MP MATERIALS

Second Quarter
2021 Results

August 5, 2021

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 the 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 estimates and forecasts of other financial and performance metrics, regarding the expected timing of completion of Stage II, expectations and timing of Stage III developments, and projections of market opportunity.

These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of MP Materials Corp.'s ("MP Materials" or "MP") management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and must not be relied on by any investor as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of MP Materials. 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; failure to realize the anticipated benefits of the business combination; risks relating to the uncertainty of the projected financial information with respect to MP Materials; risks related to the rollout of MP Materials' business strategy, including Stage II and Stage III, and the timing of expected business milestones; risks related to the construction of Stage II, including timing for completion and costs; risks related to MP Materials' arrangements with Shenghe; the effects of competition on MP Materials' future business; risks related to political and macroeconomic uncertainty; the impact of the global COVID-19 pandemic, including the Delta variant, on any of the foregoing risks; and those factors discussed in MP Materials' Annual Report on Form 10-K for the year ended December 31, 2020, and MP Materials' Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021, under the heading "Risk Factors," and other documents to be filed by MP Materials, with the SEC.

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. There may be additional risks that MP Materials does not presently know or that MP Materials currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect MP Materials' expectations, plans or forecasts of future events and views as of the date of this presentation. MP Materials anticipates that subsequent events and developments will cause MP Materials' assessments to change. However, while MP Materials may elect to update these forward-looking statements at some point in the future, MP Materials specifically disclaims any obligation to do so, unless required by applicable law. These forward-looking statements should not be relied upon as representing MP Materials' assessments as of any date subsequent to the date of this presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, 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 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; transaction-related and other non-recurring costs; non-cash accretion of asset retirement and environmental obligations; gain or loss on sale or disposal of long-lived assets; write-down of inventories; royalty expense to SNR; tariff rebates; and other income or loss, net. We define Adjusted EBITDA Margin as our Adjusted EBITDA divided by our product sales adjusted for the revenue impact of tariff-related rebates from Shenghe on account of prior sales. Adjusted Net Income is defined as our GAAP net income or loss excluding the impact of depletion; stock-based compensation expense; transaction-related and other non-recurring costs; gain or loss on sale or disposal of long-lived assets; write-downs of inventories; royalty expense to SNR; 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 (x) the revenue impact of tariff-related rebates from Shenghe on account of prior sales, (y) in connection with our sales of REO to Shenghe between July 1, 2019, and June 5, 2020, the Shenghe Implied Discount, and (z) sales of legacy stockpiles and other revenues. The Shenghe Implied Discount is equal to the difference between (i) Shenghe's average realized price, net of taxes, tariffs and certain other agreed-upon charges (such as one-time demurrage charges) on our products once sold to their ultimate customers and (ii) the amount of revenue we recognized on the sales of those products to Shenghe for sales between July 1, 2019, and June 5, 2020, which includes a non-cash portion. 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 costs attributable to sales of legacy stockpiles, stock-based compensation expense included in cost of sales (as opposed to general and administrative), and shipping and freight costs. 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 or used in operating activities less additions of property, plant and equipment. 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 and other non-recurring costs. We define Adjusted Operating Cash Flow as net cash provided by or used in 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, and Adjusted Net Income, 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, and Adjusted Net Income 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, and Adjusted Net Income 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.

Second quarter highlights

- **Achieved record production volumes**
- **Revenues more than doubled YoY to $73.1M; up +22% sequentially**
  - Strong sales volumes in-line with record production levels
  - Growing NdPr demand drove +137% YoY increase in realized price
- **Adjusted EBITDA up nearly 6x YoY to $46.4M; up +41% sequentially**
  - Strong cost discipline with Stage II hiring offsetting efficiency improvements
  - Adjusted EBITDA Margin up 36pts YoY to 64%; up +7pts sequentially
- **Stage II run-rate production still expected in 2023**
- **Expecting Stage III developments before year end**

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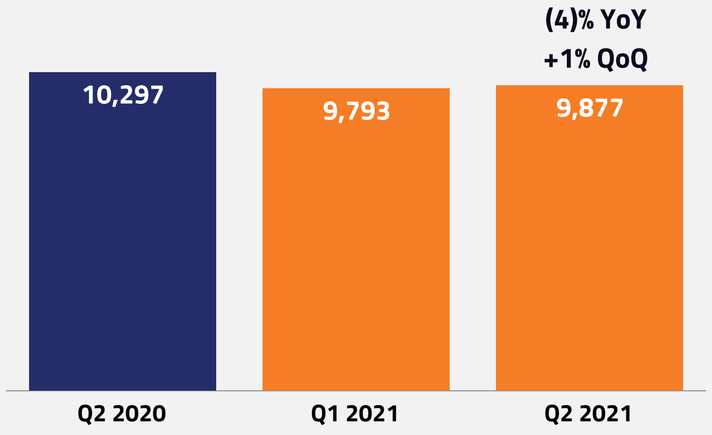
Operations and Financial Overview

Continued operational execution

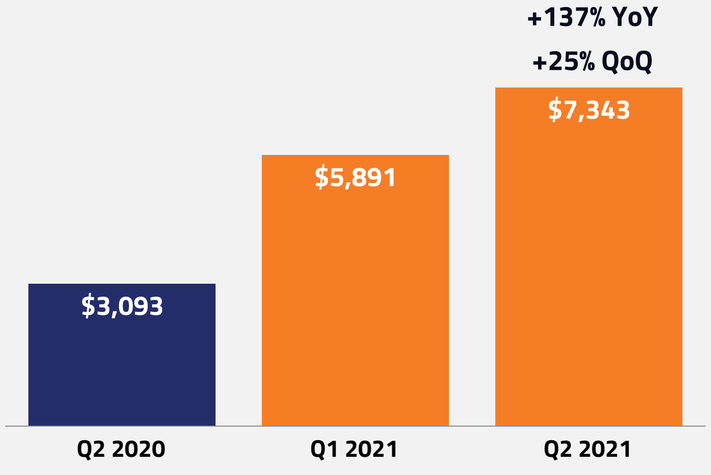
2020 2021

Stage II Hiring

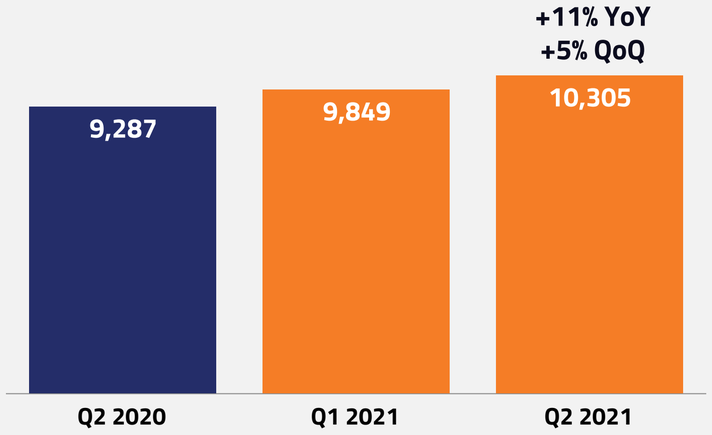
Comparable Operational Metrics—Sequential and Year-over-Year



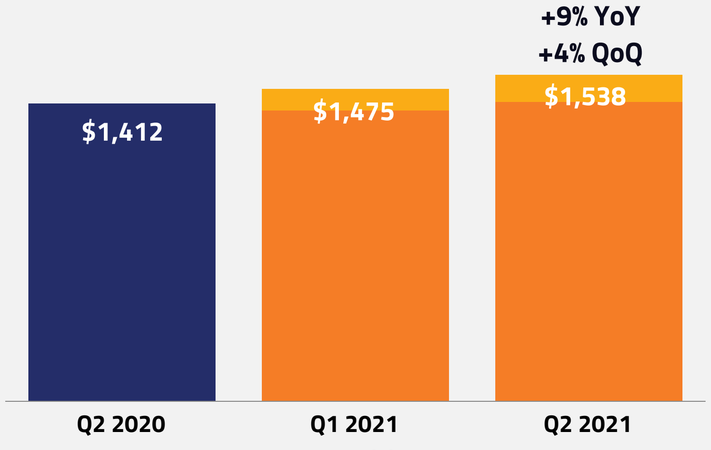
REO Sales Volumes (MT)



Realized Price[1] ($/MT REO)



REO Production Volumes (MT)



Production Cost[2] ($/MT REO)

