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U.S. Rare Earths Announces Extraction Of Critical Rare Earths In Montana

COMPANY PLANS TO EXPAND IN 2014 BASED ON ITS DRILLING SUCCESS

PLANO, Texas, Jan. 9, 2014 /PRNewswire/ -- U.S. Rare Earths, Inc., (OTCBB:UREE), a U.S. based domestic rare earths exploration company with more than 25,000 acres of mining claims in Idaho, Montana, and Colorado, announced today that it is beginning 2014 having successfully extracted the first critical rare earths in the continental U.S. The deposits come from the company's Last Chance Property in Montana. Preliminary metallurgical leach testing was completed by SGS of Ontario, Canada. The leach test results demonstrated a 79 percent recovery of Critical Rare Earths.

Four different leaching approaches were used to extract rare earth metals into a solution and warrant further optimization. The initial results indicate the technical feasibility of extracting much needed Critical Rare Earths for U.S. consumption from USRE's Last Chance Property.

This announcement follows U.S. Rare Earth's successful 2013 campaign, during which the company was able to drill eight holes on its Last Chance properties in Montana. Highlighted results from UREE's North Fork exploration efforts returned assays from the surface channel sampling with Total Rare Earth Oxide (TREO) averaged grades as high as 10.3 percent with Critical Rare Earth Oxide (CREO) grades running an average of 1.2 percent. The company also announced the additions of the former Commander of the United States Central Command, General Tommy Franks, and former Nebraska Governor and U.S. Senator Bob Kerrey, as well as solidified its best-in-class infrastructure under new CEO Kevin Cassidy. These accomplishments position USRE as America's primary source of critical rare earths, which are essential to making electronic devices and weapons for America and its allies.

"With China attempting to tighten their noose around the current global supply of critical rare earths by setting the foundation for a national rare earth group, there's a new sense of urgency for a domestic supply of critical rare earths," says Cassidy. "The results from our properties in Montana prove our company is on the path to developing an American supply chain that will create good jobs and take advantage of a national treasure."

According to the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics' Strategic and Critical Materials 2013 report on stockpile requirements, "six rare earth element shortfalls were identified: they are: yttrium, dysprosium, erbium, terbium, thulium, and scandium," and the "United States previously performed all stages of the rare earth material supply chain, but now most rare earth materials' processing is performed in China, giving it a dominant position that could affect worldwide supply and prices." U.S. Rare Earths Inc. not only has the properties to develop a domestic supply of these critical rare earths, but it now has plans to build a complete HREE and CREE separation facility in the continental United States.

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 over 25,000 acres of mining claims for rare-earth elements in Colorado, and in the Lemhi Pass Region of Idaho and Montana.

Rare earth elements are critical to many existing and emerging 21st century applications including clean-energy technologies such as 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

Safe Harbor Statement:

Some statements contained in this news release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, 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 and associated radionuclides, 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.

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