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Momentum builds for Australia's rare earths processing industry with Arafura's FID set to stimulate NT economy

A significant milestone not only for Arafura Rare Earths, but for the development of Australia's critical minerals industry. With Arafura's Nolan's Project proceeding to Final Investment Decision (FID), the Northern Territory is set to benefit with a surge in jobs, as the nation strengthens its supply chain.

The Association of Mining and Exploration Companies (AMEC) congratulates both Arafura and the Federal Government on this landmark moment for Australia's rare earths industry.

It also represents a defining moment for Australia's Critical Minerals Strategic Reserve (CMSR), clearly demonstrating why targeted support mechanisms are essential to unlocking globally significant projects.

AMEC's Chief Executive Officer Mr Warren Pearce said, "The Strategic Reserve is a world-leading initiative that, alongside a range of supply-side supports, is helping position Australia as a global leader in rare earths.

"Today's FID by Arafura will see Australia develop its next rare earths project and puts the nation well on the path towards securing a domestic rare earth processing industry - critical to breaking China's stranglehold on global rare earth supply.

"This is not only transformative for the Northern Territory but also for Australia."

The decision comes after Export Finance Australia issued a non-binding Letter of Support regarding potential support under the CMSR for up to 500 tonnes per annum of NdPr Oxide from the Project.

AMEC congratulates Arafura Chief Executive Officer and Managing Director, Darryl Cuzzubbo and his entire team on this milestone.

It should also be noted the essential role and support from the Federal Government, in particular Resources Minister Madeleine King and Trade Minister Don Farrell.

Mr Pearce noted, "AMEC especially wishes to thank Minister's Madeleine King and Don Farrell, whose leadership is putting Australia at the front of the global race to produce rare earths.

"Their work internationally, is securing the demand support we need get these projects off the ground and making Australia an indispensable strategic partner."

The ore-to-oxide rare earth operation is 135 kilometres north of Alice Springs and will be the first of its kind in Australia and one of only a handful operating outside of China.

Generating roughly 600 jobs during the construction phase, with approximately 350 workers during ongoing operations, the project will deliver enormous long-term economic and strategic benefits.

The planned initial 38-year life of mine is expected to deliver an economic benefit of $25.2 billion to the Territory's Gross Territory Product, cementing itself as among the most important contributions to Australian industrial productivity in the Northern Territory in decades.

"It's been a long road for Arafura, but what the Nolans Project highlights, is the importance of supporting Australia's exploration and mining sector. Because when it works, it creates future pathways for new mines, new jobs and a stronger national economy.

"With around 90 per cent of current rare earth production occurring within China, the Nolans Rare Earth Project will go a long way in restructuring global critical minerals supply chains for countries such as the United States, Germany, Canada and South Korea.

"This has been years in the making and is a testament to the persistence, vision and determination of the Arafura team," added Mr Pearce.

Projects like this are helping position the nation as a global leader in the supply of strategically important minerals.

AMEC will continue its important work on the CMSR and supporting companies as Australia continues to secure a rare earth processing industry.

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1. What is the Nolans Rare Earth Project and why is today's announcement important?
Arafura Rare Earths' Nolans Project is a major rare earths development located 135 kilometres north of Alice Springs in the Northern Territory. The project will become one of the first integrated ore-to-oxide rare earth operations outside China and represents a major step forward for Australia's critical minerals industry. The Final Investment Decision (FID) confirms the project will now move into development and production.

2. How many jobs and economic benefits will the project create?
The Nolans Project is expected to generate around 600 jobs during construction and approximately 350 ongoing operational roles. Over its planned 38-year mine life, the project

is forecast to contribute approximately $25.2 billion to the Northern Territory economy, delivering long-term economic and strategic benefits for Australia.

3. What is the Critical Minerals Strategic Reserve (CMSR)?
The Critical Minerals Strategic Reserve (CMSR) is an Australian Government initiative designed to strengthen Australia's critical minerals supply chains and support strategically important projects. The CMSR can provide targeted support mechanisms to help projects secure financing and long-term market certainty, particularly in industries such as rare earths that are currently heavily dominated by China.

4. How did the CMSR support the Nolans Project?
Export Finance Australia recently issued a non-binding Letter of Support under the CMSR framework for potential support of up to 500 tonnes per annum of NdPr Oxide from the Nolans Project. This demonstrates how the CMSR can help unlock globally significant projects by supporting confidence in Australia's emerging rare earths processing industry.

5. Why are rare earths and processing capability so important for Australia?
Rare earths are essential components in technologies such as electric vehicles, wind turbines, defence systems and high-tech electronics. Currently, around 90 per cent of global rare earth production occurs within China. Developing projects like Nolans helps diversify global supply chains, strengthens Australia's sovereign capability and positions the nation as a trusted supplier of critical minerals to allies and trading partners around the world.

For further information or to interview Warren Pearce contact:
Ryan Rampling, National Manager – Media & Communications – 0419 809 341 | ryan.rampling@amec.org.au