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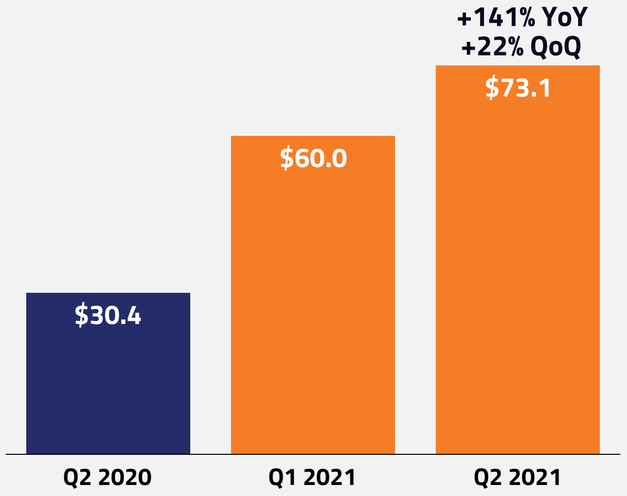
1. See Appendix for calculation of realized price per REO MT, which includes the non-GAAP financial measure, Total Value Realized. See Appendix for a reconciliation of Total Value Realized (non-GAAP) to Product sales (GAAP).
2. See Appendix for calculation of production cost per REO MT, which includes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

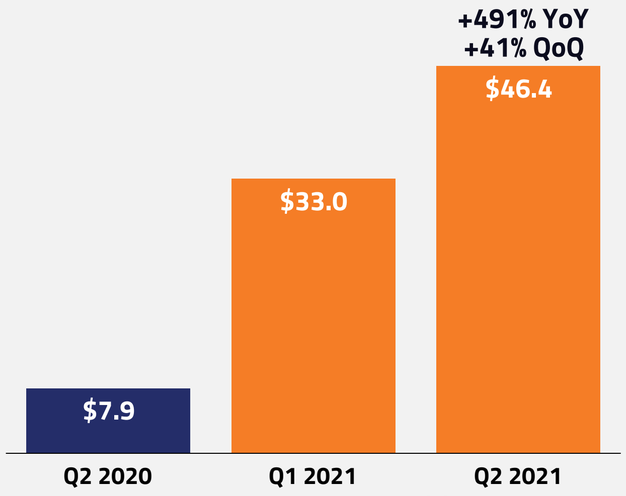
Rapid revenue & earnings growth

2020 2021

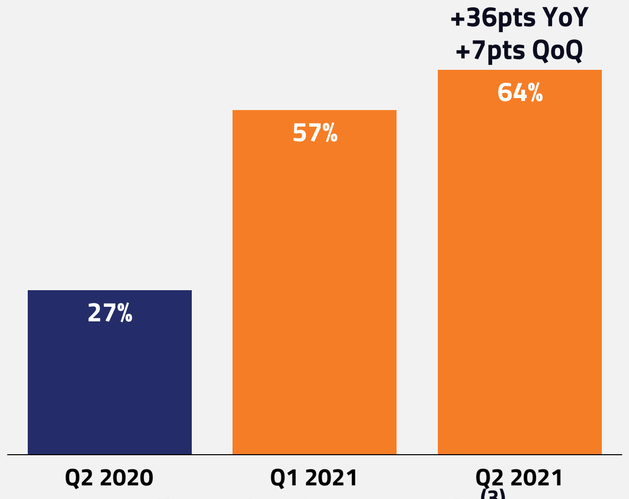
Comparable Financial Metrics—Sequential and Year-over-Year[1]



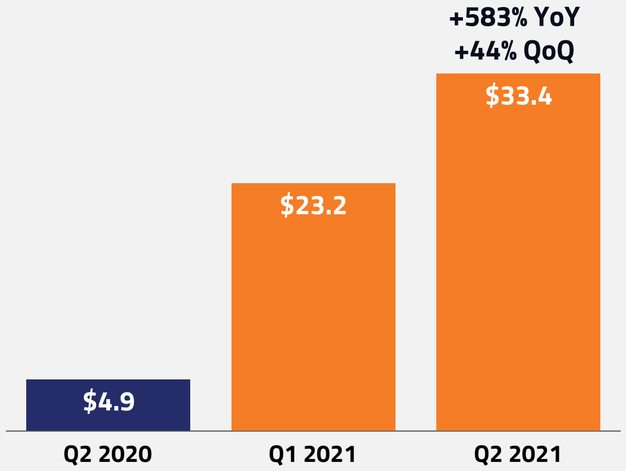
Revenue



Adjusted EBITDA[2]



Adjusted EBITDA Margin[3]



Adjusted Net Income[2]

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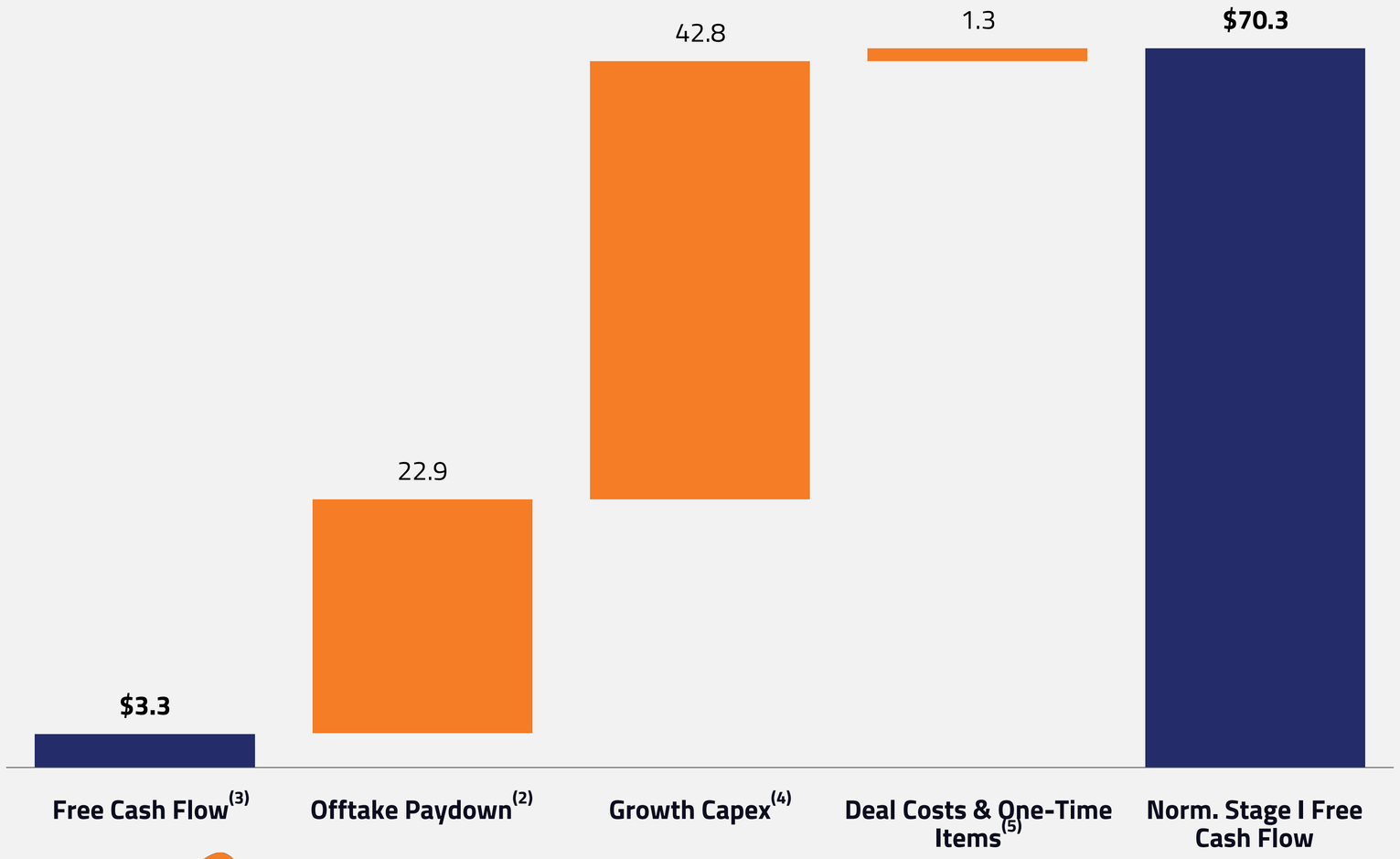
1. All figures in millions except for margins
2. See Appendix for reconciliation of Adjusted EBITDA and Adjusted Net Income to the most directly comparable financial measure prepared in accordance with U.S. GAAP
3. Q2 2020 and Q1 2021 Adjusted EBITDA Margin calculations exclude $1.4M and $2.1M, respectively, of out-of-period tariff refunds recognized within revenues but removed from the calculations of Adjusted EBITDA

Significant Stage I normalized free cash flow

- **Normalized Stage I Free Cash Flow of $70.3M or 52.8% of YTD sales[1]**
- **$22.9M of YTD Offtake Paydown reflected as reduction of GAAP operating cash flows[2]**
- **Growth capex is primarily Stage II Optimization spending, costs for recommissioning, CHP-related and other growth capital spending**

YTD 2021 Reported FCF to Normalized Stage I FCF Bridge ($M)



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1. Defined as Normalized Stage I Free Cash Flow as a percentage of Product sales
2. Reflects the reduction in the Shenghe Offtake balance. See Appendix for further details on the U.S. GAAP 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. Growth Capex consists primarily of: (1) Stage II engineering, construction, progress payments and other costs; (2) capitalized plant recommissioning expenses; and (3) CHP and water treatment plant related recommissioning expenses
5. Deal Costs & One-Time Items consists primarily of costs related to the secondary equity offering, which was completed contemporaneously with an offering by the Company of green convertible senior notes (the "Convertible Notes") in March 2021

Capitalization update

- **Cashless redemption of Warrants completed in June**
  - No remaining earn-outs or warrants
- **Gross cash balance of ~$1.2B**
- **Shenghe Offtake Advance balance of $48.7M**
  - Reduced balance by $11.7M in the quarter from paydown via recoupment
  - Expect full pay down over the next 12 months

In millions, except shares and per share data

Adj. Diluted Shares Outstanding[1]		**178,229,745**
Share price (close 8/4)		$35.63
Market Capitalization	**$**	**6,350.3**
(Cash)		(1,196.9)
Financial Debt[2]		701.0
Shenghe Offtake Advances		48.7
Enterprise Value	**$**	**5,903.1**

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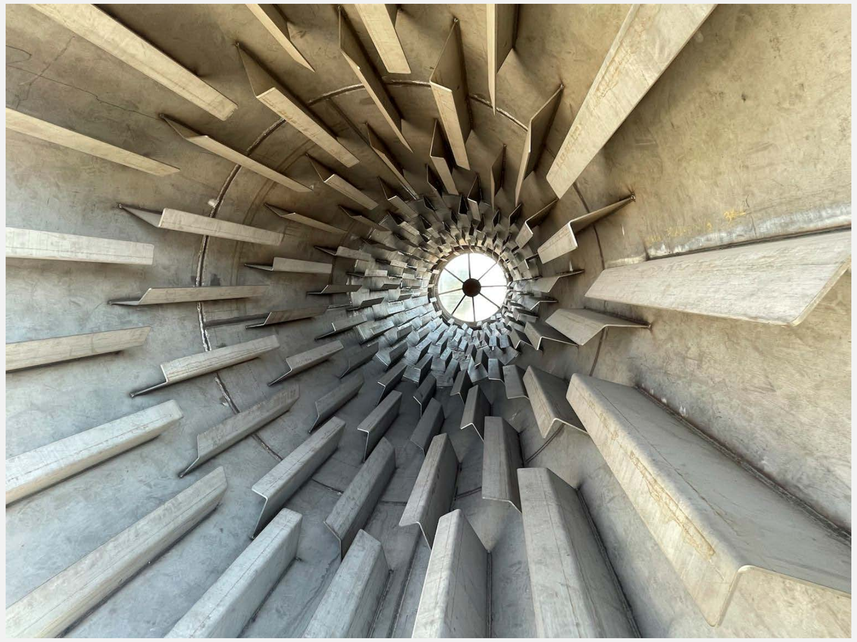
1. Calculated as total shares outstanding as of 8/2 of 177.7M; plus 0.5M restricted stock unit awards outstanding as of 8/2
2. Includes $690.0M of face value of long-term debt plus $11.0M of equipment notes recognized in other current and long-term liabilities

Stage II and Stage III Updates

Stage II progress

Salt Crystallizer Foundation



Concentrate Dryer

Crystallizer Vapor Effect

Concentrate Filter Press Structure

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Stage II progress

Roaster

- **Stage II: Continued Progress**
  - Roaster has arrived at Mountain Pass
  - Site preparations continue
  - Stage II run-rate production still expected in 2023
- **Heavy rare earth opportunity**
  - Separating heavy rare earths solidifies domestic magnet making opportunity
  - Piloting is supportive of commercial viability of full heavy rare earth separation at Mountain Pass
  - Evaluating investments to enhance Stage II to prepare for potential heavy rare earth separation

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Stage III developments

- **Announcing intent to build a metal, alloy, and magnet making manufacturing facility in the United States**
  - Important step in our buy, build and/or JV go-to-market strategy
  - Advanced due diligence and site selection ongoing expect to announce location by year-end
  - Modest, scalable facility funded with cash on hand
- **Discussions with potential partners and customers continues**
- **Expect to announce location by year-end**

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Western champion of the electrification and sustainability revolution

- **World-class execution continues**
- **NdPr demand remains strong**
- **Stage II progressing**
- **Increased confidence in heavy rare earth separation at Mountain Pass**
- **Stage III accelerating via planned modest, scalable facility**
- **Positioned to restore the full rare earth supply chain to the U.S.**

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Q&A

Appendix

Summary
P&L

MP MATERIALS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, unaudited)	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the three months ended March 31, 2021
Product sales	$ 73,118	$ 30,391	$ 59,971
Operating costs and expenses:			
Cost of sales (excluding depreciation, depletion and amortization)	17,955	16,865	17,936
Write-down of inventories	1,809	—	—
Royalty expense to SNR	—	366	—
General and administrative	13,631	5,843	13,583
Depreciation, depletion and amortization	6,666	1,382	6,150
Accretion of asset retirement and environmental obligations	592	564	593
Settlement charge	—	66,615	—
Total operating costs and expenses	40,653	91,635	38,262
Operating income (loss)	32,465	(61,244)	21,709
Other income, net	3,504	155	55
Interest expense, net	(2,639)	(1,066)	(1,154)
Income (loss) before income taxes	33,330	(62,155)	20,610
Income tax expense	(6,164)	(336)	(4,491)
Net income (loss)	$ 27,166	$ (62,491)	$ 16,119

Reconciliation
Net Income (Loss) to Adjusted EBITDA

(in thousands, unaudited)	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the three months ended March 31, 2021
Net income (loss)	**$ 27,166**	**$ (62,491)**	**$ 16,119**
Adjusted for:			
Depreciation, depletion and amortization	6,666	1,382	6,150
Interest expense, net	2,639	1,066	1,154
Income tax expense	6,164	336	4,491
Stock-based compensation expense[1]	4,498	—	5,673
Transaction-related and other non-recurring costs[2]	247	1,619	1,058
Accretion of asset retirement and environmental obligations	592	564	593
Loss (gain) on sale or disposal of long-lived assets[3]	170	—	(133)
Write-down of inventories[4]	1,809	—	—
Royalty expense to SNR	—	366	—
Settlement charge[5]	—	66,615	—
Tariff rebate[6]	—	(1,446)	(2,050)
Other income, net[7]	(3,504)	(155)	(55)
Adjusted EBITDA	**$ 46,447**	**$ 7,856**	**$ 33,000**

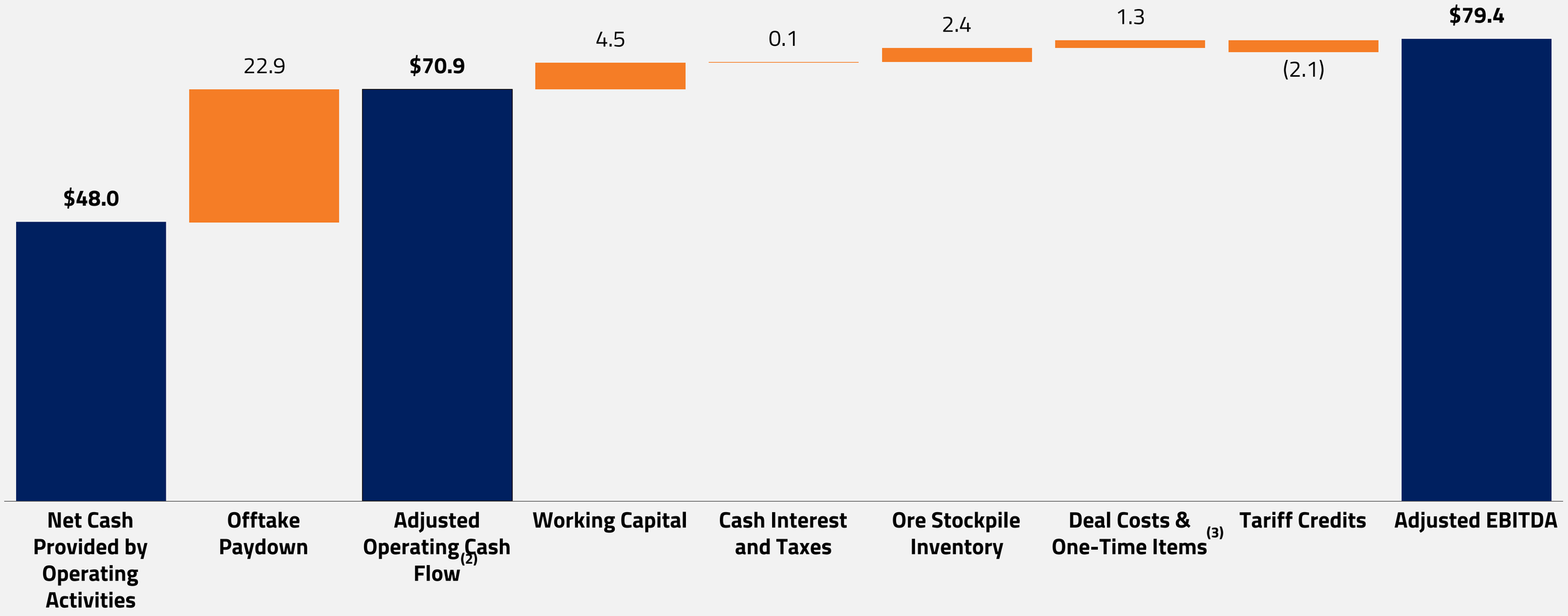
1. Principally included in "General and administrative" within our unaudited Condensed Consolidated Statements of Operations. Approximately $3.7 million of the amount for the three months ended June 30, 2021, and $4.1 million of the amount for the three months ended March 31, 2021, pertained to a one-time grant of stock awards to employees and executives upon the consummation of the Business Combination in November 2020.
2. Amounts in the respective periods presented are comprised of advisory, consulting, accounting and legal expenses principally incurred in connection with the secondary equity offering, which was completed contemporaneously with the Convertible Notes offering in March 2021, the redemption of the Company's public warrants in May and June 2021, and the Business Combination, which was completed in November 2020.
3. Included in "General and administrative" within our unaudited Condensed Consolidated Statements of Operations.
4. Represents a write-down of a portion of our legacy low-grade stockpile inventory during the second quarter of 2021 after determining that the inventory contained a significant amount of alluvial material that did not meet the Company's requirement for mill feed.
5. In connection with terminating the Distribution and Marketing Agreement ("DMA") with Shenghe in June 2020, we recognized a one-time, non-cash settlement charge.
6. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.
7. Principally represents a non-cash gain recognized as a result of the Small Business Administration's approval to forgive the Paycheck Protection Loan.

Reconciliation
Net Income (Loss) to Adjusted Net Income

(in thousands, unaudited)	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the three months ended March 31, 2021
Net income (loss)	**$ 27,166**	**$ (62,491)**	**$ 16,119**
Adjusted for:			
Depletion[1]	4,686	28	4,531
Stock-based compensation expense[2]	4,498	—	5,673
Transaction-related and other non-recurring costs[3]	247	1,619	1,058
Loss (gain) on sale or disposal of long-lived assets[4]	170	—	(133)
Write-down of inventories[5]	1,809	—	—
Royalty expense to SNR	—	366	—
Settlement charge[6]	—	66,615	—
Tariff rebate[7]	—	(1,446)	(2,050)
Other income, net[8]	(3,504)	(155)	(55)
Tax impact of adjustments above[9]	(1,632)	362	(1,966)
Adjusted Net Income	**$ 33,440**	**$ 4,898**	**$ 23,177**

1. Principally includes the depletion associated with the mineral rights for the rare earth ores contained in the Company's mine, which were recorded in connection with the acquisition of SNR at fair value as of the date of the Business Combination, resulting in a significant step-up of the carrying amount of the asset.
2. Principally included in "General and administrative" within our unaudited Condensed Consolidated Statements of Operations. Approximately $3.7 million of the amount for the three months ended June 30, 2021, and $4.1 million of the amount for the three months ended March 31, 2021, pertained to a one-time grant of stock awards to employees and executives upon the consummation of the Business Combination in November 2020.
3. Amounts in the respective periods presented are comprised of advisory, consulting, accounting and legal expenses principally incurred in connection with the secondary equity offering, which was completed contemporaneously with the Convertible Notes offering in March 2021, the redemption of the Company's public warrants in May and June 2021, and the Business Combination, which was completed in November 2020.
4. Included in "General and administrative" within our unaudited Condensed Consolidated Statements of Operations.
5. Represents a write-down of a portion of our legacy low-grade stockpile inventory during the second quarter of 2021 after determining that the inventory contained a significant amount of alluvial material that did not meet the Company's requirement for mill feed.
6. In connection with terminating the DMA with Shenghe in June 2020, we recognized a one-time, non-cash settlement charge.
7. Represents non-cash revenue recognized in connection with a tariff rebate received relating to product sales from prior periods.
8. Principally represents a non-cash gain recognized as a result of the Small Business Administration's approval to forgive the Paycheck Protection Loan.
9. 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 20.6%, (0.5)%, and 21.8% for the three months ended June 30, 2021 and 2020 and for the three months ended March 31, 2021, respectively. The rate for the three months ended June 30, 2020, reflects a full valuation allowance.

