Eased Policies on Exports and New Production Sources Reasons for Rare Earth Prices Decline in 2012

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Five Star Equities Provides Stock Research on Rare Element Resources and Great Western Minerals

NEW YORK, NY -- (Marketwire) -- 10/22/12 -- Prices of rare earths, which are used in a variety of product from smartphones to hybrid cars, soared last year as China clamped down on foreign exports. Since then prices have tumbled as new supplies were introduced to the market and weak economic growth from China have led to eased policies on exports. Five Star Equities examines the outlook for companies in the Rare Earth Industry and provides equity research on Rare Element Resources Ltd. (NYSE: REE) and Great Western Minerals Group Ltd. (PINKSHEETS: GWMGF) (TSX VENTURE: GWG.V).

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China in August raised export quotas on rare earth elements (REE) by 2.7 percent, which was the first increase in five years. The surge in prices last year's prompted producers outside of China to ramp up new mining projects and have also boosted global supply. New production from Molycorp and Lynas coming online in the fourth quarter are expected to cause prices to fall further.

"This is the first time in five years that the REE quota has increased and is the highest in three years, which is seen as a slight negative as excess supply would put pressure on prices," said Carolyn Dennis, Dundee Capital Markets analyst, in a note to clients.

Five Star Equities releases regular market updates on the Rare Earth Industry so investors can stay ahead of the crowd and make the best investment decisions to maximize their returns. Take a few minutes to register with us free at www.FiveStarEquities.com and get exclusive access to our numerous stock reports and industry newsletters.

Rare Element Resources was specifically created to develop the Bear Lodge rare-earth-element and gold deposits in northeast Wyoming. The Bear Lodge Project contains one of the largest disseminated rare-earth element (REE) deposits in North America. The company has reported that Bear Lodge Rare Earth Project's definitive Feasibility Study (FS) is scheduled to commence in first quarter 2013.

Great Western Minerals engages in the exploration and development of rare earth elements (REE), base metals, and precious metals in Canada, the United States, the United Kingdom, and South Africa. The company recently reported its subsidiary Great Western Technologies has been selected by the United States Department of Defense to conduct a supply chain assessment for high-purity yttrium oxide.

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