



Press Release

Namibia Rare Earths Inc. Mobilizes for Airborne Survey Over Kunene Cobalt-Copper Project as Exploration Ramps Up

- Detailed airborne electromagnetic and magnetic survey comprising 3,700 line kilometers will be flown by SkyTEM over all cobalt target areas
- Field teams being deployed in advance over primary target areas
- Exploration activities continue to build in emerging cobalt district

Halifax, Nova Scotia May 7, 2018 – Namibia Rare Earths Inc. (“Namibia Rare Earths” or the “Company”) (TSXV:NRE) today announced that it has contracted SkyTEM Surveys ApS (“SkyTEM”) to carry out a detailed airborne electromagnetic (“EM”) and magnetic survey covering all the previously identified cobalt targets on its Kunene Cobalt-Copper Project in northern Namibia. The survey will cover over 600 km² and comprises 3,700 line kilometers to be flown with a helicopter-borne time domain electromagnetic system at a flight line spacing of 200 meters. The objectives of the survey are to detect conductive horizons and sulphide accumulations associated with cobalt-copper mineralization to depths of 300-400 meters, and to assist with geological mapping and structural interpretations. The system is being mobilized from Denmark and the survey is scheduled to be completed by June 30. Preliminary data will be delivered on site to allow for immediate ground follow-up by field teams which are being deployed in advance to carry out geological mapping and sampling over the primary target areas.

The Company is moving forward with an ambitious exploration program at Kunene comprising:

- Detailed geological mapping and sampling (April-June);
- SkyTEM electromagnetic and magnetic airborne survey (May-June);
- Geophysical interpretations and ground follow-up to prioritize drill targets (June-July); and
- 7,500 m drill program to commence in July

Don Burton, President stated *“We are in the early stages of exploration of what may well be an emerging cobalt district. As global attention focuses on diversification of cobalt supply outside of the DRC and on where to secure conflict-free sources of cobalt, Namibia clearly offers the opportunity for the discovery of world class primary cobalt deposits.*”

This phase of our program at Kunene is all about discovery. Having closed our CD\$4M financing, we are well-funded to carry out the necessary exploration programs. Our SkyTEM survey will be the first airborne EM survey over this highly prospective area. Sediment-hosted cobalt-copper deposits should respond well to electromagnetic methods. Based on what the surface geochemistry is showing us, the SkyTEM survey will undoubtedly deliver multiple targets for the budgeted drilling campaign.”

Exploration at Kunene is driven by the discovery of stratabound cobalt-copper mineralization as exemplified by the Dolostone Ore Formation ("DOF"). The DOF hosts a maiden JORC compliant resource at Opuwo as announced by Celsius Resources on April 16, 2018. **Note that JORC reporting totals Indicated + Inferred resources.** The Mineral Resource estimate at a cut-off grade of 0.06% cobalt consists of:

- **72.0 million tonnes** at a grade of 0.11% cobalt, 0.42% copper and 0.41% zinc in the **Indicated** category, and a further
- **40.5 million tonnes** at a grade of 0.12% cobalt, 0.41% copper and 0.46% zinc in the **Inferred** category.

It is noted that the mineralization on the Celsius property may not be indicative of mineralization that may be found on the Kunene project area held by Namibia Rare Earths.

The Kunene project area is contiguous with ground being actively explored for cobalt by ASX-listed Celsius Resources (Figure 1).

