

Quarterly Activities Report and Appendix 5B

For the period ending 30 September 2016

ASX: ARU



HIGHLIGHTS

- ▲ **15 tonnes of Nolans ROM sample prepared and ready for use in the beneficiation pilot plant in Q4 CY 2016**
- ▲ **Environmental Impact Statement public review process now complete for the Nolans Project**
- ▲ **Nolans receives Major Project Facilitation Status - recognition of the project's strategic significance**
- ▲ **Electrification of vehicles and potential for rapid technology development set to drive neodymium demand for the automotive sector**
- ▲ **Cash balance at end of reporting period \$10.1 million**

NOLANS PROJECT

PILOT PLANT & VERIFICATION PROGRAMS

In June, the Company announced the outcomes of its comprehensive work programs (ASX: ARU 28/06/16) which included the planned annual output of 110,000 tonnes of a merchant-grade (54% P₂O₅) phosphoric acid product and the use of a lower cost phosphoric acid in the pre-leach circuit of the rare earth ("RE") extraction flowsheet. As outlined in the June announcement the Company's next phase of work is pilot scale plant to subject the flowsheet to rigorous testing and commencement of engineering design for final feasibility. In Q3 CY2016 these activities included verification work to provide increased certainty in relation to key operating parameters and preparatory pilot plant programs including scopes of work, design and costing. A detailed overview of these activities is shown below.

In Q3 CY2016 the Company completed further beneficiation flowsheet verification work focussed on the RE-bearing high phosphate concentrate in line with the production parameters announced in June 2016. The work utilised the same process conditions identified through earlier bench scale testwork but was completed to demonstrate the scalability of the beneficiation process and produced more than 20 kilograms of concentrate feed to be used for confirmatory RE extraction (hydrometallurgical) verification work. Data collected from the beneficiation verification work has assisted the completion of the scope of work for the beneficiation pilot plant.

Scopes of work for the pilot programs for RE extraction and RE separation have all been advanced and has enabled the Company to advance cost estimates for these programs and engage with the key service providers. The Company has also commenced scopes of work and the initial engagement with engineering consultants for the definitive feasibility study

(“DFS”) engineering. Through this engagement process the Company has also appointed an engineering consultant from one of the shortlisted companies to assist with consulting, review and validation of results from the pilot plant programs.

Beneficiation Pilot Scale Program

In Q3 CY2016 a bulk sample comprising of 15 tonnes of Nolans run of mine (“ROM”) feed was prepared and stored in Perth ready for use in the pilot scale beneficiation plant (see Image 1 below). The pilot scale beneficiation trial commenced in October and will run throughout Q4 CY2016 to provide the relevant engineering data for detailed engineering and design. Contracts for relevant facilities and consultants have been awarded for all aspects of the beneficiation pilot program.

The scope of work for beneficiation includes the requirements for piloting key unit processing operations from ROM feed to beneficiated concentrate.

The broad objectives of the program include:

- Demonstrate the Company’s beneficiation flowsheet to produce an RE phosphate concentrate suitable to trial and demonstrate the downstream RE extraction and RE separation processes;
- Confirm process efficiencies, reagent consumptions and RE and phosphate recovery for all unit operations tested;
- Obtain process and mechanical engineering design data via collection and analysis for incorporation into the DFS engineering definition;
- Collect and record relevant process parameters from the plant and provide control parameters and relevant data and a component mass balance;
- Obtain sufficient material for vendor testwork; and
- Prepare a draft data package and report detailing all the process outcomes for submission into the DFS.



Image 1: Nolans 15 tonne bulk sample - commencement of gravity separation for the beneficiation pilot plant

Next Steps Downstream

In Q3 CY2016 verification work on the 20 kilograms of RE-bearing high phosphate concentrate (see above) was used to further demonstrate the operating conditions for the downstream RE extraction flowsheet. This work was still being completed at the date of this report, with assay results required for the various units of operation before moving to the next step of the flowsheet. Data from the verification program will be used to assist with the completion of the scope of work for the RE extraction pilot plant. The objectives of this program are to determine the optimum operating parameters for each unit of operations including re-agent dose rates and optimum temperature regimes, and to de-risk the operating conditions for the RE extraction pilot plant.

