

12 September 2011

## Further High Grade Rare Earths Results from Mount Weld Drilling

Lynas Corporation Limited ("Lynas") (ASX:LYC, OTC:LYSDY) is pleased to announce the complete set of assay results have now been received for the extension drilling programme which was completed on the western side of the Central Lanthanide Deposit and the current open pit at Mount Weld in the June quarter. Some early assay results for the southern-most holes were announced in the June 2011 Quarterly Report.

This drilling programme is within the area containing Inferred Resources, and is aimed at delineating the REO resource in this area to at least an Indicated status, and to enable Lynas to assess including the western side of the Central Lanthanide Deposit into the mine planning process, thereby upgrading the Reserves of the ore-body.

The complete set of assays for all 154 holes and 9,604 metres of drilling have now been received, with outstanding intersections including:

- 27.0m @ 12.26% REO from 42m – RC1194
- 60.0m @ 12.36% REO from 37m – RC1195
- 44.0m @ 10.29% REO from 38m – RC1196
- 43.5m @ 11.34% REO from 46m – RC1203
- 59.0m @ 10.13% REO from 43m – RC1213
- 34.0m @ 12.10% REO from 46m – RC1288
- 41.0m @ 10.81% REO from 42m – RC1289
- 22.4m @ 15.04% REO from 48m – RC1297
- 30.0m @ 15.33% REO from 49m – RC1304
- 42.0m @ 13.63% REO from 48m – RC1305
- 25.5m @ 12.42% REO from 46m – RC1312
- 72.0m @ 11.18% REO from 42m – RC1327

As well as shorter higher grade intersections, including:

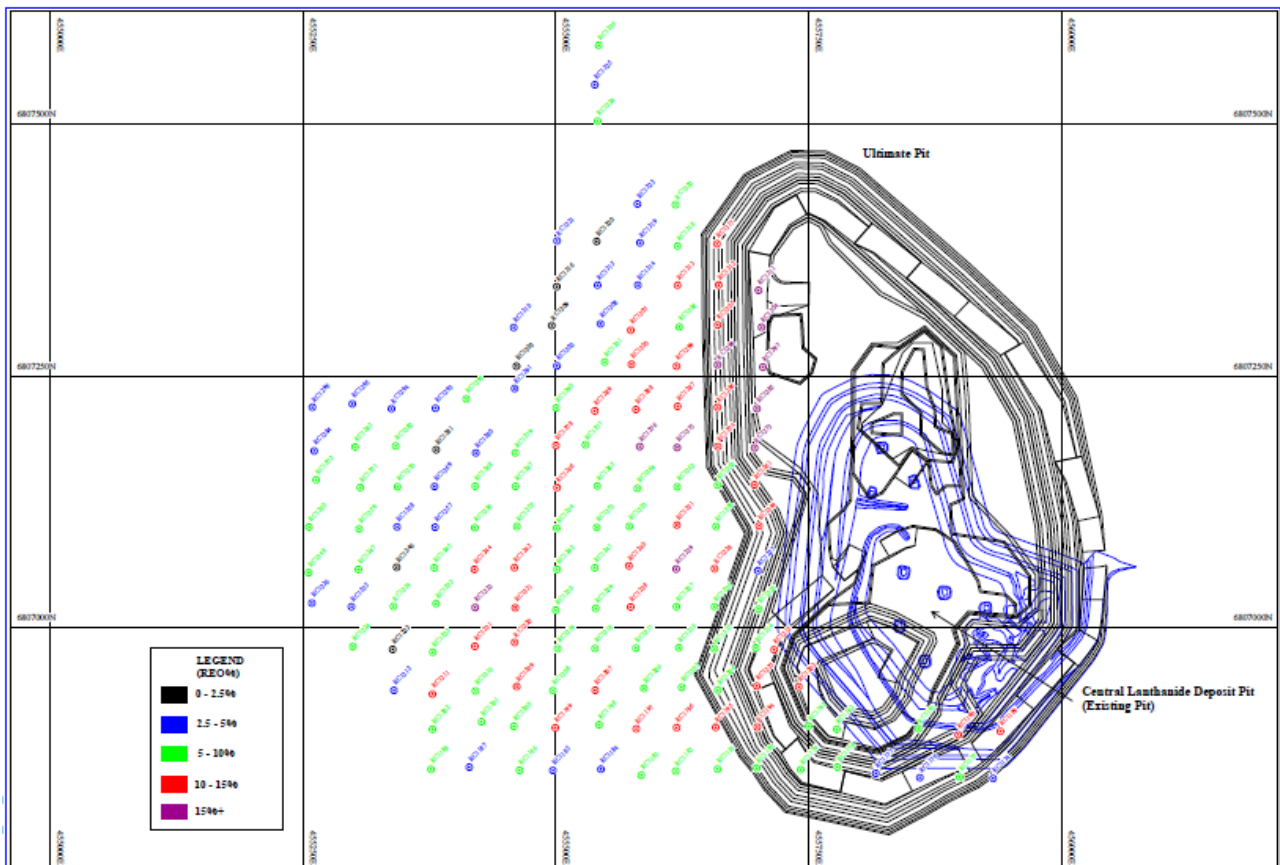
- 8.2m @ 15.83% REO from 36m – RC1232
- 12.0m @ 15.62% REO from 48m – RC1239
- 6.6m @ 20.92% REO from 54m – RC1273
- 10.0m @ 15.96% REO from 50m – RC1275
- 12.3m @ 16.32% REO from 46m – RC1276
- 11.8m @ 15.58% REO from 52m – RC1285
- 11.0m @ 19.19% REO from 50m – RC1298
- 12.0m @ 17.01% REO from 47m – RC1311

