



IMAS
CORPORATION LTD

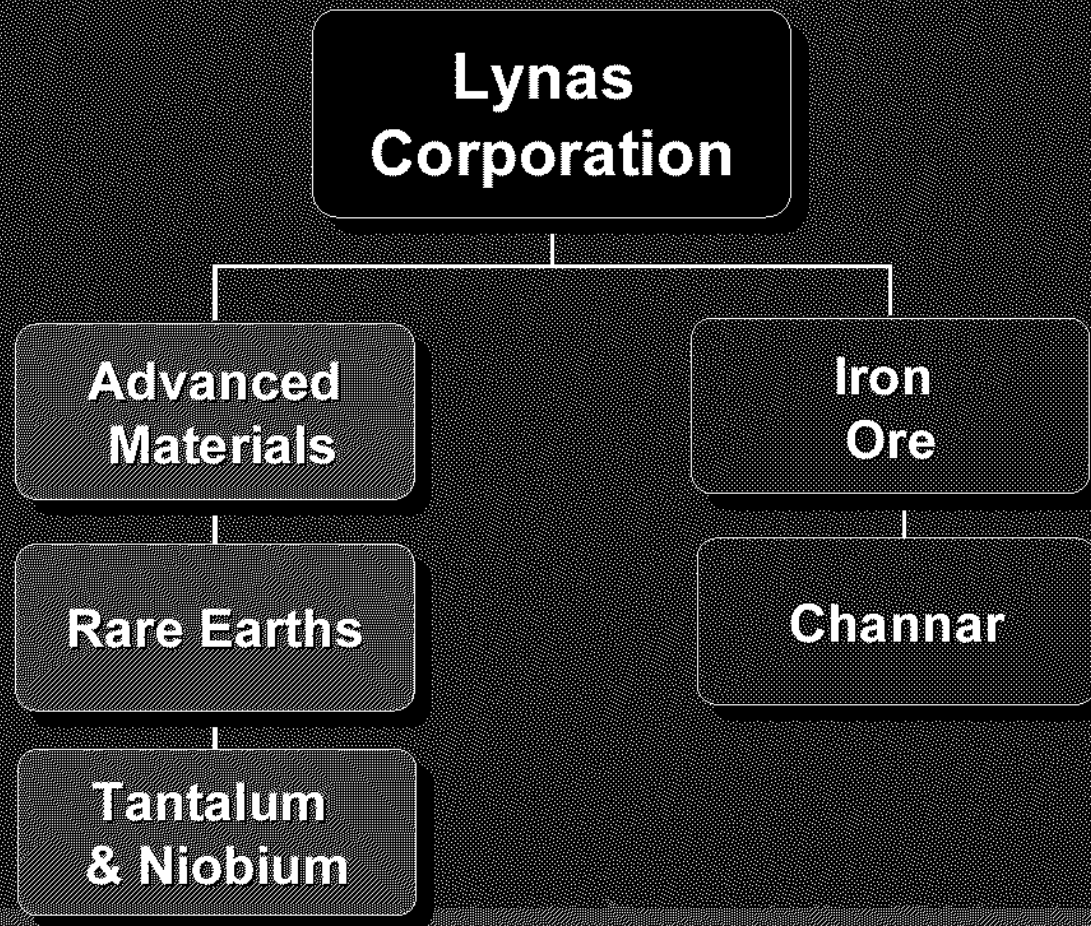
**An emerging
diversified
resources company
with a special
link to China**

AGM 26 November 2003

CONTENTS

- What do we have?
- Where are we going?
- What is the value proposition?
- What are the risks?

WHAT DOES LYNAS HAVE



WE HAVE CHINA KNOWLEDGE

China Knowledge

- Ten years experience with Chinese resources sector
 - Sino Mining International
 - Sino Gold
 - Lynas Corporation Limited
- Ability to find opportunities in China
- Ability to execute in China
- Ability to bring China demand/cost base to Australian resources

WHY IS CHINA KNOWLEDGE IMPORTANT

- China is the growth markets for resources
 - Notably China steel industry 107 million tonnes first half 2003
- China is the low cost manufacturing base for the world

WHAT IS HAPPENING IN CHINA

China Today

- The government is no longer funding resource projects through equity
- The “franchises” are being redistributed

