

RARA TERRA MINERALS ACQUIRES RARE EARTH PROPERTIES IN NORTHERN BRITISH COLUMBIA

Trading Symbol: RTX - (TSX.V)

VANCOUVER, June 16, 2011 /CNW/ - Rara Terra Minerals Corp. ("Rara Terra" or "the Company"), is pleased to announce that it has entered into agreements with two vendors to purchase their 100% interests in several Rare Earth exploration properties in Northern British Columbia (the "Acquisition"). The combined properties comprising 7,124.6 hectares and representing 28 claim blocks are located within the Kechika Range of the Cassiar Mountains.

The claims lie within an area containing a suite of alkaline igneous rocks consisting of syenites, carbonatites and various other alkaline diatremes and their related dykes and tuff breccias. Throughout the region numerous strongly sheared and altered rocks, and outcrops are present. Portions of this aggregated claim group have been periodically explored since 1988 for their Yttrium ("Y") and Rare Earth Element ("REE") potential.

Rara Terra's CEO, Christopher Eccelstone, stated: "We are pleased to have acquired a significant land package in and around areas previously displaying excellent rare earth values and interesting mineralogies. It is our intention to mobilize a geological team to the Kechika region later this summer to confirm information contained in the BC Geological survey database and to define our own exploration programs."

Terms of the Acquisition

The Acquisition has been arranged with two vendors in separate transactions under agreements between Rara Terra and each vendor. Under the terms of the agreements, David A. Heyman will receive a total of \$47,000 and 175,000 common shares of Rara Terra over a period of two years and Casper K. Bych will receive a total of \$106,000 and 190,000 common shares of Rara Terra over a period of one year.

Rara Terra will also grant Mr. Heyman a 0.5% net smelter return royalty (the "NSR Royalty") with respect to production from his claims to be payable following commencement of commercial production. The NSR Royalty may be repurchased by Rara Terra, or its permitted assign, by paying \$250,000 to Mr. Heyman.

There are no finder's fees or exploration work commitments associated with the Acquisition, which remains subject to regulatory approval.

Property Location

The claims associated with the Acquisition are situated in the Kechika River-Terminus Mountain area, Liard Mining Division, Northern British Columbia and are located on N.T.S. map areas 94L-11W1/2 and 94L-12E1/2 (approximately 58° 43' N. Lat. and 127° 32' W. Long). They are accessible by helicopter from Watson Lake, YT, or Dease Lake, BC.

See map on Rara Terra's website: <http://www.raratererra.com/news/supportdocs/xenoclaimmap.pdf>

Regional Geology

Spanning a 35-40 km tectonically complex belt of metamorphosed sedimentary rocks of varying grade, the regional area is characterized by numerous faults, including several thrust faults, which have a general north-westerly trend typical of the Rocky Mountain Rare Metal Belt, which is the large region in BC consisting of carbonatites, nepheline and sodalite syenites, gneisses and related alkaline rocks stretching in a broad zone parallel to, and on either side of, the Rocky Mountain Trench (Pell, 1989).

In addition to historical assays, the presence of several distinct geological features within the greater region supports rare earth mineralization. These features include:

- Syenites: Syenites are known to be present along the general trend. These syenites are intrusive bodies and are usually elongated stocks or dykes. Fluorite veins and shear zones within the syenites may contain REEs.
- Mottled Phyllites: These rocks are fine-grained, extremely fissile and micaceous, and are often associated with other alkaline rocks in the area. Certain minerals in these rocks, notably monazite and xenotime, are known sources of REEs.
- Diatreme Breccia, Tuff Breccia, Related Dykes: Complex diatremes, containing a number of breccia phases, related pyroclastic tuffs and breccia dykes crop out in the region. Some of the diatreme crosscuts many of the various rock types in the area and host a stockwork of fluorite-carbonate veins in some areas. These veins, and the fenitized host rock, could be potential sources of REEs.
- Carbonatites: Fine-grained, igneous carbonate rocks are present within the region. Small portions of some carbonatites have been examined previously and they occur as relatively thin dykes and cross cut both alkaline intrusive rocks and carbonate host rocks. While relatively small in terms of volume, these dykes do have REE content.

