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20 November 2012

LYNAS SHARE PURCHASE PLAN – OFFER DOCUMENTS

Lynas Corporation Limited (ASX: LYC, OTC: LYSDY) announced on 9 November 2012 that a Share Purchase Plan (SPP) would be offered to eligible shareholders on Lynas' register at 7.00pm on 8 November 2012 with registered addresses in Australia and New Zealand. Eligible shareholders will be given the opportunity to apply for up to A\$15,000 worth of Lynas' ordinary shares (subject to any scale-back) without incurring brokerage or transaction costs.

Attached to this announcement is the SPP Offer Booklet containing the Chairman's letter and the Terms and Conditions of the SPP.

The SPP Offer Booklet and Application Form are in the process of being sent to eligible shareholders.

The SPP offer opens today, 20 November 2012, and closes at 5.00pm Sydney time on 4 December 2012. Further details are set out in the attached SPP Offer Booklet.

For further information please contact Alistair Reid or Liz Whiteway on +61 2 8259 7100.

For all media enquiries please contact Michael Vaughan or Alan Jury from FTI Consulting on +61 2 8298 6100.

IMPORTANT NOTICE

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any securities and neither this announcement nor anything contained in it shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

20 November 2012

This is an important document that requires your attention.

Dear shareholder

Share Purchase Plan – Eligible Shareholders may purchase parcels of fully paid ordinary shares up to a value of A\$15,000

On behalf of Lynas Corporation Ltd (**Lynas**), I am pleased to offer you the opportunity to increase your investment in Lynas through a Share Purchase Plan (the **SPP**).

Lynas recently launched a fully underwritten institutional placement of fully paid ordinary shares at A\$0.75 per fully paid ordinary share to raise A\$150 million (**Equity Placement**). The first stage of this placement raised A\$60 million and 80 million shares were issued on 15 November 2012. Following the approval of resolution 6 at today's Annual General Meeting, the second stage of the placement will complete on 22 November 2012 and result in raising a further A\$90 million and the issue of 120 million shares.

Funds raised under the Equity Placement and SPP will be used for working capital and general corporate purposes during commissioning and ramp-up at the Lynas Advanced Materials Plant in Malaysia (**LAMP**). Following successful completion of the Equity Placement and SPP, Lynas anticipates having required working capital through to positive cash flow, necessary funds to meet capital expenditure requirements through to positive cashflow, and a significant cash buffer to allow for unforeseen events.

The Share Purchase Plan

The amount that each Eligible Shareholder can apply for under the SPP is capped at A\$15,000. The total amount raised under the SPP will be limited to a maximum of up to A\$50 million, and if applications are received in excess of the maximum amount set by Lynas, they will be scaled back at the discretion of Lynas.

The SPP is being offered to Australian and New Zealand Shareholders at the lower of:

- A\$0.75 per new fully paid ordinary share (**New Shares**), being the issue price of fully paid ordinary shares under the Equity Placement; and
- a discount of 2.5% to the volume weighted average price of fully paid ordinary shares traded in the ordinary course on ASX during the 5 trading days up to, and including, Friday, 14 December 2012, rounded down to the nearest cent, as determined at close of trading on 14 December 2012. This is to ensure that, as far as possible, all Shareholders can participate in the SPP on similar terms to the recent Equity Placement.

The offer

The SPP is offered exclusively to all Eligible Shareholders, being registered holders as at 7pm (Sydney time) on Thursday, 8 November 2012 (**Record Date**) with a registered address in Australia or New Zealand who meet certain other conditions as set out in the Terms and Conditions.

The SPP provides Eligible Shareholders with an opportunity to buy a parcel of New Shares in Lynas valued at A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500 or A\$15,000. The SPP opens today and is expected to close at 5pm (Sydney time) on Tuesday, 4 December 2012.

Participation in the SPP is entirely voluntary. All New Shares issued under the SPP will rank equally with existing fully paid ordinary shares and will carry the same voting rights and entitlement to receive distributions. No brokerage costs apply to purchases under the SPP. The issue of New Shares is expected to occur on Tuesday, 18 December 2012.

