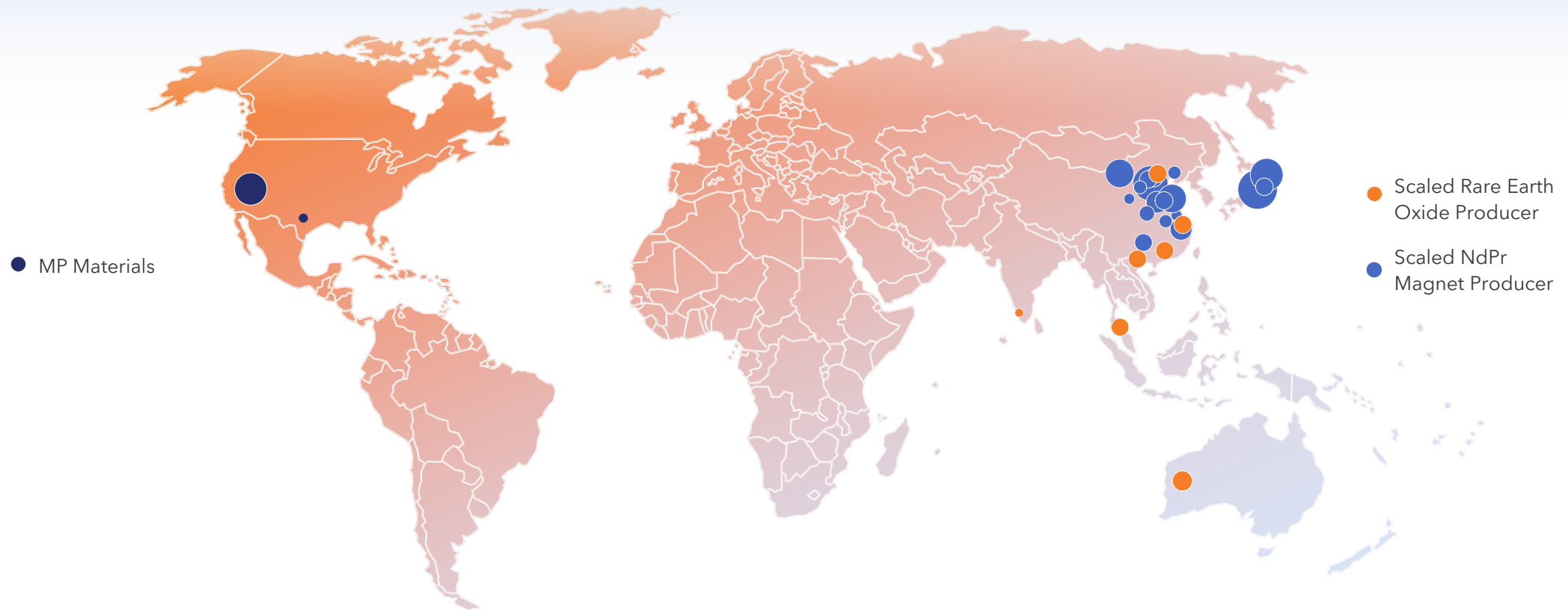


EV

Rare earths present a single point-of-failure threat to industries that drive prosperity and security.

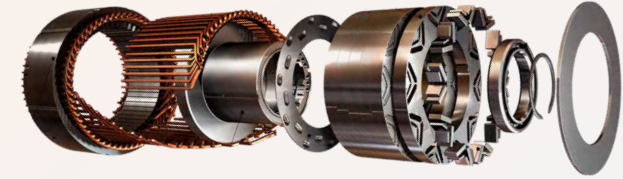
The West is Acutely Challenged.

Rare earths exemplify the substantial upstream supply chain risks that exist across the electrification economy.

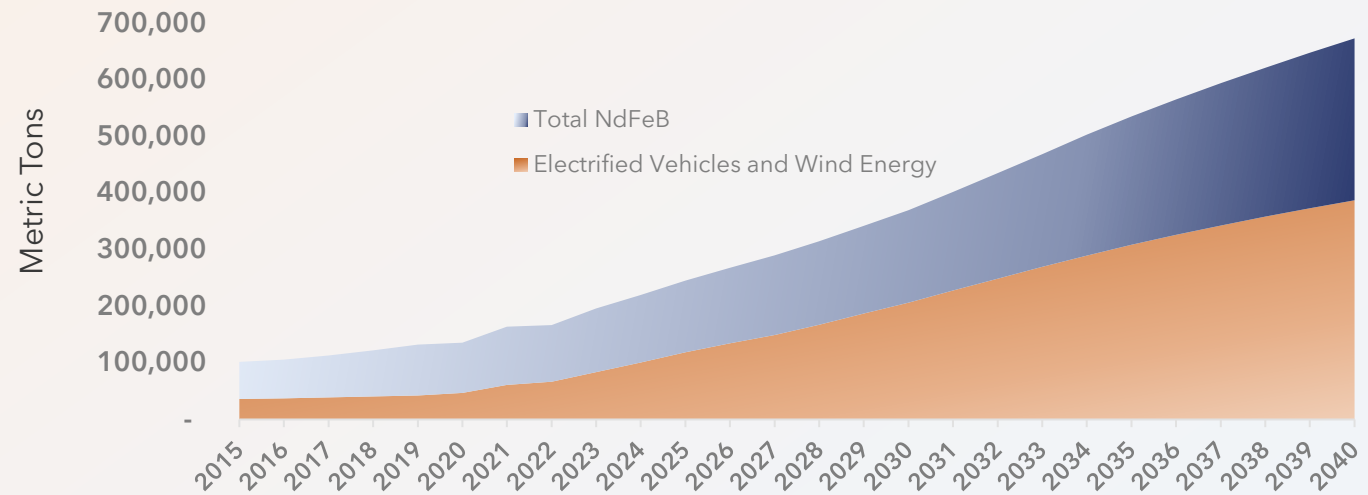


Rare Earth Magnets are Synonymous with Motion in an Electric World.

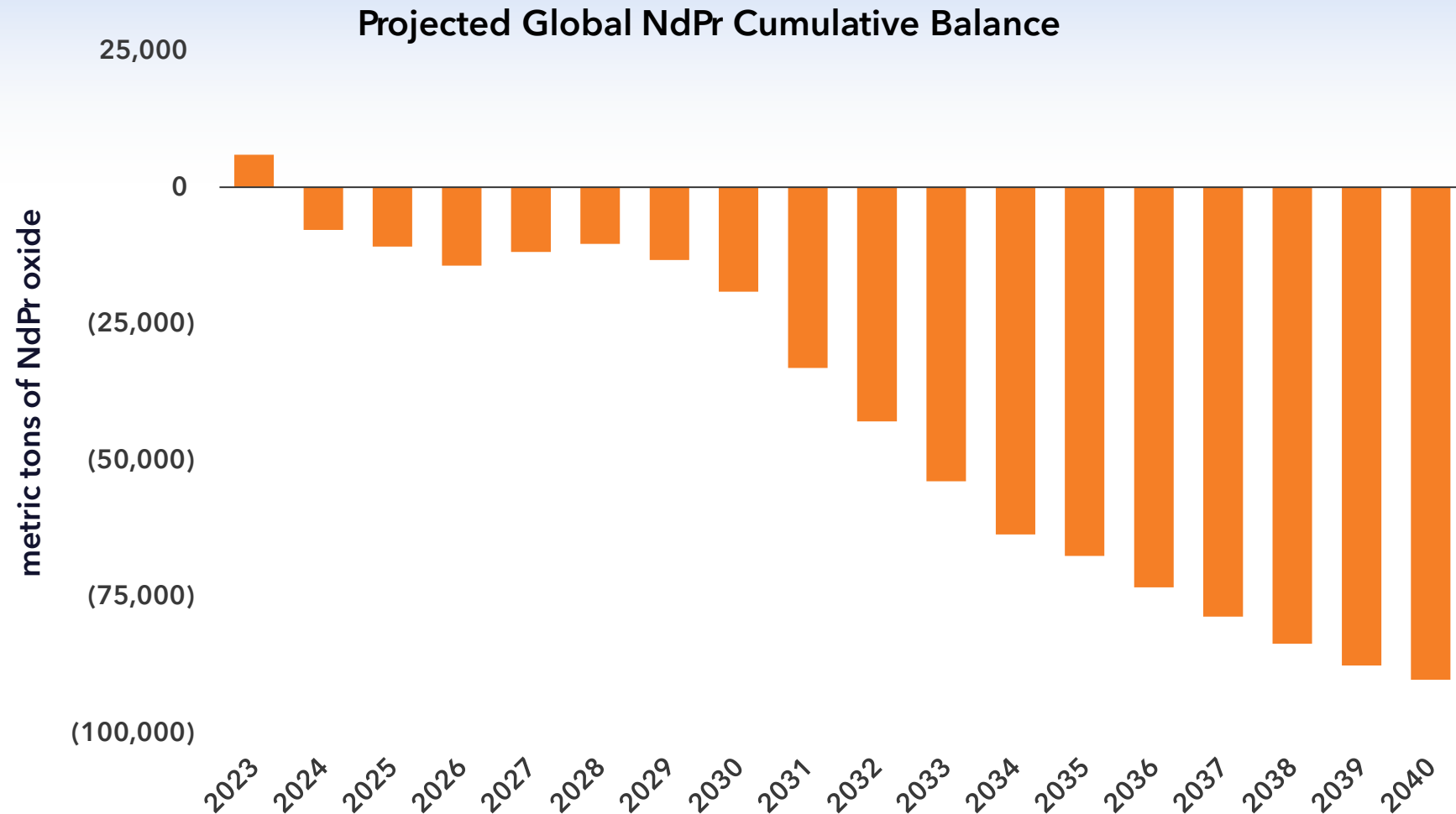
Rare Earth Magnets Power
~90% of EV Motors



