

Press Release

NAMIBIA RARE EARTHS ADVANCES METALLURGICAL TEST WORK AT LOFDAL

- **Optimization on high grade sample reaches 20% TREO**
- **Calibration tests confirm potential of XRT sorting to achieve 50% mass reduction with 85-90% recovery of rare earths**
- **Characterization studies confirm amenability of low grade sample to magnetic separation and leaching with additional optimization on flotation at Mintek and Nagrom**
- **Five additional HQ diameter core holes completed to support on-going metallurgical test programs with all samples delivered to Germany for sorting**

Halifax, Nova Scotia November 21, 2013 - Namibia Rare Earths Inc. ("Namibia Rare Earths" or the "Company") (TSX:NRE) (OTCQX:NMREF) is pleased to report that it has received additional results from on-going metallurgical test work on the Area 4 heavy rare earth deposit located on the Company's Lofdal permit in northwestern Namibia. Significant improvements in grade and recoveries have been achieved on the high grade sample and the flow sheet is now being directed towards optimizing grades and recoveries of the low grade sample. Significant improvements are also reported from XRT sorting calibration tests carried out by Tomra Sorting Solutions which confirm the potential for a 50% mass reduction with consistent high recoveries (85-90%) of the rare earths.

The corporate objective remains to produce a mineral concentrate of sufficient grade and quality and to then bring in a qualified technical partner to assist in down-stream processing (cracking and separation).

Don Burton, President of Namibia Rare Earths stated,

"Magnetic separation has clearly proven the most effective primary beneficiation technique for Lofdal. Recoveries on the high grade sample have increased significantly from 65-78% to 82-90% with optimization (scavenging) of magnetic separation in this first stage. In order to significantly boost the grade we have now determined that scavenging coupled with a simple acid leach can effectively double the grades and we have the first data from the

sorted product now showing close to 20% TREO compared to 10% TREO in April. Mintek is completing the acid leach tests on the high grade sample. We have also engaged Nagrom laboratories from Australia to assist in flow sheet development. Nagrom has extensive experience with processing of xenotime from Browns Range (Wolverine deposit) and in particular with flotation. Both Mintek and Nagrom are advancing the flow sheet for the low grade sample. Initial grades and recoveries require further optimization in the same manner as was achieved for the high grade sample.

It is clearly important that we deliver the highest possible grades to the mill which highlights the importance of the on-going XRT sorting tests being carried out at Tomra test facilities in Germany. Sorting recoveries reported in April were 79% on the high grade and 48% on the low grade. Calibration tests carried out in October have achieved indicative recoveries of 82-90% consistently in about 50% of the mass. Bulk sorting tests are currently targeted to be completed by the end of the year.

The five additional metallurgical drill holes (700 meters HQ core drilling) have not only provided over 2,200 kg of material for sorting and further metallurgical test work, but have also again confirmed the integrity of the geological resource model in terms of grade and geometry."

Metallurgical Update

The focus of the metallurgical work to date has been on producing xenotime mineral concentrates from two HQ diameter core holes, one high grade with an average grade of 1.50% TREO with 94.7% heavy rare earth enrichment ("HREE") and one low grade with an average of 0.26% TREO and 80.8% HREE (company press release April 3, 2013).

High Grade

Work has continued on optimizing concentrate grades and recoveries from the high grade sample and is near completion. Optimization of magnetic separation has provided increased recoveries primarily through the introduction of a regrind and scavenging circuit following the first stage magnetic separation. Recoveries are now approaching 90% (Tables 1 and 2). One significant adjustment to the program has been the introduction of an earlier stage leach following magnetic separation which has increased concentrate grade to near 20% on the sorted product (Table 3) and is expected to return similar increases on the fines and whole ore products (analyses pending). Only the initial test leach data on first stage magnetic separation for the sorted product is available at this time. Recovery to wet high intensity magnetic separator ("WHIMS") is expected to increase with second stage scavenging. The recovery from WHIMS concentrate to acid leach was 99%.