Underwriting of SPP

The SPP will be partially underwritten to A\$25 million.

How to accept this offer

To apply for New Shares under the SPP, please follow the instructions on the enclosed personalised Application Form.

This letter and its attachments set out the details and Terms and Conditions of the SPP. I encourage you to read the enclosed material and seek your own financial advice in relation to the SPP, before you decide whether to participate.

On behalf of the Board, I invite you to consider participation in the SPP.

Yours sincerely



Nicholas Curtis AM
Executive Chairman

Key Dates*

Date	Event	
7pm (Sydney time) Thursday, 8 November 2012	Record Date	The date on which Lynas determines Eligible Shareholders
Tuesday, 20 November 2012	Opening Date	SPP opens
5pm (AEDST) Tuesday, 4 December 2012	Closing Date	SPP closes. Applications must be received by 5pm (Sydney time)
Monday, 10 December 2012 – Friday, 14 December 2012 (inclusive)	SPP Pricing Period	Period to determine the price per New Share under the SPP
Tuesday, 18 December 2012	Allotment Date	New Shares will be issued on this date

* Lynas has the discretion to alter Key Dates.

Further assistance

If you have any questions in relation to the SPP please call your broker, accountant or professional adviser. If you require information on how to complete the Application Form please contact the Lynas Shareholder Information line on 1300 655 683.

Foreign Jurisdictions

The SPP does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any U.S. Person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the US Securities Act)). The SPP has been prepared for publication in Australia and New Zealand only and may not be released elsewhere.

TERMS AND CONDITIONS

IMPORTANT NOTICE: The offer to purchase New Shares under this Share Purchase Plan (SPP) is not a recommendation to purchase shares in Lynas. If you are in any doubt about whether or not, or the extent that, you should participate in this SPP, you should obtain professional financial and/or taxation advice to assist you (taking into account your own financial situation, needs and objectives). Nothing in these Terms and Conditions, the Application Form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the SPP.

If you apply to participate in the SPP by making a BPAY[®] payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of shares in Lynas may change between the Opening Date, the date on which you send in an Application Form or make a BPAY[®] payment and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy shares in Lynas at a lower price than the Issue Price.

Set out below are the terms and conditions of the Lynas Corporation Limited Share Purchase Plan which are binding on any Shareholder completing a Share Purchase Plan Application Form or applying via BPAY. The Application Form forms part of this document.

Capitalised terms used in these Terms and Conditions are both defined in the body of these Terms and Conditions as well as in clause 17.

1. The SPP

- (a) The SPP is an invitation to Eligible Shareholders by Lynas Corporation Limited (**Lynas**) to subscribe for fully paid ordinary shares in Lynas (**Lynas Shares**) at the Issue Price (see clause 5 below) per New Share.
- (b) The minimum application amount under the SPP is A\$2,500. All applications must be in increments of A\$2,500.
- (c) The amount an Eligible Shareholder can apply for will be restricted to a cumulative total of A\$15,000.
- (d) The SPP is conducted under ASIC Class Order CO 09/425.
- (e) You are not obliged to accept or otherwise participate in the SPP. **Participation in the SPP is optional.**
- (f) The SPP is made to each Eligible Shareholder on the same terms and conditions.
- (g) The offer under the SPP is non-renounceable, which means you may not transfer your right to apply for New Shares under the SPP to anyone else.

2. Opening and Closing Date of the SPP

The SPP opens at 5pm (Sydney time) on Tuesday, 20 November 2012 and is scheduled to close at 5.00pm (Sydney time) on Tuesday, 4 December 2012. Lynas reserves the right to change the closing date of the SPP. No late applications will be accepted.