Opportunity

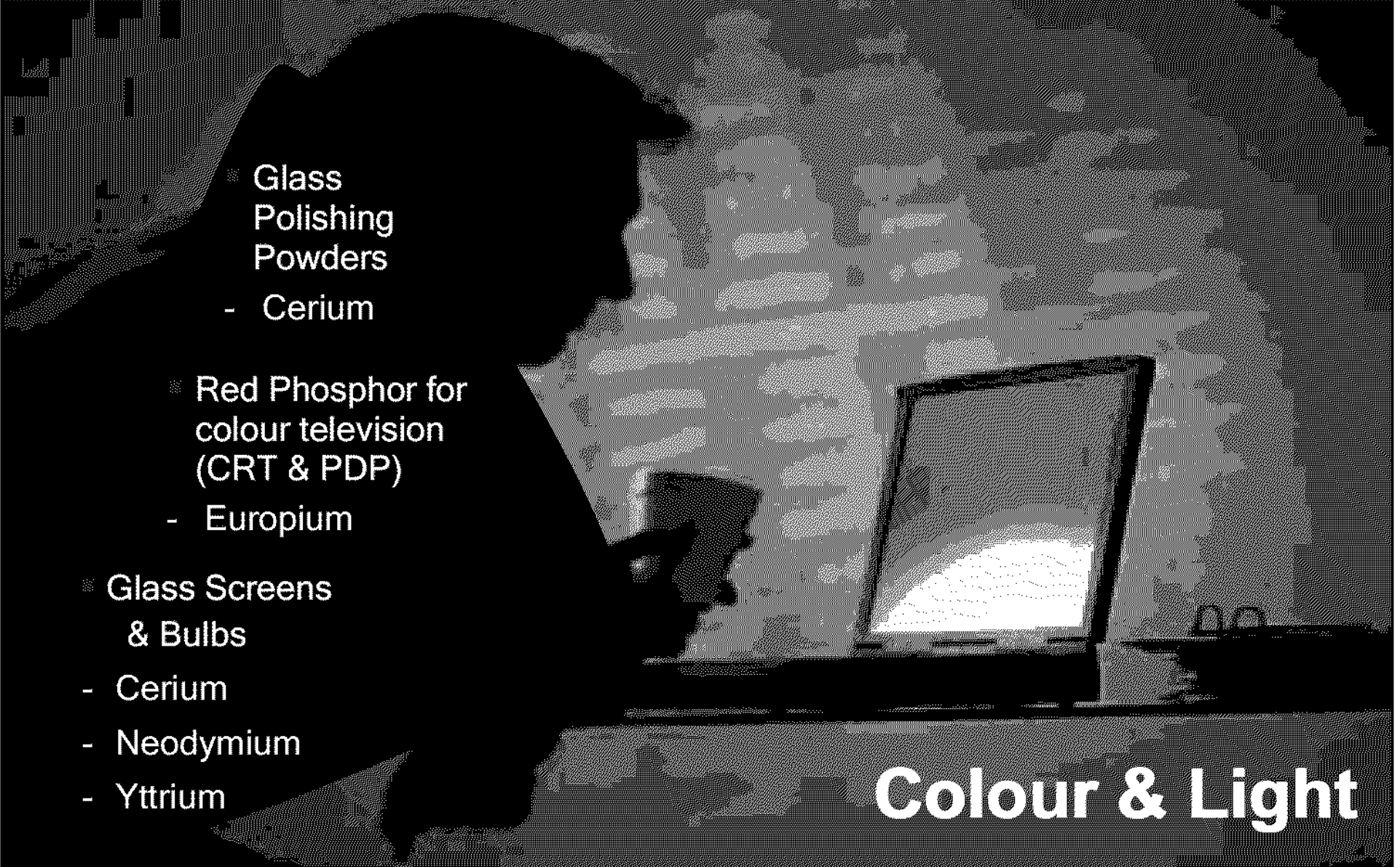
- High demand
- Opportunity to gain historical franchise if you can supply

WE HAVE ADVANCED MATERIALS

Rare Earths - Where do they come from?

- Whilst Rare Earths are relatively abundant in the earth's crust, they are rarely present in economic concentration
- They are never found as free metals but as a 'cocktail' of Rare Earths elements that need separating for commercial use
- China currently supplies more than 90% of the global Rare Earths market
- Lynas Corporation owns the only commercially viable deposit outside of China, at Mt Weld in Western Australia