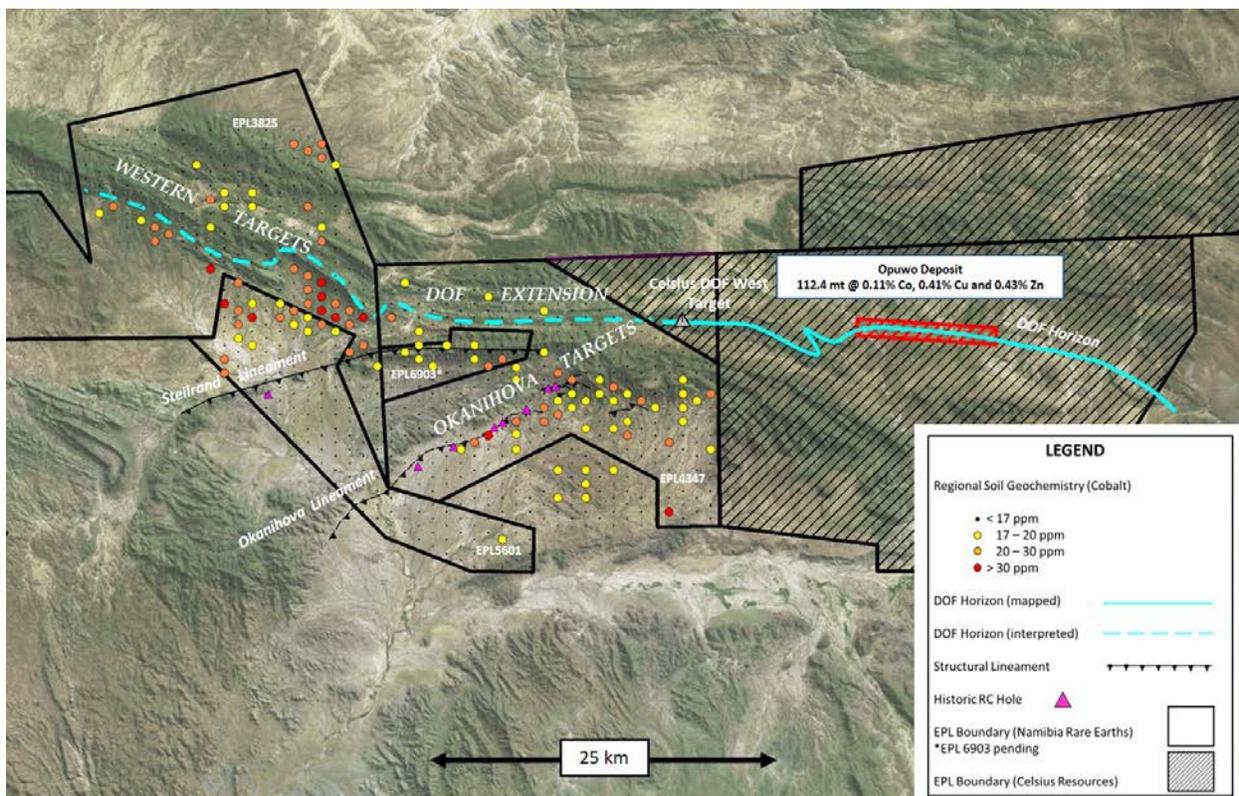


Figure 1 - Kunene Co-Cu Project Area showing principal targets associated with DOF Horizon, structural lineaments, and regional soil geochemical anomalies (cobalt) at 1 kilometer spacing. Celsius Resources land position to the east in cross hatching with Opuwo resource area in red rectangle.

Airborne Geophysical Survey

Given the frequent association of Co-Cu and Pb-Zn mineralization with sulphides, the prolific number of cobalt anomalies, and the kilometric scale trends throughout the project area, it was recommended that a detailed helicopter time domain electromagnetic survey be flown, and the contract has been awarded to SkyTEM ApS of Denmark. The SkyTEM survey will be

carried out at a flight line spacing of 200 meters across the entire belt covering the interpreted DOF Extension, Western Targets and Okanihova Targets which includes the Steilrand hydrothermal system (Figure 2).

