



NAMIBIA CRITICAL METALS INC.

Press Release

Namibia Critical Metals Heavy Rare Earth Project - New Results Confirm Multiple Dysprosium Zones at Area 2B, Area 4 Drilling Completed and Mining Licence Application Advances

Halifax, Nova Scotia January 5, 2021 – Namibia Critical Metals Inc. (“Namibia Critical Metals” or the “Company” or “NMI”) (TSXV:NMI) is pleased to provide an update with further drill results from the Area 2B satellite deposit on the Lofdal Heavy Rare Earth Project in northern Namibia (“Lofdal” or “the project”). Lofdal is a joint venture between the Company and Japan Oil, Gas and Metals National Corporation (“JOGMEC”) which is operating under a Term 1 budget of CD\$4,100,000 (Company press release September 21, 2020). Since the Company’s previous update (November 26, 2020) progress highlights are summarized as follows:

- **Additional drill results from Area 2B satellite deposit confirm multiple dysprosium zones to 190 vertical meters**
- **Results of 13 additional holes include 3 m @ 0.84% TREO with 450 ppm Dy₂O₃, 7 m @ 0.58% TREO with 280 ppm Dy₂O₃, and 7 m @ 0.26% TREO with 226 ppm Dy₂O₃ (which includes the highest grade 1 m intercept of 1,123 ppm Dy₂O₃)**
- **Area 2B deposit remains open along strike and at depth. Nine drill holes pending analyses**
- **Area 4 resource drilling program successfully completed with established strike length of 1,125 meters. Thirty-three drill holes pending analyses**
- **Notice of Preparedness to Grant Application for Mining Licence received from Ministry of Mines and Energy**

Don Burton, President of Namibia Critical Metals stated *“Prices for dysprosium and terbium oxides continue to strengthen with dysprosium approaching US\$300/kg and terbium surpassing US\$1,100/kg. Continuing positive drill results from Area 2B are confirming the importance of this satellite deposit to add additional heavy rare earth mineral resources to the project. All Term 1 drilling has been completed and we look forward to receiving results from the remaining forty-two holes in Area 2B and Area 4. The Company has received Notice of Preparedness to Grant the Application for a Mining Licence for Lofdal from the Ministry of Mines and Energy which is a very significant milestone. The Company has lodged its acceptance of the mining licence and we await finalization of the process from the Ministry.”*

Area 2B Drill Results

Drilling in the Term 1 program has focused on doubling the size of the existing Area 4 resource and following the injection of an additional CD\$1,100,000 to the Term 1 budget (Company press release September 12, 2020) the decision was taken to add Area 2B to the planned 43-101 update. Area 2B is located three kilometers northwest of Area 4. Mineralization at Area 2B is similar to Area 4 with stacked dysprosium zones ranging from 2-15 meters in thickness. The 2020 drill program at Area 2B totalled 4,400 meters in 29 diamond drill holes. Results from the first 7 holes in the current drill program were reported on November 26, 2020 and this update provides results from an additional 13 holes. Nine holes remain to be reported for inclusion in the resource estimation (Figure 1).

Highlights of dysprosium enriched zones reported today include:

- 8 m @ 0.29% TREO with 185 ppm Dy₂O₃ and 60.3% heavy rare earth enrichment in L2BD0035 (including 1 meter @ **0.57% TREO with 452 ppm Dy₂O₃ and 80.1% heavy rare earth enrichment**)
- 7 m @ 0.26% TREO with 226 ppm Dy₂O₃ and 77.2% heavy rare earth enrichment in L2BD0044 (including 1 meter @ **1.24% TREO with 1,123 ppm Dy₂O₃ and 91.1% heavy rare earth enrichment**)
- 7 m @ 0.58% TREO with 280 ppm Dy₂O₃ and 49.9% heavy rare earth enrichment in L2BD0046 (including 2 meters @ **1.04% TREO with 712 ppm Dy₂O₃ and 73.5% heavy rare earth enrichment**)
- 3 m @ 0.84% TREO with 450 ppm Dy₂O₃ and 57.6% heavy rare earth enrichment in L2BD0037 (including 1 meter @ **0.90% TREO with 808 ppm Dy₂O₃ and 98.1% heavy rare earth enrichment**)

Details of all 13 reporting drill holes from Area 2B are provided in Table 1 and a complete listing of all analytical results is provided in Table 2. Intercept widths are reported as down the hole widths and are not necessarily true widths.

