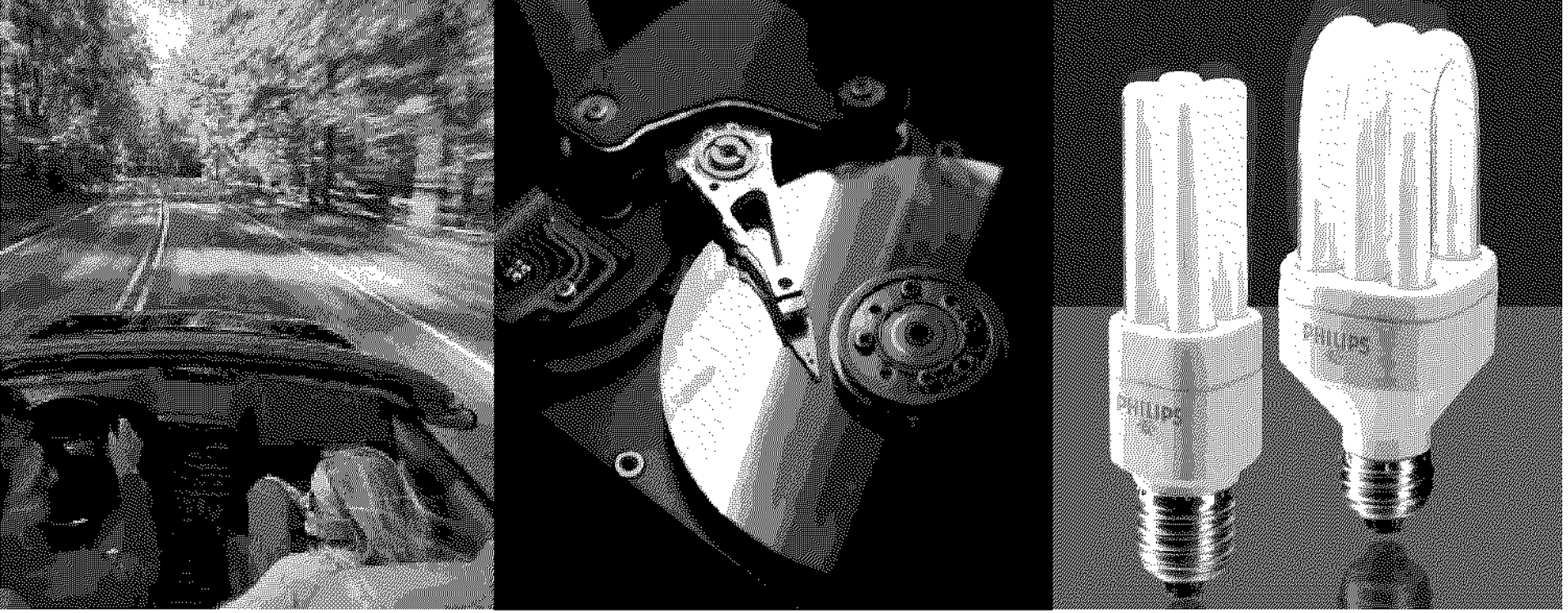


Executive Chairman's Presentation
June 2007

Lynas
CORPORATION LTD

Disclaimer

- The information contained in this presentation has been prepared using the information available to Lynas Corporation Limited (Lynas) at the time of preparation of the presentation.
- For further information about Lynas, you can obtain a copy of recent ASX announcements made by Lynas at www.lynascorp.com
- Any person considering an investment in Lynas is advised to obtain independent financial advice prior to making an investment decision.

Lynas has a clear vision to become a global company in the Rare Earths industry

Vision

We will lead the growth of the global Rare Earths industry by creating a reliable, fully-integrated source of supply from mine through to a diverse set of customers

Values

- Strive for excellence in safety, health and the environment
- Value our differences and be open to change
- Operate in an honest, candid and transparent manner
- Deliver quality products, processes and services
- Always respect and contribute to the communities in which we live

Lynas is listed on the Australian Stock Exchange

- **Listed on the Australian Stock Exchange (LYC)**
  - Shares on issue 501,557,164
  - Options outstanding 28M with strike price between A$0.17 – A$0.80
- **Major institutional support, substantial shareholder announcements**
  - Merrill Lynch 9.7%
  - Goldman Sachs 9.1%
  - Tell Capital 6.8%
  - JP Morgan 5.8%
  - The Capital Group 5.2%
  - Mr Nick Curtis 5.1%

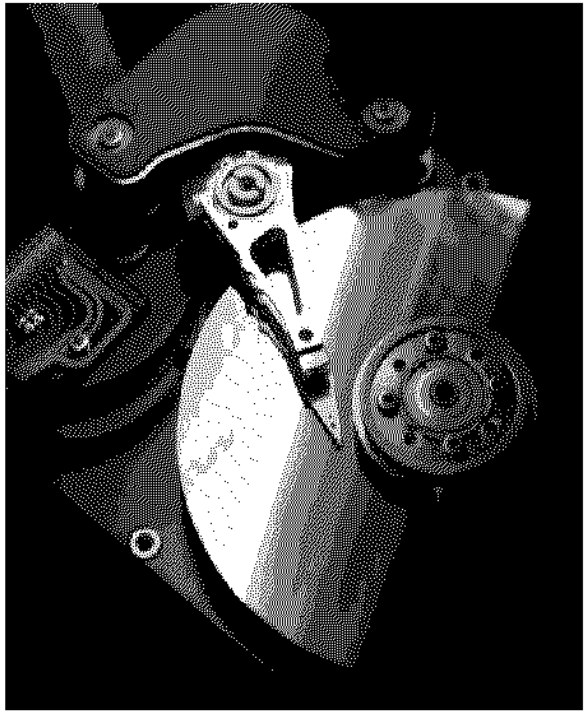
Rare Earths are vital for three important developments in our society

Greenhouse Gas Reduction

Reduction in car exhaust

- Catalytic converter
- Hybrid vehicles

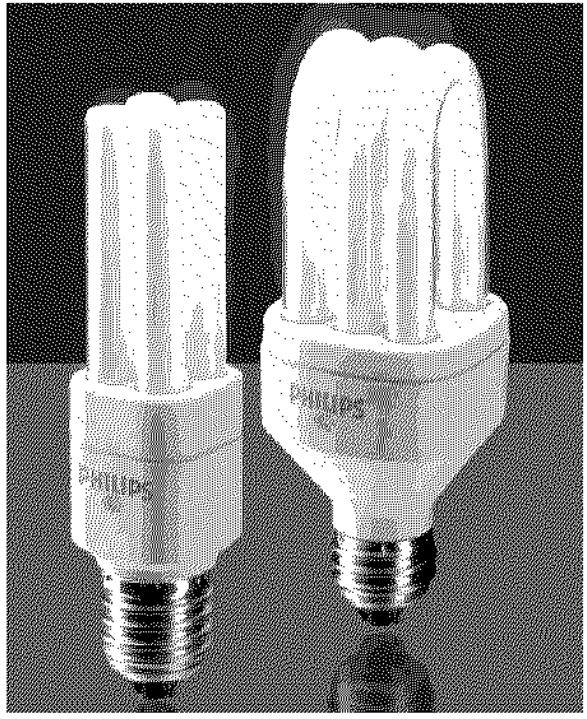
Digital Technology



Enabling miniaturisation

- Rare Earth magnets
- Flat panel displays

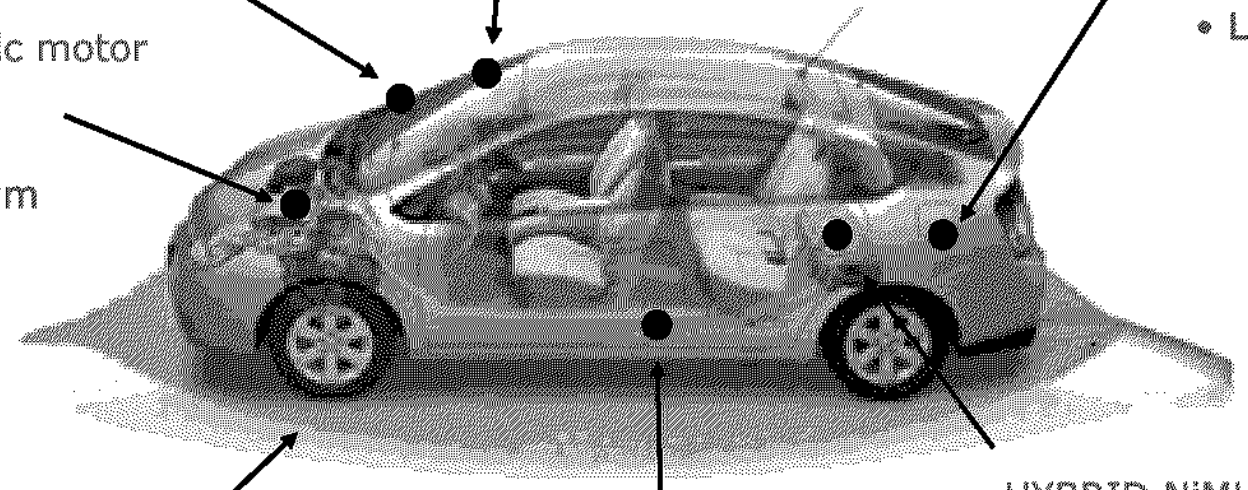
Energy Conservation



Energy efficient products

- Compact fluorescent lights
- NiMH batteries

Rare Earths have many applications in the automotive industry



Glass and Mirrors polishing powder
- Cerium

UV cut glass
- Cerium

Diesel Fuel Additive
- Cerium
- Lanthanum

HYBRID electric motor and generator
- Neodymium
- Praseodymium
- Dysprosium
- Terbium

HYBRID NiMH battery
- Lanthanum
- Cerium

25+ Electric Motors Throughout vehicle
- Nd Magnets

Catalytic Converter
- Cerium/Zirconium
- Lanthanum

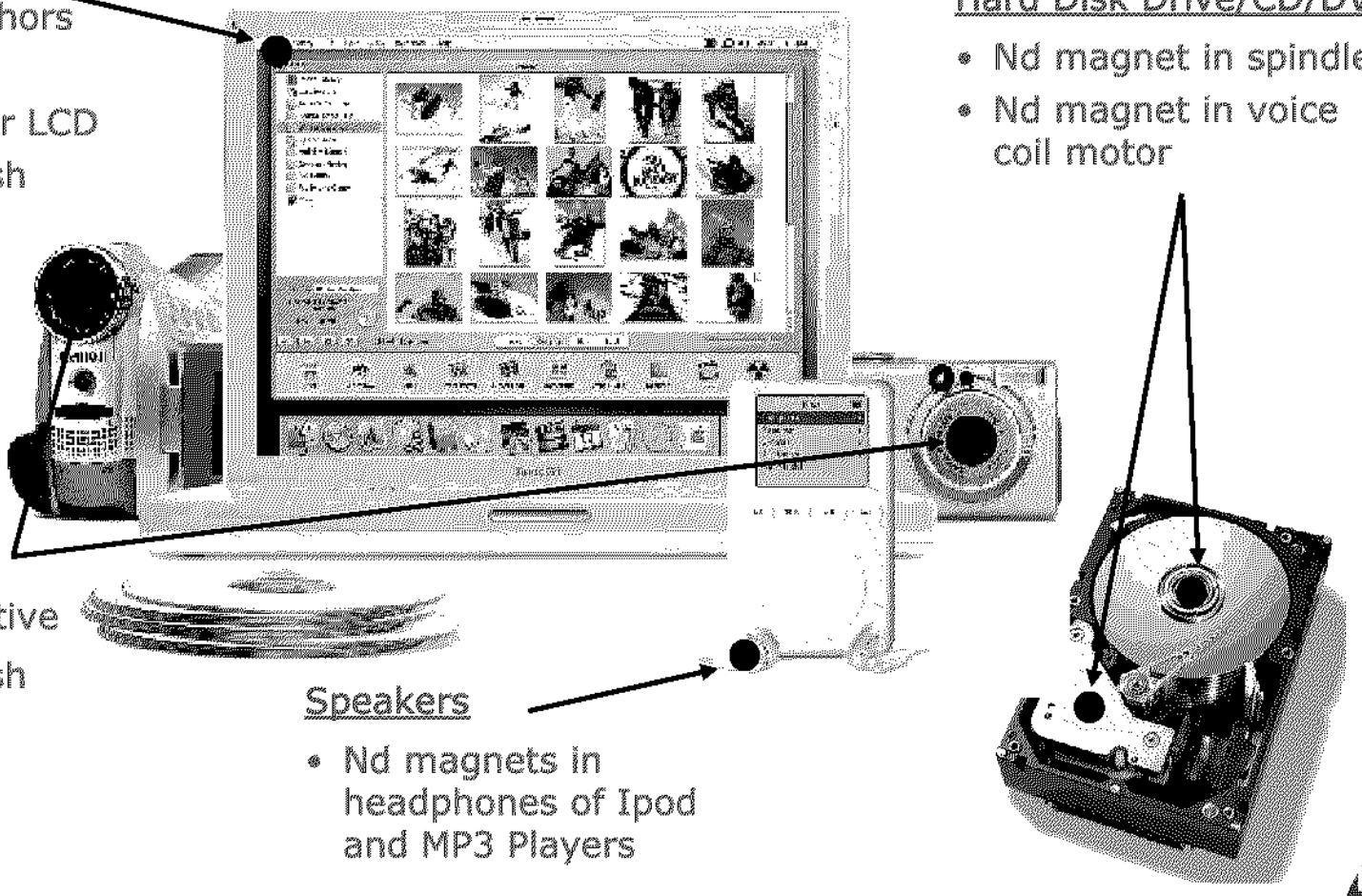
… Electronics is also a key industry for Rare Earths

Screen

- Eu, Tb phosphors
  - CRT & PDP
  - Backlight for LCD
- Ce glass polish

Hard Disk Drive/CD/DVD

- Nd magnet in spindle
- Nd magnet in voice coil motor



Optical Lenses

- La glass additive
- Ce glass polish

Speakers

- Nd magnets in headphones of Ipod and MP3 Players

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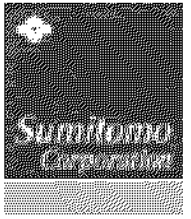
The global chemical companies who purchase Rare Earths include:



Johnson Matthey

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ENVIRONMENTAL CATALYSTS AND TECHNOLOGIES

Demand is growing over 10% p.a. from both existing and new applications

Demand

- Existing applications are driving sustained growth of the 95,000t Rare Earths global market

▪ Neo magnets	13% p.a. to 2010
▪ NiMH batteries	30% p.a. to 2010
▪ Catalysts (automotive and FCC)	4% p.a. to 2010
▪ Phosphors	13% p.a. to 2010
▪ Glass additives	1% p.a. to 2010
▪ Polishing powders	9% p.a. to 2010

- New applications such as the hybrid vehicle are forecast to increase the total market to over 150,000 tpa by 2010
- A conservative forecast for hybrid sales by 2010 is 2M vehicles worldwide. With 12kg of Rare Earths used in the NiMH battery and 1.5kg in electric motors per vehicle additional demand would be ~27,000 tonnes of Rare Earths

Where do Rare Earths come from?

- Whilst Rare Earths are relatively abundant in the earth's crust, they are rarely present in economic concentrations
- They are never found as free metals but as a 'cocktail' of the Rare Earths elements, which need separating for commercial use
- Chinese mines currently supply the global Rare Earths market
- An important criteria for a new deposit's viability is very low levels of Thorium and Uranium, which are commonly associated with Rare Earths

Supply is undergoing a structural change due to environmental and regulatory issues

Supply

- China continues to dominate the world's supply of Rare Earths (>95%)
- Chinese Government announced a mining production quota equal to 77,500 tpa of Rare Earths oxides for 2007, an increase of 2% from 2006
- Chinese Government is enforcing its environmental regulations causing many Rare Earths plants to shut down
- Chinese production will at best remain at 85,000-90,000 tpa
- Chinese Government applies export quotas, which appear to be decreasing annually, to limit supply outside China
- Chinese Government has applied a 10% export tariff on Rare Earths

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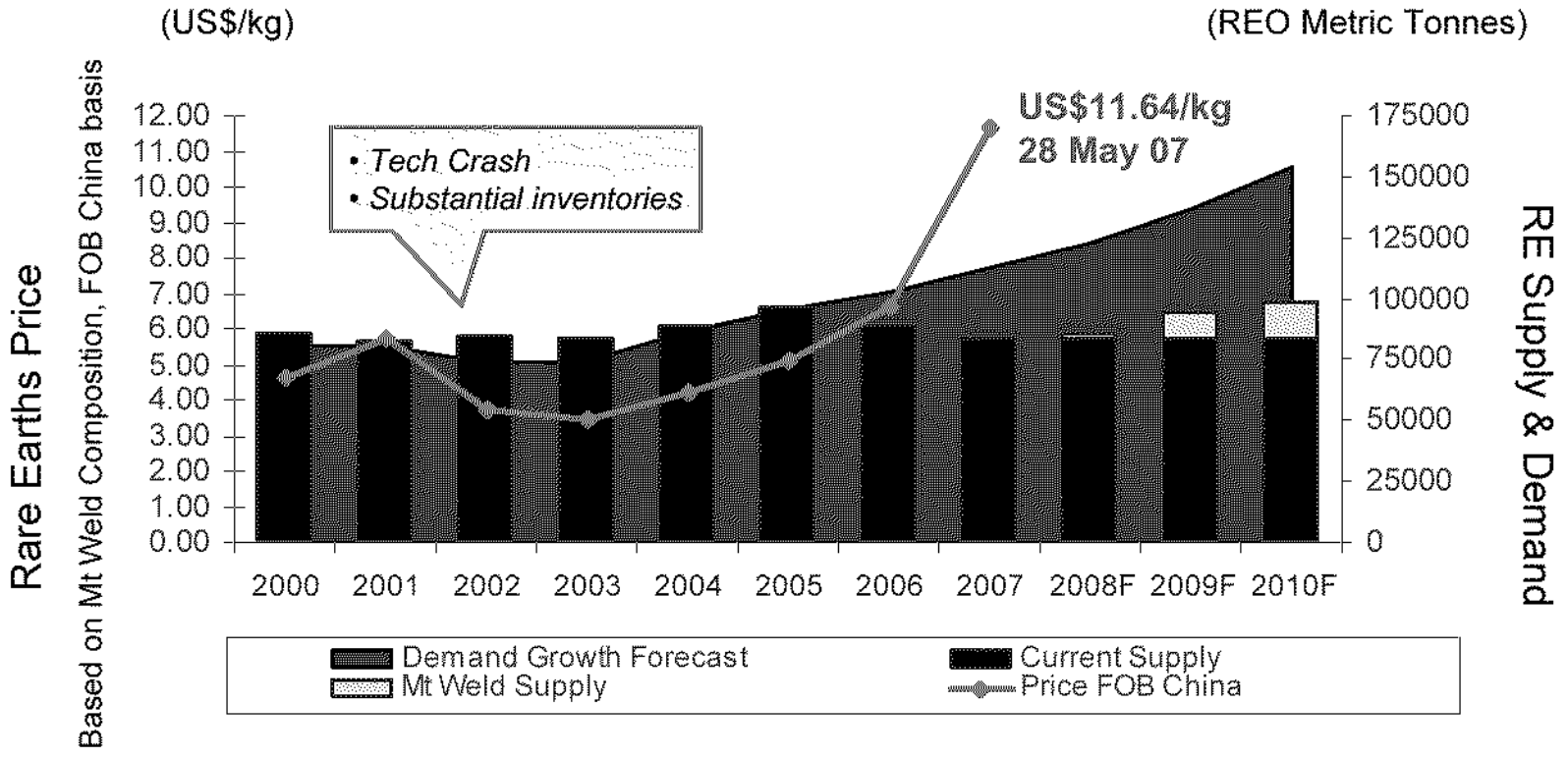
RareEarthsDirect

Supply - demand imbalance suggest the price increases will continue over the next few years

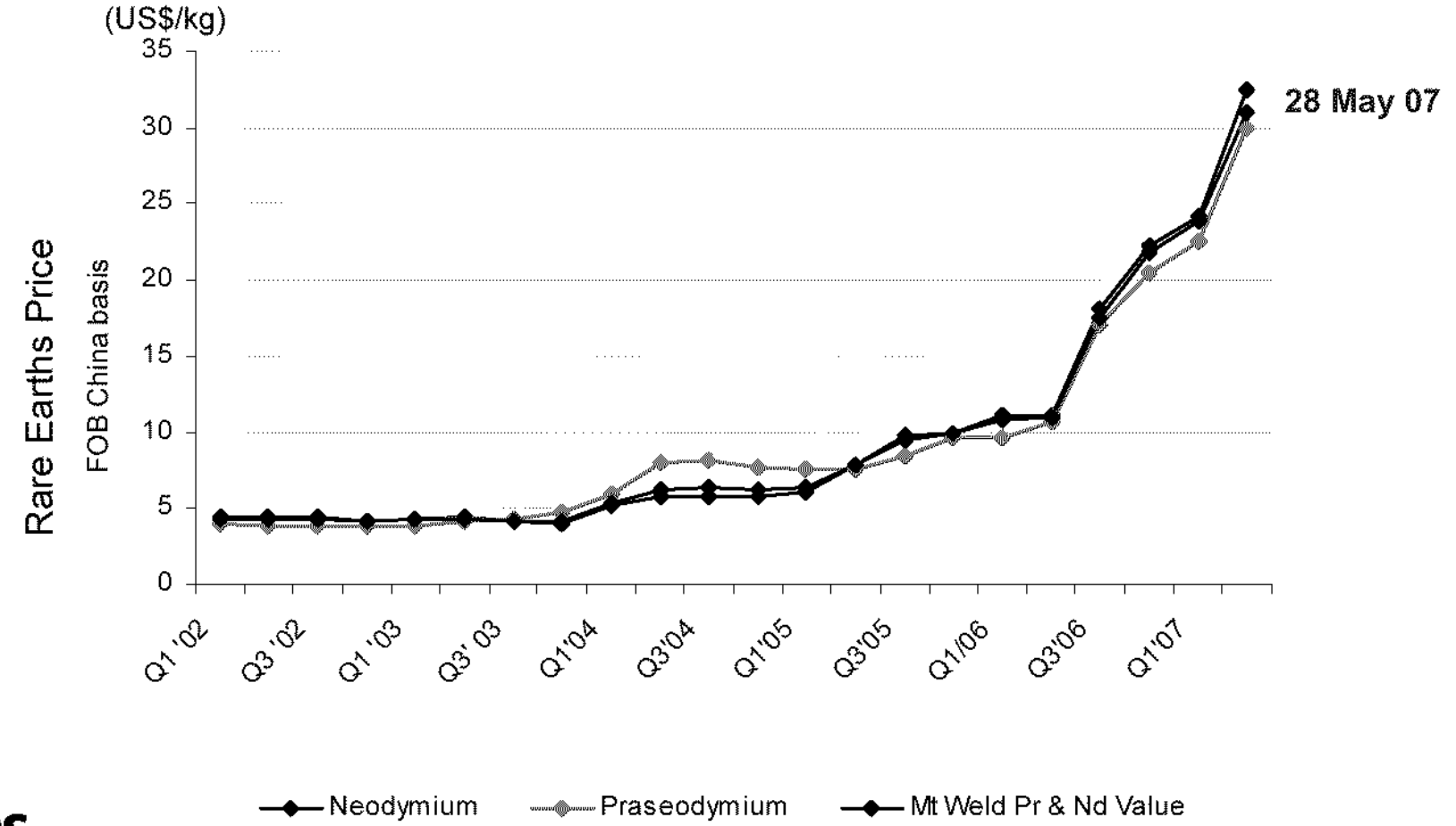
Rare Earths market history and independent forecast



Source : BCC Research report, see www.lynascorp.com

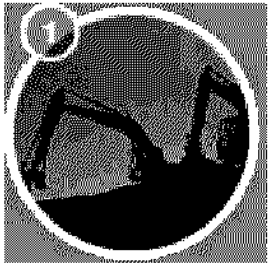
The supply - demand imbalance for elements used in magnets is particularly severe

Neodymium and Praseodymium Oxide price movement



Our strategy is to develop a transparent, environmentally sound, integrated supply chain

Australia

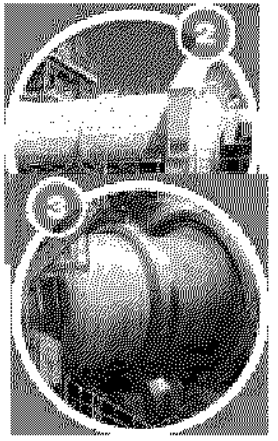


Mining:
121,000 tpa of ore,
14.8% REO

Open cut batch mining by contractor

Initial batch contract let for pre-strip and +3 years ore

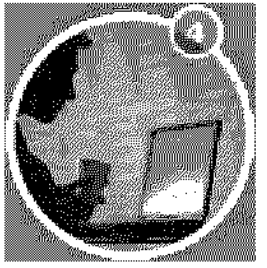
Malaysia



Processing:
Integrated processing plant to float, crack and separate the Rare Earths

10,500 tpa of
mixed Rare Earths *

Malaysia and China



Separation - Malaysia:
5,000 tpa modular solvent extraction separation plants

Separation - China:
5,000 tpa tolling solvent extraction separation plant

Products:
Lanthanum, Cerium
Praseodymium, Neodymium,
Heavy mixed RE **

* : Mixed Rare Earths – a mixed Rare Earths carbonate and chloride containing Lanthanum, Cerium, Praseodymium, Neodymium and heavy RE
** : Heavy mixed RE – a mixed Rare Earths oxide containing Samarium, Europium, Gadolinium, Terbium, Dysprosium and other heavier Rare Earths

Mt Weld is the richest grade Rare Earths resource in the world

DEPOSIT	GRADE (REO)	INSITU RESOURCE (t REO)	RECOVERABLE RESOURCE (t REO)	NOTE
Mt Weld Rare Earths Project	***12%***	***917,000***	***503,000***	**4% cut-off**
Baiyun Obo, Baotou PRC	5%	17,000,000	1,700,000	Govt pressure to reduce mine rate
China Southern Ionic Clays	<1%	~800,000	~400,000	Govt pressure to reduce mine rate
Mt Pass, Molycorp USA	8.9%	1,070,000	Mine closed	Distribution is low value, 5% cut-off

Recoverable value of Mt Weld Rare Earths is A$7.8B *

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* : Rare Earths Oxide price: US$11,640/t, AUD/USD = 0.75

Mt Weld's grade and composition are a natural advantage

	Mt Weld Composition By Weight	vs	Baotou Composition By Weight
Lanthanum oxide	25.50%		25.70%
Cerium oxide	46.74%		51.30%
Praseodymium oxide	5.32%		5.40%
Neodymium oxide	**18.50%**		15.70%
Samarium oxide	2.27%		1.10%
Dysprosium oxide	0.12%		0.06%
Europium oxide	**0.44%**		0.18%
Terbium oxide	0.07%		0.02%

- Mt Weld's average head grade is 14.8%, compared to approximately 5% of Baotou China
- Mt Weld's Rare Earth Oxide distribution is worth 22% more per tonne compared to Baotou
- Mt Weld concentrate is also more environmentally friendly with significantly lower Fluorine (1,100ppm) and Thorium (750ppm) content

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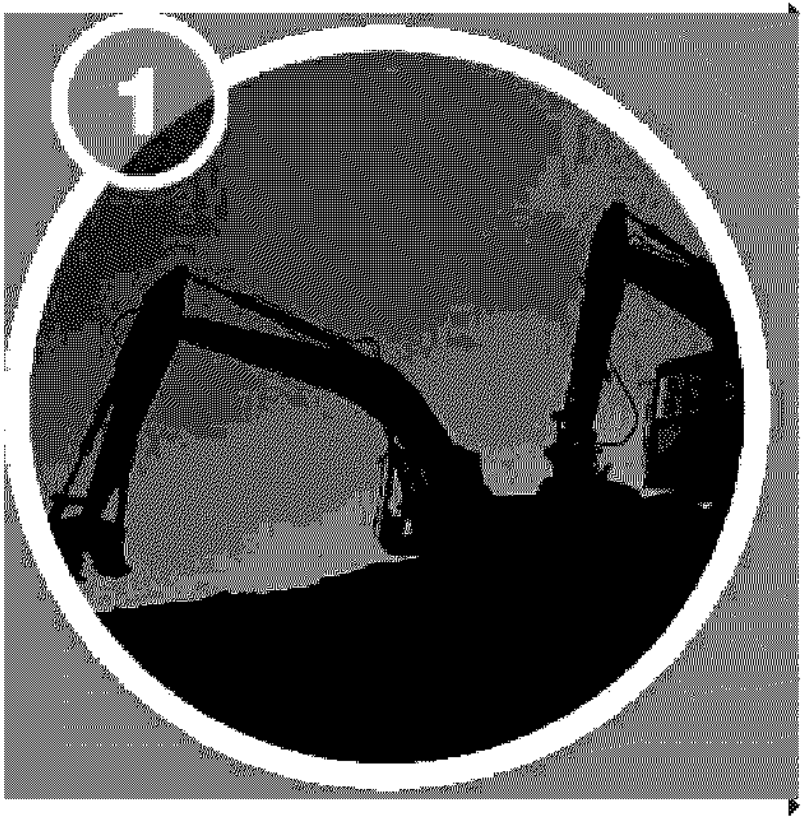
Grade control drilling confirmed robustness of resource and a ultra-high grade zone

Ultra-High Grade REO Drill Intercepts

Drill hole No	Easting (MGA)	Northing (MGA)	From m	To m	Interval m	REO Grade %
RC915	455800	6807100	54	58	4	**45.5**
RC922	455820	6807140	48	50	2	**45.5**
RC923	455820	6807160	54	58	4	**54.7**
RC932	455840	6807160	46	48	2	**40.9**
RC990	455800	6807200	54	58	4	**44.8**
RC991	455800	6807180	58	60	2	**51.2**
RC997	455820	6807180	56	62	6	**46.8**
RC998	455800	6807160	56	60	4	**49.6**
RC448	455743	6807116	69	75	6	**43.0**
RC460	455823	6807156	51	54	3	**42.9**
RC679	455818	6807157	54	60	6	**48.7**
RC725	455798	6807177	54	60	6	**42.3**

Mining contractor mobilised, June ground breaking for Mt Weld Rare Earths project



- All environmental approvals are complete and in good standing
- Aboriginal Heritage studies and artefact clearances complete, no Native Title issues
- Mining Proposal has been approved by the Department of Industry and Resources of Western Australia
- Grade control drilling complete
- Mining Contract awarded to Roche Mining
- Mobilisation to site is complete

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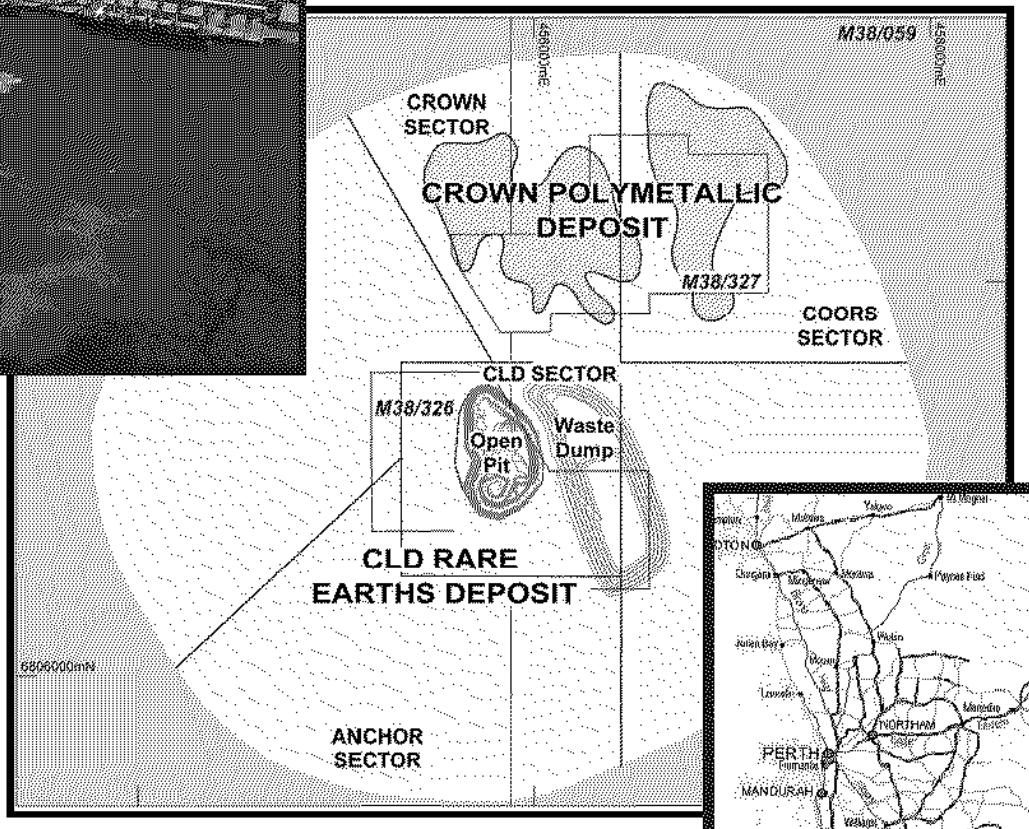
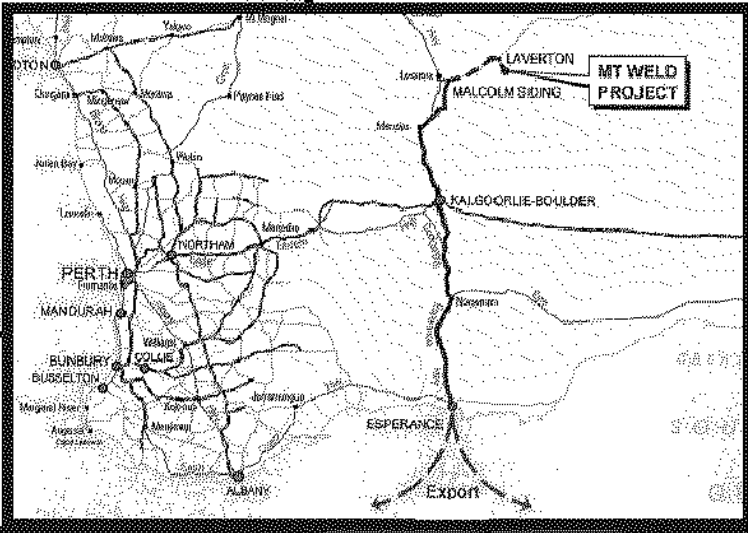
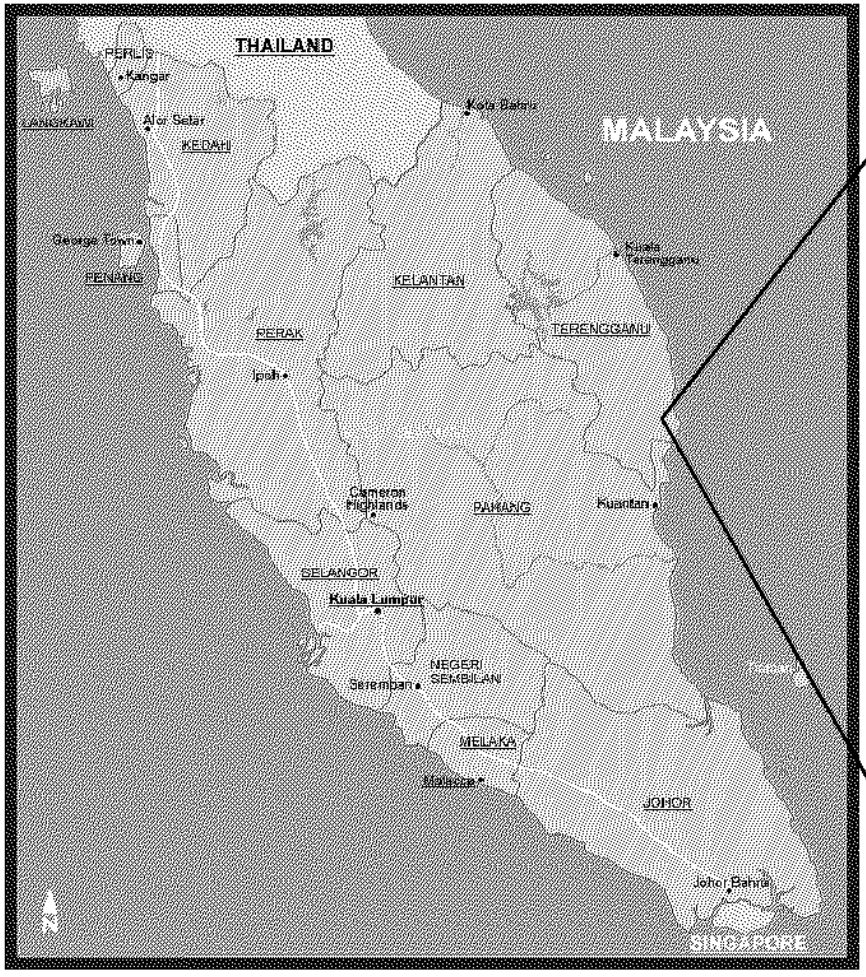
RareEarthsDirect

18% REO ore will be transported from mine via road, rail and ship to Lynas plant in Malaysia





Malaysian environmental and project approvals for the processing plant are underway

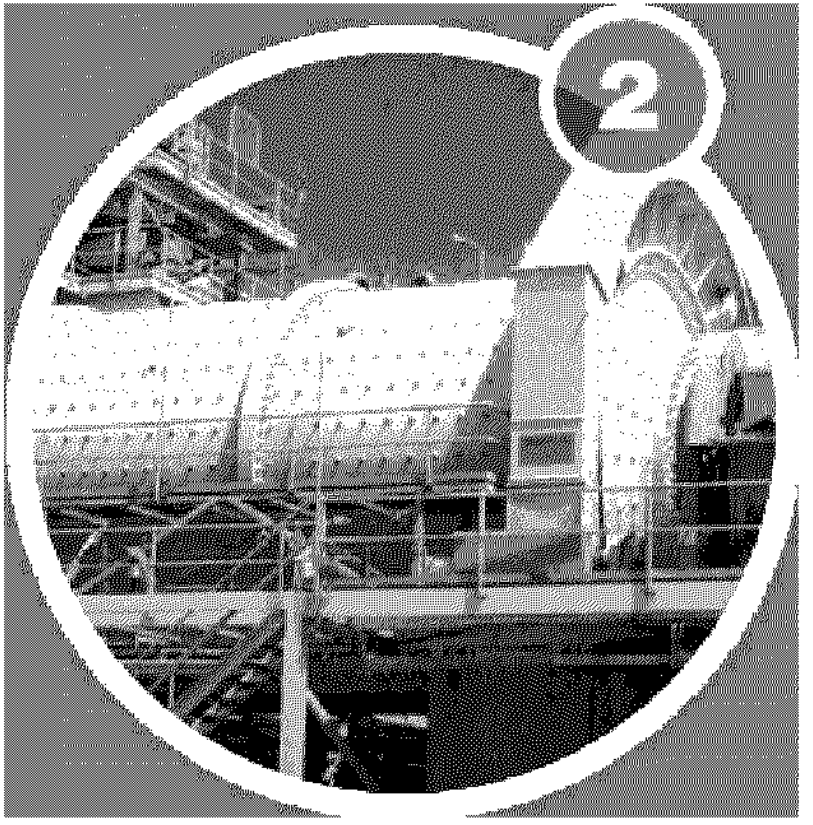


Why Malaysia is an ideal location for the processing plant

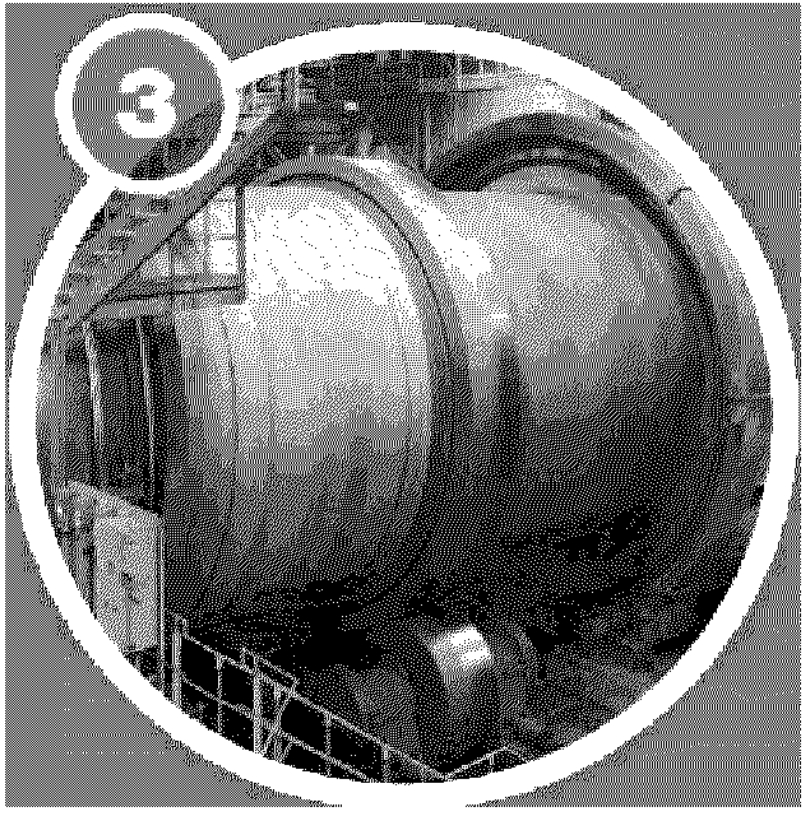
- **Granting of "strategic pioneer status" in Malaysia, with a related 10 year tax free period**
- **Excellent infrastructure at Teluk Kalong Industrial Estate**
  - Flat industrial land available at reasonable rates
  - Close to deep water all weather port
  - Established manufacturers of key re-agents (sulfuric acid, hydrochloric acid, sodium hydroxide, lime)
  - Low cost public utilities (gas, water, electricity)
- **Clear environmental and government approval processes**
- **Skilled labour force**
  - Large chemical industry on the East Coast of Malaysia
  - Access to a diligent, highly skilled and competitive labour force fluent in English and Mandarin

Initial production of the processing plant will be 10,500t REO p.a.

- Lynas' concentration process employs a proprietary state-of-the-art flotation re-agent
- Bench test results achieved recoveries in excess of 70% at 40% REO grade
- A pilot plant has been completed in Australia achieving a steady state process recovery for the Rare Earths oxide of 63% at 40% REO grade
- Engineering design will be completed by Sydney office of WorleyParsons



The processing plant scope includes rapid brown-field expansion to 20,000t REO p.a.



- The cracker and initial separation plant on the same integrated site as the concentrator allows process optimisation
- Cracking plant is mature Rare Earths industry technology
- A pilot plant has been completed in Australia to optimise materials handling, hydrometallurgical and waste gas equipment
- Engineering design will be completed by Beijing office of WorleyParsons

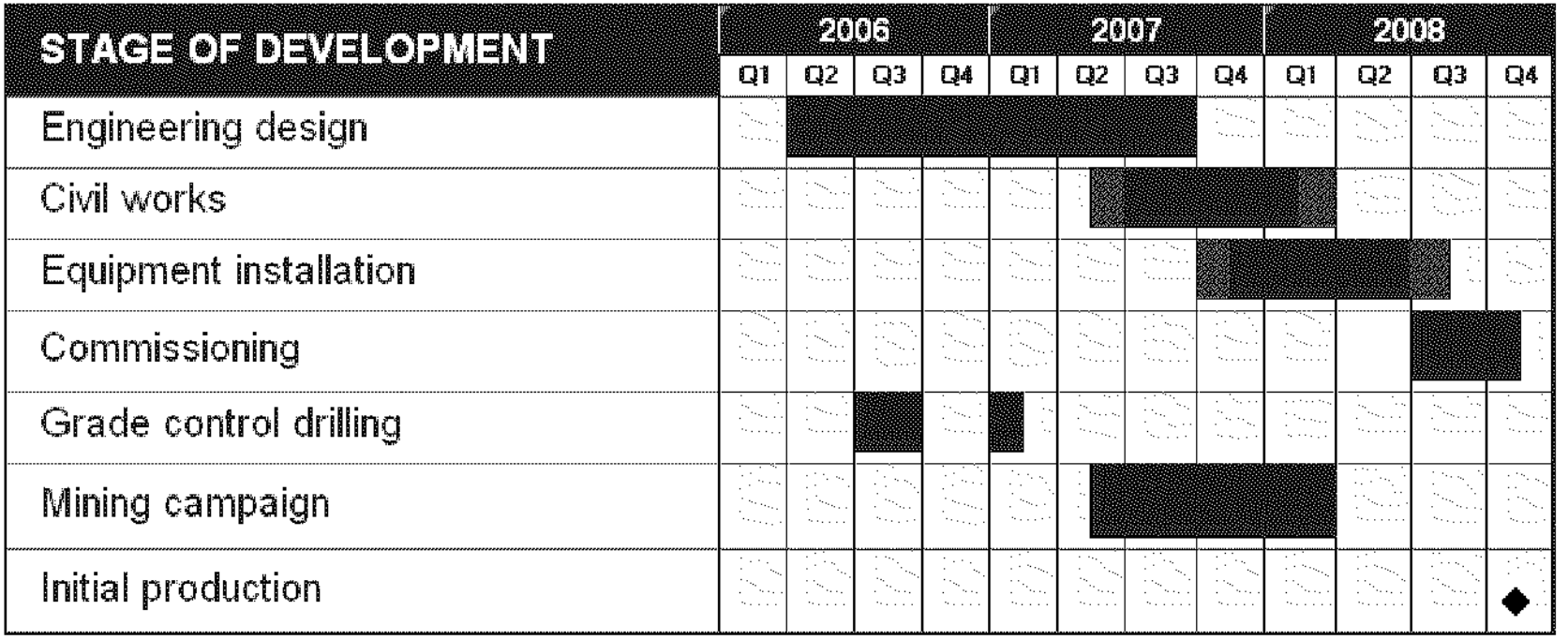
The Malaysian plant will also separate 5,000 tpa REO to individual oxides initially

- Lynas will separate approximately 5,000 tpa REO in Malaysia, and is likely to expand this separation capacity shortly after commencement of production
- The engineering for the separation capacity is being fast tracked based on an existing plant
- The remaining 5,000 tpa REO of mixed Rare Earths will be separated at strategic partner's plant
- Lynas believe customer demand exists to rapidly consider increasing to 20,000 tpa in total, requiring two additional 5,000t separation units

Commissioning of the plant in Malaysia is planned for late 2008

- **MIDA approval received**
  - Strategic Pioneer Status with associated 10 year tax break
- **EPCM contract discussion with Ranhill WorleyParsons**
  - Offices in Sydney, Beijing, Kuala Lumpur and Kerteh
- **Engineering design underway**
  - Completed Basic Engineering Design for Malaysian site
  - Detailed Design commenced, approximately 30% complete
  - Malaysian capital cost ±10% estimate to be released June 07
- **Commercial supply contacts established, long lead time items identified**
- **DOE approvals underway, with AELB approval anticipated in June to commence construction, in line with project schedule**