Drafting of the scope of work for the RE extraction pilot plant and initial engagement with potential equipment vendors has identified the need to fabricate some long lead items that are currently not held by the proposed laboratories being requested to complete the verification work. Procurement of long lead items will commence in Q4 CY2016 to mitigate the impact on the timing of the pilot programs. Figure 1: RE extraction flowsheet shows the units of operation for validation by the RE extraction pilot plant. Different service providers will be used for the various phases of the flowsheet including pre-leach, acid bake and water leach.

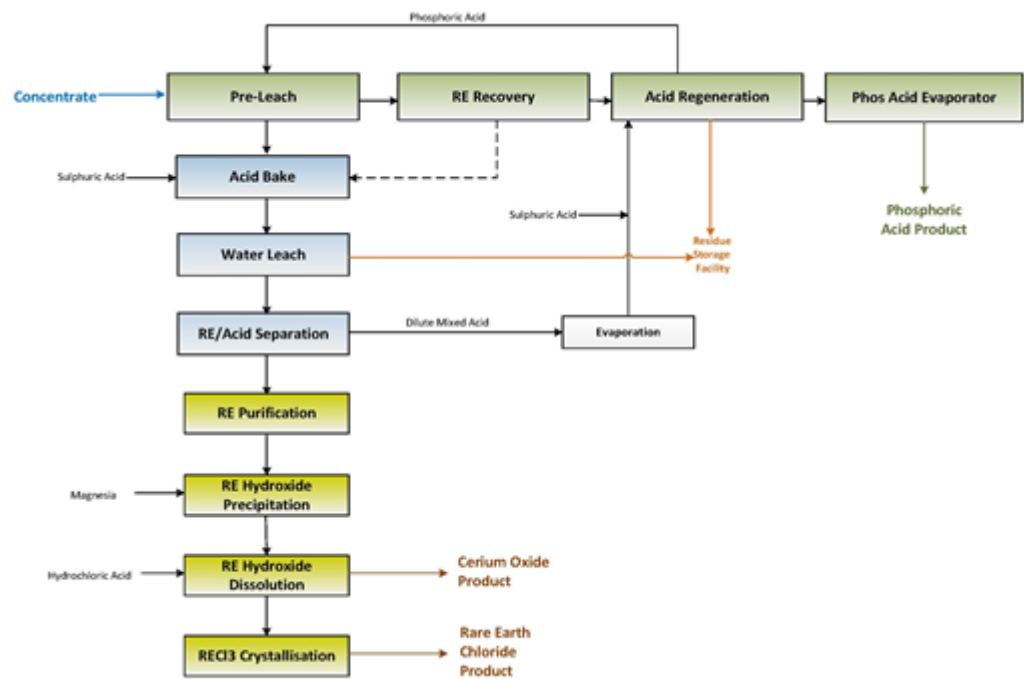


Figure 1: RE extraction flowsheet

REGULATORY APPROVALS – ENVIRONMENTAL IMPACT STATEMENT STUDIES

The Company has recently completed a significant milestone on completion of the Environmental Impact Statement (“EIS”) public review in August 2016. In May 2016, the Company lodged the draft EIS for the Nolans Project with the Northern Territory Environment Protection Authority (“NTEPA”) and the Australian Government’s Department of the Environment and Energy. The draft EIS was subject to a public review process which finished in August and resulted in the receipt of 503 comments. Comments were received from 21 stakeholder groups including 17 submissions from Northern Territory and Australian government agencies and the balance of stakeholder submissions from non-governmental organisations (“NGOs”).

The Company is currently working through its responses to adequately address the matters raised in the public review phase and is preparing a Supplement to the draft EIS for submission with the EPA in Q4 CY2016. The key areas of focus from the EIS public review include:

- Ground and surface water 31%;
- Radiation 15%;
- Biodiversity 10%;
- Waste/tailings management 7%;
- Social and cultural heritage 7%.

The Company has existing work programs underway in the Nolans district which will be used as inputs in the preparation of the Supplement. These include baseline groundwater sampling, groundwater modelling and dust modelling. Data from these programs will be used in the Supplement in addition to being used as baseline data for operations at Nolans. The Supplement will also incorporate additional information that is relevant to the change in project configuration from 20,000 tonnes to 14,000 tonnes of TREO per annum (ASX: ARU 28/06/2016).

