

Rare Earth Metal -- Markets Reach \$4.1 Billion By 2017

LEXINGTON, Massachusetts (March 2, 2011) – WinterGreen Research announces that it has a new study on Rare Earth Elements: Market Shares and Forecasts, Worldwide, 2011-2017. The study has 246 pages and 66 tables and figures.

The rest of the world was asleep as China grew to become a goliath in the rare earth industry. It took the rest of the world 20 years to wake up to the realization that the future of high technology could be in the hands of this one supplier. While there may be ample rare earth elements in the earth's crust, the challenge is in locating reserves worth mining and putting into place the infrastructure and processes necessary to mine and process them.

China produces 96 percent of the world's rare earth metals. Industrialized countries have realized that with a monopoly position, comes responsibility. China reduced its second-half rare earth metal export quota for the minerals by 72 percent in July 2010. It is now further restricting exports. Repercussions and strategic implications are likely if rare earth elements supply were to be disrupted. Actions by China have drawn criticism from U.S. lawmakers and officials in Japan and Germany.

After discovering a potential site and conducting a feasibility study, this type of mining operation requires permits, financing, building of infrastructure. Infrastructure includes roads, railways. The acquisition of mining technology, transportation for the materials, making mining machinery available, and processing of the raw materials is difficult.

According to Susan Eustis, lead author of the study, "All of these steps to rebuild the industry outside China could take up to ten years. In the meantime, China has a huge lead in educating engineers and scientists and in all aspects of the rare earth metal industry. This is a topic that has been neglected in the US and the western world until now." It has not been glamorous or interesting to professors, universities, and most of all students. It is set to become more significant in many countries.



Copyright 2011 WinterGreen Research, Inc.

-Page 1-

WinterGreen Research, Inc.

6 Raymond St.

Lexington, MA 02421

(781) 863-5078

www.wintergreenresearch.com

One potential threat is that, while China's reduction in export quotas is currently causing prices to go up, if China were to turn that around and bring prices back down, this could potentially put these and other companies out of business even before they become fully operational.

Hybrid vehicles are one of many technologies that use rare earth elements . Global demand for hybrid vehicles is projected to be 14 to 16 million vehicles per year by 2017 so the impact to the rare earth market could be staggering. Additional Rare Earth supply sources must come on line to support this growing industry.

China has major plans to build a national rare earth resources strategic reserves base. The tentative plan is to store up the raw materials that were not used up from the annual excavation at Baosteel. China uses that to stabilize prices. Efforts are underway in Northern China to realize this goal.

The fundamental aspect of rare earth metals implementation relates to efficient extraction of the minerals forms deposits in the earth. Markets at \$1.4 billion in 2010 are anticipated to reach \$4.1 billion by 2017. Market growth comes as energy efficient units are built using rare earth elements.

WinterGreen Research is an independent research organization funded by the sale of market research studies all over the world and by the implementation of ROI models that are used to calculate the total cost of ownership of equipment, services, and software. The company has 35 distributors worldwide, including Global Information Info Shop and Thompson Financial.



Copyright 2011 WinterGreen Research, Inc.

-Page 2-

Keywords: rare earth, REE, RE, REO, rare earth metal, rare earth mineral, rare earth elements, rare earths, neodymium, Nd-Fe-B, terbium, dysprosium, europium, heavy rare earths, Communications, rare earth radar systems, Rare Earth Mineral Water Pollution, Stockpiles Of Rare Earth Minerals, Black Market, Earth Resources Strategic Reserves Base, Hybrid Electric Vehicles, Water Purification, Heavy-Mineral Sands Deposits, Re-cycling Rare Earth Minerals, www.wintergreenresearch.com, <http://wintergreenresearch.com/reports/RareEarth.htm>

Contact:

Susan Eustis, President and Co-Author
WinterGreen Research
6 Raymond St.
Lexington, MA 02421

(781) 863-5078 (Work)
(617) 852-7876 (Cell)
susan@wintergreenresearch.com
www.wintergreenresearch.com



Copyright 2011 WinterGreen Research, Inc.

-Page 3-

WinterGreen Research, Inc.
6 Raymond St.
Lexington, MA 02421
(781) 863-5078
www.wintergreenresearch.com