

Media Release

AMEC awarded major rare earths engineering contract

Perth, Australia (17 March 2011) AMEC, the international engineering and project management company, has been awarded a bankable feasibility study by Arafura Resources Limited (Arafura) for its Nolans rare earth complex at Whyalla in South Australia.

AMEC's Australian-based minerals and metals business, AMEC Minproc, will conduct the study from its Perth office, which will involve developing the engineering and costs estimates for the rare earths complex to the level acceptable for Arafura to gain project financing. The study is scheduled for completion later this year.

The Whyalla rare earths complex will comprise a series of chemical plants and a processing plant to extract the rare earths - phosphate and uranium - for recovery and sale.

Nolans is one of the few rare earth projects capable of coming into commercial production within the next few years, with production of rare earth oxides from the Whyalla complex targeted to commence in 2013.

AMEC Minproc President, Malcolm Brown, said the Perth office is pleased to be selected by Arafura Resources to assist in the development of the Nolans project.

"This project represents a challenging and highly sophisticated hydrometallurgical process and one that our process engineering and study teams are more than equipped to deliver on. We look forward to working with Arafura over the coming months to further progress Nolans toward implementation," Mr Brown said.

Arafura's Managing Director and CEO, Dr Steve Ward, commented "The appointment of AMEC Minproc, a leading first tier engineering firm to the Nolans project, represents a further major milestone in Arafura's progress this year."

Ends

Media contacts:

Brittni Baum: +61 (0) 8 9347 4777; brittni.baum@amec.com

Jane Gospel: +44 (0)207 539 1082; jane.gospel@amec.com

Notes to Editors:

About AMEC: AMEC (LSE: AMEC) is a focused supplier of high-value consultancy, engineering and project management services to the world's natural resources, minerals and metals, clean energy, water and environmental sectors. With annual revenues of almost £3 billion (AU\$4.7 billion), AMEC designs, delivers and maintains strategic and complex assets for its customers. The company employs some 22,000 people in around 40 countries worldwide. See amec.com

AMEC in Australia: AMEC has been operating in Australia **since 1940** and provides engineering and consulting services to many different sectors including oil & gas and mining.

Our mining business, **AMEC Minproc**, is headquartered in Perth with an office in Brisbane. Internationally recognised, AMEC Minproc provides engineering and project delivery services, specialising in design, procurement and construction of mineral resources projects.

Our Australian **oil & gas** business, which includes the most recently integrated **AMEC Zektin**, supplies engineering and project management services to upstream and downstream assets across both onshore and offshore industry sectors. Operating out of Melbourne, Brisbane and Perth, our specialist engineering team has strong capabilities and experience in the oil & gas market, in particular coal seam methane (CSM), and the controlled environment market which includes the bioprocess, biotechnology and pharmaceutical sectors.

AMEC offers full oil & gas delivery capability, incorporating the skills of local technical consulting services provider S2V Consulting. **S2V Consulting** is a provider of specialist technical consulting services including subsea and pipelines, process and facilities, technical safety and risk, emerging technology and environmental management and approvals. AMEC acquired a majority interest in S2V Consulting in December 2010.

Aquenta Consulting (formerly Currie & Brown (Australia)), is a provider of independent cost, contract and consulting services to the oil and gas, mining, building, transport, utilities and infrastructure sectors. Headquartered in Brisbane, the company also has offices in Adelaide, Gold Coast, Melbourne, Perth and Sydney.