



Lynas Corporation Superannuation Fund

MySuper

General Advice Warning

This information was prepared by Horizon Wealth Management. It is of a general nature and does not take into account your personal investment objectives, financial situation or particular needs.

You should assess whether this general advice is appropriate to your individual objectives, financial situation and needs. You can make this assessment yourself or seek the help of a professional financial advisor or taxation professional.





Agenda

1. Explanation of MySuper
2. Costs of MySuper/Choice post 11 June 2013

MySuper solution

- Eligible MySuper products must either have a single diversified strategy or a lifecycle approach.
- FirstChoice Employer Super uses the lifecycle approach.
- Caters for the diverse needs of members and provides ample flexibility.
- Investment options are constructed for people born in the same five year age group.
- As a member gets older the asset allocation between growth and defensive assets gradually and automatically adjusts.

It's your choice



Option 1: Let CFC do the work for you	Option 2: You determine your attitude to risk & let CFC manage your super accordingly	Option 3: Build your own portfolio
FirstChoice Lifestage	FirstChoice Multi-manager and FirstChoice Multi-Index options	From any of the previous options and: FirstChoice Single-manager Options



Option 1: FirstChoice Lifestage

Members' risk tolerance changes through their working life



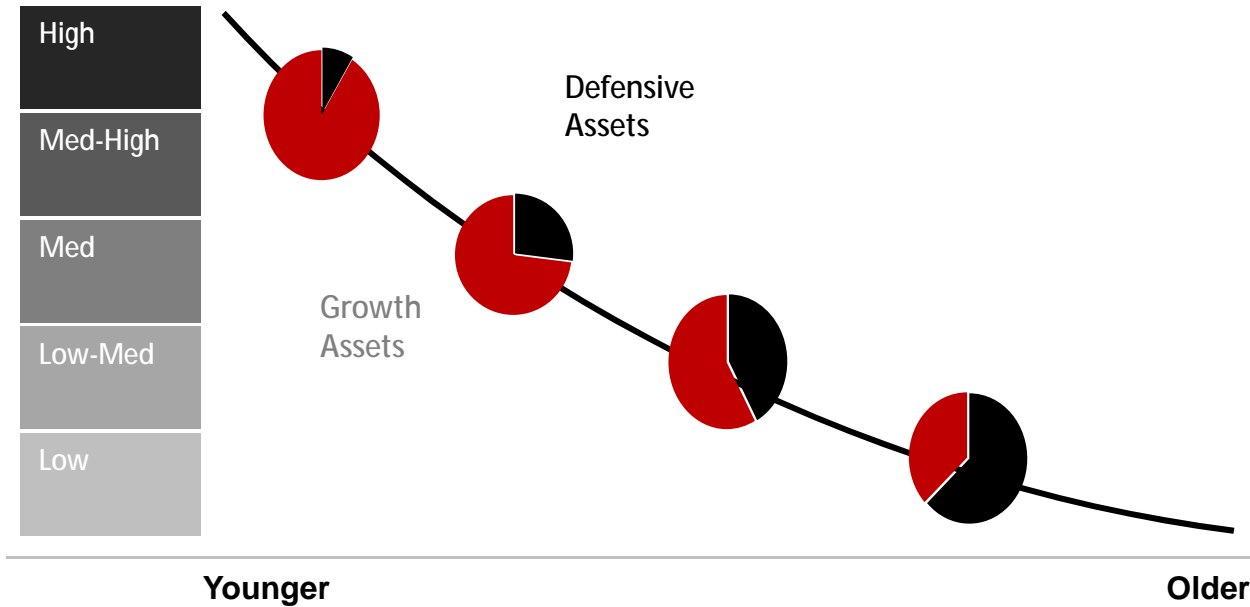
Younger members can
take more risk



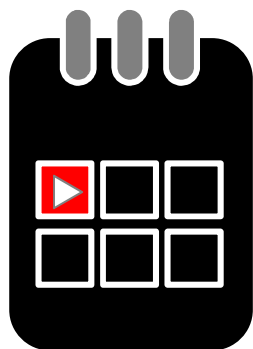
Members close to
retirement need to
understand risk

Why FirstChoice Lifestage?

