

# Matamec Announces Update on Kipawa JV Heavy Rare Earth Project



September 24, 2013 (Source: [Marketwire](#)) – **Matamec Explorations Inc.** (“Matamec” or the “Company”) (TSX VENTURE:MAT)(OTCQX:MHREF) is pleased to provide an update on the upcoming plans for the Kipawa Joint Venture (“JV”) Heavy Rare Earth Elements Project (“HREE”).

As planned, the Matamec team met recently with Toyotsu in Nagoya, Japan, for the first time since the completion of the positive feasibility study. It was agreed to commence the second pilot plant for beneficiation with the expectations of achieving higher rare earths recovery rates which would be a first step toward improving the economics of the project. Beneficiation in the case of the Kipawa project is mainly magnetic separation after crushing and grinding.

Both companies will meet this fall to finalize the upcoming budget and strategies for the optimization, permitting and financing phase of the project we are presently in and to review the progress made over the past several months.

Matamec would like to make very clear reference to the feasibility study press release that it strongly believes it can achieve greater success with bringing the IRR above 25% by only slightly reducing the CAPEX and OPEX per tonne of concentrate produced while improving the recovery. There are a number of opportunities that have the potential to add additional value for the Company to optimize.

“We are committed to improving the economics of the Kipawa project and feel confident we will be able to achieve stronger

results,” said Andre Gauthier, President and CEO of Matamec. “The completion of the feasibility study was a very important step for Matamec to achieve as it has initiated several new exciting opportunities which have come about with the completion of the study. There is growing interest from potential end-users with our Zeus property now that Matamec has demonstrated a positive feasibility study on the Kipawa deposit which sets the next phase of growth for the Company. While Matamec is focused on developing its Zeus rare earth property, we are presently evaluating opportunities to monetize some of our gold properties which we will communicate once finalized.”

The second pilot plant for beneficiation is starting today at SGS Minerals Services (Lakefield site). The plant consists of crushing and grinding circuits, followed by 2 stages of dry magnetic separation. The last results regarding beneficiation testwork confirmed 85% recovery in the variability sample program which has been used in the Feasibility Study. The second pilot plant for beneficiation will be done with a “Master Composite” of ore representing the overall ore deposit. From recent testwork it is reasonable to anticipate improvement in recovery for this beneficiation process.

Technical information in this press release was reviewed and adopted by Bertho Caron, VP Project Development & Construction (Eng.) and Aline Leclerc, VP Exploration (Geo.), Matamec’s Qualified Persons for this press release.

### **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 2008, Matamec discovered many potential showings. Particularly, it drilled the PB-PS Zone in the fall of 2012 and identified similar Eudialyte-Mosandrite/Yttrio-Tantinite/Britholite associated mineralization founded at the HREE Kipawa Deposit. This type of mineralization is presently known over 200 metres long and it opens laterally and at depth. 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 on drilling.

### **Cautionary Statement Concerning Forward-Looking Statements**

*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 contained herein include, without limitation, statements relating to mineral reserve estimates, mineral resource estimates, realization of mineral reserve and resource estimates, capital and operating costs estimates, the timing and amount of future*

production, costs of production, success of mining operations, the ranking of the project in terms of cash cost and production, permitting, economic return estimates, power and storage facilities, life of mine, social, community and environmental impacts, rare metal markets and sales prices, off-take agreements and purchasers for the Company's products, environmental assessment and permitting, securing sufficient financing on acceptable terms, opportunities for short and long term optimization of the Project, and continued positive discussions and relationships with local communities and stakeholders. 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: Matamec's ability to secure sufficient financing to advance and complete the Project, uncertainties associated with Matamec's resource and reserve estimates, uncertainties regarding global supply and demand for rare earth materials and market and sales prices, uncertainties associated with securing off-take agreements and customer contracts, uncertainties with respect to social, community and environmental impacts, uncertainties with respect to optimization opportunities for the Project, as well as those risk factors set out in the Company's year-end Management Discussion and Analysis dated December 31, 2012 and other disclosure documents available under the Company's profile

at [www.sedar.com](http://www.sedar.com). Forward-looking statements contained herein are made as of the date of this news release and Matamec disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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