

**HD Australian rare earths miner Lynas to move headquarters to Malaysia**

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**LP**

SYDNEY, July 2 (Reuters) - Australia-listed rare earths producer Lynas Corp will shift its headquarters to Malaysia and cut jobs to reduce costs as it looks to lift output of the minerals used in a range of high-tech equipment.

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Following setbacks over the last two years in boosting output of rare earths mined in Australia and processed at a plant in Malaysia, Lynas also said in a statement on Wednesday that key elements of production had operated at target-capacity in the last quarter.

"This streamlining of office locations is the first in a series of initiatives aimed at simplifying our approach," said Lynas Chief Executive Amanda Lacaze.

Other costs savings will include reducing workforce numbers, renegotiating contracts with suppliers and improving procurement practices, the **company** said.

Lynas, one of two producers of rare earths oxides outside **China**, has struggled to ramp up its A\$873 **million** plant in Malaysia since it started operating in November 2012 due to technical problems.

Lynas mines rare earths from its Mount Weld mine in Western Australia, grinds them to granular size and ships them to its advanced materials plant in Pahang, Malaysia.

The slow ramp-up and a slump in rare earths prices have squeezed the **firm's** funding, forcing it to raise A\$40 **million** through a share **sale** in May and tap Nomura to refinance \$215 **million** in debt, provided by Japan's Sojitz and state-run Japan **Oil**, Gas and Metals National Corp.

Lynas replaced its chief executive in June, appointing Lacaze, a former telecommunications executive, as the **company's** second new head in just over a year, counting on her marketing savvy.

The **company** has said it would hold off from increasing output to its full capacity of 22,000 tonnes a year until the market improves.

Lynas stock climbed 1.4 percent to A\$0.14 on Wednesday, less than half its price at the start of the year.

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**CO** lynfld : Lynas Corporation Ltd

**IN** imet : Mining/Quarrying | iraremet : Rare Earth Metals | ibasicm : Basic Materials/Resources

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