

As Chinese rare earths' stock prices rally, pressure rises for the rest of the world...

Rising US-China tension has resulted in some rare earths' stock prices rising sharply, particularly those in China. Given the recent US moves to introduce critical materials legislation it seems likely that the non-Chinese rare earth stocks will also rally strongly this year, particularly if the new bills and financial support are passed.

Let's start with a recap of the recent US support highlights for rare earths:

- May 18, 2018 – The US declared a list of 35 critical materials. A large part of the list includes rare earths.
- May 2, 2019 – U.S. Sen. Lisa Murkowski and others submitted the American Mineral Security Act
- In mid May, 2020, Senator Ted Cruz submitted the Onshoring Rare Earths Act – the 'ORE Act'
- On May 28, 2020 US Representative Michael Waltz submitted the American Critical Mineral Exploration and Innovation Act of 2020

The ORE Act focuses on six critical materials – **Rare earths**, scandium, lithium, cobalt, graphite, and manganese. The Critical Mineral Exploration and Innovation Act directs the U.S.G.S. to complete updated resource assessments for each critical mineral. It has been reported that there will be a focus on **rare earths** and other so-called strategic minerals.

Then just last week rare earths expert and Technology Metals Show host Jack Lifton stated exclusively to InvestorIntel: "The US Defense Department has announced last week that it will seek \$1.7 billion for rare earths purchases in the 2021

National Defense Authorization Act that means the budget for fiscal 2021. In addition they will ask for another \$300 million (**a total of \$2 billion**), for rare earths for specialized weapons which they name as hypersonic missiles...”

Given all of the above proposed support to the rare earths sector, it is abundantly clear that the US is now finally moving rapidly to secure critical rare earths supply, particularly from US deposits, where possible. Current rare earths producers and listed rare earths stocks stand to be beneficiaries. Especially if they have US rare earths projects, but quite likely any non-Chinese rare earth juniors that can achieve funding and production should find very strong western demand for their products. Most of the western world is now looking to diversify their supply chains especially after the trade war and COVID-19 problems of the past 2 years.

Some rare earth miners with US projects include:

- MP Materials (private)
- Rare Element Resources Ltd. (OTCQB: REEMF)
- Texas Mineral Resources Corp. (OTCQB: TMRC)
- Ucore Rare Metals Inc. (TSXV: UCU | OTCQX: UURAF)

Some miners with US rare earth processing potential include:

- Energy Fuels Inc. (NYSE: UUUU | TSX: EFR) recently stated their White Mesa Mill in the USA could be used in future for rare earths processing.
- Lynas Corporation (ASX: LYC) has received US support for a planned US rare earths processing facility.
- Peak Resources (ASX: PEK) plan to have a US rare earths processing facility.

Some rare earth miners with Canadian projects include:

- Avalon Advanced Materials Inc. (TSX: AVL | OTCQB: AVLNF)
- Appia Energy Corp. (CSE: API | OTCQB: APAAF)

- Search Minerals Inc. (TSXV: SMY)

Some rare earth miners with Australian projects include:

- Alkane Resources Ltd. (ASX: ALK | OTCQX: ALKEF)
- Scandium International Mining Corp. (TSX: SCY)

Rare earths are vital ingredients for modern technology



Closing remarks

The massive recent news of two new rare earth/critical materials related Acts and a proposed “US\$2 billion towards rare earths in 2021”, appears to have been somewhat missed by the market. The Chinese rare earths stocks have already bounced leaving the potential rest of the world rare earth miners to play catch up.

News flow in future months should continue to be extremely promising for the rare earths sector following on from the tremendous news from the last few weeks.

Investors should not wait too long as any further increased US-China tensions, threats of China supply loss, or passing of rare earths related Bills, will likely send non-Chinese rare earth miners stock prices higher.

Vulture Stock Alert: Rare Earths an Appetizing Treat for 2013.



If ever there was a time to buy: today is the day. As our dear friend the Gene Arensberg the “Vulture Stock King “would say – nothing’s tastier than a vulture stock. There is so much to comment on in 2012, so anticipate numerous follow-ups, but in order for you to have time to absorb the endless buying opportunities here; I wanted to get these numbers up

as soon as possible.

