



2 February 2012

AELB announces its approval of temporary operating licence for the Lynas Advanced Materials Plant

Lynas Corporation Limited ("Lynas") (ASX:LYC, OTC:LYSDY) confirms that Malaysia's Atomic Energy Licensing Board (AELB) has announced its approval of the temporary operating licence (TOL) for the Lynas Advanced Materials Plant (LAMP) in Gebeng, Malaysia.

The TOL has been referred to in recent correspondence as the "pre-operating licence".

The TOL will be valid for two years. If Lynas complies with the requirements of the TOL a permanent operating licence may be issued within the two years.

In announcing its approval of the TOL, the AELB included several conditions:

- Lynas to submit all details of a Permanent Disposal Facility (PDF)
- Lynas to submit a plan and location details for the PDF, regardless of the outcome of research and development into commercialisation, recycling and re-use of solid residue materials
- Lynas' plans and the location of the PDF to be submitted and approved within 10 months from the date of issuance of the TOL
- Lynas to pay US\$50million in instalments to the Malaysian Government as a financial guarantee
- The AELB reserves the right to appoint an independent consultant to evaluate compliance with the standards and regulations that have been set, the cost of which will be borne by Lynas.

Lynas Executive Chairman, Nicholas Curtis, said "The AELB's decision comes after a thorough and extensive review by the Malaysian Government regulatory authorities. Lynas respects the Government's processes and the regulator's decision. Lynas recognises its responsibility to the community to operate the plant in a safe and sustainable manner".

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