

ASX Announcement

Increased groundwater monitoring activity at Nolans

28 June 2018



HIGHLIGHTS

- **Groundwater monitoring practices at Nolans increased to meet requirements of recent environmental approvals**
- **81 bores now actively monitored including 22 bores with dataloggers installed**

Arafura Resources Limited (ASX: ARU) (Arafura, the Company) is pleased to announce it has increased water monitoring and management activities at its 100%-owned Nolans Neodymium-Praseodymium project near Alice Springs in the Northern Territory in keeping with the conditions accompanying recent environmental approvals.

The process of increasing water monitoring activities has included increasing the number of hydrographic stations in local water courses, installing data loggers into monitoring and production bores to provide continuous groundwater data and increasing the frequency of sampling to assess water quality.

Arafura has invested more than \$3 million to delineate and define the Southern Basin groundwater resource and establish its own bore infrastructure for exploration and project development purposes. The Company is now actively monitoring 81 bores in the area, including 22 that have dataloggers permanently installed.

The frequency of regional monitoring has also been increased to provide additional baseline groundwater data.

Once finalised, the water management plan will be an integral part of the Mining Management Plan (MMP) required for the grant of the Nolans mining leases.

Arafura Managing Director Gavin Lockyer said: *“The Company has spent over \$3m delineating and defining this previously undiscovered water system. To date our studies, which were incorporated in the environmental approvals process, have shown the system can support Arafura’s operations in a sustainable manner. This ongoing and expanded monitoring program will reinforce our understanding of the Southern Basin and provide guidance to how we can efficiently manage it for our operations and local communities.*

“The exploration technology and knowledge employed by Arafura, that led to the discovery of the Southern Basin groundwater resources was also instrumental in selecting two locations for bores drilled by the Central Desert Regional Council. These bores now provide reliable and good quality

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drinking water for the small Alyuen Aboriginal community and the nearby Aileron Roadhouse and Aileron Station homestead.”

- ENDS -

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Drilling and discovery of Southern Basins aquifers



Hydrographic station in local watercourse



Rising stage sampler

Increased groundwater monitoring activity at Nolans



Water sampling groundwater



Water sampling

Surface water sampling after rain



Monitoring Standing water level variations

Increased groundwater monitoring activity at Nolans



Installing dataloggers to continuously record groundwater data