

USMMA Lauds Legislation to Reduce Economic and Security Risks

Senate Should Move Quickly on Practical Steps to Lessen Vulnerabilities Associated with Critical Minerals

FOR IMMEDIATE RELEASE

May 27, 2011

Washington, DC --The <u>United States Magnetic Materials Association</u> ("USMMA"), a trade association dedicated to the reestablishment of the entire supply-chain of materials used in magnet systems, we knowes the introduction of the <u>Critical Minerals Policy Act of 2011 (S. 1113)</u> by <u>Senator Lisa Murkowski (R-AK)</u>. This timely legislation, which received the bipartisan support of 16 co-sponsors, represents a comprehensive solution to market uncertainties that plague important elements of the national security and green technology industrial bases. USMMA applauds Senator Murkowski for her leadership on this issue and urges the Senate to move quickly on considering this bill.

The Critical Minerals Policy Act acknowledges the untenable position in which the United States finds itself: dependent on unreliable foreign sources for those materials that are critical to much-needed military applications and certain energy-saving components. The bill successfully addresses the full range of issues – resource identification, permitting, manufacturing, workforce issues and research and development – that hinder the participation of U.S. industrial actors in the critical minerals and rare earths market. It does so through pragmatic steps such as: requiring a complete commercial market analysis of supply and demand; creating a process to designate critical minerals for special treatment by the U.S. Government; establishing an interagency working group to lower barriers to entry in the critical minerals market; and promoting international cooperation between the United States and our allies in this important area.

USMMA President Ed Richardson stated, "Senator Murkowski's bill is a tremendously useful complement to <u>H.R. 1388</u>, the Rare Earths Supply-Chain Technology and Resources Transformation Act of 2011 as introduced by <u>Representative Mike Coffman of Colorado</u>. Both bills emphasize the importance of taking practical steps in the near-term to address existing vulnerabilities in the rare earth supply-chain and thus mitigate those risks associated with our national security. We endorse the Critical Minerals Policy Act of 2011 and look forward to working with senators and their staffs on this truly importance piece of legislation."

More information on the USMMA can be found here.

USMMA members include:

Electron Energy Corporation (EEC) offers unmatched expertise in rare earth magnets, assemblies and systems. Founded in 1970, EEC is an ITAR and DFARS-compliant, US supplier, that develops and produces custom Samarium Cobalt (SmCo) and Neodymium-Iron-Boron (NdFeB) sintered permanent magnets and assemblies. EEC is dedicated to improving rare earth magnet performance to meet the most technically demanding applications in aerospace, military, medical, electronics, and motion control markets.

Thomas & Skinner, Inc.

High Performance Magnetic Materials

and magnetic materials used in strategic weapons systems. Our cast and sintered alnico magnets, magnetic assemblies, and transformer laminations are considered the best in the industry. Through its wholly owned subsidiary, Ceramic Magnetics, Inc., Thomas & Skinner is also a leading manufacturer of soft ferrite magnets. We are committed to providing our customers with the highest-quality, highest-performing magnetic materials available.

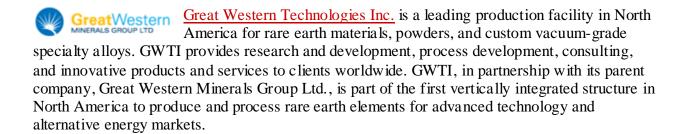
U.S. Rare Earths, Inc. U.S. Rare Earths, Inc., an American natural resources development company based in Salt Lake City and New York City, holds large resources and reserves of high-grade rare earth metals and the largest documented high-grade thorium properties in the world within its properties in Idaho, Montana, and Colorado, including 80% of known and estimated U.S. reserves.



Arnold Magnetic Technologies (Arnold) produces cast and sintered Alnico, RECOMA® brand Samarium Cobalt (SmCo), bonded

Ferrite and Neodymium magnets, all varieties of magnetic Assemblies, and ultra-thin precision foil and strip. Arnold's Alnico, SmCo and silicon steels are DFARS compliant and work done at any of our six (6) US-based facilities is also ITAR compliant. We also offer Neodymium-Iron-Boron magnets and have multiple fabrication facilities for magnets and assemblies utilizing all commercially available magnet materials.

Lynas Corporation is creating a reliable, fully integrated source of supply from mine through to customers, and aims to become the benchmark for security of supply and environmental standards in the global Rare Earths industry. Lynas has developed a mine at its rich deposit of Rare Earths at Mt. Weld in Western Australia, and will produce separated rare earth products from its Advanced Materials Plant which shall commence production in Q3 2011.



Ucore Rare Metals Inc. is a Canadian resource exploration company focused on rare metal ores, among the primary input materials of technology applications in the 21st century. Ucore maintains holdings across North America including Bokan Mountain, estimated to be one of the most significant Dysprosium and other Heavy Rare Earth deposits within the United States.

Texas Rare Earth Resources Corp is a North American based mining company engaged in the exploration and development of mineral properties. Their flagship property, Round Top Mountain in Hudspeth County, Texas, is held under a 20-year renewable lease from the State of Texas to explore and develop a rare earth-uranium-beryllium prospect which includes niobium, tantalum and gallium.

Stans Energy Corp is focused on developing the materials necessary to meet the clean energy demands of the future. Their goal is to build and produce our licensed properties containing rare earths, uranium, and associated metals in the near term. Stans company growth will come from acquiring, and participating in the development of, resource properties located in areas of the former Soviet Union.

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