

# **Molycorp announces earlier-than-expected launch of production site**

**Manuel Quinones, Environment & Energy Publishing, 2-22-12**

Molycorp Inc. today announced that its new rare earth element production facility will start up this week at its Mountain Pass, Calif., mine.

The company said its new crushing facility was complete and that liquid natural gas had been delivered to the site for its combined heat and power plant. The facility is expected to receive piped natural gas by April.

Ore is already being mined at the site. And executives say milling, mineral extraction and rare earth separation operations will come online in the coming months. Separating rare earth elements from raw ore is among the toughest parts of the process.

"The launch of Project Phoenix's sequential start-up is occurring well ahead of our April 1st deadline, and represents the accomplishment of a critical milestone in our project," CEO Mark Smith said in a statement.

"When this new manufacturing facility is complete and running at full capacity," Smith added, "it will be the most technologically advanced, energy efficient, and environmentally superior rare earth facility in the world."

In a recent interview, Smith extolled the facility's closed-loop technology to limit air and water releases, saying the facility breaks ground by eliminating the need for evaporation ponds.

Molycorp today said it expects to ramp up production to a rate of 19,000 metric tons of rare earth oxide by the end of the third quarter of 2012, three months ahead of deadline. It is the most advanced rare earth mining and processing project in the United States, and one of numerous such projects worldwide.

The announcements come days before Molycorp is scheduled to release its latest earnings report. This month, the company was also hit with a class action lawsuit from an investor saying the company had hyped its production and capacity estimates.