APPENDIX

Figure 1: Growth in Estimated Rare Earth Oxides M&I from 2012 to 2013

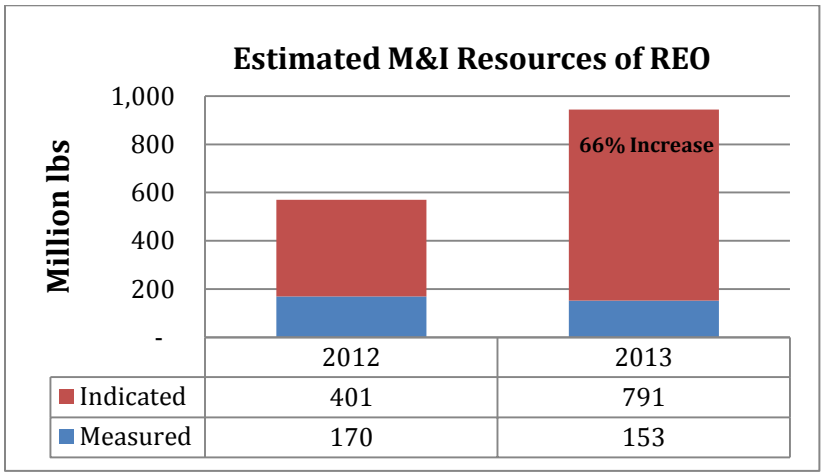

Table: 1: Summary of Estimated Measured and Indicated REE mineral resources (at 1.5% REO cutoff grade)

	Updated March 2013				Updated May 2012		
	Million Tons				Million Tons		
Bull Hill and Whitetail Ridge	Oxide	OxCa	Total		Oxide	OxCa	Total
Measured	0.87	1.07	1.94		1.10	1.00	2.10
Indicated	6.98	5.73	12.71		3.00	2.40	5.40
Measured and Indicated	7.85	6.80	14.65		4.10	3.40	7.50
	TREO Grade Percent				TREO Grade Percent		
Measured	4.31	3.63	3.93		4.08	3.81	3.95
Indicated	3.10	3.13	3.11		3.75	3.68	3.72
Measured and Indicated	3.24	3.21	3.22		3.84	3.72	3.79
	TREO Contained Pounds (Millions)				TREO Contained Pounds (Millions)		
Measured	75	78	153		92	78	170
Indicated	433	358	791		222	179	401
Measured and Indicated	508	436	944		314	257	571

Table 2. Estimated Measured and Indicated REE mineral resources and detailed REO grades for deposits in the Greater Bull Hill area and Whitetail Ridge for the oxide and oxide-carbonate mineralization zones at a 1.5% REO cutoff grade.

Bear Lodge - Greater Bull Hill + Whitetail Ridge Deposits										
		Measured			Indicated			Measured+Indicated		
Parameters & %REO		Oxide	Oxide Carbonate	Total Oxide	Oxide	Oxide Carbonate	Total Oxide	Oxide	Oxide Carbonate	Total Oxide
RCLASS		1.0	1.0	1.0	2.0	2.0	2.0	1+2	1+2	1+2
Cutoff (%REO)		1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
		OX	OxCa	OX+OxCa	OX	OxCa	OX+OxCa	OX	OxCa	OX+OxCa
Tons Resource	(millions)	0.87	1.07	1.95	6.98	5.73	12.71	7.85	6.80	14.65
Volume Resource		13	15	29	106	81	187	119	96	215
Tonnage Factor	(ft3/ton)	15.3	14.1	14.7	15.2	14.1	14.7	15.2	14.1	14.7
%REO		4.31	3.63	3.93	3.10	3.13	3.11	3.24	3.20	3.22
Million lbs REO		75	78	153	433	358	791	509	436	944
%Cerium Oxide	Ce_2O_3	1.83	1.60	1.70	1.34	1.37	1.35	1.40	1.41	1.40
%Lanthanum Oxide	La_2O_3	1.28	0.98	1.11	0.85	0.83	0.84	0.90	0.85	0.88
%Neodymium Oxide	Nd_2O_3	0.72	0.66	0.68	0.55	0.57	0.56	0.57	0.59	0.58
%Praseodymium Oxide	Pr_2O_3	0.206	0.181	0.193	0.154	0.155	0.155	0.160	0.159	0.160
%Samarium Oxide	Sm_2O_3	0.113	0.101	0.107	0.088	0.091	0.090	0.091	0.093	0.092
%Gadolinium Oxide	Gd_2O_3	0.062	0.045	0.053	0.046	0.044	0.045	0.048	0.045	0.046
%Yttrium	Y_2O_3	0.046	0.027	0.035	0.032	0.029	0.030	0.033	0.028	0.031
%Europium Oxide	Eu_2O_3	0.025	0.020	0.022	0.019	0.019	0.019	0.020	0.019	0.020
%Dysprosium Oxide	Dy_2O_3	0.0156	0.0094	0.0122	0.0112	0.0100	0.0106	0.0117	0.0099	0.0108
%Terbium Oxide	Tb_2O_3	0.0052	0.0033	0.0042	0.0037	0.0034	0.0036	0.0039	0.0034	0.0037
%Erbium Oxide	Er_2O_3	0.0035	0.0020	0.0027	0.0021	0.0019	0.0020	0.0022	0.0019	0.0021
%Ytterbium Oxide	Yb_2O_3	0.0020	0.0014	0.0016	0.0013	0.0012	0.0012	0.0013	0.0012	0.0013
%Holmium Oxide	Ho_2O_3	0.00176	0.00104	0.00136	0.00118	0.00106	0.00113	0.00125	0.00106	0.00116
%Lutetium Oxide	Lu_2O_3	0.00025	0.00019	0.00022	0.00017	0.00016	0.00016	0.00018	0.00017	0.00017
%Thulium Oxide	Tm_2O_3	0.00030	0.00020	0.00025	0.00020	0.00019	0.00020	0.00021	0.00019	0.00020
ppm Thorium	Th	535	333	424	369	355	363	388	352	371
ppm Uranium	U	110	118	114	97	104	100	98	107	102
CREO (Nd, Pr, Eu, Tb, Dy, Y)		1.01	0.90	0.95	0.77	0.79	0.78	0.80	0.81	0.80
Total Light		4.146	3.515	3.798	2.986	3.016	3.000	3.115	3.095	3.106
Total Heavy		0.161	0.110	0.133	0.117	0.110	0.114	0.122	0.110	0.117
Fraction Heavy		0.037	0.030	0.034	0.038	0.035	0.037	0.038	0.034	0.036

Table 3. Estimated Measured and Indicated REE mineral resources for a range of cutoff grades.

Bear Lodge Project Total/Measured + Indicated						
	Oxide		Oxide+Calcite		Total Oxidized	
Cutoff Grade (%REO)	OX Tons (million)	Grade (%REO)	OxCa Tons (million)	Grade (%REO)	OX+OxCa Tons (million)	Grade (%REO)
0.50	25.06	1.59	15.70	1.89	40.76	1.71
1.00	11.99	2.53	9.33	2.66	21.32	2.59
1.50	7.85	3.24	6.80	3.20	14.65	3.22
2.00	5.88	3.74	5.42	3.58	11.30	3.66
2.50	4.20	4.34	4.14	3.99	8.34	4.16
3.00	2.99	4.99	3.01	4.45	6.00	4.72
3.50	2.19	5.63	2.04	5.02	4.23	5.33
4.00	1.64	6.26	1.41	5.61	3.05	5.96
4.50	1.28	6.83	1.01	6.15	2.29	6.53
5.00	1.00	7.43	0.73	6.69	1.73	7.11

Table 4. Estimated Indicated REE mineral resource and detailed REO grades for the Whitetail Ridge deposit only for the oxide and oxide-carbonate mineralization zones at a 1.5% REO cutoff grade.

