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## **U.S. Rare Earths Last Chance Mine to be First in the US Since the 1960s to Provide Underground Mined Rare Earth Deposit Material**

### **Highlights:**

- Company has received approval to re-open its historic tunnel work (adit), accelerating mining and development efforts by at least an estimated 3 years**
- Cost savings estimated to be approximately \$6 million CAPEX to the project**
- Material handling of 2,500 tons of metallurgical sampling approved to be removed immediately**
- Zero CAPEX and low OPEX costs related to the removal of the several hundred tons of the company's stockpile material, historically shown to have rare earth mineralization occurrences**

PLANO, Texas, Sept. 12, 2014 /PRNewswire/ -- [U.S. Rare Earths, Inc.](#) (OTCQB: UREE), a domestic rare earths exploration company, has received approval from the U.S. Forest Service to re-open the Last Chance northern adit, the company announced. The Last Chance Vein is one of the longest identified mineralized veins in the Lemhi Pass area of Idaho and Montana. The adits are horizontal tunnels that are used to gain underground access to subsurface mineral deposits. This first phase of the mined material removal is part of the company's efforts to accelerate development efforts. The permit allows for recovery and mining of 2,500 short tons of metallurgical sample from U.S. Rare Earths' Last Chance Project. The company said that it intends to begin to remove and conduct metallurgical testing of the material immediately.

"U.S. Rare Earths is very excited with the achievement of this milestone with the prospect of being the first underground mine since the 1960's in the US to remove rare earth material," said Kevin Cassidy, CEO of U.S. Rare Earths. "We estimate that the opening of the Last Chance existing adits will save the company approximately \$6 million and reduce our development time by at least three years, which places us well ahead of our peers and well on our way of executing our strategy of providing a complete domestic supply chain solution of critical rare earths which are made in America."

The company said that for purposes of exploration, it plans to reopen existing adits, which are known to intersect the Last Chance Vein, and which have historically known rare earth mineralization occurrences. Portions of the extracted rare earth material including the stockpile will be sent to the Hazen Research, Inc. in Golden, Colorado and ALS Geochemistry Tucson, Arizona facilities for initial assay. The metallurgical samples are planned to represent vein grade material extracted from the stockpile and adit.

"Adit access to the main mineralized vein will provide an advanced development opportunity that completely shifts the Last Chance Project away from the typical rare earth exploration landscape where exploration and metallurgical development rely on drill core and weathered surface samples," said Howard Dunn, Principal of Process Engineering LLC.

The company said that it is adopting a multi phased approach and has requested and received approval to remove 2,500 tons of material, but has the right to apply to remove an additional 7,500 tons of material which is allowed to be extracted for metallurgical sampling under Montana state exploration guidelines. Based on historical reports and field observation, the company plans to remove up to several hundred tons of stockpile of material historically known to have rare earth mineralization occurrences.

### **Background**

The Last Chance vein was first explored by Elkhorn Mining Co, in the 1950's, under support by the Defense Minerals Exploration Administration (DMEA). After passing through several other owners, the property was held by the Union Pacific Railroad Co (UPRR) during the 1970's. During this period UPRR developed two adits and a shaft, and completed several drillholes to explore the Last Chance Vein. The adits developed by UPRR consist of a northern adit 755 feet long and a southern adit 452 feet long. While the adits are not connected, both adits intersect the vein. Additional underground work by UPRR included development of an 80-foot vertical shaft located between the adits which also intersected the vein with a short 22-foot tunnel.

During the 1980's, renewed interest by Idaho Energy Resources Company (IERCO) in the rare earth content held in the Last Chance vein deposit led to additional rehabilitation and underground work on the northern adit. IERCO expanded the northern adit by driving an additional 100 feet to the northwest. These underground workings are estimated to represent approximately \$6 million in current dollars and more than 3 years of effort in permitting and development costs. The northern adit was last worked by IERCO in 1989 and has since been closed-in for safety purposes.

**About U.S. Rare Earths, Inc.**

U.S. Rare Earths, Inc. is a U.S. based domestic mineral exploration, mining and claims acquisition company based in Plano, TX. The Company holds approximately 22,000 acres of mining claims for rare-earth elements in Colorado, and in the Lemhi Pass Region of Idaho and Montana. The Company is in the exploration stage and does not have any reportable reserves.

Rare earth elements are critical to many existing and emerging 21st century applications including clean-energy technologies such as wind turbines, hybrid cars and electric vehicles; high-technology applications including cell phones and digital music players; hard disk drives used in computers; microphones; fiber optics; lasers; and in addition, critical defense applications such as global positioning systems, radar and sonar; and advanced water treatment applications, including those for industrial, military, homeland security, domestic and foreign aid use.

For more information visit: [www.usrareearths.com](http://www.usrareearths.com)

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Some statements contained in this news release are forward-looking statements, and, therefore, involve uncertainties or risks that could cause actual results to differ materially. These statements may contain words such as "desires," "believes," "anticipates," "plans," "expects," "intends," "estimates" or similar expressions. These statements are not guarantees of the Company's future performance and are subject to risks, uncertainties and other important factors that could cause its actual performance or achievements to differ materially from those expressed or implied by these forward-looking statements. Such statements include, but are not limited to, rare-earth industry risks, estimates of mineralized materials, litigation risks, plans to raise capital, and board, management and governance risks. Additional information regarding factors that could cause results to differ materially from management's expectations is found in the Company's SEC filings. The Company intends that the forward-looking statements contained herein be subject to the above-mentioned statutory safe harbors. Investors are cautioned not to rely on forward-looking statements. The Company undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

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