ASX Announcement

Nolans Phase 5 Pilot Plant Complete

28 November 2018



• Rare Earth Purification and Precipitation piloting completed successfully

Arafura Resources Limited (ASX: ARU) (Arafura or **the Company)** is pleased to provide an update on the flowsheet piloting program for its 100 per cent-owned Nolans Neodymium-Praseodymium (NdPr) project in the Northern Territory.

Operation of the first of the Company's Rare Earth Processing pilot plants – Phase 5 Rare Earth Purification and Precipitation – is now complete. This phase of piloting takes NdPr-rich rare earth sulphate material through purification and precipitation processes to produce rare earth hydroxide. The pilot ran continuously over a five-day period at ALS Metallurgical Services (ALS) facilities in Perth, processing feedstock from Arafura's Acid Bake pilot plant *(refer to ASX announcements 7 August and 30 August 2018)*.

Arafura process engineers closely monitored several important operational performance parameters over the duration of the pilot, including solid-liquid separation, reagent dosing, temperature profiles and residence time across each unit operation of the process.

Rare earth hydroxide precipitate produced from the pilot will feed the Company's Phase 6 (Rare Earth Dissolution and Evaporation) pilot plant. This is scheduled to commence at ALS within a week.

- ENDS -

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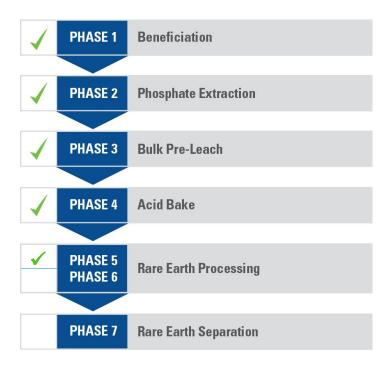
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Nolans Phase 5 Pilot Plant Complete



Nolans Flowsheet Piloting Program



Phase 5 Rare Earth Purification and Precipitation Pilot Plant

www.arultd.com







Refined NdPr-rich Rare Earth Hydroxide Precipitate being removed from filter unit