Drilling has now established a strike length of 300 meters for mineralization at Area 2B with multiple dysprosium zones defined on sections to a maximum vertical depth of 190 meters (Figure 2). The deposit remains open along strike to the northeast and to the southwest, and at depth.

Completion of Area 4 Drill Program

As previously reported (Company press release November 26, 2020) the main objective of the Area 4 drilling program was to double the size of the current mineral resource.

The 2020 drill program has extended the strike length of the mineralized zone from 700 meters to 1,100 meters, and the drilled depth from 180-225 vertical meters to 250-350 vertical meters. The total drilling program at Area 4 comprised 10,162 meters in 56 holes. Results from 33 holes remain pending.

The MSA Group ("MSA") of South Africa has been engaged to update the Area 4 resource which will incorporate all the new drilling and is scheduled for delivery before March 31, 2021.

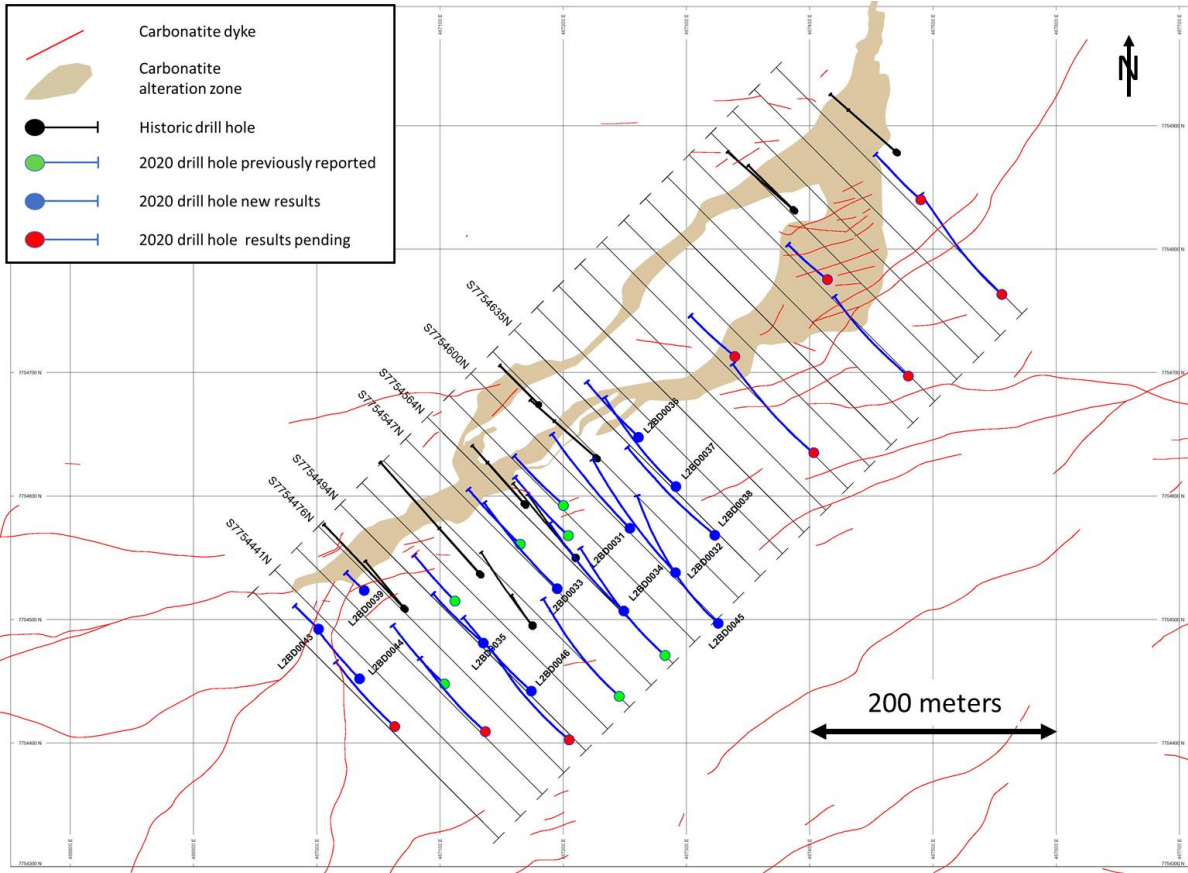


Figure 1 – Area 2B Drill Plan showing carbonatite alteration zone mapped at surface over strike length of 650 m. Historic drill holes (black), holes reported November 26, 2020 (green) and holes reporting this press release (blue). Nine holes drilled with pending analyses remain to be reported are shown in red.

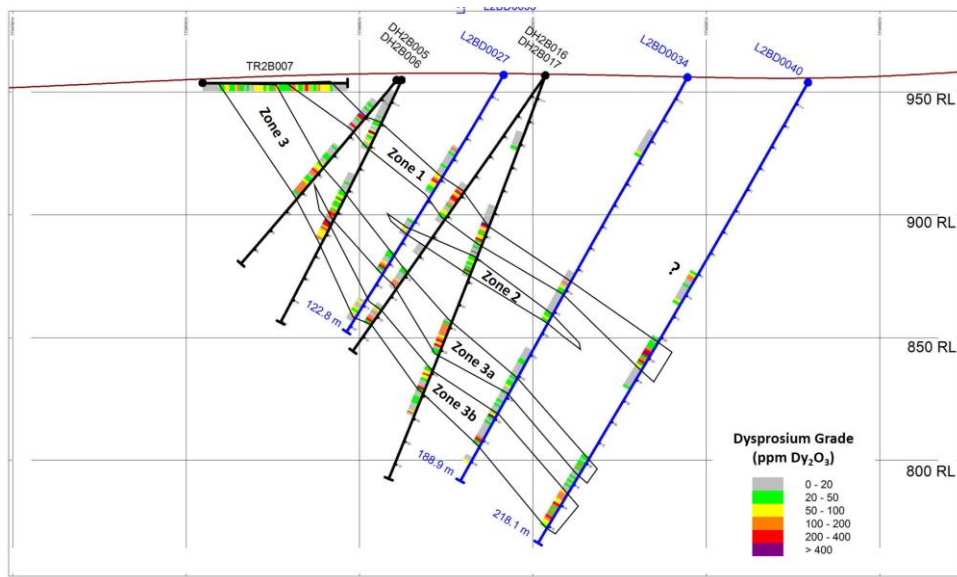


Figure 2 – Drill Section 7754564 in Area 2B showing sub-parallel zones of dysprosium mineralization. Historic drill holes in black and holes drilled in 2020 in blue.

Table 1 – Summary of Significant Drill Intercepts from Area 2B Reported January 5, 2021

