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U.S. Rare Earths Begins Material Handling to Remove its Stockpile of Rare Earth Material on its Last Chance Project

PLANO, Texas, Nov. 5, 2014 /PRNewswire/ -- [U.S. Rare Earths, Inc.](#) (OTCQB: UREE), a domestic rare earths exploration company, announced that it has begun material handling to remove the company's "stockpile" of rare earth material on its Last Chance project. The U.S. Forest Service recently granted approval for the company to re-open the Last Chance northern tunnel (adit) for metallurgical sampling, which is one of the longest identified mineralized veins in the Lemhi Pass area of Idaho and Montana.

U.S. Rare Earths said that it will begin metallurgical sampling immediately of the rare earth material from the stockpile, with Hazen Research, Inc. in Golden, Colorado and ALS Geochemistry in Tucson, Arizona.

The Company believes it will save an estimated \$6 million in CAPEX and reduce its development time by at least three years from this achievement.

"The U.S. Rare Earths team has been working very hard to achieve the key milestone of being the first American rare earth company with an underground mine to have removed rare earth material in recent history," said Kevin Cassidy, CEO of U.S. Rare Earths. "Our highly qualified team is now removing the stockpile after which we intend to perform metallurgical testing to confirm historical data. We believe results will confirm that material from the Last Chance project is rich in Europium, a rare earth essential in providing the colors used in applications such as smart phones and CFL light bulbs."

Mr. Cassidy added, "Europium pricing has been one of the very few rare earth elements which have maintained a consistently high price. We believe we are well underway to executing our strategy of providing a complete domestic supply chain solution of rare earths which are made in America."

Background

U.S. Rare Earths recently received the approval to re-open the Last Chance northern adit to allow for the retrieval of up to 2,500 short tons of metallurgical sample material from the adit and a historic surface stockpile. Based on historical reports and field observation, the stockpile of material is believed to have rare earth mineralization occurrences.

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. 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 company based in Plano, TX. The Company holds approximately 1,250 unpatented lode mining claims that cover approximately 22,000 acres of land in Idaho, Montana and Colorado. 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

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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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