

ASX ANNOUNCEMENT

NOLANS RECEIVES MINING AUTHORISATION FROM NT GOVERNMENT

15 November 2022



- **NT Government issues Mining Authorisation for the Nolans NdPr Project with approval of the Project's Mining Management Plan**
- **Mining Authorisation provides the final environmental approval for commencement of construction in early 2023**

Arafura Rare Earths Limited (ASX: ARU) ("**Arafura**" or the "**Company**") is pleased to announce that the Mining Management Plan (**MMP**) for its 100% owned Nolans Neodymium-Praseodymium (**NdPr**) Project (**Project**) has been approved by the Northern Territory Government.

The Hon Nicole Manison, Deputy Chief Minister and Minister for Mining and Industry, advised that the Application for an Authorisation of the Nolans Rare Earth Project under section 36 of the *Mining Management Act 2001* has been approved and Authorisation 1127-01 granted.

This Mining Authorisation, allows Arafura to mine, construct and operate the Nolans Project, delivering formal approval of the MMP and the Environmental Management Plans (**EMPs**). The MMP and EMPs outline in detail how the Company will meet the approval conditions of the Northern Territory Environment Protection Authority (**NTEPA**) across key areas, which include:

- Biodiversity
- Water Management
- Radiation
- Tailings Storage
- Erosion and Sediment Control
- Dust and Noise
- Cultural Heritage
- Mine Closure and Rehabilitation

Both the MMP and the EMPs have been compiled by the Arafura team, working with various specialist consultants, during the past two and a half years and represent a significant body of work. This approval completes the final stage of NT environmental approval process, leaving the sign-off of a small number of the EMPs under the Federal EPBC Act and an NT water extraction licence outstanding.

The Company, which developed key aspects in of the plans in close collaboration with the NT Department of Industry, Trade and Tourism, has committed to continue to improve the parameters as knowledge of the specific environment at the Nolans Project site increases.



"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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Arafura Managing Director, Gavin Lockyer, said: *"This approval validates the enormous amount of hard work undertaken since ramping up the Environmental Impact Studies in 2014. It provides the framework, along with our ESG commitment to transparency and openness, that will ensure we minimise the impact of the Nolans Project on the unique Central Australian Arid Zone environment".*

"This approval, following the recent Hyundai/Kia Offtake Agreement and Project Update, adds to the momentum that should allow Arafura to commence procurement and construction, with FID expected to occur in early 2023."

-ENDS-

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About the Nolans Project

Arafura's Nolans Project is a rare earth ore to oxide mine and processing facility in the Northern Territory. The project is Australia's first vertically integrated rare earths operation, where its single site mining and processing operations (including waste disposal) will provide a secure and traceable supply chain to meet domestic and international economic and security interests and the ESG needs of global customers. Nolans has received Major Project Status from the Northern Territory Government (refer to ASX Announcement dated 31 July 2020) and has received support from Federal Ministers (refer to ASX Announcement dated 13 May 2021). In 2021, Arafura received conditional letters of support for debt facilities from Export Finance Australia (EFA) and the Northern Australia Infrastructure Facility (NAIF) for \$200m and \$100m respectively (refer to ASX Announcements dated 7 May 2021 and 18 June 2021). In March 2022, Arafura was awarded grant funding of \$30m under the Federal Government's Modern Manufacturing Initiative (MMI) (refer to ASX Announcement dated 16 March 2022). In November 2022, Arafura entered into a cornerstone binding offtake agreement with Hyundai Motor Company and Kia Corporation to supply NdPr from the Nolans Project over a 7-year term (refer to ASX Announcement dated 7 November 2022).

Forward Looking Statements

This announcement includes forward-looking statements. These statements relate to Arafura's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "will", "progress", "anticipate", "intend", "expect", "may", "seek", "towards", "enable" and similar words or expressions containing same.

The forward-looking statements reflect Arafura's views and assumptions with respect to future events as of the date of this announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to Arafura, or any of its affiliates or persons acting on its behalf. Arafura does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Neither Arafura nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. To the maximum extent permitted by law, Arafura and each of its advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise.