

27 March 2019

NON-BINDING HIGHLY CONDITIONAL INDICATIVE PROPOSAL RECEIVED FROM WESFARMERS

As disclosed to the market on 26 March 2019, Lynas Corporation Ltd (ASX: LYC, OTC:LYSDY) ("**Lynas**" or the "**Company**") received an unsolicited indicative non-binding conditional proposal from Wesfarmers Limited (ASX: WES) (**Wesfarmers**) for an acquisition of 100 per cent of the ordinary shares of Lynas at A\$2.25 cash per share (the **Indicative Proposal**).

The Lynas Board has evaluated the indicative non-binding highly conditional proposal and concluded that it will not engage with Wesfarmers on the terms outlined in the indicative and highly conditional proposal.

In coming to this conclusion, the Board has drawn on the Company's extensive knowledge of stakeholder interests, and current market and operating conditions. It has also consulted with its advisers on the terms of the proposal, and validated its view as to value.

Lynas is a unique company and its value is derived from its strong, irreplaceable assets including:

- Lynas' unique position as the only significant Rare Earths miner and processor outside China.
- The Mt Weld ore body which is a Tier 1, long life, high grade asset.
- The substantial in-house capability and Intellectual Property that Lynas has created over the past six years.

Shareholders do not need to take any action in relation to the Indicative Proposal.

The Board will continue to maximise shareholder value by fully realising the Company's skills and assets and will continue to engage with its shareholders in accordance with its continuous disclosure obligations.

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