HoleID	Section	Hole Inclination	Hole Azimuth (TN)	Final Depth (m)	From m	To m	Length m	TREO* %	HREO* %	HREE* %	Dy2O3 ppm
L2BD0031	7754600N	-60	315	182.88	60	62	2.0	0.21	0.16	73.6	141
					117	119	2.0	0.18	0.16	88.0	167
					133	137	4.0	0.16	0.16	96.3	146
					140	141	1.0	0.39	0.38	95.6	351
L2BD0032	7754600N	-60	315	218.88	89	96	7.0	0.22	0.12	55.0	129
					<i>incl</i> 93	94	1.0	0.45	0.29	65.5	335
					126	128	2.0	0.20	0.05	26.6	54
L2BD0033	7754547N	-60	313	176.18	70	77	7.0	0.40	0.19	47.2	200
					<i>incl</i> 70	71	1.0	0.59	0.32	53.5	367
					<i>incl</i> 73	75	2.0	0.92	0.38	43.3	398
					104	117	13.0	0.17	0.14	81.8	130
<i>incl</i> 109	110	1.0	0.44	0.43	97.4	372					
L2BD0034	7754564N	-60	313	188.88	97	100	3.0	0.23	0.09	37.9	93
					158	161	3.0	0.23	0.20	85.6	182
					<i>incl</i> 159	160	1.0	0.49	0.46	94.1	418
					169	171	2.0	0.25	0.24	96.2	208
L2BD0035	7754494N	-60	313	115.88	89	97	8.0	0.29	0.17	60.3	185
					<i>incl</i> 96	97	1.0	0.57	0.46	80.1	452
L2BD0036	7754635N	-60	315	119.88	28	30	2.0	0.25	0.11	44.1	106
					34	37	3.0	0.14	0.09	64.7	100
					69	73	4.0	0.24	0.21	89.7	201
					<i>incl</i> 71	73	2.0	0.35	0.32	92.4	304
L2BD0037	7754635N	-60	313	179.83	57	60	3.0	0.84	0.47	57.6	450
					<i>incl</i> 59	60	1.0	0.90	0.88	98.1	808
					71	74	3.0	0.11	0.08	72.8	94
					126	132	6.0	0.12	0.09	75.2	91
L2BD0038	7754635N	-60	313	199.98	88	96	8.0	0.20	0.06	30.5	65
					122	124	2.0	0.15	0.09	60.0	112
L2BD0039	7754476N	-60	315	41.75	5	19	14.0	0.21	0.11	52.1	110
					<i>incl</i> 17	18	1.0	0.64	0.30	47.0	358
					24	26	2.0	0.72	0.29	39.9	269
L2BD0043	7754441N	-60	315	52.78	36	38	2.0	0.23	0.17	75.1	158
L2BD0044	7754441N	-62	315	100.98	19	26	7.0	0.26	0.22	77.2	226
					<i>incl</i> 25	26	1.0	1.24	1.13	91.1	1123
					75	82	7.0	0.13	0.07	57.3	74
<i>incl</i> 73	74	1.0	0.87	0.49	56.1	523					
L2BD0045	7754600N	-64	313	253.63	120	131	11.0	0.35	0.09	27.1	112
					<i>incl</i> 125	126	1.0	1.50	0.26	17.3	329
					219	221	2.0	0.20	0.18	93.6	173
L2BD0046	7754494N	-62	313	161.08	102	104	2.0	0.15	0.07	48.3	79
					125	132	7.0	0.58	0.29	49.9	280
					<i>incl</i> 130	132	2.0	1.04	0.77	73.5	712

* some total percentages subject to rounding errors

NOTE: "TREO" refers to total rare earth oxides; "HREO" refers to heavy rare earth oxides; "heavy rare earths" as used in all Company presentations comprise europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu) and yttrium (Y). Light rare earths comprise lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd) and samarium (Sm). "HREE" refers to heavy rare earth enrichment which is the ratio of HREO:TREO, expressed as a percentage

Table 2 – Complete Listing of Individual Rare Earth Element Analyses for Reported Drill Intercepts January 5, 2021

HoleID	From m	To m	Length m	La2O3 ppm	Ce2O3 ppm	Pr2O3 ppm	Nd2O3 ppm	Sm2O3 ppm	REO* %	Eu2O3 ppm	Gd2O3 ppm	Tb2O3 ppm	Dy2O3 ppm	Ho2O3 ppm	Er2O3 ppm	Tm2O3 ppm	Yb2O3 ppm	Lu2O3 ppm	Y2O3 ppm	HREO* %	TREO* %	HREE* %
L2BD0031	60.0	62.0	2.0	177	288	24	75	22	0.06	14	65	19	141	32	102	17	115	17	1055	0.16	0.21	73.6
	117.0	119.0	2.0	28	74	11	55	49	0.02	26	101	23	167	34	101	16	99	14	1017	0.16	0.18	88.0
	133.0	137.0	4.0	10	21	2	11	15	0.01	12	64	19	146	32	100	16	104	15	1067	0.16	0.16	96.3
	140.0	141.0	1.0	33	67	8	33	31	0.02	25	136	43	351	78	250	41	273	40	2533	0.38	0.39	95.6
L2BD0032 incl	89.0	96.0	7.0	277	459	44	158	53	0.10	22	83	19	129	26	74	11	65	10	772	0.12	0.22	55.0
	93.0	94.0	1.0	426	693	68	250	101	0.15	50	196	49	335	66	184	25	147	20	1844	0.29	0.45	65.5
	126.0	128.0	2.0	471	713	67	208	44	0.15	15	44	8	54	11	30	4	25	4	349	0.05	0.20	26.6
L2BD0033 incl incl incl	70.0	77.0	7.0	614	951	93	315	134	0.21	57	196	35	200	37	103	15	92	13	1133	0.19	0.40	47.2
	70.0	71.0	1.0	696	1183	125	475	258	0.27	108	399	69	367	65	161	19	103	14	1846	0.32	0.59	53.5
	73.0	75.0	2.0	1661	2483	235	765	287	0.54	123	400	71	398	74	205	30	184	27	2299	0.38	0.92	43.3
	104.0	117.0	13.0	84	138	15	55	26	0.03	15	67	18	130	28	85	13	87	13	971	0.14	0.17	81.8
L2BD0034 incl	109.0	110.0	1.0	20	42	5	23	26	0.01	24	143	48	372	83	259	41	269	41	2975	0.43	0.44	97.3
	97.0	100.0	3.0	402	667	66	226	73	0.14	26	94	16	93	17	45	7	40	6	533	0.09	0.23	37.9
L2BD0035 incl	158.0	161.0	3.0	87	148	15	55	30	0.03	19	91	25	182	37	113	17	114	16	1384	0.20	0.23	85.6
	159.0	160.0	1.0	67	117	12	50	43	0.03	35	190	57	418	86	263	40	264	38	3212	0.46	0.49	94.1
	169.0	171.0	2.0	19	40	5	20	13	0.01	12	71	25	208	47	148	24	160	22	1701	0.24	0.25	96.2
L2BD0036 incl	89.0	97.0	8.0	306	483	49	191	116	0.11	49	174	32	185	34	88	12	68	9	1091	0.17	0.29	60.3
	96.0	97.0	1.0	287	489	52	197	116	0.11	59	262	63	452	96	270	38	220	29	3119	0.46	0.57	80.1
L2BD0037 incl incl incl	28.0	30.0	2.0	223	417	62	420	271	0.14	77	197	23	106	19	54	8	59	9	549	0.11	0.25	44.1
	34.0	37.0	3.0	118	203	22	89	48	0.05	22	84	17	100	18	48	7	41	6	540	0.09	0.14	64.7