Potential return
and volatility



About FirstChoice Lifestage



- 1 Based on your date of birth
- 2 **5 year age groups** to maximise effectiveness
- 3 Members stay in the one fund

About FirstChoice Lifestage

Designed for people born within this five year age band	Option name
1945 and 1949	FirstChoice Lifestage 1945–49
1950 and 1954	FirstChoice Lifestage 1950–54
1955 and 1959	FirstChoice Lifestage 1955–59
1960 and 1964	FirstChoice Lifestage 1960–64
1965 and 1969	FirstChoice Lifestage 1965–69
1970 and 1974	FirstChoice Lifestage 1970–74
1975 and 1979	FirstChoice Lifestage 1975–79
1980 and 1984	FirstChoice Lifestage 1980–84
1985 and 1989	FirstChoice Lifestage 1985–89
1990 and 1994	FirstChoice Lifestage 1990–94
1995 and 1999	FirstChoice Lifestage 1995–99

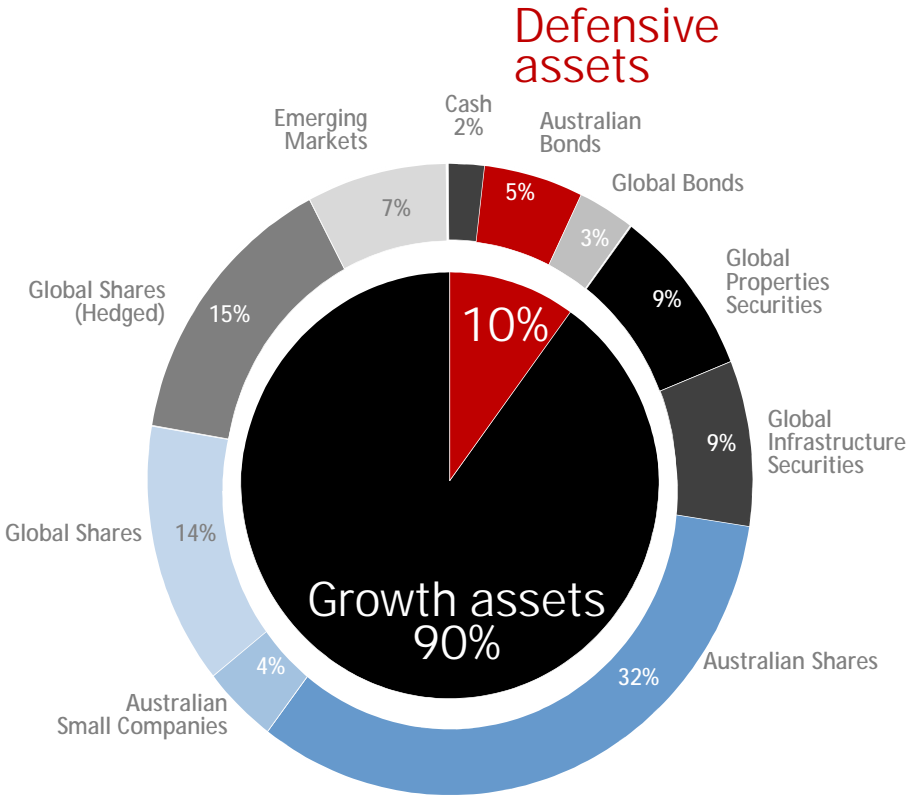
FirstChoice Lifestage 1975-79

Year:

2013

Age:

