

22 July 2008

WORKS APPROVAL RECEIVED FOR MOUNT WELD CONCENTRATION PLANT

The Directors of Lynas Corporation (ASX: LYC) are pleased to announce the Department of Environment and Conservation (DEC) of the Western Australia Government issued the Works Approval for the concentration plant for the Mount Weld Rare Earths project on 21 July 2008.

The Works Approval application was lodged after the approval of Environmental Impact Assessment and relates to the actual construction commencement of the concentration plant.

Site clearing and grubbing has been completed for the concentration plant. All tenders have been received for an early works package which consists of site preparation for commencement of building works, and final negotiations with a preferred contractor will now commence for this works package.

Two preferred contractors for the construction contract have been identified. As contractor schedules have indicated a construction period of eight months, as opposed to the initial plan of 12 months, it is anticipated this contract will not be awarded until September. Commencement of building works in October will enable commissioning of the plant to occur in accordance with previous announcements.

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.

The first mining campaign is now complete. 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. 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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