

22 September 2017

SHARE SALE FACILITIES

Lynas Corporation Ltd (ASX:LYC) (**Lynas**) today announces that it has initiated two separate share sale facilities which will provide eligible shareholders with an opportunity to sell small shareholdings in Lynas without incurring any brokerage or handling costs (the **Sale Facilities**).

Lynas recognises that small shareholders may find it difficult or expensive to dispose of their Shares through the normal means. In addition, the Sale Facilities will assist Lynas to reduce ongoing costs associated with administering shareholdings.

Lynas is offering the Sale Facilities to eligible shareholders who, at 7.00pm (Sydney time) on Friday 15 September 2017 (**Record Date**), had a registered address in Australia and were registered holders of:

1. less than a 'marketable parcel' of Lynas shares, being less than 2,440 ordinary shares in Lynas which on the Record Date were worth less than \$500 (**Unmarketable Parcel Sale Facility**); and
2. between 2,440 and 14,634 ordinary shares in Lynas, which on the Record Date were worth between \$500 and \$3000 inclusive (**Opt-in Share Sale Facility**).

1. Unmarketable Parcel Sale Facility

The Unmarketable Parcel Sale Facility is offered in accordance with the Lynas Constitution and the ASX Listing Rules. Shareholders eligible to participate in the Unmarketable Parcel Sale Facility that wish to retain their shareholding will need to:

- (a) complete and return a share retention form so that it is received by Lynas' share registry by 5.00pm (Sydney time) on 14 November 2017 (**Closing Date**); or
- (b) acquire additional shares so that their holding is larger than an 'unmarketable parcel', being 2,440 shares or more, by the Closing Date (shareholders must make their own arrangements to effect this); or
- (c) in the case of shareholders who have more than one holding of shares in the same name which together amount to 2,440 shares or more, consolidate their shareholdings by contacting Lynas' share registry.

Eligible shareholders who take no action will have their shares sold and proceeds sent to them.

2. Opt-in Share Sale Facility

The Opt-in Share Sale Facility is offered in accordance with ASIC Class Order CO 08/10 (**Class Order**). Eligible shareholders who wish to retain their shares are not required to do anything. Eligible shareholders who wish to participate in the Opt-in Share Sale Facility must complete and return the sale instruction form to Lynas' share registry so that it is received by 5.00pm (Sydney time) on 14 November 2017.

In accordance with ASX Listing Rule 3.17.1 and the Class Order, attached is documentation relating to each of the Unmarketable Parcel Sale Facility and Opt-in Share Sale Facility, which is being sent to eligible shareholders today.

Andrew Arnold

Company Secretary

Important Note

The information set out above does not constitute financial securities advice and does not take into account any shareholder's objectives, financial situation or needs. Where necessary, shareholders should seek independent advice from their accountant or financial, tax or other professional advisor.

For personal use only

22 September 2017

**THIS LETTER REQUIRES YOUR IMMEDIATE ATTENTION
IF YOU TAKE NO ACTION, YOUR LYNAS CORPORATION LTD
SHAREHOLDING MAY BE SOLD**

Dear Shareholder

Unmarketable Parcel Share Sale Facility

I am writing to offer you the opportunity to participate in a sale facility (**Unmarketable Parcel Sale Facility**), which is available to all eligible shareholders who hold less than a marketable parcel of shares in Lynas Corporation Ltd (ABN 27 009 066 648) (**Lynas**). This is defined as being fully paid ordinary shares in Lynas (**Shares**) valued at a total of less than A\$500 (**Unmarketable Parcel**) and whose registered address is in Australia as at 7.00pm (Sydney time) on Friday, 15 September 2017 (**Record Date**).

Lynas recognises that small shareholders may find it difficult or expensive to dispose of their Shares through the normal means.

The proposed Unmarketable Parcel Sale Facility provides small shareholders with an easy and cost-effective way to sell all of their Shares. In addition this will assist Lynas to reduce ongoing costs associated with administering shareholdings.

Based on the closing price of Lynas' Shares as traded on the Australian Securities Exchange (**ASX**) on the Record Date of A\$0.205, an Unmarketable Parcel is any holding of less than 2,440 Shares.

Our records indicate that as at the Record Date you held an Unmarketable Parcel. Accordingly, Lynas offers you the opportunity to sell your Shares through the Unmarketable Parcel Sale Facility without paying for any brokerage or handling costs associated with the sale.

For personal use only

What do I need to do?

- 1. If you want to sell your Shares under the Unmarketable Parcel Sale Facility, you do not need to take any action.**

If you do not take any action, Lynas intends to sell your Shares during the period of 15 November 2017 to 21 November 2017. The proceeds of the sale of your Shares will be paid to you by 28 November 2017 in Australian Dollars using the payment method recorded by Lynas' share registry, Boardroom Pty Limited (**Share Registry**) for your shareholding.

You do not need to appoint a broker or pay any brokerage or handling costs associated with the sale of your Shares under the Unmarketable Parcel Sale Facility. However, any tax consequences as a result of the sale of your Shares will be your responsibility.

If you are in doubt, or if you require further information regarding possible tax implications from participating in the Unmarketable Parcel Sale Facility, please consult your legal, financial and/or taxation adviser.

- 2. If you DO NOT want to sell your Shares through the Unmarketable Parcel Sale Facility, you need to complete the details at the bottom of the enclosed share retention form and return your form so that it is received by the Share Registry by 5.00pm (Sydney Time) on Tuesday, 14 November 2017 (Closing Date).**

Retention forms can be returned to the Share Registry's address listed on the share retention form.

Alternatively, you may:

- (a) increase your shareholding by acquiring additional Shares under the same name and same HIN or SRN as your unmarketable parcel so that your shareholding increases to a minimum of 2,440 Shares. You must make your own arrangements to effect this; or
- (b) consolidate your holdings. If you have more than one holding of Shares in the same name but held under multiple HINs or SRNs, and together those holdings amount to a minimum of 2,440 Shares, you can contact our Share Registry to have those holdings consolidated. Contact details are set out on the enclosed retention form.

Any such transactions must be completed in time so that they are reflected on the register by the Closing Date, being 5.00pm (Sydney Time) on Tuesday, 14 November 2017.

Important information

It is important that you read and understand the Unmarketable Parcel Sale Facility Terms and Conditions enclosed with this letter.

If you participate in the Unmarketable Parcel Sale Facility, you cannot specify the price at which your Shares will be sold and you will not have control over the time at which your Shares are sold, but your Shares will be sold by 21 November 2017.

The price that you will receive for each of your Shares sold through the Unmarketable Parcel Sale Facility (**Sale Price**) will be the average price of all Shares sold through the Unmarketable Parcel Sale Facility.

