

Tasman Metals to play a crucial role in addressing Europe's rare earth supply concerns

☒ China's dominance in the rare earth metals world market continues to cause concern in the European Union and future supplies could be threatened if a competitive option is not found. Tasman Metals Ltd. (TSXV: TSM | NYSE MKT: TAS), already considered a leader in the EU, is certainly one of the potential alternatives. The EU Commission has therefore formed ERECON, European Rare Earths Competency Network to monitor the supply of rare earths within the Union. Tasman, the single European based (but Toronto listed) mining company included in elected to participate in its expert group, can claim the only NI 43-101 compliant rare earths resource in mainland Europe featuring one of the highest concentrations (50%) of heavy rare earths (HREE) vs. total rare earth oxides (TREO) and it is especially rich in yttrium and dysprosium.

Tasman's project is located in a politically stable, mining friendly jurisdiction thereby ensuring a reliable and steady supply of the strategic metals. The company's projects, Norra Karr and Olserum, in Sweden are two of the most important known HREE deposits of dysprosium, yttrium, terbium and neodymium. Tasman strives to provide a safe, sustainable and responsible development of its mineral projects in Scandinavia. Norra Karr is located near a very important highway and thus has the necessary infrastructure requiring no major investments. The power supply is also well within reach. Tasman has received all relevant mining concessions and the company can start to prepare the launch of production, which will hopefully take place between 2018 and 2019; it has also received an exploration permit of up to 500 tons of ore at

Norra Karr.

Tasman recently announced that it has successfully produced a heavy rare earth (HREE) enriched concentrate at its Norra Karr project, representing a metallurgical milestone for Tasman and the last step toward creating its flow chart. The processing and hydrometallurgical tests were performed in various internationally recognized laboratories and data delivered in a quality sufficient for a pre-feasibility study currently under elaboration (PFS). Norra Karr is one of the world's most significant deposits of heavy rare earths, which are characterized by a simple and calculable mineralogy. Thanks to a relatively 'undemanding' flow diagram, conventional mining and processing facilities can be adopted using commonly used chemicals production is possible. Tasman has chosen sulfuric acid, because it is relatively inexpensive and widely available in Sweden and there is a rail link that runs just 25 km from the Norra Karr project, sulfuric acid is already transported in larger quantities. Tasman has performed extensive metallurgical process tests and has achieved a significant milestone with the precipitation of a product of high purity HREE and it now has a solid processing method. Tasman commissioned Australia's ANSTO in 2013 to optimize the hydrometallurgical flow sheet for Norra Karr that had already been started by other firms. ANSTO is an internationally recognized, leading analyst firm, which specializes in hydrometallurgical investigations of rare earth metals and similar projects.

Tasman's progress comes at a crucial time as Europe's industrial powers have expressed concerns about the security of rare earth supplies in Europe. ERECON has served as a platform to address such issues as primary sources of rare earths production, resource efficiency and alternatives to raw materials in the form of recycling. Mark Saxon, Tasman's CEO, was one of the distinguished speakers at the ERECON conference in Milan last October 16. ERECON brought together experts and

representatives from the most promising companies working toward improving the rare earth supply for Europe and the rest of the world. The timing could not have been more ideal as China has increased its efforts to limit the illegal mining and export of rare earths, launching a five-month campaign, especially designed to prevent a further drop in prices. From October to the end of March 2015 China will track down illegal and smuggling rare earth operations, setting severe fines – and criminal charges – against offenders. Provincial and municipal governments will monitor the efforts but there is the risk that in this latest effort by Beijing to attempt a reform of its rare earth industry may lead to stricter production quotas with allotments granted to an ever smaller number of authorized companies. The People's Republic is believed to have about 40% of the world's known rare earth reserves, addressing more than 90% of global demand. The United States, Japan and Europe have filed a complaint with the WTO (World Trade Organization) in 2012 insisting that China's production and export quotas limiting the supply for the global market gave Chinese companies an unfair competitive advantage.