

MARKET RELEASE

16 February 2017

Arafura Resources Limited

TRADING HALT

The securities of Arafura Resources Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Monday, 20 February 2017, or when the announcement is released to the market.

Security Code: ARU

Mauro Piccini

SENIOR ADVISER, LISTINGS COMPLIANCE (PERTH)





16 February 2017

ASX Limited Level 40, Central Park 152-158 St Georges Terrace Perth, WA, 6000

Email: tradinghaltsperth@asx.com.au

Attention: Anjuli Sinniah

RE: Trading Halt Request (ASX: ARU)

Dear Anjuli,

In accordance with Listing Rule 17.1 Arafura Resources Limited (the Company) requests an immediate halt in the trading of its securities (ASX: ARU), pending an announcement regarding a proposed capital raising that is material to the Company.

The Company anticipates that the trading halt will be lifted on or before market open on Monday, 20 February 2017 by provision of an announcement to the ASX regarding the proposed transaction.

The Company is not aware of any reason why the trading halt should not be granted.

Kind regards.

Peter Sherrington

CFO & Company Secretary

Arafura Resources Limited