



20 June 2011

Lynas Advanced Materials Plant Update

Lynas Corporation Limited ("Lynas") (ASX:LYC, OTC:LYSDY) wishes to update shareholders with respect to the independent technical review being conducted on the Lynas Advanced Materials Plant (LAMP) currently under construction in the Gebeng Industrial Estate, near Kuantan, Malaysia.

In the first week of June, the IAEA concluded the independent expert mission to Malaysia to review radiation safety at the LAMP. The 10-member review team held technical meetings as well as numerous sessions to gather public views and hear concerns about the facility. It also met Lynas project staff and visited the construction site during its week-long mission, which was carried out at the invitation of the Malaysian Government.

"The meetings and interviews were transparent, open and were held with a good working atmosphere and cooperation with all the parties," said the IAEA's Tero Varjoranta, the team leader.

"The public submissions were important for understanding concerns and for discussing radiation safety aspects of the project." The team will compare the information gathered against relevant international radiation safety standards and good practices. Its report and recommendations will be provided to the Malaysian Government by the end of June, and the Malaysian Government shall make the panel's findings and recommendations public.

Lynas respects the independent review process, and understands the independent review process is progressing on schedule to report to the Malaysian Government by the end of June. Upon receipt of the Malaysian Government's decision on the findings of the independent technical review, Lynas shall release a further market update.

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 will concentrate 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 separated Rare Earths products.

Construction of Phase 1 of the Lynas Rare Earths Project is being funded from existing cash of Lynas. Construction of Phase 2 of the Lynas Rare Earths Project will be funded from the Sojitz/JOGMEC facilities. The Concentration Plant in Western Australia commenced feed of ore on 14 May 2011. Practical completion of the LAMP is scheduled for September 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, with production anticipated to commence in 2011.

'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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