



2 October 2018

REVIEW OF LYNAS OPERATIONS IN MALAYSIA

Lynas Corporation Limited (ASX:LYC, OTC:LYSDY) today released an open letter to the Government of Malaysia and the People of Malaysia regarding the proposed review of Lynas Malaysia Sdn Bhd's operations.

Attached for the information of shareholders is a copy of our open letter.

For all media enquiries please contact Jennifer Parker or Lauren Stutchbury from Cannings Corporate Communications on +61 2 8284 9990 or jparker@cannings.net.au.

Andrew Arnold
Company Secretary

An Open Letter to the Government of Malaysia and the People of Malaysia

Salam Sejahtera,

My name is Amanda Lacaze. I am the CEO of Lynas and I am writing this letter on behalf of our employees and their families, our contractors, and our hundreds of large and small suppliers.

I am taking this step of writing to you to encourage fairness, objectivity and transparency in any review of Lynas Malaysia Sdn Bhd.

Lynas Malaysia has been producing high quality rare earth materials at our Gebeng plant for 6 years. Our operations are built on a Zero Harm philosophy - zero harm for our people, zero harm for our communities and zero harm for our environment. Independent monitoring confirms we have achieved this. We are compliant with our licence conditions and we work closely with the Malaysian regulators to identify ways to continuously improve our operations.

Through Lynas, Malaysia has gained a significant international profile as a centre of excellence for Rare Earths production. As the only miner and producer of Rare Earth products outside China, Lynas Malaysia is an important supplier to many industries including the automotive, electronics, oil and gas and renewable energy industries. Our key customers are in Japan, Europe and North America, all important trading partners of Malaysia.

Despite the company's excellent record of compliance, according to recent media reports, a Lynas Malaysia review committee has been formed. These reports state it will be chaired by a person who openly admits to being anti-Lynas. From media reports, this person has been quoted as stating it will not be an independent review. To date, Lynas has seen media reports about this review committee, however we have not been notified of the membership of this review committee, the scope of the review or the terms of reference of this committee.

We acknowledge the absolute right of the government to conduct a review and will co-operate with confidence in our performance.

We also know the Malaysian government and the people of Malaysia expect high standards of fairness and openness in all aspects of public life, as seen in other recent initiatives of the new government.

On behalf of everyone at Lynas, I am appealing to the government to apply those same high standards - to be fair and just and to be objective and scientific - in any review of Lynas Malaysia.

Terima Kasih,

Amanda Lacaze

CEO & Managing Director

Lynas Corporation Limited