

[Rare Element Resources Ltd.](#) (the "Company") (NYSE MKT: REE), a publicly traded, strategic materials company focused on delivering rare earth products for technology and defense applications by advancing the Bear Lodge Critical Rare Earth Project located in northeast Wyoming, announced today that the Board of Directors (Board) has directed the Company to continue to conserve cash due to the current difficult markets and suspend all permitting and licensing efforts at this time, including the EIS process.

Randy Scott, the President and Chief Executive Officer of the Company stated, "We are happy to have finally received the draft Environmental Impact Statement (EIS) last week, but disappointed that we cannot continue at full speed on our permitting at this point. With the substantial on-going costs of the permitting process to the Company and the challenging markets for raising additional capital at this time, the Board felt it was prudent to take this additional measure to conserve cash. However, with the draft EIS now completed, we are at a good point to pause until we can fully financially support our go-forward permitting efforts."

Mr. Scott further commented, "We are very appreciative of our widespread support in the local communities surrounding the project and throughout the State of Wyoming, as well as of the work by the U.S. Forest Service and the EIS cooperators which got us to the recent publication of the draft EIS. We know that the critical nature of the rare earths we will produce from Bear Lodge will only increase and continue to drive interest in moving the permitting forward when the time is right."

The National Environmental Policy Act (NEPA) EIS process, along with the Nuclear Regulatory Commission's (NRC) licensing are both now on hold temporarily, subject to further financing and the decision of the Board to continue. The suspension also applies to the Company's Wyoming State mining permit and other Federal permit applications.

Mr. Scott added, "We are working to identify a partner in the near future in order to continue to progress the permitting process and advance the project to unlock the value of this world-class rare earth district. We firmly believe in the critical need for a viable and secure domestic source of those rare earth materials that are sought after in the world's advanced technology and defense applications. Our proprietary processing and separation technology advancements, coupled with the exceptional location of our Bear Lodge Project, continue to garner favorable recognition for the project. With the proper financial support, the team looks forward to reviving the permitting process and further advancing this outstanding project."

Rare Element Resources Ltd. is a publicly traded, strategic materials company focused on delivering rare earth products for technology and defense applications by advancing the Bear Lodge Critical Rare Earth Project in northeast Wyoming. Bear Lodge is a significant mineralized district containing many of the less common, more valuable, critical rare earths that are essential for electronics, fiber optics, laser systems for health and defense, as well as many evolving green technologies, like hybrid cars, solar panels and wind turbines. Permitting and feasibility work on the Project continues to advance. The Company is an affiliate member of the U.S. Department of Energy's Critical Materials Institute, a combined government and private sector organization committed to eliminating supply chain issues for rare earths and other critical elements.

Please contact Paul Zink at 720-278-2460, or pzink@rareelementresources.com, for additional information.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of securities legislation in the United States and Canada. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by our use of certain terminology, including "will," "believes," "may," "expects," "should," "seeks," "anticipates," "plans," "has potential to," or "intends," or by discussions of strategy or intentions. Such forward-looking statements include statements regarding the Company's ability to resume permitting efforts or if it will resume at all, as well as the potential for advancement toward the final environmental impact statement (EIS) following the draft EIS and expected timing for a final EIS and other federal, state and local permitting and licensing. Factors that could cause actual results to differ materially include, but are not limited to, regulatory matters; the future price of our common shares, which will be dependent on such matters as the progress of our Bear Lodge Project, fluctuations in demand for, and price of, rare earth products, and the success of process technology under testing; timing of any unexpected events at the Bear Lodge property; delay or failure to receive government approvals and permits; changes in U.S. securities markets; ability to raise capital in support of the business objectives and general economic conditions. There can be no assurance that future developments affecting the Company will be those anticipated by management. Please refer to the discussion of these and other uncertainties and risk factors set out in our filings made from time to time with the United States Securities and Exchange Commission and the Canadian regulators, including, without limitation, our reports on Form 10-K and Form 10-Q. We expect that the above estimates will change as new information is received and that actual results will vary from these estimates, possibly by material amounts. While we may elect to update our forward-looking information at any time, we do not undertake to update at any particular time or in response to any particular event. Investors and others should not assume that any forecasts in this press release represent management's estimate as of any date other than the date of this press release.

Contact

Rare Element Resources Ltd.
Paul Zink, 720-278-2460
pzink@rareelementresources.com