RARE EARTHS APPLICATIONS IN YOUR LIFE



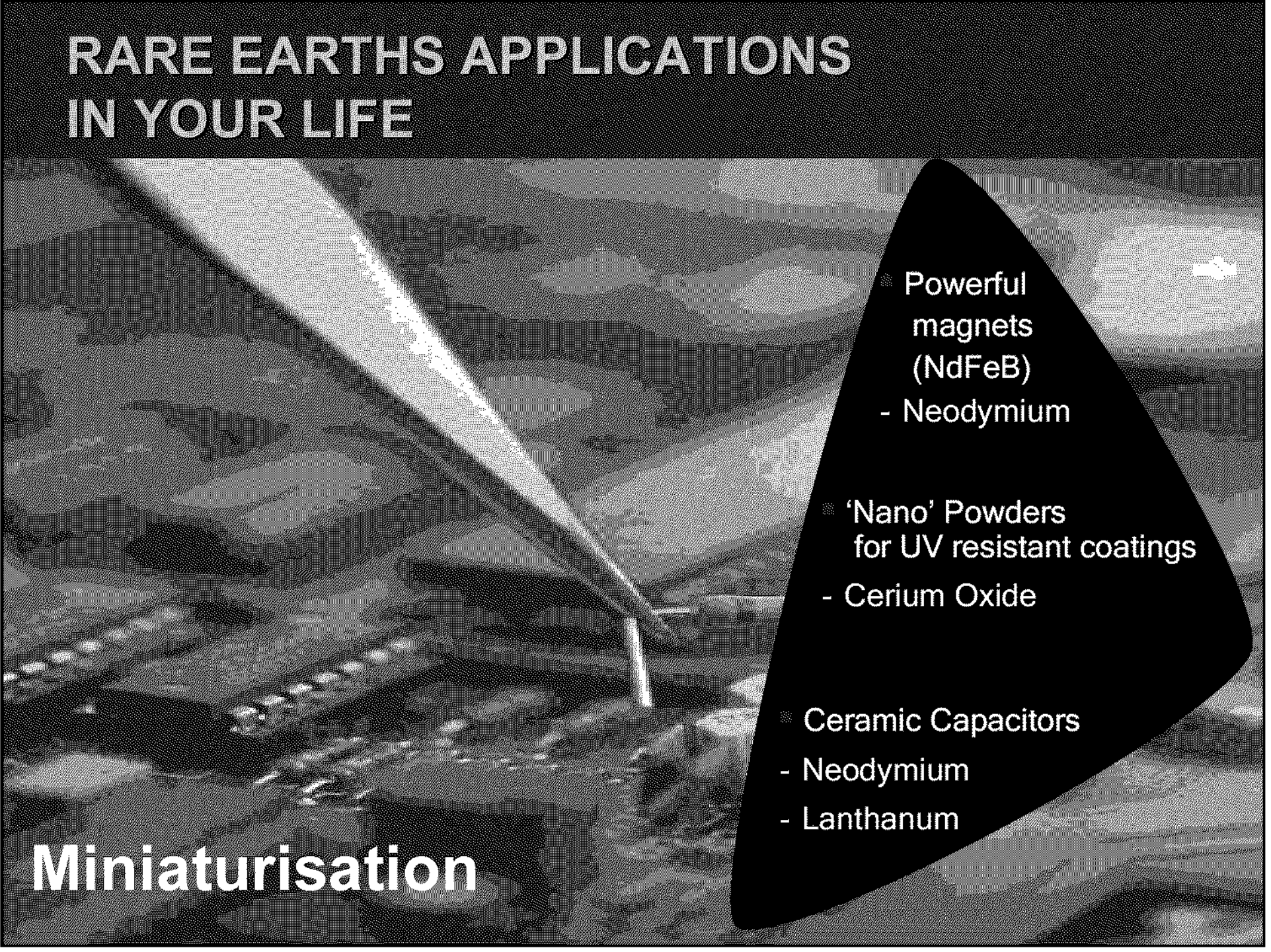
- Glass Polishing Powders
 - Cerium

- Red Phosphor for colour television (CRT & PDP)
 - Europium

- Glass Screens & Bulbs
 - Cerium
 - Neodymium
 - Yttrium

Colour & Light

RARE EARTHS APPLICATIONS IN YOUR LIFE



■ Powerful magnets
(NdFeB)
- Neodymium

■ 'Nano' Powders
for UV resistant coatings
- Cerium Oxide

■ Ceramic Capacitors
- Neodymium
- Lanthanum

Miniaturisation

RARE EARTHS APPLICATIONS IN YOUR LIFE

- Water Treatment Reagents

- Lanthanum

- Automotive Catalytic Converters

- Lanthanum

- Cerium

- Non-toxic coatings (Lead Replacement)

- Yttrium

Clean Environment

RARE EARTHS APPLICATIONS IN YOUR LIFE

- Fuel Cells
 - Lanthanum
 - Cerium
 - Yttrium
- Fluorescent Lighting
 - Europium
 - Terbium
 - Dysprosium
- NiMH Batteries
 - Mischmetal

