



The potential for uranium recovery at Nolans Project

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Outline of this presentation

- Introduction to the Nolans Project
- Mineralogy and Processing Approach
- Uranium Distribution
- Alternative processes considered
- Optimal process for RE, P & Uranium Recovery





Nolans Project Location



135 km north of Alice Springs

5km to gas

10km to road

60km to rail

15 km to Aileron Roadhouse











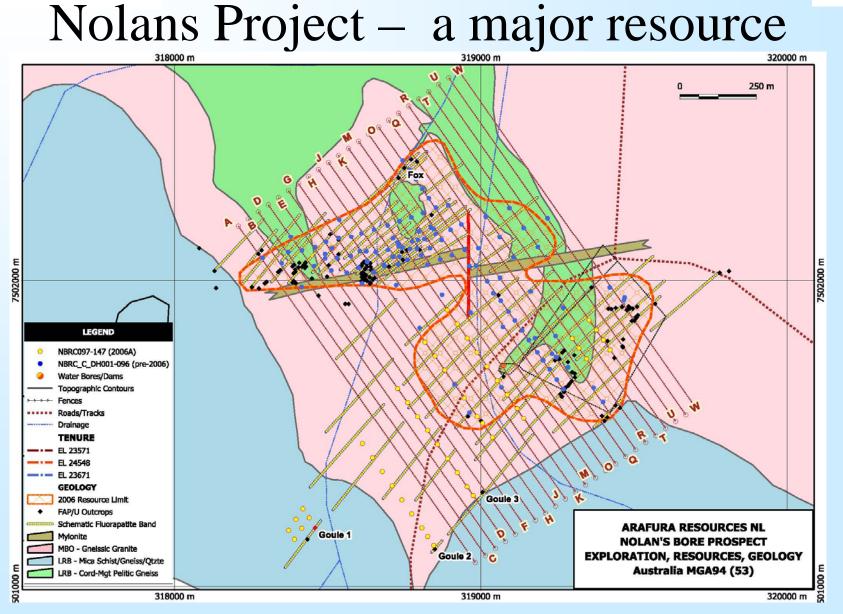
Nolans – Mineral Resources

	Mt	REO%	REO (kt)	P ₂ O ₅ %	U ₃ O ₈ lb/t
High grade	3.9	4.4	174	18.3	0.70
Medium grade	6.6	2.4	158	11.1	0.37
Indicated	10.5	3.1	332	13.8	0.50
Inferred	8.1	3.0	245	14.3	0.43
TOTAL	18.6	3.1	577	14.0	0.47