The complete set of detailed results can be found in the Appendix. The Mineralised Intervals Criteria used were:

- A Mineralised Interval must be at least 4m thick and have a grade greater than 2.5% REO
- A Mineralised Interval may include 2m of internal dilution, i.e. REO grade less than 2.5%, providing total mineralisation is greater than 2.5% REO

The Mineralised Intervals Map below shows the locations of the 154 holes completed in the June quarter drilling campaign with REO grades represented on the map as follows; Black: 0 – 2.5%, Blue: 2.5 – 5%, Green: 5 – 10%, Red: 10 – 15%, Purple: 15%+. The existing Central Lanthanide Deposit pit is shown in blue, with the current ultimate pit shown in black.

FIGURE 1. MINERALISED INTERVALS MAP OF 154 HOLES IN JUNE QUARTER DRILLING



New modelling, metallurgical test work and mine planning will be carried out on the area defined by this drilling. The tenure of these results gives confidence of a likely increase in the ore reserves towards the end of the year, as well as a modification to the ultimate pit design.

APPENDIX

JUNE QUARTER DRILLING RESULTS FOR ALL 154 HOLES

Hole ID	From	To	Meters	Av. REO	Statement
RC1174	24.0	32.0	8.0	4.25	8m @ 4.25%
RC1175	24.0	32.0	8.0	6.52	8m @ 6.52%
RC1176	26.0	42.0	16.0	4.90	16m @ 4.9%
RC1177	36.0	58.0	22.0	4.90	22m @ 4.9%
RC1178	44.0	76.0	32.0	6.07	32m @ 6.07%
RC1179	38.0	68.0	30.0	6.70	30m @ 6.7%
RC1180	36.0	60.0	24.0	6.73	24m @ 6.73%
RC1181	36.0	64.0	28.0	5.28	28m @ 5.28%
RC1182	33.0	50.0	17.0	7.68	17m @ 7.68%
RC1183	38.0	56.0	18.0	6.33	18m @ 6.33%
RC1184	42.0	50.0	8.0	4.29	8m @ 4.29%
RC1185	46.0	51.5	5.5	4.23	5.5m @ 4.23%
RC1186	42.0	64.5	22.5	9.87	22.5m @ 9.87%
RC1187	40.0	60.0	20.0	4.07	20m @ 4.07%
RC1188	38.0	58.0	20.0	5.26	20m @ 5.26%
RC1189	4.0	20.0	16.0	10.74	16m @ 10.74%
RC1190	2.0	28.7	26.7	10.46	26.7m @ 10.46%
RC1191	4.0	22.0	18.0	8.53	18m @ 8.53%
RC1192	50.0	92.0	42.0	9.07	42m @ 9.07%
RC1193	50.0	117.0	67.0	9.07	67m @ 9.07%
RC1194	42.0	69.0	27.0	12.26	27m @ 12.26%
RC1195	37.0	97.0	60.0	12.36	60m @ 12.36%
RC1196	38.0	82.0	44.0	10.29	44m @ 10.29%
RC1197	40.0	69.0	29.0	10.45	29m @ 10.45%
RC1198	44.0	64.0	20.0	9.15	20m @ 9.15%
RC1199	42.0	65.0	23.0	11.07	23m @ 11.07%
RC1200	42.0	62.5	20.5	9.57	20.5m @ 9.57%
RC1201	38.0	48.5	10.5	8.24	10.5m @ 8.24%
RC1202	32.0	44.5	12.5	7.34	12.5m @ 7.34%
RC1203	46.0	89.5	43.5	11.34	43.5m @ 11.34%
RC1204	42.0	70.0	28.0	5.89	28m @ 5.89%
RC1205	42.0	92.8	50.8	7.70	50.8m @ 7.7%
RC1206	44.0	75.8	31.8	8.33	31.8m @ 8.33%
RC1207	44.0	66.8	22.8	11.84	22.8m @ 11.84%
RC1208	42.0	64.5	22.5	9.58	22.5m @ 9.58%
RC1209	39.0	60.5	21.5	13.71	21.5m @ 13.71%

Hole ID	From	To	Meters	Av. REO	Statement
RC1210	32.0	47.5	15.5	7.81	15.5m @ 7.81%
RC1211	30.0	44.0	14.0	13.22	14m @ 13.22%
RC1212	28.0	36.2	8.2	4.10	8.2m @ 4.1%
RC1213	43.0	102.0	59.0	10.13	59m @ 10.13%
RC1214	44.0	94.0	50.0	7.43	50m @ 7.43%
RC1215	44.0	98.0	54.0	6.93	54m @ 6.93%
RC1216	46.0	80.0	34.0	5.01	34m @ 5.01%
RC1217	48.0	65.2	17.2	9.60	17.2m @ 9.6%
RC1218	48.0	63.0	15.0	7.76	15m @ 7.76%
RC1219	40.0	57.8	17.8	9.12	17.8m @ 9.12%
RC1220	37.0	60.0	23.0	12.24	23m @ 12.24%
RC1221	32.0	41.5	9.5	12.38	9.5m @ 12.38%
RC1222	34.0	48.0	14.0	6.97	14m @ 6.97%
RC1223	-	-	-	-	<2.5% Mineralisation
RC1224	28.0	34.3	6.3	5.26	6.3m @ 5.26%
RC1225	49.0	84.0	35.0	6.52	35m @ 6.52%
RC1226	48.0	90.0	42.0	6.29	42m @ 6.29%
RC1227	47.0	67.0	20.0	8.79	20m @ 8.79%
RC1228	48.0	68.0	20.0	10.26	20m @ 10.26%
RC1229	46.0	63.5	17.5	9.27	17.5m @ 9.27%
RC1230	34.0	53.3	19.3	8.26	19.3m @ 8.26%
RC1231	36.0	58.6	22.6	11.95	22.6m @ 11.95%
RC1232	36.0	44.2	8.2	15.83	8.2m @ 15.83%
RC1233	30.0	50.0	20.0	8.81	20m @ 8.81%
RC1234	32.0	36.0	4.0	9.74	4m @ 9.74%
RC1235	30.0	36.0	6.0	2.63	6m @ 2.63%
RC1236	32.0	44.0	12.0	3.62	12m @ 3.62%
RC1237	57.0	73.8	16.8	4.02	16.8m @ 4.02%
RC1238	50.0	60.0	10.0	10.76	10m @ 10.76%
RC1239	48.0	60.0	12.0	15.62	12m @ 15.62%
RC1240	47.0	72.0	25.0	11.43	25m @ 11.43%
RC1241	44.0	58.0	14.0	8.54	14m @ 8.54%
RC1242	34.0	55.8	21.8	8.13	21.8m @ 8.13%
RC1243	31.0	55.0	24.0	10.66	24m @ 10.66%
RC1244	31.0	50.5	19.5	11.17	19.5m @ 11.17%
RC1245	36.0	42.0	6.0	8.44	6m @ 8.44%
RC1246	-	-	-	-	<2.5% Mineralisation
RC1247	27.0	47.4	20.4	7.84	20.4m @ 7.84%

Hole ID	From	To	Meters	Av. REO	Statement
RC1248	29.0	52.0	23.0	6.20	23m @ 6.2%
RC1249	56.0	67.2	11.2	12.11	11.2m @ 12.11%
RC1250	52.0	64.5	12.5	9.97	12.5m @ 9.97%
RC1251	50.0	62.0	12.0	10.17	12m @ 10.17%
RC1252	46.0	74.5	28.5	8.36	28.5m @ 8.36%
RC1253	42.0	56.0	14.0	9.48	14m @ 9.48%
RC1254	32.0	57.0	25.0	9.07	25m @ 9.07%
RC1255	30.0	47.2	17.2	8.72	17.2m @ 8.72%
RC1256	30.0	48.0	18.0	7.62	18m @ 7.62%
RC1257	37.0	39.0	2.0	3.12	2m @ 3.12%
RC1258	40.0	46.0	6.0	3.14	6m @ 3.14%
RC1259	27.0	50.0	23.0	5.62	23m @ 5.62%
RC1260	42.0	60.5	18.5	6.79	18.5m @ 6.79%
RC1261	56.0	77.2	21.2	12.22	21.2m @ 12.22%
RC1262	54.0	66.2	12.2	7.23	12.2m @ 7.23%
RC1263	50.0	67.3	17.3	8.45	17.3m @ 8.45%
RC1264	42.0	63.3	21.3	6.98	21.3m @ 6.98%
RC1265	39.0	56.0	17.0	7.40	17m @ 7.4%
RC1266	34.0	56.2	22.2	11.47	22.2m @ 11.47%
RC1267	30.0	59.2	29.2	8.19	29.2m @ 8.19%
RC1268	32.0	47.0	15.0	6.53	15m @ 6.53%
RC1269	34.0	38.0	4.0	3.12	4m @ 3.12%
RC1270	31.0	44.0	13.0	7.11	13m @ 7.11%
RC1271	29.0	64.0	35.0	6.44	35m @ 6.44%
RC1272	34.0	56.0	22.0	6.16	22m @ 6.16%
RC1273	54.0	60.6	6.6	20.92	6.6m @ 20.92%
RC1274	51.0	61.1	10.1	11.82	10.1m @ 11.82%
RC1275	50.0	60.0	10.0	15.96	10m @ 15.96%
RC1276	46.0	58.3	12.3	16.32	12.3m @ 16.32%
RC1277	36.0	75.3	39.3	9.23	39.3m @ 9.23%
RC1278	32.0	59.2	27.2	10.52	27.2m @ 10.52%
RC1279	33.0	40.0	7.0	9.16	7m @ 9.16%
RC1280	36.0	41.5	5.5	4.82	5.5m @ 4.82%
RC1281	-	-	-	-	<2.5% Mineralisation
RC1282	28.0	54.0	26.0	5.74	26m @ 5.74%
RC1283	34.0	62.0	28.0	6.91	28m @ 6.91%
RC1284	44.0	54.0	10.0	4.04	10m @ 4.04%
RC1285	52.0	63.8	11.8	15.58	11.8m @ 15.58%

Hole ID	From	To	Meters	Av. REO	Statement
RC1286	50.0	63.5	13.5	11.41	13.5m @ 11.41%
RC1287	48.0	61.0	13.0	11.42	13m @ 11.42%
RC1288	46.0	80.0	34.0	12.10	34m @ 12.1%
RC1289	42.0	83.0	41.0	10.81	41m @ 10.81%
RC1290	34.0	65.0	31.0	8.83	31m @ 8.83%
RC1291	30.0	34.0	4.0	3.21	4m @ 3.21%
RC1292	30.0	34.0	4.0	7.36	4m @ 7.36%
RC1293	27.0	40.0	13.0	4.64	13m @ 4.64%
RC1294	58.0	66.0	8.0	3.13	8m @ 3.13%
RC1295	34.0	52.0	18.0	4.31	18m @ 4.31%
RC1296	38.0	52.0	14.0	3.76	14m @ 3.76%
RC1297	48.0	70.4	22.4	15.04	22.4m @ 15.04%
RC1298	50.0	61.0	11.0	19.19	11m @ 19.19%
RC1299	48.0	61.0	13.0	14.27	13m @ 14.27%
RC1300	48.0	77.2	29.2	10.78	29.2m @ 10.78%
RC1301	46.0	72.0	26.0	5.25	26m @ 5.25%
RC1302	36.0	54.0	18.0	3.27	18m @ 3.27%
RC1303	-	-	-	-	<2.5% Mineralisation
RC1304	49.0	79.0	30.0	15.33	30m @ 15.33%
RC1305	48.0	90.0	42.0	13.63	42m @ 13.63%
RC1306	48.0	81.4	33.4	9.04	33.4m @ 9.04%
RC1307	48.0	67.5	19.5	11.29	19.5m @ 11.29%
RC1308	44.0	62.0	18.0	3.57	18m @ 3.57%
RC1309	-	-	-	-	<2.5% Mineralisation
RC1310	34.0	40.0	6.0	4.83	6m @ 4.83%
RC1311	47.0	59.0	12.0	17.01	12m @ 17.01%
RC1312	46.0	71.5	25.5	12.42	25.5m @ 12.42%
RC1313	46.0	61.4	15.4	13.96	15.4m @ 13.96%
RC1314	42.0	52.0	10.0	3.66	10m @ 3.66%
RC1315	40.0	58.0	18.0	3.62	18m @ 3.62%
RC1316	-	-	-	-	<2.5% Mineralisation
RC1317	42.0	58.0	16.0	12.71	16m @ 12.71%
RC1318	42.0	60.0	18.0	6.05	18m @ 6.05%
RC1319	42.0	56.3	14.3	4.79	14.3m @ 4.79%
RC1320	-	-	-	-	<2.5% Mineralisation
RC1321	44.0	48.0	4.0	4.05	4m @ 4.05%
RC1322	41.0	50.8	9.8	5.97	9.8m @ 5.97%
RC1323	44.0	48.0	4.0	3.32	4m @ 3.32%

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Hole ID	From	To	Meters	Av. REO	Statement
RC1324	54.0	60.0	6.0	6.38	6m @ 6.38%
RC1325	74.0	82.5	8.5	3.49	8.5m @ 3.49%
RC1326	60.0	68.0	8.0	5.33	8m @ 5.33%
RC1327	42.0	114.0	72.0	11.18	72m @ 11.18%

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## COMPETENT PERSON'S STATEMENT

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Brendan Shand, who is a member of The Australasian Institute of Mining and Metallurgy. Brendan Shand is an employee of Lynas Corporation Limited. Brendan Shand has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Brendan Shand consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

### About Lynas Corporation

Lynas owns the richest known deposit of Rare Earths, also known as Lanthanides, in the world at Mount Weld, near Laverton in Western Australia. This deposit underpins Lynas' strategy to create a reliable, fully integrated source of Rare Earths supply from the mine through to customers in the global Rare Earths industry.

Lynas is concentrating the ore mined at Mount Weld in a Concentration Plant approximately 1.5km from the mine. The concentrate produced by the Concentration Plant will be shipped in sea containers and transported by road and ship to the east coast of Malaysia to the Lynas Advanced Materials Plant (LAMP) within the Gebeng Industrial Estate, Kuantan, Pahang, Malaysia, to process the Mount Weld concentrate through to separate Rare Earths products.

Construction of Phase 1 of the Lynas Rare Earths Project is being funded from existing cash of Lynas. Funding facilities for construction of Phase 2 of the Lynas Rare Earths Project have been secured. The Concentration Plant in Western Australia commenced feed of ore on 14 May 2011 and is performing well. First feed of concentrate at the LAMP is scheduled to be achieved in the fourth quarter of 2011. Lynas has received all required approvals to construct the LAMP, and is in the process of applying for all pre-operation and operation approvals.

The company plans to become the benchmark for security of supply and a world leader in quality and environmental responsibility to an international customer base.

'Rare Earths' is the term given to fifteen metallic elements known as the lanthanide series, plus yttrium. They play a key role in green environmental products, from energy efficient compact fluorescent light bulbs (CFLs) to hybrid cars, automotive catalytic converters and wind turbine generators. They are also essential in the development and manufacturing of many modern technological products, from hard disc drives to flat panel displays, iPods and magnetic resonance imaging (MRI) scans.

Lynas American Depositary Receipts (ADRs) trade under the code LYSDY (CUSIP number 551073208). The Bank of New York Mellon is the depositary bank in respect of Lynas ADRs.

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