



American Rare Earths applauds President Biden's actions to expand rare earths supply chain in US

The Board of American Rare Earths (ASX: ARR; OTCQB: ARRNF; FSE: 1BHA) has welcomed the Biden Administration's announcement of major initiatives to boost US production of critical minerals and materials.

American Rare Earths CEO and Managing Director, Chris Gibbs, said:

"As we continue our collaborations with leading scientific institutions working on US Government-backed R&D projects on domestic rare earths recovery, we applaud the latest actions the Biden Administration has announced to bolster domestic critical minerals supply chain security.

"These efforts will in turn help accelerate the United States' transition to clean energy; a goal American Rare Earths is working towards by advancing our large-scale US rare earths projects and through our membership on the US Department of Energy Critical Materials Institute (CMI), led by Ames Laboratory.

"Because rare earths are essential to national security, we are also working with the innovative EMBER biomining rare earths recovery program supported by the US Department of Defense.

"Our involvement in this ground-breaking program is another example of how we are further expanding our presence in the US and positioning ourselves to be at the forefront of the transformation occurring in the American rare earths industry.

"Moreover, we're proud to be part of actions to help create high paying, skilled American jobs across the entire supply chain in a rapidly expanding sector."

Rare earths critical for clean energy transition

Ahead of the first anniversary of Executive Order (EO) 14017, America's Supply Chains, signed one year ago this week, the Administration has ordered action across the US Federal Government to secure reliable and sustainable supplies of critical minerals and materials. It additionally upholds the Administration's labour, environmental and environmental justice and equity priorities.

The updated list identifies the following minerals found in notable concentrations in assays of American Rare Earths' mineral deposits: cerium, dysprosium, erbium, europium,

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gadolinium, hafnium, lanthanum, lutetium, neodymium, praseodymium, samarium, scandium, terbium, thulium, yttrium, and zirconium.

These minerals are crucial for the United States' clean energy transition, national defence and a range of everyday items necessary in an advanced economy, such as communication systems, lighting, metal alloys and more.

President Biden said his Administration would bolster the critical mineral supply chain, including rare earths, to end reliance on China for critical minerals.

Shoring up domestic supply chain

Currently, the US imports close to 100 per cent of these minerals from other countries and the White House expects demand for these minerals to increase by up to 600 per cent over the coming decades.

After the signing of EO 14017, America's Supply Chains, detailed reports of vulnerabilities in the critical mineral and material supply chains were produced by US federal agencies. This included a first-of-its-kind supply chain assessment detailing the over-reliance of the US on foreign sources and adversarial nations for critical minerals and materials, which poses national and economic security threats.

The reports commissioned by the EO recommended "expanding domestic mining, production, processing, and recycling of critical minerals and materials—all with a laser focus on boosting strong labour, environmental and environmental justice, community engagement, and tribal consultation standards."

These reports have focused the Administration's attention on critical minerals supply chain issues and this week's action follows funding for important research and development work within the domestic rare earths supply chain, provided through the recently passed Bilateral Infrastructure Law, as well as the proposed, Build Back Better Bill and the REEShore Act in the US Senate.

To focus the work of Federal agencies on sourcing critical minerals, the Administration will direct agencies to prioritise the production and processing of minerals necessary to produce key technologies and products, consistent with its strong environmental, social and labour principles.

It will additionally strengthen critical mineral stockpiling. The Departments of Energy, Defence, and State signed a memorandum of agreement (MOA) to better coordinate stockpiling activities to support the US transition to clean energy and national security needs.

More specifically, on the national security front, President Biden streamlined the National Defence Stockpile by signing in October Executive Order 14051 to delegate authority to release strategic and critical materials to the Under Secretary of Defence for Acquisition and Sustainment.