

FAQ RELATED TO LYNAS (M) SDN. BHD.'s PROJECT

ISSUES	QUESTION	ANSWER
Temporary Operating License (TOL)	When exactly will the plant be fired up? Under TOL?	The license will be issued when all requirements have been met among others are the financial guarantee, third party assessor, monitoring system, etc.
	Is there a deadline for the first installment to be paid?	It is not the AELB that is faced with commercial interest and therefore AELB has left it to the licensee to decide when they would like to submit. AELB is not in the business of meeting Lynas's deadlines.
	When will AELB be appointing an independent assessor?	AELB has begun the process of looking for the third party independent assessor that is recognized by other regulatory authorities. They must have experience in such chemical plants and the production of naturally occurring radionuclides and the residues. The selection of the third party assessor will follow the financial procedures for the acquisition of professional services.
	AELB is saying that even with this temporary license, Lynas cannot start operation unless they fulfill part of the condition right? What sort of condition they must meet before they can actually start bringing their ore and other stuff?	Even with the issuance of the license, Lynas will not be able to operate until they have met some of the conditions. There are fees to be paid for the evaluation process. Once they have paid their fee, AELB can then issue the license but AELB still have other mechanisms on importation of the ore that requires a permit. Therefore there is another system where Lynas has to tell AELB when exactly the ore will be imported and AELB will issue the permit. Once that's all in place then perhaps AELB will see the TOL to be issued and Lynas can start the operation.
	Regarding the waste disposal facilities, the plan and location will come later, as long as they pay	Within these 10 months Lynas will have to submit the detailed plans. AELB will suspend all the operations and Lynas

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	everything?	will not be able to import or operate the plant if that's not complied with. Furthermore, AELB can even revoke the license. If there are residues, Lynas is responsible for that and AELB will ask them to return these to where they originate from.
	So if within these 10 months, they have started production and there are wastes, the waste management plan is actually not fully spelled up yet right? So how do AELB deal with the waste production within this period?	The principles of the waste management, the permanent disposal facility, and all other related matters have been put into the Lynas documents. What is more important is Lynas has to show evidence that they have located and profiled the site and those principles will have to be engineered to suit that location.
	Has Lynas identified the site?	No, they have not indicated so from the documents because it's too early in the process. It is understandable that Lynas has not identified it but certainly the Board has given Lynas 10 months to do so.
	May I know what is the reason of the Board approved the TOL?	The Board is an independent body that looks at the national requirements from both the technical and legal aspects as to whether Lynas had complied with or otherwise. In addition, the Board has to look at the international standards and will recall also that the government of Malaysia through AELB had adopted the recommendations of the international panel of experts from the International Atomic Energy Agency. Lynas would have to meet all these requirements, which is the basis for the approval, with the conditions taken into account among others, including public views, comments and feedbacks, and etc.
	But isn't the majority of the public against this, yet AELB still approved. It's like their voice had been	The Board is responsible to look from legal and technical point of view. The public review or the public display of the

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	dismissed.	documents cannot be seen as a survey. It is actually an invitation for the public to view the documents and to submit their feedback.
	Does this mean that the public comment has not been taken into account when AELB considered giving out the temporary license?	In some of the comments, AELB has actually identified very important technical and legal aspects and they have already been taken into account. If the comment has been made without substantiated facts, it was still looked at but if it is accompanied by technical and legal comments, it would certainly have been looked at very carefully.
	Lynas has said that they want to operate in the second quarter of this year. AELB said that by the end of this month AELB will probably appoint the third party assessor already, pending they will submit the fees and the installment, do AELB think the second quarter is within the time range for them to operate?	AELB does not work according to Lynas's schedule.
	The TOL, is it for two years?	The first issuance of the license is normally given two years but in the case of Lynas, it is conditional. If within 10 months Lynas does not submit the detailed plan of their waste disposal facilities, the two-year period is irrelevant. The two years period is important since it's the period of the license but certainly it is the condition that is even more important since it will determine how long the license is valid for. If the conditions are met, it will be for two years. The law provides for the Board to issue a maximum period of three years but for first issuance, because AELB needs to verify many things in particular especially in TOL, the two years period is good but it is conditional, i.e. upon the conditions.
	In the worst case scenario of a radioactive leak, is the	Lynas is not Malaysia's first mineral processing facility that

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	<p>Board ready for such scenario and do AELB has plans on how to manage the waste that sink down to the soil, to the ground and stuff like that. How do AELB combat this? Is the condition that wants Lynas to stop operation asked for EIA details and in AELB view, do AELB think it's necessary to determine the safety of the plant?</p>	<p>AELB has licensed. Malaysia was the world's no.1 producer of tin. Along with tin, there's always Thorium and Uranium and therefore this is not Malaysia's first facility. AELB has experience to handle this, to overcome this and AELB is prepared. There are more than 10 facilities that are very similar to Lynas. Some of them are producing higher residues, higher concentration of Uranium and Thorium. AELB has been able to regulate and control these factories, so it is based on AELB experience and the experience of the industry abroad.</p>
	<p>How do AELB usually dispose of the radioactive waste since AELB has experience?</p>	<p>This is not radioactive waste. This is waste containing naturally occurring radionuclide material.</p>