



Press Release

NAMIBIA RARE EARTHS INC. DRILLING PROGRAM AT LOFDAL PROGRESSING ON SCHEDULE

Halifax, Nova Scotia June 16, 2011 - Namibia Rare Earths Inc. ("Namibia Rare Earths" or the "Company") (TSX:NRE) announced today that the 7,500 meter drilling program on its Lofdal Rare Earth Project in Namibia (see press release May 18, 2011) is progressing on schedule. The field team has already completed 957 meters of diamond drilling in 14 holes on the first four of eighteen drill targets within the 200 km² Lofdal Carbonatite Complex (Figure 1). Sampling is progressing well with the first two shipments of core samples delivered to the Activation Laboratories preparation facility in Windhoek, Namibia. First results are expected to be released by end of July, 2011.

The first drill targets at Lofdal are testing areas of significant **heavy rare earth (HREE) enrichment**¹ (Table 1) based on surface sampling of outcrops in Area 4 and in Area 5 (Figure 2) with two diamond drills. One drill has been deployed to the 800 meter long east-west trending structure in Area 4 where HREE enrichment of 96% carrying up to 4,400 ppm dysprosium has been sampled at surface. The second rig is drilling in Area 5 along a 1.6 kilometer long northeast trending structure where HREE enrichment of 72% carrying up to 3,540 ppm dysprosium has been sampled. Geologists report zones of interest from drilling based on alteration over widths of 1-10 meters, similar to what was documented by geological mapping at surface.

Don Burton, President stated, *"We are very pleased with the successful launch of the 2011 drilling program at Lofdal. The initial indications are that we are hitting the target zones as anticipated. Our drilling and geological teams are performing extremely well and we look forward to receiving the analytical results from these first holes to see how they mesh with the indications of HREE enrichment from surface sampling. These are early days and many targets remain to be evaluated. We are definitely off to a good start."*

Namibia Rare Earths completed an initial public offering and listing on the Toronto Stock Exchange in April 2011. The Company raised \$28,750,000 and is well funded to aggressively pursue exploration of the Lofdal Rare Earth Project with an objective of defining a 43-101 compliant resource within the next 12 months. An additional 15,000 meters of diamond drilling is budgeted for this task.

¹ As per industry norms heavy rare earths ("HREE") comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths ("LREE") comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm). Total rare earths ("TREE") comprise HREE+LREE. "Heavy rare earth enrichment" is the ratio of HREE:TREE expressed as a percentage.

Overview of the Lofdal Rare Earth Project

The Lofdal Carbonatite Complex is an untested district scale opportunity with the potential for the discovery of rare earth deposits, some of which may have exceptional HREE enrichment. Rare earth mineralization at Lofdal is hosted in carbonatite dykes and plugs, with the dykes typically grading between 0.5 - 3% total rare earths including yttrium ("TREE"). Dyke thicknesses are variable from less than one meter to 15 meters at surface and can be traced in some cases, up to three kilometers in strike length. The more significant mineralized structures have associated alteration haloes which can carry anomalous concentrations of rare earth elements.

As previously reported, the initial 7,500 meter drill program will also test three additional dyke-related targets that have been identified elsewhere in Area 5 and two targets in Area 1. Deeper drilling is also planned in Area 2 where drilling last year intersected narrow, HREE enriched structures over a strike length of 600 meters in the 2B Zone. The large, lower grade light rare earth target at the Emanyia intrusion in Area 8 will also be tested. Emanyia forms a prominent hill of carbonatite and is exposed over a surface area of approximately 300 meters in diameter with 218 grab samples from surface averaging 0.6% TREE+Y. Interpretation of airborne geophysical data (versatile time domain electromagnetic "VTEM") over Emanyia suggest that intrusion may be more than twice that size. Rare earth mineralization has also been documented in gneissic rocks in Area 6 associated with a radiometric anomaly which measures 400 meters long by 175 meters wide. A single rock sampling traverse across this feature returned TREE values in the range of 0.3 – 4.9% with HREE enrichment of 10-30%. Further investigations in Area 6 have been completed including systematic soil and rock sampling to develop more specific drill targets. Soil and rock results from Area 6 are pending.

Program Management

Geological management of the Lofdal drilling program is being undertaken by Remote Exploration Services Namibia (Pty) Ltd. (corporate offices South Africa) which has established a complete field camp at Lofdal including full core logging and sampling facilities with a dedicated geological team on each drill. Drilling is being carried out by JGM Drilling and Exploration of Windhoek, Namibia which is operating two diamond drill rigs on a 24/6 schedule and completing on average, 2 holes every 48 hours.

