

ASX ANNOUNCEMENT: 6 January 2010**New MD & CEO on Priorities and Vision**

Open Briefing with MD & CEO Steve Ward



Arafura Resources Limited
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In this Open Briefing®, MD & CEO Steve Ward discusses

- Appointment as new MD and CEO
- Arafura's priorities for 2010
- Longer term vision for Arafura

Open Briefing interview:openbriefing.com

Arafura Resources Limited (ASX: ARU) recently appointed you as Arafura's new MD & CEO effective from 1 January 2010. What attracted you to the role?

MD & CEO Steve Ward

First of all I would like to say it is very much an honour and a privilege to become the leader of Arafura and I thank the Board for its confidence in me.

In terms of what attracted me to the role I can confidently state that quite simply, the business fundamentals are superb and the company is at an exciting stage in its development. Over the past two and half years, I have gained a thorough understanding of Arafura and the rare earths market as a non executive member of Arafura's Board.

There is certainly growing market awareness of the significance of rare earths for a variety of applications, particularly in the increasingly important area of clean energy.

It now is widely recognised that there will be a significant supply shortfall for rare earths in the near term and Arafura has one of the few major rare earths deposits in the world.

Arafura's core asset is the 100 per cent owned Nolans' Rare Earth-Phosphate-Uranium Project in Australia's Northern Territory. The project is in transition from exploration to production and I was attracted by the opportunity to apply my knowledge and experience to delivering a world-class project in a very exciting commodity market.

Nolans is a very valuable, long life and easy to exploit ore body – one which any major resources company would be proud to have.

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What experience and expertise do you bring to the role at Arafura?

MD & CEO Steve Ward

I have technical (BsC Hons and PhD in Chemistry) qualifications and have worked for over 30 years in the chemicals, resources and mining industry in a variety of Board and senior executive roles. This has included substantial successful development and start up experience including a major chemical plant in Malaysia which contained much new novel technology.

My appointment marks the next phase of Arafura's evolution – from explorer to producer. Given Arafura's business model of mining and chemical processing and this next phase for the company, I believe my educational background and business experience is a great match for what is now required in terms of leading the company going forward.

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What do you see as Arafura's priorities for 2010?

MD & CEO Steve Ward

Along with many other companies Arafura's program was impacted in 2009 by the global economic crisis. We used this period deliberately to optimise our technology and plant design. This work will create additional future value by anticipated savings in capital expenditure and operating costs.

We will now proceed at full pace in 2010 with our Nolans Project. We have a comprehensive range of activities on our agenda to complete to meet our project development timeline.

The key priorities in 2010 are completion of the Nolans Project Bankable Feasibility Study and advancing arrangements for project financing.

This will include completion of the mine design and site plan and the chemical plant design and location study. Concurrent with this activity, we will progress work on the environmental impact studies for the project.

Arafura has an experienced and dedicated management team and my experience as a non executive director of the Company means I have 'hit the ground running' with management and staff – to ensure we achieve our development timetable and deliver production in 2013, or earlier if we can identify the way to accelerate our program.

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When will you meet Arafura's shareholders?

MD & CEO Steve Ward

I recognise that we need to communicate our plans and progress regularly, fully and well. This is the start of our program in 2010 and we will use these briefings and other means to tell our story and to reach out to our shareholders and stakeholders in a comprehensive way.

As a member of the Board, I have had the opportunity to meet with a number of our shareholders. The company is fortunate that it has very supportive, longstanding (and might I add patient) shareholders who show an active interest in their investment.

I am planning to meet our shareholders and our other supportive stakeholders including the local community at Nolans in the very near future and am looking forward to this opportunity.

Our number one priority as a Company remains the creation of shareholder value in a sustainable way and to be able to reward our shareholders as soon as possible.

We have a great business model and we now need to create value from Nolans for the benefit of our shareholders.

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How would you describe your management style?

MD & CEO Steve Ward

I believe I am very 'hands-on' and results oriented with a track record of delivering outcomes. I enjoy meeting and working with people.

I believe everyone will see a very determined and focused team effort from Arafura. We will ensure everyone is kept fully up to date with our progress.

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It is early days, but what is your longer term vision for Arafura?

MD & CEO Steve Ward

Our aim is to be the pre-eminent rare earths supplier with a growth plan into other resources areas.

I see Arafura becoming a firmly established ASX 200 company delivering returns substantially higher than the cost of capital and rewarding our shareholders with well above average returns on their investments.

I believe our Nolans Project and business fundamentals will enable us to do this.

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Thank you Steve

For more information about Arafura Resources Limited, visit www.arafuraresources.com.au or call Steve Ward on +61 8 6210 7666.

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