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ASX: ARU

13 DECEMBER 2023

Arafura Rare Earths

Equity Raising Presentation

ARAFURA

RARE EARTHS LIMITED

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This presentation is dated 13 December 2023 and has been prepared by Arafura Rare Earths Limited (“**Arafura”, “Arafura Rare Earths”** or the **“Company”**) in relation to an offer of shares in the Company via an institutional placement that is underwritten to the value of A$20m, and an offer of shares under a share purchase plan (the Offer). Separately, the Company is also making an offer of free-attaching options in the Company to investors that participated in the placement via a prospectus (to be lodged with ASIC and released to ASX in due course. This presentation is of a summary form only and therefore contains general background information which may not be complete. It should be read in conjunction with, and full review made of Arafura Rare Earths’ most recent financial report and other periodic disclosures and releases lodged with the Australian Securities Exchange (ASX) and available at www.asx.com.au.

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Mineral Resources and Ore Reserves

The information in this presentation that relates to Mineral Resources is extracted from the Company’s ASX announcement dated 7 June 2017 (Detailed Resource Assessment Completed) and was completed in accordance with the guidelines of the JORC Code (2012). The information in this presentation that relates to Ore Reserves is extracted from the Company’s ASX announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project) and was completed in accordance with the guidelines of the JORC Code (2012). Arafura Rare Earths confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. Arafura Rare Earths confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

Production Targets and Forecast Financial Information

The information in this presentation that relates to production targets and financial information (in relation to capital cost of A$1,590 million) is extracted from the Company’s ASX announcement dated 11 November 2022 (Nolans Project Update). The production target is based on 12% Proved Reserves, 62% Probable Reserves and 26% inferred resources as reported in the Company’s ASX announcement dated 11 November 2022. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. Arafura confirms that, other than as set out in this presentation, all material assumptions underpinning the production target and forecast financial information derived from the production target set out in the Company’s ASX announcement dated 11 November 2022 (including any assumptions referred to in the Company’s ASX announcement dated 11 November 2022 that were used from the DFS as set out in the Company’s ASX announcement dated 7 February 2019 (Nolans Project Definitive Feasibility Study) or from the Updated Mining Study as set out in the Company’s ASX announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project)), continue to apply and have not materially changed.

Disclaimer

The placement element of the Offer is being underwritten (to the value of A$20m) by the joint lead managers. A summary of the key terms of the underwriting agreement between Arafura Rare Earths and the Joint Lead Managers is provided in Appendix C of this presentation.

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Corporate Snapshot

Arafura's Vision

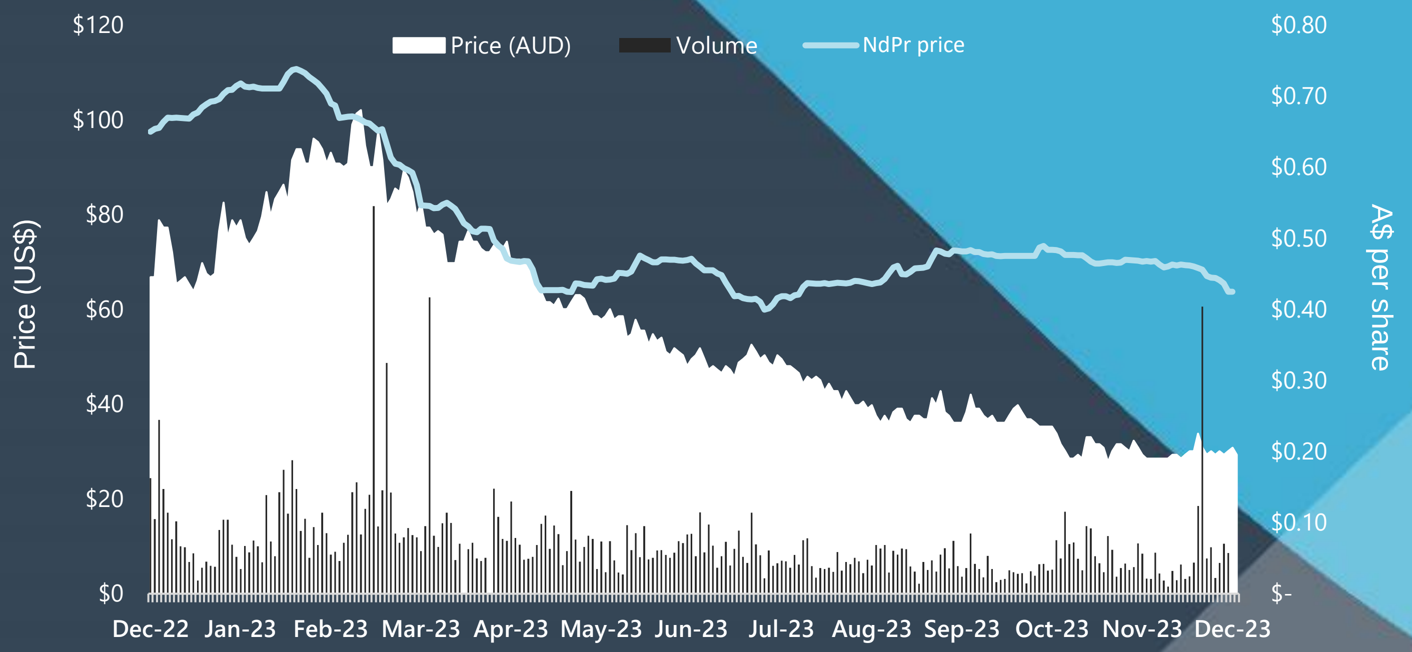
To be the trusted, leading rare earths partner of customers in high impact technologies and enduringly lift the sustainability of our planet.

CAPITAL STRUCTURE	
ASX Code	ARU
ASX Share Price (12 Dec 2023)	$0.195
Shares on Issue	2,113m
Market Capitalisation	$412m
12 Month Liquidity	$1,084m
Cash*	$75m
Debt	Nil
Enterprise Value*	$337m

*Data based on 30 September 2023 Quarterly Report

Share Price Performance

Dec 2022 to Dec 2023



Nolans is a **shovel-ready world class NdPr project** in the Northern Territory

NdPr is the key input for high performance **NdFeB permanent magnets**

NdPr oxide prices have stabilised. Production is aligned with forecast **supply shortage**

Source: Asian Metals

Executive Summary

SITE UPDATES

- **Enabling works commenced March 2023 including:**
  - Site access track remediation
  - Bulk earthworks for fly-camp
  - Installation of 48-person fly-camp
- **Early works construction completed October 2023 including:**
  - Development of initial borefield including additional bores, headworks and pumping systems
  - 25km arterial water pipeline between bore field and process plant
  - Raw water storage dam
  - Temporary site access road intersection with Stuart Highway and improvement of site access road
  - Installation and commissioning of stages 1 and 2 of construction camp (200 beds)

MARKET & OFFTAKE

- **Significant opportunity for Arafura to deliver stable NdPr supply into an independent, traceable and ESG-focused magnet supply chain for end customers**
  - Achieving supply-demand balance over the next 10 years will require ~88% of global supply today – more than 12 Nolans projects
- **Hyundai Motor Company / Kia and Siemens Gamesa Renewable Energy sees 53% of Binding Offtake Target met**
  - Targeting 85% of nameplate production committed under binding offtake agreements

PROJECT FUNDING

- **Continued advancement of debt** facility terms sheet and engagement with lenders to seek to ensure a robust funding solution for Nolans
- **Targeting up to US$775m of senior debt, excluding cost overrun facility**
- Arafura raising approximately A$20m via a placement to fund a mix of project development and corporate costs, as set out on page 20
- Arafura also targeting to raise A$10m via a Share Purchase Plan. Funds raised will be used for the same purposes as the placement described above.
- **The pro forma cash balance of A$81m is expected to support the Company's activities through to June 2024 with sufficient liquidity buffer**

Project Update

The Nolans Project

Australian based, NdPr focused and aligned with the global energy transition

While the Nolans Project contains all the rare earth elements, it is particularly enriched in the 'magnet feed' rare earths neodymium and praseodymium (NdPr)

60
Nd
NEODYMIUM

59
Pr
PRASEODYMIUM

The dominant application for NdPr oxide is NdFeB magnets used in a range of specialty applications and key to production of electric vehicles, offshore wind turbines and other broader energy transition technologies.

Nolans Overview

TECHNICAL LANDMARKS

Large high-grade resource underpinning 4,440tpa NdPr oxide production and minimum 38-year life of mine.

Extensive ore to oxide flow sheet piloting.

Single-site processing includes waste and tailings management.

INFRASTRUCTURE & ACCESS

Located 135km north of Alice Springs.

Personnel access to site via major airport at Alice Springs and sealed highway.

Transport infrastructure including Stuart Highway 10km east, major rail access in Alice Springs and deepwater port in Darwin.

Amadeus natural gas pipeline adjacent to site and water license for supply from borefield 25km south west of site.

REGULATORY & APPROVALS

All Northern Territory Government approvals secured.

Mineral License and Mining Authorisation granted.

