

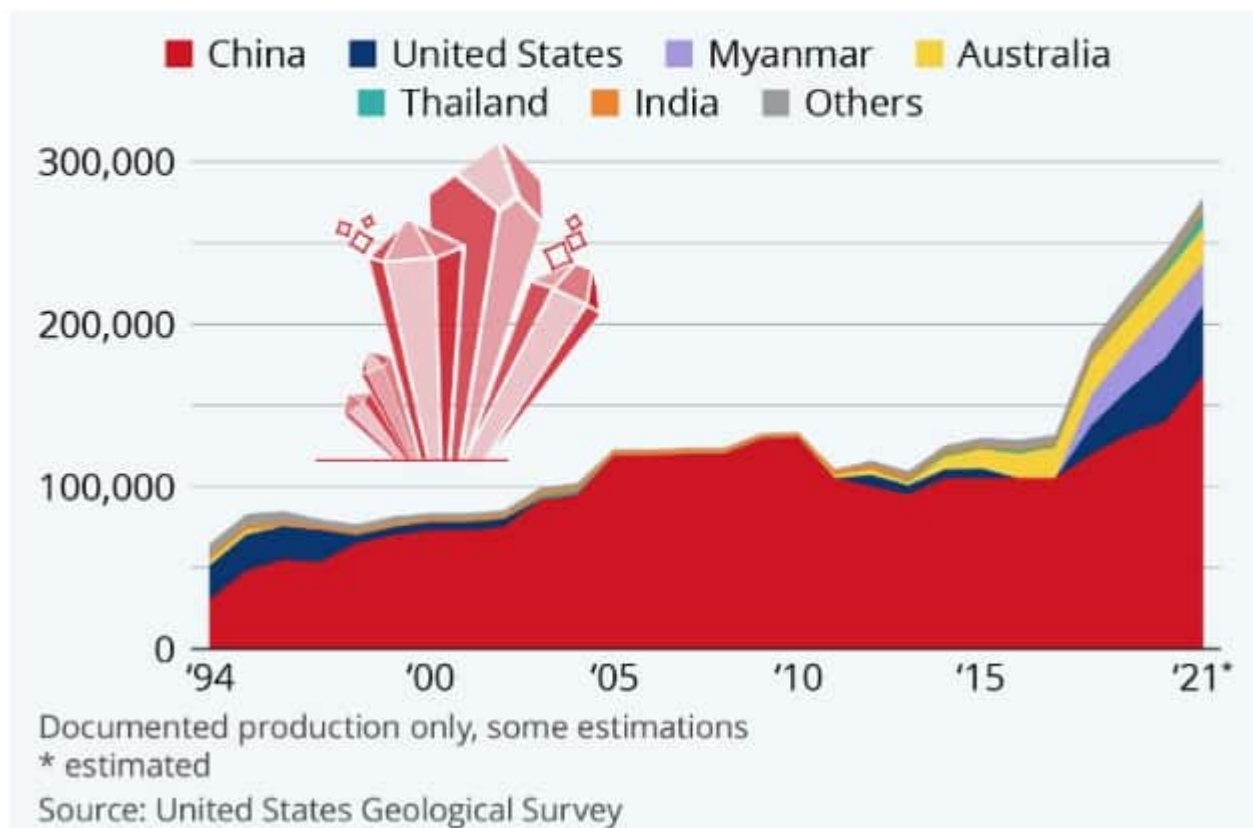
American Rare Earths is part of the global race to develop critical minerals in NA

written by Tracy Weslosky | November 16, 2022

The rare earths sector has had plenty of good news in 2022 including the recently announced proposal by the European Commission ("EC") for a [European Raw Materials Act](#). A very telling comment in the announcement gives a big clue as to which critical materials hold the greatest concern. The EC [stated](#): "Lithium and rare earths will soon be more important than oil and gas.....Our demand for rare earths alone will increase fivefold by 2030." The supply risk for key rare earths is a problem for all western countries. China dominates the rare earths supply chain ([58%](#) of mines, 85% of processing) and the production of powerful rare earth magnets used in EVs, wind turbines, and most military hardware that employ powerful magnets. The U.S has already started various initiatives to support the rare earths supply chain, including [some funding](#) from the Infrastructure Act. Last month the Biden administration announced [\\$2.8 billion of grants](#) for various critical materials and battery supply chain related projects in the USA.

So clearly the funds are now flowing and the race is on to develop both an EU and a U.S critical materials and battery supply chain. Given the rising global geopolitical tensions Europe and USA will now need to support the critical materials sector like never before – both funding and permitting.

China mines 58% of rare earths, but processes 85% at a time of rising geopolitical tensions.



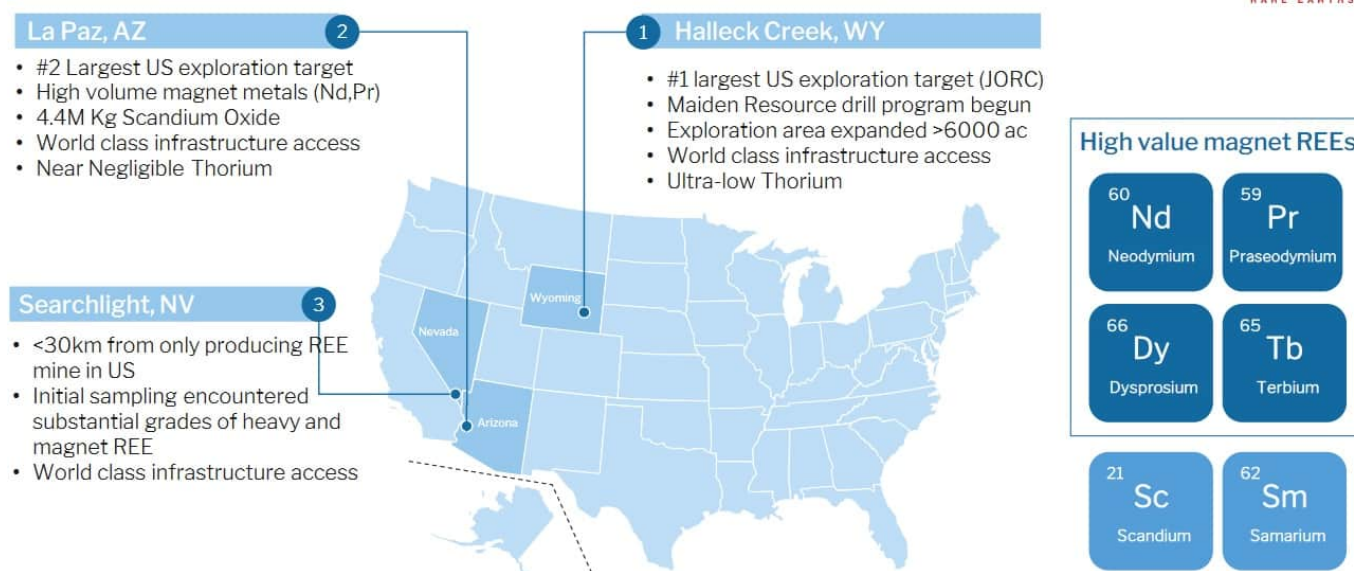
Source: [American Rare Earths company presentation](#)

Today's company is working as fast as they can to help create a U.S source of critical rare earths from their three USA rare earths projects.

[American Rare Earths Limited](#) (ASX: ARR | OTCQB: ARRNF) is focused on developing their 100% owned La Paz Scandium and Rare Earths Project in Arizona, USA. The Company's other two projects are the Halleck Creek Project in Wyoming and the Searchlight Rare Earths Project in Nevada, USA.

American Rare Earths' 3 USA rare earths projects currently being explored and developed

Resources: massive targets in friendly jurisdictions



Source: [American Rare Earths company presentation](#)

La Paz Project update

The La Paz Project has high-value magnet rare earths (NdPr) as well as scandium with a 2021 JORC Resource of [170.6 million tonnes at an average grade of 469ppm Total Rare Earth Oxide \("TREO"\)](#) (contained ~80 million kgs TREO, plus 4.4 million kgs of Scandium Oxide (Sc₂O₃)). American Rare Earths Limited has recently completed the metallurgical test work at La Paz. The results were successful using the Watts & Fisher's proprietary technology for the extraction of rare earth metals. [According](#) to the Company: "The technology shows good promise with further development, moving into piloting down the track. Rapid dissolution of rare earth values within 2 to 3 minutes at leaching temperatures above 225°C." Next steps at La Paz include South-West Area resource expansion and then a PEA.

The Halleck Creek Project update

At the Halleck Creek Project, the Company continues their drilling campaign to define a significant JORC Resource. The Company stated recently: "The drilling commenced early October and is progressing well. It is anticipated the campaign, analysis and subsequent announcements relating to a maiden JORC resource will be completed in the first quarter of calendar year 2023." In good news for shareholders, the Halleck Creek exploration target has been increased by 328%, boosted by the newly staked claim area Bluegrass which indicates consistent rare earth mineralisation. Beyond that, the next steps include metallurgy testing.

American Rare Earths has also recently [stated](#) they are evaluating even more potential rare earth opportunities in North America. Finally, in more good news the Company's wholly-owned US subsidiary, Western Rare Earths (WRE), and a consortium of companies (Phinix, LLC and Virginia) [were awarded US\\$500,000 in R&D funding](#). The consortium will use the funding to develop extraction and separation focused processing technology studies on rare earths ore. The project goal is to produce light, medium, and heavy rare earth oxide products of greater than 95% purity.

American Rare Earths Limited trades on a market cap of [A\\$91 million](#). Exciting times ahead for this fast-moving company – they are a member of the Critical Minerals Institute.