35



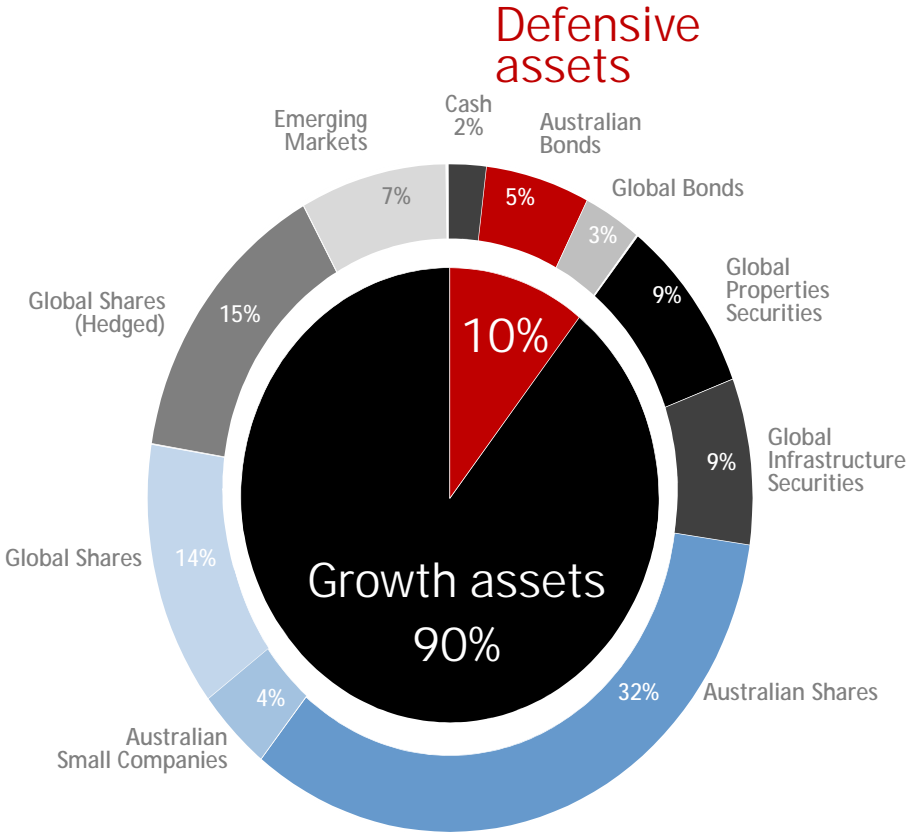
FirstChoice Lifestage 1975-79

Year:

2023

Age:

45



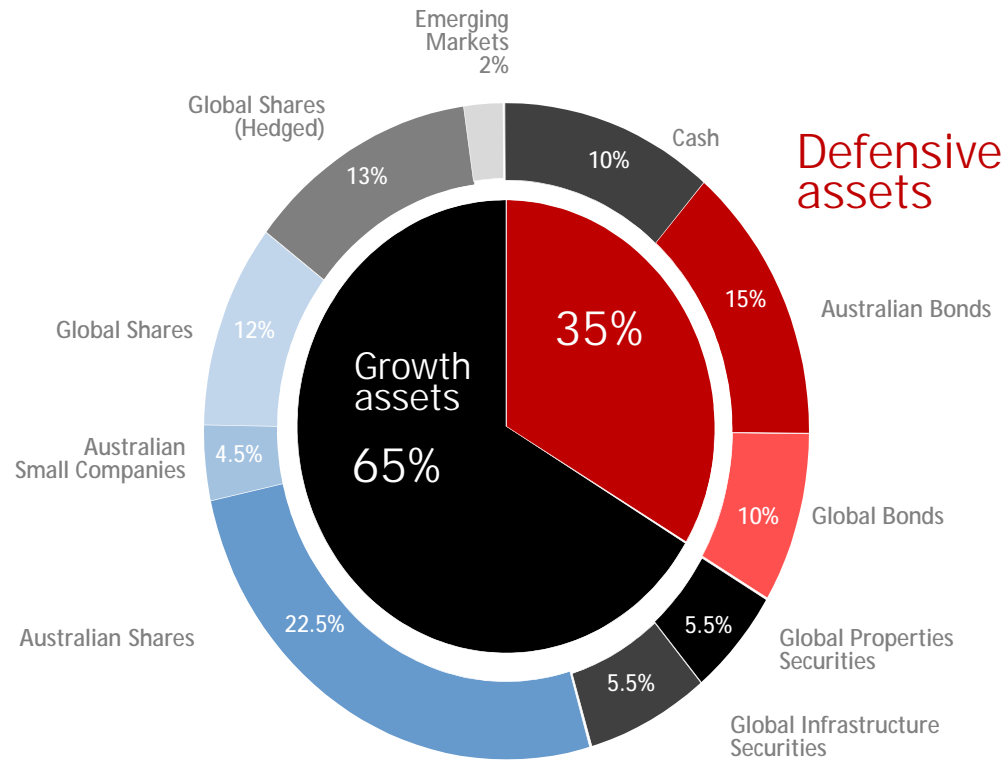
FirstChoice Lifestage 1975-79

Year:

2033

Age:

