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ASX RELEASE

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TERMINATION OF STANDBY CREDIT FACILITY

Arafura Resources Limited (ASX:ARU) ("Arafura" or "the Company") advises that it has cancelled its A\$20m standby credit facility with US-based investment fund YA Global Investments, L.P.

Dr. Steve Ward, Arafura's Managing Director and CEO commented "We were pleased to secure this facility in October 2008 during the global financial crisis at a time when funds were very scarce. As time has passed we have been able to successfully obtain funds from alternate sources and the facility has not been drawn upon. The Board has reviewed our current funding position and determined that the YA Global facility is no longer needed"

For further information contact:

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