Rare Earths project schedule for Malaysian site, EPCM schedule currently being finalised



- Ramp-up to 10,500t REO, including commissioning, is expected to take 6 -12 months, ultimately continued expansion to 20,000t by second half 2010

The project capital costs will increase significantly due to location, scope and design philosophy changes

- **2006 Project capital cost estimate for China** — **A$ 65.0M**
- **Malaysia based project capital expenditure** — **A$ 65m + additional**
  - Mt Weld mine contractor cost — A$ 22.6M
  - Processing plant capital costs — TBA June 07
    - +Addition of downstream separation
    - +Infrastructure inclusion for 20,000t expansion
    - +Site preparation for Malaysian location (Larger site requiring filling, piling, drainage)
    - +In house waste water and waste solid management
    - +Increased rates in Malaysia
    - +International EPCM costs
    - +Inherently higher quality standard of plant

Forecast operating costs, from mine to separated product inclusive, is estimated at US$4 – US$5/kg REO

- **Total forecast operating costs (± 10%)** **US$ 4.50/ kg REO**
- **Percentage breakdown**
  - Mt Weld costs (A$ exposure) 4%
  - Transportation (mine to plant) (US$ exposure) 14%
  - Concentration (MYR, US$, and RMB exposure) 7%
  - Cracking and initial separation (MYR and US$ exposure) 47%
  - Separation and finishing (MYR and US$ exposure) 28%

The basket price of product suite shows Neodymium and Praseodymium are key value drivers

▶ Neodymium and Praseodymium	**23.8%**	**x**	**$31.00 kg =**	**$7.38**
▪ Magnet market, capacitors, NiMH batteries				
▶ Lanthanum	**25.5%**	**x**	**$2.50 kg =**	**$0.64**
▪ NiMH battery, FCC and glass polishing				
▶ Cerium	**46.7%**	**x**	**$2.50 kg =**	**$1.17**
▪ Catalytic converter and glass polishing				
▶ Europium	**0.4%**	**x**	**$350.00 kg =**	**$1.55**
▪ Display industry for colour screens and CFLs				
▶ Others	**3.6%**	**x**	**$25.00 kg =**	**$0.90**
▪ e.g. Terbium also for CFLs and colour screens				
▪ e.g. Dysprosium for magnets				
▶ Basket price per kilogram is therefore equal to				**US$11.64**

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RareEarthsDirect

Lynas has signed a Supply Agreement and a number of other Letters of Intent

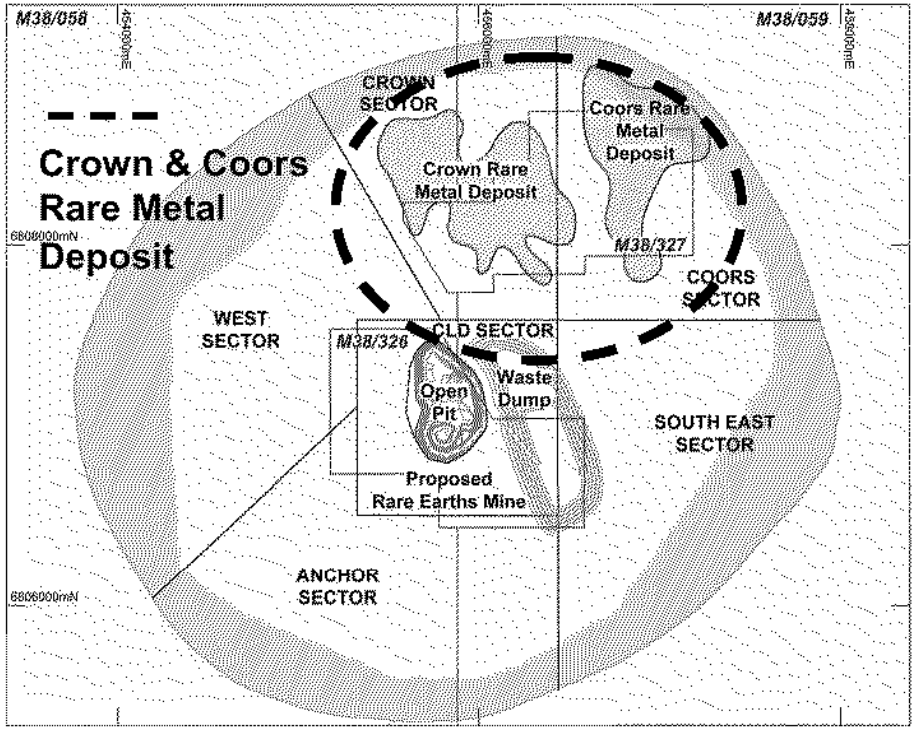
- **Supply Agreement**
  - Major international Rare Earths consumer
  - Value of contract is in excess of US$90M over 5 years
  - Due to product mix, ~30% by volume and 15% by value
  - Five year contract sets new benchmark in Rare Earths industry
  - Floor and ceiling price on lower value products (cerium and lanthanum)

- **Letters of Intent**
  - Initial 5,000 tpa of Malaysia separation accounted for
  - Additional 5,000 tpa of Malaysian separation 90% accounted for by value
  - Strong customer interest, especially for magnet related products – it is about access to supply, not what is the price

Rare Earths summary

- A perfect storm has hit the Rare Earths market, with demand growing strongly and supply restrictions in place
- Lynas is the alternative global supplier of Rare Earths to China, from a unique resource base, and will be one of the lowest cost producers in the world
- The plant in Malaysia brings significant tax advantages, a 10 year tax free period and a 27% revenue advantage compared to China which must absorb 17% VAT and 10% export tariff
- We are well positioned to grow strongly as a key supplier of critical raw materials which underpin essential technology

Crown Polymetallic resource



Category	Indicated	Inferred	Total
Mt	1.5	36.2	37.7
Ta2O5	0.037%	0.024%	0.024%
Nb2O5	1.4%	1.06%	1.07%
TLnO	1.65%	1.14%	1.16%
ZrO	0.32%	0.3%	0.3%
FeO3	46.5%	42.6%	42.8%
P2O5	8.9%	7.96%	7.99%
Y2O3	0.1%	0.09%	0.09%
Al2O3	9.94%	11.3%	11.3%
TiO	5.8%	3.94%	4.01%

- ►SCOPING STUDY COMPLETED – POSITIVE PROJECT VALUE
- ►FURTHER WORK TO COMMENCE LATER THIS YEAR
- ►OVER $A50 BLN METAL CONTENT – (OUR NEXT PROJECT?)

Rare metal mineral resources for ore blocks of positive net value in the Crown and Coors Sectors (Mt = millions tonnes. TLnO = Total Lanthanides), Resource estimate by Hellman & Schofield

Summary

In achieving our Vision we will:

- Create the globally unique integrated Rare Earths company
- Create sustainable long term earnings with exposure to growth through technology advancement
- Create long term shareholder value in excess of current share price