55



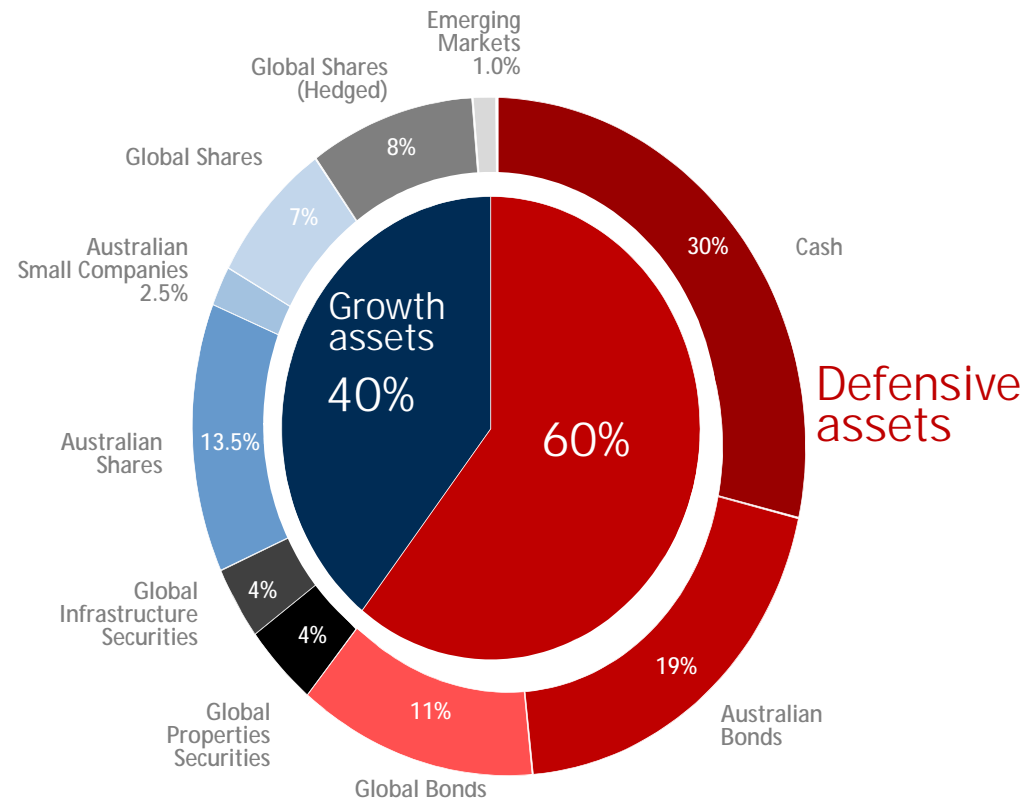
FirstChoice Lifestage 1975-79

Year:

2043

Age:

65



FirstChoice Lifestage: the benefits

Why?

Diversification
through
Different
asset classes

Access to a
professionally
managed
investment

Asset allocation
that is
designed to
match your age

Asset allocation
that adjusts
according
to age

Changes in asset
allocation that
take into
account
market
movements

Option 2: FirstChoice Multi-Manager and Multi-Index options

Multi-Sector options:

FirstChoice Defensive
FirstChoice Conservative
FirstChoice Moderate
FirstChoice Balanced
FirstChoice Growth
FirstChoice High Growth

Single Sector options:

FirstChoice Fixed Interest
FirstChoice Property Securities
FirstChoice Australian Share
FirstChoice Small Companies
FirstChoice Global Share
FirstChoice Global Infrastructure Securities

Multi-Index options:

FirstChoice Multi-Index Conservative
FirstChoice Multi-Index Diversified
FirstChoice Multi-Index Balanced

Option 3: FirstChoice Single Manager Options

Investment category	Option
Cash and deposits	FirstRate Saver
Fixed interest and income	Aberdeen Australian Fixed Income
	Colonial First State Diversified Fixed Interest
	UBS Diversified Fixed Income
Property securities	Colonial First State Index Property Securities
	RREEF Property Securities
Global Property securities	Colonial First State Global Property Securities
Australian share	Colonial First State Australian Share - Core
	Colonial First State Index Australian Share
	Fidelity Australian Equities
	Schroder Australian Equity
Australian share - boutique	Ausbil Australian Active Equity
	Perennial Value Australian Share
Global share	MFS Global Equity
	Realindex Global Share
	Realindex Global Share - Hedged
Global specialist	Magellan Global Share
	Platinum Asia
	Platinum International
	Realindex Emerging Markets
Alternatives	Aspect Diversified Futures
Geared	Colonial First State Geared Share

