

**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme Lynas Corporation Limited

ACN/ARSN 009 066 648

This notice is given by Mount Kellett Capital Management LP (**Investment Manager**), as the investment manager for each of Vista Asset Funding (Ireland) DAC, Mount Kellett Capital Partners (Ireland) II DAC, Lantau Overseas Master Fund II LP and Lantau Overseas Master Fund II-A LP (together, **Mount Kellett Funds**).

**1. Details of substantial holder (1)**

Name Mount Kellett Capital Management LP as investment manager for each of the Mount Kellett Funds

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 19/09/2017

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares	266,666,665	266,666,665	5.2%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Vista Asset Funding (Ireland) DAC	Became the beneficial owner of shares by reason of conversion of Convertible Bonds, a copy of the conversion notice is annexed to this notice marked <b>[A]</b>	7,178,373 ordinary shares
Mount Kellett Capital Partners (Ireland) II DAC	Became the beneficial owner of shares by reason of conversion of Convertible Bonds, a copy of the conversion notice is annexed to this notice marked <b>[B]</b>	245,756,466 ordinary shares
Lantau Overseas Master Fund II LP	Became the beneficial owner of shares by reason of conversion of Convertible Bonds, a copy of the conversion notice is annexed to this notice marked <b>[C]</b>	8,128,493 ordinary shares
Lantau Overseas Master Fund II-A LP	Became the beneficial owner of shares by reason of conversion of Convertible Bonds, a copy of the conversion notice is annexed to this notice marked <b>[D]</b>	5,603,333 ordinary shares
Mount Kellett Capital Management LP	Power to control exercise of voting rights or disposal of ordinary shares by reason of having control of investment decisions as investment manager of Vista Asset Funding (Ireland) DAC, Mount Kellett Capital Partners (Ireland) II DAC, Lantau Overseas Master Fund II LP and Lantau Overseas Master Fund II-A LP.	266,666,665 ordinary shares

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Vista Asset Funding (Ireland) DAC	The Hongkong and Shanghai Banking Corporation Limited	Vista Asset Funding (Ireland) DAC	7,178,373 fully paid ordinary shares
Mount Kellett Capital Partners (Ireland) II DAC	The Hongkong and Shanghai Banking Corporation Limited	Mount Kellett Capital Partners (Ireland) II DAC	245,756,466 fully paid ordinary shares
Lantau Overseas Master Fund II LP	The Hongkong and Shanghai Banking Corporation Limited	Lantau Overseas Master Fund II LP	8,128,493 fully paid ordinary shares
Lantau Overseas Master Fund II-A LP	The Hongkong and Shanghai Banking Corporation Limited	Lantau Overseas Master Fund II-A LP	5,603,333 fully paid ordinary shares
Mount Kellett Capital Management LP	The Hongkong and Shanghai Banking Corporation Limited	Vista Asset Funding (Ireland) DAC, Mount Kellett Capital Partners (Ireland) II DAC, Lantau Overseas Master Fund II LP and Lantau Overseas Master Fund II-A LP	266,666,665 ordinary shares

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Vista Asset Funding (Ireland) DAC	19/09/2017	\$717,837.30	7,178,373 fully paid ordinary shares
Mount Kellett Capital Partners (Ireland) II DAC	19/09/2017	\$24,575,646.60	245,756,466 fully paid ordinary shares
Lantau Overseas Master Fund II LP	19/09/2017	\$812,849.30	8,128,493 fully paid ordinary shares
Lantau Overseas Master Fund II-A LP	19/09/2017	\$560,333.30	5,603,333 fully paid ordinary shares
Mount Kellett Capital Management LP	19/09/2017	\$26,666,666.50	266,666,665 ordinary shares

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Mount Kellett Capital Management LP	Mount Kellett Capital Management LP is the investment manager of each of the Mount Kellett Funds

**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
Vista Asset Funding (Ireland) DAC	1st Floor, Cape House, Westend Office Park, Snugborough Road, Blanchardstown, Dublin 15
Mount Kellett Capital Partners (Ireland) II DAC	1st Floor, Cape House, Westend Office Park, Snugborough Road, Blanchardstown, Dublin 15
Lantau Overseas Master Fund II LP	Intertrust Corporate Services Cayman Limited 190 Elgin Avenue George Town, KY19005
Lantau Overseas Master Fund II-A LP	Intertrust Corporate Services Cayman Limited 190 Elgin Avenue George Town, KY19005
Mount Kellett Capital Management LP	National Corporate Research 615 South DuPont Highway Dover, DE 19901
The Hongkong and Shanghai Banking Corporation Limited	Level 3, 10 Smith Street Parramatta NSW 2150

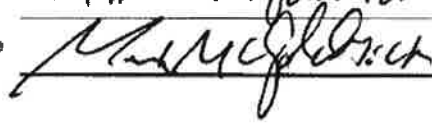
**Signature**

print name

Mark McFolbrich

Authorized signatory of Mount  
capacity Kellett Capital Management LP

sign here



date 21 / 09 / 2017

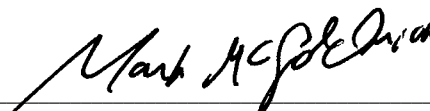
**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

This is the annexure of 2 pages marked "A" referred to in form 603 signed by me and dated 21/09/2017

## Conversion Notice



Name: Mark McGoldrick

Capacity: Authorized Signatory of Mount Kellett Capital Management LP

**To:** Lynas Corporation Limited (**Company**)

**From:** Vista Asset Funding (Ireland) DAC (**Bondholder**)

## Notice of Conversion of Convertible Bonds

The Bondholder hereby gives notice of its election to convert the number of Convertible Bonds specified below by into Shares in the Company calculated in accordance with the Convertible Bond Deed dated 24 January 2012, as amended (**Convertible Bond Deed**).

**Number of Convertible Bonds to be converted  
(Face Value = US\$1.00 per Convertible Bond):** 538,378

**Number of Conversion Shares to be Issued  
(Conversion Price = A\$0.10, at an exchange rate  
of A\$1.00 = US\$0.75):** 7,178,373

The Bondholder applies for such number of Shares as is equal to the Conversion Shares as calculated in accordance with the Convertible Bond Deed and requests that you issue the Conversion Shares to the Bondholder's Custodian Account as follows:

Name of Custodian Account: The Hongkong and Shanghai Banking Corporation Limited

Address: The Hongkong and Shanghai Banking Corporation Limited (Australia Branch), Level 3,  
10 Smith Street, Parramatta NSW 2150

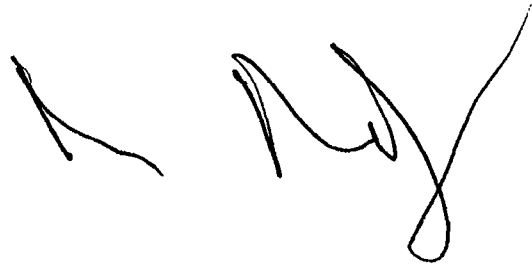
HIN: 651362

The above Custodian will act as custodian of the Conversion Shares and has consented to becoming the registered holder of the Conversion Shares. The Bondholder agrees to be bound by the Constitution of the Company.

Dated 19 September 2017

**Executed by Vista Asset Funding  
(Ireland) DAC**

)  
)

A handwritten signature in black ink, appearing to read 'Brian Brady', written in a cursive style.

.....  
Authorized Officer's Signature

**Brian Brady**  
**Director**

.....  
Name of Authorized Officer (print)

Note: A term defined in the Convertible Bond Deed has the same meaning when used in this notice.

## Conversion Notice



Name: Mark McGoldrick

Capacity: Authorized Signatory of Mount Kellett Capital Management LP

**To:** Lynas Corporation Limited (**Company**)

**From:** Mount Kellett Capital Partners (Ireland) II DAC (**Bondholder**)

### Notice of Conversion of Convertible Bonds

The Bondholder hereby gives notice of its election to convert the number of Convertible Bonds specified below by into Shares in the Company calculated in accordance with the Convertible Bond Deed dated 24 January 2012, as amended (**Convertible Bond Deed**).

<b>Number of Convertible Bonds to be converted (Face Value = US\$1.00 per Convertible Bond):</b>	<b>18,431,735</b>
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<b>Number of Conversion Shares to be Issued (Conversion Price = A\$0.10, at an exchange rate of A\$1.00 = US\$0.75):</b>	<b>245,756,466</b>
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The Bondholder applies for such number of Shares as is equal to the Conversion Shares as calculated in accordance with the Convertible Bond Deed and requests that you issue the Conversion Shares to the Bondholder's Custodian Account as follows:

Name of Custodian Account: The Hongkong and Shanghai Banking Corporation Limited

Address: The Hongkong and Shanghai Banking Corporation Limited (Australia Branch), Level 3,  
10 Smith Street, Parramatta NSW 2150

HIN: 651362

The above Custodian will act as custodian of the Conversion Shares and has consented to becoming the registered holder of the Conversion Shares. The Bondholder agrees to be bound by the Constitution of the Company.