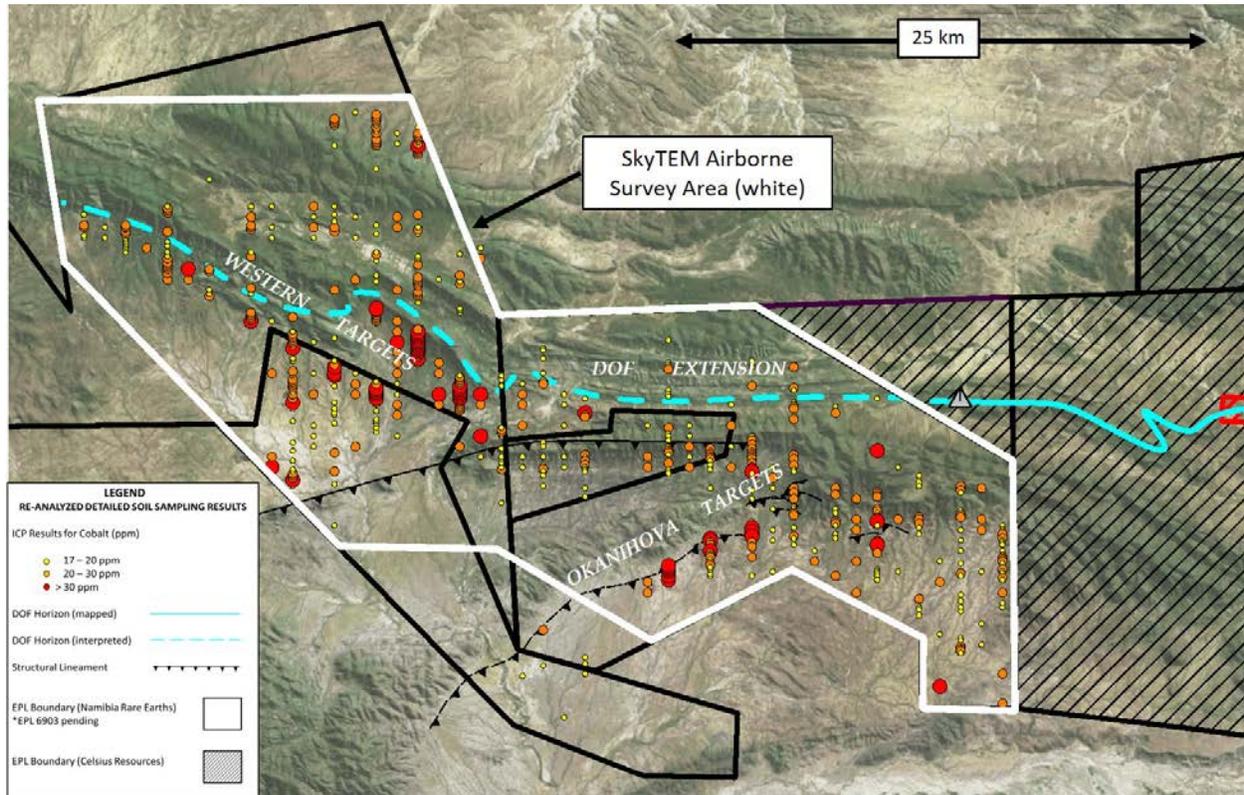


Figure 2 - Kunene Co-Cu Project Area showing planned airborne survey area and geochemical anomalies from re-analysed soil samples from closer spaced sampling grid.

SkyTEM offers state-of-the-art time domain equipment and their most powerful system, SkyTEM 312 HP, will be deployed at Kunene. The objectives of the airborne EM survey will be to refine geological and structural mapping under the largely covered areas, to delineate conductive sedimentary horizons, to isolate conductive bodies that may be indicative of near surface mineral deposits, and to detect sulphide deposits and stockworks at depth. SkyTEM offers superior resolution in the near-surface environment (0-100 vertical meters) and comparable depth penetration (300-400 vertical meters) when compared to its peers.

The SkyTEM 312 system is currently being mobilized from Denmark to SkyTEM's South African base where it will be installed on an Astar 350 B3 helicopter operated by Savannah Helicopters and then ferried to site in Namibia. Savannah Helicopters is an experienced provider of airborne geophysical services and has flown over 150,000 line kilometers with SkyTEM (Figure 3). The platform includes a Geometrics total intensity magnetometer and will be flown at an optimum flight direction to accommodate stratabound and structural targets.

Exploration Program for Kunene

Mineralization at Kunene is widespread and variable in style, occurring in discrete sedimentary horizons such as the DOF where Co-Cu is associated with disseminations and veinlets of sulphide minerals, orogenic copper, and stratabound Zn-Pb mineralization. The DOF has been traced for over 35 kilometers across the Celsius ground and is interpreted to continue for another 40 kilometers across the Kunene Project area (Figure 1).



Figure 3 - SkyTEM Electromagnetic System (courtesy of SkyTEM ApS)

Three target areas for cobalt were defined on the basis of an historic regional soil geochemical survey - namely the DOF Extension, the Western Targets and the Okanihova Targets (Figure 1). As previously announced (Company press releases March 5 and March 26, 2018), the Company received positive results from analyses of 3,710 archived soil samples over a 670 km² area which support a number of kilometer-scale cobalt anomalies identified from the historic regional geochemical survey (Figure 2).

The Company is moving forward with an ambitious, staged exploration program at Kunene. Field teams are currently conducting geological mapping and sampling over regional target areas and the SkyTEM survey will be flown through much of June. Geophysical interpretations and ground follow-up will be on-going as the airborne survey progresses to prioritize drill targets with the objective of beginning an initial 7,500 m drill program in July.

Exploration at Okanihova will focus on sedimentary horizons (black shales and DOF equivalents) and on structurally controlled lineaments favourable for economic accumulations of cobalt mineralisation. Anomalous cobalt (100-700 ppm) over broad widths (20-40 meters) has been identified in sedimentary units along the Okanihova Lineament based on historic reverse circulation ("RC") drilling results (Company press release February 21, 2018). Further confirmation has been demonstrated by two diamond drill holes drilled in

the central Okanihova area close to one of the historic RC holes in order to characterize the anomalous cobalt-copper mineralization.

Sample preparation and analyses of soil re-analyses and drill core samples were carried out by Activation Laboratories Ltd. (Windhoek, Namibia and Ancaster, Ontario) employing appropriate ICP techniques and following strict internal QAQC procedures inserting standards and duplicates.

Mapping and sampling is currently continuing with a team of four geologists in the Western Targets area where soil geochemical anomalies extend over strike lengths of up to 7 kilometers in gneisses and amphibolites interpreted as basement rocks proximal to thrust contacts with low-grade metamorphic sedimentary rocks. Basement-related anomalies (20-50 ppm Co) can be quite broad, up to 2 kilometers wide, and are related to large-scale alteration systems. More discrete soil geochemical anomalies of 1-3 kilometers strike length are associated with favourable sedimentary horizons (black shales and dolostones).

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.

About Namibia Rare Earths Inc.

Namibia Rare Earths Inc. is focused on the accelerated development of the Lofdal Rare Earths Project and on building a critical metals portfolio in Namibia. The common shares of Namibia Rare Earths Inc. trade on the TSX Venture Exchange under the symbol "NRE".

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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