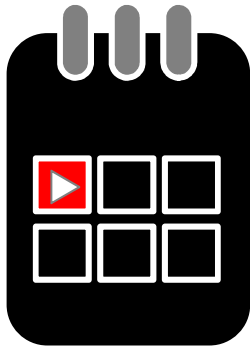


Is FirstChoice Lifestage right for me?



- 1 **Don't want to spent a lot of time thinking about your super?**
- 2 **Don't want to be responsible for choosing different investment options?**
- 3 **Or changing and rebalancing the split between growth and defensive assets?**

What are the next steps?



- 1 Choose to do nothing - your super will be invested in FirstChoice Lifestage
- 2 Or you can talk to Horizon Wealth to help you choose an option
- 3 You can make a change anytime via FirstNet Investor (only after 11 June 2013)

Points to consider

- **Asset allocation – most members to move from 60/40 (Growth/Defensive) to 90/10 (Growth/Defensive)**
- **Closed funds – 1 current employee impacted**
- **June's superannuation contributions**
 - **Will be automatically allocated to Lifestages (Default Fund) or Chosen fund (if not closed fund) as applicable**

FirstChoice Lifestage asset allocation and managers

Asset Class	FirstChoice Lifestage 1995-1999	FirstChoice Lifestage 1990-1994	FirstChoice Lifestage 1985-1989	FirstChoice Lifestage 1980-1984	FirstChoice Lifestage 1975-1979	FirstChoice Lifestage 1970-1974	FirstChoice Lifestage 1965-1969	FirstChoice Lifestage 1960-1964	FirstChoice Lifestage 1955-1959	FirstChoice Lifestage 1950-1954	FirstChoice Lifestage 1945-1949
FirstChoice Cash	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	3.6%	14.0%	30.0%	30.0%
CFS Index											
Australian Bond	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	7.0%	15.8%	19.0%	19.0%
SSgA Index											
Global Bond	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	4.4%	10.2%	11.0%	11.0%
SSgA Index											
Global Property Securities	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	8.3%	5.2%	4.0%	4.0%
SSgA Index											
Global Infrastructure Securities	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	8.3%	5.2%	4.0%	4.0%
Realindex											
Australian Share	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	30.1%	20.7%	13.5%	13.5%
Realindex											
Australian Small Companies	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.1%	4.1%	2.5%	2.5%
Realindex											
Global Share	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	13.6%	11.0%	7.0%	7.0%
Realindex											
Global Share Hedged	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	14.6%	12.0%	8.0%	8.0%
Realindex											
Emerging Markets	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	6.0%	1.8%	1.0%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Defensive assets	10%	10%	10%	10%	10%	10%	10%	15%	40%	60%	60%
Growth assets	90%	90%	90%	90%	90%	90%	90%	85%	60%	40%	40%

FirstChoice Lifestage asset allocation and managers

FirstChoice Lifestage investment option:	Investment objective	Minimum suggested timeframe
1995 – 1999 1990 – 1994 1985 – 1989 1980 – 1984 1975 – 1979 1970 – 1974 1965 – 1969	<ul style="list-style-type: none"> To achieve a return of CPI + 3% pa over rolling seven-year periods after fees and taxes. 	6 years
1960 – 1964	<ul style="list-style-type: none"> To achieve a return of CPI + 2.5% pa over rolling 7 year periods after fees and taxes. 	5 years
1955 – 1959	<ul style="list-style-type: none"> To achieve a return of CPI + 2% pa over rolling 6 year periods after fees and taxes. 	5 years
1950 – 1954	<ul style="list-style-type: none"> To achieve a return of CPI + 1.5% pa over rolling 5 year periods after fees and taxes. 	4 years
1945 – 1949	<ul style="list-style-type: none"> To achieve a return of CPI + 1% pa over rolling 5 year periods after fees and taxes. 	3 years