	69.0	73.0	4.0	52	97	11	48	36	0.02	21	100	27	201	43	124	19	123	18	1452	0.21	0.24	89.7
	71.0	73.0	2.0	55	103	12	50	45	0.03	30	145	40	304	65	185	28	182	27	2221	0.32	0.35	92.4
L2BD0038 incl	57.0	60.0	3.0	1240	1714	151	473	122	0.37	55	221	62	450	97	302	48	328	49	3117	0.47	0.84	57.6
	59.0	60.0	1.0	33	60	7	30	40	0.02	40	254	98	808	183	592	95	640	95	6006	0.88	0.90	98.1
	71.0	74.0	3.0	53	115	15	67	38	0.03	17	68	15	94	18	44	5	30	4	475	0.08	0.11	72.8
	126.0	132.0	6.0	70	130	14	56	24	0.03	12	49	13	91	19	57	9	59	8	574	0.09	0.12	75.2
L2BD0039 incl	88.0	96.0	8.0	429	643	60	195	48	0.14	17	57	11	65	12	34	5	32	5	364	0.06	0.20	30.5
	122.0	124.0	2.0	89	224	31	163	109	0.06	40	133	23	112	18	46	6	34	5	506	0.09	0.15	60.0
	5.0	19.0	14.0	273	447	45	167	77	0.10	32	107	19	110	20	55	7	46	6	688	0.11	0.21	52.1
L2BD0040 incl incl incl	17.0	18.0	1.0	960	1546	152	515	206	0.34	92	367	64	358	63	155	20	110	14	1749	0.30	0.64	47.0
	24.0	26.0	2.0	1455	2043	178	526	108	0.43	46	160	40	269	57	173	27	183	25	1883	0.29	0.72	39.9
	36.0	38.0	2.0	129	248	28	109	50	0.06	24	104	23	158	33	100	15	101	15	1127	0.17	0.23	75.1
	19.0	26.0	7.0	82	140	16	76	70	0.04	34	159	34	226	46	130	18	102	14	1485	0.22	0.26	77.2
L2BD0041 incl incl incl	25.0	26.0	1.0	267	431	43	176	187	0.11	124	653	159	1123	235	671	91	499	65	7642	1.13	1.24	91.1
	75.0	82.0	7.0	140	251	26	97	42	0.06	15	53	11	74	15	45	7	44	6	473	0.07	0.13	57.3
	73.0	74.0	1.0	1050	1792	176	606	195	0.38	87	326	76	523	105	289	40	237	31	3156	0.49	0.87	56.1
	120.0	131.0	11.0	735	1112	110	421	153	0.25	53	167	24	112	17	41	5	30	4	486	0.09	0.35	27.1
L2BD0042 incl	125.0	126.0	1.0	3660	5234	522	2169	863	1.24	277	766	88	329	38	77	7	42	6	971	0.26	0.60	47.0
	219.0	221.0	2.0	24	48	6	26	101	0.01	16	78	23	173	37	113	17	109	15	1257	0.18	0.20	93.6
	102.0	104.0	2.0	195	370	41	146	37	0.08	16	58	12	79	15	39	5	30	4	478	0.07	0.15	48.3
L2BD0043 incl	125.0	132.0	7.0	864	1339	128	448	142	0.29	55	194	40	280	59	177	26	170	24	1881	0.29	0.58	48.9
	130.0	132.0	2.0	737	1264	124	436	173	0.27	87	366	92	712	159	460	72	462	63	5177	0.77	1.04	73.5

* some total percentages subject to rounding errors

The Lofdal Heavy Rare Earths Project is located 450 kilometers northwest of the capital city of Windhoek in the Kunene Region of north-western Namibia. The project area covers 314 square kilometers centered on the Lofdal carbonatite complex which hosts a number of rare earth occurrences, including the Area 4 deposit and the Area 2B deposit. Mineralization in both deposits is dominated by xenotime, which is highly enriched in heavy rare earths.

Lofdal is unique as one of only two primary xenotime projects under development in the world, the other project being Browns Range in Australia. As demonstrated in the Preliminary Economic Assessment¹ Lofdal has the potential for significant production of dysprosium and terbium, the two most valuable heavy rare earths used in high powered magnets. The joint venture with JOGMEC is driven by Lofdal's potential to be a long term, sustainable supply of heavy rare earths for Japan.

Field operations follow strict company Standard Operating Procedures with regards to drilling practices, sampling procedures, security of transport and analytical procedures as per recommendations in the Canadian Institute of Mining, Metallurgy and Petroleum CIM's Best Practices Guidelines (2018), which includes strict internal quality assurance and quality control procedures ("QAQC") for the insertion of blanks, standards and duplicates. QAQC samples account for 10% of samples submitted in each batch. Sample preparation and analytical work for the drilling program is being provided by Activation Laboratories Ltd. ("Actlabs" Windhoek, Namibia and Ancaster, Ontario) employing appropriate crushing and pulverization procedures (Actlabs Code RX-1) on half sawn core samples provided from the selected intervals, utilizing lithium metaborate/tetraborate fusion and ICP-MS techniques suitable for rare earth element analyses (Actlabs Code 8). Activation Laboratories is an ISO/IEC 17025 accredited laboratory.

About Namibia Critical Metals Inc.

Namibia Critical Metals Inc. holds a diversified portfolio of exploration and advanced stage projects in the country of Namibia focused on the development of sustainable and ethical sources of metals for the battery, electric vehicle and associated industries. The two advanced stage projects in the portfolio are Lofdal and Epembe. The Company also has significant land positions in areas favourable for gold mineralization.

Heavy Rare Earths: The **Lofdal Heavy Rare Earth Project** is the Company's most advanced project having completed a Preliminary Economic Assessment in 2014 and full Environmental Impact Assessment in 2017. An application has been made for a mining licence at Lofdal. The project is now in joint venture with Japan Oil, Gas and Metals National Corporation ("JOGMEC") who are funding the current CD\$4,100,000 drilling and metallurgical program with the objective of doubling the resource size and optimization of the process flow sheet.

¹ *Preliminary Economic Assessment on the Lofdal Rare Earths Project Namibia* dated October 1, 2014 authored by David S. Dodd, B. Sc (Hon) FSAIMM - The MDM Group, South Africa, Patrick J.F. Hannon, M.A.Sc., P.Eng. and William Douglas Roy, M.A.Sc., P.Eng. - MineTech International Limited, Canada, Peter Roy Siegfried, MAusIMM (CP Geology) and Michael R. Hall, B.Sc (Hons), MBA, MAusIMM, Pr.Sci.Nat, MGSSA - The MSA Group, South Africa. The PEA should not be considered to be a pre-feasibility or feasibility study, as the economics and technical viability of the Project has not been demonstrated at this time. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Furthermore, there is no certainty that the PEA will be realized.

Gold: At the **Erongo Gold Project**, stratigraphic equivalents to the meta-sediments hosting the recent Osino gold discovery at Twin Hills have been identified and soil surveys are progressing over this highly prospective area. The **Grootfontein Base Metal and Gold Project** has potential for magmatic copper-nickel mineralization, Mississippi Valley-type zinc-lead-vanadium mineralization and Otjikoto-style gold mineralization. Detailed interpretation of geophysical data and regional geochemical soil sampling have identified first gold targets.

Tantalum-Niobium: In addition to Lofdal, the **Epembe Tantalum-Niobium Project** is also at an advanced stage with a well-defined, 10 km long carbonatite dyke that has been delineated by detailed mapping with over 11,000 meters of drilling. Preliminary mineralogical and metallurgical studies including sorting tests (XRT), indicate the potential for significant physical upgrading. Further work will be undertaken to advance the project to a preliminary economic assessment stage.

Copper-Cobalt: The **Kunene Copper-Cobalt Project** comprises a very large area of favorable stratigraphy along strike to the west of the Opuwo cobalt-copper-zinc deposit. Secondary copper mineralization over a wide area points to preliminary evidence of a regional-scale hydrothermal system. Exploration targets on EPLs held in the Kunene project comprise direct extensions of the cobalt-copper mineralization to the west, sediment-hosted cobalt and copper, orogenic copper, and stratabound manganese and zinc-lead mineralization.

The common shares of Namibia Critical Metals Inc. trade on the TSX Venture Exchange under the symbol "NMI".

Donald M. Burton, P.Geo. and President of Namibia Critical Metals Inc., is the Company's Qualified Person and has reviewed and approved this press release.

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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The foregoing information may contain forward-looking information relating to the future performance of Namibia Rare Earths Inc. Forward-looking information, specifically, that concerning future performance, is subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions.