



Press Release

NAMIBIA RARE EARTHS' LOFDAL LICENCE RENEWED

Halifax, Nova Scotia December 1, 2014 - Namibia Rare Earths Inc. ("Namibia Rare Earths" or the "Company") (TSX:NRE) (OTCQX:NMREF) is pleased to announce that the Ministry of Mines for the country of Namibia has exercised its discretion to renew the Lofdal rare earths Exclusive Prospecting Licence 3400 for a further two year period.

The Company recently filed a National Instrument 43-101 technical report (Company press release November 14, 2014) titled "Preliminary Economic Assessment on the Lofdal Rare Earths Project Namibia" (the "PEA") which concluded that the Lofdal Project currently has the potential to produce an average of 1,500 tonnes per annum of separated rare earth oxides which would generate after tax cumulative cash flow of US\$259M with a net present value_{10%} ("NPV") of US\$148M and an internal rate of return ("IRR") of 42%. The PEA indicates that there is considerable potential to expand the current mineral resource and recommends that additional drilling be carried out to provide for an extended mine life in conjunction with a six month Prefeasibility Study program. Financial sensitivities of the Project are summarized in Table 1, and financial highlights in Table 2.

TABLE 1 - Financial Sensitivities Summary

Discount Rate (%)	Pre-Tax NPV (US\$)	After Tax NPV (US\$)
8	266,192,000	166,143,000
10	240,034,000	148,338,000
12	216,429,000	132,197,000

	Pre-Tax	After Tax
IRR (%)	53	42
Cumulative Cash Flow (US\$)	404,714,000	259,321,000

TABLE 2 - Financial Highlights

Initial Capital Costs (US\$)	93,177,000
Total Capital Costs (US\$)	162,935,000
Total Operating Costs per Tonne Mined(US\$)	91.99
Total Operating Costs per kg TREO Produce (US\$)	50.45
Basket Price per kg TREO Produced (US\$/kg)	105.77
Life of Mine (years)	7.25

The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project has not been demonstrated at this time. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Furthermore, there is no certainty that the PEA will be realized.

Donald M. Burton, P.Geo. and President of Namibia Rare Earths Inc., is the Company's Qualified Person and has reviewed and approved this press release.

Options

The Company also announced today that the Company's board recently granted a total of 2,480,000 incentive stock options to an aggregate of 18 directors, officers and employees of, and consultants to the Company. The options are exercisable for 5 years at an exercise price of \$0.20 and represent the first grant of options since February 2012.

About Namibia Rare Earths Inc.

Namibia Rare Earths Inc. is developing a portfolio of mineral exploration projects in Namibia and is currently focused on the accelerated development of the Lofdal Rare Earths Project in northwestern Namibia. The common shares of Namibia Rare Earths Inc. trade on the Toronto Stock Exchange under the symbol "NRE" and in the United States on the OTCQX International under the symbol "NMREF".

For more information please contact -

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No regulatory authority had approved or disapproved the adequacy or accuracy of this release. The foregoing information may contain forward-looking information relating to the future performance of Namibia Rare Earths Inc. Forward-looking information, specifically, that concerning future performance, is subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions.