



Allens Arthur Robinson

Date 16 March 2007

ADN 47 702 595 75A

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Stock Exchange Centre

530 Collins Street

Melbourne VIC 3000

Australia

Tel 61 3 9614 1011

Fax 61 3 9614 4661

From Allens Arthur Robinson

To **Company Announcements Office, Australian Stock
Exchange Limited**

Fax 1900 999 279

Correspondence

GPO Box 1776Q

Melbourne VIC 3001

Australia

DX 30999 Melbourne

Stock Exchange

www.aar.com.au

Confidential Fax

Fax enquiries ring 61 3 9613 8971

Dear Sirs

**Change in Substantial Holding Notice:
Lynas Corporation Limited (ASX:LYC)**

In accordance with section 671B of the *Corporations Act 2001* (Cth), we attach a 'Notice of change of interests of substantial holder' (Form 604) in respect of Lynas Corporation Limited on behalf of the Ospraie entities referred to in the notice.

Yours sincerely



Mark Malinas

Senior Associate

Mark.Malinas@aar.com.au

Tel +61 3 9613 8485

Attach

Our Ref BZOM:RDSM:305692912

wzam A0108262286v1 305692912 16.3.2007

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Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Lynas Corporation Limited (*Lynas*)

ACN/ARSN 009 096 648

1. Details of substantial holder (1)

Name Ospraie Management, LLC (and the Ospraie entities referred to in paragraph 4 below) (*Ospraie*)

ACN/ARSN (if applicable) _____

There was a change in the interests of the

substantial holder on 15/03/2007

The previous notice was given to the company on 27/02/2007

The previous notice was dated 28/02/2007

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary	41,150,944	10.30%	37,225,038	9.33%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of charge (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
27/02/07	In each case, Ospraie	Disposal of fully paid ordinary shares through the share market conducted by the Australian Stock Exchange Ltd	77.47 cents	895,720	895,720
28/02/07			70.39 cents	500,000	500,000
1/03/07			71.53 cents	500,000	500,000
2/03/07			71.11 cents	500,000	500,000
5/03/07			69.17 cents	185,000	185,000

6/03/07			68.2 cents	345,000	345,000
7/03/07			72.09 cents	250,000	250,000
8/03/07			70.69 cents	112,721	112,721
9/03/07			70.63 cents	128,085	128,085
12/03/07			70 cents	50,000	50,000
13/03/07			70.85 cents	200,000	200,000
14/03/07			70 cents	39,380	39,380
15/03/07			70.02 cents	250,000	250,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered	Nature of relevant interest (%)	Class and number of securities	Person's votes
The Ospraie Portfolio Ltd. and its major shareholders The Ospraie Fund, L.P. and The Ospraie Intermediate Fund, Ltd.	Westpac Custodian Nominees Limited	The Ospraie Portfolio Ltd.	The Ospraie Portfolio Ltd. is the beneficial owner. The major shareholders named each hold more than 20% of the shares in The Ospraie Portfolio Ltd. and, as a result, each have a relevant interest by operation of section 608(3) of the Corporations Act.	33,096,911 fully paid ordinary shares	33,096,911
The Ospraie Special Opportunities Master Holdings Ltd and its major shareholders (Ospraie Special Opportunities L.P. and Ospraie Special Opportunities (Offshore) Master L.P.)	Westpac Custodian Nominees Limited	Ospraie Special Opportunities Master Holdings Ltd	The Ospraie Special Opportunities Master Holdings Ltd is the beneficial owner. The major shareholders named each hold more than 20% of the shares in The Ospraie Special Opportunities Master Holdings Ltd and, as a result, each have a relevant interest by operation of section 608(3) of the Corporations Act.	4,128,127 fully paid ordinary shares	4,128,127
Ospraie Management, LLC	Westpac Custodian Nominees Limited	The Ospraie Portfolio Ltd., and Ospraie Special Opportunities Master Holdings Ltd	Ospraie Management, LLC is the investment manager for The Ospraie Portfolio Ltd. and, as such, has the power to control voting and/or the disposal of the shares held by it. In addition, by operation of section 608(3) of the Corporations Act, Ospraie Management, LLC has a relevant interest in the shares in which Ospraie Advisors LP has a relevant interest.	37,225,038 fully paid ordinary shares This is the aggregate of the shares listed above.	37,225,038. This is the aggregate of the votes listed above.
Ospraie Advisors L.P. (and its general partner, Ospraie Advisors, LLC)	Westpac Custodian Nominees Limited	Ospraie Special Opportunities Master Holdings Ltd	Ospraie Advisors L.P. is the investment manager for the Ospraie Special Opportunities Master Holdings Ltd and, as such, has the power to control voting and/or the disposal of the shares held by them.	4,128,127 fully paid ordinary shares This is the aggregate of the shares listed above for Ospraie Special Opportunities Master Holdings Ltd	4,128,127. This is the aggregate of the votes listed for Ospraie Special Opportunities Master Holdings Ltd

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

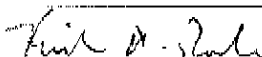
Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Ospraie	c/o Ospraie Management, LLC 320 Park Avenue 27 th Floor New York, NY 10022 United States of America

Signature

print name	Kirk Rule	Capacity:	Chief Compliance Officer
sign here		Date	15/03/07

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 6/1B(7) of the Corporations Act 2001
- (4) The voting shares of a company constitute one class, unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 6/1B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.