A rare opportunity

The company planning to export rare earths from Central Australia will seek public comment on the Environmental Impact Statement for its proposed operation.

Arafura Resources Limited (Arafura) has been working for 10 years to establish the Nolans Rare Earth Project (Nolans) which would mine, concentrate and chemically process rare earths on-site, 135km north-west of Alice Springs, near Aileron Roadhouse.

The company intends to export intermediate product for processing into high-value rare earth products at an offshore refinery, most likely in the US or South Korea.

Rare earths are used in permanent magnets a tenth of the size and three times stronger than conventional magnets. These are used in the automotive, consumer electronics, green energy, aerospace and healthcare sectors.

The project is projected to create up to 500 jobs in the two to three-year construction phase and employ a peak workforce of 300 during operation, which is expected to exceed 40 years. Arafura will release the Nolans Environmental Impact Statement (EIS) with the Northern Territory Environment Protection Authority (EPA) this month, for a public comment period of eight weeks.

The EIS evaluates all project impacts and risks using established risk management processes and the company is required to prepare a Supplement to the EIS after the public comment period, responding to issues raised.

Arafura plans to start construction at Nolans in 2017, after capital raising and granting of necessary approvals, including a native title agreement with Traditional Owners, the Anmatjere people. An estimated $145 million will be spent in the Territory during construction and economic modelling by ACIL Allen shows that over the life of the Project, an average of $284 million will be added to the Gross Product of the Alice Springs region each year.

Arafura Resources is an ASX-listed company with offices in Perth and Darwin.