You should seek independent financial advice (including tax advice) specific to your circumstances when determining whether or not to participate in the Unmarketable Parcel Sale Facility.

Lynas does not make any recommendation as to whether you should participate in the Unmarketable Parcel Sale Facility and is not giving, and is not obliged to give, any advice to you.

Opt-in Share Sale Facility

Lynas is also arranging a separate sale facility open to eligible shareholders whose shareholding has a value in the range of A\$500 to A\$3000 (inclusive) and whose registered address is in Australia as at the Record Date (**Opt-in Share Sale Facility**).

As your holding was valued at less than \$500 on the Record Date, this shareholding is not eligible to participate in the Opt-in Share Sale Facility. If you have multiple shareholdings and one or more holdings has a value in the range of A\$500 to A\$3000 (inclusive) on the Record Date, then you will be separately invited to participate in the Opt-in Share Sale Facility. Please note that both the period in which Shares are sold and the Sale Price under the Unmarketable Parcel Sale Facility may be different from those under the Opt-in Share Sale Facility.

If you have any questions concerning the contents of this letter, please contact the Boardroom Shareholder Enquiry Line on 1300 737 760 (toll free within Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

Yours sincerely



Andrew Arnold
Company Secretary

UNMARKETABLE PARCEL SALE FACILITY TERMS AND CONDITIONS

Lynas Corporation Ltd (ABN 27 009 066 648) (**Lynas**) is offering an unmarketable parcel sale facility (**Unmarketable Parcel Sale Facility**) in accordance with clause 3 of Lynas' Constitution and the Australian Securities Exchange (**ASX**) Listing Rule 15.13.

These terms and conditions, together with the enclosed letter from the Company Secretary (**Notice**) and the share retention form, satisfy the notice requirements detailed in Lynas' constitution.

1. What is the Unmarketable Parcel Sale Facility?

The Unmarketable Parcel Sale Facility is available to eligible shareholders who, at 7.00pm (Sydney time) on Friday, 15 September 2017 (**Record Date**), were registered as holders of fully paid Lynas shares (**Shares**) valued at total of less than A\$500 (**Unmarketable Parcel**) and whose registered address is in Australia.

The Unmarketable Parcel Sale Facility provides you with an easy and cost-effective way to dispose of all of your Shares. Lynas will pay the brokerage and handling costs in relation to the sale of Shares under the Unmarketable Parcel Sale Facility .

If you want to sell your Shares under the Unmarketable Parcel Sale Facility, you do not need to take any further action. You should, however, check that your details as recorded by Lynas' share registry, Boardroom Pty Limited (**Share Registry**) are correct.

If you are a holder of an Unmarketable Parcel and you do not want to sell your Shares, you must complete and return the retention form at the bottom of your enclosed share retention form so that it is received by 5.00pm (Sydney time) on [Tuesday, 14 November 2017] (**Closing Date**).

2. Timetable

| | |
|---|---|
| Record Date: | 7.00pm (Sydney time) Friday, 15 September 2017 |
| Announcement: | Friday, 22 September 2017 |
| Notice sent to shareholders: | Friday, 22 September 2017 |
| Opening Date: | Tuesday, 3 October 2017 |
| Closing date for receipt of retention forms | 5.00pm (Sydney time) Tuesday, 14 November 2017 |
| Sale of Shares on-market | Wednesday, 15 November 2017 to Tuesday, 21 November 2017 |
| Payment Date | Tuesday, 28 November 2017 |

For personal use only

3. What is an Unmarketable Parcel?

The ASX Listing Rules provide that a marketable parcel is a parcel of shares with a value of at least A\$500 (determined by reference to the closing price of those shares on the ASX) at the relevant record date (**Marketable Parcel**).

For the purpose of the Unmarketable Parcel Sale Facility, an Unmarketable Parcel is a holding of Shares that is less than a Marketable Parcel as at the Record Date. Based on the closing price of A\$0.205 per Share on the ASX on the Record Date, an Unmarketable Parcel is any holding of less than 2,440 Shares.

4. Why is Lynas offering the Unmarketable Parcel Sale Facility?

Lynas recognises that small shareholders may find it difficult or expensive to dispose of their Shares through the normal means. In addition, while Lynas values all of its shareholders, the administrative costs (including share register and shareholder communication expenses) of maintaining many small shareholder accounts is disproportionately high when compared with the dollar value of Unmarketable Parcels.

Accordingly, the Unmarketable Parcel Sale Facility provides small shareholders with an easy and cost-effective way to sell all of their Shares while assisting Lynas to reduce ongoing costs associated with administering shareholdings.

5. Who can participate in the Unmarketable Parcel Sale Facility?

Any eligible shareholder who is the registered holder of an Unmarketable Parcel and whose registered address is in Australia as at 7.00pm (Sydney time) on the Record Date is eligible to participate in the Unmarketable Parcel Sale Facility.

6. What do I need to do to participate in the Unmarketable Parcel Sale Facility?

If you want to sell your Shares under the Unmarketable Parcel Sale Facility you do not need to take any further action.

Neither these terms and conditions nor any correspondence with Lynas, its agents or employees constitutes advice or a recommendation to sell or retain your Shares, nor that the Unmarketable Parcel Sale Facility is the best way to sell your Shares.

You should seek independent advice (including tax advice) specific to your circumstances when determining whether to participate in the Unmarketable Parcel Sale Facility.

7. What do I have to do to retain my Unmarketable Parcel?

If you want to retain your Unmarketable Parcel, you must notify Lynas in writing by completing the details at the bottom of your enclosed share retention form and returning your form to the Share Registry in accordance with the instructions in the share retention form, by 5.00pm (Sydney time) on the Closing Date.

Alternatively, you may:

- (a) increase your shareholding by acquiring additional Shares under the same name and same HIN or SRN as your Unmarketable Parcel so that your shareholding increases to a minimum of 2,440 Shares. You must make your own arrangements to effect this; or
- (b) consolidate your holdings. If you have more than one holding of Shares in the same name but held under multiple HINs or SRNs, and together those holdings amount to a minimum of 2,440 Shares, you can contact our Share Registry to have those holdings consolidated. Contact details are set out on the enclosed retention form.

Any such transactions must be completed in time so that they are reflected on the register by the Closing Date, being 5.00pm (Sydney Time) on Tuesday, 14 November 2017.

8. What happens if I do not return my retention form to the Share Registry by 5.00pm (Sydney time) on the Closing Date?

In accordance with its constitution and the ASX Listing Rules, Lynas is entitled to sell your Shares under the Unmarketable Parcel Sale Facility.

9. Can I withdraw my retention form?

No, you cannot withdraw your retention form once it has been returned to the Share Registry.

10. What costs will I incur?

Lynas is responsible for the costs of sale of your Shares under the Unmarketable Parcel Sale Facility. This includes any stamp duty, brokerage and Share Registry fees (but expressly excludes any tax on income or capital gains).