Energy Efficient

CHINA CLEARLY DOMINATES RARE EARTHS, BUT HAS OVER CAPACITY ISSUES

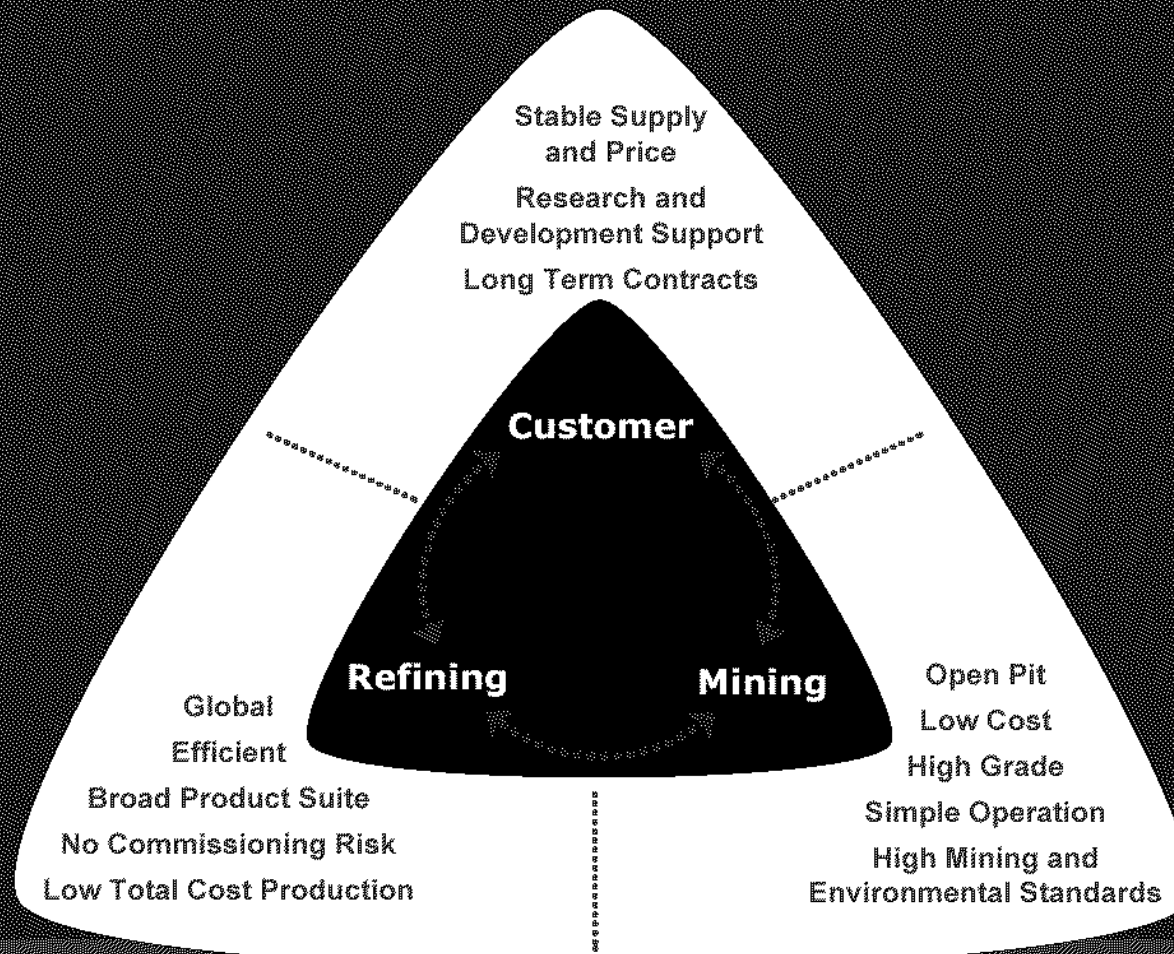
China's dominance

- Currently supplies over 90% of the world's Rare Earths
- Very competitive separation due to cheap yet skillful engineering and labor
- Utilises advanced Rare Earths processes

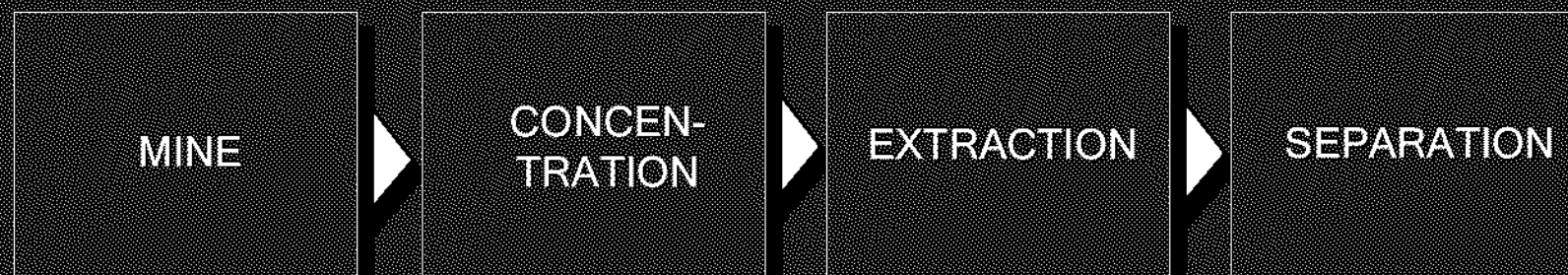
China's over-capacity

- Mining 80,000 tpa for 170 producers with 180,000 tpa of capacity
- Most producers operating inefficiently at 30-40% capacity
- Encourages internal price wars and black-box operations

LYNAS IS BUILDING A NEW SUPPLY MODEL IN THE RARE EARTHS INDUSTRY



OVERVIEW OF LYNAS PRODUCTION PROCESS



Method	Open Cut	Flotation	Acid Cracking	Solvent Extraction
Output	"Ore"	"Concentrate"	"Carbonate"	"RE compounds"
REO concentration	Av 14.8% over 1 st 20yr	40%	45%	~100%
Planned Production	117,000 tpa	32,500 tpa	26,000 tpa	10,500 tpa

THE MT WELD RESOURCE ESTIMATE AND MINE PLAN IS COMPLETE

Central Lanthanide Deposit (4% REO cut-off)

Category	Tonnes (Mt)	Grade (%REO)	Tonnes REO
Measured	1.2	15.7	186,000
Indicated	5.0	11.8	583,000
Inferred	1.5	9.9	148,000
Total	7.7	12.0	917,000

THE COMPOSITION OF MT WELD ORE IS A COMPETITIVE ADVANTAGE

Mt Weld Ore

REO Concentration = 14.8%

- La Oxide	23.91%
- Ce Oxide	47.83%
- Nd Oxide	17.93%
- Eu Oxide	0.45%
- Dy Oxide	0.21%

- +15 year mine life at ~15% world demand
- Dedicated REO Mine
- Low Radiation : $\text{ThO}_2 \sim 0.07\%$

