

ASX ANNOUNCEMENT

AUSTRALIAN GOVERNMENT RENEWS MAJOR PROJECT STATUS FOR NOLANS

31 July 2020



- **Nolans acknowledged as a strategically significant Australian critical minerals and advanced materials development project**
- **Nolans product recognised as essential for future e-mobility and clean energy applications**
- **Major Project Status provides a mechanism for coordinated access to a range of Australian Government services and programs**

Arafura Resources Limited (ASX:ARU) ("**Arafura**" or the "**Company**") is pleased to announce that Major Project Status (MPS) for the Company's 100 per cent-owned Nolans Neodymium-Praseodymium (NdPr) Project in the Northern Territory has been renewed for a further three years by the Australian Government.

The Company was advised of the renewal by the Minister for Industry, Science and Technology, The Hon Karen Andrews MP. The project will now be the recipient of ongoing focused support from the Australian Government's Major Projects Facilitation Agency (MPFA). Nolans already enjoys interagency support services of the Northern Territory Government which recognised it as a major project in 2014.

The Australian Government's renewal of MPS coincides with the grant of Arafura's cornerstone development tenure at Nolans (*refer to ASX announcement 22 July 2020*) and the Company's formal submission to the Territory Economic Reconstruction Commission which is tasked with developing strategies to accelerate the progress of investment-ready long-life critical minerals projects like Nolans as an engine for economic growth of the Northern Territory.

Major Project Status recognises projects that are economically and strategically significant to Australia and allows a single entry point for a range of Australian Government coordination services. These include helping to map out the project's commercial compliance obligations, and assisting with identifying suitable government employment and training programs that supports Arafura's efforts in delivering jobs and investment opportunities to Central Australia.

On receiving MPS renewal, Arafura Managing Director, Gavin Lockyer, said, "As Australia plots a path to economic recovery following the challenges wrought by the COVID-19 pandemic, I'm pleased the Australian Government continues to show strong support for Nolans by renewing Major Project Status.

"Nolans is a substantial critical minerals and advanced materials development opportunity that will support the economy of Central Australia for decades to come. It represents a unique opportunity for Australia to diversify the rare earths supply chain, increase advanced materials manufacturing, and potentially seed new high technology downstream industries from one of the world's safest and most secure jurisdictions. Our plan to produce a highly refined NdPr rare earth oxide product provides customers in the e-mobility and clean energy sectors with a clear line of sight to the source raw material for their magnet applications.

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NdPr

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"We look forward to continuing our engagement with the Major Projects Facilitation Agency, complementing our recent work with the Critical Minerals Facilitation Office, Export Finance Australia and its international counterparts, Austrade, the Northern Australia Infrastructure Facility and the Territory Economic Reconstruction Commission, in positioning Nolans to play a key role in addressing the fragile nature of or gaps in critical minerals supply chains that have been brought into greater focus by commercial disruptions caused by international trade tensions and COVID-19."

-ENDS-

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