

Attention Business Editors:
Rare Element Announces 2009 Rare-Earth Exploration Program

TSX-V: RES

VANCOUVER, June 15 /CNW/ - Rare Element Resources Ltd. (TSX-V: RES) ("Rare Element" or the "Company") is pleased to announce its planned rare-earth-element (REE) exploration and evaluation program for 2009 on the Company's 100% owned Bear Lodge property located in northeastern Wyoming, USA. Ten to fifteen drill holes are planned for the Bull Hill area in order to confirm and expand the known resource, and to test new target areas. The drilling should provide material for continued metallurgical testing to develop a commercial process to economically recover the rare earths.

Exploration Program

Drilling planned for the Bull Hill Southwest resource area will include in-fill, step-out, and confirmation (metallurgical sample) holes. The following REE targets will be tested:

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- 1) In-fill drilling of large-diameter confirmation holes will test the main resource area in part to provide mineralized sample material for metallurgical testing. These holes will also contribute to upgrading the inferred resource category.
- 2) Step-out drilling to the west will test an offset portion of the deposit across the West Bull Hill fault, which is currently interpreted as the western boundary of the deposit. One or more holes may be drilled to a depth of up to 2,000 feet to test for a conceptual carbonatite plug beneath a carbonatite stockwork zone.
- 3) Expansion of the deposit uphill from the resource area in the uppermost portion of the oxidized carbonatite dikes has potential to add 3 to 5 million tons of oxidized mineralized material averaging 4.0 to 4.5% REO. This zone of mineralization is open both to the northwest and to the southeast.

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The most attractive target in addition to Bull Hill Southwest is the Bull Hill Northwest target, located about 1,000 feet north of the Bull Hill Southwest target. The Bull Hill Northwest target was identified by the historical drill-hole WP-2. Drill hole WP-2 was an angle hole that intercepted 186 feet of near-surface REE mineralization averaging 9.56% REO(x) in the depth interval from 23 to 209 feet. The orientation of these dikes(?) is not known with certainty, but one interpretation suggests that they may have a true thickness of 40.3 feet. Several closely spaced holes will be drilled to determine and test the orientation and continuity of the mineralization.

During the past several years (2004-2008) Rare Element split, sampled, and assayed only the massive carbonatite or oxidized carbonatite (FMR) intervals in the drill holes. In 2009 the Company plans to split, sample, and assay a number of additional intervals in the older drill holes that have significant stockworks or veins of carbonatite that occur adjacent to the massive dikes in order to provide a more complete dataset of REE assays and contribute to a more robust resource model.

"Rare Element is focused on expanding the resource and establishing a viable metallurgical process to understand the full potential of the rare-earth mineralization on the Bear Lodge property. The exploration program is being accelerated to achieve an accurate valuation of the property, in parallel with the gold exploration activities being conducted by Newmont Mining", stated Don Ranta, President of Rare Element.

(x) These Hecla Mining Company drill-hole assay data are historical and were prepared before the introduction of National Instrument 43-101- Standards

of Disclosure for Mineral Projects ("NI 43-101"). They may not be relied upon until they are confirmed using methods and standards that comply with those required by NI 43-101. These data are used to guide exploration as the Company conducts additional drilling in accordance with the requirements of NI 43-101.

Rare Element Resources Ltd (TSX-V:RES) is a publicly traded mineral resource company focused on gold and strategic metals such as the rare-earth elements. Rare Element and Newmont have entered into the Sundance gold exploration joint venture on the Company's Wyoming property. Newmont has the right to earn a 65% working interest in Rare Element's property, excluding any rights to the rare-earth elements and uranium but including rights to gold and other metals, by performing US\$5 million in property work expenditures over a five-year period. Newmont also has the right to earn an additional 15% working interest by completing a positive project feasibility study.

Rare Element's Bear Lodge property, Wyoming, also encompasses one of the largest disseminated rare-earth occurrences in North America (M H Staatz, 1983, US Geological Survey Professional Paper 1049D). In parallel with the Sundance gold-focused exploration project, Rare Element has completed a NI 43-101 compliant resource estimate and a Technical Report on the Bear Lodge Rare-Earth Mineralization. The Company is also continuing with a metallurgical testing program of the drill-hole samples collected during 2008 and planning a 2009 drilling program to increase the resources.

ON BEHALF OF THE BOARD

Donald E. Ranta, Phd. PGeo.
Director, President & CEO

Donald E. Ranta, PhD, PGeo, serves the Board of Directors of the Company as an internal, technically Qualified Person. Technical information in this news release has been reviewed by Dr. Ranta and has been prepared in accordance with Canadian regulatory requirements that are set out in National Instrument 43-101. This news release was prepared by Company management, which takes full responsibility for content. Neither 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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