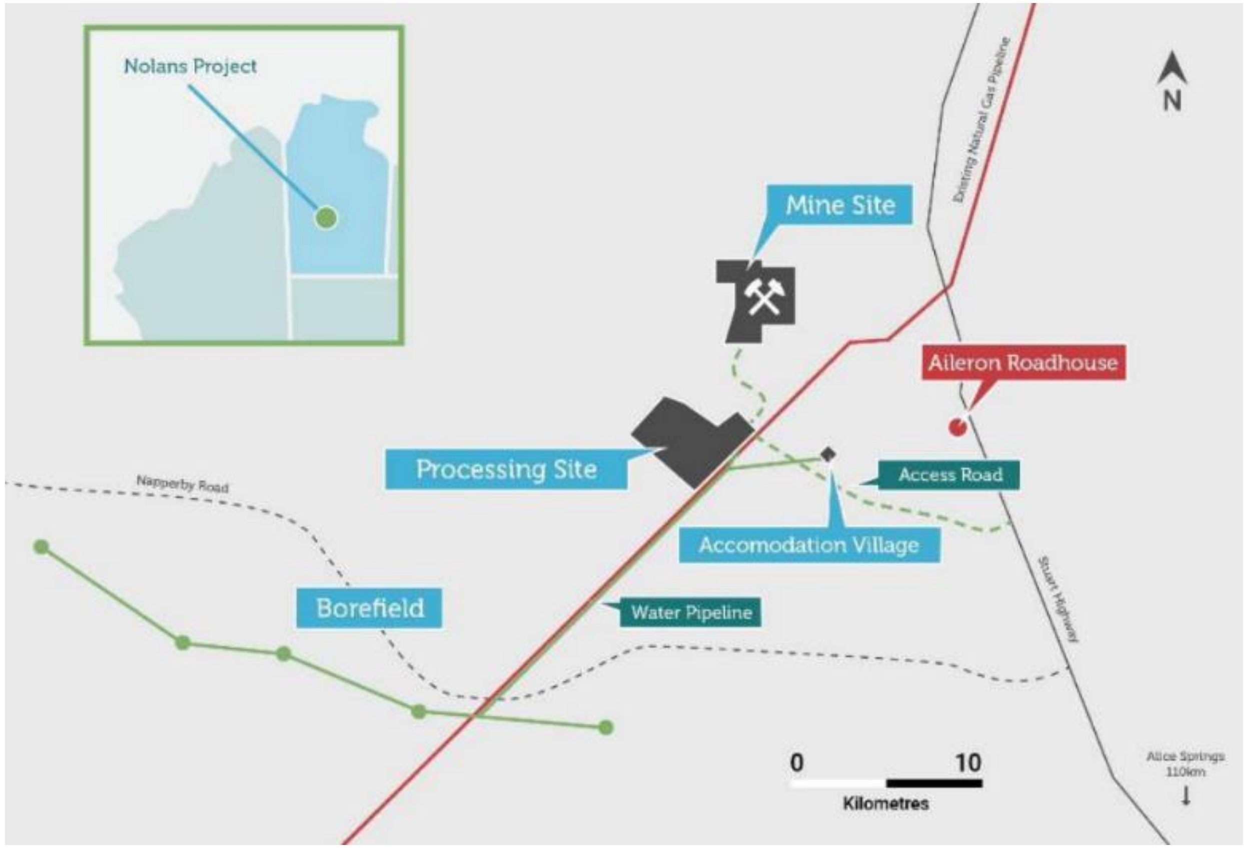
Native Title Agreement in place.

STRATEGIC SIGNIFICANCE

Ore-to-oxide unique outside China.

Strong Australian Government support due to close alignment with Federal critical minerals policy.

International export credit agency lending linked to offtake from Nolans to support domestic magnet supply chain.



As Arafura approaches the development phase (subject to funding), the Company will continue to seek operational/construction expertise

Recent Project Milestones

ENABLING WORKS CONSTRUCTION

- Installation of 48-person fly-camp.
- Commissioning of stages 1 and 2 construction camp, including all village central facilities.
- Completion of village area earthworks ready for fly-camp, construction camp and permanent village.

INITIAL EARTHWORKS

- Improvement of site access road connecting the Stuart Highway to Nolans village and process plant area, including Stuart Highway intersection, initial 4km to full width and subgrade level, and completion of Amadeus gas pipeline road crossing
- Construction of process plant laydown hardstands and concrete batch plant bulk earthworks.

WATER INFRASTRUCTURE

- Completion of monitoring bores across the borefield, tailings impoundment area, process plant site and mine area.
- Completion and commissioning of raw water dam and distribution systems.
- Completion and commissioning of 25km arterial water pipeline and borefield headworks, delivering water to raw water pond.

SITE INFRASTRUCTURE

- Preliminary power station engineering with preferred independent power provider APA Group working with GE for gas turbine designs.
- Fabrication of village main switchboard and temporary generator switchboard to connect village to local generator sets.

Capital Cost Trending

Capital cost trending indicates that the capital cost to first production at Nolans is likely to be approximately A$1,680 million.

Currently, this represents an approximate 5.7% increase from the A$1,590 million estimate provided in the November 2022 Project Update[1].

The Capital Cost trend estimate is substantially in line with expectations.

CAPITAL COST TRENDING INCLUDES

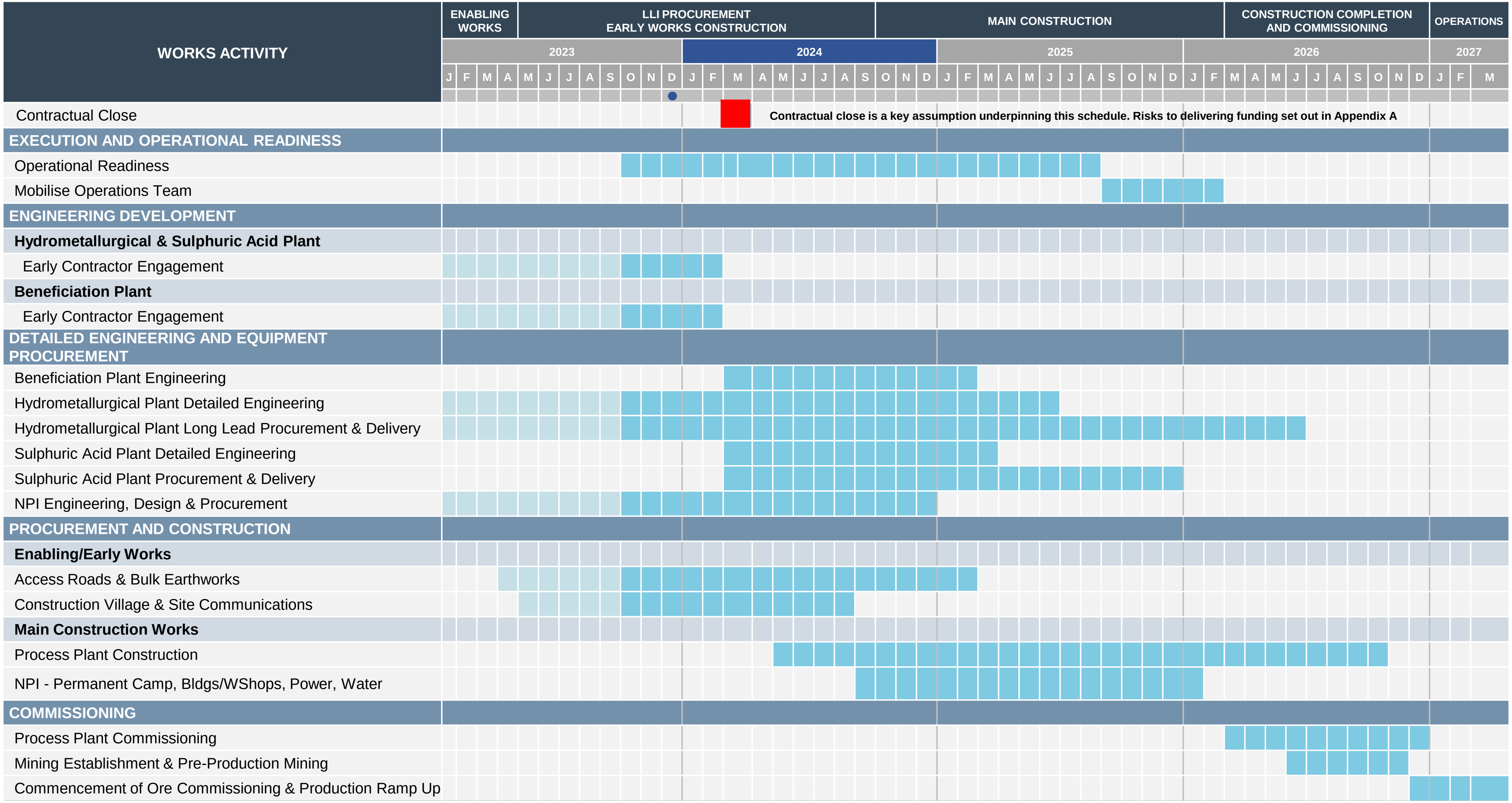
- Trending adjustments to cost estimates provided in the November 2022 Project Update[1].
- Purchase costs for the permanent accommodation village, which was assumed to be under a build, own operate arrangement in the November 2022 Project Update[1].
- Contingency (unchanged).
- Incurred and forecast sunk costs relating to procurement, engineering and construction from March 2023 to February 2024.