Closed Funds – where your funds will be directed

Closed option	Mgt Cost	Replacement Select option	Mgt cost
<u>FirstChoice Asian Share</u>	2.37%	Platinum Asia	2.40%
<u>FirstChoice Geared Growth Plus</u>		<u>FirstChoice High Growth</u>	1.65%
Colonial First Conservative	1.70%	<u>FirstChoice Conservative</u>	1.29%
Colonial First State Balanced	1.85%	<u>FirstChoice Moderate</u>	1.46%
BT Active Balanced	1.95%	<u>FirstChoice Balanced</u>	1.51%
Perpetual Conservative Growth	1.75%	<u>FirstChoice Conservative</u>	1.29%
Colonial First State Diversified	1.95%	<u>FirstChoice Balanced</u>	1.51%
Perpetual Balanced Growth	1.94%	<u>FirstChoice Balanced</u>	1.51%
Colonial First State Cash	1.15%	<u>FirstRate Saver</u>	n/a
Colonial First State Global Credit Income	1.36%	<u>FirstChoice Fixed Interest</u>	1.14%
Perpetual Industrial Share	1.90%	<u>FirstChoice Australian Share</u>	1.49%
BT Core Australian Share	1.90%	<u>FirstChoice Australian Share</u>	1.49%

Closed Funds – where your funds will be directed

Closed option	<u>Mgt Cost</u>	Replacement Select option	<u>Mgt cost</u>
Capital International Global Share	2.06%	<u>FirstChoice</u> Global Share	1.66%
Generation Global Share	1.89%	<u>FirstChoice</u> Global Share	1.66%
Colonial First State Global Resources	2.05%	<u>FirstChoice</u> Global Share	1.66%
Colonial First State Global Share	2.06%	<u>FirstChoice</u> Global Share	1.66%
Colonial First State Index Global Share	1.46%	<u>Realindex</u> Global Share	1.22%
Colonial First State Geared	%(g)/ %(n)	Colonial First State Geared Share	1.75%(g)/ 3.83%(n)
Australian Share - Core	%(g)/ %(n)	Colonial First State Geared Share	1.75%(g)/ 3.83%(n)
Colonial First State Imputation	1.90%	<u>FirstChoice</u> Australian Share	1.49%

Fees for previous funds versus MySuper/Choice Funds post 11 June 2013

	PRE 11 JUNE 2013	POST 11 JUNE 2013	
	FIRSTCHOICE MODERATE	LIFE STAGE (NEW DEFAULT)	SELECT (NEW MENU) FIRSTCHOICE MODERATE
Total retail MER	1.84%	1.00%	1.46%
Less rebates	0.40%	.01%	0.01%
Total (net of rebates)	1.44%	0.99%	1.45%

Fees for Funds post 11 June 2013

Sector	Investment option name	Management cost % (as at 11 June)
Multi-Manager Multi-Sector	FirstChoice Defensive	1.19
	FirstChoice Conservative	1.29
	FirstChoice Moderate	1.46
	FirstChoice Balanced	1.51
	FirstChoice Growth	1.56
	FirstChoice High Growth	1.65
Multi-Manager Single Sector	FirstChoice Fixed Interest	1.14
	FirstChoice Property Securities	1.29
	FirstChoice Global Infrastructure Securities	1.66
	FirstChoice Australian Share	1.49
	FirstChoice Australian Small Companies	1.74
Multi-Index Series	FirstChoice Global Share	1.66
	FirstChoice Multi-Index Conservative	1.04
	FirstChoice Multi-Index Diversified	1.08
Single-Manager Single-Sector	FirstChoice Multi-Index Balanced	1.13
Cash & Deposits	FirstRate Saver	0
Fixed interest and income	Aberdeen Australian Fixed Income	1.14
	Colonial First State Diversified Fixed Interest	0.94
	UBS Diversified Fixed Income	1.19

Fees for Funds post 11 June 2013

Property & Infrastructure securities	Colonial First State Index Property Securities	0.74
	RREEF Property Securities	1.29
Global property securities	Colonial First State Global Property Securities	1.5
Australian share	Colonial First State Australian Share - Core	1.49
	Colonial First State Index Australian Share	0.94
	Fidelity Australian Equities	1.54
	Schroder Australian Equity	1.49
Australian share - boutique	Ausbil Australian Active Equity	1.49
	Perennial Value Australian Share	1.49
Global share	MFS Global Equity	1.65
	Realindex Global Share	1.22
	Realindex Global Share - Hedged	1.22
Global specialist	Magellan Global Share	2.39
	Platinum Asia	2.4
	Platinum International	2.1
	Realindex Emerging Markets	1.35
Alternatives	Aspect Diversified Futures	2.42
Geared	Colonial First State Geared Share	1.27
		2.81

