

Matamec's Kipawa HREE Project Strategically Positioned to Benefit from Quebec's Electrification of Transport as per KPMG-SECOR Study

✘ February 3, 2014 (Source: Marketwired) – **Heavy rare earths, now a geostrategic resource in Quebec**

According to a KPMG-SECOR study commissioned by Matamec Explorations Inc. ("Matamec" or the "Company") (TSX VENTURE:MAT)(OTCQX:MHREF) and Toyotsu Rare Earth Canada (TRECAn), Quebec has assets to overcome the challenges associated with the deployment of electric cars. Rare earths, and most notably heavy rare earths, are essential materials in components of electric motors and batteries.

In addition to having geostrategic resources and the ability to produce electricity inexpensively, Quebec can count on several companies and research centers to promote the electric car industry. Quebec is among the pioneers in Canada in regards to the implementation of the necessary infrastructure for electric cars, such as workplace plug-in stations. One of the challenges of the production of electric cars is that over 95% of the heavy rare earths are produced in China, resulting in a significant risk of supply of these materials. Quebec has the potential to become a strategic producer of these critical resources.

According to the results of the KPMG-SECOR study, a reasonable scenario in the Quebec market would see 165,000 electric vehicles by 2020, adding \$107 million to Quebec's economy and creating 1,800 jobs. In addition, about 181 million liters of

gasoline would be substituted by the use of 256 GWh of electricity and CO₂ emissions would be reduced by 415 kilotons. Note that the Quebec government 2011-2020 *Action Plan for Electric Vehicles* sets the goal of reaching 300,000 electric cars in Quebec by 2020.

“The electrification of transportation is now the center of Quebec’s development strategy and Matamec is well positioned to become the first heavy rare earth mining project in Quebec and Canada,” says André Gauthier, President and CEO of Matamec. “Kipawa would, alone, produce 9% of the world consumption of heavy rare earths outside China.”

For the SECOR-KPMG study

About Matamec

Matamec Explorations Inc. is a junior mining exploration company whose main focus is in developing the Kipawa HREE deposit with TRECan.

In parallel, the Company is exploring more than 35 km of strike length in the Kipawa Alkalic Complex for rare earths-yttrium-zirconium-niobium-tantalum mineralization on its Zeus property. Since 2007, Matamec discovered eight (8) new rare earth showings. Particularly, it drilled the PB-PS Zone in the fall of 2012 and identified Eudialyte-Mosandrite/Yttrio-Titanite/Britholite mineralization similar to those found at the HREE Kipawa Deposit. This type of mineralization is presently known over a length of 200 metres and is open laterally and at depth. This mineralized zone is 2.3 km SW of the Kipawa deposit and a soil anomaly seems to connect the two. The Company plans to drill these extensions later this year.

The Company is also exploring for gold, base metals and platinum group metals. Its gold portfolio includes the Matheson JV property located along strike and in close

proximity to the Hoyle Pond Mine in the prolific gold mining camp of Timmins, Ontario. In Quebec, the Company is exploring for lithium and tantalum on its Tansim property and for precious and base metals on its Valmont and Vulcain properties. Matamec signed in August 2013 an option agreement where Canada Strategic Metals can acquire an interest of up to 50% in the Sakami gold project, located in the James Bay region of northern Quebec by committing \$2.25 million in exploration work including \$500,000 in the first year of drilling – assays will be upcoming soon.

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This news release contains “forward-looking information” within the meaning of Canadian Securities legislation. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “scheduled”, “anticipates”, “expects” or “does not expect”, “is expected”, “scheduled”, “targeted”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are based on assumptions management believes to be reasonable at the time such statements are made. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Although Matamec has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to those risk factors set out in the Company’s year-end Management Discussion and Analysis dated December 31, 2012 and

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