Molycorp Minerals
THE RARE EARTHS COMPANY

Rare Earth Minerals: The Indispensable Resource for Clean Energy Technologies

TECHNOLOGY AND RARE EARTH METALS 2010
WASHINGTON, DC
MARCH 17, 2010

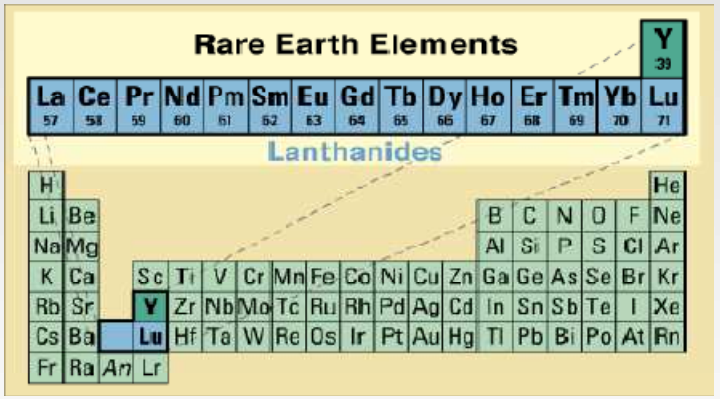
Mark A. Smith, P.E.
Chief Executive Officer

Molycorp Minerals
THE RARE EARTHS COMPANY

What are "Rare Earth" Elements?

Rare earths are a group of 15 metals whose unique properties make them **indispensable for a wide variety of emerging and critical technologies:**

The Rare Earth Elements



Clean Energy Technologies

Hybrid electric vehicles, wind power turbines, compact fluorescent lighting, and more.

Advanced Water Filtration

Military, homeland security, domestic, and foreign aid applications.

Defense Applications

Enable a wide variety of critical defense technologies, including electric power generation platforms

Molycorp Minerals — Applications For Rare Earth Elements

Rare Earths

Catalysts

-Petroleum refining
-Chemical processing
-Catalytic converter
-Diesel additives
-Industrial pollution scrubber

Electronics

-Display phosphors (CRT, PDP, LCD)
-Medical imaging phosphors
-Lasers
-Fiber Optics
-Optical temperature sensors

Glass

-Polishing compounds
-Optical glass
-UV resistant glass
-Thermal control mirrors
-Colorizers/ Decolorizers

Ceramics

-Capacitors
-Sensors
-Colorants
-Scintillators

Metal Alloys

-Hydrogen storage (NiMH batteries, Fuel cells)
-Steel
-Lighter flints
-Aluminum/ Magnesium
-Cast iron
-Superalloys

Magnets

-Motors
-Disc drives & disk drive motors
-Power generation
-Actuators
-Microphones & speakers
-MRI

-Anti-lock brake system
-Automotive parts
-Communication systems
-Electric drive & propulstion
-Frictionless bearings
-Magnetic storage disk
-Microwave power tubes
-Magnetic refrigeration
-Magnetostrictive alloys

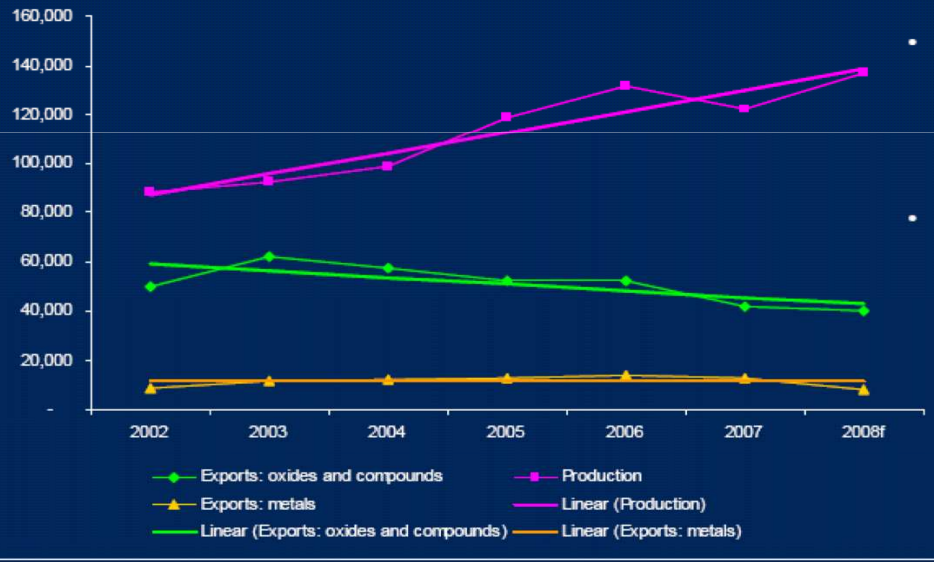
Other

-Water Treatment
-Fluorescent lighting
-Pigments
-Fertilizer
-Medical Tracers
-Coatings