Who are the Winners and Losers in the MySuper World

Winners

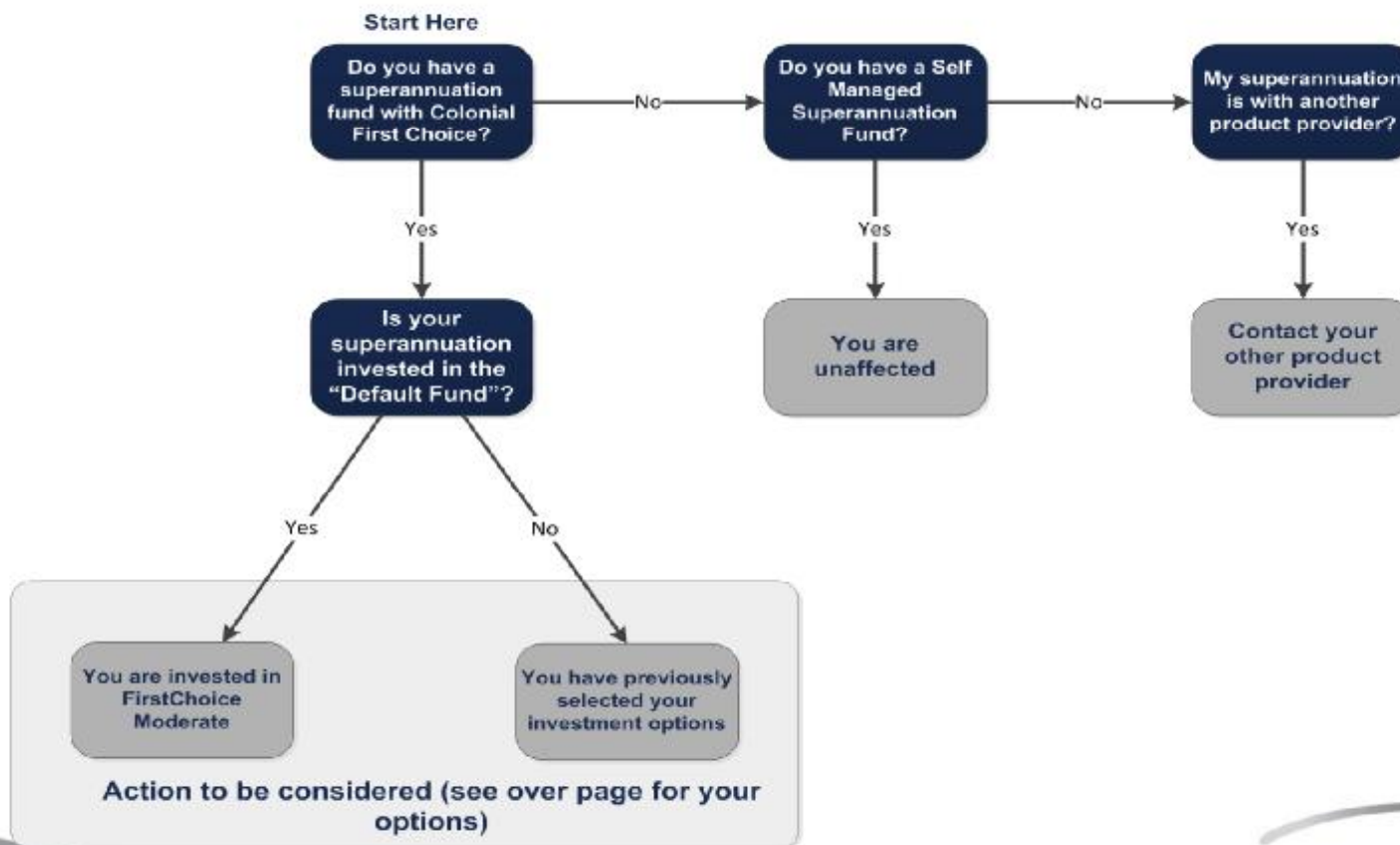
- Members in the Default Fund

Losers

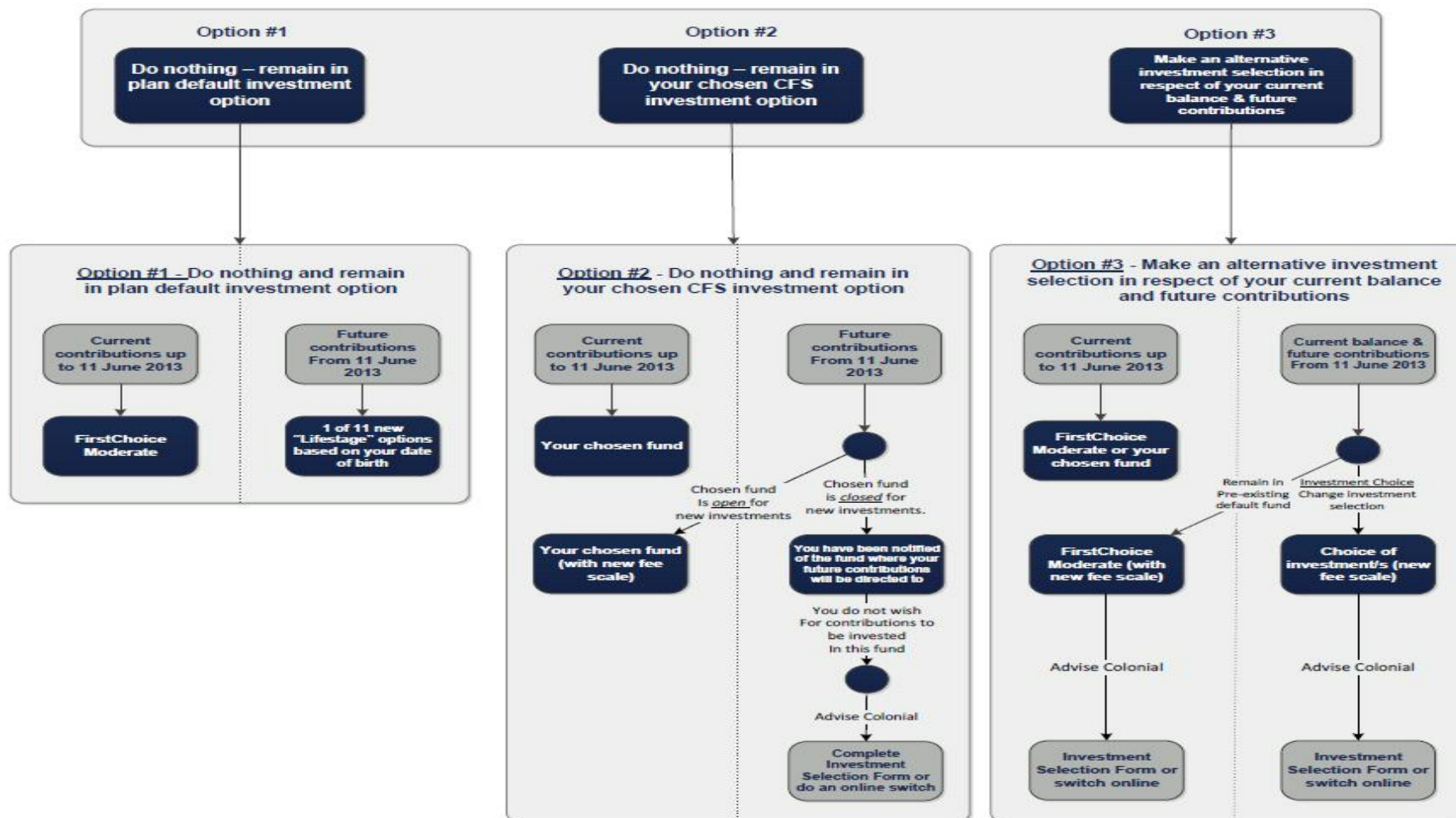
- Members in Choice Funds
- Advisers
- Employers



How does MySuper affect me as a member of the Lynas Corporation Superannuation Plan?



What are my options regarding my current and future employer contributions?



Questions?