Baotou By-Product Feed

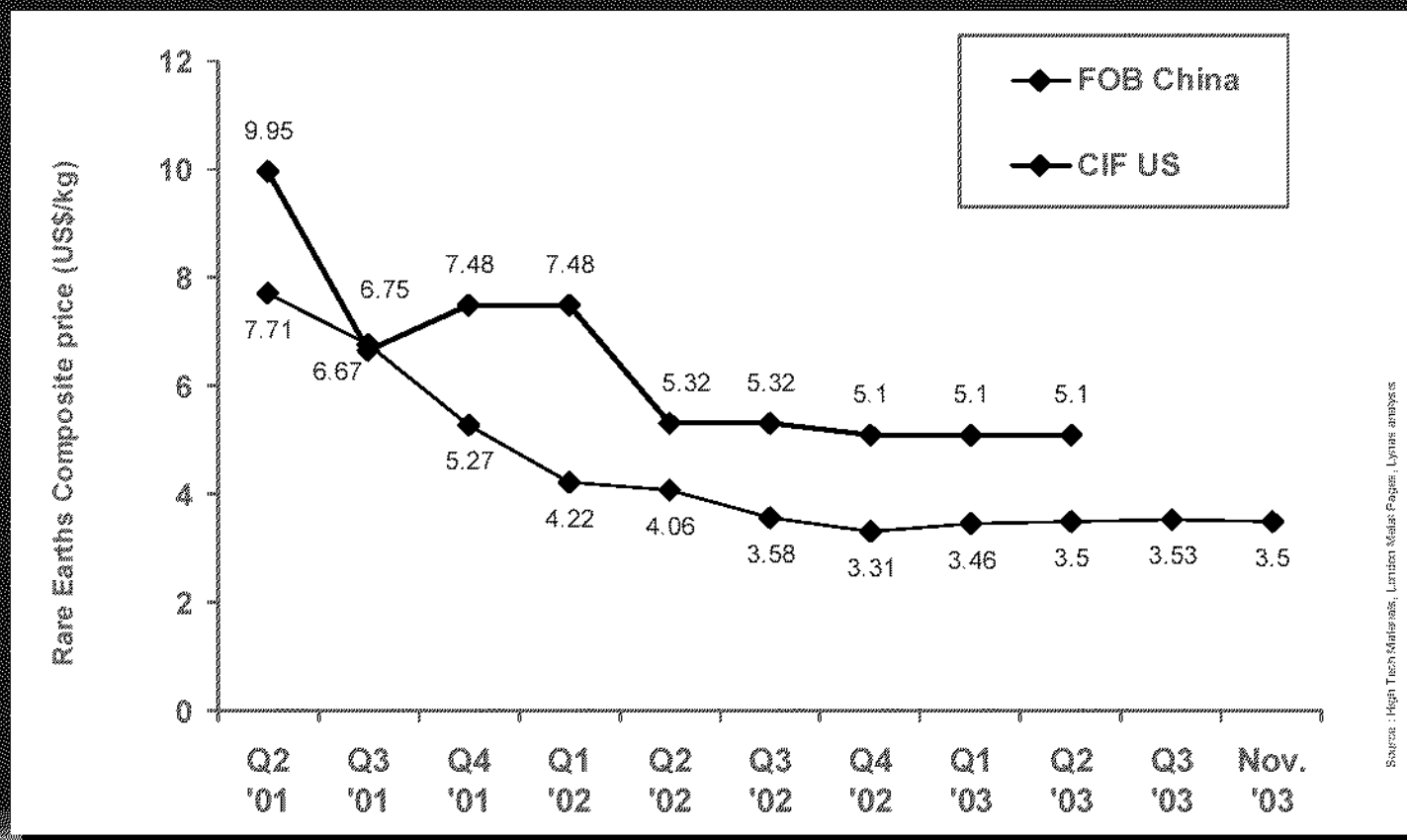
REO Concentration = 6%

- La Oxide	25.00%
- Ce Oxide	50.07%
- Nd Oxide	16.60%
- Eu Oxide	0.18%
- Dy Oxide	0.10%

- By-product - unknown life
- Tailings ~3% REO conc.
- Reported radiation : $\text{ThO}_2 \sim 0.10\%$

COMPOSITE PRICE FOR MT WELD RARE EARTHS

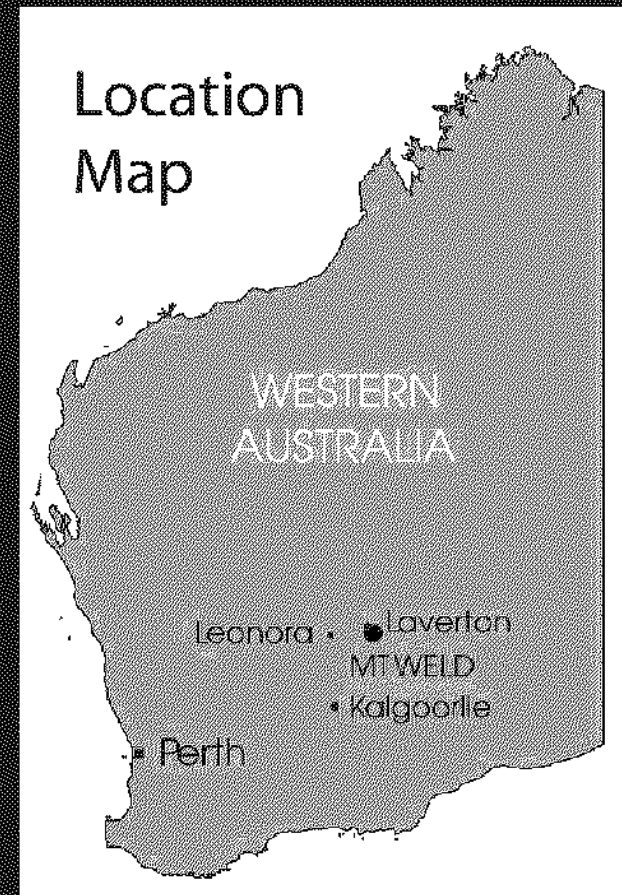
Basic Rare Earth Product Average Price on Mt Weld Distribution (2001 to 2003)



