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STRONG URANIUM ANOMALIES LOCATED ON ARAFURA'S LAGOON CREEK PROJECT (EL 23573), NORTHERN TERRITORY

(100% ARAFURA, LARAMIDE RESOURCES Ltd. EARNING UP TO 60%)

Airborne geophysical exploration on Arafura's Lagoon Creek tenement (EL23573) has identified strong uranium anomalies. Arafura's tenement is located immediately across the NT/QLD border from Laramide's Westmoreland uranium deposits (location diagrams attached).

Arafura has a joint venture with Laramide that allows them to earn 60% equity by the sole expenditure of A\$5.5million over a five year period on exploration and development on EL23573.

Aerial Survey

Laramide, as the manager of the joint venture, completed a state of the art, low level, high resolution airborne magnetics and radiometrics survey over its Northern Australian project area including the entire area of EL 23573.

The survey was completed by UTS Geophysics of Perth and was flown at 60 metres height on flight lines spaced 100 metres apart. Detailed target analysis is currently being undertaken.

The most significant aspects of the airborne survey are;

- the strongest anomalies at the Debbill Zone and Conglo are new discoveries,
- anomalism has been detected over a 5 kilometre strike length in the Debbill Zone in very favourable basement rocks and in association with structural trends and unconformity relationships; and
- the airborne survey clearly detected all previously known uranium occurrences in the field which adds confidence that the new anomalies are associated with uranium mineralisation.

Further details of the anomalies are described in the appendix.

Major exploration program is planned for 2006

The joint venture is planning a major exploration campaign for the coming dry season in Northern Australia commencing in late April 2006. This will include the drill testing of a number of these anomalies within a larger drill program of at least 20,000 meters. In accordance with the provisions of the joint venture agreement, Laramide is committed to drill at least 2000 metres of RC percussion and/or core holes on EL 23573 before 30 June, 2006.

Arafura's Managing Director, Alistair Stephens said "Exploration to date has enhanced the prospect of a major uranium discovery on Arafura's Lagoon Creek property. This adds considerable additional value to Arafura especially in light of the continuing high demand for uranium which continues to be reflected in the increased uranium price which is now above US\$36/lb."

All further enquiries should be directed to:

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The information in this press release that relates to exploration results and geological interpretation has been compiled by Mr John Goulevitch, BSc(Hons), MSc, of Exploremin Pty Ltd. Mr Goulevitch is a Fellow of the Australian Institute of Geoscientists and he has sufficient experience relevant to this style of mineralisation to qualify as the Competent Person as defined in the <i>Australasian Code for Reporting of Mineral Resources and Ore Reserves</i> (JORC Code) for reporting exploration results. Mr Goulevitch fills the role of Consulting Geologist to Arafura Resources. He consents to the inclusion in this report of the matters contained in the form and context in which they appear. An entity associated with Mr Goulevitch is a shareholder in Arafura.

Appendix

The aerial survey conducted over Arafura's EL 23573 has identified strong uranium anomalies that include:

Debbill Zone

A 5 kilometres long zone in the southwest of the tenement occurring in either the Westmoreland Conglomerate or possibly in overlying Cretaceous sediments. Three high order radiometric anomalies in the zone require field checking and appear to be structurally controlled. No previous exploration results have been reported from this zone. The Debbill Zone anomaly will be a high priority target for the 2006 field season.

Conglo

An isolated high amplitude anomaly hosted by Westmoreland Conglomerate or possibly in Cretaceous sediments which overlie the Westmoreland Conglomerate in the middle of EL 23573. No previous exploration results have been reported from this zone. This is a high priority target for the 2006 field season.

Mageera Zone

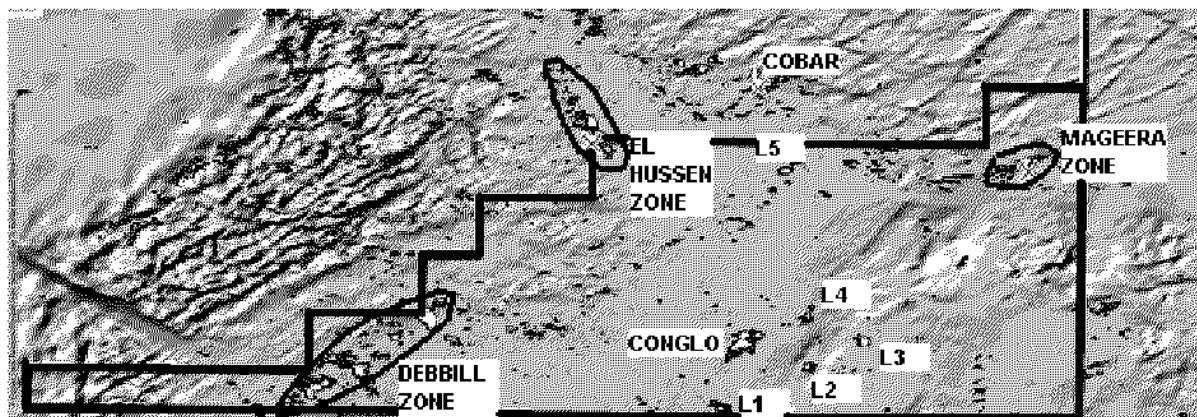
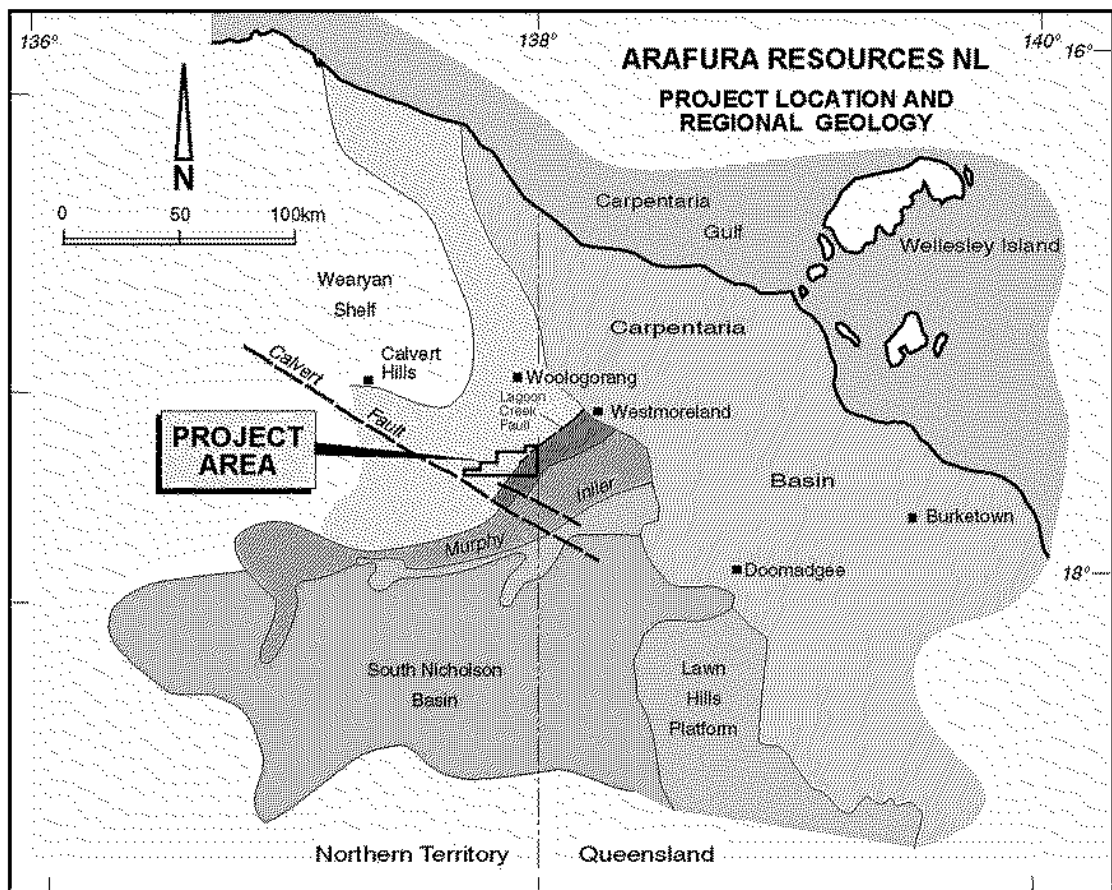
This zone has been previously explored and consists of a fault zone parallel to the Redtree dyke that hosts the main Westmoreland deposits across the border in Queensland. Previous exploration along the Westmoreland fault resulted in the following drill intercepts.

WPD 3	1 metre	@ 2.3 % U_3O_8 .
WPD 45	11 metres	@ 0.08% U_3O_8 including 1 metre @ 0.18 % U_3O_8 .
WPD59	5 metres	@ 0.05% U_3O_8
WPD60	3 metres	@ 1.8% U_3O_8 including 1 metre @ 2.4 % U_3O_8 + 6.9 g/t Au.
WPD88	20 metres	@ 0.08% U_3O_8 .
WPD105	1 metre	@ 1.05% U_3O_8 .
(1% U_3O_8 is equivalent to 22.04 lb/tn U_3O_8)		

El Hussen Trend

This target extends across the boundary of EL 23573 to the north. Work by Laramide during the 2005 field season defined a 1400 metre long zone of mineralization in which twelve separate rock chip samples averaged 0.06% U_3O_8 over 3 meters widths. Highest sample was 3 meters @ 0.3 % U_3O_8 .

These radiometric anomalies and others detected on adjacent areas will be the foci of Laramide's exploration effort during the 2006 field season in Northern Australia.



Uranium/Thorium anomalies (increasing red to white) on and adjacent to EL 23573 (black outline). Background is magnetic intensity which shows most anomalies in EL 23573 associated with the unconformity at the top of the Westmoreland Conglomerate (smooth area in middle of EL 23573).