YTD 2021 Cash Flow Bridge[1]



1. All figures in millions
2. See "Use of Non-GAAP Financial Measures" for definition and further information. See Slide 21 for a reconciliation to the most comparable metric prepared in accordance with U.S. GAAP.
3. Deal Costs & One-Time Items consists primarily of costs related to the secondary equity offering, which was completed contemporaneously with the Convertible Notes offering in March 2021, and the redemption of the Company's public warrants in May and June 2021.

Reconciliations

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

(in thousands, unaudited)	For the six months ended June 30, 2021
Net cash provided by operating activities	**$ 47,969**
Additions of property, plant and equipment	(44,691)
Free Cash Flow	**3,278**
Adjusted for:	
Revenue recognized in exchange for debt principal reduction[1]	22,901
Growth capital expenditures	42,847
Deal costs and one-time items	1,305
Normalized Stage I Free Cash Flow	**$ 70,331**
Net cash provided by operating activities	**$ 47,969**
Revenue recognized in exchange for debt principal reduction[1]	22,901
Adjusted Operating Cash Flow	**$ 70,870**

1. Referred to previously as Offtake Paydown. Under the terms of the A&R Offtake Agreement and pursuant to the accounting treatment thereof, we recognized $22.9 million of non-cash revenue during the six months ended June 30, 2021, which was retained by Shenghe to reduce our outstanding debt obligation. Accordingly, such amount is excluded from operating cash flows under GAAP.

KPI – Realized Price
Reconciliation and Calculation

(in thousands, unless otherwise stated, unaudited)	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the three months ended March 31, 2021
Product sales	**$ 73,118**	**$ 30,391**	**$ 59,971**
Adjusted for:			
Shenghe Implied Discount[1]	—	3,023	—
Other[2]	(596)	(1,563)	(2,282)
Total Value Realized[3]	**$ 72,522**	**$ 31,851**	**$ 57,689**
Total Value Realized[3]	$ 72,522	$ 31,851	$ 57,689
Divided by:			
REO sales volume (in MTs)	9,877	10,297	9,793
Realized price per REO MT (in dollars)[4]	$ 7,343	$ 3,093	$ 5,891

1. Represents the difference between the contractual amount realized by Shenghe Resources (Singapore) International Trading Pte. Ltd. ("Shenghe") and the amount of deferred revenue we recognized.
2. The amounts for the three months ended March 31, 2021, and June 30, 2020, pertain primarily to tariff rebates due to the retroactive effect of lifting the Chinese tariffs in May 2020. The amount for the three months ended June 30, 2021, pertains to revenue recognized under our government contracts.
3. See "Use of Non-GAAP Financial Measures" for definition and further information.
4. May not recompute as presented due to rounding.

KPI – Production Cost
Reconciliation and Calculation

(in thousands, unless otherwise stated, unaudited)	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the three months ended March 31, 2021
Cost of sales[1]	**$ 17,955**	**$ 16,865**	**$ 17,936**
Adjusted for:			
Cost attributable to sales of stockpiles	(6)	(112)	(73)
Stock-based compensation expense[2]	(578)	—	(1,318)
Shipping and freight	(2,183)	(2,210)	(2,098)
Production Costs[3]	**$ 15,188**	**$ 14,543**	**$ 14,447**
Production Costs[3]	$ 15,188	$ 14,543	$ 14,447
Divided by:			
REO sales volume (in MTs)	9,877	10,297	9,793
Production Cost per REO MT (in dollars)[4]	$ 1,538	$ 1,412	$ 1,475

1. Excluding depreciation, depletion and amortization.
2. Pertains only to the amount of stock-based compensation expense included in cost of sales (as opposed to general and administrative).
3. See "Use of Non-GAAP Financial Measures" for definition and further information.
4. May not recompute as presented due to rounding.