Molycorp Minerals
THE RARE EARTHS COMPANY

Rare Earth Production: Growing Rare Earth Supply Issues

China: A widening gap between production and exports, 2002-2008



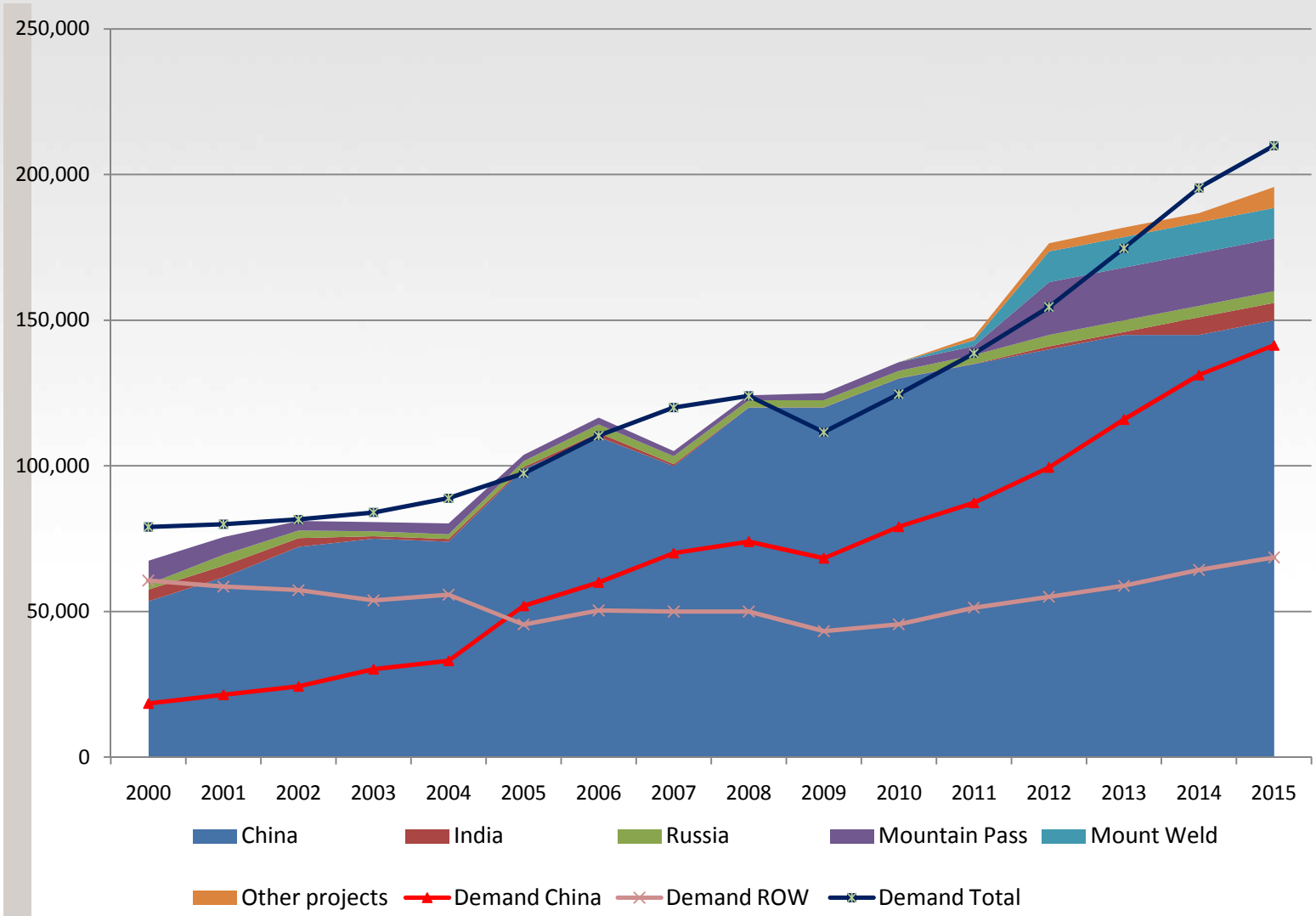
- Decreasing availability of REOs and rare earth metals to processors outside China
- Decline in exports of metals and alloys has not been as steep as exports of oxides and compounds but forecasts for 2008 show a significant decline.

