



**SECRETARY GENERAL  
MINISTRY OF SCIENCE, TECHNOLOGY AND INNOVATION**

**PRESS RELEASE  
15 JUNE 2012**

**RULING ON THE APPEAL AGAINST THE DECISION OF THE  
ATOMIC ENERGY LICENSING BOARD TO APPROVE, WITH  
CONDITIONS, A TEMPORARY OPERATING LICENCE (TOL) TO  
LYNAS (M) SDN BHD**

Minister of Science, Technology and Innovation, Datuk Seri Panglima Dr. Maximus Johnity Ongkili has made a decision on 13 June 2012 on the appeal filed by three individuals against the decision of the Atomic Energy Licensing Board (the Board) to approve, with conditions, a Temporary Operating Licence (TOL) to Lynas (M) Sdn Bhd.

The Board approved the Class A Licence (Milling – Temporary Operation Stage) on 30 January 2012. The appeal was filed by Ismail Abu Bakar, Tan Ah Meng and Abujavalli V. Raman as provided for under Section 32 of the Atomic Energy Licensing Act 1984 [Act 304]. The Minister heard the appeal on 17 April 2012.

After giving due consideration to all the evidence presented at the hearing on the issues raised by the Appellants, the Minister has decided that there was no strong justification nor scientific or technical basis for him to set aside the decision of the Board.

Besides this, issues raised by the Appellants had already been given due consideration by the Board in granting the TOL.

However, pursuant to the powers conferred by Subsection 32(5) of Act 304, the Minister of MOSTI has made an order to impose additional conditions to the licence conditions imposed by the Board on 30 January 2012.

The additional conditions are as follows:

- i) Lynas must submit to the Board a method to immobilise radioactive elements in the residue to be disposed in the event excessive residue is stored in the Residue Storage Facility (RSF). The method is to trap radioactive elements from being released into the environment. The immobilisation method is to be approved by the Board and would be made part of the licence conditions; and
- ii) With regard to the radioactive residue disposal facility, Lynas must submit an Emergency Response Plan to control the release of dust from the residue into the air and the environment. The Emergency Response Plan has to be endorsed by the Board. The Plan is necessary in the event the water sprinkler system fails. The response plan should include a contingency measure to provide an alternative water source on standby at all times. The endorsed Emergency Response Plan will be made part of the licence conditions.

The licence conditions imposed by the Board on 30 January 2012 were as follows:

- (i) Lynas is required to submit all aspects relating to *Permanent Disposal Facility* (PDF);
- (ii) The plan and location of the PDF shall be submitted regardless of the outcome of the research and development on commercialisation, recycling and reuse of the residue;

- (iii) The plan and location of the PDF must be submitted and approved within the period of the licence and not more than 10 months from the date of the issuance of the TOL;
- (iv) Lynas shall comply with the financial guarantee prescribed under the relevant laws and according to the proposal submitted by Lynas (M) Sdn Bhd to the Board, USD50 million will be paid to the Government of Malaysia in instalments. This is subject to the review by the Board if so decided at a later date; and
- (v) The Board has the right to appoint an independent assessor to evaluate Lynas's compliance with the stipulated standards and regulations, and the cost shall be borne by the licensee.

Furthermore, the management of the residue generated by Lynas (M) Sdn Bhd during the tenure of the TOL, shall be the responsibility of Lynas, including if necessary, the return of the residue to the source of origin.

Therefore, the TOL shall only be issued by the Board once Lynas (M) Sdn Bhd has complied with all the stipulated conditions, including the two additional conditions.

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**For more information, please contact:**

**Corporate Communications Unit  
Ministry of Science, Technology and Innovation**

**No. Tel : 03-8885 8000  
No. Faks : 03-8890 3092  
Email : [info@mosti.gov.my](mailto:info@mosti.gov.my)**