CAPITAL COST TRENDING EXCLUDES

- Actual and forecast expenditure that has not reduced estimated completion costs, from March 2023 through to targeted commencement of main construction.
- Pre-production costs including mining, labour, spares and inventory.
- Project overheads including levies, insurances and other payments.
- Allowances for escalation.
- Working capital and financing costs.
- Corporate overheads.

(1) Refer to ASX Announcement dated 11 November 2022.

Indicative Project Schedule



Schedule is indicative only and subject to change and contingent upon funding, offtake activities and general market conditions.

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NdPr Market & Offtake

Strategic Importance of Producing NdPr Oxide

	1. Mine 2. RE Extraction	3. RE Separation 4. NdPr Oxide	5. NdPr Metal (conversion)	6. NdFeB Alloy/ Magnet Maker	7. End User/ Manufacturer
NdFeB Magnet Value Chain	ARAFURA RESOURCES LIMITED	ARAFURA RESOURCES LIMITED	Arafura Opportunity		
China Value Chain	DOMESTIC PRODUCTION & IMPORT	DOMESTIC, IMPORT & TOLL PROCESS			
	▪ **China 65% of mined REO (2022)** ▪ Export of rare earth ores and concentrates banned	▪ **China 87% of refined rare earth oxides (2022)** ▪ IP restrictions ▪ Export licence ▪ No VAT rebate	▪ **IP restrictions** ▪ Export licence ▪ No VAT rebate	▪ **China 95% of NdFeB magnet production (2022)** ▪ IP restrictions ▪ VAT rebate	▪ Incentivised ▪ VAT rebate (on magnets) ▪ China policy

Short term catalysts

China export controls on germanium, gallium and now graphite

China said on 20 October it will require export permits for some graphite products to protect national security - another bid to control critical mineral supply in response to challenges over its global manufacturing dominance.

China is the world's top graphite producer and exporter. It also refines more than 90% of the world's graphite into the material that is used in virtually all EV battery anodes.

"This bold and unexpected move by China in graphite has taken us by surprise, arriving far sooner than anyone could have predicted."
Alkemy Capital Investments Chief Commercial Officer Kien Huynh

"What China is saying to the West with this decision is that we are not going to help you make electric cars, you have to find your own way to do that."
Northern Graphite Chief Executive Officer Hugues Jacquemin

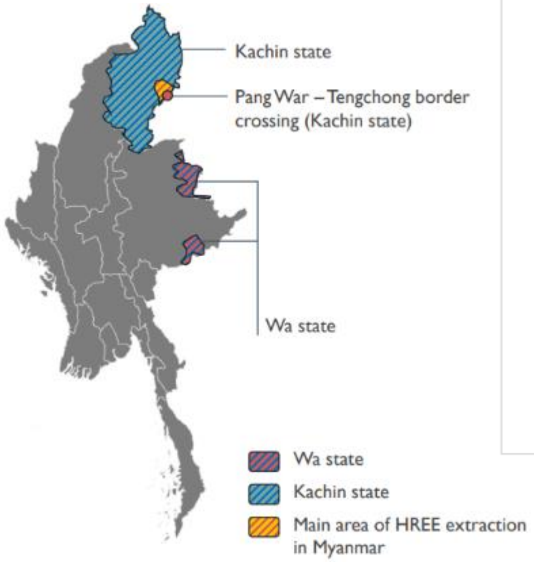
https://www.reuters.com/world/china/china-require-export-permits-some-graphite-products-dec-1-2023-10-20/

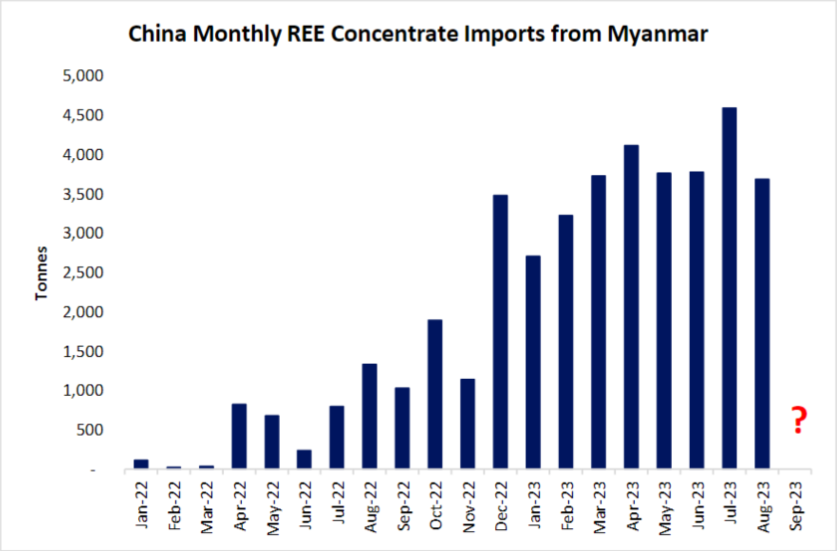
Myanmar suspension of the mining of REE and tin ore and concentrate

In April 2023, the Kachin state authorities announced a suspension of the mining of REE and tin ore and concentrate due to environmental damage.

Several mining operations are owned/operated by Chinese companies.

In 2022, Myanmar was the world's fourth-largest producer of rare earths concentrates.





Source: China Customs, Adamas Intelligence analysis
*Includes oxide and carbonate imports
*September 2023 trade data not yet available

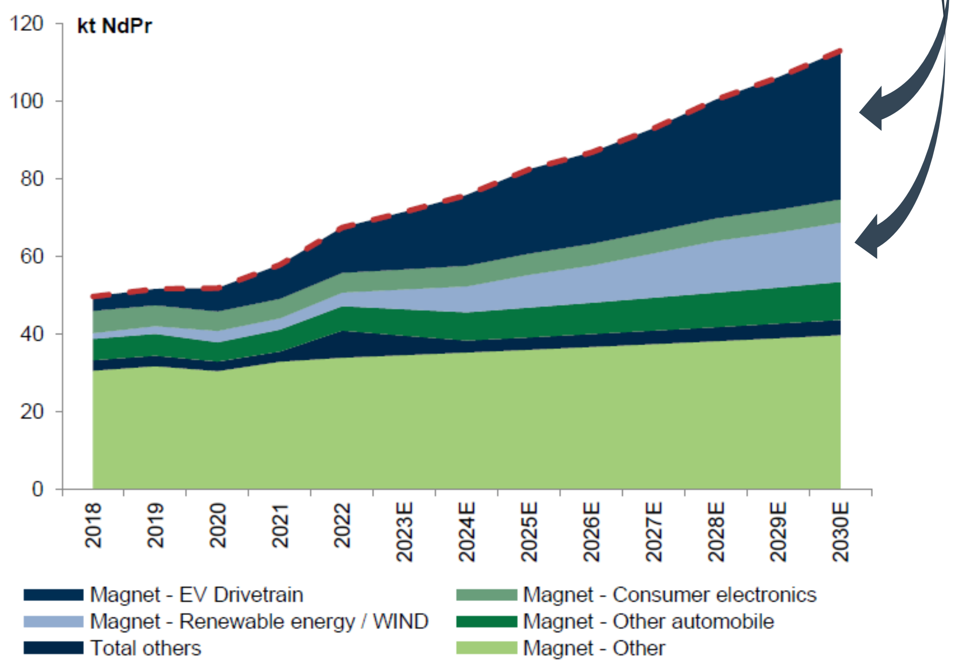
EU political agreement on the Critical Raw Materials Act.

In November 2023, European Parliament and the Council on the Critical Raw Materials Act reach agreement on actions to ensure the EU's access to a secure, diversified affordable and sustainable supply of critical raw materials. Notably EU to diversify its imports of strategic raw materials so it does not rely on a single source of supply for more than 65% of its consumption.

Arafura target market led by energy transition

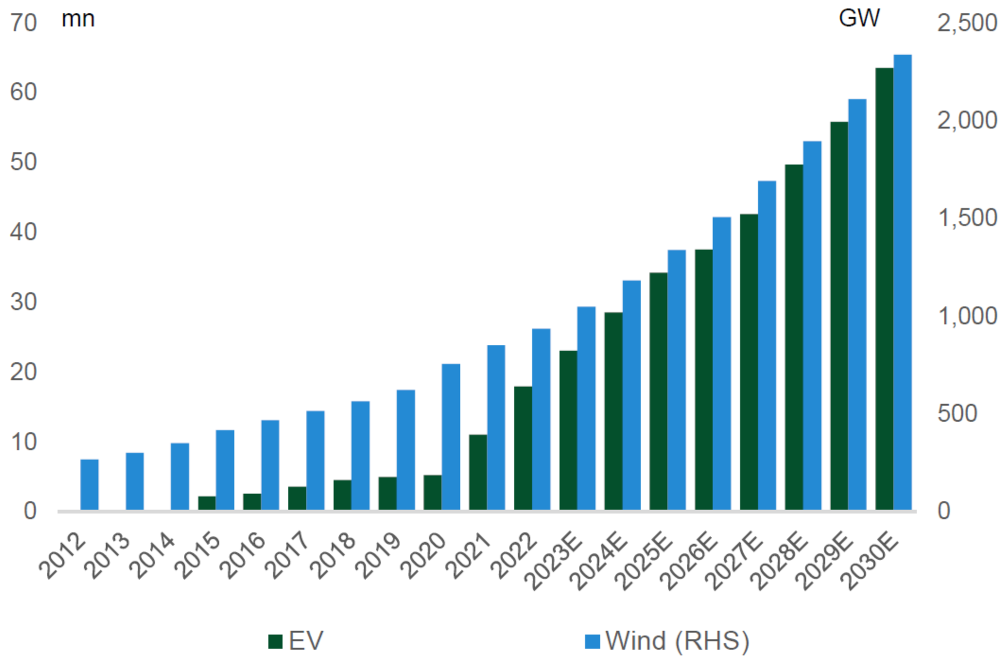
Electric vehicles and wind turbines to nearly double NdPr demand by 2030

NdPr demand by source (kt NdPr)



GS Global 'bull case' demand forecasts for electric vehicles and wind turbines

EV forecasts in million vehicles, wind forecast in gigawatt capacity



Supply volumes are recovery adjusted
Source: Company data, Goldman Sachs Global Investment Research, Wood Mackenzie

Favourable Long Term Supply/Demand Profile

DEMAND

Automotive sector is forecast to be the primary consumer of NdFeB magnet supply.

2032 forecast assumes ~ 51 million EVs sold(1).

Achieving supply-demand balance over the next 10 years would require a compound annual growth rate (CAGR) in NdPr supply of ~6.9%.

SUPPLY

Forecast supply gap represents ~ 88% of global supply today – more than 12 Nolans projects.

Tighter regulatory and policy controls are expected to constrain China's ability to expand at pace and open new mines.

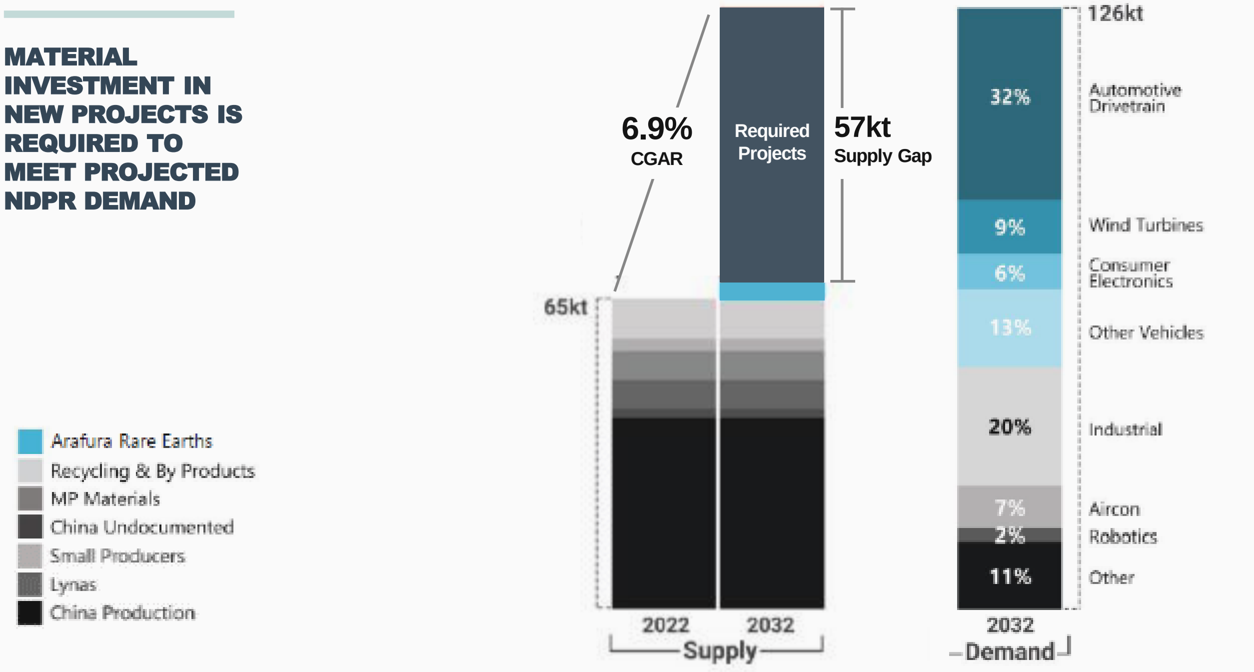
Few non-China NdPr projects are anticipated to be in production in the next five years.

Emerging supply gap has additional significance for companies not aligned with the Made in China 2025 strategy.

NdPr Supply & Demand

Based on end-use demand from magnets

MATERIAL INVESTMENT IN NEW PROJECTS IS REQUIRED TO MEET PROJECTED NDPR DEMAND



Sources: Arafura internal Supply Demand Forecast referencing Wood Mackenzie – Rare Earth Market Study July 2022; Wood Mackenzie Rare Earth Markets 2022 Outlook to 2050 (September 2022); General Administration of Customs of China via Baiinfo, January 2022; Roskill 2021. Supply is primary supply and excludes secondary sources of NdPr supply from waste magnet production.
Notes: (1) Growth to 2032 calculated off a base of 10.5 million EVs sold in 2022 and forecast production based on implied EVs produced given NdFeB alloy demand from automotive drivetrains and assuming 2kg of NdFeB alloy is used per EV sold. EVs include battery electric vehicles (BEVs), hybrid electric vehicles (HEV) and plug-in hybrid electric vehicles (PHEV).

Offtake

Arafura is targeting 85% of planned production[1] as binding offtake (Binding Offtake Target).

Offtake strategy aligned with NdFeB users seeking a diversified supply chain.

Binding offtake agreements in place with Hyundai and Kia and Siemens Gamesa for up to 2,020tpa NdPr oxide (or metal equivalent).

Four other companies in “contract negotiations” representing 42% of Binding Offtake Target.

This includes offtake with GE Vernova for 375tpa of NdPr oxide currently being finalised, following previously announced MoU[4].

OFFTAKE DISCUSSION GROUP	LOCATION	NDPR OXIDE (TPA)[2]	% OF BINDING OFFTAKE TARGET
SECURED OFFTAKE (BINDING AGREEMENT)			
Hyundai & Kia	Korea	1,500	40%
Siemens Gamesa RE	Germany	520	14%
OFFTAKE UNDER DISCUSSION[3]			
Contract negotiations	Japan & Europe	1,600	42%
Advanced offtake discussions	Europe & US	2,890	77%
TOTAL		**6,510**	**172%**

Targeting NdPr users not aligned with Made in China 2025 Strategy

1. Planned Production refers to the average annual production from Nolans of 4,440tpa (Refer ASX Announcement dated 11 May 2021).
2. Product may be supplied as NdPr Oxide or Metal equivalent.
3. The Company, at this stage, has no certainty as to the timing and likelihood of successfully concluding binding agreements being entered into.
4. ASX announcement will be released once the binding offtake agreement has been executed.

Project Funding

Funding Structure

Offtake drives participation of untied ECA funding and creates debt liquidity.

