

# **Innovation Metals Corp. to Participate in US Department of Defense Rare-Earth Project and Launches Lab-Scale Solvent Extraction Pilot Plant Program**

June 5, 2014 (Source: PR Newswire) – Innovation Metals Corp. (IMC or the Company) today announced its participation in a new \$1.2M rare-earth supply-chain development program, led by Technology Metals Research, LLC (TMR) and funded by the US Army Research Laboratory (ARL), part of the US Department of Defense (DOD).

Logo – <http://photos.prnewswire.com/prnh/20140604/94652>

IMC joins a dozen other participants in the program, which will enable the Company to construct and to operate a 120-stage, lab-scale rare-earth-element (REE) pilot plant. The plant will be used to test solvent-extraction (SX) process-flow diagrams, for the extraction and separation of REEs, focused on the much sought-after heavy REEs.

“The United States and Canada are well endowed with critical- and heavy-rich REE deposits,” said Gareth Hatch, President of IMC, co-founder of TMR and the Principal Investigator for the 12-month program. “What is missing from mine-development projects is the ability to extract and to separate heavy REEs here in North America, once the ores have been initially processed. IMC is in the process of ‘re-shoring’ the knowledge and expertise required for the production of separated heavy REEs, and will use the new SX test apparatus to provide baseline comparative data to the overall ARL program.”

Once constructed, the pilot plant will be run by experienced personnel at a third-party process-engineering facility in Canada. The Company will initially use heavy REE-rich concentrates that are commercially available from non-Chinese sources. IMC will also collaborate with future heavy REE producers that are able to provide similar concentrates for testing.

In addition to the pilot-plant program, IMC continues to develop its plans for the construction of a centralized, toll-separation SX facility in North America. While the Company continues to give serious consideration to locating this facility in Becancour, Quebec, in recent months it has taken a closer look at other jurisdictions in North America, most notably in New York, Missouri and other US states. The facility will be located in a jurisdiction that enables IMC to best capitalize on the opportunities, technical capabilities and infrastructure available in North America.

“Future heavy REE producers will benefit from a centralized separation facility, by reducing their capital expenditure requirements,” commented Patrick Wong, CEO of IMC. “They will be able to participate in a cost-effective tolling program, to separate their concentrates into individual products. Just as the oil & gas sector processes feedstocks from different producers in centralized refineries, we believe that the REE sector will also benefit from such an approach.”

IMC is also working with future producers, investors and strategic partners to evaluate the merits of placing additional REE separation facilities in regions beyond North America. “These facilities aren’t cheap,” said Mr. Wong, “and the industry doesn’t need more than a few of them, so IMC’s plans of being first to market, will be a big advantage.”

### **About Innovation Metals Corp.**

Innovation Metals Corp. (“IMC”) is a private Canadian-based

company founded in 2011. IMC's goal is to alleviate the bottleneck that has formed in the rare-earth supply chain, through the creation of an independent, centralized rare-earth separation facility, to be located in North America. With the facility the company will bridge the gap between producers and end users, providing low-cost material tolling programs to producers and assuring security of supply for end users and sovereign governments.

## **Forward-Looking Statements**

This news release contains projections and statements that may constitute "forward-looking statements" within the meaning of applicable Canadian and United States laws. Forward-looking statements in this release may include, among others, statements regarding the future plans, costs, objectives or performance of Innovation Metals Corp. ("IMC"), or the assumptions underlying any of the foregoing. In this news release, words such as "may", "could", "would", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "goal", "estimate" and similar words and the negative forms thereof are used to identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that are beyond IMC's control, and which may cause the actual results, level of activity, performance or achievements of IMC to be materially different from those expressed or implied by such forward-looking statements. Such risks and uncertainties could cause actual results and IMC's plans and objectives to differ materially from those expressed in the forward-looking information. IMC can offer no assurance that its plans will be completed. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by law, IMC assumes no obligation to update forward-looking information should circumstances or management's estimates or

opinions change.