

American Rare Earths Ltd

08:45 13 Oct 2020

American Rare Earths transforming to developer with world-class La Paz Rare Earth Project

American Rare Earths Ltd (ASX:ARR) is focused on transforming from explorer to developer with its world-class La Paz Rare Earth Project in Arizona, USA, as the sector continues to evolve and domestic supply is prioritised in the US.

The company believes the opportunity to capitalise on growing interest by government in the domestic supply chain is substantial.

Following the acquisition of the Laramie asset in Wyoming, American Rare Earths has gained access to a network of industry experts including Jim Guilinger as technical consultant for both JORC 2012 and NI 43-101 reporting.

Accelerating growth and development

In the annual report for the period ending June 30, 2020, chairman Creagh O'Connor highlighted the importance of recent plans by The US Department of Energy (DOE) to provide federal funding for cost-shared research and development under the funding opportunity (FOA) initiative for US basins.

He said this government initiative was a key driver and powerful incentive to accelerate the growth and development of the La Paz Rare Earth Project together with the recently acquired Laramie asset in Wyoming.

As a key US strategic resource, critical mineral development is designed to provide output for US-based processing.

La Paz exploration

During the past year, further exploration activities have been undertaken leading to the updating of the original NI 43-101 report.

The updated technical report was released to the market in July 2020 and has underlined the view that the La Paz deposit, although of relative low grade, excels by its sheer volume, uncomplicated mineralogy, lack of uranium and thorium, significant amounts of scandium, favourable preliminary metallurgical work and location.

Deposit limits have not been defined either laterally or at depth and work to prove the continuity of the deposit within the areas of demonstrated rare earth (REE) mineralisation sufficiently to allow upgrading the estimate to a reserve category and to verify and measure mineralisation in proximal areas will be the focus of exploration and development activities in coming months.

The initial work program has included extensive mapping and re-sampling of bulk samples to progress metallurgical test-work in support of technical and commercial project analysis.

Gap analysis underway

Additional drilling programs may be required for JORC 2012 conversion to underpin a scoping study to pre-feasibility

Price: 0.105

Market Cap: \$31.7 m

1 Year Share Price Graph



Share Information

Code: ARR

Listing: ASX

52 week High Low
0.235 0.017

Sector: Rare earths & specialist minerals

Website: www.bhpl.net.au

Company Synopsis:

American Rare Earths Ltd (ASX:ARR) (formerly Broken Hill Prospecting Ltd) (ASX:BPL) is focussed on the La Paz Rare Earth Project in Arizona, U. S.

action@proactiveinvestors.com.au

study level analysis, with a drilling program booked for late 2020.

Concurrently, the entire area together with historic and current sampling has been captured in a digital GIS model which is being used to enhance the quality of the estimate and support design of the ongoing exploration program.

A gap analysis is underway following the completion of an initial report by Wood consulting group which showed the potential metallurgical route for the processing of the ore.

Many REE projects have significant costs associated with the processing and separation of minerals, primarily due to the inclusion of radioactive material such as thorium and uranium, which are costly to remove and dispose.

One of the unique features La Paz is the lack of hazardous materials therefore making processing and separation using existing proven technologies relatively straightforward.



The La Paz project is northeast of Phoenix, Arizona.

In the previous quarter, a trenching program was conducted between the two mineralisation zones which have been divided by alluvium with the purpose of reaching bedrock from which more samples could be taken and to identify the underlying rock types.

Pending assay returns, the initial identification of rock types shows the potential of linking the original resource to the new expanded locations.

Further work is being undertaken to support the belief that the two zones are in fact one very large mineralised system, which significantly adds to the La Paz footprint.

Timberline Drilling Inc has been engaged to undertake a drilling program that follows on from previous trenching and sampling activities.

The program will utilise a CS14 rig to drill six holes to a maximum of 60 metres for a minimum of 360 metres of core sampling that will provide additional samples for analysis and project evaluation.

Looking ahead

This work is also designed to bring together new core samples which together with previous exploration, sampling and assay data, will provide the most comprehensive review of the asset since 2011.

La Paz mineralisation identified to date is from surface to 30 metres with drilling to 100 metres ending in rare earth element grades >300ppm up to 700ppm.

This program will allow the company to test for scandium extraction together with neodymium, dysprosium and praseodymium.

Once the review has been completed and the results validated, the company will release a NI 43?101 compliant update, which is expected to be completed within months.

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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