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Arafura Resources Limited

Broker Presentation – April 2007

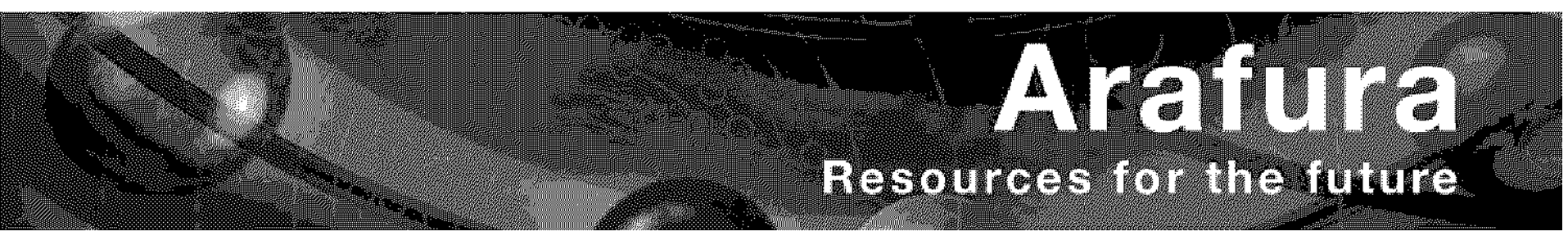
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Resources for the future



Arafura Resources Limited

ASX Codes	ARU : ARUO
Shares on Issue	120 m
Options	15 m @ 13c, June '08
Share Price range (23 April 2007)	A\$2.00
Market Capitalisation (fully diluted)	~A\$270 m
Cash on hand	A\$6.0 m
Commonwealth Ready Grant for feasibility	A\$3.3 m

Positioned to grow into a specialty metal producer



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NT focused exploration & Development Co.

- Focused on Nolans – phosphate hosted rare earths / uranium deposit
- Target production in 2010
- Exploration projects in gold (Tennant Ck) and vanadium (Jervois)
- Gold resources and iron ore royalties (Pine Creek)

Looking to expand without losing focus



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Arafura Projects & Investments

Arafura Resources

100% Arafura

10% NuPower

Nolans Project

Resource will sustain a
Long life of +20yrs

Multiple revenue streams
REO, Phosphate, U3O8

Major market
opportunity in REO

Exploration

Jervois Vanadium Project
100% ARU

Kurinelli Gold 100%

Mt Porter gold resource
34,200 oz

Joint Ventures

Pine Ck Iron Royalties
\$1.0 to \$1.5mpa from 2008

Nickel farm-in by
Mithril Resources

Looking for opportunities

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Nolans – Resource

Multi commodity deposit

- Rare Earths, Phosphate, Uranium, (Calcium Chloride as by product)

