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## **MALAYSIAN TAX INCENTIVES APPROVED FOR KEMAMAN RARE EARTHS PROCESSING PLANT**

### **Key Points:**

- ***Kemaman Rare Earths Processing plant secures Pioneer Status***
- ***100% corporate tax exemption for ten years***
- ***Exemption on import duty and sales tax for all imports by Lynas***
- ***Dividends from Lynas Malaysia Sdn Bhd should not attract further tax***

Lynas Corporation Limited ("Lynas") (ASX code LYC) is pleased to announce that the Malaysian Government has granted "Pioneer Status" with an associated substantial tax incentive package to Lynas Malaysia Sdn Bhd for its Kemaman Rare Earths processing plant.

Lynas Malaysia Sdn Bhd is a wholly owned subsidiary of Lynas responsible for the development of the Company's Rare Earths processing plant at the Teluk Kalong industrial park, in Kemaman on the east coast of Malaysia.

The Malaysian Minister of Finance has approved the project with a package of special incentives, including:

- A 100% corporate tax exemption at the statutory income level for a period of ten years.
- An exemption on import duty and sales tax on all raw materials, machinery, equipment and components imported in to the country and used by Lynas for the purposes of its Rare Earths manufacturing project.

Lynas believes this package demonstrates the commitment of the Malaysian Government to the development of this project. The Pioneer Status package has substantial economic benefit to Lynas, in particular as dividends from Lynas Malaysia Sdn Bhd to Lynas should not attract any further taxation in Lynas.

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### **About Lynas Corporation**

Lynas owns the richest deposit of Rare Earths in the world at Mount Weld, Western Australia. The company's strategy is to create a reliable, fully integrated source of Rare Earths supply from mine through to customers in the global Rare Earths industry.

All Australian project and business approvals have been received for the development of the mine at Mount Weld. A processing facility for the Mount Weld ore is to be constructed on the east coast of Malaysia at Kemaman. Engineering design is underway for the plant to produce a suite of Rare Earths products for the global chemical companies that purchase Rare Earths to produce a wide range of products critical for the electronic and automotive industries. Lynas plans to become the benchmark for security of supply and world leader in quality and environmental responsibility to an international customer base.

For more information about the growing demand and applications of Rare Earths, including the role they play in reducing greenhouse gases, increasing energy efficiency and bringing colour and light to the many products we use every day please visit [www.lynascorp.com](http://www.lynascorp.com) .