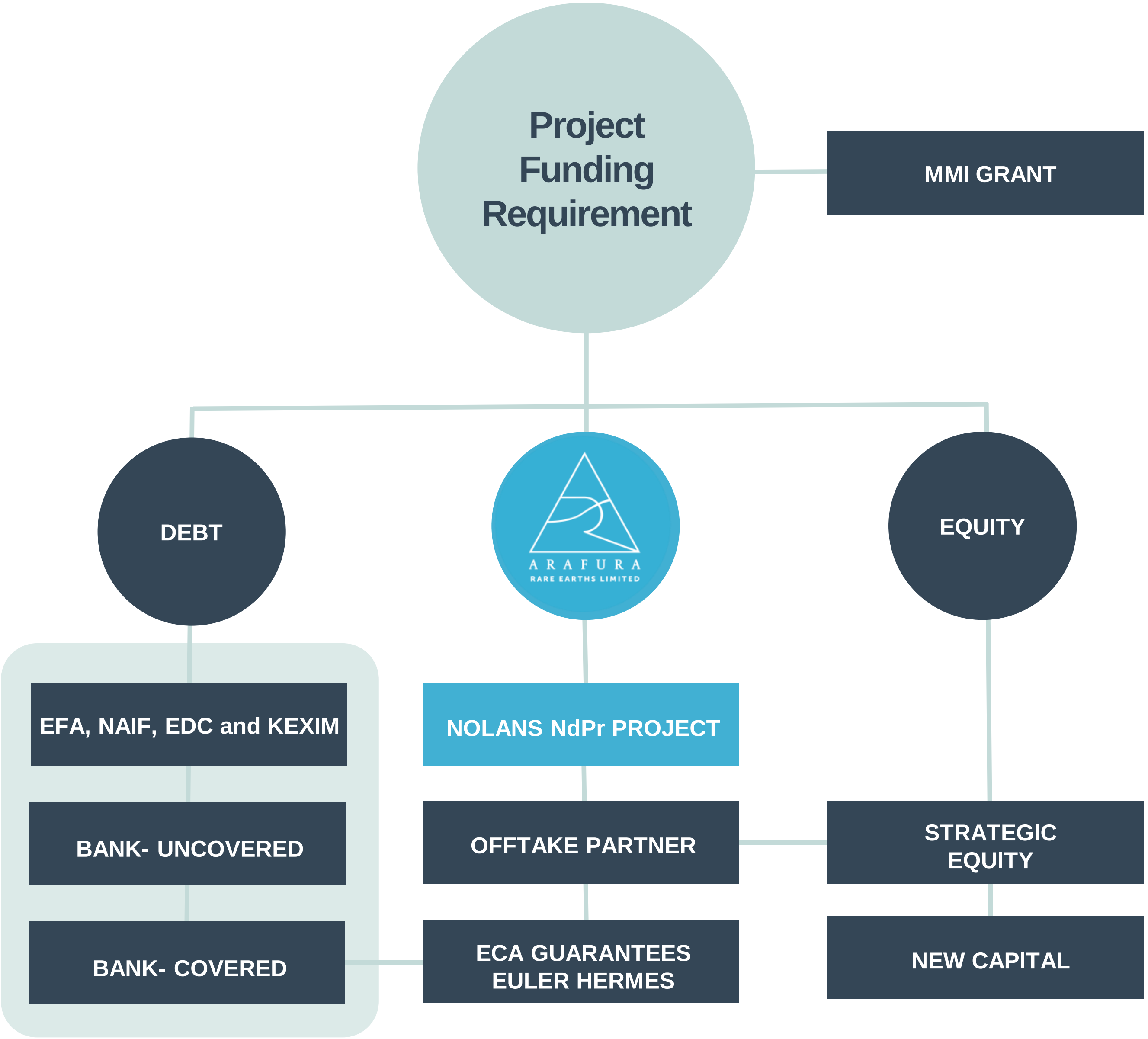
MLA financing will have a covered (supported by ECA guarantee) and uncovered portion.

Potential strategic investment being negotiated in conjunction with final offtake through a HoA with Hyundai.

Strategic equity being explored with potential offtake partners.

A$30m MMI Grant for construction of separation plant reduces equity requirement.

The Company has been working closely with the Project's lenders and their advisers to ensure that the funding solutions for Nolans is robust, with increased focus on contingency and a cost overrun facility



Indicative Debt Funding

NAIF and EFA letters of support A$350m of debt subject to further DD and credit approval.

Export Development Canada Letter of Interest for US$300m.

Société Générale and KfW appointed MLAs.

Euler Hermes letter of support for up to US$600m untied loan guarantee subject to offtake with German companies and credit approval.

Korea EXIMbank (KEXIM) letter of interest for up to US$150 million in two tranches- an amount equal to or more than US$75 million as a direct loan, and an additional amount equal to or less than US$75 million as a debt guarantee.

A number of the ECA and Government agency lenders are advanced in the preparation of their credit papers and are working towards formal approval consideration of the financing facilities. Any formal approvals considered material will be communicated to the market when they are received by Arafura.

AGENCY	AMOUNT		DESCRIPTION	STATUS
DEBT FACILITIES				
Export Finance Australia (EFA)	A$200m	US$225m[1]	Debt financing	Letter of support received
Northern Australia Infrastructure Facility (NAIF)	A$150m		Debt financing	Letter of support received & completion of strategic assessment
Export Development Canada (EDC)	US$300m		Debt financing	Letter of Interest received
KEXIM	Up to US$75m		Debt financing	Letter of Interest received
Commercial bank tranche	Up to US$175m[2]		Debt financing	In discussion
TOTAL	**UP TO US$775m**			
UNTIED LOAN GUARANTEES				
German ECA - Euler Hermes Aktiengesellschaft	Up to US$100m[3]		Untied loan guarantee	In-principle support received
KEXIM	Up to US$75m		Untied loan guarantee	Letter of Interest received
TOTAL	**UP TO US$175m**			

1. A$200m (EFA) and A$150m (NAIF) combined and converted for comparison purposes only at AUD/USD 0.6428
2. Commercial bank tranche will be supported by untied loan guarantee from Euler Hermes and KEXIM.
3. Arafura is targeting US$100m of Euler Hermes loan guarantee, subject to debt sizing constraints and securing sufficient German based NdPr offtake. The Euler Hermes in-principle letter of support provides up to US$600 million of loan guarantee.

Sources and use of funds

Sources of Funds	A$m
(+) Gross proceeds from the equity raising	20
(+) Cash and cash equivalents (as at 30 November 2023, unaudited)	51
(+) Expected MMI grant funding (A$9m) and expected interest received on cash until June 2024	10
Total Sources of Funds	**81**

Uses of Funds[1]	A$m
(+) Integrated project management team costs (including KBR)	12
(+) Detailed engineering (including Hatch) and ECI works to advance detailed design and construction planning	20
(+) Procurement of certified vendor data and equipment to support detailed engineering	7
(+) Site overheads, ESG, technology and business development and exploration	7
(+) Corporate costs including office costs project funding, and sales and marketing	7
(+) Transaction costs	1
(+) Retained cash liquidity buffer	27
Total Uses of Funds[2]	**81**

Arafura recently completed early works construction and is now transitioning to a period of lower spend ahead of closing out the funding workstream

The pro forma cash balance of A$81m is expected to support the Company's activities through to June 2024 with sufficient liquidity buffer

A$10m Share Purchase Plan ("**SPP**") launched to enable eligible shareholders to participate in the equity raising at the same price as the Placement[3]

1. Estimated use of funds assuming a minimum A$20m raising. Arafura has launched a SPP so may raise more than $20m. If a larger amount is raised, the Company will determine the best use of such additional funds towards line items noted in the table
2. Estimated use of funds through to June 30, 2024 utilises the equity raise proceeds, MMI grant funding and existing cash reserves at 30 November 2023.
3. The Company notes that it issued shares under a previous share purchase plan on 6 January 2023. In order to fall within ASX Listing Rule 7.2, Exception 5, the Company is restricted from issuing or agreeing to issue any Shares under the offer contained in this SPP until after 6 January 2024. Accordingly, application monies received under the SPP before 7 January 2024 will be held on trust by the Company until 7 January 2024 and applications received before 7 January 2024 will only be deemed to be received by the Company under the SPP on that date. Applicants who have made an application under the SPP before 7 January 2024 may withdraw their application

Equity Raising Overview and Timetable

Equity raising overview

Offer structure and size	• Fully underwritten Placement to raise approximately A$20 million via the issue of approximately 125 million new fully paid ordinary shares (“**New Shares**”) at A$0.16 per New Share (“**Placement Price**”). • The placement is fully underwritten • Under the Placement, the Company will also issue to Placement investors one (1) free-attaching option for every two (2) New Shares subscribed for (“**New Options**”) via a prospectus to be lodged with ASIC and released to ASX in due course. – The New Options will have a strike price of A$0.225 and an expiry date of 18 months from the date of issue • Share Purchase Plan (“SPP”), launched to raise approximately A$10 million and to allow eligible shareholders to acquire up to A$30,000 in New Shares at the Placement Price. • The Company notes that it issued shares under a previous share purchase plan on 6 January 2023. In order to fall within ASX Listing Rule 7.2, Exception 5, the Company is restricted from issuing or agreeing to issue any Shares under the offer contained in this SPP until after 6 January 2024. Accordingly, application monies received under the SPP before 7 January 2024 will be held on trust by the Company until 7 January 2024 and applications received before 7 January 2024 will only be deemed to be received by the Company under the SPP on that date. Applicants who have made an application under the SPP before 7 January 2024 may withdraw their application
Placement Price	• Fixed Placement Price of A$0.16 per share which represents a 20.0% discount to last traded price of A$0.20 per share on 13 December 2023; and
Ranking	• Shares issued under the Placement and the SPP will rank pari passu with existing ordinary shares on issue
Underwriting[1]	• The Placement is fully underwritten by two Joint Lead Managers and Joint Bookrunners

Timetable

Event	Date
Trading halt and launch of Placement and Record Date for Share Purchase Plan (SPP)	Wednesday 13 December 2023
Results of Placement announced, trading halt lifted and recommencement of trading	Thursday 14 December 2023
Placement Settlement Date	Tuesday 19 December 2023
Allotment and normal trading of New Shares and New Options	Wednesday 20 December 2023
Opening Date for SPP	Thursday 21 December 2023
Closing Date for SPP	5:00pm Monday 22 January 2024
Results of SPP announced	By 12:00pm Thursday 25 January 2024
Quotation of SPP shares	Monday 29 January 2024
Despatch of SPP Holding Statements	Wednesday 31 January 2024

The Placement timetable is indicative only and subject to variation. The Company reserves the right to alter the timetable at its discretion and without notice, subject to ASX Listing Rules and the Corporations Act

1. See Appendix C for material terms of the Placement Agreement.

Sustainability

Sustainability activities and initiatives

Arafura's ESG commitment is to be a trusted global leader and supplier of choice for sustainably mined and processed rare earth products, helping our customers deliver clean and efficient technologies.

