



Level 2/9 Bowman Street, South Perth
PO Box 394 South Perth
Western Australia 6151

Telephone: (618) 9367 1433
Facsimile: (618) 9367 1944

Email: arafura@arafuraresources.com.au
Website: www.arafuraresources.com.au

ARAFURA RESOURCES NL PRESS RELEASE

15 April, 2004

SIGNIFICANT REE/PHOSPHATE ROCK INTERCEPTS AT NOLANS BORE

Arafura Resources today advised that drilling commenced on 6 April to better define and extend the Inferred Resources of REE- (rare earth element) bearing phosphate rock in the West Zone at its Nolan's Bore prospect 130 kilometres NNW of Alice Springs. Previous costeaning and drilling in 2000 and 2001 identified an Inferred Resource of 3.8 million tonnes with a combined REO (rare earth oxide) grade of 4% and a phosphate (P_2O_5) grade of 16.6% in the West and East Zones of the prospect using a 1.2 % REO cut-off grade.

Drilling in 2004, in the West Zone has intersected several significant intercepts of phosphate rock which, based on the results of the earlier drilling and costeaning at the prospect, are expected to return intervals with high REO and phosphate grades. Samples are being progressively dispatched to a commercial laboratory over the next two weeks and final analytical results are expected before the end of May.

To 14 April, **nine** of fifteen proposed RC percussion drill holes totalling **687m** metres had been completed. The locations of the completed and proposed holes are shown on the attached plan. Inflows of ground water and consequent reduced sample returns below 70 metres have prevented continuation of some holes below 80 metres.

Summary details of the following substantive results are listed in the table below:

- 40 metres between 0-66 in NBRC017;
- 39 metres between 4-47 metres in NBRC013;
- 33 metres between 1-51 metres in NBRC020;
- 29.5 metres between 48.5-78 metres in NBRC018;
- 25 metres between 15-78 metres in NBRC014;
- 19 metres between 3-43 metres in NBRC019; and
- 16 metres between 49-78 metres in NBRC021..



Level 2/9 Bowman Street, South Perth
PO Box 394 South Perth
Western Australia 6151

Telephone: (618) 9367 1433
Facsimile: (618) 9367 1944

Email: arafura@arafuraresources.com.au
Website: www.arafuraresources.com.au

All these intersections are in areas without outcrop and covered by thin alluvium. These areas were previously considered to be of lower priority than the outcrop areas and the discovery of these wide mineralised zones substantially increases the size potential of the deposit.

Arafura's Chairman, Peter Walker, stated that "Holes NBRC014 and NBRC018 both finished in massive phosphate rock at the planned final depths of 78 metres (68 metres vertical). Mineralisation appears to continue strongly at depth below these holes and below holes drilled in this zone in 2001 and further depth extensions of the wide mineralised zone are anticipated."

Mr Walker added that "These substantial results enhance the prospects that a resource of REE/phosphate rock will be established on the property of a size sufficient to support production of REOs and fertilizer in the medium term. This is in line with the Company's projections outlined in its November 2003 prospectus."

On completion of the remaining RC drill holes, Arafura will drill 4-5 core holes to depths of 80-100 metres to obtain samples of fresh and oxidised REE/phosphate rock for metallurgical testing and geotechnical data.

The information in this report that relates to drilling and geological interpretation and the historical Mineral Resource have been prepared by Mr John Goulevitch who is a Fellow of the Australian Institute of Geoscientists. Mr Goulevitch has sufficient experience relevant to this style of mineralisation to qualify as Competent Persons as defined in the 1999 edition of Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code) and he consents to the inclusion in this report of the information in the form and context in which it appears. Mr Goulevitch is Exploration Manager of Arafura Resources.

For further details contact Mick Muir (0417 942 818) or Peter Walker (0411 714 142).

NOLANS BORE 2004 DRILLING PROGRAMME – SUMMARY, 15 APRIL, 2004

								LOGGED* REE/PHOSPHATE ROCK		
DRILL SECTION	HOLENO	GRDEAST (MGA94)	GRDNTH (MGA94)	RL (m)	INCLN (°)	AZIM (°)	EOH (m)	FROM (m)	TO (m)	INTERVAL (m)
G	NBRC013	318729	7502052	659.9	-60	146	78	4	10	6
								13	44	31
								45	47	2
								TOTAL		39
G	NBRC014	318711	7502077	659.7	-60	146	78	15	26	11
								63	70	7
								71	78	7
								TOTAL		25
E	NBRC015	318725	7501987	660.0	-55	326	72		Nil	
I	NBRC016	318708	7502140	659.5	-60	146	78	4	5	1
								15	17	2
								71	73	2
								TOTAL		5
K	NBRC017	318791	7502100	659.6	-60	146	84	0	16	16
								27	40	13
								55	66	11
								TOTAL		40
K	NBRC018	318774	7502125	659.5	-60	146	78	48.5	78	29.5
								TOTAL		29.5
K	NBRC019	318808	7502075	660.5	-60	146	54	3	7	4
								22	31	9
								37	43	6
								TOTAL		19
M	NBRC020	318818	7502135	659.4	-60	146	75	1	16	15
								19	30	11
								44	51	7
								TOTAL		33
M	NBRC021	318798	7502160	659.4	-60	146	90	49.5	60	10.5
								63.5	65	1.5
								72	73	1
								75	78	3
								TOTAL		16
						TOTAL	687			

* Combination of visual identification and geophysical techniques.