Tax may be payable by you on any gains you make on the sale of the Shares. This will depend on your personal taxation circumstances.

If you are in doubt, or if you require further information regarding possible tax implications from participating in the Unmarketable Parcel Sale Facility, please consult your legal, financial and/or taxation adviser.

11. Can I sell some but not all of my Unmarketable Parcel through the Unmarketable Parcel Sale Facility?

No. You cannot sell part of your Unmarketable Parcel under the Unmarketable Parcel Sale Facility.

12. Why did I receive two letters inviting me to sell my Shares through the Unmarketable Parcel Sale Facility?

You may have two separate holdings of Shares. If that is the case, the Unmarketable Parcel Sale Facility will apply to each holding separately.

To provide instructions in relation to more than one holding, you need to separately return a completed retention form for each of those holdings.

13. How can I consolidate my separate holdings, and what will happen to my consolidated holding?

If the sum of your separate shareholdings equates to more than an Unmarketable Parcel and the Shares are held in the same name, you may create a Marketable Parcel by merging your holdings. To consolidate your holdings, you need to complete a 'Merge Multiple Holdings' form and return it to the Share Registry.

You can obtain this form on the Share Registry's website <https://boardroomlimited.com.au/> or by contacting the Share Registry.

If your separate holdings are consolidated by no later than 5.00pm (Sydney time) on the Closing Date and your consolidated shareholding equates to more than an Unmarketable Parcel the holding will not be sold under the Unmarketable Parcel Sale Facility.

14. What happens if I buy more Shares or merge my holdings so that I have a Marketable Parcel?

If your holding increases between the Record Date and the Closing Date (either as a result of buying more shares or by merging your separate holdings) so that you have a Marketable Parcel (i.e. more than a Unmarketable Parcel) on the Closing Date, your Shares which are the subject of the Notice will not be sold under the Unmarketable Parcel Sale Facility.

For personal use only

15. What happens if the Share price increases so that I have a Marketable Parcel?

If the Share price increases between the Record Date and the Closing Date so that the value of your Unmarketable Parcel increases to more than a Marketable Parcel on the Closing Date, your Shares which are the subject of the Notice will still be sold under the Unmarketable Parcel Sale Facility unless you return your completed retention form to the Share Registry in accordance with the instructions in the share retention form, by 5.00pm (Sydney time) on the Closing Date.

16. What if I hold my Shares in a CHESS sponsored holding?

You can still participate in the Unmarketable Parcel Sale Facility if you hold Shares in a CHESS sponsored holding. Shares remaining in a CHESS sponsored holding as at the Closing Date will be moved to an issuer sponsored holding and sold under the Unmarketable Parcel Sale Facility.

17. When and how will my Shares be sold?

The sale of Shares under the Unmarketable Parcel Sale Facility is expected to occur as soon as practicable after the Closing Date. Patersons Securities Limited ABN 69 008 896 311 (or its nominee) (**Broker**), a licensed broker, will act as execution-only broker on behalf of shareholders to effect any sales under the Unmarketable Parcel Sale Facility.

Lynas is irrevocably authorised by each participating shareholder in the Unmarketable Parcel Sale Facility to do all things to facilitate the sale of the Shares under the Unmarketable Parcel Sale Facility without further notice, including to engage any third party (including brokers) and execute all necessary documents (including to effect any holding adjustment, securities transformation, securities transfer or other transmission, in relation to an eligible shareholder's Unmarketable Parcel, such as converting a CHESS holding to an issuer sponsored holding).

18. What price will I receive?

If you participate in the Unmarketable Parcel Sale Facility, you cannot specify the price at which your Shares will be sold and you will not have control over the time at which your Shares are sold, but your Shares will be sold by Tuesday, 21 November 2017.

The price that you will receive for each of your Shares sold through the Unmarketable Parcel Sale Facility (**Sale Price**) will be the average price of all Shares sold through the Unmarketable Parcel Sale Facility. The Sale Price will be calculated by Lynas or a third party appointed by Lynas and may not be challenged in the absence of manifest error.

The market price of Shares is subject to change. The Sale Price may be more or less than the actual market price at the time of sale and may not be the best price obtainable on the day on which your Shares are sold or over the period in which Lynas may sell your Shares. Neither Lynas nor its Broker, or their respective agents and employees will provide any assurance as to what the price of the Shares on the ASX will be or what price you will receive for your Shares under the Unmarketable Parcel Sale Facility.

Information on the price of Shares can be obtained through the ASX website (www.asx.com.au) by looking up Lynas' code: "LYC".

The Share Registry will send you a payment advice notifying you of the number of your Shares sold through the Unmarketable Parcel Sale Facility, the Sale Price and the total sale proceeds you have received. You will not receive any interest on the sale proceeds.

19. How and when will I receive the proceeds from the sale of my Shares?

Sale proceeds will be paid to you in Australian Dollars in accordance with your existing payment instructions with the Share Registry, by Tuesday, 28 November 2017.

20. What happens to the Unmarketable Parcel Sale Facility if there is a takeover bid for Lynas?

The Unmarketable Parcel Sale Facility will become unavailable following an announcement of a takeover bid for Lynas. In the event that any Shares are sold under the Unmarketable Parcel Sale Facility prior to a takeover bid being made, sale proceeds will be remitted to those shareholders whose Shares have been sold. The Sale Price that those shareholders will receive for each of their Shares sold through the Unmarketable Parcel Sale Facility will be the average price of all Shares sold through the Unmarketable Parcel Sale Facility prior to the takeover bid being made.

The Unmarketable Parcel Sale Facility may be recommenced after the close of the offers made under any takeover, at the absolute discretion of Lynas.

21. Suspension, termination, re-scheduling of, or change to, the Unmarketable Parcel Sale Facility

Lynas reserves the right to:

- (a) suspend or terminate the Unmarketable Parcel Sale Facility at any time, without notice to you, for any reason;
- (b) change the terms and conditions of the Unmarketable Parcel Sale Facility at any time by giving notice to ASX and on the Lynas website at www.lynascorp.com, but no such change will apply to the completed sale of shares through the Unmarketable Parcel Sale Facility; and
- (c) change any of the dates referred to in this letter by notice to the ASX.

Each shareholder is bound by any such suspension, termination or change whether or not they receive notice of the suspension, termination or change.

For personal use only

Subregister

SRN/HIN.

