

ASX ANNOUNCEMENT

HATCH AWARDED ENGINEERING DESIGN CONTRACT FOR NOLANS HYDROMETALLURGICAL PLANT

30 August 2021



- **Hatch appointed Engineering Design contract for Nolans Hydrometallurgical Plant**
- **Initial FEED phase of work will allow tendering on a fixed price basis to deliver project price and schedule certainty**
- **Integrated Project Management Team working concurrently on other aspects of the Project targeting Final Investment Decision in H2 2022**

Arafura Resources Limited (ASX:ARU) ("**Arafura**" or the "**Company**") is pleased to announce that Hatch has been appointed to carry out Engineering and Procurement Services for the Nolans hydrometallurgical plant.

Hatch was selected from three international engineering firms through a competitive process to ensure full project understanding, cost assessment, and risk and liability management.

This next phase of the project, continuing in line with the Company's strategy set out by the Board of Directors, will see front end engineering design (FEED) works completed over the next 9 months to advance engineering and equipment procurement. The result of this work will allow the Company to tender a fixed price construction contract which will be the basis of making a Final Investment Decision in the second half of 2022.

In parallel, the Integrated Project Management Team, with KBR Pty Ltd and Wave International, will progress the remainder of the project as the Company prepares for a Nolans Final Investment Decision (FID), with work including:

- Incorporating best practice ESG measures to ensure we meet our commitments to our global customers;
- Scoping the Beneficiation Plant and Sulphuric Acid Plant which will be tendered as fixed price Engineering, Procurement and Construction contracts concurrently with the hydrometallurgical plant construction tender;
- Ensuring all early works construction is ready for tendering concurrently with the hydrometallurgical plant construction tender;
- Completing detailed mine design for the initial mining period to allow for tendering of the contract mining services following FID; and
- Updating the overall project control budget and schedule to reflect the final design and tender submissions and to support FID.



"Our goal is to be a trusted global leader and supplier of choice for sustainably mined and processed rare earth products, helping our customers deliver clean and efficient technologies. We are committed to delivering positive intergenerational economic, environmental and social benefits to our stakeholders."

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Gavin Lockyer, Managing Director of Arafura Resources Ltd, acknowledged Hatch, which completed the definitive feasibility study on the Nolans Project in 2019, as an internationally renowned project management, engineering and professional services consultancy.

"The Arafura Board of Directors and our Management Team have great confidence in what the Hatch team can deliver for our shareholders. Hatch has a proven track record of delivering projects comprising complex metallurgical processing plants, across multiple commodities, and specifically unsurpassed hydrometallurgical process plant engineering design expertise."

"This key project milestone and kick off on the final design of Nolans shows the Arafura team is on track with its strategy to bring the Nolans project into production. At the same time as the engineering works, we continue to progress advanced negotiations on senior debt facilities and offtake agreements which will support a final investment decision once the FEED process is complete in H2 2022."

Claude D'Cruz, Director of Metals for Hatch in Australia-Asia commented that Hatch was delighted to have been selected by Arafura to undertake engineering design for the hydrometallurgical plant associated with the Nolans Project. "The Nolans Project represents a very exciting and significant Rare Earths development opportunity for both Arafura and Australia as a nation. We look forward with great energy and excitement to helping Arafura make the project a success."

-ENDS-

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About Hatch

Whatever our clients envision, our teams can design and build. With over six decades of business and technical experience in the mining, energy, and infrastructure sectors, we know your business and understand that your challenges are changing rapidly. We respond quickly with solutions that are smarter, more efficient and innovative. We draw upon our 9,000 staff with experience in over 150 countries to challenge the status quo and create positive change for our clients, our employees, and the communities we serve.

Nolans Project Consulting and Contracting Opportunities

Expressions of interest to become involved with the Nolans project, particularly from local and indigenous suppliers and contractors, should be submitted to ICN Gateway at www.gateway.icn.org.au. Prospective suppliers and contractors should also sign up through ICN for project updates.