Dated 19 September 2017

Executed by Mount Kellett Capital  
Partners (Ireland) II DAC

)  
)



.....  
Authorized Officer's Signature

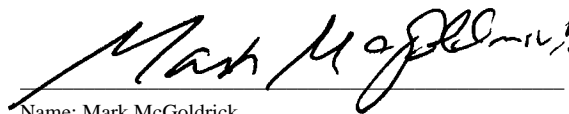
**Brian Brady**  
**Director**

.....  
Name of Authorized Officer (print)

Note: A term defined in the Convertible Bond Deed has the same meaning when used in this notice.

This is the annexure of 2 pages marked "C" referred to in form 603 signed by me and dated 21/09/2017

## Conversion Notice



Name: Mark McGoldrick

Capacity: Authorized Signatory of Mount Kellett Capital Management LP

**To:** Lynas Corporation Limited (**Company**)

**From:** Lantau Overseas Master Fund II LP (**Bondholder**)

### Notice of Conversion of Convertible Bonds

The Bondholder hereby gives notice of its election to convert the number of Convertible Bonds specified below by into Shares in the Company calculated in accordance with the Convertible Bond Deed dated 24 January 2012, as amended (**Convertible Bond Deed**).

**Number of Convertible Bonds to be converted**

**(Face Value = US\$1.00 per Convertible Bond):**

609,637

**Number of Conversion Shares to be Issued**

**(Conversion Price = A\$0.10, at an exchange rate of A\$1.00 = US\$0.75):**

8,128,493

The Bondholder applies for such number of Shares as is equal to the Conversion Shares as calculated in accordance with the Convertible Bond Deed and requests that you issue the Conversion Shares to the Bondholder's Custodian Account as follows:

Name of Custodian Account: The Hongkong and Shanghai Banking Corporation Limited

Address: The Hongkong and Shanghai Banking Corporation Limited (Australia Branch), Level 3, 10 Smith Street, Parramatta NSW 2150

HIN: 651362

The above Custodian will act as custodian of the Conversion Shares and has consented to becoming the registered holder of the Conversion Shares. The Bondholder agrees to be bound by the Constitution of the Company.

Dated 19 September 2017



**Executed** by Lantau Overseas Master Fund II LP )  
By: Lantau Fund GP LLC, its General Partner: )  
By: Mount Kellett Capital LLC, its managing member:

  
.....  
Authorized Officer's Signature

Mark McGoldrick  
.....  
Name of Authorized Officer (print)

Note: A term defined in the Convertible Bond Deed has the same meaning when used in this notice.

This is the annexure of 2 pages marked "D" referred to in form 603 signed by me and dated 21/09/2017

## Conversion Notice



Name: Mark McGoldrick

Capacity: Authorized Signatory of Mount Kellett Capital Management LP

**To:** Lynas Corporation Limited (**Company**)

**From:** Lantau Overseas Master Fund II-A LP (**Bondholder**)

## Notice of Conversion of Convertible Bonds

The Bondholder hereby gives notice of its election to convert the number of Convertible Bonds specified below by into Shares in the Company calculated in accordance with the Convertible Bond Deed dated 24 January 2012, as amended (**Convertible Bond Deed**).

**Number of Convertible Bonds to be converted**

**(Face Value = US\$1.00 per Convertible Bond):** 420,250

**Number of Conversion Shares to be Issued**

**(Conversion Price = A\$0.10, at an exchange rate of A\$1.00 = US\$0.75):** 5,603,333

The Bondholder applies for such number of Shares as is equal to the Conversion Shares as calculated in accordance with the Convertible Bond Deed and requests that you issue the Conversion Shares to the Bondholder's Custodian Account as follows:

Name of Custodian Account: The Hongkong and Shanghai Banking Corporation Limited

Address: The Hongkong and Shanghai Banking Corporation Limited (Australia Branch), Level 3, 10 Smith Street, Parramatta NSW 2150

HIN: 651362

The above Custodian will act as custodian of the Conversion Shares and has consented to becoming the registered holder of the Conversion Shares. The Bondholder agrees to be bound by the Constitution of the Company.

Dated 19 September 2017

**Executed** by Lantau Overseas Master Fund II-A LP     )  
By: Lantau Fund GP LLC, its General Partner:         )  
By: Mount Kellett Capital LLC, its managing member:

  
.....  
Authorized Officer's Signature

Mark McGoldrick  
.....  
Name of Authorized Officer (print)

Note: A term defined in the Convertible Bond Deed has the same meaning when used in this notice.