Sample preparation and analytical work for the drilling program is being provided by Activation Laboratories (Windhoek, Namibia and Ancaster, Ontario), and for exploration rock and soil sampling by Bureau Veritas Mineral Laboratories (Swakopmund) employing ICP-MS techniques suitable for rare earth element analyses and following strict internal QAQC procedures inserting blanks, standards and duplicates. Samples are systematically delivered to Activation Labs preparation facility in Windhoek weekly to allow for shipment of pulps for analysis to their laboratory in Ancaster, Ontario on a regular basis.

Dr. Scott Swinden of Swinden Geoscience Consultants Ltd. is on site acting as an independent geological advisor to Namibia Rare Earths. Dr. Swinden was the principal author of the 43-101 Technical Report dated April 4, 2011 titled "*Amended 43-101 Technical Report on the Rare Earth Element Occurrences in the Lofdal Carbonatite Complex, Kunene Region, Khorixas District, Namibia*" (available on SEDAR). Donald M. Burton, P.Geo. and President of Namibia Rare Earths is the Company's Qualified Person responsible for exploration in Namibia and he 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 now 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".

For more information please contact -

Namibia Rare Earths Inc.

Don Burton, President

Tel: +01 (902) 835-8760/ Fax: +01 (902) 835-8761

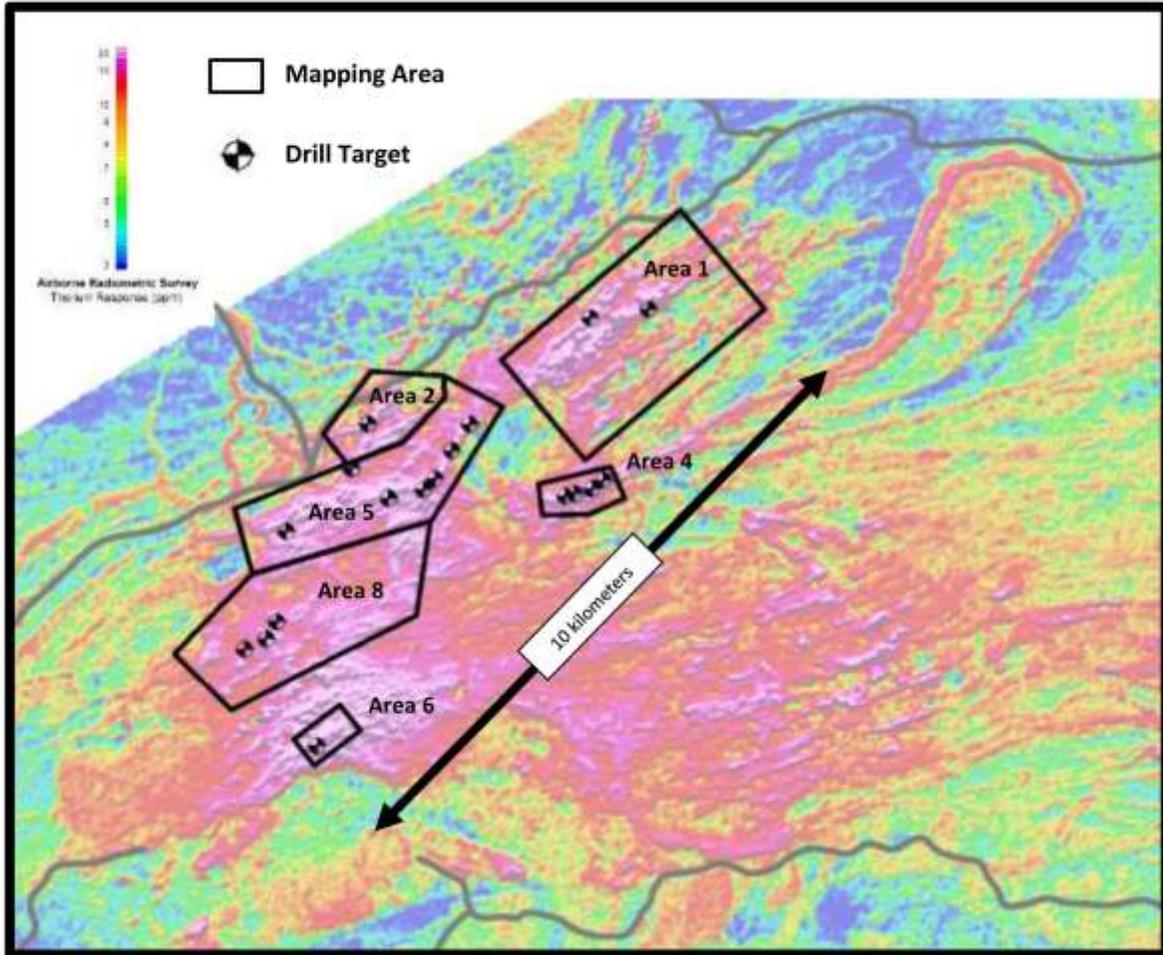
Email: Info@NamibiaREE.com

Web site: www.NamibiaRareEarths.com

NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED
THE CONTENT OF THIS RELEASE

Namibia Rare Earths Inc.

Press Release of June 16, 2011 – Figure 1



Phase I Drill Targets in the Lofdal Carbonatite Complex

Airborne radiometric image showing extent of the Lofdal Carbonatite Complex, mapped areas and priority drill targets for 7,500 m diamond drilling program using two rigs from June – August 2011.



Namibia Rare Earths Inc.
Press Release of June 16, 2011 – Table 1

Material Grades (%) of Rare Earth Oxides within Leading Rare Earth Projects Outside of China*
(heavy rare earth enrichment expressed as a percentage in last column to right)

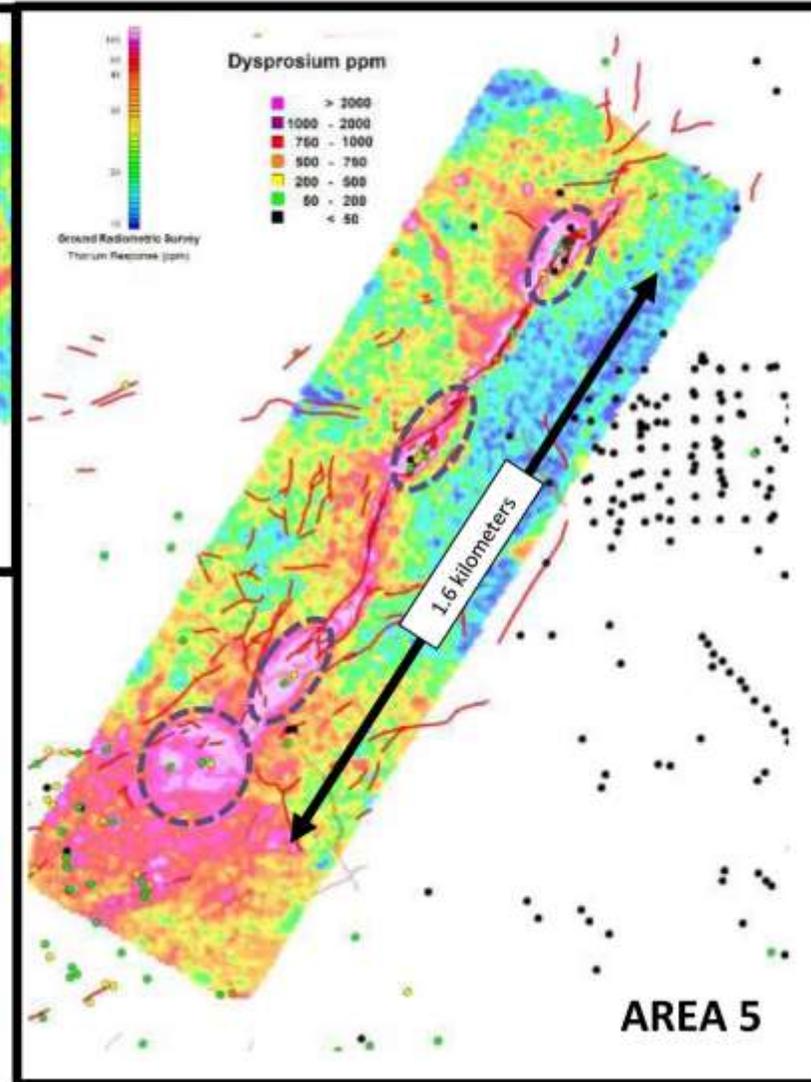
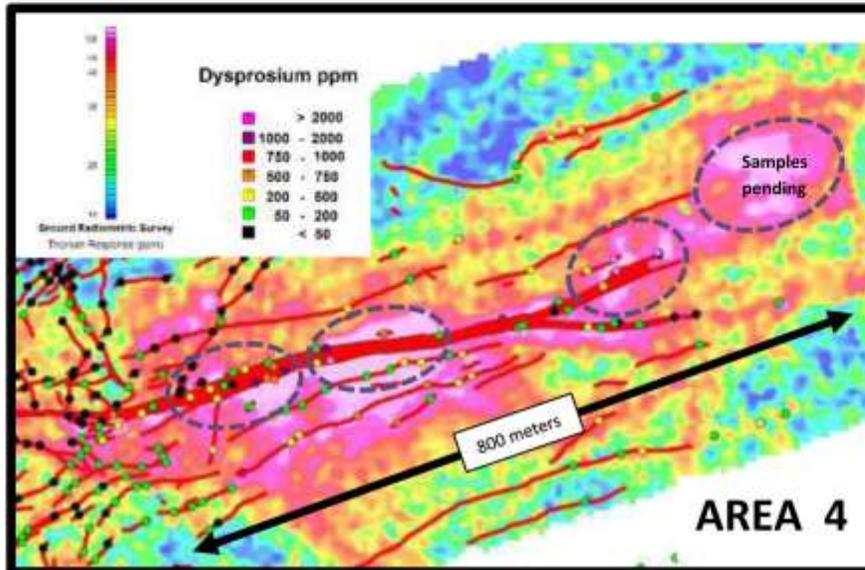
	La ₂ O ₃	CeO ₂	Pr ₂ O ₃	Nd ₂ O ₃	Sm ₂ O ₃	Eu ₂ O ₃	Gd ₂ O ₃	Tb ₂ O ₃	Dy ₂ O ₃	Ho ₂ O ₃	Er ₂ O ₃	Tm ₂ O ₃	Yb ₂ O ₃	Lu ₂ O ₃	Y ₂ O ₃	HREO	TREO	H:T †
Bear Lodge	1.08	1.63	0.14	0.41	0.08	0.02	0.04	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.03	0.11	3.45	3.3%
Cummins Range	0.45	0.60	0.08	0.27	0.03	0.01	0.02	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.03	0.07	1.72	4.0%
Dubbo	0.17	0.33	0.04	0.13	0.02	0.00	0.02	0.00	0.02	0.00	0.01	0.00	0.01	0.00	0.14	0.21	0.99	23.3%
Hoidas Lake	0.49	1.12	0.14	0.49	0.07	0.01	0.03	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.03	0.09	2.40	3.7%
Kangerikunde	1.26	2.11	0.20	0.59	0.04	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	4.24	0.7%
Kutesay II	0.03	0.09	0.01	0.03	0.01	0.01	0.01	0.00	0.02	0.00	0.02	0.00	0.01	0.00	0.09	0.17	0.34	49.7%
Kvanefjeld	0.29	0.45	0.05	0.14	0.02	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.08	0.13	1.07	11.8%
Mount Weld	2.03	3.63	0.40	1.39	0.20	0.05	0.12	0.01	0.05	0.01	0.02	0.00	0.01	0.00	0.17	0.43	8.08	5.4%
