



Progress Report #6

June 20, 2014

I am pleased to bring you up to date on CREEN's activities and related events of importance, since our last Progress Report in April. As you will see, CREEN has clearly been moving forward, reaching several milestones in the Network's relative short history

Meeting with NRCan Deputy Minister, Serge Dupont

CREEN Steering Committee members Steve Wilson, Peter Cashin, Richard Boudreault and I met with the Deputy Minister of Natural Resources Canada, Serge Dupont and several of his senior staff, on May 30th, to update NRCan on the state of the emerging Canadian REE sector, the unique challenges impeding the sector's growth, and CREEN activities and direction. The 90 minute meeting also sought clarification on the Government's position regarding rare earth element development in Canada, and discussed critical research and development opportunities and the roles of industry and Government working together on these. We also continued discussions around funding models for CREEN as an enabling organization for industry. One of the outcomes of the discussion was the need for a clearly articulated roadmap by which to illustrate the economic benefits to Canada of establishing Canada's rare earth sector, and the risks of not leveraging the advantages Canada possesses in natural and related human resources. CREEN will work with NRCan to delineate this roadmap for presentation by Labour Day.

House of Commons Standing Committee on Natural Resources

As previously reported, the Committee held a series of hearings on the Canadian rare earth industry, over the period November 2013 through February 2014. Several CREEN members (Avalon, Quest, Pele Mountain, SGS, Saskatchewan Research Council, Euro Pacific and U of T) appeared, either as a specific CREEN panel or individual witnesses along with other experts. The Committee's final summary was released on June 18th, and uploaded to their web site. To view this summary, go to <http://www.parl.gc.ca/CommitteeBusiness/CommitteeHome.aspx?Cmte=RNNR> and click on the link titled *Rare Earth Elements Industry in Canada — Summary of Evidence*. I believe the summary is a fair and encouraging reflection on the where we're at as an emerging sector.

Technical Workshop

CREEN held its first technical workshop in Ottawa on June 17th. The event, co-hosted by MetSoc, Canadian Minerals Processors (CMP) and NRCan, was attended by thirty-five technical leaders and specialists from prospective producers, academia, consulting engineers and government. The group, comprised of CREEN members and invited experts was designed as a working session, from which a number of initial priority research projects were identified and prioritized. CREEN is preparing a summary report that will be circulated shortly. CREEN will also be engaging specific project participants and seeking funding support.

CREEN Membership

CREEN now has 21 membership pledges in hand (including four promised following the workshop). Please feel free to contact Rob Sinclair or myself to get pledge forms. You can find them at <http://www.ree-etr.ca/en/RareEarth/Home/AboutUs.aspx>. The momentum is building, so join us and help advance this emerging industry sector.

Outreach

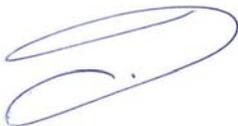
European Rare Earths Competency Network: The European Commission assembled high profile experts from across the continent to form a European Rare Earths Competency Network (ERECON) in mid to late 2013. ERECON's initial mission is to look at ways of addressing the issue of supply security. For more information about this organization, I suggest you visit their web site at http://ec.europa.eu/enterprise/policies/raw-materials/erecon/index_en.htm. ERECON recently invited representatives from NRCan to attend major Working Group meeting on June 18th in Brussels, with a specific request to discuss CREEN and the emerging Canadian rare earth sector. With ERECON support, NRCan forwarded the invitation to CREEN so that they could deliver plenary session remarks and participate in Working Group discussions. The CREEN presentation is available upon request, and will be posted on the CREEN website shortly. Suffice to say, while the Europeans are considering the prospect of developing REE mines in Europe, CREEN was able to present an overview of Canada as a future supplier of rare earths, and encouraged European participation in Canada to advance these projects.

United Kingdom: The Natural Environment Research Council's Security of Supply of Mineral Resources research grant program is supporting 13 short-term catalyst grants including one entitled 'Geology to Metallurgy of Critical Rare Earths', which is led by Professor Frances Wall from the Camborne School of Mines. The catalyst grants are intended to lead to 3-4 large consortium grants, and they are in the process of assembling the relevant catalyst teams to develop a consortium now tagged *SoS RARE*, or *Security of Supply of Rare Earths* that focuses on the critical REEs. The British Geological Survey has asked CREEN and individual Canadian experts to support and participated in these research initiatives.

Germany: CREEN was invited to submit a paper ("*Canadian Rare Earth Elements Ready to Feed the Global Supply Chain*") to Professor Leal of the Hamburg University of Applied Sciences, for a book tentatively titled *Rare Earths Industry: Technological, Economic and Environmental Implications* now being prepared. The book intends to document and promote research, projects and field work in the rare earths industry, meeting a demand for critical, updated and extensive analyses and information on the theme.

CIM Magazine: CREEN has been invited to provide a column about the emerging Canadian rare metal sector and CREEN's organization, efforts to date and initiatives going forward.

As always, I hope you find these progress reports helpful. Please feel free to contact CREEN with any suggestions you may have.



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