Global NdFeB Consumption and Demand
Electrified vehicles and wind energy are driving
rapid growth in NdFeB magnet demand



A precarious supply-demand imbalance looms.



Business Overview



Mine



Beneficiate



Refine



Metallize, Alloy, Sinter, Finish

Stage I: Concentrate Production

- Largest ex-China producer
- ~15% global market share in 2022
- "Upstream 60K" strategy to grow output 50% over the next four years

Stage II: RE Separations

- Separation, refining and finishing capabilities to convert RE concentrate into separated REOs
- >6k mt NdPr oxide annual production target
- Lanthanum, Cerium and SEG+ production

Stage III: RE Magnets

- Greenfield production facility in Texas targeting ~1k mtpa of finished NdFeB magnets
- General Motors as foundational customer
- To deliver intermediate product ahead of magnet completion
- Buy, build and/or JV



Q&A



Appendix

Reconciliation: Net Income to Adjusted EBITDA

	For the twelve months ended
	September 30, 2023
<i>(in thousands, unaudited)</i>	
Net income	\$ 107,573
<i>Adjusted for:</i>	
Depreciation, depletion and amortization	42,669
Interest expense, net	5,478
Income tax expense	(6,753)
Stock-based compensation expense ⁽¹⁾	25,802
Start-up costs ⁽²⁾	19,203
Transaction-related and other non-recurring costs ⁽³⁾	8,270
Accretion of asset retirement and environmental obligations	903
Loss on sale or disposal of long-lived assets, net ⁽⁴⁾	6,030
Other income, net ⁽⁵⁾	(52,923)
Adjusted EBITDA	\$ 156,252

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

2. Relates to certain costs included in "Advanced projects, start-up, development and other" within our unaudited Condensed Consolidated Statements of Operations that do not qualify for capitalization incurred in connection with the initial commissioning and starting up of our separations capability at Mountain Pass and our metal alloy and magnet-making capabilities at Fort Worth prior to the achievement of commercial production. These costs include payroll of employees directly involved in such commissioning activities, training costs, costs of testing and commissioning the new circuits and processes, and other related costs. Given the nature and scale of the related costs and activities, management does not view these as normal, recurring operating expenses, but rather as non-recurring investments to develop such capabilities. Therefore, we believe it is useful and necessary for investors to understand our core operating performance in current and future periods by excluding the impact of these start-up costs.

3. The majority of the amounts are included in "Advanced projects, start-up, development and other" within our unaudited Condensed Consolidated Statements of Operations, and pertain to legal, professional services, and other costs associated with non-recurring transactions.

4. Principally relate to demolition costs incurred in connection with demolishing and removing certain out-of-use older facilities and infrastructure from the Mountain Pass site to accommodate future expansion in rare earth processing.

5. Principally comprised of interest and investment income.