



FOR IMMEDIATE RELEASE
September 29, 2009

**Magnet Materials Supply Chain Players Collaborate to
Advance Domestic Rare Earth Issues**
Products Vital to Green Job Growth and National Security Technology

Washington, DC – The United States Magnet Materials Association (“USMMA”) today announced the addition of Thorium Energy, Inc. This move expands the coalition’s focus to include rare earth materials and the rare earth magnet supply chain. A [September 2009 report by the USGS](#) confirms that Thorium Energy, Inc. holds 90% of rare earth resources in Idaho’s and Montana’s Lemhi Pass, long considered the location of one of the largest documented high-grade deposits in the world outside of China.

The USMMA is committing to:

- Support the work of U.S. mining interests to identify and retrieve highly usable rare earth elements from reliable domestic and North American property holdings;
- Revive the ability of industry to convert rare earth elements into usable metal for domestic magnet manufacturing; and
- Advance the manufacturing efforts of U.S. magnet producers whose products are critical to renewable energy applications and national security systems.

The U.S. rare earth supply chain has been decimated by unfair trade practices of foreign competitors. Currently, China dominates the magnet materials industry and has successfully manipulated the rare earth metals market.

Worldwide demand for these materials is escalating rapidly, and over 95% of currently available rare earth mining occurs in China or is controlled by Chinese-led interests. Nevertheless, sizable deposits of the materials exist in the United States and Canada and are available for large scale mining operations.

Chinese rare earth export quotas and taxes have placed U.S. magnet manufacturing at a competitive disadvantage. This has led to an increase in Chinese manufacturing and driven Chinese firms up the value chain. No significant production of rare earth metals takes place today in North America or anywhere outside of China. In addition, experts worry that Chinese domestic demand for rare earth elements could easily equal Chinese production capacity as early

as 2012, further limiting material availability in the United States. Additionally, China's Ministry of Industry and Information Technology is calling for a total ban on some rare earth elements in the near future, cutting off the international community's access to vital materials.

The USMMA argues that the ability to domestically manufacture permanent magnets including rare earth magnets and supporting materials is vital to the nation's ability to innovate new technologies, create green jobs, and advance next generation national security systems. With the company's recent investments, Thorium Energy, Inc. is committed to providing a long-term reliable source of supply to the North American market.

The USMMA was founded in 2006 by magnet manufacturers Thomas & Skinner, Inc. of Indianapolis, Indiana; Hoosier Magnetics of Ogdensburg, New York; and Electron Energy Corporation of Landisville, Pennsylvania, to advocate on behalf of the specialty metals clause found at 10 U.S.C. 2533b. Today, they are expanding their focus to support the reintroduction of a competitive rare earth supply chain in the United States.

USMMA members have successfully advocated for inclusion of a congressionally mandated study of the rare earth supply-chain in the FY10 National Defense Authorization Act. More information on the USMMA can be found at <http://www.usmagnetmaterials.com>.

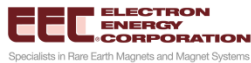


Thomas & Skinner, Inc.
High Performance Magnetic Materials

[Thomas & Skinner, Inc.](#) is the world's leading manufacturer of cast and sintered alnico magnets, magnetic assemblies, and transformer laminations. Through its wholly-owned subsidiary Ceramic Magnetics, Inc., Thomas & Skinner is also a leading manufacturer of soft ferrite magnets.



[Hoosier Magnetics, Inc.](#) specializes in the manufacturing of hard ferrite powders used in a wide variety of permanent magnet applications. Founded in 1975 in Washington, Indiana; Hoosier is a privately held company owned by Dr. B. Thomas Shirk.



Specialists in Rare Earth Magnets and Magnet Systems

[Electron Energy Corporation](#) is a worldwide leader in samarium cobalt magnet production and offers design services and rare earth magnet assemblies. Electron Energy is the only US operated rare earth magnet company that still melts its magnet alloys in-house.



[Thorium Energy, Inc.](#), an American natural resources development company based in Salt Lake City and New York City, holds large resources and reserves of high-grade rare earth metals and the largest documented high-grade thorium properties in the world within its properties in Idaho, Montana, and Colorado, including 80% of known and estimated U.S. reserves.

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