



Canada Rare Earth  
Corporation

# RARE EARTHS - POWERING THE FUTURE



## CANADA RARE EARTH CORP.

IN THE BUSINESS OF RARE EARTHS

Investor Overview  
November 2017



# FORWARD-LOOKING STATEMENTS

- During the course of this presentation, Canada Rare Earth Corp. may make statements with regard to the company's projects, resources, business plans, business strategy, products, partners, and market position which could be construed as forward-looking. Forward-looking statements are subject to risk and uncertainties that could cause results to be materially different from expectations.
- The presentation has been prepared by Canada Rare Earth Corp. and does not represent a recommendation to buy or sell its securities. Investors should always consult their investment advisors prior to making any investment decision.



## ***The Opportunity***

- \$3 Billion of rare earths are critically incorporated into \$1 Trillion of Products
- China dominates the global supply (85%) - not through the raw mineral material, but through the processing of the material into critical oxides and metals. China wants to use this dominance to capture an increasing share of the \$1 Trillion market
- 200+ major international manufacturing companies are significantly dependent on China in this regard
- The 200+ are seeking alternatives to balance their supply chains

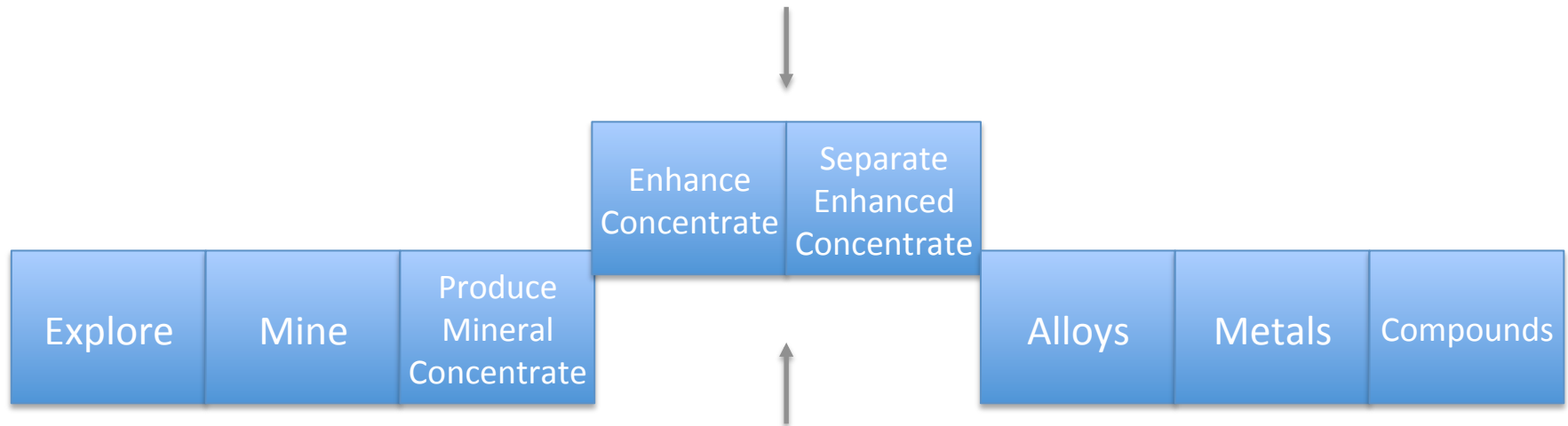
## ***Canada Rare Earth's Unique Solution***

- ✓ Close working and business relationship with a most capable designer, builder, and operator of rare earth refineries
- ✓ We are in business:
  - ✓ Sourcing and selling rare earths
  - ✓ Developing refineries
  - ✓ Acquiring a complete refinery
- ✓ We are positioned to accelerate from our technical and commercial platform



## Rare Earths Are Not Rare... Processing is

*The disconnect*



- China dominates
- Only 4 refineries of note outside of China



# VERTICAL INTEGRATION

## Supply

Explore, Mine,  
Concentrate

Hundreds of  
companies exploring  
have 4 choices

Sell to China

Engage “major”  
engineering firm

Deploy “new” unproven  
technologies

Access proven  
technology and  
capabilities with  
Canada Rare Earth ✓

Separation &  
Refining

China dominates  
Rest of world will separate  
primarily light rare earths  
Canada Rare Earth Corp.  
refineries will produce all  
critical rare earths