THE ORE WILL BE CONCENTRATED AT MT WELD

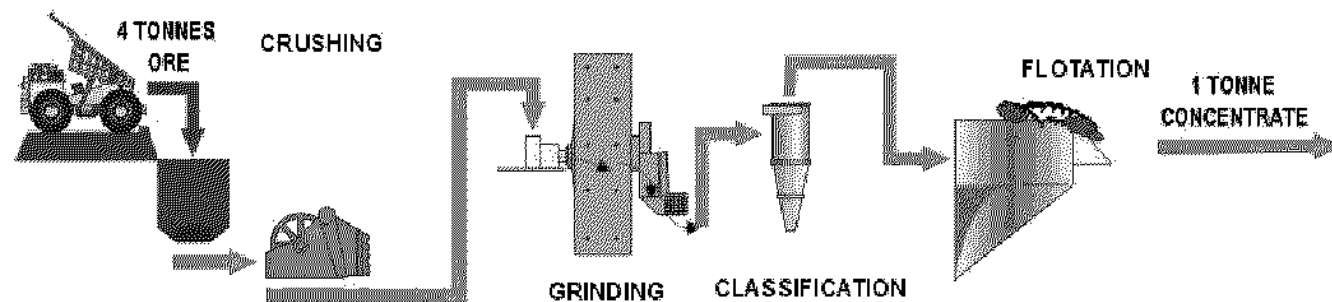
Key aspects of concentration

- Pilot plant commenced in March
- State-of-the-art flotation technology developed which achieved excellent recoveries in bench level tests
- Flotation plant to be located at mine site:
 - Reduced transportation costs
 - Supports further processing in Australia
 - Increased control of supply system

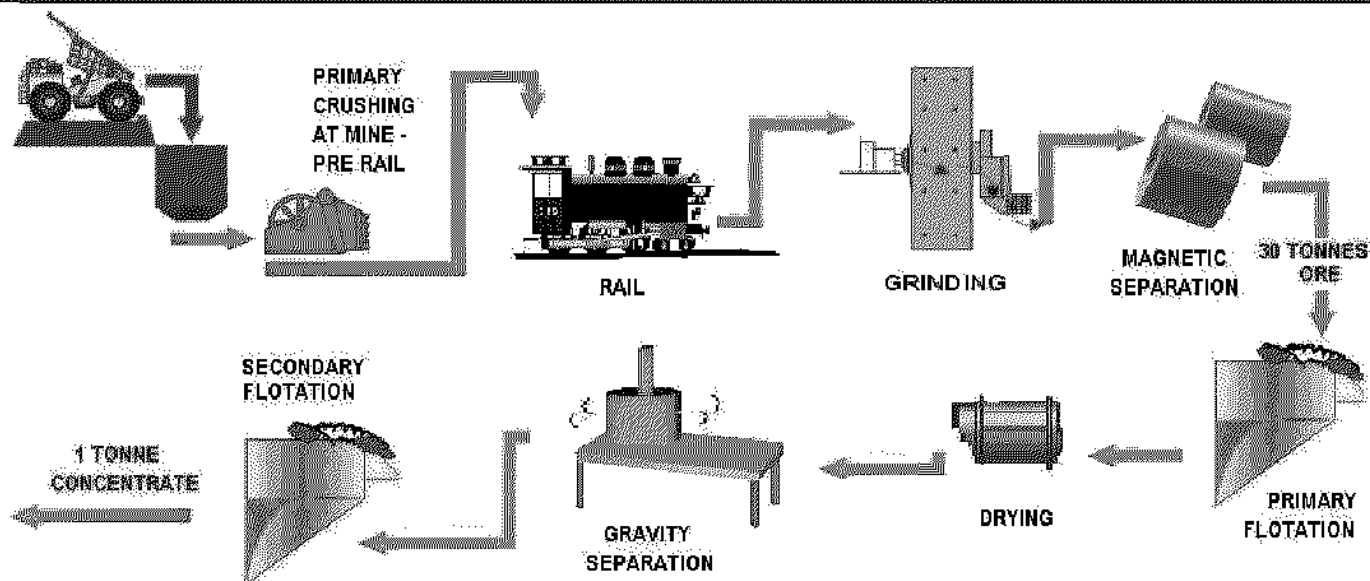


THE SIMPLICITY OF THE CONCENTRATION PROCESS REDUCES COSTS

AUSTRALIA



CHINA



INITIALLY CONCENTRATE WILL BE CRACKED TO CARBONATE IN CHINA

Reasons to initially crack in China

- To deliver the Mt Weld suite of products to our customers at least 12 months earlier
- To utilise available cracking capacity with one of our processing partners in China
- Ability to maintain ownership via toll processing



CARBONATE WILL BE SEPARATED TO RARE EARTHS PRODUCTS IN CHINA

Our processors

- Private processors
- Track record in international market
- ISO 9002 qualified
- Fair and transparent cost

Broad product suite

- Ability to produce a range of Rare Earths products to customer specification
 - Compound
 - Metals
 - Purity
 - Particle size

The RED brand



- Quality assurance and product acceptance
- Guaranteed by Lynas

SEPARATION IN CHINA PROVIDES MANY ADVANTAGES

Reasons to toll separate in China

- Immediate access to advanced RE processing technology to create broad product suite
- Minimises Capex requirement for facilities/equipment
- Maintains ownership/control of material
- Is consistent with the processing practices of other materials which are quota exempt

MT WELD RARE EARTHS PROJECT

Current situation of Bankable DFS :

- Mine:
 - Mine plan and production schedule complete, and contractors' estimate quotes received
 - Project received environmental approvals
 - Anthropological and archeological approvals substantially complete, final approvals due Nov. '03
- Process:
 - Flotation pilot plant complete with GZRINM, Ammtec Engineering completed by Lycopodium
 - Reducing Capex and Opex through series of final mini-studies (2 - 4% Capex, 10 - 15% Opex)
 - Tolling contracts for further processing in China being negotiated, with potential ownership options
- Market:
 - Marketing strategy complete, Japanese market active

MT WELD RARE EARTHS PROJECT

Next steps :

- Board Review
 - Finalise Chinese processing agreements
 - Go-ahead decision based on NPV of project
 - Capital investment of A\$32.4m, plus working capital, plus A\$8.2m contingent payment to Rio at current costs and market conditions gives NPV of ~A\$90m (assuming average sale price of ~US\$5.50p/kg REO)
 - Significant upside potential with a Rare Earths price increase (above US\$5.50), +15% price ~ +50% NPV
- Post Go-ahead
 - Appoint EPCM contractor
 - Commence final flotation plant design
 - Begin site development
 - Formalise Chinese processing agreements
 - Nine months construction time for Mt Weld

CURRENT VALUE OF MT WELD PROJECT

Mt Weld Value

- 10,500 tonnes REO (separated oxides)
- ~15 year production life
- Net Present Value \$85 million
- IRR 33%
- Cash positive 12 months after stripping starts (per annum estimate A\$21M)

CHANNAR PURCHASE

- Heads of Agreement in place
- CSG become 42% share holder of Lynas
- Purchase price to be determined by independent valuer
- Lynas Executive Management unchanged
- Agreement to find sources of supply for
 - 10 million tonnes of Iron Ore
 - 5 million tonnes of Metallurgical Coal

WHAT IS CSG?

- China Iron and Steel Industry and Trade Group (CSG) is large central government SOE combining
 - Import/export
 - Domestic trade
 - Production
 - Investment activities

CSG was under the Ministry of Metallurgical Industry

- CSG has more than 100 subsidiaries, holding companies
- CSG is a major supplier of raw materials to the mid sized steel mills of China, with strong central government support

WHAT IS CHANNAR?

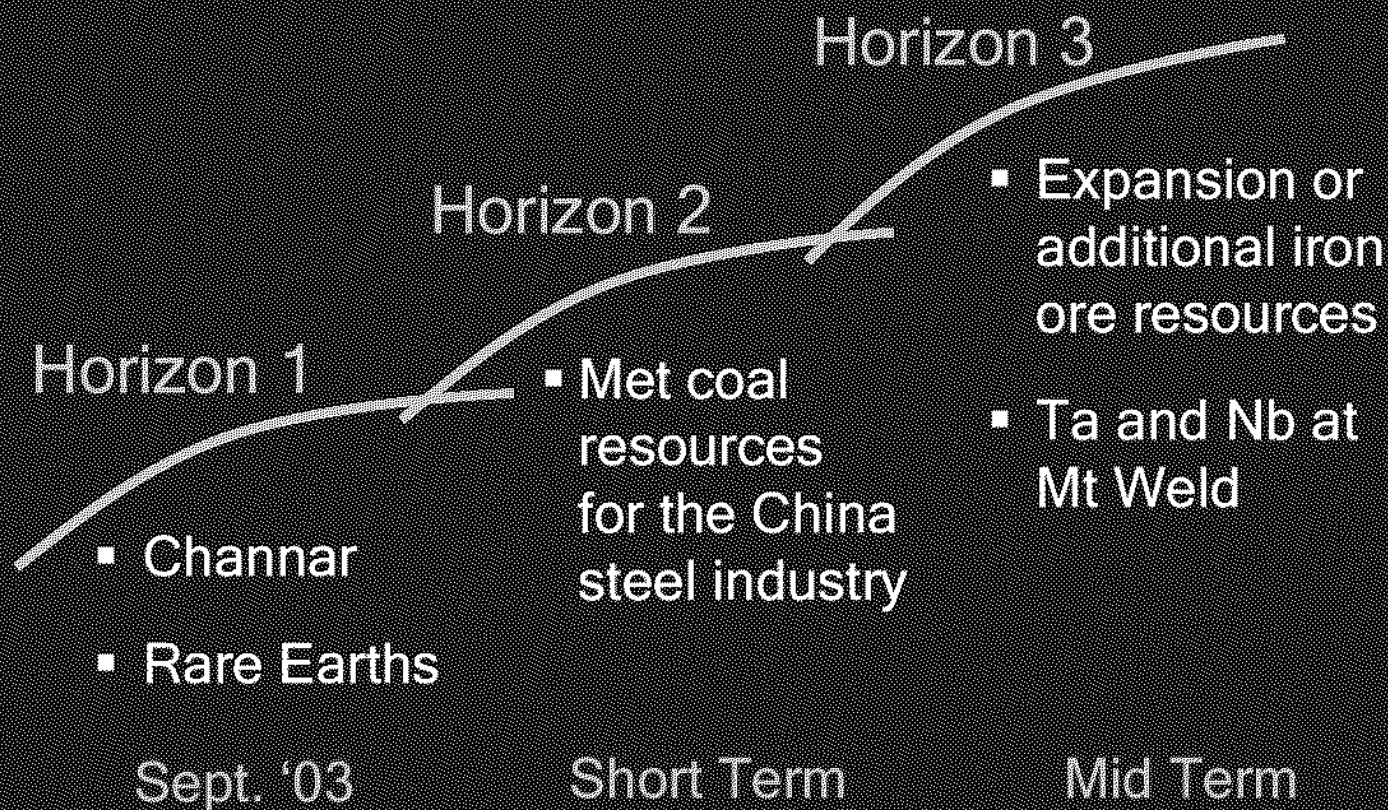
- Channar is an iron-ore mine located 20km SE of Paraburdoo, Western Australia
- The Channar mine is owned by Hamersley Iron Pty Ltd (Rio Tinto) and CMEIC
- Since commencement of production in 1988, Channar has produced and sold more than 60 million tonnes of iron ore
- The major characteristics are large-scale production, first class management, and high operating efficiency

WHY CSG, LYNAS AND CHANNAR?

