

Stans Energy Awarded \$118 Million USD in International Arbitration Ruling

☒ July 2, 2014 (Source: BusinessWire) – Stans Energy Corp. (TSX-V: HRE, OTCQX: HREEF), (“Stans” or the “Company”) is pleased to announce that the Arbitration Court at the Moscow Chamber of Commerce and Industry (the “Tribunal”) has handed down a final binding ruling in the matter between the Company and the Government of the Kyrgyz Republic. The Company is now entitled to enforcement of the Tribunal Judgment pursuant to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (1958).

Having considered evidence in Tribunal proceedings on December 31, 2013, February 6, 2014, March 3, 2014, March 31, 2014 and April 29-30 2014, the Tribunal ruled in favour of Stans:

1. To dismiss a motion of April 25, 2014 by the Government of the Kyrgyz Republic on postponement of the dispute resolution until the claim is considered at the local Moscow Arbitration Court (the “Court”) on jurisdiction of the Tribunal.
2. To recognize the Tribunal’s jurisdiction to consider a matter representing Stans Energy Corp. of Canada and Kutisay Mining of Kyrgyzstan (together “the Claimants”) against the Government of the Kyrgyz Republic.
3. To recover from the Government of the Kyrgyz Republic in favour of the Claimants USD \$117,738,940.30 owing under this claim, and USD \$158,974.00 for the arbitration fees paid by the Claimants, and USD \$308,142.50 for the Claimant’s legal fees and expenses.

The total amount awarded for recovery by the Claimant is USD \$118,206,056.80.

Furthermore, the Company is pleased to provide an update on the jurisdictional challenges that the Government of the Kyrgyz Republic had submitted to the Court and to the Economic Court of the Commonwealth of Independent States (the "Economic Court") relating to the interpretation of Article 11 of the Moscow Convention. These challenges were intended to test whether this provision on its own constitutes consent of the Kyrgyz Republic to jurisdiction of an international arbitration tribunal.

On July 1, 2014, the Court heard the application of the Kyrgyz Republic to not recognize the jurisdiction of the Tribunal in the matter brought against it by Stans Energy Corp. The Court ruled that the Tribunal did in fact have jurisdiction in the matter and dismissed the Kyrgyz claim in favour of Stans. A written ruling will be provided in the coming weeks.

The Economic Court was requested by the Kyrgyz Republic to provide a ruling on the interpretation of Article 11 of the Moscow Convention. The Court opted for an advisory opinion. As this is an advisory opinion only, it is not enforceable as a legal ruling even within the Commonwealth of Independent States ("CIS"). It is not binding on the Tribunal or the Courts outside the CIS. A hearing on this matter has been set for the end of September 2014.

"Stans Energy has always conducted business to the highest ethical standards. This ruling validates the position taken by the Company. The Government of the Kyrgyz Republic now has an opportunity to foster a positive investment climate in the country and to match its actions to the message that it promotes around the world. Stans Energy is open to continuing dialogue and negotiations to resolve the situation surrounding Kutessay II. Now that the conclusion to the legal proceedings is in place, the parameters to an amicable solution are clearly defined. The Company is consulting with its international legal teams to determine on how to best proceed."

Translated versions of the Company's decisions both from the Tribunal and the Court will be posted to the Company's website upon completion.

"Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

About Stans Energy

Stans Energy Corp. is a resource development company focused on progressing Heavy Rare Earth (HRE) properties in areas of the Former Soviet Union. In December 2009, Stans acquired a 20-year mining license for the past-producing Kutessay II rare earth mine from the Kyrgyz Republic. On May 26, 2011 Stans completed the purchase of the Kashka Rare Earth Processing Plant (KRP) the same plant that previously refined REEs historically from Kutessay II. The KRP was the only hard rock plant to produce all rare earth elements outside of China, producing 120 different metals, alloys, and oxides. For over 30 years, Kutessay II produced 80% of the rare earth metals for the former Soviet Union.

FORWARD LOOKING STATEMENTS: This document includes forward-looking statements as well as historical information. Forward-looking statements include, but are not limited to, use of proceeds from the Offering, the completion of the Offering, the continued advancement of the company's general business development, research development and the company's development of mineral exploration projects. When used in this press release, the words "will", "shall", "anticipate", "believe", "estimate", "expect", "intent", "may", "project", "plan", "should" and similar expressions may identify forward-looking statements. Although Stans Energy Corp. believes that their expectations reflected in these forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking

statement. Important factors that could cause actual results to differ from these forward-looking statements include the potential that fluctuations in the marketplace for the sale of minerals, the inability to implement corporate strategies, the ability to obtain financing and other risks disclosed in our filings made with Canadian Securities Regulators.