We are committed to delivering positive intergenerational economic, environmental and social benefits to our stakeholders.

GHG Emissions and Water Management

Commitment to Net Zero

GHG emissions reduction pathway developed

Solar power investigation underway and SODAR installed on site for wind power assessment

Water reduction strategy underway

Annual Update of Sustainability Report

Signatory of the UN Global Compact

Comprehensive report that satisfies requirements of global ESG ratings agencies and reporting standards

TCFD reporting under development

Annual sustainability reporting

Pending IRMA Member

Completed the IRMA Ready assessment and awaiting feedback

Traceability: Blockchain Technology

Aligned with customers' ESG expectations

Will allow tracing of Nolans sustainably produced products through entire supply chain to customers

Innovation and Technology

Downstream value add opportunities

Ongoing R&D exploring low carbon metallisation process

Options for hydrogen or other energy storage solutions

Investment Highlights

✓ **EARLY CONSTRUCTION WORKS COMPLETE**

Early construction activities completed October 2023 including Raw water storage dam (commissioned), 25km arterial water pipeline (commissioned) between bore field and process plant, site access intersection with Stuart Highway and installation and commissioning of stages 1 and 2 of construction camp

✓ **TARGETING SENIOR DEBT OF UP TO US$775m**

Lender group including government policy debt from EFA, NAIF and EDC remain supportive. Final commercial debt structure and credit approvals conditional on appropriate ECA cover. Targeting contractual close in March 2024.

✓ **PROGRESSING OFFTAKE & STRATEGIC EQUITY**

Arafura has a Heads of Agreement with Hyundai which contemplates strategic equity with due diligence close to completion. Arafura is in discussion with other strategic partners around offtake and investment.

✓ **STRONG POTENTIAL RETURNS THROUGH THE CYCLE**

Ore to oxide operating model ensures Arafura will receive 100% of the benchmark NdPr Oxide price[2] unlike producers of mixed rare earth carbonate (MREC) or concentrate. Competitive operating costs of US$34.64/kg drive a 74% EBITDA margin[1]. At target production rate of 4,440tpa NdPr oxide, Nolan's will deliver EBITDA of A$573m p.a.

1. At US$130/kg NdPr oxide selling price. Refer to ASX Announcement dated 11 November 2022 *Nolans Project Update*
2. *Subject to other market-based discounts and adjustments negotiated in long term offtake agreements that are customary for agreements of this nature*

Appendices

APPENDIX A:
Material Business Risks

Company Specific Risks

Communicable disease outbreaks

The outbreak of communicable diseases around the world (such as COVID-19) may lead to interruptions in operations, exploration, development and production activities, inability to source supplies or consumables and higher volatility in the global capital markets and price of rare earth elements or demand for the product of the Company (and its subsidiaries) (Group), which may materially and adversely affect the Group's business, financial condition and results of operations.

In addition, such outbreaks may result in restrictions on travel and public transport and prolonged closures of facilities or other workplaces which may have a material adverse effect on the Group and the global economy more generally. Any material change in the Group's operating conditions, the financial markets or the economy as a result of these events or developments may materially and adversely affect the Group's business, financial condition and results of operations.

Funding risk

The Nolans Project is a large and complex project with total capital expenditure currently at more than A$1.5 billion (refer to ASX announcement "Nolans Project Update" dated 11 November 2022). Capex trending analysis indicates that the capital cost of the Nolans Project may increase by approximately 5.7% to ~A$1.68 billion (refer to ASX Announcement "Quarterly Activities Report and Appendix 5B" dated 31 October 2023). The business of the Group, and the ability of the Group to procure the finance required to develop the Nolans Project, relies on access to debt and equity funding.

As rare earths (including Neodymium-Praseodymium (**NdPr**)) are not traded on any commodity exchange, traditional debt market sources may not be available which may make it difficult for financiers to assess and understand market risk. In particular, the Group understands that traditional debt market sources are not always available to finance rare earths projects, and therefore the Group is seeking to fund a significant portion of the Nolans Project's capital expenditure through Export Credit Agencies. There can be no assurance that sufficient debt, equity or other forms of funding (including by way of government grants) will be available to the Group (over any timeframe) on favourable terms or at all.

The terms on which debt financiers are willing to offer debt may vary from time to time, depending on macro-economic conditions, the performance of the Group and an assessment of risks and intended use of funds, and there can be no guarantee that appropriate debt financing will be available or obtained. Customary terms of any debt financing will likely require the Company to raise a significant portion of the capital cost required to fund the Nolans Project from the equity market before debt drawdowns will be available. No assurance can be given that the required equity component of the Nolans Project financing will be raised by the Company in full or at all. Failure to obtain sufficient funds from the equity market may preclude the Company from obtaining debt financing or, if debt financing has been secured, from being able to drawdown on financing facilities. Any additional equity financing may dilute existing shareholdings.

Failure to obtain debt, equity and/or other forms of financing may cause the Group to postpone any development plans, forfeit rights to some or all of its projects or reduce its operating structures, including staff and overhead levels, which may delay or suspend the Group's business strategy and could have a material adverse effect on the Group's activities or require the Group to sell down an interest in its projects or assets. This may adversely impact the Group's financial condition and the value of the Company's shares and could ultimately result in the Group being unable to develop the Nolan's Project. In addition, any delays in obtaining debt, equity and/or other forms of financing, or any delays in receiving (or non-receipt of) anticipated government rants, may require the Company to decrease its planned expenditure on certain project related activities while such funding is being secured. This may lead to scheduling disruptions, timetable overruns and an overall delay in the execution of the Nolans Project.

Exploration, production and project development

The future profitability of the Group is directly related to the results of exploration, development and production activities as well as costs and prices. Exploration, project development and production involves significant risk.

Exploration is a speculative endeavour with an associated risk of discovering or finding NdPr and other products in economic quantities and/or grades, and risks associated with development of a project to exploit any such discovery. No assurances can be given that funds spent on exploration and development will result in discoveries or projects that will be commercially viable. During each stage of a project's development there is a risk that forecast capital or operating expenditure estimates may increase, rendering a discovery uneconomic.

Development and production of NdPr and other mining projects may be exposed to low side reserve outcomes, cost overruns, production decreases or stoppages, which may be the result of commissioning, facility shutdowns, mechanical or technical failure, scheduling disruptions, technical risks and other unforeseen events.

Few rare earths processing plants have been constructed and commissioned outside of the People's Republic of China and, as a result, there may be increased execution risk for the Nolans Project. A significant poor development outcome or failure to maintain production could result in the Group lowering reserve and production forecasts, loss of revenue, increased working capital requirements, and additional operating costs to restore production.

In some instances, a loss of production may incur significant capital expenditure, which could require the Group to seek additional funding. The Group may fail to meet product quality requirements and material specifications required by buyers.

APPENDIX A:
Material Business Risks

Company Specific Risks Cont.

Volatility of the price of rare earth elements

NdPr and other rare earth products are not exchange traded commodities. The Group will require contracts for sale of these mineral commodities. There is no guarantee the Group will secure contracts on terms favourable to the Group.

NdPr and other rare earth product prices will depend on available markets at acceptable prices and distribution and other costs. Pricing of NdPr can also be impacted by government intervention in NdPr markets, such as through direct or indirect support of producers and exporters of NdPr, stockpiling of NdPr, and trade policies, barriers and sanctions. Historically (and at present), the supply of NdPr has been dominated by producers in the People's Republic of China. Policy changes, actions or events that affect that supply may have a significant effect on NdPr prices.

Additionally, technological developments may result in substitution risk and decrease the demand for (and therefore the price of) NdPr and other rare earth products. Demand for NdPr and other rare earth products may also be impacted by demand for downstream products incorporating rare earths, including (but not limited to) hybrid and electric vehicles, wind turbines, robotics, medical equipment, military equipment and other high-growth advanced motion technologies as well as demand in the general automotive and electronic industries.

Any substantial variation in the price of NdPr and other rare earth products or an increase in the distribution costs could have a material impact on the Group.

Metallurgy and Hydrometallurgy

Metallurgical testwork is used to develop the mineral processing and hydrometallurgical processes required to convert ore into final products. Scale up, technology and materials handling risks remain as the Group moves from development to construction, commissioning and production. Product recoveries are dependent upon the mineral processing and hydrometallurgical processes, and by its nature contains elements of significant risk such as:

- developing and identifying mineral processing and hydrometallurgical processes through testwork to produce a saleable product;
- the representative nature of the samples used for the metallurgical testwork of the ore that is mined for processing over the life of mine;
- developing an economic process route to produce a saleable product; and
- changes in mineralogy in the ore deposit result in inconsistent product recovery, adversely affecting the economic viability of the Nolans Project.

