



Arafura Resources Ltd is proposing to develop the Nolans Rare Earths Project (Nolans Project) located approximately 135 km north-west of Alice Springs in the Northern Territory. The mine is 10 km west of the all-weather and bituminized Stuart Highway that links Darwin to Alice Springs and South Australia while the Amadeus Gas Pipeline runs alongside the site of the process plant. The Adelaide to Darwin rail line (AustralAsia Railway) passes through Alice Springs and 60 km to the east of the project.

The Nolans Project will comprise a mine and process plant producing highly refined rare earth products and fertilizer grade phosphoric acid for sale. At steady state, the project will produce around 13,340 tonnes per annum of rare earth products, including 4,360 tonnes per annum of the key magnet-feed neodymium (Nd) – praseodymium (Pr) product (NdPr oxide), earning export revenue of around \$520 million per annum.

## Direct economic contribution



A peak workforce of

**623**

FTE\* employees and contractors during construction



An average of

**278**

FTE employees in each year during steady state production of which **75** are expected to be sourced from the **Northern Territory**



**\$1.01 bn**

of capital expenditure over three years of construction as well as ongoing sustaining capital expenditure



**\$225 m**

average annual operation expenditure per annum in each of the 23 years of operation



Local content spending of **20%**

in construction and **45%** in operation in the Northern Territory



Production of **286,000 t** of rare earth products including **94,000 t**

of NdPr oxide over the life of the project



**\$2.3 bn**

of taxes and royalties paid by the project to Northern Territory and Australian governments over the life of the project

\* FTE = Full time equivalent. One FTE is the equivalent of one person working for one year on a full time basis.

# Total economic contribution

## ECONOMIC IMPACTS

The Nolans Project is expected to deliver significant long term benefits to Australia and the Northern Territory over the life of the project. These impacts are created as a direct result of the spending and employment of the project which in turn creates a flow on economic impact in the economy. These total impacts (direct and flow on) are presented below.

## KEY PROJECT PARAMETERS

- The 26-year life of the project includes the construction, operation and rehabilitation phases.
- The main construction period runs for 30 months.
- Production runs for 23 years.

The well being of Australia is improved by the construction and operation of the Nolans Project. Cost benefit analysis found that the project returns a cost benefit ratio of between 1.5 and 1.8 depending on the discount rate applied.



An average contribution of

**\$328 m**

each year to the Gross Regional Product of the Alice Springs region

EQUATING  
TO A



**47 %**

increase to the contribution made by the mining industry\*\*



An average increase of

**\$344 m**

each year to the real incomes of all Australians

INCLUDING



**\$13 m**

each year to people living in the Northern Territory



An annual average of

**\$173 m**

to total taxation revenue in Australia which benefits all Australians

OF WHICH



**53 %**

is directly paid by the Nolans Project

\*\* Economic regional profile data from [economy.id.com.au](http://economy.id.com.au) for 2018/2019 financial year.

- All values are expressed in real 2018 Australian dollars.
- All results are presented in financial years and based on data supplied by Arafura Resources from the February 2019 Definitive Feasibility Study that describes the construction, operation and closure phases of the project.