



Mr. James Kennedy
President, ThREe Consulting,
5 Shardue Lane, St. Louis, MO 63141

January 7, 2013

Dear Mr. Kennedy

We greatly appreciate your guidance of the rare earth resource potential at the Pea Ridge Mine and new technology for rare earth extraction from phosphate minerals using activated charcoal developed by Tusaar Corp. We really enjoyed the visit to the mine, with guidance by Dr. Cheryl M. Seeger, Missouri Department of Natural Resources, demonstration of rare earth separation from apatite by Gautam Khanna, CEO of Tusaar Corp under the supervision of Professor Christopher D. Spilling, Department of Chemistry and Biochemistry, University of Missouri, St. Louis, and the discussions with you and John Kutsch on the utilization of phosphate minerals for the production of rare earth elements. Another event important for us was the meeting with Mr. William P. Houlihan, Downstate Director of Richard J. Durbin United States Senator, Illinois.

We are very much impressed by the huge estimated resources at Pea Ridge and cutting-edge technology shown by Tusaar Corp, which would enable the production of rare earth elements economically from apatite. We concur with your idea of the cooperation in rare earth production among the private companies in the United States, European Union and Japan to stabilize the supply of rare earth elements into our commercial market. We understand the importance of this cooperation for the development and distribution of green technology into the world.

Finally, we would like to thank you and all the people mentioned above who enabled our Missouri trip fruitful. We have to struggle for the stable supply of rare earths in coming years, and the Mineral Resource Research Group of the Geological Survey of Japan is ready to work with you in the research of mineralogy and beneficiation of the ores from the Pea Ridge Mine.

Yours sincerely,

Yasushi Watanabe, Ph.D.

Prime Senior Researcher

Tetsuichi Takagi, Ph.D.

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