

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

16 September 2010

Arafura Resources Limited**TRADING HALT**

The securities of Arafura Resources Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Monday, 20 September 2010 or when the announcement is released to the market.

Security Code: ARU

Jill Hewitt

Senior Adviser Issuers (Perth)



FOR USERS WORLDWIDE

16 September 2010

Att: Kerrie Papamahail
ASX Issues Officer
ASX
Exchange Plaza
Perth, Western Australia
Fax: 08 9221 2020

Dear Kerrie,

RE: TRADING HALT REQUEST (ASX:ARU)

In accordance with Listing Rule 17.1, ARAFURA RESOURCES LIMITED requests a trading halt in its securities – security code ARU.

The trading halt is requested pending an announcement regarding site selection for the rare earths processing complex.

The company is not aware of any reason why the trading halt should not be granted.

Yours sincerely

Steve Ward
Managing Director & CEO
Arafura Resources Limited

ARAFURA RESOURCES LIMITED

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