Classification as at Nov 2005



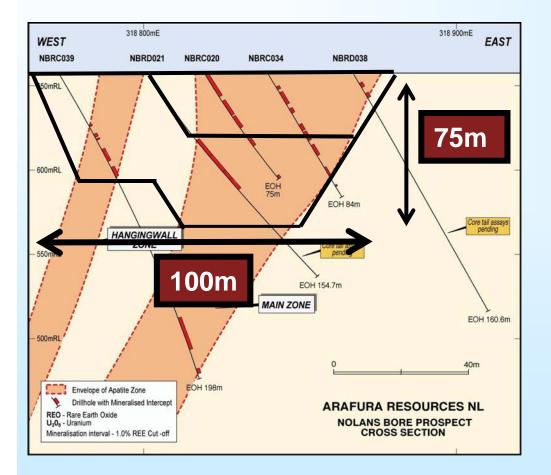








Nolans – Shallow open pit

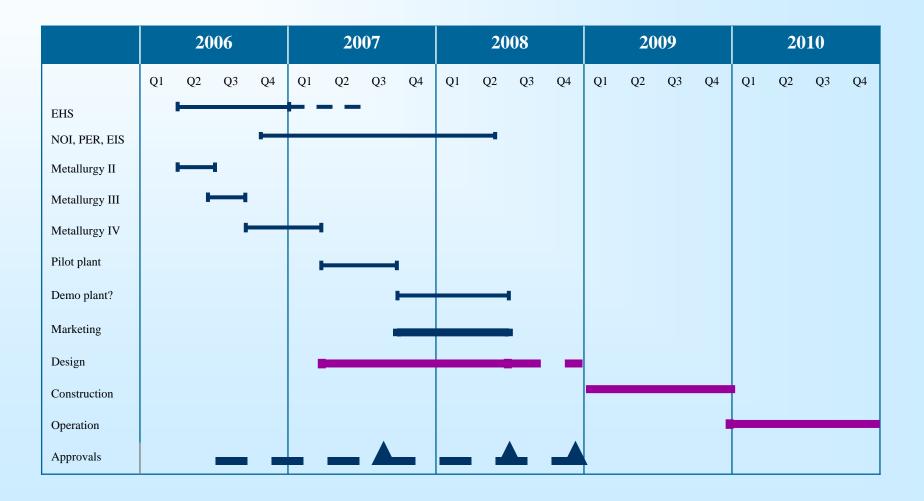


- Mining rate @ 1mtpa
- Strip Ratio of < 1 : 1
- No overburden
- No waste in first 3 years
- Low cost mining





Development Timeline





Mineralogy

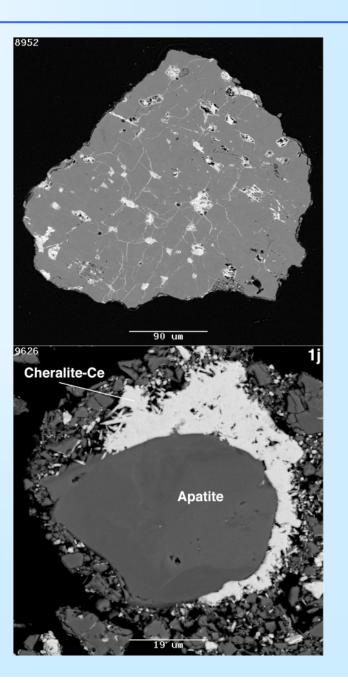
• 82% fluorapatite

 $Ca_5(PO4)_3(F,OH)$

• 13% cheralite

(LREE,Ca)(P,Si)O₄

- Clay (3 to 4%)
- Calcite, dolomite and quartz (1 to 2%)









Nolans Mineralogy

Nolans Bore	%
Analysis	
Rare Earths (La-Sm)	5.7
AI	1.9
Ca	26
F	2.2
Р	12
Si	7.8
Th	0.55
U	0.04

Apatites	% REO	ppm U
Nolans Bore	5-8	<u>300-400</u>
USA - Florida Morroco - Khoribga Egypt - Abu Tartur Russia - Kola Russia - Khibili	0.3 0.2 0.1 0.9 1.0	130 120 25 4 Iow
Rare Earths Concentrates		
Bastnasite Monazite Xenotime	75 65 62	0.4 9
Australia - Mt Weld	20	0.4





Objective of Process Development

- Define process options for recovery of rare earths as primary driver with phosphate, uranium and calcium chloride as by-products
- Assess conventional process options for rare earths recovery from apatites
- Assess conventional options for rare earths recovery from rare earth concentrates



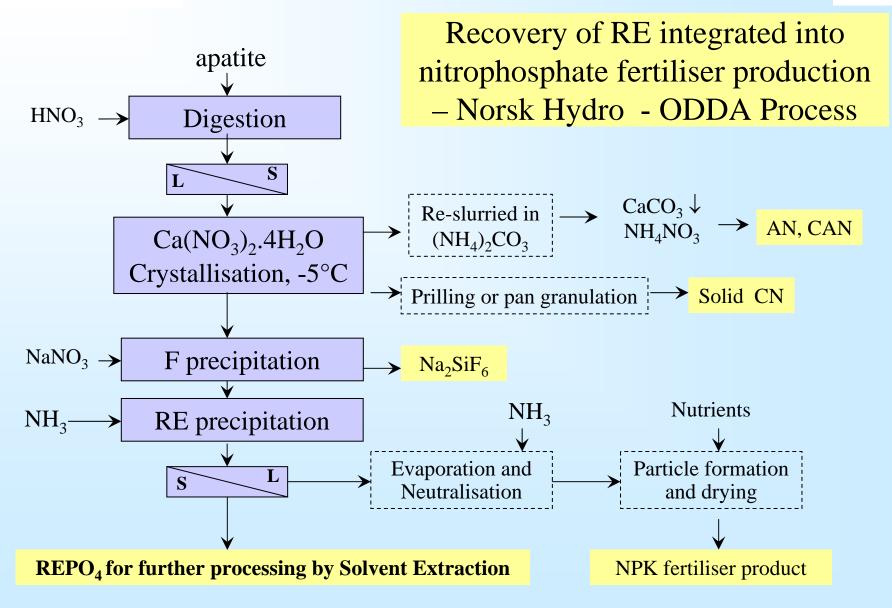


Processing of apatite and phosphate rock

- Sulphuric acid attack for phosphoric acid production
 - Conventional, widely used
 - RE report with the gypsum, not recoverable
 - Uranium reports with the phosphoric acid, recovery is complicated
- Nitrate route for fertiliser production RE recovery
 - Commercial process not widely used
 - RE recovery by precipitation and solvent extraction
 - Uranium only present as impurity
- Chloride route
 - Niche market for high grade phosphoric acid











Issues with Nolans mineralisation as feed to nitro-phosphate fertiliser ODDA Type Process

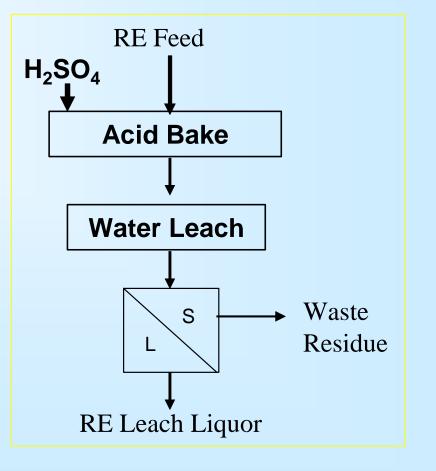
- Rare earth recovery within nitric digestion step is not very high
- High solids content from nitric digestion as opposed to apatite feed which is essentially dissolved
- Rare recovery requires precipitation and two additional solvent extraction circuits not simple
- Main focus of this process is fertiliser product production with rare earths recovery as by-product. With Nolans mineralisation phosphate recovery is not the main driver complicated flow sheet not justified.
- Nitric acid is not as readily available and relatively expensive
- Potential contamination of fertiliser products with U and Th





Processing of rare earth concentrate – Acid Bake

- Conventional process
 - Used for rare earth phosphates
 - Relatively high temperature 250°C
- Not directly applicable to Nolans
 - High Ca content results in gypsum formation in water leach
 - High F content generates HF

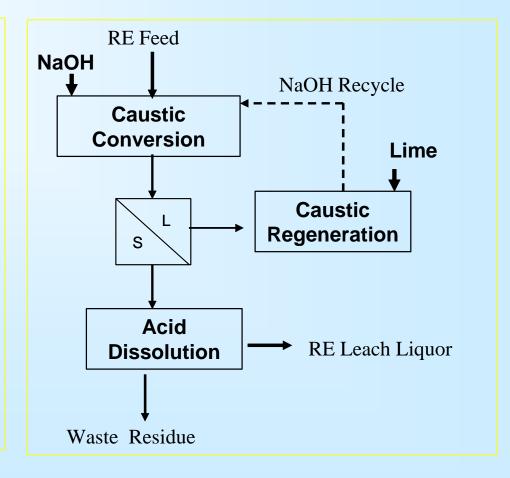






Processing of rare earth concentrate – Caustic Conversion

- Conventional process
 - Used for rare earth phosphates
 - Lower temperature 150°C
- Not directly applicable to Nolans
 - High Ca content results in poor phosphate conversion and low RE recovery
 - Have to remove Ca







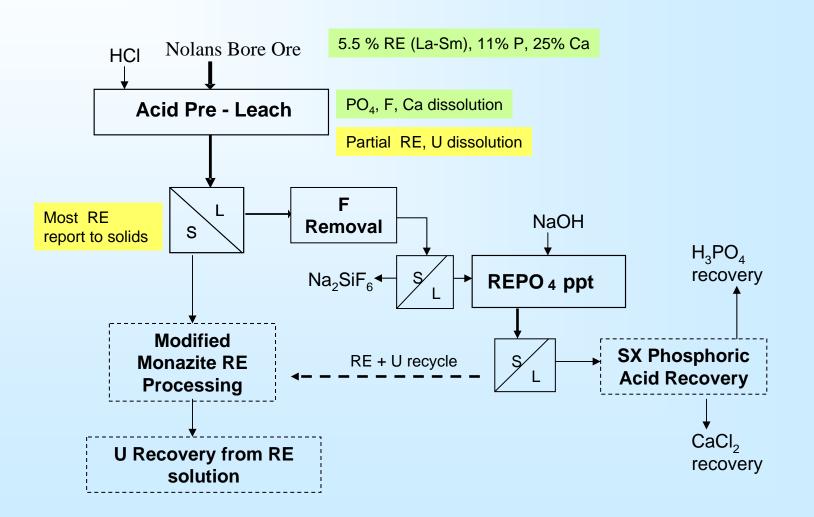
Processing philosophy for Nolans

- Separate apatite at early stage with an acid pre-leach step to remove as much Ca, F and P as possible – test work proved successful with nitric or hydrochloric acid under the appropriate stoichiometric conditions
- Recover any rare earths that are dissolved with the apatite test work proved successful
- Pre-leach residue is significantly upgraded with respect to rare earths - modified conventional rare earth processing options of caustic conversion and acid bake are applicable – ongoing current test work to determine optimum process





Preferred Process for Nolans







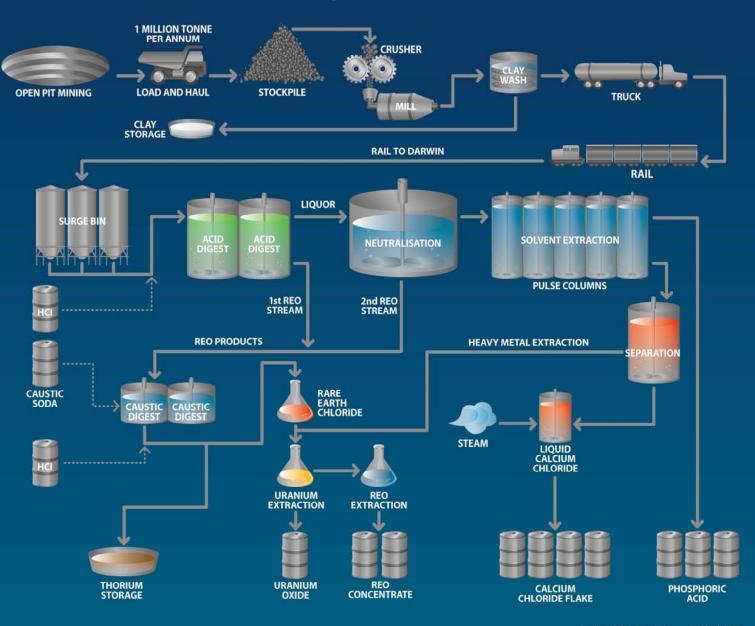
Approach to uranium recovery as by-product

- Partial dissolution of <u>uranium</u> in pre-leach
 - Some <u>uranium</u> is dissolved in pre-leach liquor
 - Uranium can be precipitated with rare earths in this liquor by the addition of metallic iron or by controlling neutralisation during rare earth phosphate precipitation if pH is extended

• <u>Uranium</u>

- Is dissolved in the pre-leach & recycled with rare earths
- <u>Uranium</u>
 - Is recovered from rare earth liquor

Nolans Project Flowsheet





Conceptual Flowsheet design as at 15 March 2007





Conclusions

- Comprehensive laboratory test work is underway to define a process to treat Nolans mineralisation for the recovery of rare earths as primary product with phosphoric acid and uranium as by-products.
- Conventional process routes have been tested and adapted to take into account the mineralogy specific to Nolans
- Pilot plant operation is planned for the last quarter of 2007.