Lynas
CORPORATION LTD

ACN 009 066 648

NOTICE OF ANNUAL GENERAL MEETING

To be held on Wednesday 26th November 2003 at 10am (AEST)
in the Albert Room at the Hotel Inter-Continental, 117 Macquarie Street, Sydney, NSW

This is an important document. Please read it carefully.
If you are unable to attend the Annual General Meeting, please complete the Proxy Form enclosed at the back of this document and return it in accordance with the instructions.

This page left blank intentionally.

LYNAS CORPORATION LIMITED
ACN 009 066 648
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2003 Annual General Meeting of shareholders of Lynas Corporation Limited ("**Company**") will be held in the Albert Room at the Hotel Inter-Continental, 117 Macquarie Street, Sydney on 26 November 2003 at 10:00 am for the purpose of transacting the following Business.

ORDINARY BUSINESS

2003 Financial Statements

To receive and consider the financial statements of the Company for the year ended 30 June 2003, consisting of the Annual Financial Report, the Directors' Report and Auditor's Report.

Resolution 1 – Election of Brian Davidson as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

> "*That Brian Henry Davidson having retired as a director of the Company pursuant to Article 13.2 of the Company's Constitution and, being eligible, having offered himself for re-election be appointed as a director of the Company.*"

Pursuant to article 13.2 of the Company's Constitution, one-third of the directors of the Company (other than the managing director), or if their number is not a multiple of 3, then such number as is appropriate to ensure that no director other than alternate directors and the managing director holds office for more than 3 years, must retire at each Annual General Meeting and being eligible may offer themselves for re-election.

Resolution 2 – Election of Harold Wang as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

> "*That Harold Ou Wang having retired as a director of the Company pursuant to Article 13.2 of the Company's Constitution and, being eligible, having offered himself for re-election be appointed as a director of the Company.*"

Pursuant to article 13.2 of the Company's Constitution, one-third of the directors of the Company (other than the managing director), or if their number is not a multiple of 3, then such number as is appropriate to ensure that no director other than alternate directors and the managing director holds office for more than 3 years, must retire at each Annual General Meeting and being eligible may offer themselves for re-election.

Resolution 3 – Increase in Aggregate Directors' Fees

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Listing Rule 10.17 of Australian Stock Exchange Limited and in accordance with Article 13.8 of the Company's Constitution, the maximum aggregate amount to be paid to the directors of the Company by way of remuneration for their services, be increased from $250,000 to $500,000 per annum".*

The Company will disregard any votes cast on this resolution by the directors of the Company and any associate of any of them unless the vote is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Entitlements to Vote

For the purposes of determining a person's entitlement to vote at the meeting, a person will be recognised as a Member and holder of shares if that person is registered as a holder of those shares at 10 am EST on 24 November 2003.

By order of the Board

Ivo Polovineo
Company Secretary
Date: 22 October 2003

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders in Lynas Corporation Limited ACN 009 066 648 ("**Company**") with sufficient information to assess the merits of Resolution 3 contained in the Notice of Annual General Meeting of the Company.

The directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the above Resolution.

RESOLUTION 3 – INCREASE IN AGGREGATE DIRECTORS' FEES

Article 13.8 of the Company's Constitution requires that the approval of members in general meeting be obtained in order to increase the fees payable to directors of the Company. Listing Rule 10.17 of the Listing Rules of Australian Stock Exchange Limited ("**ASX**") provides that an entity must not increase the total amount of fees payable by it without the approval of holders of its ordinary securities. The directors now seek member approval to increase the aggregate remuneration payable to the directors to $500,000 per annum.

The need to increase the maximum aggregate fees payable to directors arises as the Company must be in a position to meet the cost involved in appointing additional directors which arises for the following reasons:
(1) as a step towards meeting the new ASX corporate governance guidelines as to the number of independent directors and the committee structures that should be in place, the Company is presently considering the appointment of additional independent directors to be made during the course of this year; and
(2) the Heads of Agreement with China Iron and Steel Industry Trade Group Corporation ("**CSG**") announced to the ASX on 25 September 2003 provides that, on completion of the transaction, CSG will have the right to appoint 2 additional directors to the Company.

The following information is provided for the purpose of Listing Rule 10.17.1:

Amount of the increase

The current approved amount for directors' fees is $250,000 per annum. Accordingly, the amount of the proposed increase is $250,000 per annum.

The last increase in directors' fees was in October 1997 when the fees were increased from $100,000 per annum to $250,000 per annum.

The maximum amount that may be paid to the directors as a whole

If Resolution 3 is passed, the maximum amount that may be paid to the directors as a whole will be $500,000 per annum.

This page left blank intentionally.

LYNAS CORPORATION LIMITED
ACN 009 066 648
PROXY FORM

The Company Secretary
Lynas Corporation Limited
C/- The Share Registry
770 Canning Highway
APPLECROSS WA 6153

Facsimile: +61 8 9315 2233

I/We (name of shareholder) ....
of (address) ....
being a member/members of Lynas Corporation Limited HEREBY APPOINT
(name) ....
of (address) ....
or failing that person then the Chairperson of the meeting as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held on 26 November 2003 and at any adjournment of the meeting.

Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:

I/We direct my/our Proxy to vote in the following manner:

	For	Against	Abstain
Resolution 1 – Election of Mr Brian Davidson	☐	☐	☐
Resolution 2 – Election of Mr Harold Wang	☐	☐	☐
Resolution 3 – Increase in Aggregate Directors' Fees	☐	☐	☐

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

In relation to undirected proxies, the Chairman intends to vote in favour of Resolutions 1, 2 and 3.

If you do not wish to direct your proxy how to vote, please place a mark in the box. ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Shareholders are entitled to appoint up to 2 proxies (whether shareholders or not) to attend the Meeting and vote. If you wish to appoint 2 proxies, please obtain a second form by telephoning (02) 8259 7100. Both forms should be completed with the nominated number or percentage of your voting rights clearly printed on each form. If you do not specify a number or percentage of your voting rights, each proxy may exercise half of your voting rights. Please return both proxy forms together.

Dated .

If the shareholder is an individual:

Signature: ______________________________

If the shareholder is a company:

Affix common seal (if required by Constitution)

______________________	______________________
Director/Sole Director and Secretary	Director/Secretary
______________________	______________________
Print name	Print name

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.

2. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by each of the joint shareholders, personally or by a duly authorised attorney.

3. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.

4. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting **that is by 10 am EST on 24 November 2003** by post or facsimile to the respective addresses stipulated in this proxy form.

5. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:

   (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
   (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
   (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
   (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.