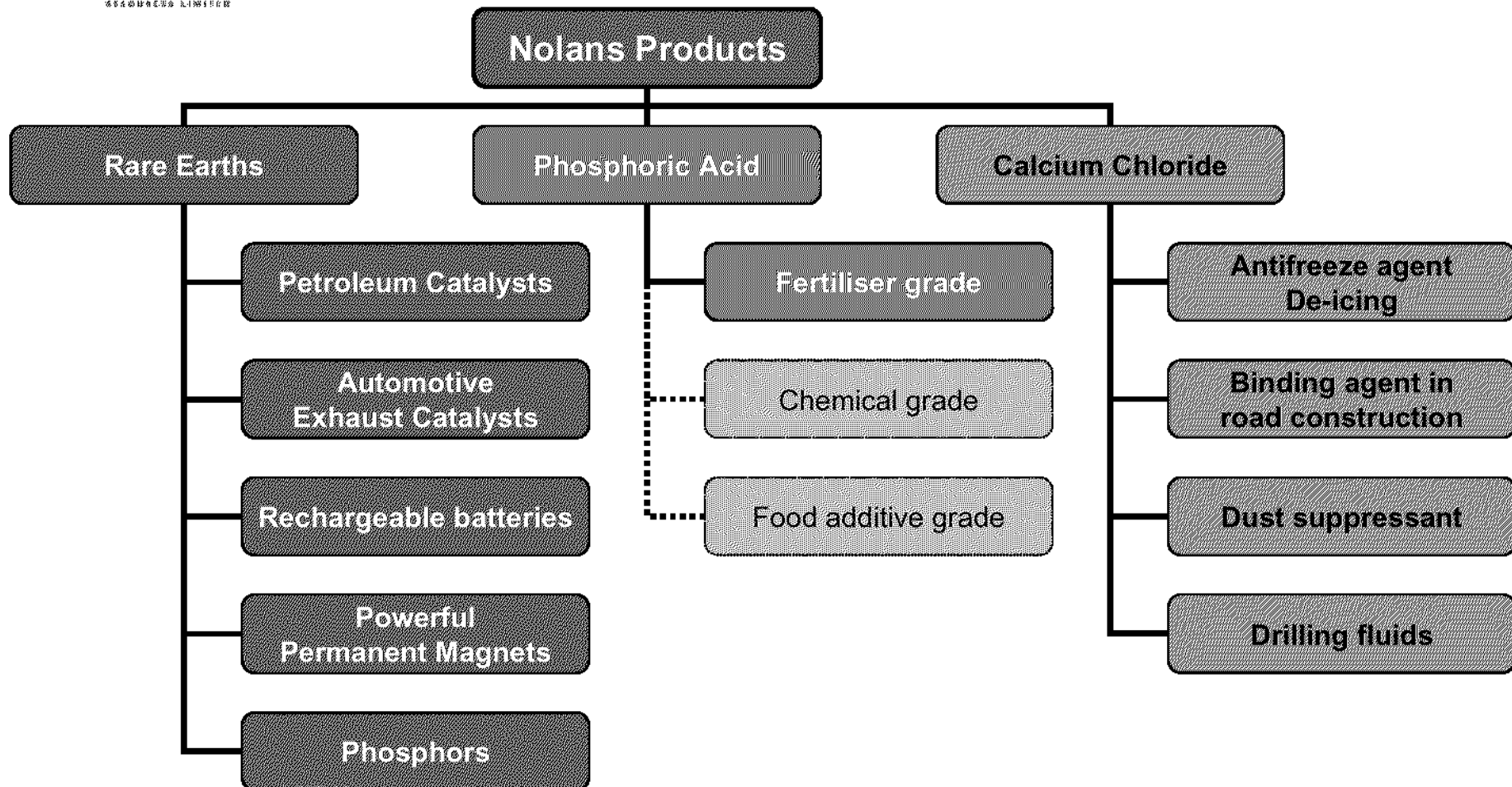
18.6 mt resource

– Rare Earths	Phosphate	Uranium	Thorium
– 3.1% REO	14% P_2O_5	0.47 lb/t U_3O_8	0.36% ThO_2
– 577,000 t REO	2.6mt P_2O_5	8.7m lbs U_3O_8	67,000 t ThO_2

Resource has extensive upside potential

Rare Earths
Powering Technology

Nolans Project – Products & Uses





Rare earths put *style* into lifestyle

Environmental leadership

Reduce fuel consumption

Reduce GHG emissions

Automotive exhaust catalysts

Energy

Petroleum refining

Rechargeable batteries

Electronics

Colour screen LCD/plasma

Computer hard drives

Medical services

Technology

Hybrid vehicle technology

Wind farms power generation

Hydrogen fuel cells

Rare Earths

Powering Technology



Rare Earths Market

Demand

- Growing on average by 15% per annum
- Potential +50,000 tonne shortfall in demand by 2010
- Hybrid car demand the main driver (La + Nd)

Supply

- >95% controlled by China
- Export quota's have restricted supply from +60ktpa to <40ktpa
- Export taxes have increased prices

