

25 June 2014

**TRANSITION OF CEO  
TERMS OF EMPLOYMENT**

Lynas Corporation (ASX:LYC, OTC:LYSDY) has previously announced on 5 June 2014 the appointment of Amanda Lacaze as Executive Director and Chief Executive Officer of the Company following the resignation of Eric Noyrez. Following documentation of these arrangements, the effective date for the transition is 25 June 2014.

The main terms and conditions of Ms Lacaze's appointment as Executive Director and CEO are summarised in Attachment A.

Following his resignation as CEO, Eric has also resigned as a Director of the Company. Eric will continue to remain available to the Company as required to assist with the transition of the CEO role.

The details of the benefits that are payable to Mr Noyrez under his executive services agreement in connection with the cessation of his employment are in accordance with that agreement (detailed in the 2013 Lynas Corporation annual report), as modified by the Australian Corporations Act.

**For further information please contact Alistair Reid or Alan Jury on +61 2 8259 7100 or visit [www.lynascorp.com](http://www.lynascorp.com)**

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**ATTACHMENT A:  
SUMMARY OF KEY TERMS AND CONDITIONS OF CEO CONTRACT**

As Executive Director and Chief Executive Officer, Ms Lacaze is entitled to the following:

1. Base salary (inclusive of superannuation) of \$1,200,000.
2. Sign on bonus of performance rights to the value of \$100,000. These performance rights will have a vesting period of 12 months, and no other vesting conditions.\*
3. A performance bonus of up to \$600,000 payable in the first year only, subject to completion of agreed milestones. Any performance bonus will be paid in up to three instalments of \$200,000 (split between \$100,000 in cash and \$100,000 in performance rights). All performance rights will be subject to vesting conditions requiring Ms Lacaze to be continuously employed by Lynas for at least 12 months after the allocation date.\*
4. STI entitlement of up to \$600,000, comprising cash STI entitlement of \$300,000 and deferred STI entitlement of up to \$300,000 in equity. Deferred STI vests in two equal portions, one 12 months after allocation and one 24 months after allocation.\*
5. LTI entitlement of up to \$600,000 in equity.\*

Other material terms and conditions:

6. Ms Lacaze must give three months' written notice of an intention to resign. Lynas may terminate the agreement by giving six months' written notice.
7. In accordance with the *Corporations Act 2001*, the maximum termination payment payable to Ms Lacaze is equal to her base salary for one year (i.e. excluding any LTI component).

\* Note: Each proposed issuance of equity securities referred to in this announcement is subject to Lynas shareholder approval.