

Ranta Donald E  
 Form 4  
 September 26, 2012

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Ranta Donald E

2. Issuer Name and Ticker or Trading Symbol  
 RARE ELEMENT RESOURCES LTD [REE]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 225 UNION BLVD., SUITE 250  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/24/2012

Director  10% Owner  
 Officer (give title below)  Other (specify below)

LAKEWOOD, CO 80228  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code V	Amount	(A) or (D)	Price
Common Shares	09/24/2012			S	20,000	D	\$ 5 (1) (2)
Common Shares	09/25/2012			S	30,000	D	\$ 4.8 (3) (4)
Common Shares	09/26/2012			M	250,000	A	\$ 1.01 (5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Employee Stock Option (Right to Buy)	\$ 1.01 <sup>(5)</sup>	09/26/2012		M	250,000	10/01/2007 <sup>(6)</sup> 10/01/2012	Common Shares 250,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ranta Donald E 225 UNION BLVD. SUITE 250 LAKEWOOD, CO 80228		X		

## Signatures

/s/ David P. Suleski as Attorney-in-Fact for Donald E. Ranta  
 09/26/2012  
 \*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The weighted average sale price was CDN\$4.9307, which has been converted to the US Dollar equivalent using the exchange rate on the date of the transaction which was 1.022.  
 This transaction was executed in multiple trades at prices ranging from CDN\$4.92 to \$4.95. The price reported above is the weighted average sale price of such trades. The reporting person hereby undertakes to provide to the SEC staff, the issuer or a security holder of the issuer upon request, full information regarding the number of shares and the prices at which each transaction was effected.
- (3) The weighted average sale price was CDN\$4.7296, which has been converted to the US Dollar equivalent using the exchange rate on the date of the transaction which was 1.019.  
 This transaction was executed in multiple trades at prices ranging from CDN\$4.65 to \$4.80. The price reported above is the weighted average sale price of such trades. The reporting person hereby undertakes to provide to the SEC staff, the issuer or a security holder of the issuer upon request, full information regarding the number of shares and the prices at which each transaction was effected.

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- (5) The original exercise price of the grant was CDN\$1.00, which has been converted to the US Dollar equivalent using the exchange rate on the date of the transaction which was 1.0149.
- (6) Options vested as follows: 20% of the options vested 4 months from 10/01/2009 ("Grant Date"); 20% of the options vested 8 months from Grant Date; 20% of the options vested 12 months from Grant Date; 20% of options vested 15 months from Grant Date; 20% of the options vested 18 months from Grant Date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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