

ASX Announcement

Advisory Agreement with Talaxis Limited

3 February 2020



Arafura Resources Limited (**ASX: ARU**) (**Arafura** or the **Company**) is pleased to announce it has executed a Capital Markets, Marketing and Logistics advisory agreement with Talaxis Limited (**Talaxis**), the technology metals investment and development company. This agreement was foreshadowed in an earlier announcement (*refer to ASX announcement 20 June 2019*) when Talaxis also agreed to be a strategic sub-underwriter for Arafura's A\$23.2 million fully underwritten entitlement offer (**Offer**).

On completion of the Offer, Talaxis was positioned with a substantial interest of more than 5% of Arafura's issued share capital. Subsequent to the Offer, Arafura and Talaxis have worked collaboratively to examine equity investment and product offtake opportunities to enhance Arafura's market engagement. These arrangements have now been formalised in an agreement under which Talaxis will assist Arafura to:

- introduce potential strategic partners to finance the development of the Nolans Project;
- target key markets and counterparties for Arafura's product mix;
- identify the optimal logistics routes to take Arafura's products to market; and
- locate the logistics routes and access to infrastructure for the transport and handling of project inputs, including reagents.

Talaxis is a wholly owned subsidiary of Noble Group Holdings Limited, Asia's leading independent energy products and industrial raw materials supply chain manager. It invests and participates in the development of projects in the technology metals sector, leveraging Noble Group's resources through access to logistics and supply chain management, and assists with the design and structure of project financing solutions. Talaxis prioritises ventures that contribute to the decarbonization of the economy and that are aligned with the United Nations Sustainable Development Goals.

Gavin Lockyer, Managing Director of Arafura, said, *"We are pleased to formalise this agreement, which reinforces Talaxis' commitment to its investment in Arafura and aligns itself with our objective to preserve and enhance shareholder value. Arafura sees significant value in continuing to leverage the substantial network and resources of Talaxis and the Noble Group for the development of the Nolans Project."*

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Daniel Mamadou, Executive Director of Talaxis, said, *“We are pleased to be part of the Nolans Project, which is the most advanced rare earths development in the Northern Territory and classified as one of Australia’s key critical minerals projects by the Australian Government. Our focus remains to be a key supporter of critical materials supply chains by leveraging Noble Group Holdings’ capabilities and expertise in physical commodity trading and logistics, while strengthening our commitment to decarbonisation and sustainability.”*

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