Share Retention Form

IMPORTANT: This is an important document and requires your immediate attention. Lynas Corporation Limited (**Company**) is implementing an Unmarketable Parcel Sale Facility for holders of parcels of the Company's shares valued at less than \$500 (**Unmarketable Parcel**). Further details regarding the Unmarketable Parcel Sale Facility are set out in the letter to you from the Company dated 22 September 2017 and the Unmarketable Sale Facility Terms and Conditions, which accompany this form. If you do not want the parcel of shares in the Company referred to below sold under the Unmarketable Parcel Sale Facility, you must complete this form and return it so that it is received by the Company's share registry no later than 5.00pm Sydney Time on 14 November 2017. If by this time your holding of the Company's shares increases to 2,440 shares or more, either by on market purchases or consolidation of multiple holdings in the same name, then your holding will not be sold under the Sale Facility. If you are in any doubt as to how to deal with this form, you should consult your professional adviser.

A Number of shares held as at Record Date

The number of shares that you held at 7.00pm Sydney Time 15 September 2017.

B Retention of shares

I/We refer to the letter from the company dated 22 September 2017 and hereby give notice that we would like to retain my/our shares.

C Contact details (Enter your contact details below)

| CONTACT NAME | TELEPHONE WORK | TELEPHONE HOME | EMAIL ADDRESS |
|--------------|----------------|----------------|---------------|
| | () | () | |

D Shareholder Signature

By signing and returning this form, I/we confirm that I/we understand that my/our shares will **NOT BE SOLD** under the Unmarketable Parcel Sale Facility.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Day

Month

Year

This form must be received by no later than 5.00pm Sydney Time on 14 November 2017

LOGEMENT INSTRUCTIONS ARE ON THE REVERSE OF THIS FORM

Additional information

How to complete this form

- A. This is the number of shares that you held at 7.00pm Sydney Time on 15 September 2017.
- B. If you would like to retain your shares, please mark the box on the front of this form and return it to the Company's share registry in accordance with the lodgement instructions below. If this form is not received by 5.00pm Sydney Time on 14 November 2017, and you have not otherwise increased your holding so that it is at least 2,440 shares at that time, the Company will be entitled to sell your shares on your behalf. **IF YOU WOULD LIKE THE COMPANY TO SELL YOUR SHARES, YOU SHOULD NOT COMPLETE THIS FORM.**

C. Enter your **contact details** so we may contact you regarding your form.

D. The form **must** be signed. In the spaces provided you must sign this form as follows:

Individual: Where the holding is in only one name, this form is to be signed by the securityholder.

Joint Holding: Where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

Lodgement of this Form

If you wish to retain your shares, this form must be completed and returned to the share registry by no later than 5.00pm Sydney Time on 14 November 2017. If you are returning your form by post, please allow sufficient time for collection and delivery by postal services. The postal rule does not apply, which means that to be valid your completed form must be received by no later than 5.00pm Sydney Time on 14 November 2017.

Mailing address:

Lynas Corporation Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

Lynas Corporation Limited
C/- Boardroom Pty Limited
Level 12
225 George Street
SYDNEY NSW 2000

Consolidation of shareholdings

If you have more than one holding on the Lynas Corporation Limited register, you should consider consolidating them. For further information regarding this, please contact Boardroom Pty Limited on 1300 737 760.

Changes of Address Supported by your Signature(s)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHESS holders must notify your sponsoring broker for amendments to holdings on the CHESS Subregister.

| CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY | | |
|---|--|--|
| | | |
| | | |
| | | |
| SIGN HERE FOR ADDRESS AMENDMENTS: | | |
| | | |

Shareholder 1 (Individual) /
Sole Director & Sole Company
Secretary

Joint Shareholder 2 (Individual) /
Director

Joint Shareholder 3 (Individual) /
Director/Company Secretary
(Delete one)

Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/privacy-policy/>).

22 September 2017

**THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT
YOUR SHAREHOLDING IN LYNAS CORPORATION LTD AND
REQUIRES YOUR IMMEDIATE ATTENTION**

Dear Shareholder

Opt-in Share Sale Facility

I am writing to offer a share sale facility (**Opt-in Share Sale Facility**) to all eligible shareholders who hold fully paid ordinary shares (**Shares**) in Lynas Corporation Ltd (ABN 27 009 066 648) (**Lynas**) worth between A\$500 and A\$3,000 (inclusive) and whose registered address is in Australia as at 7.00pm (Sydney time) on Friday, 15 September 2017 (**Record Date**).

Lynas recognises that small shareholders may find it difficult or expensive to dispose of their Shares through the normal means.

Accordingly, the Opt-in Share Sale Facility provides small shareholders with an easy and cost-effective way to sell all of their Shares while assisting Lynas to reduce ongoing costs associated with administering shareholdings.

Our records indicate that as at the Record Date, you held Shares worth between A\$500 and A\$3,000 (inclusive) and are therefore eligible to participate in the Opt-in Share Sale Facility. Accordingly, Lynas offers you the opportunity to sell all your Shares through the Opt-in Share Sale Facility without paying for any brokerage or handling costs associated with the sale.

What do I need to do?

- 1. If you want to sell all your Shares under the Opt-in Share Sale Facility, you need to complete and return the attached sale instruction form by 5.00pm (Sydney time) Tuesday, 14 November 2017 (Closing Date).**

ISSUER SPONSORED HOLDINGS

If you have an issuer sponsored holding (identified by a shareholder reference number or SRN beginning with the letter 'I') you must return the sale instruction form so that it is received by Lynas' share registry, Boardroom Pty Limited (**Share Registry**) between the Opt-in Share Sale Facility opening date of Tuesday, 3 October 2017 (**Opening Date**) and 5.00pm (Sydney time) on the Closing Date. Any sale instruction forms provided to the Share Registry before the Opening Date will be accepted, but will be deemed received on the Opening Date.

CHESS/BROKER SPONSORED HOLDINGS

If you have a broker sponsored holding (identified by a holder identification number or HIN beginning with the letter 'X'), you must forward your completed and signed sale instruction form to your broker for its approval to remove your Shares from your CHESS holding.

For personal use only

Your broker must return your sale instruction form, duly stamped, so that it is received by the Share Registry between the Opening Date and 5.00pm (Sydney time) on the Closing Date. If your broker returns your stamped sale instruction form to the Share Registry before the Opening Date it will be accepted, but will be deemed received on the Opening Date.

Do not send your completed sale instruction form directly to the Share Registry unless you have an issuer sponsored holding.

Please note that you may only participate in the Opt-in Share Sale Facility for your entire holding.

If you are in doubt, or if you require further information regarding possible tax implications from participating in the Opt-in Share Sale Facility, please consult your legal, financial and/or taxation adviser.

Subject to the Opt-in Share Sale Facility Terms and Conditions, the proceeds of the sale of your Shares will be paid to you by Tuesday, 28 November 2017 in Australian Dollars, using the payment method recorded with the Share Registry for your shareholding.

2. If you DO NOT want to sell your Shares, you do not need to take any action.

Important information

It is important that you read and understand the Opt-in Share Sale Facility Terms and Conditions enclosed with this letter.

You should seek independent financial advice (including tax advice) specific to your circumstances when determining whether or not to participate in the Opt-in Share Sale Facility.

Lynas does not make any recommendation as to whether you should participate in the Opt-in Share Sale Facility and is not giving, and is not obliged to give, any advice to you.

Unmarketable Parcel Sale Facility

Lynas is also undertaking a share sale facility to all eligible shareholders who hold less than a marketable parcel of shares in Lynas, being Shares valued at a total of less than A\$500 (**Unmarketable Parcel**), and whose registered address is in Australia on the Record Date (**Unmarketable Parcel Sale Facility**).

As your shareholding was valued at or more than A\$500 on the Record Date, this shareholding is not eligible to participate in the Unmarketable Parcel Sale Facility. If you have multiple shareholdings and one or more holdings is an Unmarketable Parcel on the Record Date, then you will be separately invited to participate in the Unmarketable Parcel Sale Facility. Please note that both the period in which Shares are sold and the Sale Price under the Opt-in Share Sale Facility may be different to those under the Unmarketable Parcel Sale Facility.

If you have any questions concerning the contents of this letter, please contact the Boardroom Shareholder Enquiry Line on 1300 737 760 (toll free within Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

Yours sincerely



Andrew Arnold
Company Secretary

For personal use only

OPT-IN SHARE SALE FACILITY TERMS AND CONDITIONS

Lynas Corporation Ltd (ABN 27 009 066 648) (**Lynas**) is offering a share sale facility (**Opt-in Share Sale Facility**) in accordance with Class Order CO 08/10 issued by the Australian Securities and Investments Commission (**Class Order**).

This offer is made on the basis of these terms and conditions, together with the enclosed letter from the Company Secretary (**Notice**) and the sale instruction form, and the Class Order.

1. What is the Opt-in Share Sale Facility?

The Opt-in Share Sale Facility is available to eligible shareholders who, as at 7.00pm (Sydney time) on Friday, 15 September 2017 (**Record Date**):

- (a) were registered as holders of fully paid ordinary shares in Lynas (**Shares**) worth between A\$500 and A\$3,000 (inclusive) and whose registered address is in Australia; and
- (b) were not eligible to participate in the Unmarketable Parcel Sale Facility announced by Lynas on the same day as the Opt-in Share Sale Facility, for the same shareholding.

The Opt-in Share Sale Facility provides eligible shareholders with an easy and cost-effective way to dispose of all of their Shares.

2. Timetable¹

| | |
|--|---|
| Record Date: | 7.00pm (Sydney time) Friday, 15 September 2017 |
| Announcement: | Friday, 22 September 2017 |
| Notice sent to shareholders: | Friday, 22 September 2017 |
| Opening Date | Tuesday, 3 October 2017 ² |
| Closing date for receipt of sale instruction forms | 5.00pm (Sydney time) Tuesday, 14 November 2017 |
| Sale of Shares on-market | Wednesday, 15 November 2017 to Tuesday, 21 November 2017 |
| Payment Date | Tuesday, 28 November 2017 |

1 Dates subject to change in accordance with these terms and conditions

2 Any sale instruction forms provided to the Share Registry before the Opening Date will be accepted but will be deemed received on the Opening Date.

For personal use only

3. Why is Lynas offering the Opt-in Share Sale Facility?

Lynas recognises that small shareholders may find it difficult or expensive to dispose of their Shares through the normal means. In addition, while Lynas values all of its shareholders, the administrative costs (including share register and shareholder communication expenses) of maintaining many small shareholder accounts is disproportionately high when compared with the dollar value of small shareholdings.

Accordingly, the Opt-in Share Sale Facility provides small shareholders with an easy and cost-effective way to sell all of their Shares while assisting Lynas to reduce ongoing costs associated with administering shareholdings.

4. Who can participate in the Opt-in Share Sale Facility?

Any eligible shareholder who is the registered holder of Shares worth between A\$500 and A\$3,000 (inclusive) and whose registered address is in Australia as at 7.00pm (Sydney time) on the Record Date is eligible to participate in the Opt-in Share Sale Facility.

Eligible shareholders will receive a letter advising them of their eligibility to participate, together with a copy of these terms and conditions and a sale instruction form.

5. What do I need to do to participate in the Opt-in Share Sale Facility?

If you **do** want to sell all your Shares under the Opt-in Share Sale Facility and you have an issuer sponsored holding (identified by a shareholder reference number or SRN beginning with the letter 'I'), you need to return the sale instruction form so that it is received by the Share Registry between the Opt-in Share Sale Facility opening date of Tuesday, 3 October 2017 (Opening Date) and 5.00pm (Sydney time) Tuesday, 14 November 2017 (**Closing Date**). Any sale instruction forms provided to the Share Registry before the Opening Date will be accepted but will be deemed received on the Opening Date. You should also check that your details recorded by the Share Registry are correct.

If you **do not** want to sell your Shares under the Opt-in Share Sale Facility, you do not need to take any action.

Do **not** send your completed sale instruction form directly to the Share Registry if you have a CHESS or broker sponsored holding (identified by a holder identification number or HIN beginning with the letter 'X'). Further information on how to participate in the Opt-in Share Sale Facility if you have a CHESS or broker sponsored holding is provided in the Notice and at item 12 below. You should seek independent advice (including tax advice) specific to your circumstances when determining whether to participate in the Opt-in Share Sale Facility.

Neither these terms and conditions nor any correspondence with Lynas, its agents or employees constitutes advice or a recommendation to sell or retain your Shares, nor that the Opt-in Share Sale Facility is the best way to sell your Shares.

6. What do I have to do to retain my Shares?

If you want to retain your Shares, you do not need to take any action.

7. What happens if I do not return my sale instruction form to the Share Registry by 5.00pm (Sydney time) on the Closing Date?

Lynas will not sell your Shares under the Opt-in Share Sale Facility.

8. Can I withdraw my sale instruction form?

No, you cannot withdraw your sale instruction form once it has been returned to the Share Registry.

For personal use only

9. What costs will I incur?

Lynas will pay all applicable brokerage and handling costs in relation to the sale of your Shares under the Opt-in Share Sale Facility. This includes any stamp duty and Share Registry fees but expressly excludes any tax on income or capital gains.

Tax may be payable by you on any gains you make on the sale of the Shares. This will depend on your personal taxation circumstances.

If you are in doubt, or if you require further information regarding possible taxation implications from participating in the Opt-in Share Sale Facility, please consult your legal, financial and/or taxation adviser.

10. Can I sell some but not all of my Shares through the Opt-in Share Sale Facility?

No. You cannot sell part of your Shares under the Opt-in Share Sale Facility. You may only participate in the Opt-in Share Sale Facility for your entire holding.

11. Why did I receive two letters inviting me to sell my Shares through the Opt-in Share Sale Facility?

You may have two separate holdings of Shares. If that is the case, the Opt-in Share Sale Facility will apply to each holding separately.

To provide instructions in relation to more than one holding you will need to return a separate sale instruction form for each of those holdings.

If you do not want to participate in the Opt-in Share Sale Facility, you may consider consolidating your separate holdings if they are held in the same name. To consolidate your holdings, you need to complete and return a 'Merge Multiple Holdings' form to the Share Registry. You can obtain this form on the Share Registry's website <https://boardroomlimited.com.au/> or by contacting the Share Registry.

12. What if I hold my Shares in a CHESS/broker sponsored holding?

You can still participate in the Opt-in Share Sale Facility if you hold Shares in a CHESS/broker sponsored holding. To participate, you must forward your completed and signed sale instruction form to your broker for its approval to remove your Shares from your CHESS holding and your broker must return the sale instruction form, duly stamped, so that it is received by the Share Registry by the Closing Date. If that occurs, all Shares remaining in your CHESS holding as at the Closing Date will be moved to an issuer sponsored holding and sold under the Opt-in Share Sale Facility.

13. When and how will my Shares be sold?

The sale of Shares under the Opt-in Share Sale Facility is expected to occur as soon as practicable after the Closing Date.

Patersons Securities Limited ABN 69 008 896 311 (or its nominee) (**Broker**), a licensed broker, will act as execution-only broker on behalf of shareholders to effect any sales under the Opt-in Share Sale Facility.

Lynas is irrevocably authorised by each participating shareholder in the Opt-in Share Sale Facility to do all things to facilitate the sale of the Shares under the Opt-in Share Sale Facility without further notice, including to engage any third party (including brokers) and execute all necessary documents (including to effect any holding adjustment, securities transformation, securities transfer or other transmission, in relation to an eligible shareholder's Shares, such as converting a CHESS holding to an issuer sponsored holding).

For personal use only

14. What price will I receive?

If you participate in the Opt-in Share Sale Facility, you cannot specify the process by which, or the price at which, your Shares will be sold and you will not have control over the time at which your Shares are sold.

The price at which your Shares will be sold through the Opt-in Share Sale Facility will be determined by when and how the Shares are sold. Lynas and its Broker may sell your Shares on-market or in any other way they consider fair and reasonable in the circumstances. If your Shares are sold on-market, the price will depend on a number of factors, including market conditions at the time of sale.

The price that you will receive for each of your Shares sold through the Opt-in Share Sale Facility (**Sale Price**) will be the average price of all Shares sold through the Opt-in Share Sale Facility. The Sale Price will be calculated by Lynas or a third party appointed by Lynas and may not be challenged in the absence of manifest error.

The market price of Shares is subject to change. The Sale Price may be more or less than the actual market price at the time of sale and may not be the best price obtainable on the day on which your Shares are sold or over the period in which Lynas may sell your Shares. Neither Lynas nor its Broker, or their respective agents and employees will provide any assurance as to what the price of the Shares on the ASX will be or what price you will receive for your Shares under the Opt-in Share Sale Facility.

Information on the price of Shares can be obtained through the ASX website (www.asx.com.au) by looking up Lynas' code: "LYC".

The Share Registry will send you a payment advice notifying you of the number of your Shares sold through the Opt-in Share Sale Facility, the Sale Price and the total sale proceeds you have received. You will not receive any interest on the sale proceeds.

15. How and when will I receive the proceeds from the sale of my Shares?

Subject to these terms and conditions, sale proceeds will be paid to you in Australian Dollars in accordance with your existing payment instructions with the Share Registry, by Tuesday, 28 November 2017.

16. What happens to the Opt-in Share Sale Facility if there is a takeover bid for Lynas?

In accordance with the Class Order, the Opt-in Share Sale Facility will become unavailable following an announcement of a takeover bid for Lynas. In the event that any Shares are sold under the Opt-in Share Sale Facility prior to a takeover bid being made, sale proceeds will be remitted to those shareholders whose Shares have been sold. The Sale Price that those shareholders will receive for each of their Shares sold through the Opt-in Share Sale Facility will be the average price of all Shares sold through the Opt-in Share Sale Facility prior to the takeover bid being made.

The Opt-in Share Sale Facility may be recommenced after the close of the offers made under any takeover, at the absolute discretion of Lynas.

For personal use only

17. Suspension, termination, re-scheduling of, or change to, the Opt-in Share Sale Facility

Lynas reserves the right to:

- (a) suspend or terminate the Opt-in Share Sale Facility at any time, without notice to you, for any reason;
- (b) change the terms and conditions of the Opt-in Share Sale Facility at any time by giving notice to ASX and on the Lynas website at www.lynascorp.com, but no such change will apply to the completed sale of shares through the Opt-In Share Sale Facility; and
- (c) change any of the dates referred to in this letter by notice to the ASX.

Each shareholder is bound by any such suspension, termination or change whether or not they receive notice of the suspension, termination or change.

For personal use only

Share Sale Facility – Participation Form Issuer-sponsored Holders

Complete this form if you wish to participate in the Lynas Corporation Limited (Lynas) Opt-in Share Sale Facility and sell **all** your shares (Shares) in Lynas. You should refer to the Terms & Conditions of the Opt-in Share Sale Facility accompanying this form and the acknowledgements, warranties and undertakings on the reverse of this form. If you are in any doubt as to how to deal with this form, please consult your financial or legal advisor.

B The number of Shares you held at 7.00pm Sydney Time on 15 September 2017

Contact Details

Please provide your details in case we need to contact you

Contact Name

Telephone number – Business Hours

()

Email

Telephone number – After Hours

()

Sign Here

This Section MUST be signed for your instructions to be executed (refer overleaf for signing instructions)

I/we confirm that I/we wish to participate in the Opt-in Share Sale Facility and agree to the terms and conditions of the Opt-in Share Sale Facility set out in the Opt-in Share Sale Facility Terms and Conditions and on this form.

D Shareholder 1

Sole Director and Sole Company

Shareholder 2

Director

Shareholder 3

Director / Company Secretary

Note: Notices signed under Power of Attorney or by the Executor of an Estate must be accompanied by a copy of that Power or Letters of Administration, as the case may be unless previously lodged for noting.

Day Month Year

| | | | | | | | | | |
|--|--|---|--|--|---|--|--|--|--|
| | | / | | | / | | | | |
|--|--|---|--|--|---|--|--|--|--|

THIS FORM MUST BE RECEIVED BY NO LATER THAN 5.00 PM SYDNEY TIME ON 14 NOVEMBER 2017. THIS FORM IS NOT A RECOMMENDATION BY ANY PERSON TO SELL YOUR SHARES. ONCE YOU HAVE RETURNED THIS FORM, YOUR DECISION TO SELL YOUR SHARES CANNOT BE REVOKED.

Instructions for completing this form – Issuer-sponsored Holders

Shareholders who wish to sell all their Shares under the Opt-in Share Sale Facility must return this form. Prior to lodging this form, you should read the Opt-in Share Sale Facility Terms and Conditions of participation which set out the key terms of the Opt-in Share Sale Facility. If you have any questions in relation to the Opt-in Share Sale Facility, please call the Information Line 1300 737 760 or contact your financial adviser.

A Shareholder Name(s)

Your name and address as it appears on the register of Lynas.

B Number of Shares

This is the number of Shares you held at 7.00pm Sydney Time on 15 September 2017.

C Contact details

Please nominate yourself or another contact person and provide a contact number, in case we need to speak to you about this form. These details will only be used in the event that the registry has a query regarding this form.

D Signature(s)

You must sign the form as follows in the space provided:

Individual: Where the holding is in one name, the shareholder must sign.

Joint holding: Where the holding is in more than one name, all shareholders must sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged that document with Boardroom Pty Limited. Alternatively, attach a certified copy of the Power of Attorney to this form when you return it.

Deceased Estate: All executors must sign and, if not already noted by Boardroom Pty Limited, a certified copy of Probate or Letters of Administration must accompany this form.

Companies: This form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone.

Lodgement of this form

You have an Issuer-sponsored holding. If you wish to participate in the Opt-in Share Sale Facility, this form must be completed and received by Boardroom Pty Limited ABN 46 136 781 443 (Boardroom) as set out below by no later than 5.00pm Sydney time on 14 November 2017. A reply paid envelope is enclosed for your convenience.

Your completed form should be:

Posted to:
Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 1223

OR

Hand delivered to:
Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Privacy Statement

Boardroom advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Participation Form.

Our privacy policy is available on our website (www.boardroomlimited.com.au/privacy-policy/).

Acknowledgements, warranties and undertakings

By signing and returning this Participation Form, a Participating Shareholder:

- Acknowledge that they have read and agree to the terms and conditions of the Opt-in Share Sale Facility,
- Agree that none of Lynas, the Broker, Boardroom, or any other person will on any account be liable, and the Participating Shareholder may not bring any claim or action against any of them, for not having sold Lynas Shares at any specific price, in any specific manner or on any specific day
- Warrant that at the time of signing this form, the Participating Shareholder is the registered holder of the Lynas Shares specified in that form, and you have not previously used the Opt-in Share Sale Facility for that holding, and that the information in this form is complete and accurate
- Warrant (and authorise Boardroom and the Broker to warrant) to any buyer of the Participating Shareholder's Lynas Shares sold through the Opt-in Share Sale Facility that the buyer will acquire good title to those Lynas Shares and full legal and beneficial ownership of them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer, or any other kind of third party rights
- Agree not to sell any of the Participating Lynas Shares to any person once this form has been signed and sent, and

authorise Boardroom to prevent transfer of the Lynas Shares until they are required for settlement. The Participating Shareholder also authorises the transfer of their Lynas Shares to the Broker as bare nominee for settlement of the sale. If any Lynas Shares are sold in breach of this undertaking, the Participating Shareholder will be deemed to have appointed Boardroom or any officer of Boardroom as their attorney to purchase Shares in their name, and at their expense, to satisfy their obligations in relation to the sale of their Lynas Shares, and they will indemnify Boardroom for all costs and expenses incurred in connection with any such purchase

- Acknowledge and agree that the activities and circumstances of Lynas may from time to time change, and where appropriate, require it to make continuous disclosure announcements to ASX, and that no such developments or announcements give the Participating Shareholder any rights in relation to, or otherwise affect, any sale of Lynas Shares that has already occurred through the Opt-in Share Sale Facility
- Acknowledge that none of Lynas, Boardroom, nor any other person involved in the Opt-in Share Sale Facility has any liability to the Participating Shareholder other than for the payment to the Participating Shareholder by Boardroom of proceeds determined and payable in accordance with the terms of the Opt-in Share Sale Facility

- Agree that Lynas and Boardroom may assume the authenticity of any form returned or purportedly returned by the Participating Shareholder, the Participating Shareholder's Broker or participant or the Participating Shareholder's authorised representative and that any person claiming to be the Participating Shareholder, the Participating Shareholder's broker or participant or the Participating Shareholder's authorised representative is in fact that person, and authorise Lynas and Boardroom to act on any form believed by either of them to be authentic
- Acknowledge that Lynas, the Broker and Boardroom will not acquire any legal or beneficial interest in the Participating Shareholder's Shares in acting under the Opt-in Share Sale Facility
- Agree that the sale of Shares shall be subject to, and that Participating Shareholder is bound by, the applicable ASX Operating Rules and the customs and usages of ASX
- Agree if your Shares are held by more than one person, that these terms shall bind all of you jointly and severally
- Acknowledge that when the Participating Shareholder returns a form, you are irrevocably bound to sell your Shares under the Facility.

If you have any enquiries concerning your shareholding or how to complete this form, telephone 1300 737 760 between 8.30am and 5.30pm Sydney time Monday to Friday

Share Sale Facility – Participation Form CHESS-sponsored Holders

| | |
|--------------------------------------|--|
| Your HIN | |
| Print your advisors' name here | |
| Brokers' or Participant's stamp here | |

IMPORTANT

As your shares are held on the CHESS sub register, if you wish to participate in the Opt-in Share Sale Facility, **YOU MUST SEND THIS FORM TO YOUR BROKER OR PARTICIPANT** for them to authorise the removal of your shares from your CHESS holding by stamping the form in the box above.

DO NOT send your form to the Lynas share registry.

Your broker or participant must stamp and send the form to Boardroom Pty Limited to reach them by no later than 5.00pm Sydney time 14 November 2017. (A business reply paid envelope is enclosed for you to send to your broker to assist in the return of the form to Boardroom Pty Limited).

To assist with the authorisation process, please print clearly the name of your advisor in the box shown above.

Complete this form if you wish to participate in the Lynas Corporation Limited Opt-in Share Sale Facility and sell **all** your shares (**Shares**) in Lynas Corporation Limited (**Lynas**). You should refer to the enclosed Terms and Conditions of the Opt-in Share Sale Facility accompanying this form and the acknowledgements, warranties and undertakings on the reverse of this form. If you are in any doubt as to how to deal with this form, please consult your financial or legal advisor.