Capital cost risk

While the Group has completed Front End Engineering and Design (FEED) activities and is continuing detailed design and tendering activities for procurement and construction contracts as part of advancing the design and cost of the Nolans Project, until such time a design definition is complete and construction contracts are signed, there is a risk that the capital expenditure for the Nolans Project increases above the previous disclosed capital requirements (refer to ASX announcement "Nolans Project Update" dated 11 November 2022) due to various macro-economic factors that have directly or indirectly impacted the construction industry. In addition, even following the completion of design and execution of construction contracts, there is a risk of a cost overrun on the Nolans Project given the inflationary environment which may impact on labour costs, supply costs, transport costs and other costs associated with the construction of the Nolans Project.

The Company continues to monitor capital cost trends (see current trending analysis set out in the Company's ASX Announcement "Quarterly Activities Report and Appendix 5B" dated 31 October 2023).

Operating risks

Industry operating risks include, but are not limited to, fires, explosions, environmental hazards, technical failures, unusual or unexpected geological conditions, adverse weather conditions and other accidents.

The occurrence of any of these risks could result in substantial losses to the Group due to injury or loss of life; damage to or destruction of property, natural resources or equipment; pollution or other environmental damage; clean-up responsibilities; regulatory investigation and penalties; or suspension of operations. Damages occurring to third parties as a result of such risks may also give rise to claims against the Group.

The occurrence of any of these circumstances could result in the Group not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Group's financial and operational performance.

Reliance on key personnel and advisors

The ability of the Group to achieve its objectives depends on the engagement of key employees, directors and external contractors that provide management and technical expertise.

If the Group cannot secure external technical expertise (for example to carry out development activities) or if the services of the present management or technical team cease to be available to the Group, this may affect the Group's ability to achieve its objectives either fully or within the timeframes and the budget that it has forecast. Additionally, industrial disruptions, work stoppages and accidents in the course of operations may adversely affect the Group's performance.

Reliance on third party infrastructure

The Group will rely on third party transportation and other infrastructure, primarily in order to deliver its products to the market and incoming reagents and supplies to the Nolans Project site. Any delay or failure to access or properly maintain operating infrastructure or shared facilities may have a material adverse effect on the Group.

APPENDIX A: Material Business Risks

Company Specific Risks Cont.

Reserves and resource estimates

Mineral reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates may change or become uncertain when new information becomes available on the tenements through additional exploration, investigations, research, testing or engineering over the life of a project. This applies equally to the Group's production targets in relation to the Nolans Project and any forecast financial information derived from a production target.

In addition, reserve and contingent resource estimates (and production targets and forecast financial information derived from a production target) are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. The actual reserves or contingent resources may differ from those estimated which may result in the Group altering its plans which could have either a positive or negative effect on its operations.

Changes in reserve or resource estimates could also impact the Group's ability to maintain its borrowing capacity with lenders.

Native Title

The Native Title Act 1993 (Cth), Northern Territory Native Title legislation, Aboriginal land rights and Aboriginal heritage legislation may affect the Group's ability to gain access to prospective exploration areas or obtain any additional mineral leases required. The Group has entered into a Native Title Agreement with the Nolans Project's native title holders and the Central Land Council under which the native title holders provide their consent to the grant of the primary mineral lease, ancillary mineral leases and related access authorities for the Nolans Project (refer to ASX Announcement "Native Title Agreement Executed for Nolans Project" dated 26 June 2020).

On 22 July 2020, the Company announced that the mineral leases for the Nolans Project had been granted by the Northern Territory government and on 9 February 2021 the Company announced that the mineral leases for areas supporting the Nolans Project (which will host the Nolans borefield) had been granted by the Northern Territory Government (refer to ASX Announcements "Nolans Mineral Leases granted by NT Government" dated 22 July 2020 and "Mineral Leases granted by NT Government secures Borefield" dated 9 February 2021). The Group will need to comply with the Native Title Agreement to avoid any potentially adverse consequences.

The Group is currently in discussions with the Central Land Council (as representatives of the native title holders) for an amendment agreement to the Native Title Agreement to cover the mineral leases and extractive mineral permits to cover the explosives magazine, proposed stage 1 solar farm, borrow pits and minor changes to various access authorities. There is a risk that agreement cannot be reach and in this instance the Group would need to re-arrange aspects of the Nolans Project to allow delivery within the existing Native Title Agreement.

The Group may, from time to time, need to negotiate with native title claimants for access rights to certain tenements, or for certain activities or granting of additional leases, outside those covered by the Native Title Agreement. There may be significant delays and costs associated with these negotiations and to reach agreement acceptable to all relevant parties. At this stage, it is not possible to quantify the potential impact that these developments may have on the operations of the Group.

Environmental

The Group's exploration, development and production activities are subject to legislation regarding environmental matters.

The legal framework governing this area is complex and constantly developing. There is a risk that the environmental regulations may become more onerous, making the Group's operations more expensive and/or subject to potential delays. The Group may become subject to liability for pollution or other hazards against which it is not insured or cannot insure, including those in respect of past activities for which it was not responsible.

The Group's operations are subject to the Northern Territory and Commonwealth laws and regulations regarding the environment, including hazards and discharge of hazardous waste and materials. The mining and processing of Normally Occurring Radioactive Materials (NORM) and the disposal of radioactive waste is subject to additional laws and regulations regarding environmental matters.

The cost of compliance with these laws and regulations may impact the cost of exploration, development, construction, operation of the production facilities and mine closure costs and may result in these costs exceeding what has been allowed for in the estimates used to develop forward looking statements around the economic performance of the Nolans Project.

Title

Securing and maintaining tenure over mining tenements is critical to the future development of the Group's projects. All mining tenements which the Group may acquire either by application, sale and purchase or farm-in are regulated by the applicable state or territory mining legislation.

There is no guarantee that future applications for ungranted tenements will be granted as applied for (although the Group has no reason to believe that any tenements required for the Nolans Project or identified as being required in the future will not be granted in due course). Various conditions may also be imposed as a condition of grant. In addition, the relevant minister may need to consent to any transfer of a tenement to the Group.

Renewal of titles is made by way of application to the relevant department. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable state or territory mining legislation. In addition, the relevant department may impose conditions on any renewal, including relinquishment of ground.

Under the Mineral Titles Act 2010 (NT) (MT Act), a 'person who has an interest in land' (as defined in the MT Act) is entitled to compensation from the holder of a mineral title for:

- damage to the land, and any improvements on the land, caused by activities conducted under the title; and
- any loss suffered as a result of that damage.

APPENDIX A: Material Business Risks

Company Specific Risks Cont.

Title (cont.)

The compensation to which a person is entitled depends upon the type of land in question (for example, whether it is freehold land or a pastoral lease) and the nature of the activities that caused the damage to the land (for example, whether they were exploration activities or mining activities). There is no requirement under the MT Act that landholder agreements need to be in place between the Group and all or any of the persons who have interests in the land the subject of the mineral titles under the MT Act held by the Group in respect of the Nolans Project mine and associated infrastructure prior to the commencement of development of, or operations for, the Nolans Project.

The Group has a right of access to its mineral titles and a right to occupy and uses its mineral titles in accordance with their terms, the MT Act and the Mining Management Act 2001 (NT). Should the Group not be able to enter into a landholder agreement with a person who has an interest in any relevant land, that person will be entitled to compensation as described above and will be able to apply to the Northern Territory Civil and Administrative Tribunal for a decision in respect of the compensation payable to the person (and associated matters) in the event that the parties are unable to reach agreement on the compensation payable by the Group to the person. There is a risk that the compensation payable to the persons who have interests in the relevant land may exceed the estimates included in the operating cost estimates used to develop forward looking statements around the Nolans Project's economic performance.

Legislative changes, government policy and approvals

The Group requires government regulatory approvals for its operations. Changes in government, monetary policies, taxation and other laws in Australia or internationally may impact the Group's operations.

The impact of actions by state, territory and federal governments may affect the Group's activities including such matters as access to lands and infrastructure, compliance with environmental regulations, production and exploration activities. This may from time to time affect timing and scope of work to be undertaken. No guarantee can be given that all necessary permits, authorisations, agreements or licences will be provided to the Group by government bodies, or if they are, that they will be renewed or not revoked if already granted.

The Group has received environmental approval from the Australian Government and the Northern Territory Environment Protection Authority under the Environment Protection and Biodiversity Conservation Act 1999 (Cth).

The Group has received approval from the NT Government for its Mining Management Plan, which provides its Mining Authorisation for the Nolans Project (refer to ASX Announcement "Nolans receives Mining Authorisation from NT Government" dated 15 November 2022). There is a risk that the Group may not be in a position to comply with all conditions attached to the approval.

As the Mining Management Plan is required to be updated for re-approval at regular intervals or when there is a review of past activities or changes to the proposed activities, there is also a risk that the Authority to carry out mining activity may not be renewed or that additional conditions may be placed on such an approval which the Group is not in a position to comply with.