For starters, the bludgeoning officially ended for the rare earth stock portfolios in December with half a dozen stocks flat-lining and another half breaking the green. ProEdgeWire members closed barely down the month at -0.01% or break even. The REE Leaders Index fared consistently with the ProEdgeWire members, starting the month at 627.124 points, and closing on the 31st of December at 611.772: the REE Leaders index was down 15.35 points or -2.45%.

The 2012 numbers were so hard to absorb that I am not sure I have anything positive to say other than the year is over and I hope you had the following half a dozen companies in your portfolio last year, because this means you made money.

2012 REE & Critical Mineral Performers:

- Critical Elements Corporation (TSXV: CRE +64.29%| OTCQX:

CRECF +84.62)

- Ucore Rare Metals Inc. (TSXV: UCU +35.14%| OTCQX: UURAF +32.43%)
- Medallion Resources Ltd. (TSXV: MDL +28.57%| OTCQX: MLLOF +28.57)
- Orbite Aluminae Inc. (TSX: ORT +1.24%| OTCQX: EORBF +4.17%)
- Focus Graphite Inc. (TSXV: FMS 0%| OTCQX: FCSMF +5.88%)
- Rare Element Resources (TSX: RES -2.03%| NYSE MKT: +1.49%)

The REE Leaders Index is the best ROW REE sector indicator in the world. Calculated by FTSE, the REE Leaders Index opened on January 3rd, 2012 with 1005.548 points and closed on December 31st with 611.772: Down 393.78 points or -39.16% for the year. ProEdgeWire members fared somewhat better, down -31.33% for 2012 (see below graph).

Again, we have had our market sector stabilize; with half a dozen companies have their stocks close at 0% for December 2012.

Market Movers for December 2012:

- Texas Rare Earth Resources Ltd. (OTCQX: TRER +130.43%)
- Focus Graphite Inc. (TSXV: FMS +25.46%| OTCQX: FCSMF +35.85%)
- IBC Advanced Alloys Corp. (TSXV: IB +11.11%| OTCQX: IAALD +22.22%)
- Pele Mountain (TSXV: GEM +20% OTCQX: GOLDF +20%)
- TUC Resources Ltd. (ASX: TUC +16.67)
- Critical Elements Corporation TSXV: CRE +15%| OTCQX: CRECF +11.52)
- Galileo Resources PLC (AIM: GLR +11.24%)
- Medallion Resources Ltd. TSXV: MDL 0%| OTCQX: MLLOF +7.98)
- Frontier Rare Earths Limited (TSX: FRO +6.67%)
- Matamec Explorations Inc. (TSXV: MAT +5.88%| OTCQX:

MHRED 0%)

- Avalon Rare Metals Inc. (TSX: AVL +2.21%| NYSE MKT: AVL -2.16%)

| ProEdgeWire: Rare Earths & Critical Minerals Sponsor | Ticker Symbol | Share price market open Jan 3, 2012* | Share price market open Dec 3, 2012* | Share price market close Dec 31, 2012* | % Change in share price Dec 2012 | % Change in share price Year 2012 |
|---|---------------|--------------------------------------|--------------------------------------|--|----------------------------------|-----------------------------------|
| Alkane Resources Ltd. | ASX: ALK | \$ 0.91 | \$ 0.70 | \$ 0.68 | -2.86 | -25.27 |
| Alkane Resources Ltd. | OTCQX: ANLKY | \$ 9.49 | \$ 7.34 | \$ 7.06 | -3.81 | -25.61 |
| Arafura Resources Ltd. | ASX: ARU | \$ 0.38 | \$ 0.18 | \$ 0.18 | 0.00 | -52.63 |
| Avalon Rare Metals Inc. | NYSE MKT: AVL | \$ 2.47 | \$ 1.39 | \$ 1.36 | -2.16 | -44.94 |
| Avalon Rare Metals Inc. | TSX: AVL | \$ 2.54 | \$ 1.36 | \$ 1.39 | 2.21 | -45.28 |
| Buchans Minerals Corporation | TSXV: BMC | \$ 0.08 | \$ 0.04 | \$ 0.04 | 0.00 | -50.00 |
| Cache Exploration Inc. | TSXV: CAY | \$ 0.08 | \$ 0.04 | \$ 0.03 | -25.00 | -62.50 |
| Critical Elements Corporation | TSXV: CRE | \$ 0.14 | \$ 0.20 | \$ 0.23 | 15.00 | 64.29 |
| Critical Elements Corporation | OTCQX: CRECF | \$ 0.13 | \$ 0.22 | \$ 0.24 | 9.09 | 84.62 |
| Crossland Uranium Mines Ltd. | ASX: CUX | \$ 0.08 | \$ 0.04 | \$ 0.04 | 0.00 | -50.00 |
| Dacha Strategic Metals Inc. | TSXV: DSM | \$ 0.48 | \$ 0.37 | \$ 0.35 | -5.41 | -27.08 |
| Dacha Strategic Metals Inc. | OTCQX: DCHAF | \$ 0.47 | \$ 0.37 | \$ 0.34 | -8.11 | -27.66 |
| Elissa Resources Ltd. | TSXV: ELI | \$ 0.20 | \$ 0.04 | \$ 0.04 | 0.00 | -80.00 |
| Elissa Resources Ltd. | OTCQX: ELSRF | \$ 0.21 | \$ 0.05 | \$ 0.04 | -20.00 | -80.95 |
| Focus Graphite Inc. | TSXV: FMS | \$ 0.69 | \$ 0.55 | \$ 0.69 | 25.46 | 0.00 |
| Focus Graphite Inc. | OTCQX: FCSMF | \$ 0.68 | \$ 0.53 | \$ 0.72 | 35.85 | 5.88 |
| Frontier Rare Earths Limited | TSX: FRO | \$ 0.87 | \$ 0.60 | \$ 0.64 | 6.66 | -26.44 |
| Galileo Resources PLC | AIM: GLR | \$ 40.00 | \$ 26.70 | \$ 29.70 | 11.24 | -25.75 |
| GeoMega Resources Inc. | TSXV: GMA | \$ 1.03 | \$ 0.34 | \$ 0.26 | -23.53 | -74.76 |
| Great Western Minerals Group Ltd. | TSXV: GWG | \$ 0.42 | \$ 0.26 | \$ 0.24 | -7.69 | -42.86 |
| Great Western Minerals Group Ltd. | OTCQX: GWMGF | \$ 0.42 | \$ 0.26 | \$ 0.24 | -7.69 | -42.86 |
| Hastings Rare Metals Ltd. | ASX: HAS | \$ 0.13 | \$ 0.10 | \$ 0.09 | -10.00 | -30.77 |
| IBC Advanced Alloys Corp. | TSXV: IB | \$ 0.90 | \$ 0.27 | \$ 0.30 | 11.11 | -66.67 |
| IBC Advanced Alloys Corp. | OTCQX: IAALD | \$ 0.89 | \$ 0.27 | \$ 0.33 | 22.22 | -62.92 |
| Lynas Corporation Ltd. | ASX: LYC | \$ 1.08 | \$ 0.66 | \$ 0.58 | -12.12 | -46.30 |
| Lynas Corporation Ltd. | OTCQX: LYSDY | \$ 1.14 | \$ 0.68 | \$ 0.59 | -13.24 | -48.25 |
| Matamec Explorations Inc. | TSXV: MAT | \$ 0.37 | \$ 0.17 | \$ 0.18 | 5.88 | -51.35 |
| Matamec Explorations Inc. | OTCQX: MHREF | \$ 0.37 | \$ 0.17 | \$ 0.17 | 0.00 | -54.05 |
| Medallion Resources Ltd. | TSXV: MDL | \$ 0.14 | \$ 0.18 | \$ 0.18 | 0.00 | 28.57 |
| Medallion Resources Ltd. | OTCQX: MLLOF | \$ 0.14 | \$ 0.16 | \$ 0.18 | 12.50 | 28.57 |
| Metallica Minerals Limited | ASX: MLM | \$ 0.26 | \$ 0.24 | \$ 0.23 | -4.17 | -11.54 |
| Mkango Resources Limited | TSXV: MKA | \$ 0.38 | \$ 0.28 | \$ 0.21 | -25.00 | -44.74 |
| Montero Mining and Exploration Ltd. | TSXV: MON | \$ 0.38 | \$ 0.16 | \$ 0.09 | -43.75 | -76.32 |
| Northern Minerals Limited | ASX: NTU | \$ 0.37 | \$ 0.18 | \$ 0.18 | 0.00 | -51.35 |
| Orbite Aluminae Inc. | TSX: ORT | \$ 2.42 | \$ 2.86 | \$ 2.45 | -14.34 | 1.24 |
| Orbite Aluminae Inc. | OTCQX: EORBF | \$ 2.40 | \$ 2.90 | \$ 2.50 | -13.79 | 4.17 |
| Peak Resources Ltd. | ASX: PEK | \$ 0.30 | \$ 0.16 | \$ 0.16 | 0.00 | -46.67 |
| Pele Mountain Resources Inc. | TSXV: GEM | \$ 0.13 | \$ 0.05 | \$ 0.06 | 20.00 | -53.85 |
| Pele Mountain Resources Inc. | OTCQX: GOLDF | \$ 0.13 | \$ 0.05 | \$ 0.06 | 20.00 | -62.50 |
| Quest Rare Minerals Ltd. | TSX: QRM | \$ 2.32 | \$ 1.10 | \$ 1.06 | -3.64 | -54.31 |
| Quest Rare Minerals Ltd. | NYSE MKT: QRM | \$ 2.30 | \$ 1.09 | \$ 1.05 | -3.67 | -54.74 |
| Rare Earth Metals Inc. | TSXV: RA | \$ 0.10 | \$ 0.06 | \$ 0.06 | 0.00 | -40.00 |
| Rare Earth Metals Inc. | OTCQX: RAREF | \$ 0.09 | \$ 0.06 | \$ 0.05 | -16.66 | -44.44 |
| Rare Element Resources Ltd. | TSX: RES | \$ 3.45 | \$ 3.60 | \$ 3.38 | -6.11 | -2.03 |
| Rare Element Resources Ltd. | NYSE MKT: REE | \$ 3.35 | \$ 3.59 | \$ 3.40 | -5.29 | 1.49 |
| Stans Energy Corp. | TSXV: HRE | \$ 0.73 | \$ 0.52 | \$ 0.41 | -21.15 | -43.84 |
| Stans Energy Corp. | OTCQX: HREEF | \$ 0.73 | \$ 0.52 | \$ 0.41 | -21.15 | -43.84 |
| Tasman Metals Ltd. | TSXV: TSM | \$ 1.66 | \$ 1.19 | \$ 1.17 | -1.68 | -29.52 |
| Tasman Metals Ltd. | NYSE MKT: TAS | \$ 1.61 | \$ 1.22 | \$ 1.18 | -3.28 | -26.71 |
| Texas Rare Earth Resources Corp. | OTCQX: TRER | \$ 1.55 | \$ 0.23 | \$ 0.53 | 130.43 | -65.81 |
| TUC Resources Ltd. | ASX: TUC | \$ 0.14 | \$ 0.06 | \$ 0.07 | 16.67 | -50.00 |
| Ucore Rare Metals Inc. | OTCQX: UURAF | \$ 0.37 | \$ 0.55 | \$ 0.49 | -10.91 | 32.43 |
| Ucore Rare Metals Inc. | TSXV: UCU | \$ 0.37 | \$ 0.54 | \$ 0.50 | -7.41 | 35.14 |
| (*) Stock price were compiled from the following sources: TMX.com, OTCQX.com, BigCharts.com, Google Finance & YahooFinance.com. ProEdge Media Corp. assumes no liability for misprints. All Companies listed are ProEdgeWire members. | | | | | 0.01 | -31.33 |

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