3. Eligible Shareholders

- (a) You are eligible to participate in the SPP (**Eligible Shareholder**) if you were a registered holder of fully paid ordinary shares in Lynas at 7.00pm (Sydney time) on Thursday, 8 November 2012 (**Record Date**) whose address in the security register of Lynas is in Australia or New Zealand unless:
- (i) you hold Lynas Shares on behalf of another person who resides outside Australia or New Zealand and do not hold Lynas Shares in any other capacity;
 - (ii) you are in the United States or you are a U.S. Person, or acting for the account or benefit of a U.S. Person; or
 - (iii) you are ineligible to participate in the SPP because of the aggregate limit explained in clause 4 below.
- (b) (**Single Holders**) If you are the only registered holder of Lynas Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares up to the value of A\$15,000.
- (c) (**Joint Holders**) If you are recorded with one or more other persons as the joint holder of Lynas Shares, that joint holding is considered to be a single registered holding for the purposes of the SPP and, subject to the conditions of eligibility set out in this clause 3, the joint holders are entitled to participate in the SPP in respect of that single holding only. The certification under clause 9(a)(iv) by one joint holder will be effective in respect of the other joint holder(s). If the same joint holders receive more than one offer under the SPP due to multiple registered holdings, the joint holders may only apply for New Shares up to a maximum of A\$15,000.
- (d) (**Custodians, Trustees and Nominees**) If you are a custodian within the definition of 'custodian' in ASIC Class Order CO 09/425 and you are a registered holder of Lynas Shares on behalf of another person (**Beneficiary**) and you apply to acquire New Shares on behalf of the Beneficiary, you must certify in writing to Lynas a number of matters relating to such beneficiaries (**Custodian Certificate**).

If you are a custodian please contact the Security Registry to obtain the form of Custodian Certificate that you are required to submit.

If you are a custodian and you hold shares or interests jointly on behalf of two or more persons, the \$15,000 limit applies jointly in relation to those persons as if you hold the shares or interests on behalf of a single person.

If you hold Lynas Shares as a trustee or nominee for another person, but are not a 'custodian' as defined above, you cannot participate for Beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Nominees and other registered holders of Lynas Shares that are acting on behalf of a person in the United States must not (i) send this document or any other document relating to the SPP to any person in the United States or (ii) purport to exercise rights under this offer on behalf of a person in the United States.

- (e) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

4. How much can you invest?

The minimum application amount under the SPP is A\$2,500. All applications must be in increments of A\$2,500. Applications under the SPP may only be made for the following amounts:

- A\$2,500;
- A\$5,000;
- A\$7,500;
- A\$10,000;
- A\$12,500; and
- A\$15,000.

The offer under the SPP needs to comply with the limit in ASIC Class Order CO 09/425. Under that class order, Eligible Shareholders may only acquire a maximum of A\$15,000 worth of Lynas Shares under a security purchase plan in any 12 month period. This means that Eligible Shareholders are not permitted to acquire more than A\$15,000 worth of Lynas Shares in aggregate, even if you receive more than one Application Form or hold Lynas Shares in more than one capacity, e.g. if you are both a sole and joint holder of Lynas Shares (**Aggregate SPP Participation**).

5. Issue Price of New Shares under the SPP

- (a) The price per New Shares on offer under the SPP (**Issue Price**) will be the lower of:
- (i) A\$0.75, being the price per share set for the institutional placement of Lynas Shares announced on Friday, 9 November 2012 (**Equity Placement**); and
 - (ii) a discount of 2.5% to the volume weighted average price of Lynas Shares traded in the ordinary course on the Australian Securities Exchange (**ASX**) during the 5 trading days up to, and including, Friday, 14 December 2012, rounded down to the nearest cent,

as determined at the close of trading on 14 December 2012.

- (b) The current Lynas Share price can be obtained from the ASX website at **www.asx.com.au** (ASX code: LYC) and is listed in the financial and business section of major daily newspapers circulated in Australia.
- (c) A\$0.75 per Lynas Share represents a discount of 6.8% to the closing price of Lynas Shares on 8 November 2012.
- (d) You agree to pay the Issue Price for each New Share calculated under clauses 5(a) and 6(b) or, if there is a Scaleback (as defined in clause 12 below), the number of Lynas Shares calculated under clause 12.
- (e) You acknowledge that the market price of New Shares may rise or fall between the date of this SPP, the date of calculation of the Issue Price and the date that New Shares are allotted to you under the SPP (**Allotment Date**) and that the effect of this is that the Issue Price you pay for the New Shares may exceed the market price of Lynas Shares on the Allotment Date.

