



Applied Minerals, Inc. Enters into a Collaborative Research & Development Agreement with the United States Environmental Protection Agency

CRADA Aimed at Developing a Remediation Solution for Oil Contaminated Marshlands Using Dragonite™ Halloysite Clay Technology

NEW YORK-- Applied Minerals, Inc. (the “Company”) (OTCBB: AMNL) is pleased to announce that it has entered into a Cooperative Research and Development Agreement (the “CRADA”) with the U.S. Environmental Protection Agency’s National Risk Management Research Laboratory (the “EPA”) to pursue the development of its Dragonite™ Halloysite Clay sorbent technology used for the bio-remediation of oil from contaminated salt marsh and wetland environments.

The recent Deepwater Horizon (DWH) oil spill in the Gulf of Mexico has resulted in heightened awareness of the response community regarding not only the effectiveness of spill treatment methods in use today (viz., conventional booming and skimming, *in-situ* burning, bioremediation, and the application of dispersants) but also, and of equal importance, the ecological and human health concerns associated with spill mitigation technologies. Also of concern is the ultimate fate of dispersants and their effects on the shorelines and wetlands impacted as they move onto the nearby shorelines. According to EPA data an estimated 18,000-24,000 oil spills, involving the release of 10 million - 25 million gallons of oil into the environment, are reported annually. Consequently, new research is needed to develop sustainable, cost-effective and environmentally benign approaches to clean up oil spills in the environment.

This CRADA will further develop a new tool available to responders for use in land remedial responses to oil spills, specifically wetlands and salt marshes. From experiments and modifications of the Halloysite clay mineral owned by Applied Minerals, Inc., new designs and approaches for using this mineral will be jointly developed that may significantly enhance its utility to sorb crude oil on coastal wetland/salt marsh surfaces. The project will combine the technology and resources of Applied Minerals, Inc. with the experience, expertise, and facilities of the EPA in the cooperative development of new cleanup methods for oil spills contaminating the environment.

“Collaborative efforts through Cooperative Research and Development Agreements such as this help us leverage resources and expertise to develop innovative solutions that support EPA’s mission of protecting human health and the environment,” said Dr. Albert D. Venosa, Director, Land Remediation and Pollution Control Division at EPA’s National Risk Management Research Laboratory. Dr. Venosa is also a leading oil spill expert for EPA. “This CRADA is a win-win for all involved,” he stated.

Applied Minerals produces Dragonite™ from its wholly owned source, the Dragon Mine, located in the state of Utah (USA). Dragonite™ Halloysite is an inorganic, aluminosilicate clay, exhibiting a unique naturally occurring tubular morphology. The intrinsic properties of the clay, such as its very high surface area, micron size particles, and natural capillary pore structure, inspired the Company to develop its use as a natural, alternative sorbent, to assist in the bioremediation of the Gulf Spill. The desired objective of the material was to determine its ability to wick oil from the oil saturated

subsurface to the surface where aerobic biodegradation can take place. Preliminary testing performed under the direction of the EPA revealed the ability of Dragonite™ to effectively “wick” 42.0% - 98.2% of oil, under a range of extremes designed to simulate the Gulf marshland conditions. In light of the results, the CRADA was formed to combine the expertise and resources in collaboration to further maximize the effectiveness of the Dragonite™ product.

According to Andre Zeitoun, President and CEO of Applied Minerals, Inc.,: “We are delighted that the EPA has recognized the potential of our Dragonite™ product as a natural bioremediation tool, especially in light of the several thousand proposals made to them during the Gulf disaster. The Company remains committed to the development of our Dragonite™ product for toxic remediation and we couldn’t ask for a better partner than the EPA to assist us in our further development.”

About Applied Minerals, Inc.

Applied Minerals Inc. is a leading global producer of Halloysite Clay from their wholly owned Dragon Mine property in Utah. Halloysite is an aluminosilicate clay that exhibit a unique naturally occurring tubular morphology. In addition to serving the traditional Halloysite markets for use in technical ceramics and catalytic applications, the Company has developed applications that benefit from its tubular morphology of its Halloysite. These include: carriers of active ingredients in paints, coatings and building materials, agricultural applications and high-performance functional fillers & additives in advanced polymer composites.

Statements in this press release that are not historical facts, and this includes all the statements concerning future-oriented statements relating to processing, capacity, costs, notifications, working together, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, and involve a number of significant risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, expected or implied.

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