Source: Global Trade Atlas, Roskill estimates

Roskill
EXPANDING THE WORLD'S KNOWLEDGE OF METALS AND MINERALS MARKETS

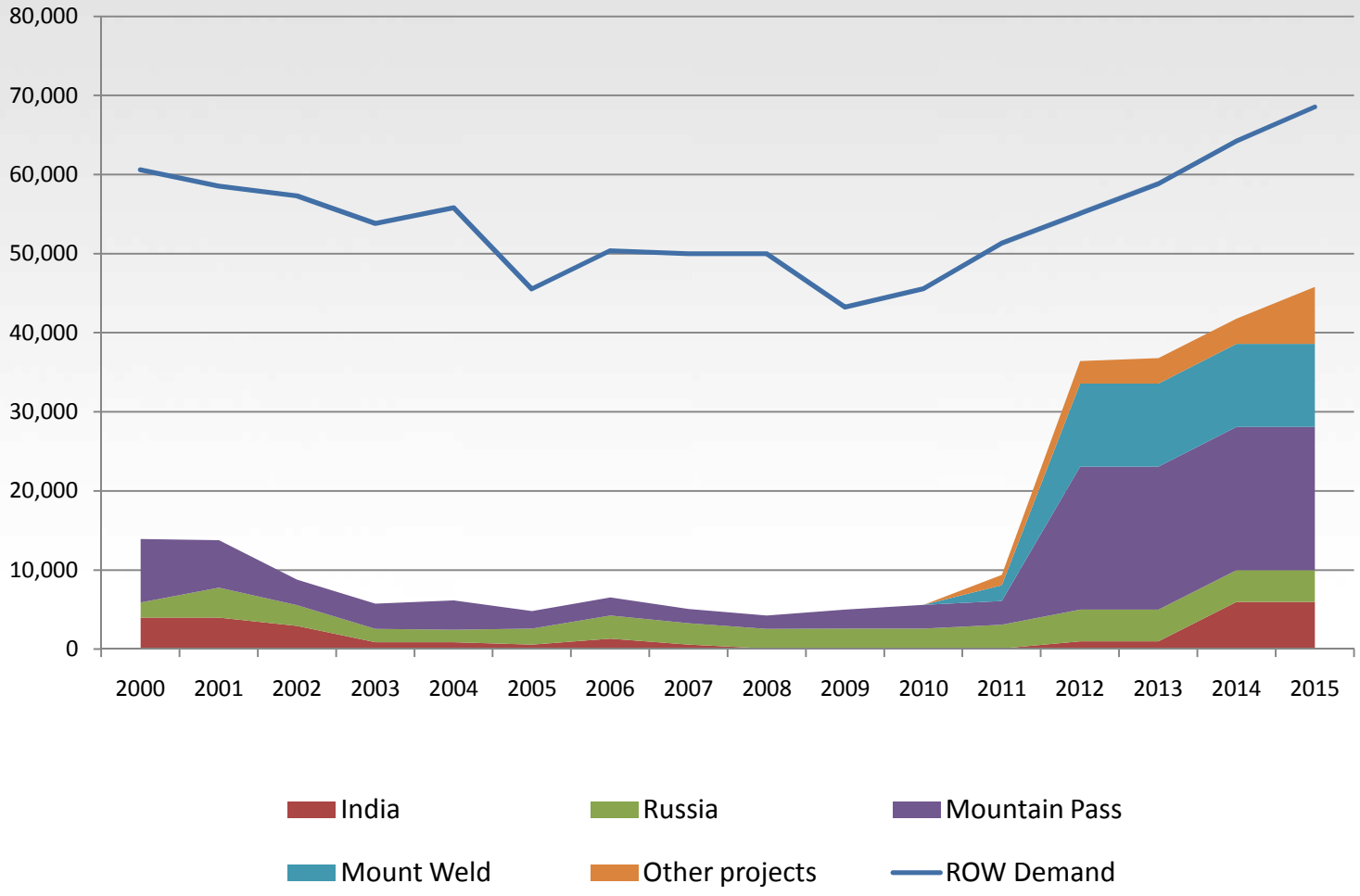
Molycorp Minerals
THE RARE EARTHS COMPANY

Global Rare Earth Supply/Demand



Source: Roskill Consulting

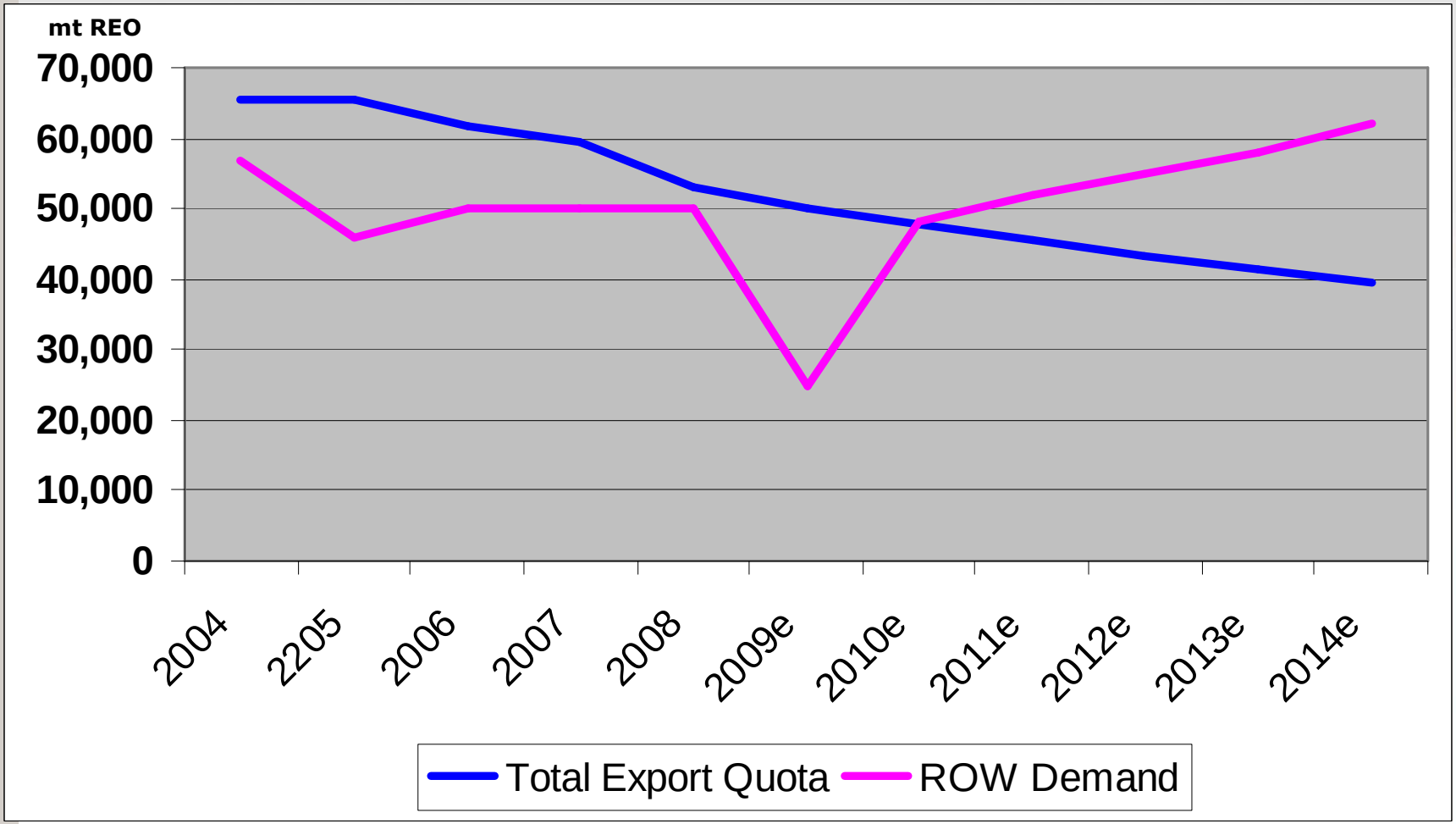
ROW Rare Earth Supply and Demand



Source: Roskill Consulting

Molycorp Minerals
THE RARE EARTHS COMPANY

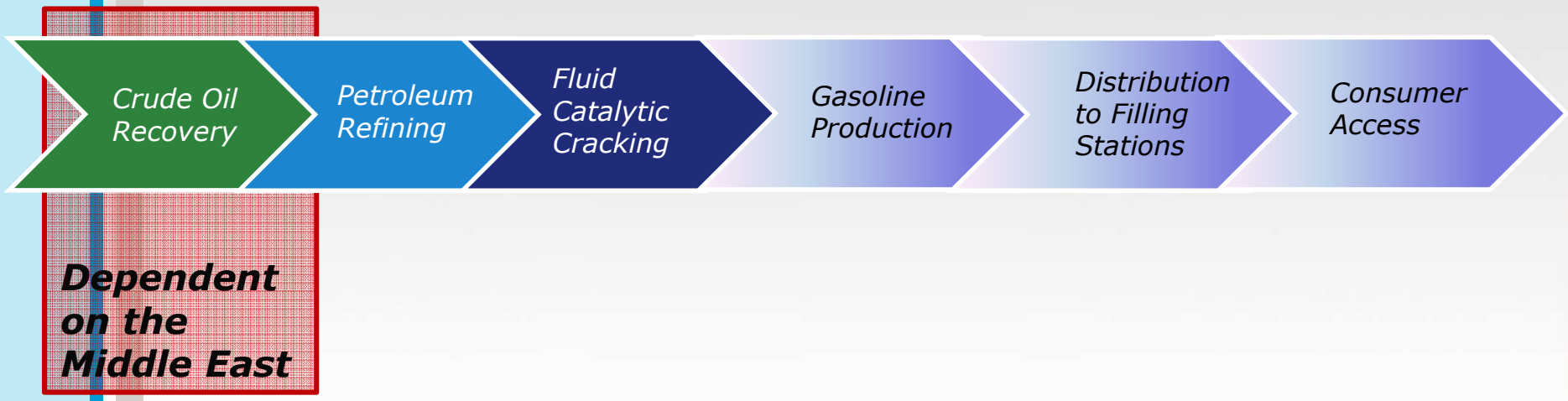
ROW Rare Earth Supply Issues: declining China Export Quota



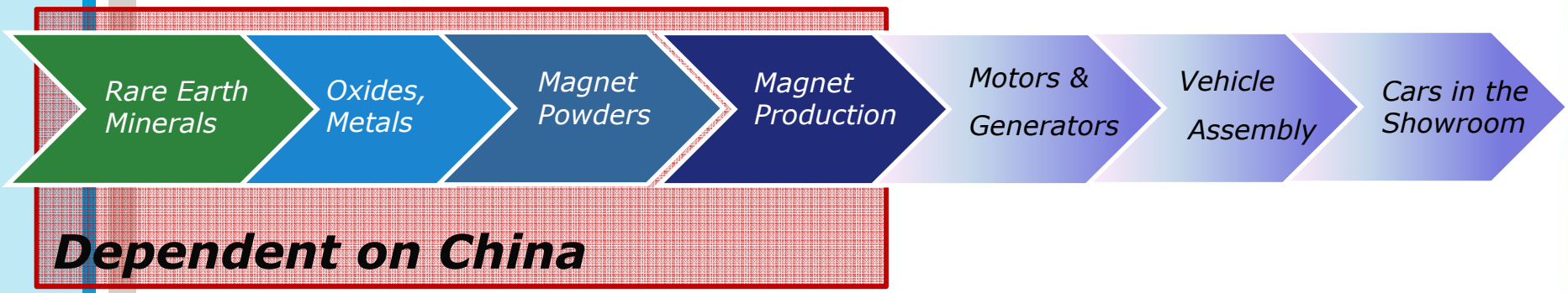
Molycorp Minerals
THE RARE EARTHS COMPANY