6. Applying for New Shares

- (a) Eligible Shareholders may apply to purchase a parcel of New Shares above a minimum of A\$2,500 and only in increments of A\$2,500, up to a maximum of A\$15,000. If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the SPP Application Form (**Application Form**) and:
 - (i) make payment by BPAY® equivalent to the value of the parcel of New Shares you wish to apply for, using the information provided on the application form; **or**
 - (ii) complete the Application Form and provide a cheque or money order made payable to "Lynas Corporation Limited",so that it is received by the Security Registry by 5.00pm (Sydney time) on the Closing Date. Payments must be denominated in Australian dollars.
- (b) If you apply for New Shares under the SPP, you will apply for a certain value, rather than a certain number, of New Shares. Subject to clause 6(c) Lynas will divide the parcel value you select by the Issue Price in order to determine the number of New Shares for which you have applied (rounded down to the nearest whole number of New Shares). Any balance of monies sent by you that is remaining as a result of rounding will be refunded to you except where the amount is less than A\$2.00 (or an amount advised by Lynas).
- (c) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Lynas Shares in more than one capacity) may apply on different Application Forms for New Shares but may not apply for New Shares with an aggregate value of more than A\$15,000.

- (d) Lynas may accept or reject your application for New Shares, either in whole or in part, at its absolute discretion. For example, Lynas may reject your application in any of the following circumstances (among others):
- (i) it appears that you are applying to purchase a number of New Shares that will mean that your Aggregate SPP Participation will exceed A\$15,000;
 - (ii) your Application Form is incorrectly completed, incomplete or otherwise determined by Lynas to be invalid;
 - (iii) your cheque is dishonoured or the cheque or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of New Shares for which you have applied;
 - (iv) your Application Form or BPAY[®] payment is received after the Closing Date. Late or otherwise incomplete or invalid payments will be refunded to you; or
 - (v) Lynas believes you are not an Eligible Shareholder (subject to compliance with any applicable Australian Securities and Investments Commission (**ASIC**) or ASX requirements).

7. Risk

Subscription for New Shares under the SPP is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period between when you apply for New Shares and when the New Shares are issued to you, the price at which Lynas Shares are traded on the ASX may be less than the Issue Price payable under this SPP.

This document is not a prospectus or product disclosure statement, and has not been lodged with ASIC. The issue of a prospectus or product disclosure statement is not required for the purposes of the SPP. This document does not contain the types of disclosure required to be contained in a prospectus or product disclosure statement. You must rely on your own knowledge of Lynas, previous disclosures made by Lynas to the ASX (including disclosure regarding the risks of making an investment in Lynas) and, if necessary, consult your professional adviser when deciding whether or not to participate in the SPP.

8. Timetable

- (a) Subject to clause 8(b):
- (i) (**Record Date**) the record date for the offer is 7.00pm (Sydney time) on Thursday, 8 November 2012;

- (ii) (**Opening Date**) the offer opens at 5.00pm (Sydney time) on Tuesday, 20 November 2012;
 - (iii) (**Closing Date**) the offer closes at 5.00pm (Sydney time) on Tuesday, 4 December 2012;
 - (iv) (**SPP Results Announcement**) the number of New Shares to be issued, the Issue Price and, if applicable, any Scaleback will be announced to the ASX shortly after the Closing Date;
 - (v) (**SPP Pricing Period**) the Issue Price for each New Share will be determined between 10 December 2012 to 14 December 2012 as set out in clause 5;
 - (vi) (**Allotment Date**) Lynas proposes to allot the New Shares on Tuesday, 18 December 2012;
 - (vii) (**Trading Date**) the New Shares are expected to commence trading on Tuesday, 18 December 2012; and
 - (viii) (**Despatch Date**) the date on which transaction confirmations are sent to securityholders and, if applicable, a direct credit deposit to your nominated account is made or refund cheque is dispatched, is expected to be Wednesday, 19 December 2012.
- (b) Lynas may vary any of the above dates in clause 8(a) at its discretion (even if the offer has opened, or BPAY® or Application Forms have been received) by lodging a revised timetable with ASX.

