

1 October 2009

## Successful completion of institutional component of Capital Raising

Lynas Corporation Limited (ABN 27 009 066 648) (ASX code: LYC) (**Lynas** or the **Company**) today announced that it has successfully completed the institutional component of the entitlement offer and the institutional placements as part of its recently announced equity raising to raise up to approximately A\$450 million (**Capital Raising**).

A total of \$285 million has been committed by institutional investors, consisting of:

- A\$130 million from the institutional component of the 1-for-1 non-renounceable pro-rata entitlement offer (**Entitlement Offer**) (**Institutional Entitlement Offer**);
- A\$88 million from the unconditional placement of the new fully paid ordinary shares in Lynas (**New Shares**) (**Unconditional Placement**); and
- A\$67 million from the conditional placement of New Shares (**Conditional Placement**).

In addition, the retail component of the Entitlement Offer will raise approximately \$165 million (**Retail Entitlement Offer**) and is fully underwritten.

The Institutional Entitlement Offer, Unconditional Placement and Conditional Placement were heavily oversubscribed with strong demand from new and existing Australian and international institutional investors.

Commenting on the success of the institutional component of the Capital Raising, Lynas' Executive Chairman, Mr. Nicholas Curtis said, "We are delighted with the strong support that our institutional shareholders have shown for the capital raising and for Lynas. I look forward to an equally strong participation from our retail shareholder base and support for the conditional placement at the extraordinary general meeting."

New Shares issued under the Institutional Entitlement Offer and Unconditional Placement will rank equally with existing fully paid ordinary shares in Lynas and are expected to be issued on Tuesday, 13 October 2009. Trading on the Australian Securities Exchange (**ASX**) will commence on the same day.

Existing fully paid ordinary shares in Lynas will recommence trading on the ASX today.

## Retail Entitlement Offer

The Retail Entitlement Offer will open on Wednesday, 7 October 2009 and close at 5.00pm (Perth time) on Friday, 23 October 2009. Eligible retail shareholders will have the opportunity to participate at the same price and entitlement ratio as institutional shareholders did under the Institutional Entitlement Offer.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer for New Shares will need to have regard to the retail offer booklet and personalised entitlement and acceptance application form which is expected to be mailed to each eligible retail shareholder on 2 October 2009.

## Shareholder Enquiries

Retail shareholders will be sent details of the Lynas Capital Raising shortly. Retail shareholders who have questions regarding the Retail Entitlement Offer should call Lynas' Share Registry on (+61 8) 9315 2333 at any time from 8.00am to 5.00pm (WAST) Monday to Friday during the Retail Offer period.

## Disclaimer

This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or to any person that is or is acting for the account or benefit of any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act")) ("U.S. Person"), or in any other jurisdiction. The securities in the proposed offering have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

## Caution regarding forward-looking statements

This press release contains forward-looking statements, which can usually be identified by the use of words such as "should", "could", "may", "will", "expect", "predict", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. These forward-looking statements, opinions and estimates provided in this press release are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Further, such forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those

expressed in the statements contained in this press release. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this press release. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements. The historical information in this announcement is, or is based upon, information that has been released to the market. For further information, please see announcements released to ASX including the Full Year accounts for the financial year ending 30 June 2009 which were released to the market on 29 September 2009.

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**Lynas stock symbols: LYC (Australian Securities Exchange)**