COMMUNITY AND STAKEHOLDER ENGAGEMENT

In the period leading up to the lodgement of the EIS the Company conducted an extensive program of community and stakeholder engagement. Presentation meetings were convened with several Northern Territory Government agencies, local community groups, and NGOs, and included meetings in Alice Springs, Ti Tree and at Nolans. The objective of these meetings was to provide stakeholders the opportunity to raise and discuss issues or matters of concern. Arafura believes these meetings and its core commitment to long-term stakeholder engagement have been highly effective and reflects the relatively modest level of EIS responses.

NOLANS RECEIVES MAJOR PROJECT FACILITATION

The Company has now completed a significant level of project development and evaluation work for the Nolans Project and this has enabled it to prepare the draft EIS to a high standard. The professionalism used in preparing the draft EIS is important as it demonstrates to external stakeholders the Company has a significant knowledge base and understanding of the Nolans Project and is open and reputable in its dealings with regulators and government agencies.

The Company was also pleased to note in September it was advised it had attained Major Project Facilitation (“MPF”) status with the Australian Government. MPF provides Nolans with a tailored facilitation service to support a timely and efficient approvals process,

including coordination of all relevant Australian and Northern Territory government processes.

MPF services are available to projects that are of strategic significance to Australia. Key assessment criteria examined by the Australian Government when considering eligibility include:

- The project makes a significant contribution to economic growth, exports, employment and/ or infrastructure; or
- The project will have significant net economic benefit for regional Australia, taking account of the region's investment needs.

The MPF program does not entail any direct funding assistance but it does extend to support the Company in identifying existing Australian Government assistance programs. The Nolans Project joins 17 other significant development projects around Australia, including Shell's Prelude FLNG Project, as current recipients of MPF services. MFP also provides the Company with added confidence to move forward with the regulatory approvals process for the Nolans Project.

COMMUNITY DEVELOPMENT

The Company is very aware of the significant potential benefits the Nolans Project has for neighbouring communities and is pleased to note that even in the Project's exploration and development phase, compensation funds paid by the Company is making a material difference. The traditional owners of the Nolans site have allocated \$360,000 of exploration compensation funds to community benefit projects. The Central Land Council's ("CLC") Community Development Unit in conjunction with the Nolans Bore Community Development Fund have allocated funds to 12 community projects over the past year. Examples of projects already completed include:

- The refitting of an existing building at Aluyen for communal laundry and ablution facilities;
- Local staff members of the Laramba Childcare Centre attended the National Aboriginal and Islander Child Care conference which was held in Perth. One outcome of the conference is the Centre is now educating staff about Foetal Alcohol Spectrum Disorder and plans to provide support for affected children and families; and
- The Ti Tree Roosters Australian rules football team also received funding and participates in the "No More" campaign to end family and domestic violence.

The Company encourages readers to visit the CLC's [Community Development News](#) website to see the full details of these and other valuable programs in Central Australia.

MOU WITH OCI

The Company and OCI Company Ltd (“OCI”) of South Korea executed an MOU in January (ASX: ARU 07/01/2016) to facilitate collaboration for the establishment of a jointly operated RE separation plant. Since the execution of the MOU, Company and OCI representatives have been working to finalise a site feasibility report for the South Korean site option. Key work streams during the September quarter included identification of key infrastructure required for the RE separation plant including water and waste disposal facilities. Subject to the successful completion of site feasibility the parties will work to formalise the commercial arrangements for the joint venture toll processing facility.



EXPLORATION

AILERON – REYNOLDS (Rare Earths)

The Department of Primary Industry and Resources (“DPIR”) offered, and the Company accepted, the grant of Exploration licences (“EL”) 31095, 31096 and 31097 in the September quarter. In early October, the Company also accepted the grant of EL 31224. The offer and grant for EL application 31284 had not been issued by DPIR at the time of this report.

These ELs form part of the Company’s ongoing strategic review of its exploration activities, targeting areas within its Aileron-Reynolds Project it considers to be prospective for REs.

JERVOIS (Base and Precious Metals; Iron-Vanadium)

Rox Resources Ltd (ASX: RXL, or “Rox”) holds a 51 per cent interest in the base and precious metal rights on EL 29701, and has elected to earn 70 per cent by spending an additional \$1 million on the tenement. Rox and the Company recently agreed a 12-month extension, to December 2017, for this earn in expenditure target.

MT PORTER – FRANCES CREEK (Gold)

Ark Mines Ltd (ASX: AHK, or “Ark”) has completed the purchase and transfer of the mineral rights and tenements at Mt Porter-Frances Creek in the September 2016 quarter.

Ark has recently had its Mine Management Plan approved and on payment of the relevant security bond to DPIR and finalisation of all other authorisations it may commence mining.

The Company will be entitled to a gold royalty based on gold recovered when mining commences.

CORPORATE

STRATEGY AND OUTLOOK

Daido Steel and Honda

In July Daido Steel Co.,Ltd. (Daido Steel) and Honda Motor Co., announced they were the first group to achieve practical application of a bonded neodymium (“Nd”) RE magnet containing no heavy REs. Existing electric vehicle (“EV”) and hybrid electric vehicle (“HEV”) auto manufacturers use a sintered Nd RE magnet and add dysprosium (“Dy”) and/or terbium (“Tb”; both heavy REs) for their heat resistance properties. Honda have designed a modified drive train to accommodate the Daido Steel heavy RE-free bonded magnet.

Daido Steel notes Nd RE magnets have superior magnetic properties and are widely used in the drive for EVs/HEVs and expects significant growth in demand for Nd magnets for this application. Removal of Dy and Tb from the manufacturing reduces the procurement risks associated with these critical components. Daido claims the need for the use of heavy REs was a constraint to the expanded use of Nd magnets. It was of interest to note Daido Steel announced the Nd magnet development on 12 July 2016, the same day the international court in the Hague ruled against China and in favour of the Philippines in relation to territorial claims to the South China Sea.

Honda plans to introduce the new Nd magnet into the Sport Hybrid i-DCD model and look to expand the application of the new technology to other models. Daido Steel also announced in August they will expand their Nd magnet manufacturing by establishing a new plant in the USA to meet the growing demand for HEVs and EVs.

Electrification of Vehicles

The potential impact for the electrification of the automotive sector is often compared with the impact and pace of change that occurred in the telecommunications sector through the introduction of mobile phones. A number of analysts have produced reports forecasting the uptake of EVs but Bloomberg New Energy Finance has been monitoring the EV sector since 2010 and in a recent report concludes, “The central scenario of our Global EV Sales Outlook to 2040, published in February (2016), was that 35 percent of new sales would be electric by 2040, and perhaps as high as 47 percent under certain conditions (higher oil prices, more widespread use of car-sharing).”

Analysts believe the penetration of EVs could be even faster than their own published forecasts and some even draw on the example of accelerated uptake of mobile phone technology as a parody and historical indicator of why uptake could be more aggressive



than forecast. In the 1980's AT&T engaged an international management consultancy to prepare a report forecasting the uptake and usage of mobile phone technology through to the next century. The consultant's report correctly identified all of the limitations associated with mobile phone technology including size of handsets, low battery run time, limited network coverage and prohibitive network costs and concluded these technical issues would restrict the market to 900,000 users.

By 1999 more than one third of the population of eight countries owned mobile phones and on a world basis 900,000 new subscribers join the world's mobile phone services every three days. The reason for the significant uptake in technology that could not be seen when the consultant prepared the report was advancements in technology. In the subsequent period, mobile phone prices reduced, the quality of the product improved and the network coverage improved. Of even more significance was that the cost of mobile phone network coverage in many countries began to decrease in the 1990s resulting in the comparative premium above fixed line services reducing. In the example of mobile phones, a market share of 20% took considerable time to achieve as at that point they were too expensive. Once market penetration reached 20%, growth increased exponentially from that point on as the cost and quality of the service became more compelling.

In comparing the rate of growth in telecommunications and EVs the parallel point of inflection for EVs could possibly be the point at which battery or power storage cost can compete with a traditional internal combustion engine ("ICE"). Based on the current trajectory of improvements in power storage costs and improved battery performance there is a case for EV market penetration to occur at a faster rate. In addition to the economic drivers identified above there are other significant enablers for the accelerated adoption of new technologies. These include public policy drivers, reduced emissions and a consumer desire to access the new technology platforms that will be achievable for EVs. Other technology benefits will be autonomous driving vehicles, vehicle connectivity and service technologies that enable better vehicle sharing and utilisation systems.

Global Electric Vehicle Market Enablers

As shown in Figure 2 the key enablers for the adoption of electric vehicle technology include:

Regulatory support for the encouragement of EV purchases has been effective in several countries. Examples include Norway and China, where consumers are offered subsidies often tied to vehicle efficiency, the UK where there is free access to restricted city centres, or California where there are mandated low emissions. China's EV initiatives are targeting 5 million cumulative sales by 2020 and is supported by the establishment of 4.8 million charging points across the country.

Consumer demand for this technology is driven by the desire for lower carbon emissions and wanting to access the new associated technologies including autonomous driving, vehicle sharing and utilisation systems. Electrification is one of the major trends for the global automotive industry.

Battery technology enhancements have been significant in recent years and is critical to EV growth as it improves functionality by producing vehicles with a greater driving range and results in the production of more affordable EV technology.

The comparative cost of owning and operating an EV versus an ICE-driven vehicle is a critical component in the buyer's decision making. The point at which the cost of EV ownership is comparable to an ICE vehicle is a point of inflection. This is expected to be achieved in the early part of the 2020s and could be a catalyst exponential growth in demand for EVs.

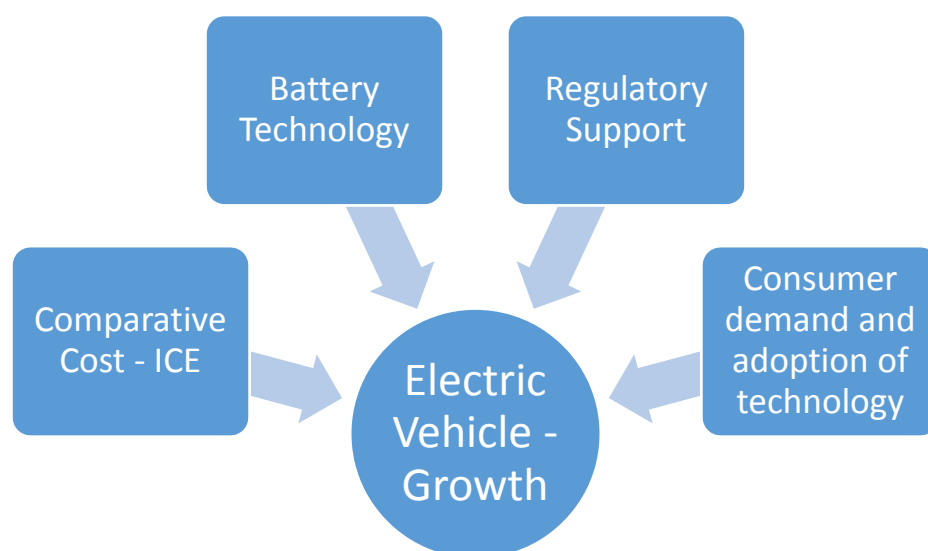


Figure 2: Electric vehicle market enablers

The automotive industry already utilises over 25% of all Nd permanent magnets. Conventional ICE vehicles already use significant quantities of Nd permanent magnets for electric power steering, electric brakes and other electric motor applications. The growth in the electrification of vehicles is a significant driver for the increased application and use of Nd permanent RE magnets. In addition, the forecast growth in HEVs and EVs will also see increased Nd permanent magnet use in the traction motor for these vehicles.

ANNUAL GENERAL MEETING

The Company has now issued the 2016 Notice of Annual General Meeting (“AGM”) and Annual Report. The AGM will be held at 10.00am WST, Friday, 18 November 2016 at the ANZAC Club, 28 St Georges Terrace, Perth.

Mr Cungen Ding has indicated he will not be standing for re-election at the AGM. Mr Zhang Quansheng will stand for election to fill the vacancy arising from Mr Ding’s retirement. Mr Ding was appointed as a Non-Executive Director of the Company in March 2015 and the Company thanks him for his contribution and assistance during this period.



Nameplate Production

The estimates in this document are based on a nameplate production target of 14,000 tonnes per annum of TREO equivalent from Measured and Indicated Mineral Resources at Nolans Bore. The Mineral Resources were estimated and reported by the Company (ASX: ARU 30/10/15) following the guidelines of the JORC Code 2012. Classification of total resources at Nolans Bore into Measured, Indicated and Inferred resources, using a 1.0% TREO cut-off grade ("COG"), is shown in Table 1. Contained (in-situ) resources of REs are also shown.