B The number of Shares you held at 7.00pm Sydney Time on 15 September 2017

Contact Details

Please provide your details in case we need to contact you

C

| | |
|----------------------|-----------------------------------|
| Contact Name | Telephone number – Business Hours |
| <input type="text"/> | () <input type="text"/> |
| Email | Telephone number – After Hours |
| <input type="text"/> | () <input type="text"/> |

Sign Here

This Section MUST be signed for your instructions to be executed (refer overleaf for signing instructions)

I/we confirm that I/we wish to participate in the Opt-in Share Sale Facility and agree to the terms and conditions of the Opt-in Share Sale Facility set out in the Opt-in Share Sale Facility Terms and Conditions and on this form.

D

| | | |
|--------------------------------|----------------------|------------------------------|
| Shareholder 1 | Shareholder 2 | Shareholder 3 |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Sole Director and Sole Company | Director | Director / Company Secretary |

Note: Notices signed under Power of Attorney or by the Executor of an Estate must be accompanied by a copy of that Power or Letters of Administration, as the case may be unless previously lodged for noting.

| | | |
|----------------------|----------------------|----------------------|
| Day | Month | Year |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |

THIS FORM, DULY STAMPED BY YOUR BROKER OR PARTICIPANT, MUST BE RECEIVED BY BOARDROOM PTY LIMITED NO LATER THAN 5.00 PM SYDNEY TIME ON 14 NOVEMBER 2017. THIS FORM IS NOT A RECOMMENDATION BY ANY PERSON TO SELL YOUR SHARES. ONCE YOUR BROKER HAS RETURNED THIS FORM, YOUR DECISION TO SELL YOUR SHARES CANNOT BE REVOKED.

For personal use only

Instructions for completing this form – CHESs-sponsored holders

Shareholders who wish to sell all their Shares under the Opt-in Share Sale Facility must forward this form to their broker or participant. Prior to lodging this form, you should read the Opt-in Share Sale Facility Terms and Conditions of Participation which sets out the key terms of the Opt-in Share Sale Facility. If you have any questions in relation to the Opt-in Share Sale Facility, please call the Information Line 1300 737 760 or contact your financial adviser.

A Shareholder Name(s)

Your name and address as it appears on the register of Lynas.

B Number of Shares Held

This is the number of Shares you held at 7.00pm Sydney Time on 15 September 2017.

C Contact details

Please nominate yourself or another contact person and provide a contact number, in case we need to speak to you about this form. These details will only be used in the event that the registry has a query regarding this form.

D Signature(s)

You must sign the form as follows in the space provided:

Individual: Where the holding is in one name, the shareholder must sign.

Joint holding: Where the holding is in more than one name, all shareholders must sign.

Power of Attorney: To sign under Power of Attorney, you must have already lodged that document with Boardroom Pty Limited. Alternatively, attach a certified copy of the Power of Attorney to this form when you return it.

Deceased Estate: All executors must sign and, if not already noted by Boardroom Pty Limited a certified copy of Probate or Letters of Administration must accompany this form.

Companies: This form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone.

Lodgement of this form

STEP 1

You have a CHESs-sponsored holding. If you wish to participate in the Opt-in Share Sale Facility, this form must be completed and SENT TO YOUR BROKER OR PARTICIPANT who must authorise the removal of your shares from your CHESs holding.

STEP 2 – broker / participant ONLY

Your broker or participant must subsequently stamp and send this form to Boardroom Pty Limited at the address set out below so it is received by Boardroom Pty Limited no later than 5.00pm Sydney time on 14 November 2017. **A business reply paid envelope is enclosed for you to send to your broker to assist in the return of the form to Boardroom Pty Limited.**

Posted to:

Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001

OR

Hand delivered to:

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Participation Form.

Our privacy policy is available on our website (www.boardroomlimited.com.au/privacy-policy/).

Acknowledgements, warranties and undertakings

By signing and returning this Participation Form, a Participating Shareholder:

- Acknowledge that they have read and agree to the terms of the Opt-in Share Sale Facility,
- Agree that none of Lynas, the Broker, Boardroom, or any other person will on any account be liable, and the Participating Shareholder may not bring any claim or action against any of them, for not having sold Lynas Shares at any specific price, in any specific manner or on any specific day
- Warrant that at the time of signing this form, the Participating Shareholder is the registered holder of the Lynas Shares specified in that form, and you have not previously used the Opt-in Share Sale Facility for that holding, and that the information in this form is complete and accurate
- Warrant (and authorise Boardroom and the Broker to warrant) to any buyer of the Participating Shareholder's Lynas Shares sold through the Opt-in Share Sale Facility that the buyer will acquire good title to those Lynas Shares and full legal and beneficial ownership of them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer, or any other kind of third party rights
- Agree not to sell any of the Participating Lynas Shares to any person once this form has been signed and sent, and authorise Boardroom to prevent transfer of the

Lynas Shares until they are required for settlement. The Participating Shareholder also authorises the transfer of their Lynas Shares to the Broker as bare nominee for settlement of the sale. If any Lynas Shares are sold in breach of this undertaking, the Participating Shareholder will be deemed to have appointed Boardroom or any officer of Boardroom as their attorney to purchase Shares in their name, and at their expense, to satisfy their obligations in relation to the sale of their Lynas Shares, and they will indemnify Boardroom for all costs and expenses incurred in connection with any such purchase

- Acknowledge and agree that the activities and circumstances of Lynas may from time to time change, and where appropriate, require it to make continuous disclosure announcements to ASX, and that no such developments or announcements give the Participating Shareholder any rights in relation to, or otherwise affect, any sale of Lynas Shares that has already occurred through the Facility
- Acknowledge that none of Lynas, Boardroom, nor any other person involved in the Opt-in Share Sale Facility has any liability to the Participating Shareholder other than for the payment to the Participating Shareholder by Boardroom of proceeds determined and payable in accordance with the terms of the Opt-in Share Sale Facility

- Agree that Lynas and Boardroom may assume the authenticity of any form returned or purportedly returned by the Participating Shareholder, the Participating Shareholder's Broker or participant or the Participating Shareholder's authorised representative and that any person claiming to be the Participating Shareholder, the Participating Shareholder's broker or participant or the Participating Shareholder's authorised representative is in fact that person, and authorise Lynas and Boardroom to act on any form believed by either of them to be authentic
- Acknowledge that Lynas, the Broker and Boardroom will not acquire any legal or beneficial interest in the Participating Shareholder's Shares in acting under the Opt-in Share Sale Facility
- Agree that the sale of Shares shall be subject to, and that Participating Shareholder is bound by, the applicable ASX Operating Rules and the customs and usages of ASX
- Agree if your Shares are held by more than one person, that these terms shall bind all of you jointly and severally
- Acknowledge that when the Participating Shareholder returns a form, you are irrevocably bound to sell your Shares under the Facility.

If you have any enquiries concerning your shareholding or how to complete this form, telephone 1300 737 760 between 8.30am and 5.30pm Sydney time Monday to Friday