



OPEN BRIEFING CLARIFYING STATEMENT

Emerging rare earths producer **Arafura Resources Limited (ASX: ARU)** ("**Arafura**" or the "**Company**") yesterday released an Open Briefing[®] which highlighted material reductions in capital and operating costs for the Nolans Rare Earths Project, summarised progress in its dealings with Chinese rare earths producer Shenghe Resources, and outlined a positive outlook for growth in market segments that rely predominantly on secure supply of light rare earths. The light rare earths, which include the magnet-feed rare earths, account for over 90% of the Nolans Project's rare earths mix by volume, and nearly 80% of projected revenue from the Project.

The Company also made reference to JORC-compliant Mineral Resources and Ore Reserves for the Nolans Project. Mineral Resources at Nolans Bore (ASX: ARU 08/06/2012) are estimated to be:

RESOURCES	TONNES (million)	RARE EARTHS REO %	TONNES REO	PHOSPHATE P ₂ O ₅ %	TONNES P ₂ O ₅	URANIUM U ₃ O ₈ lb/t	TONNES U ₃ O ₈
Measured	4.3	3.3	144,000	13	572,000	0.57	1,120
Indicated	21	2.6	563,000	12	2,610,000	0.42	4,090
Inferred	22	2.4	511,000	10	2,220,000	0.37	3,610
TOTAL	47	2.6	1,217,000	11	5,410,000	0.41	8,830

1.0% REO cut-off grade. Numbers may not compute exactly due to rounding. REO grade excludes Yttrium (Y).

Ore Reserves at Nolans Bore (ASX: ARU 11/12/2012) are estimated to be:

RESERVES	TONNES (million)	RARE EARTHS REO %	TONNES REO	PHOSPHATE P ₂ O ₅ %	TONNES P ₂ O ₅	URANIUM U ₃ O ₈ lb/t	TONNES U ₃ O ₈
Probable	24	2.8	672,000	12	2,976,000	0.45	4,900

Numbers may not compute exactly due to rounding

Both estimates were independently prepared and first disclosed under the JORC Code 2004 by AMC Consultants Pty Ltd of Perth, Australia. Neither estimate has been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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Competent Persons' Statement

The information in this report that relates to Mineral Resources is based on information compiled by Mr John Tyrrell, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tyrrell is a full time employee of AMC Consultants Pty Ltd. Mr Tyrrell 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Tyrrell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Mark Chesher, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Chesher is a full time employee of AMC Consultants Pty Ltd. Mr Chesher 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Chesher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