Rare Earth's or Petroleum: Trading One Dependence for Another

Petroleum Supply Chain

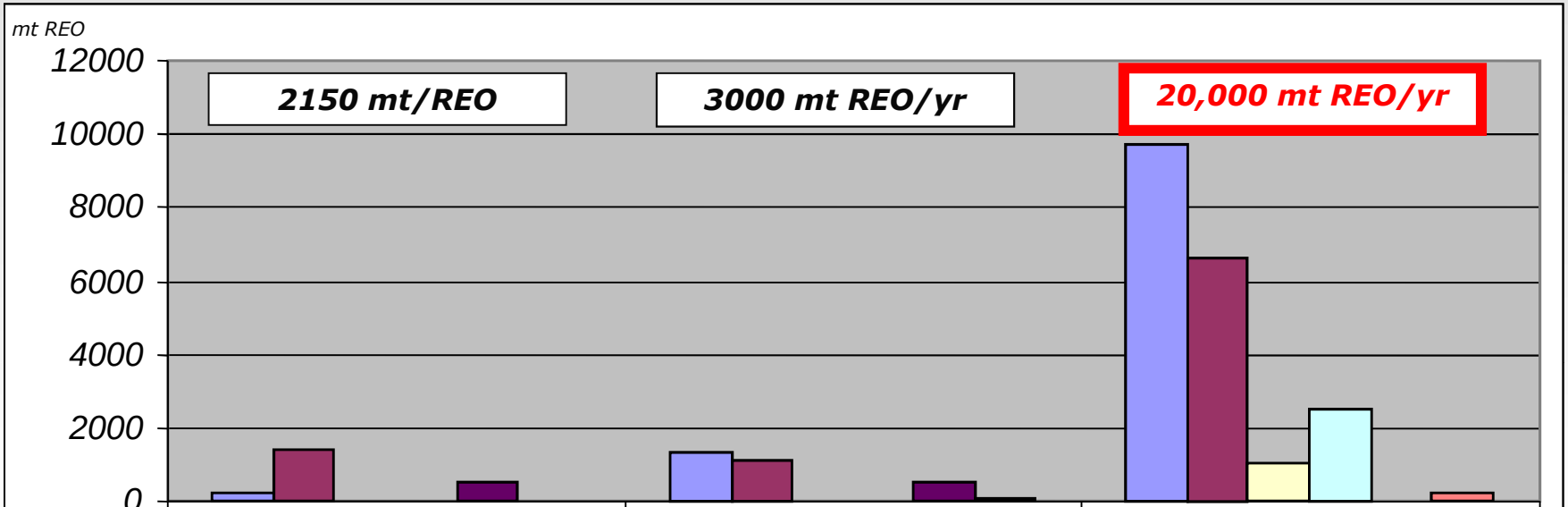


Hybrid Vehicle Supply Chain



Molycorp Minerals
THE RARE EARTHS COMPANY

Mt. Pass Production Through 2012



	2009	2010-11	2012+
Ce	200	1,350	9,700
La	1,400	1,100	6,600
Pr			1,000
Nd			2,500
Di	550	500	
Other		50	200

Project Plan

- Reestablish key Western Rare Earth Supply Chains
- Produce a full suite of high purity products
- Exceed all environmental requirements
- Be globally cost competitive

Molycorp Minerals
THE RARE EARTHS COMPANY

Reestablish Supply Chains

The name plate capacity of the plant will be 40MM lb/yr REO, expandable to about 80MM lb/yr REO

Molycorp has LOI's in hand for >145% of planned production.

Molycorp will move as far down stream as is necessary to establish viable supply chains.

"Mining to Magnets": Molycorp will produce Nd oxide, Nd metal, NdFeB alloy and partner with magnet producers to manufacture finished products.

Product Suite

Attractive product offerings are crucial to meet our goals.

Molycorp will produce a suite of high purity (>99%) products including:

- Neodymium
- Praseodymium
- Lanthanum
- Cerium
- Europium
- Dysprosium
- Samarium
- Gadolinium
- Others as markets dictate

Molycorp Minerals
THE RARE EARTHS COMPANY

Environmental

- 30 year Mine Permit and EIR are approved.
- More than adequate fresh water available for full production.
- Through recycling and treatment, fresh feed water will be reduced from 850 gpm to <30 gpm
- Molycorp has several workable options to choose from for waste water disposal, including evaporation and recycling.

Cost Competitiveness

Variable Costs

The most fundamental driver for our variable cost is HCl and NaOH consumption

Power and fuel costs are the second most significant cost

Molycorp has developed and is implementing innovative approaches and proprietary technologies that will significantly reduce these key costs, including onsite power generation and chemical recycling.

