

ASX ANNOUNCEMENT

AWARD OF SULPHURIC ACID PLANT

28 February 2023

- **Chemetics® awarded contract for sulphuric acid plant for Nolans NdPr Project**
- **Other long lead equipment procurement well advanced in readiness for commencement of construction**

Arafura Rare Earths Limited (ASX: ARU) (“**Arafura**” or the “**Company**”) is pleased to announce that it has entered into an agreement for the supply of the sulphuric acid plant for its 100 percent owned Nolans Neodymium-Praseodymium (NdPr) Project in the Northern Territory. The sulphuric acid plant will be supplied by Chemetics® Inc. a global supplier of sulphuric acid and other specialty chemical facilities, a wholly owned subsidiary of Worley.

The sulphuric acid plant for Nolans will utilise Chemetics® proprietary CORE-SO₂ process which significantly reduces capital cost, maintenance cost and sulphur dioxide emissions from the plant. The Chemetics® plant is also significantly smaller than a traditional sulphur burning acid plant allowing increased use of modularisation reducing the volume of site installation labour. These savings were incorporated into the recent Nolans Project Update (refer to ASX announcement dated 11 November 2022).

The initial work package includes finalisation of specifications and engineering design to allow the plant to be incorporated into the overall project design.

Arafura’s General Manager Projects, Stewart Watkins, said: *“Letting the contract for the supply of the acid plant to a global supplier such as Chemetics® provides confidence around the outcomes for the Project when the team reaches commissioning. Along with that, the progress made on the selection of our key vendors and placement of long lead orders means that we are set to commence early works construction in the coming weeks.”*

As well as the sulphuric acid plant, the Company has also placed several other the orders during recent weeks which are on the critical path for the Project, including:

- Sulphation bake and cooler paddle dryers with ANDRITZ, primarily to secure detailed design and long lead materials for fabrication.
- Pipe supply for the first 8km of HDPE piping for the main water supply pipeline from the borefield to the plant site, which is required for early construction works.
- Potable and wastewater treatment plants for the construction camp.
- Equipment and tankage for temporary construction water supply in advance of the pipeline being installed to site.



“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.”

-ENDS-

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