

16 July 2009

## MARKET UPDATE – SUPPLY CHAIN APPROVALS

Lynas Corporation Limited (ASX: LYC) is pleased to confirm that the company has now received the following supply chain related approvals that were referred to in the company's quarterly report for the period ending 31 March 2009:

1. Export Permit for Mount Weld concentrate from the Australian Federal Department of Resources, Energy and Tourism.
2. Transport Management Plan approval from the Western Australian Department of Environment and Conservation.

This completes the regulatory requirements to transport the company's concentrate from Mount Weld to Malaysia.

### About Lynas Corporation

Lynas owns the richest 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 suspended work on the Lynas Rare Earths project in February 2009. Lynas has received all environmental approvals to build a Concentration Plant at Mount Weld and an Advanced Materials Plant to process the Mount Weld concentrate through to final Rare Earths oxides in the Gebeng Industrial Estate, Kuantan, Pahang, Malaysia.

On 1 May 2009 Lynas announced the introduction of a new majority shareholder, CNMC, subject to approvals, who will arrange provision of new capital through an equity subscription and Chinese bank finance for the completion of construction and commissioning of the Lynas Rare Earths project. The business model remains unchanged with the Concentration Plant to be built at Mount Weld, Western Australia, and the Advanced Materials Plant to be built in Malaysia. Lynas' marketing strategy remains unchanged with a focus on Japan, North America and the European Union including fulfilling existing sales contracts.

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.

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