

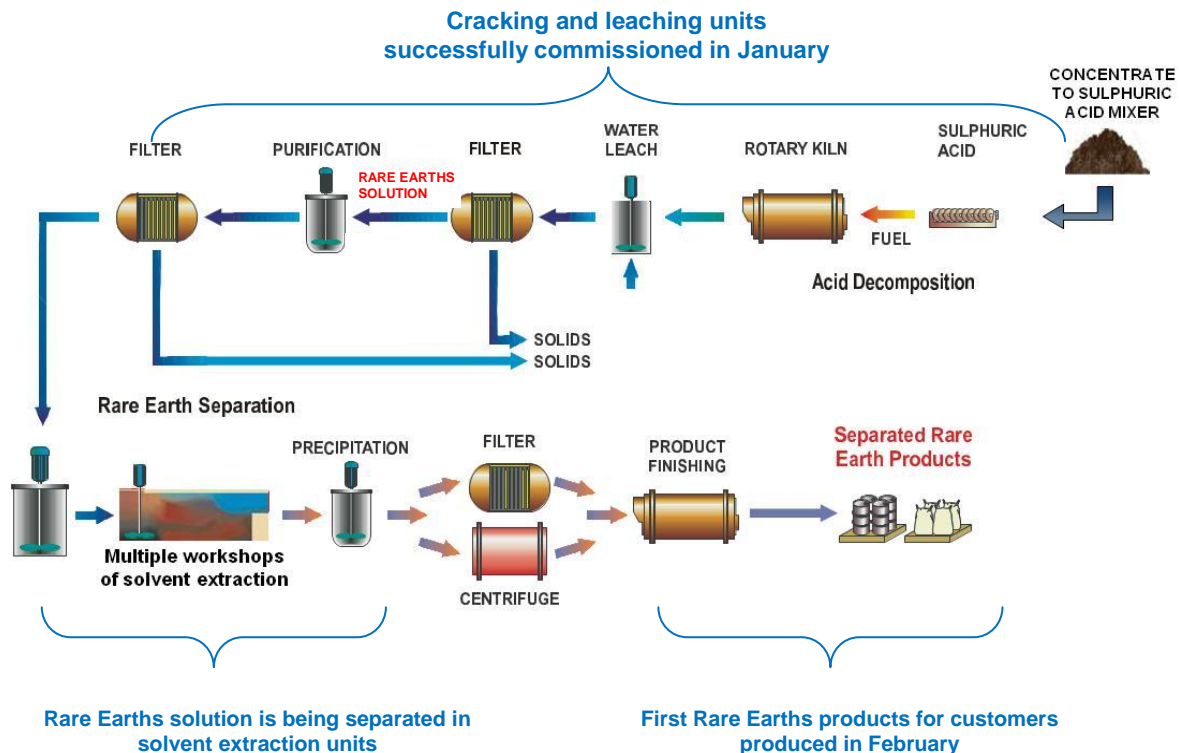
27 February 2013

OPERATIONS UPDATE

Lynas Corporation (ASX:LYC, OTC:LYSDY) is pleased to confirm that the Lynas Advanced Material Plant in Malaysia (LAMP) has produced its first Rare Earths products for customers.

Lynas announced on 7 January 2013 the successful commissioning of the cracking and leaching rare earth extraction units at the LAMP. The recovery rates from the cracking units continue to be high (i.e. in excess of 90% of the contained rare earth oxides (REO)).

Following commissioning of the cracking and leaching circuits, the Company has been working through early stage production issues that are typical for any start up of a new plant. Our focus is on increasing throughput and optimising use of equipment. These issues have not materially impacted on the overall production ramp-up schedule. The Company's target for the Phase 1 nameplate production capacity of 11,000 tpa REO remains Q2 2013.



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