## Demand

Oxides, Metals  
and Alloys

Major customers  
have 4 choices

Buy from China

Manufacture in China

Engineer away from  
rare earths

Purchase rare earths  
from refineries outside  
of China ✓



# RARE EARTHS ARE....

- 17 elements used for improved performance and quality
- Found combined together in mineral deposits
- Rare earths are of little industrial value unless separated



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- Other rare metals
- Light rare earth elements
- Heavy rare earth elements

lanthanum 57 La 138.91	cerium 58 Ce 140.12	praseodymium 59 Pr 140.91	neodymium 60 Nd 144.24	promethium 61 Pm [145]	samarium 62 Sm 150.36	europtium 63 Eu 151.96	gadolinium 64 Gd 157.25	terbium 65 Tb 158.93	dysprosium 66 Dy 162.50	holmium 67 Ho 164.93	erbium 68 Er 167.26	thulium 69 Tm 168.93	ytterbium 70 Yb 173.05	lutetium 71 Lu 174.97
actinium 89 Ac [227]	thorium 90 Th 232.04	protactinium 91 Pa 231.04	uranium 92 U 238.03	neptunium 93 Np [237]	plutonium 94 Pu [244]	americium 95 Am [243]	curium 96 Cm [247]	berkelium 97 Bk [247]	californium 98 Cf [251]	esbastium 99 Es [252]	fermium 100 Fm [257]	mendelevium 101 Md [258]	nobelium 102 No [259]	lawrencium 103 Lr [262]





# RARE EARTH APPLICATIONS

- Rare earths are used in an almost endless list of applications
- Unique properties make them invaluable for improved performance, efficiency and quality of the end products
- New applications are being developed in rapid succession





# ECONOMIC BENEFIT POTENTIAL

From a report by the American Chemistry Council in April 2014:

*“each job in the rare earth industry generates an additional 5.0 jobs elsewhere in the North American economy”*

*“the industry generates a total of \$1.9 billion in economic output in North America”*

*“The rare earth industry is supportive of \$329.6 billion in economic output in “downstream” end-market products and technologies that employ 618,800 workers (with a combined payroll of \$37.6 billion) in the United States and Canada”*

Raw Materials	Basic Rare Earth Materials	Engineered Rare Earth Materials	Components & Systems	End Market Products & Technologies
Bastnäsite Monazite Ionic Clays	Separated Rare Earth Oxides Oxylates Chlorides & Nitrates Rare Earth Mixed Oxides Rare Earth Metals	Rare Earth Alloys Magnets & Magnetic Powders Catalysts Metallurgical Additives Polishing Powders Phosphors Glass Additives Ceramics Water Purification Chemicals	Batteries	Health Care Technologies
			Controls Drives	Hybrid, Electric, PHEV's & Other Vehicles
			Fabricated Metal Products	HVAC and Home Appliance Systems
			Lasers	Consumer Electronics
			Motors & Generators	Energy Efficient Lighting
			Sensors	Communications & Electronics
			Transducers	Audio Equipment
			Other	Defense Technologies
			Systems & Components	Other Electronics
				Advanced Optics & Other Glass Products
				Oil Refining
				Electric Power



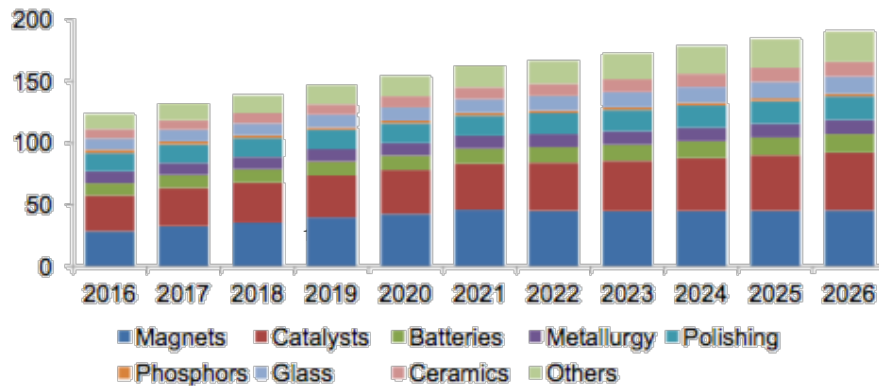


# FUTURE OF RARE EARTH MARKET

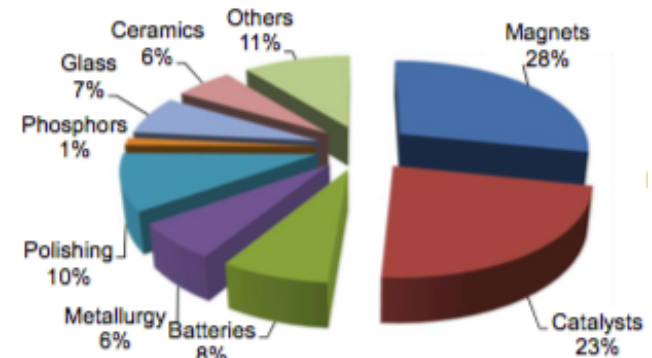
- Demand growth for rare earths is strong and increasing
- Applications will continue to be developed rapidly especially if a dependable, cost effective, high quality supply is established outside of China

- NdFeB magnet growth will shape the industry over the next five years, resulting in an increasing deficit of neodymium and rising prices for this element
- In the longer-term, prices may fall as NdFeB consumers move to alternative technologies
- Rare earth demand forecast to grow at 6%py 2016 to 2022 (based on growth in magnets and catalysts)
- Rare earth demand forecast to grow by 3%py 2021 to 2026 (as demand for magnets slows and substitution begins)
- Phosphors market continues to contract

**Rare earth demand by application, 2016 to 2026 (t REO)**



**Rare earth demand by application, 2021 (163kt REO)**



Source: Roskill

**Roskill**  
Approachable Independent Expert



# BUSINESS FOR CANADA RARE EARTH

	Now	Future
Buying and Selling Concentrate	For delivery to existing operating refineries in China	Additional deliveries to refineries outside of China
Buying and Selling Rare Earth Products (oxides, compounds etc.)	From China refineries to ROW	Additional supply from refineries outside of China
Developing Refineries Outside of China	Permitting of Laos refinery to exercise option to buy control Contracts for management, procurement, and sales	Development of additional refineries in South America and Southeast Asia
Other Initiatives	JV with advanced exploration companies to assist with mine development AND develop a viable concentrate and separation solution	

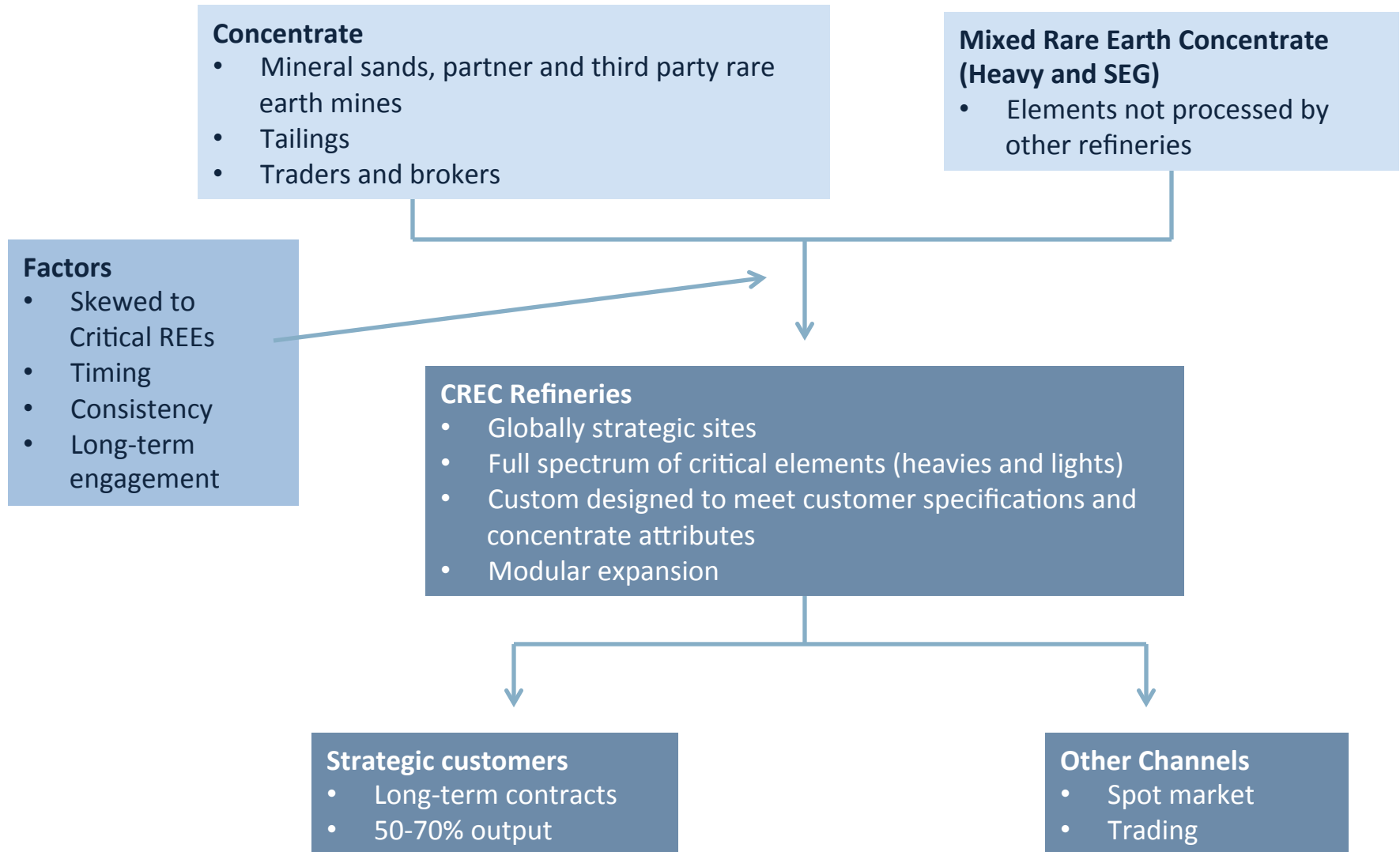


# UNIQUELY POSITIONED PLATFORM

1. Aggressive, managed rollout based on customer demand and direct access to technical and operational capabilities
2. In business: operational procurement, logistics, and sales activities generating revenues and gross profits
3. Distribution channel is expandable for similar, complementary products with common suppliers and customers



# RARE EARTH MINERALS TO MARKET CHAIN





# PROSPECTIVE PROJECTS AND ALLIANCES

Mineral Resources/ Concentrate Sources	Concentrate Pretreatment (Hydrometallurgy)	Rare Earth Separation Facilities	Rare Earth Downstream Processing
<ul style="list-style-type: none"> <li>Africa</li> <li>South America</li> <li>Australia</li> <li>Southeast Asia</li> <li>India</li> <li>North America</li> </ul>	Hunan China	Ganzhou Zhanhai	China
		Hunan China	
	Laos	Laos	Laos
	Southeast Asia	Southeast Asia	Southeast Asia
	South America	South America	South America
	India	India	
			Europe
	Middle East	Middle East	Middle East

End Customers



Prospective



In Place





## Management and Board of Directors

Tracy A. Moore	CEO & Director	Corporate finance in 20 countries
Peter Shearing	COO & Director	Broad international experience in electronics and high-tech manufacturing
Salil Dhaumya	CFO	Extensive experience in the resource sector
Gordon J. Fretwell	Director, Secretary & Legal Counsel	
		Multiple clients and directorships in the exploration and mining industry
Chris F. Goodman	Director	Commodity trading and international business development
Mark Peters	Director	International tax structuring and financial reporting
Bill Purcell	Director	Background in downstream oil industry

## Advisory Board

Roger Li	Chairman - Extensive network of relationships in rare earth market, inside and outside of China.
Li Family	Advisors, capability partners, and major shareholders - Owns and operates the premier rare earth engineering and design company, as well as a refinery, in China
Wencai Zhu	Multiple patents and publications rare earth processing. General Manager of a major refinery in China
Mike Fillipoff	Large-scale project management
Bob Schafer	Global exploration/mining experience
John Treleaven	Domestic and foreign government relations, former Ambassador of Canada



# STRATEGIC CAPABILITIES

Canada Rare Earth Corp., and its partners, has unparalleled experience and skills in the rare earth industry.

- Successful track record of designing, building and operating rare earth separation plants inside and/or outside of China
- Proven capability and technology for the separation of ALL critical rare earth products

The foundation for Canada Rare Earth to fulfill its vertical integration strategy includes:

- Identifying and securing optimal sources of rare earth concentrate
- Establish network of full spectrum rare earth refineries for supply of Canada Rare Earth products to key international customers
- Customer engagement and sales support



# CAPITAL STRUCTURE

	Directors, Sr. Management & Advisers	Other	Basic and Fully Diluted
Shares	36,036,167 (22%)	130,903,826	166,940,141
Options	8,525,000	nil	8,525,000
Total	44,561,167 (25%)	130,903,826	175,465,141

Trading Prices: 6¢ - 2.5¢ 52 Week high/low

Market Capitalization: \$5,842,900



## Vancouver Office Contact Information

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## Website

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## Corporate Data

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Computershare

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TSX Venture Exchange  
TSX:LL

Legal Counsel

Gordon J. Fretwell

Auditors

DeVisser Gray LLP