

Stans Energy Commences International Arbitration Against The Government Of Kyrgyzstan

Stans Energy Corp. (TSX-V: HRE, OTCQX: HREEF), (“Stans” or the “Company”), announces that it is formally commencing an international arbitration action against the Government of Kyrgyzstan for its expropriatory and unlawful treatment of the Company in relation to the Kutessay II rare earth project.

Since 2012, the Kyrgyz Government has taken a series of measures making it impossible to carry out activities at Kutessay II. In March 2013, the General Prosecutor’s Office of the Kyrgyz Republic (SPO) filed a statement of claim against the State Agency for Geology and Mineral Resources of the Kyrgyz Republic (SGA) to invalidate the process by which Stans acquired the mining licence for Kutessay II. Subsequently, the Inter-district Court of Bishkek issued an injunction dated April 15, 2013, which bars the SGA and its officials from taking actions related to the execution and/or extension of the Company’s licences for Kutessay II and Kalesay projects. These actions are aimed to impede the Company from executing its responsibilities under its licence and have actually created conditions for termination of the operations of Kutisay Mining LLC, the Company’s wholly owned subsidiary.

The claim seeks US\$ 117,853,000 in compensation for losses and damage.

Stans Energy arbitration team will be led by Professor Igor Zenkin, recognized as one of the leading experts on International Trade Disputes within Russia and the former Soviet Republics. Prof. Zenkin is an arbitrator of the International Court of Arbitration of the International Chamber of Commerce in Paris. He is also included on the list of arbitrators of the International Commercial Arbitration Court at the Chamber of Commerce and Industry of the Russian Federation, as well as of the Arbitration Court of the Moscow Chamber of Commerce and Industry.

The arbitration which was brought by Stans and its subsidiaries will take place under the Convention for the Protection of Investor’s Rights to which Kyrgyzstan is a signatory and will be heard in the Arbitration Court at the Moscow Chamber of Commerce and Industry. Notice of arbitration has been served against the Government of Kyrgyzstan and will be available on the Company’s website in the coming weeks.

Mr. Rodney Irwin, Chairman of the Board and Interim President, states “We are disappointed in the

Kyrgyz government's lack of action in quickly resolving the outstanding claims. The impact of the recent court action has frozen all development at the project site. Under international law these actions constitute compelling grounds for the Company to seek damages in order to protect the interests of its shareholders."

About Stans Energy

Stans Energy Corp. is a resource development company focused on progressing Heavy Rare Earth (HRE) properties in areas of the Former Soviet Union. In December 2009, Stans acquired a 20-year mining license for the past-producing Kutessay II rare earth mine from the Kyrgyz Republic. On May 26, 2011 Stans completed the purchase of the Kashka Rare Earth Processing Plant (KRP) the same plant that previously refined REEs historically from Kutessay II. The KRP was the only hard rock plant to produce all rare earth elements outside of China, producing 120 different metals, alloys, and oxides. For over 30 years, Kutessay II produced 80% of the rare earth metals for the former Soviet Union.

We seek safe harbour.

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