Table 1: Statement of Nolans Bore Mineral Resources at 30 October 2015 using a 1% TREO COG

RESOURCES	TONNES million	RARE EARTHS TREO %	TONNES TREO	PHOSPHATE P ₂ O ₅ %	URANIUM U ₃ O ₈ lb/t
Measured	4.9	3.2	158,000	13	0.54
Indicated	30	2.7	816,000	12	0.44
Inferred	21	2.3	489,000	10	0.36
TOTAL	56	2.6	1,462,000	12	0.42

Numbers may not compute exactly due to rounding. 1 lb/t U₃O₈ = 0.0454% U₃O₈.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Kelvin Hussey, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Hussey is a full time employee of Arafura Resources Limited. Mr Hussey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code 2012"). Mr Hussey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Arafura Resources Ltd

ABN

22 080 933 455

Quarter ended ("current quarter")

September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(989)	(989)
(b) development	-	-
(c) production	-	-
(d) staff costs	(399)	(399)
(e) administration and corporate costs	(370)	(370)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	82	82
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,677)	(1,677)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(23)	(23)
(b) tenements (see item 10)	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	(300)	(300)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	277	277
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,543	11,543
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,677)	(1,677)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	277	277



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	10,142	10,142

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	992	1,093
5.2 Call deposits	9,150	10,450
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,142	11,543

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(194)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Salaries, fees and superannuation of Directors of the Company.	

7. Payments to related entities of the entity and their associates		Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	1,271
9.2	Development	-
9.3	Production	-
9.4	Staff costs	420
9.5	Administration and corporate costs	251
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	1,942

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	See Appendix A below.			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	See Appendix A Below.			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 26 Oct 2016.

Print name: Peter Sherrington

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Appendix A – Mining Tenements Held as at 30 September 2016

Tenement reference	Project	Holder	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	Notes	
ML 26659	Nolans, NT	Arafura Rare Earths Pty Ltd	Mineral Lease	100%	100%	Application Lodged	
ML 30702				100%	100%	Application Lodged	
ML 30703				100%	100%	Application Lodged	
ML 30704				100%	100%	Application Lodged	
EMEL 30510				100%	100%	Extractive Mineral Exploration Licence	
EL 28473 EL 28498 EL 29509 EL 30160 EL 31095 EL 31096 EL 31097	Aileron-Reynolds, NT	Arafura Resources Ltd	Exploration Licence	100%	100%		
EL 31224				100%	100%		Application lodged
EL 31284				100%	100%		Application lodged
EL 29701	Jervois, NT	Arafura Resources Ltd	Exploration Licence	100%	100%	Rox Resources Ltd (RXL) has acquired 51% of the base and precious metal rights. RXL has a right to acquire up to 70% of the base and precious metals rights.	



Tenement reference	Project	Holder	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	Notes
EL 10137	Frances Creek, NT	Territory Resources Ltd	Gold Rights	60%	0%	Ark Mines Ltd (AHK) has acquired 100% of the gold rights. Arafura retains a royalty on any gold produced from the tenements.
ML 24727			Gold Rights	60%	0%	
ML 27228			Gold Rights	60%	0%	
ML 25087			Gold Rights	60%	0%	
ML 25088			Gold Rights	60%	0%	
ML 25529			Gold Rights	60%	0%	
ML 27225			Gold Rights	60%	0%	
ML 27226			Gold Rights	60%	0%	
ML 27230			Gold Rights	60%	0%	
ML 27227			Frances Creek Pty Ltd	Gold Rights	60%	
ML 27229	60%	0%				
ML 29930	60%	0%				
MA 389	60%	0%				
ELR 116	Mt Porter, NT	Arafura Resources Ltd	Exploration Licence in Retention	100%	0%	AHK has acquired 100% of all mineral rights on the tenements and an immediate right to mine ML 23839 subject to regulatory approvals. Arafura retains a royalty on any gold produced from the tenements.
ML 23839			Mineral Lease	100%	0%	
EL 23237			Exploration Licence	100%	0%	