

It appears American Rare Earths has the right stuff

written by InvestorNews | February 1, 2023

Last week I wrote [an article](#) about a rare earths explorer that had just announced a new President, was awaiting results from a drilling program and was anticipating a resource estimate by the end of Q1. To quote the Bard of Baseball, Yogi Berra, “It’s like Déjà vu all over again”. It is seemingly an unlikely circumstance that two rare earth exploration companies would have this same trio of circumstances at virtually the same time, but that’s what makes life so interesting. Sometimes truth is stranger than fiction.

Today we look at Australian based [American Rare Earths Limited](#) (ASX: ARR | OTCQB: ARRF) who also happens to have a lot going on at the moment. American Rare Earths is emerging as an alternative international supply chain to China’s market dominance of a global rare earth market. The Company’s mission is to supply Critical Materials for Renewable Energy, Green Tech, Electric Vehicles, National Security, and a Carbon-Reduced Future. American Rare Earths is one of the few listed companies with exposure to the rapidly expanding US market, developing its 100% owned magnet metals projects, Halleck Creek in Wyoming, and La Paz in Arizona. Both have potential to be among the largest rare earths deposits in North America.

The first comparable was when the [Company](#) announced last week it had appointed Melissa (Mel) Sanderson as the new President of North America. Followers of the [InvestorIntel](#) website may be thinking that name seems familiar, and you’d be correct. Another hat worn by Mel is as a Director for the [Critical Minerals Institute](#), she is often asked to offer her expertise on

InvestorIntel.com as one of the foremost ESG & Critical Minerals experts in the sector. But more importantly, Ms. Sanderson is an accomplished leader in mining and diplomacy, with a global career that has spanned 30-plus years. Mel brings to the role a wealth of industry expertise based on her time at global mining leader Freeport-McMoRan, in a corporate ESG role and as Vice President for Africa. The Company will additionally benefit from the fact that Mel is a Wyoming native, where its Halleck Creek Rare Earth Project is located in Platte and Albany Counties in southeast ranch country.

That is a great segue to the next similarity where American Rare Earths is awaiting the results of its recent 38 hole drilling program at Halleck Creek, with further details to be released in the coming weeks. Preliminary drill results indicate consistent rare earth mineralisation from surface to a depth of at least 150 m, a 50% increase on previous expectations and demonstrating rare earth mineralisation beyond the Company's original expectations. Field rare earth observation samples from a handheld X-Ray Fluorescent (XRF) analyser show exceptional values for Rare Earth Oxides (REO) from surface to depth from the first 25 RC holes drilled.

Naturally, this leads to the final comparable, whereby American Rare Earths is working towards a maiden resource estimate at Halleck Creek by the end of the first quarter. The Company is now finalising the results from the drilling campaign and awaiting results from ALS laboratories. The Company remains on track to announce a significant maiden JORC (Australian equivalent of NI 43-101) resource in the first quarter of the 2023 calendar year. Although this could only be the start, as the deposit remains open laterally and at depth, suggesting the expansion potential of this project is immense.

That's where the similarities end, for now, but there is one

additional piece of information that was disclosed on Monday by American Rare Earths in their [December 2022 Quarterly](#) Activities Report, that I believe is quite important. That's the mineralogy test results for Halleck Creek. The results could be a game changer for the Company as testing indicates the rare earth elements host material can be recovered using simple separation technology due to the ease of initial ore recovery. This suggests considerable reductions in operating and capital costs for production facilities could be achieved. As well, what also makes Halleck Creek unique is the extremely low thorium and uranium penalty elements so often associated with rare earth projects. This means less harmful chemicals during processing and not having to dispose of radioactive waste.

As a greater environmental focus gets put on the domestic mining of critical materials, it could be quite advantageous to be the one doing it in a greener and more environmentally friendly manner than your peers. I'm sure American Rare Earths is hoping their resource estimate provides the momentum to keep the Halleck Creek project moving towards production in the years to come. They appear to have the right quality, now they just need the quantity.