Australian natural resources company focusing on supplying the China market

- CSG in effect will be accessing Australian-sourced capital through Lynas
- CSG currently markets the full production from the Channar project and will continue to market all of the Lynas share
- CSG will bring to Lynas a strong Chinese partner for the development of the world-class Rare Earths and rare metals projects at Mt Weld
- Lynas will access approximately A\$26m operating cash flow through the economic interest in 4 million tonnes per annum of iron ore at current market prices

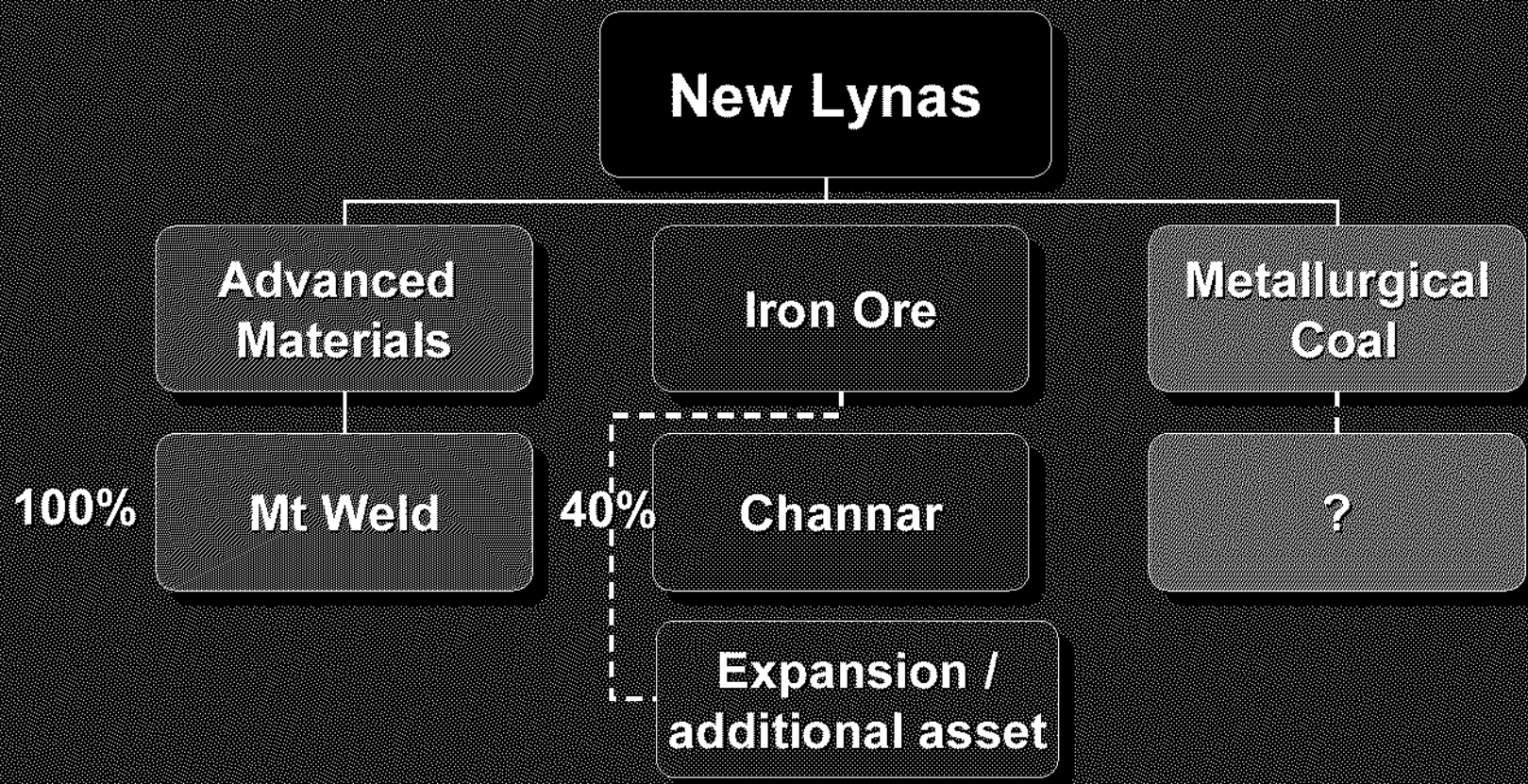
THE FUTURE



RIO TINTO'S INVOLVEMENT

- No pre-emptive
- 49% transfer of CMIEC (Channar) Ltd does not require approval
- No change to JV operations, procedures or marketing

FUTURE COMPANY STRUCTURE



WHAT ARE THE RISKS?

- Unable to secure 100% of Channar
- Future iron ore projects not achieved
- Price of Rare Earths stagnates

CONCLUSION

If this strategy is fully implemented it will create a new mid cap resources group with Rare Earths base and special access to China's growth