

Alaska approves \$145 million in financing for Ucore's Bokan-Dotson Ridge Project

On March 26, Ucore Rare Metals Inc. ('Ucore', TSXV: UCU |  OTCQX: UURAF) announced that the Alaskan senate has voted in favor of USD\$ 145 Million in long term bonds to finance the Company's Bokan-Dotson Ridge Project through the Alaska Industrial Development and Export Authority ("AIDEA" or the "Authority"). Support for the bill, SB99, was unanimous, passing "with 20 yes votes and zero nays", stressed Ucore's COO, Ken Collison, who spoke to me on the phone last night from the Juneau airport. Ken also noted that SB99 "still has to go through a routine minority mandated re-vote on Friday – routine – and then the Alaska House of Representatives but the Unanimous vote sends a strong message and the biggest step is done". The bonds will remove a lot of risk from the project, allowing us to complete our feasibility study this year, said Collison – and in rare earth projects, the risk these days is largely financial – because it would lower the total CAPEX of the project to only USD\$ 221 million, a very small amount compared to the industry average of well over USD 1 billion.

Ucore is not the sole beneficiary of SB99. In fact, the bill essentially allows for AIDEA to offer more support for new mining developments in Alaska, sending a very clear message to investors that Alaska is open to new mining business. Unlike other mining companies operating in remote jurisdictions, Ucore has enjoyed strong support from the local communities and from local politicians, said Collison. Already in 2012 there were hints of this kind of support when House Representative Don Young (R-AK) managed to pass an amendment to the National Strategic and Critical Minerals Production Act of 2012 (H.R. 4402) that expedited Ucore's mining permit process to get its Bokan-Dotson Ridge ('Bokan') project

underway. In turn, Ucore has developed a more environmentally sustainable 'Solid Phase Separation' process used to purify the mined rare earth elements at Bokan. Ucore says the technique can remove 99% of impurities and in a cheaper and cleaner manner than the typical 'Solvent Exchange' approach used in China. SPE is unique to Ucore.

Ucore boasts one the largest NI 43-101 compliant Heavy rare earth (HREE include dysprosium, terbium, and yttrium) mines in North America and it is one of the best prospects for becoming a steady supplier. The Bokan project is located in southern Alaska about 140 km. north of Prince Rupert, British Columbia, with direct access to the Pacific Ocean, an advantageous location for the completion of production facilities and reducing mine construction costs – due to reduced transportation infrastructure needs. The Bokan project's economic strength comes from the claimed 40% (by weight) concentration of the highly in demand HREE's as disclosed in Ucore's NI43-101 compliant resource estimate, released in March of 2011, which should doubtless put the Bokan deposit among the top contenders enabling the United States to expand its REE industry.

Ucore is also developing an REE deposit at the Ray River using alluvial mining techniques such as gravity separation. The claim area is also highly prospective for tin, with an estimated average grade was 0.2-to 0.5-lbs-Sn/yd³. Ucore said that assays from REE concentrate which HREE made up for 15-25% TREO. If the quality of the resource isn't appetizing enough, the alluvial nature of the deposit give Ucore an additional advantage. The ore is deposited in sand, rocks located along a river. There is no need to dig deep or to leave giant pits behind; there aren't even any issues with native populations to resolve – an important issue in mining intensive states of the Southwestern US – and Alaska has proven itself to be one of the most mining friendly areas in the world.

The unanimous vote in favor of SB 99, then, suggests that the

State of Alaska has recognized the great opportunity that Ucore offers, given its potential to become a primary supplier of materials that are critical to US national defense and US technological advancement. The Alaska State Legislature, meanwhile, had already voted unanimously in favor of Senate Joint Resolution No. 8, which guarantees official backing for continued "exploration, extraction, processing and production of rare earth elements" in the State. The Alaska legislature is not the only government entity to have endorsed Ucore. Indeed, in 2012, the US Department of Defense (DOD) signed a contract with Ucore as part of its assessment of competitive domestic suppliers of neodymium-iron-boron (or 'neo') magnets and equivalents.