



ARAFURA'S VANADIUM EXPLORATION PROGRAM DELIVERS STRONG RESULTS

Specialty minerals explorer Arafura Resources (ASX:ARU) announced on Tuesday the results of the company's drilling program at its Jervois Vanadium Project, with the most significant result delivering **44 metres @ 0.76% V₂O₅** from surface.

A 15 hole, 937-metre RC drilling program was undertaken in late 2006 at the project, located 290 kilometres north east of Alice Springs. Many of the holes were successful at intersecting broad zones of vanadium-bearing magnetite mineralization.

Some of the more significant intercepts included:

22 metres @ 0.77% V₂O₅
21 metres @ 0.62% V₂O₅ and
10 metres @ 0.52% V₂O₅.

"These results are highly encouraging, which we believe represents a significant new style of mineralization in the Northern Territory. We are particularly pleased with the degree of concentrate recovery – up around 28% – and our concentrate grades on average exceed 1.3% for vanadium and 64% for iron," Arafura's Managing Director Alistair Stephens said.

Arafura's research on other vanadium projects in Australia indicates that Jervois compares very favourably in terms of concentrate grades.

The next stage in the company's assessment program sees the initial analysis and results submitted for independent metallurgical examination to assess the potential for commercial recovery of vanadium and iron.

"Because of the significance of these results Arafura will undertake a comprehensive follow-up drilling program in 2007 to determine the extent of this exciting new discovery," Mr Stephens added.

Arafura holds a 100% right to all minerals at Jervois excluding uranium.

For further information:

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