Historical Work

Generally referred to as "Xeno", after samples of Xenotime (Yttrium Phosphate, YPO_4) found in the region, this area has been explored since 1986 by various groups, originally for diamonds, then later for REEs.

Numerous rock samples and stream silt samples were previously collected and analyzed for Ce, La, and Y by X-ray fluorescence and/or 17 element neutron activation analysis (Ce, Dy, Er, Eu, Gd, Ho, La, Lu, Nd, Pr, Sc, Sm, Tb, Th, Tm, U, Yb). The results generally indicated significant REE enrichment as well as the presence of Y and Th.

Some relevant highlights from local area occurrences (marked by red squares on map) include the following:

- RAR 5 Zone: The RAR 5 zone has been identified as containing a carbonatite diatreme breccia complex exposed over a length of 350m with an average exposed width of 25m. The zone remains open in all directions including towards the claims being acquired by Rara Terra. Samples averaged 3,747 g/t total rare earth oxides ("REOs"), and assay highlights included an average grade of 386 g/t Neodymium oxide (Nd_2O_3), 1,689 g/t Cerium oxide (CeO_2), and 1,295 g/t Lanthanum oxide (La_2O_3). Three of 34 samples were assayed for Scandium and averaged 15 g/t - (BC Geological Survey Branch Assessment Reports 15220 and 16420).
- RAR 3 Zone: The zone (approximately 300m in length and averaging 12m in width) is comprised of sheared carbonatite schist with semi-continuous carbonate-quartz-pyrite boudins which occur in areas of strong shearing and increased schistosity. These particular zones appear to be significantly enriched in REEs. 10 chip samples across the width of the zone averaged 2,116 g/t total REOs, and assay highlights included an average grade of 185 g/t Neodymium oxide (Nd_2O_3), 968 g/t Cerium oxide (CeO_2), and 744 g/t Lanthanum oxide (La_2O_3). Two samples were assayed for Scandium and averaged 12 g/t - (BC Geological Survey Branch Assessment Report 26853).
- RAR 4/RAR 6 Zones: The RAR 4 zone is approximately 1 km east-southeast of the RAR 3 zone. Mapping and petrographical work done concluded that the zone consists of a syenite intrusive complex. The syenite complex is exposed over a length of 300m with an average width of 40-50m and appears to cut a silicified carbonatized, mafic, laminated tuff. The zone remains open along its length although it disappears under a thrust of Precambrian schist to the northwest. The southeastern extension of the zone, approximately 1km from the main RAR 4 zone, is known as the RAR 6 zone. The width of the syenite complex in the RAR 6 zone is up to 200m. Regional samples averaged 1,214 g/t total REOs, and assay highlights included an average grade of 167 g/t Neodymium oxide (Nd_2O_3), 538 g/t Cerium oxide (CeO_2), and 329 g/t Lanthanum oxide (La_2O_3) - (BC Geological Survey Branch Assessment Report 26853).

Qualified Person

Rara Terra's qualified person, Robert Friesen, PGeo, has read and approved the technical disclosure contained in this news release based on information provided by BC Geological Survey Branch assessment reports. Note that reported sample results could not be verified for this release and therefore may not be NI 43-101 compliant.

Acquisition of Las Chacras Update

Management continues to make progress regarding completion of the acquisition of the Las Chacras property located in the province of San Luis, Argentina, from Golden Santa Cruz SA as described in news releases on February 10, 2011 and April 7, 2011.

About Rara Terra Minerals Corp.

Rara Terra is a Canadian mineral exploration and development company focussed on Rare Earth Elements (REEs). Rara Terra is seeking to identify and develop REE deposits characterized by less common mineralization. These unique deposits will bear those specific REEs that are widely agreed to have the strongest mid to long term technological relevance and sustainable economic value.

ON BEHALF OF THE BOARD

RARA TERRA MINERALS CORP.

Per: "Fraser Atkinson"
Fraser Atkinson
Chairman and Director

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