Price

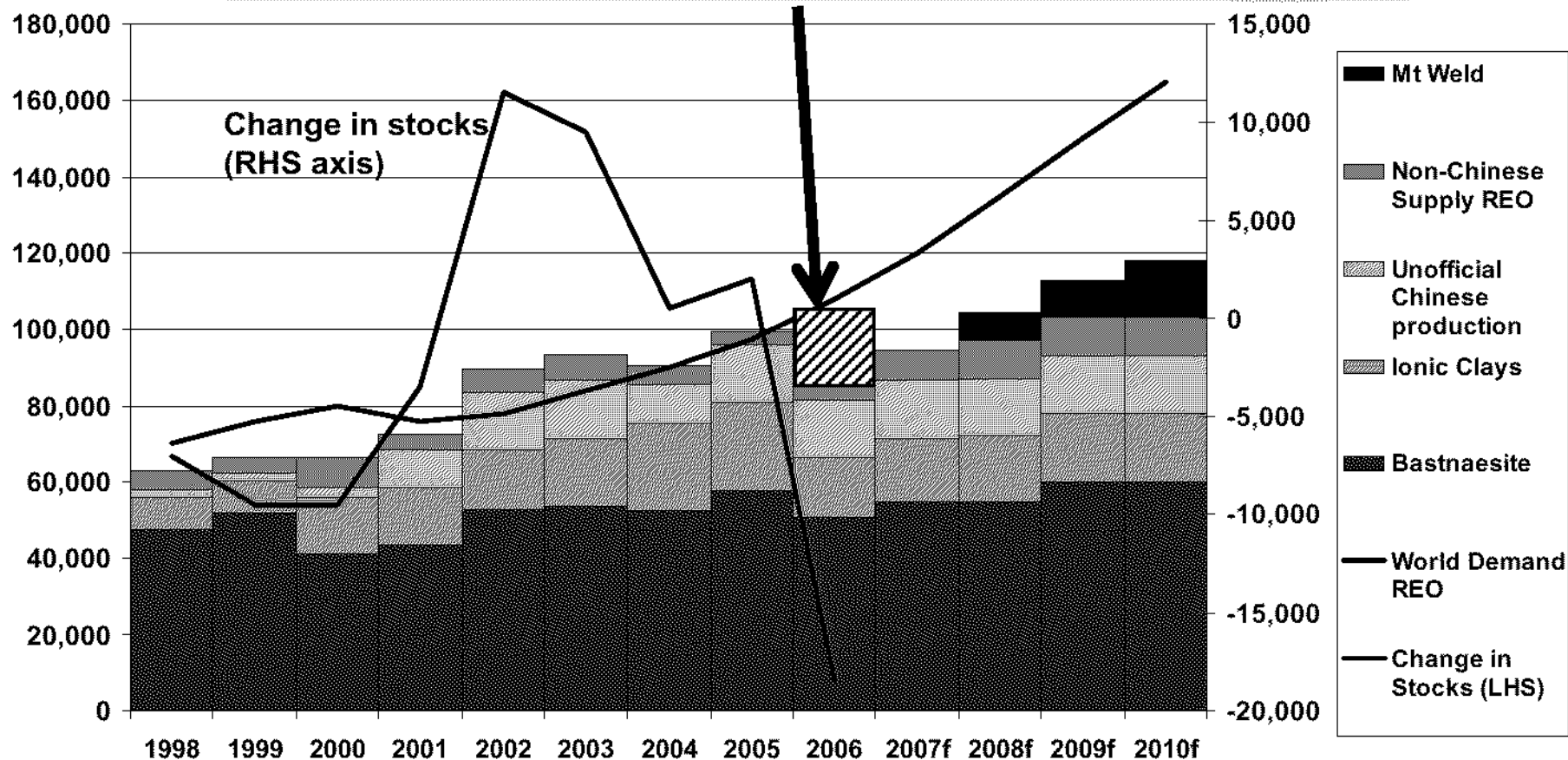
- Demand will outstrip supply. Prices will continue to increase
- At US\$30/kg for Nd = AUD\$150m pa revenue from 4,200t

Rare Earths
Powering Technology



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The deficit in production in 2006 has drawn down all world stocks



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Rare Earths

Product	Price	Use	Substitute
Cerium	US\$2,500/tonne	Automotive exhaust catalysis Glass additive	PGM's (limited) None
Lanthanum	US\$3,000/tonne	NiMH batteries Fluid cracking catalyst	Lithium Ion None
Neodymium (+Pr)	US\$30,000/tonne	Powerful permanent magnets	None
Dysprosium	US\$80,000/tonne	Improves magnet performance at temperature	None
Europium	US\$250,000/tonne	Screen phosphors	None

Rare Earths

Powering Technology



Known resources compared

	Nolans	Bautou	Mountain Pass	Mt Weld	Kangankunde Hill
Tonnes	18.6mt	300mt	12mt	7.7mt	11mt
Grade	3.1%	1.5%	8 to 9%	11.9%	2.0%
Recovery	tba	50%	50%	60%	na
Ce + La	67%	75%	81%	73%	
Nd + Pr + Dy	27%	22%	18%	22%	
Sm+Eu+Gd+Y	6%	3%	1%	5%	

Rare Earths
Powering Technology



Nolans - Development Stages

Environmental study	2007
Metallurgical testing and pilot plant	2007
Marketing	on going
Full engineering design	2008
Government and regulatory approvals	on going
Construction	2009
Commissioning/ Production	2010

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Questions?

www.arafuraresources.com.au

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