

20 July 2015

Issue of Shares and Notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) (Act)

We refer to the issue on 20 July 2015 of 116,076,858 ordinary shares to the Company's chemical reagent supplier for the consideration referred to in the Company's ASX announcement dated 17 July 2015.

In accordance with section 708A(6) of the Act, Lynas Corporation Limited (Lynas) confirms that:

- (1) The shares were issued without disclosure to investors under Part 6D.2 of the Act.
- (2) This notice is being given under section 708A(5)(e) of the Act.
- (3) As at the date of this notice, Lynas has complied with:
 - (a) the provisions of Chapter 2M as they apply to Lynas; and
 - (b) section 674 of the Act as it applies to Lynas.
- (4) As at the date of this notice, there is no information that is excluded information as defined in sections 708A(7) and 708A(8) of the Act.

BP Amo So

Andrew Arnold Company Secretary





Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

LYNAS CORPORATION LTD

ABN

27 009 066 648

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Ordinary Shares

116,076,858

- 2 Number of *securities issued or to be issued (if known) or maximum number which may be issued
- Principal of the terms 3 +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Ordinary Shares

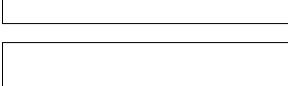
⁺ See chapter 19 for defined terms.

4	Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?	Rank equally with existing ordinary shares
	 If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issued to the Company's chemical reagent supplier for the consideration referred to in the Company's ASX announcement dated 17 July 2015.
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the</i> <i>subject of this Appendix 3B</i> , and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	
6с	Number of ⁺ securities issued without security holder approval under rule 7.1	

⁺ See chapter 19 for defined terms.

- 6d Number of *securities issued with security holder approval under rule 7.1A
- 6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)
- 6f Number of securities issued under an exception in rule 7.2
- 6g If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.
- 6h If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements
- 6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements
- 7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates
- 8 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in section 2 if applicable)

Number	+Class
3,487,309,161	Ordinary Shares
740,178,231	Options expiring 15 September 2015 exercisable at \$0.09



20 July 2015

⁺ See chapter 19 for defined terms.

Number	+Class			
5,850,000	Employee Options exercisable at \$1.15 on or before 19 August 2015			
1,000,000	Employee Options exercisable at \$1.60 on or before 1 October 2015			
679,758	Employee Options exercisable at \$1.02 on or before 24 September 2017			
432,489	Employee Performance Rights exercisable for no further consideration on or before 24 September 2017			
579,663	Class 1 Employee Performance Rights exercisable for no further consideration on or before 23 Sept 2018			
2,268,067	Class 2 Employee Performance Rights exercisable for no further consideration on or before 23 Sept 2018			
9,443,395	Class 2 Employee Performance Rights exercisable for no further consideration on or before 23 Sept 2019			
862,069	Sign-On Performance Rights exercisable for no further consideration on or before 23 Sept 2017			
1,086,957	Performance Based Performance Rights exercisable for no further consideration on or before 23 Sept 2017			
6,226,416	LTI Performance Rights exercisable for no further consideration on or before 23 September 2019			
225,000,000	2.75% Convertible Bonds due 2016			

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

n/a

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

¹

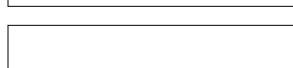
⁺ See chapter 19 for defined terms.

12	Is the issue renounceable or non- renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
	F	
15	⁺ Record date to determine entitlements	
	F	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
	E Contraction of the second seco	
17	Policy for deciding entitlements in relation to fractions	
	E	
18	Names of countries in which the entity has ⁺ security holders who	
	will not be sent new issue documents	
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
	F	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
	L	
21	Amount of any underwriting fee or commission	
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22	Names of any brokers to the issue	
	L	
	_	
23	Fee or commission payable to the broker to the issue	
	_	
24	Amount of any handling fee	
	payable to brokers who lodge	
	acceptances or renunciations on	
	behalf of +security holders	

⁺ See chapter 19 for defined terms.

- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do ⁺security holders sell their entitlements *in full* through a broker?
- 31 How do ⁺security holders sell part of their entitlements through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Despatch date



Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities (*tick one*)
- (a) Securities described in Part 1

⁺ See chapter 19 for defined terms.

All other securities

(b)

37

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

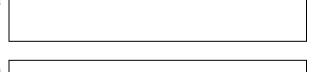
Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders
- If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
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 - A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

- 38 Number of securities for which ⁺quotation is sought
- 39 Class of ⁺securities for which quotation is sought



⁺ See chapter 19 for defined terms.

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

⁺ See chapter 19 for defined terms.

Quotation agreement

- ¹ ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

BP Amo Se

ANDREW ARNOLD

Sign here:

Print name:

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⁺ See chapter 19 for defined terms.