

PROBABLE MINERAL RESERVES

as of June 21, 2010



Tonnes	% TREO	% HREO	% ZrO ₂	% Nb ₂ O ₅	% Ta ₂ O ₅
12,010,000	1.70	0.38	3.16	0.41	0.041

Tonnes	Y ₂ O ₃ ppm	La ₂ O ₃ ppm	Ce ₂ O ₃ ppm	Pr ₂ O ₃ ppm	Nd ₂ O ₃ ppm	Sm ₂ O ₃ ppm	Eu ₂ O ₃ ppm
12,014,430	1,990	2,695	6,082	768	3,036	665	84

Tonnes	Gd ₂ O ₃ ppm	Tb ₂ O ₃ ppm	Dy ₂ O ₃ ppm	Ho ₂ O ₃ ppm	Er ₂ O ₃ ppm	Tm ₂ O ₃ ppm	Yb ₂ O ₃ ppm	Lu ₂ O ₃ ppm
12,014,430	632	92	462	82	215	28	172	24

1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserves are estimated using price forecasts for 2014 for rare earth oxides (US\$21.94/kg average), zirconium oxide (US\$3.76/kg), tantalum oxide (US\$130/kg) and niobium oxide (US\$45/kg), which are significantly above current prices. Price assumptions are based on third-party forecasts.
3. Mineral Reserves are estimated using a Net Metal Return (NMR) cut-off value of CAD\$260/tonne.
4. Densities in the block model are interpolated values averaging 2.87 t/m³.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Chris Moreton, PhD, P.Geol.(Ont) of Scott Wilson RPA is the Qualified Person as defined by National Instrument 43-101 for the purposes of this resource estimation and has verified that the technical information regarding the resources in this table accurately reflects the technical information in the Prefeasibility Study.
7. Jason Cox P.Eng., Supervisor of Mine Engineering, Scott Wilson RPA is the Qualified Person as defined by National Instrument 43-101 for the purposes of this reserve estimation and has verified that the technical information regarding the reserves in this table accurately reflects the technical information in the Prefeasibility Study.