Mountain Pass	2.18	3.22	0.28	0.79	0.05	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.04	6.57	0.6%
Nechalacho	0.23	0.54	0.07	0.26	0.05	0.01	0.04	0.01	0.02	0.00	0.01	0.00	0.01	0.00	0.11	0.21	1.36	15.5%
Nolans Bore	0.55	1.33	0.16	0.60	0.07	0.01	0.03	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.04	0.09	2.91	3.3%
Norra Karr	0.05	0.12	0.02	0.06	0.01	0.00	0.02	0.00	0.03	0.01	0.02	0.00	0.02	0.00	0.19	0.29	0.54	52.7%
Sarfartoq	0.32	0.76	0.09	0.29	0.03	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.03	1.51	2.2%
Steenkampskraal	2.52	5.42	0.58	1.94	0.29	0.01	0.18	0.01	0.08	0.01	0.01	0.01	0.01	0.00	0.58	0.89	11.65	7.7%
Strange Lake	0.13	0.27	0.03	0.11	0.03	0.00	0.03	0.01	0.04	0.01	0.03	0.01	0.03	0.00	0.28	0.43	1.00	43.2%
Zandkopedrift	0.55	0.96	0.10	0.34	0.05	0.01	0.03	0.00	0.02	0.00	0.01	0.00	0.00	0.00	0.09	0.17	2.16	7.8%
Zeus	0.03	0.07	0.01	0.03	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.05	0.09	0.24	36.9%

†: H:T = ratio of HREO : TREO as a percentage (TREO = LREO + HREO).

Sources: Technology Metals Research, company reports

* Excerpt from the report entitled "A Summary Overview of the Rare Earths Market" dated February 22, 2011 prepared by Technology Metals Research, LLC for Namibia Rare Earths Inc.

Namibia Rare Earths Inc.
Press Release of June 16, 2011 – Figure 2



Drill Targets in Area 4 and Area 5

Carbonatite dykes and alteration zones (red) associated with radiometric anomalies and HREE-enriched outcrop samples. HREE enrichment indicated by dysprosium values in the range of 200 – 4,000 ppm Dy. Drill targets circled by dashed lines.