Table 1. Mintek - WHIMS Grades and Recoveries from Lofdal High Grade Sample (Hole 4084) - APRIL 2013

Test Material	Head Grade (% TREO)	Heavy Enrichment (%)	Concentrate Grade (% TREO)	Heavy Enrichment (%)	Recovery (%)
Whole Ore	1.37	93.3	8.39	96.1	64.7
Fines (unsorted <10 mm)*	1.36	91.3	7.76	94.4	68.3
Sorted Product (>10 mm)*	2.97	95.3	10.19	96.4	77.9

* Based on WHIMS feed; all analyses for REEs by Actlabs

Table 2. Mintek - WHIMS Grades and Recoveries After Scavenging from Lofdal High Grade Sample (Hole 4084) - NOVEMBER 2013

Test Material	Head Grade (% TREO)	Heavy Enrichment (%)	Concentrate Grade (% TREO)	Heavy Enrichment (%)	Recovery (%)
Whole Ore	1.69	TBD	8.33	TBD	85.3
Fines (unsorted <10 mm)*	1.22	TBD	7.90	TBD	82.1
Sorted Product (>10 mm)*	3.27	TBD	11.08	TBD	89.5

* Based on WHIMS feed; all TREO grades estimated from % Y₂O₃ by ICP by Mintek; TBD - to be determined

Table 3. Mintek - WHIMS Grades and Recoveries Before Scavenging and After Leaching from Lofdal High Grade Sample (Hole 4084) - NOVEMBER 2013

Test Material	Head Grade (% TREO)	WHIMS Concentrate Grade (% TREO)	Recovery ¹ (%)	Acid Leach Concentrate Grade (% TREO)	Recovery ² (%)
Sorted Product (>10 mm)*	3.34	14.94	71.9	19.80	71.2

* Based on WHIMS feed; all TREO grades estimated from % Y₂O₃ by ICP by Mintek; ¹recovery from first stage WHIMS not optimized with scavenging; ² represents a 99% recovery from WHIMS concentrate

Low Grade

Characterization of the low grade sample has confirmed similar grain size and distribution of xenotime which also responds very well to magnetic separation. Gangue mineralization is also predominantly albite and calcite however there is increased iron content in the low grade sample which is believed to be inhibiting recoveries. This is due to the presence of higher concentrations of hematite as the low grade sample is more oxidized than the high grade sample. Mintek has progressed through to two stage magnetic separation while Nagrom has progressed to a first stage magnetic separation with a cleaner flotation (Tables 4 and 5). Both labs have yet to introduce any leaching as the objective is to first further optimize the magnetic concentrates by addressing the higher iron contents noted above.

Table 4. Mintek - WHIMS Grades and Recoveries After Scavenging from Lofdal Low Grade Sample (Hole 4085) - NOVEMBER 2013

Test Material	Head Grade (% TREO)	Heavy Enrichment (%)	Concentrate Grade (% TREO)	Heavy Enrichment (%)	Recovery (%)
Whole Ore	0.23	TBD	1.22	TBD	49.9
Fines (unsorted <10 mm)*	0.21	TBD	0.98	TBD	45.1
Sorted Product (>10 mm)*	0.45	TBD	1.65	TBD	55.1

* Based on WHIMS feed; all TREO grades estimated from % Y₂O₃ by ICP by Mintek

Table 5. Nagrom - WHIMS Grades and Recoveries after Flotation from Lofdal Low Grade Sample (Hole 4085) - NOVEMBER 2013

Test Material	Head Grade (% TREO)	Heavy Enrichment (%)	Concentrate Grade (% TREO)	Heavy Enrichment (%)	Recovery (%)
Whole Ore	0.24	80.5	0.97	82.6	70.9
Sorted Product (>10 mm)*	0.52	83.8	1.72	85.3	64.9

* Based on WHIMS feed; all analyses for REEs by Nagrom

QAQC

Sample preparation of metallurgical samples is provided by Mintek (South Africa) and Nagrom (Australia) as noted for each table. Final analytical work for rare earths is provided by Activation Laboratories Ltd. (Ancaster, Ontario) and by Nagrom (Australia) employing ICP-MS techniques suitable for rare earth element analyses and following strict internal

QAQC procedures inserting standards and duplicates. Preliminary estimates provided by Mintek in Tables 2, 3 and 4 are based on ICP analyses for yttrium which is a reliable proxy for % TREO in the Area 4 deposit.

Update on Sorting

Testwork in 2012 and early 2013 by Tomra Sorting Solutions GmbH of Germany demonstrated the amenability of the Area 4 mineralization to pre-sorting of run-of-mine material to increase the grade of the feed to the mill by selectively removing waste using x-ray transmission ("XRT") technology. It was recommended that larger sample volumes be obtained and that further optimizations be carried out.

For this purpose, five HQ diameter core holes were completed for a total of 709 meters to collect representative samples over 330 meters of strike length along the deposit (Figure 1). Holes were collared at angles of 40-45° to drill down-dip in the mineralized zone in order to collect large representative volumes of sample for sorting and further metallurgical test work. All holes were drilled at an azimuth of 165° from the footwall into the hangingwall. Mineralized contacts were confirmed using handheld XRF analysers in the field. Core was halved and then quartered with ¼ being sampled on one meter intervals for ICP-MS analyses and the remaining ¾ being shipped to Germany which provided 2,291 kg of sample for testing. Summary of drill hole results are presented in Table 6 and complete analytical data are presented in Table 7.

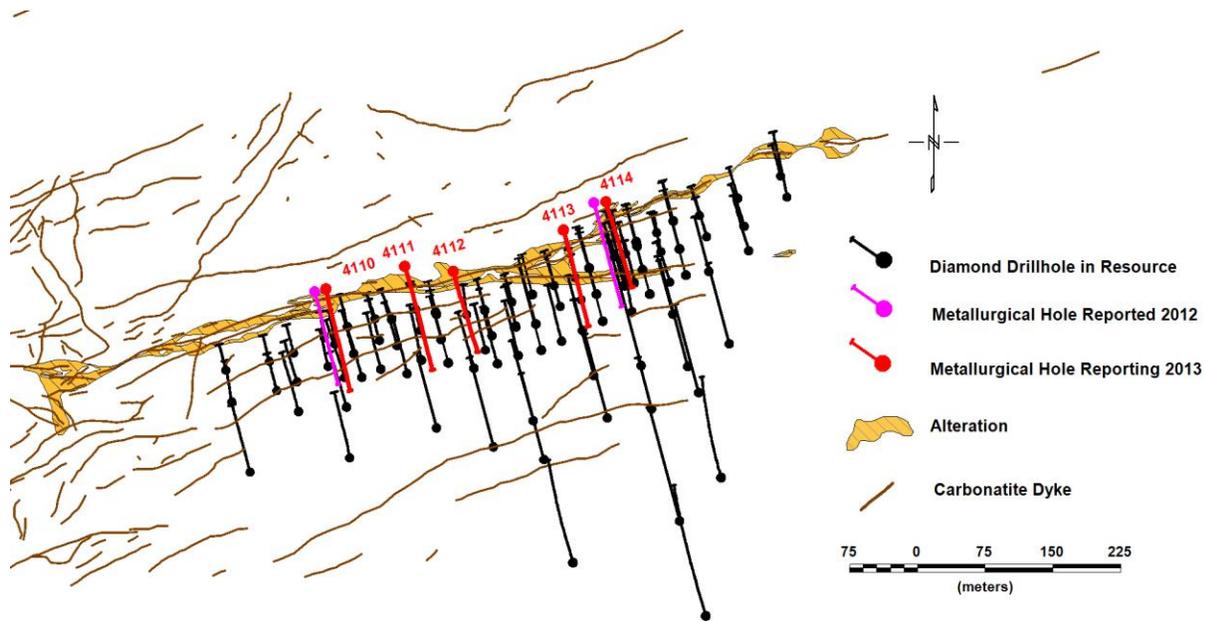


Figure 1. Drill plan over Area 4 deposit showing location of 2013 metallurgical holes (red)

Table 6. Summary of Results for 2013 Metallurgical Drill Holes

HoleID	Section	From (m)	To (m)	Length (m)	Grade % TREO	HREO:TREO Ratio as %	Sample Weight (kg)	Screened Weight (kg)	Fines Weight (kg)	% Fines
NLOFDH4110	470250E	16.0	86.0	70.0	0.38	85.23	295	242	53	17.8
NLOFDH4111	470350E	14.0	116.0	102.0	0.56	90.26	539	420	119	22.1
NLOFDH4112	470400E	28.0	119.0	91.0	0.52	85.93	465	355	110	23.7
NLOFDH4113	470525E	22.0	152.2	130.2	0.18	59.86	659	502	157	23.8
NLOFDH4114	470563E	18.0	88.0	70.0	0.53	86.73	332	207	125	37.7

Table 7. Complete Rare Earth Analytical Results for 2013 Metallurgical Holes

HoleID	From m	To m	Length m	La2O3 ppm	Ce2O3 ppm	Pr2O3 ppm	Nd2O3 ppm	Sm2O3 ppm	LREO %	Eu2O3 ppm	Gd2O3 ppm	Tb2O3 ppm	Dy2O3 ppm	Ho2O3 ppm	Er2O3 ppm	Tm2O3 ppm	Yb2O3 ppm	Lu2O3 ppm	Y2O3 ppm	HREO %	TREO %	HREO:TREO Ratio as %
NLOFDH4110	16.0	86.0	70.0	105	211	29	133	77	0.06	38	175	39	274	59	159	22	126	17	2291	0.32	0.38	85.23
NLOFDH4111	14.0	116.0	102.0	127	224	24	94	79	0.05	48	241	60	451	102	300	45	275	36	3522	0.51	0.56	90.26
NLOFDH4112	28.0	119.0	91.0	193	315	33	120	64	0.07	39	194	51	388	89	261	40	243	32	3091	0.44	0.52	85.93
NLOFDH4113	22.0	152.2	130.2	194	345	35	121	38	0.07	17	71	15	103	22	62	9	59	8	725	0.11	0.18	59.86
NLOFDH4114	18.0	88.0	70.0	166	305	34	129	65	0.07	39	206	56	431	95	287	45	273	37	3096	0.46	0.53	86.73

Sample preparation and analyses were carried out by Activation Laboratories Ltd. (Windhoek, Namibia and Ancaster, Ontario) employing ICP-MS techniques suitable for rare earth element analyses and following strict internal QAQC procedures inserting standards and duplicates.

Detailed calibration tests were carried out at the Tomra test facility in Wedel, Germany in late October to optimize the sorting algorithms. The first tests conducted in April achieved a near doubling of the grade in the sorted product but significant losses of REOs were noted in the waste. Results from the new calibration tests have confirmed that much high recoveries should be attainable than was reported in April (48-79% recovery with mass pulls of 55-75% to waste). Results of the new calibration scans are summarized in Table 8 and show indicative recoveries of 85-89% with a consistent mass pull averaging 47% to waste.

Table 8. Results from Calibration Scans

	Head Grade % TREO	Sorted Grade % TREO	Upgrade Factor	Waste Grade % TREO	Recovery %	Mass Pull to Waste %
Calibration Test 1	0.82	1.41	1.72	0.18	89	48
Calibration Test 2	0.21	0.33	1.57	0.06	85	46
Calibration Test 3	0.63	1.06	1.68	0.14	89	47
Average All 3 Tests	0.55	0.93	1.66	0.13	88	47

Grades of the samples used in all calibration scans were determined by estimating % TREO from ppm yttrium as determined by handheld XRF analyser.

It had been planned to immediately carry out the bulk sample sorting in October following calibration, however this was not possible due to availability of equipment and is now expected to be rescheduled to early December. Once sorting has been completed much

larger volumes of sample will be available for on-going metallurgical work to produce significant volumes of concentrate. Concentrate can then be made available to qualified technical partners or facilities to determine amenability to separation.

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

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. The Company completed a CDN\$28.75 million initial public offering and Toronto Stock Exchange listing in April, 2011 and is well funded to carry out its development program. 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 -

Namibia Rare Earths Inc.

Don Burton, President

Tel: +01 (902) 835-8760

Fax: +01 (902) 835-8761

Email: Info@NamibiaREE.com

Web site: www.NamibiaRareEarths.com

Cowen Securities LLC

(Principal American Liaison)

OTCQX International Market (U.S.)

Christopher Weekes / Stephen Nash

Tel: +1 (212)-372-5766

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.