9. Effect of Making an Application

- (a) If you submit a BPAY® payment or complete and return an Application Form together with a cheque or money order:
- (i) you acknowledge that you are an Eligible Shareholder;
 - (ii) you irrevocably and unconditionally agree to these Terms and Conditions and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP or these Terms and Conditions;
 - (iii) you acknowledge your application is irrevocable, unconditional and cannot be withdrawn once returned;
 - (iv) you certify that the total of the application price for the following does not exceed A\$15,000:
 - (A) New Shares under the SPP the subject of your application;

- (B) any other New Shares or interests under the SPP or any Lynas Shares or interests in the class of shares issued that you acquired under any similar arrangement in the 12 months before the date of your application;
 - (C) any other New Shares or interests in the class of shares issued which you have instructed a custodian to acquire on your behalf under the SPP; and
 - (D) any other Lynas Shares or interests in the class of shares issued to a custodian under an arrangement similar to the SPP in the 12 months before the date of your application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the shares or interests in the class,
- even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
- (v) if you are a custodian, you make additional representations that you either:
 - (A) hold an Australian financial services licence that:
 - (1) covers the provision of a custodial or depository service (as defined by section 766E of the *Corporations Act 2001* (Cth) (**Corporations Act**)); or
 - (2) includes a condition requiring you to comply with the requirements of ASIC Class Order CO 02/294; or
 - (B) are exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service under:
 - (1) paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cth) (**Regulations**);
 - (2) paragraph 7.6.01(1)(na) of the Regulations;
 - (3) ASIC Class Order CO 05/1270 to the extent that it relates to ASIC Class Order CO 03/184;
 - (4) ASIC Class Orders CO 03/1099, CO 03/1100, CO 03/1101, CO 3/1102, CO 04/829 or CO 04/1313;
 - (5) an individual instrument of relief granted by ASIC in terms similar to one of the Class Orders referred to in clause 9(a)(v)(B)(4) above; or
 - (6) paragraph 911A(2)(h) of the Corporations Act; or
 - (C) are otherwise a custodian as defined in Class Order CO 09/425, and that you have provided a Custodian Certificate to Lynas;
 - (vi) you authorise Lynas to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail;

- (vii) you acknowledge that Lynas may determine that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (viii) you accept the risk associated with any refund that may be sent to your address or to your nominated bank account as shown on the Lynas security register;
- (ix) you are responsible for any dishonour fees or other costs Lynas may incur in presenting a cheque for payment that is dishonoured;
- (x) you acknowledge that no interest will be paid on any application monies paid in connection with this SPP and that are held pending the allotment of the New Shares or subsequently refunded to you for any reason;
- (xi) you acknowledge that you have not been provided with investment advice or financial product advice by Lynas or the Security Registry and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in, or the extent of such participation in, the SPP;
- (xii) you acknowledge that Lynas is not liable for any exercise of its discretions referred to in these Terms and Conditions;
- (xiii) you acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities law of any other jurisdiction outside Australia and, accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (xiv) you represent and warrant that you are not a US Person, and are not applying under the Offer for or on behalf of a US Person;
- (xv) you agree not to send any materials relating to the Offer to any person in the United States or to any person who is acting for the account or benefit of a US Person; and
- (xvi) if you are a Custodian, you make additional representations that you meet the definition of “custodian” in the Class Order and have provided a Custodian Certificate to Lynas.

10. Waiver, Amendment, Suspension and Withdrawal

Lynas may, at its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend or withdraw the offer made under this SPP at any time and in its absolute discretion. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where Lynas does not give notice of the event. However, the rights of any Eligible

Shareholder in connection with any New Shares that have been duly issued and allotted to that person prior to the occurrence of any such waiver, amendment, variation, suspension or withdrawal will not be affected as a result of any such occurrence.

Lynas and J.P. Morgan are not liable for any loss, cost, expense, liability or damage arising out of exercise of any of its discretions under these Terms and Conditions.

If you have any questions in respect of the SPP, please contact the Lynas Shareholder Information line on 1300 655 683.

11. Rights Attaching

The rights and obligations of the New Shares are contained in the Lynas Constitution. The New Shares will be issued on the same terms as all other Lynas Shares and Lynas will apply for the New Shares proposed to be issued under the SPP to be quoted on the ASX. If the New Shares are not quoted on the ASX, the New Shares will not be issued and all application monies will be refunded.

12. Scaleback

- (a) Lynas may, in its absolute discretion, reduce the number of New Shares allotted to each applicant to the extent and in the manner that it sees fit (Scaleback). If undertaken, the Scaleback will apply to all applications received on a pro-rata basis, based on each application size.
- (b) If there is a Scaleback, the difference between the application monies received from you, and the number of New Shares allocated to you multiplied by the Issue Price, will be refunded by Lynas, without interest, following allotment.

13. Costs of Participation

No brokerage costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares under the SPP.

14. Privacy

By receiving completed Application Forms, Lynas collects personal information about Shareholders. Lynas will use this information for the purposes of processing the Application Form and updating the records of Lynas. To the extent restricted by law, Lynas will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information about them held by Lynas.

15. Dispute Resolution

Lynas may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP. The decision of Lynas will be conclusive and binding on all participants and other persons to whom the determination relates. Lynas' rights may be exercised by the Board or any delegate of the Board.

16. Governing Law

These Terms and Conditions are governed by the laws in force in New South Wales. Any dispute arising out of or in connection with these Terms and Conditions, or the offer of New Shares, will be determined by the courts of New South Wales. By accepting this offer, you agree to submit to the exclusive jurisdiction of the courts in New South Wales.

17. Definitions

Aggregate SPP Participation has the meaning set out in clause 4.

Allotment Date means the date upon which New Shares will be allotted under the SPP.

Application Form means the SPP Application Form.

ASX means the Australian Securities Exchange.

Beneficiary means a person on whose behalf a custodian within the meaning of ASIC Class Order CO 09/425 holds registered Lynas Shares.

Board means the board of directors of Lynas.

Closing Date means 5.00pm (Sydney time) on Tuesday, 4 December 2012.

Corporations Act means *Corporations Act 2001* (Cth).

Custodian Certificate means the certificate to be provided by custodians within the meaning of ASIC Class Order CO 09/425.

Eligible Shareholder means a Shareholder eligible to participate in the SPP in accordance with clause 3.

Equity Placement means the placement of Lynas Shares to institutional investors as announced to the ASX on Friday, 9 November 2012.

Issue Price means the price per New Shares calculated in accordance with clause 5.

Lynas means Lynas Corporation Limited (ACN 009 066 648).

Lynas Constitution means the constitution of Lynas.

Lynas Share means a fully paid ordinary share in Lynas.

New Shares means a fully paid ordinary share issued in accordance with this SPP.

Opening Date means 5pm (Sydney time) on Tuesday, 20 November 2012.

Record Date means 7.00pm (Sydney time) on Thursday, 8 November 2012.

Regulations means the *Corporations Regulations 2001* (Cth).

Scaleback means the right of Lynas, in its absolute discretion, to reduce the number of New Shares allotted to each applicant under clause 12.

Shareholder means the registered holder of a Lynas Share.

Security Registry means Boardroom Pty Limited.

SPP means this Security Purchase Plan.

U.S. Person means "U.S. person" as defined in Rule 902(k) under the U.S. Securities Act.

US Securities Act means the United States Securities Act of 1933, as amended.