

ASX RELEASE

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**AN EMERGING
RARE EARTHS
PRODUCER
FOR USERS
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ARAFURA APPOINTS LORETTA REYNOLDS AS NON-EXECUTIVE DIRECTOR

Australian rare earths company **Arafura Resources Limited** (ASX: ARU) (**Arafura** or **the Company**) is pleased to announce the appointment of Ms Loretta Reynolds as a Non-executive Director of the Company with effect from 16 September 2011.

Ms Reynolds is a corporate lawyer specialising in complex commercial transactions and mergers and acquisitions. Ms Reynolds has wide-ranging experience in Australia, internationally and in the regulatory environment in South Australia and Northern Territory. Since 2007 Ms Reynolds has been Chairman of Partners at Australian law firm Thomsons Lawyers. She is based in Adelaide.

Ms Reynolds has Board experience in the areas of superannuation, arts and education. In 2011, she was awarded a Board Diversity Scholarship by the Federal Government and Australian Institute of Company Directors.

Ms Reynolds graduated from the University of Adelaide with a Bachelor of Economics (BEC) and Bachelor of Laws (LL.B). She also has a Graduate Diploma in Applied Finance and Investment. She is a Fellow of both the Australian Institute of Company Directors and the Financial Services Institute of Australasia.

Arafura Chairman Mr Ian Laurance said, "The Board is delighted to have Ms Reynolds join Arafura. Our Board Refresh Program is being led by our Deputy Chairman Mr Ian Kowalick. This program has identified the skills and experience required at Board level as the company transitions from emerging status to large scale mining and chemical operations. The addition to our Board of a high calibre person with a current legal background is timely. Ms Reynolds matches this need extremely well and we look forward to her contribution to Arafura in this very important phase for the company".

"Both her appointment, and that of former Alcoa senior international executive Mr Lloyd Jones in August, are excellent outcomes arising from Arafura's Board Refresh Program".

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