Cost Competitiveness – Cerium Products

Cerium consumption is an issue for the entire rare earth industry.

- Traditional markets have diminished and new applications have not replaced demand.

Molycorp has developed non-traditional high volume, high value, patent protected uses for new, cerium enriched, rare earth based products.

- Arsenic sequestration for Copper and Nickel manufacturers
- Advanced water treatment

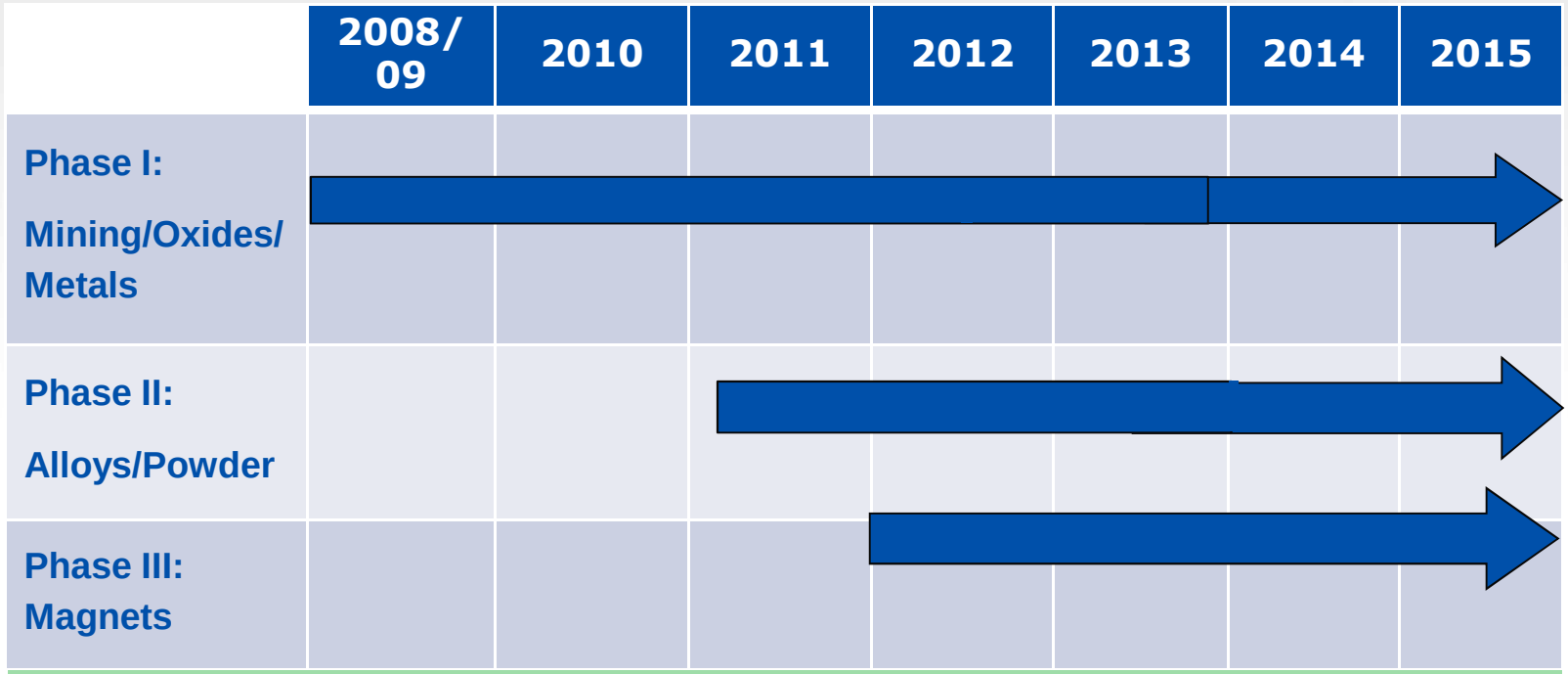
Molycorp Minerals
THE RARE EARTHS COMPANY

Molycorp's Phased Approach: Cultivating Capacity of at least 20,000 tons/year REO

Phase I: Complete refurbishment of processing plant and produce metal.

Phase II: Build alloying and magnet powder facilities.

Phase III: Build magnet production and finishing facility.



900 direct jobs created with addition of metals and magnet manufacturing

Molycorp Minerals
THE RARE EARTHS COMPANY

Thank You for your time.

Any Questions?