Whitetail Ridge Only				
		Indicated		
Parameters & %REO		Oxide	Oxide Carbonate	Total Oxide
RCLASS		2.0	2.0	2.0
Cutoff (%REO)		1.5	1.5	1.5
		OX	OxCa	OX+OxCa
Tons Resource	(millions)	1.32	0.93	2.25
Volume Resource		19.9	13.0	33
Tonnage Factor	(ft3/ton)	15.1	14.0	14.6
%REO		2.74	2.42	2.61
Million lbs REO		72	45	117
%Cerium Oxide	Ce_2O_3	1.07	1.00	1.04
%Lanthanum Oxide	La_2O_3	0.71	0.60	0.66
%Neodymium Oxide	Nd_2O_3	0.52	0.44	0.49
%Praseodymium Oxide	Pr_2O_3	0.134	0.115	0.126
%Samarium Oxide	Sm_2O_3	0.104	0.084	0.096
%Gadolinium Oxide	Gd_2O_3	0.074	0.060	0.068
%Yttrium	Y_2O_3	0.068	0.062	0.066
%Europium Oxide	Eu_2O_3	0.028	0.022	0.026
%Dysprosium Oxide	Dy_2O_3	0.0255	0.0215	0.0238
%Terbium Oxide	Tb_2O_3	0.0077	0.0062	0.0071
%Erbium Oxide	Er_2O_3	0.0042	0.0037	0.0040
%Ytterbium Oxide	Yb_2O_3	0.0021	0.0018	0.0020
%Holmium Oxide	Ho_2O_3	0.00270	0.00234	0.00255
%Lutetium Oxide	Lu_2O_3	0.00026	0.00022	0.00025
%Thulium Oxide	Tm_2O_3	0.00039	0.00035	0.00037
ppm Thorium	Th	816	828	821
ppm Uranium	U	82	66	75
CREO (Nd, Pr, Eu, Tb, Dy, Y)		0.78	0.67	0.74
Total Light		2.530	2.244	2.412
Total Heavy		0.213	0.180	0.199
Fraction Heavy		0.078	0.074	0.076

Table 5. Estimated REE mineral resources and detailed REO grades in the Inferred category for deposits in the Greater Bull Hill area plus Whitetail Ridge for the different oxidation zones of mineralization, including the oxide (OX), oxide-carbonate (OxCa), transitional (tran), and sulfide/unoxidized (sulf) zones, at a 1.5% REO cutoff grade.

Inferred Resource - Greater Bull Hill + Whitetail Ridge								
Parameters & %REO		Oxide	Oxide Carbonate	Total Oxide	Transition	Sulfide	Total Tran + Sulfide	Total
RCLASS		3.0	3.0	3.0	3.0	3.0	3.0	3.0
Cutoff (%REO)		1.5	1.5	1.5	1.5	1.5	1.5	1.5
		OX	OxCa	OX+OxCa	TRAN	SULF	TR+Slf	
Tons Resource	(millions)	20.3	11.1	31.4	1.3	9.6	10.9	42.3
Volume Resource		308	156	464	18	111	129	593
Tonnage Factor	(ft3/ton)	15.2	14.0	14.8	13.5	11.6	11.9	14.0
%REO		2.82	2.42	2.68	2.54	2.31	2.34	2.59
Million lbs REO		1,142	539	1,681	67	443	510	2,191
%Cerium Oxide	Ce_2O_3	1.22	1.05	1.16	1.12	1.03	1.04	1.13
%Lanthanum Oxide	La_2O_3	0.74	0.62	0.70	0.68	0.62	0.63	0.68
%Neodymium Oxide	Nd_2O_3	0.50	0.44	0.48	0.46	0.41	0.41	0.46
%Praseodymium Oxide	Pr_2O_3	0.138	0.119	0.131	0.125	0.114	0.116	0.127
%Samarium Oxide	Sm_2O_3	0.082	0.074	0.079	0.072	0.063	0.064	0.075
%Gadolinium Oxide	Gd_2O_3	0.046	0.042	0.045	0.036	0.031	0.031	0.041
%Yttrium	Y_2O_3	0.048	0.040	0.045	0.022	0.019	0.019	0.038
%Europium Oxide	Eu_2O_3	0.019	0.017	0.018	0.015	0.013	0.013	0.017
%Dysprosium Oxide	Dy_2O_3	0.0141	0.0125	0.0136	0.0077	0.0066	0.0067	0.0118
%Terbium Oxide	Tb_2O_3	0.0041	0.0037	0.0040	0.0027	0.0023	0.0023	0.0036
%Erbium Oxide	Er_2O_3	0.0031	0.0025	0.0029	0.0015	0.0013	0.0013	0.0025
%Ytterbium Oxide	Yb_2O_3	0.0018	0.0014	0.0017	0.0010	0.0008	0.0008	0.0014
%Holmium Oxide	Ho_2O_3	0.00167	0.00142	0.00159	0.00081	0.00069	0.00071	0.00136
%Lutetium Oxide	Lu_2O_3	0.00023	0.00019	0.00022	0.00013	0.00011	0.00011	0.00019
%Thulium Oxide	Tm_2O_3	0.00033	0.00026	0.00030	0.00015	0.00013	0.00013	0.00026
ppm Thorium	Th	488	477	484	343	370	367	454
ppm Uranium	U	86	81	84	99	103	103	89
CREO (Nd, Pr, Eu, Tb, Dy, Y)		0.72	0.63	0.69	0.63	0.56	0.57	0.66
Total Light		2.679	2.298	2.544	2.457	2.239	2.266	2.472
Total Heavy		0.138	0.120	0.132	0.087	0.074	0.076	0.117
Fraction Heavy		0.049	0.050	0.049	0.034	0.032	0.032	0.045

1. *REO (rare-earth oxides) include Ce_2O_3, La_2O_3, Nd_2O_3, Pr_2O_3, Sm_2O_3, Gd_2O_3,, Y_2O_3,, Eu_2O_3,, Dy_2O_3, Tb_2O_3,, Er_2O_3 and other minor oxides listed in general order of decreasing abundance in the deposits (Tables 1, 2, 3, and 4).*
2. *The resources estimates are classified as Measured, Indicated, and Inferred Mineral Resources as defined by CIM and referenced in NI 43-101.*
3. *ORE considers a range of 1.0 to 2.5 per cent REO cut-off grade to be reasonable in estimation of potentially economic resources. A cutoff grade of 1.5% REO is selected as the base case. Low-grade material above 0.5% cut-off grade is undergoing metallurgical testing to determine if a simple low-cost process can result in its being upgraded.*
4. *A detailed program of core sampling and bulk density measurement was conducted successfully during the 2010-12 drilling programs, especially for oxide mineralization to ensure the most accurate data.*
5. *For purposes of this resource estimate, light rare earths (LREE) are defined as Ce_2O_3, La_2O_3, Nd_2O_3, Pr_2O_3, and Sm_2O_3l, and heavy rare earths (HREE) are defined as Gd_2O_3,, Y_2O_3,, Eu_2O_3,, Dy_2O_3, Tb_2O_3,, Er_2O_3, and other minor oxides listed in general order of decreasing abundance in Tables 1, 2,3, and 4.*
6. *Resources were estimated using inverse distance weighting with grade zones to differentiate between high-grade and stockwork mineralization. High-grade mineralization was defined as a minimum 30 feet (6.1m) true width above 1.5% for the main southwest area. Slightly different cutoff grades and minimum widths were used in other areas. Drill holes were composited to nominal 10-foot (3.1m) true-width intervals for estimation. Grades were not capped, but oxide and oxide-carbonate grades were adjusted downward for estimation of the transition and sulfide zones to compensate for the significant increase in grade in the oxidized zones. Grades were estimated using trend surfaces to interpolate parallel to the carbonatite/FMR dike orientation. The resource model blocks are 10 X 10 X 10-foot cubes. Based on 4-*

year average REO prices, the cutoff grade of 1.5% REO was selected near the high point of a range of likely cost scenarios. As additional data are gathered, work will continue on the resource estimates with further evaluation and refinement.