Similarly, the Group's Groundwater Extraction Licence relating to the water supply for the Nolans Project was approved in March 2023 for a period of 10 years after which extension of the approval is required. There is a risk that the Group may not be in a position to comply with all conditions attached to the approval, that an extension to the approval may not be granted, or that additional conditions will be attached to the extension of the approval which the Group may not be in a position to comply with.

Occupational health and safety

Exploration and production activities may expose the Group's staff and contractors to potentially dangerous working environments. Occupational health and safety legislation and regulations differ in each jurisdiction.

If any of the Group's employees or contractors suffers injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business. Such an incident may also have an adverse effect on the Group's business (including financial position) and reputation.

Third party risk

The Group will rely significantly on strategic relationships with other entities and on a good relationship with regulatory and government departments and other interest holders. The Group will also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will be maintained, or that new ones will be successfully formed. The Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Insurance

Insurance of all risks associated with mineral exploration and production is not always available and, where available, the cost can be high. The Group maintains insurance within a coverage range that it considers to be consistent with industry practice and appropriate for its needs and will update this insurance as required as Group activities evolve through the development and operation of the Nolans Project.

The occurrence of an event that is uninsurable, not covered, or only partially covered by insurance could have a material adverse effect on the Group's business and financial position.

Litigation risks

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employment claims.

Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

APPENDIX A:
Material Business Risks

Company Specific Risks Cont.

Climate change risk

Climate change is a risk the Group has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Group include:

- the emergence of new or expanded regulations associated with transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Group may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Group and its profitability. While the Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Group will not be impacted by these occurrences; and
- climate change may cause certain physical and environmental risks that cannot be predicted by the Group, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns.

All risks associated with climate change may significantly change the industry in which the Group operates.

Financial risks

The Group's activities expose it to a variety of financial risks, including:

- Market risk: The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, interest rate risk, price risk, credit risk and liquidity risk (maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities). The Group's future activities will be subject to volatility and fluctuations in those particular areas.

- Foreign exchange/currency risk: The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures with respect to changes in foreign exchange rates. The Group's future commercial transactions include product sales, capital expenditure, purchase of foreign sources inputs and debt facilities. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

- Interest rate and credit risk: This relates to the risk that interest rates applicable to the Group may fluctuate and have an impact on the value of the Group's assets and liabilities.

- Liquidity risk: This relates to the ability of the Group to maintain sufficient cash and the availability of funding through an adequate amount of committed credit facilities to support the Group's operations.

APPENDIX A:
Material Business Risks

General Risks

General market and economic factors

The operating and financial performance of the Group is influenced by a number of general economic and business conditions.

Generally applicable factors which may affect the operating and financial performance of the Group include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- commodity prices;
- changes in interest rates and the rate of inflation;
- changes in government legislation and policies, including taxation laws and foreign investment legislation;
- announcement of new technologies; and
- geo-political instability, including international hostilities and acts of terrorism.

Further, the effect of these conditions on the Group's ability to obtain new debt financing, and the terms on which any such financing can be obtained, is uncertain. If these conditions result in the Group being unable to obtain new debt financing, or to do so on reasonable terms, this may have an adverse impact on its financial position, financial performance and/or share price.

The Group's operational and financial performance and position may be adversely affected by a worsening of international economic and market conditions and related factors. It is also possible that new risks might emerge as a result of global markets experiencing extreme stress, or existing risks may manifest themselves in ways that are not currently foreseeable.

Competition

The Company will compete with other companies, including major mining companies in Australia and internationally. Some of these companies will have greater financial and other resources than the Group and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Group can compete effectively with these companies.

Russia-Ukraine and Israel-Palestine conflict

The ongoing Russian-Ukraine and Israel-Palestine conflicts have had and will continue to have a significant impact on global economic markets. Although the Group considers the current impact of the conflicts on the Group to be limited, given that the conflicts are ongoing and volatile in nature, the future effect of the conflicts on the Group is uncertain. The conflicts may have an adverse effect on the Company's share price or operations which will likely be out of the Group's control.

Data and information technology

The Group's computer systems are subject to the risks of unauthorised access, computer hackers, computer viruses, malicious code, organised cyber-attacks and other security problems and system disruptions, including possible unauthorised access to proprietary or classified information. Any of these events could damage the Group's reputation and have a material adverse effect on its business, reputation, results of operations and financial condition. There is also a risk that the Group's systems for capturing data and intellectual property for project development are ultimately not effective.

Speculative investment

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Group or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Group and the value of the Company's securities. An investment in the Company is speculative and investors should consult their professional adviser before applying for or disposing of securities in the Company.

Options Risk

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that any new options will, at any particular time, have an exercise price which is lower than the price of ordinary shares. As such, options may be "out of the money" and may therefore have little or no value, and may expire at a time when they have no value.

APPENDIX B:
Offer Jurisdictions

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") and New Options ("New Options") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares and New Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

*Language of documents in C*anada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

APPENDIX B: Offer Jurisdictions

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the “SFO”). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”).

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to “professional clients” (as defined in the Norwegian Securities Trading Act).

APPENDIX B: Offer Jurisdictions

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This document may be distributed in the UAE only to "professional investors" (as defined in the SCA Board of Directors' Decision No.13/RM of 2021, as amended).

No offer of New Shares will be made to, and no subscription for New Shares will be permitted from, any person in the Abu Dhabi Global Market or the Dubai International Financial Centre.

APPENDIX B:
Offer Jurisdictions

United Kingdoms

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“FPO”), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (“relevant persons”). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- “qualified institutional buyers” (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

APPENDIX C: Summary of Underwriting Agreement

The Company has entered into a placement agreement with the Joint Lead Managers in respect of the management and underwriting of the Offer (**Placement Agreement**).

The Placement Agreement contains representations, warranties and indemnities in favour of the Joint Lead Managers. Each Joint Lead Manager may, in certain circumstances, terminate its obligations under the Placement Agreement on the occurrence of the following events:

a) (*) the Company is or becomes in default of any of the terms and conditions of the Placement Agreement or a representation or warranty given by the Company under the Placement Agreement is or becomes false or incorrect;

b) the Company withdraws the Offer;

c) the Company is prevented from conducting or completing the Offer (including allotting or issuing the new shares) by or in accordance with the ASX Listing Rules, ASIC, ASX, any applicable laws, an order of a court of competent jurisdiction or a Government Agency, or otherwise is unable or unwilling to do any of these things;

d) any event specified in the timetable for the Offer is delayed for one or more business days without the prior written consent of the Joint Lead Managers;

e) ASX announces that the Company's securities will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation (which, for the avoidance of doubt, does not include any trading halt or suspension requested to facilitate the Offer);

f) approval (subject only to customary conditions) is refused or not granted to the official quotation of all the new shares on ASX by the time specified in the timetable for the Offer, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;

g) the Company or one of its subsidiaries which represents 5% or more of the consolidated assets or earnings of the group becomes insolvent or there is an act or omission which will or is likely to result in the Company or such a subsidiary becoming insolvent;

h) in the reasonable opinion of the Joint Lead Managers, there is any material adverse change or effect on, or any development involving a prospective material adverse change or effect in, or affecting the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, or prospects, earnings position, shareholders' equity, or results of operations of the group (taken as a whole);

i) the Company or any of its directors, members of senior management or officers (as that term is defined in the Corporations Act) engages in any fraudulent conduct or activity whether or not in connection with the Offer;

j) a change to the members of senior management or board of directors of the Company occurs;

k) (*) there is an omission from, or misstatement relating to, the completed due diligence questionnaire in relation to the Offer or any other information supplied by or on behalf of the Company to the Joint Lead Managers for the purpose of due diligence inquiries in relation to the Offer or such questionnaire or any other information becomes misleading or deceptive;

l) any public material released by the Company in relation to the Company or the Offer includes a material statement or fact that is misleading or deceptive or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or deceptive or any statement of opinion or belief in that material is not truly and honestly held or there are no reasonable grounds for making any such statement;

m) the Company does not issue the required certificates to the Joint Lead Managers under the Placement Agreement, or (*) such certificates are untrue or incorrect;

n) any Government Agency holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offer or the Company, or prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its directors, officers, employees or agents in relation to the Offer (and such hearing, notice, investigation, prosecution or proceeding becomes public or is not withdrawn within two business days after it is made or is not discontinued before settlement of the Offer);

o) any director or any member of senior management is charged with an indictable offence relating to any financial or corporate matter or is disqualified from managing a corporation under the Corporations Act;

p) (*) proceedings are commenced, or there is a public announcement of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia seeking an injunction or other order in relation to the Offer;

q) (*) hostilities not presently existing commence or there is a major escalation of existing hostilities (whether war has been declared or not) involving one or more of Australia, any member of the European Union, Israel, Hong Kong, New Zealand, Singapore, the United Kingdom, a member of NATO or the United States of America, or a terrorist act is perpetrated on any of those countries or any diplomatic military, commercial or political establishment of any of those countries elsewhere in the world or chemical, nuclear or biological weapons of any sort are used in connection with the Ukraine conflict that is ongoing at the date of the Placement Agreement;

r) the S&P/ASX 200 Index falls to a level that is 10% (or more) below the level of the index at the close of the Trading Day prior to the date of the Placement Agreement;

APPENDIX C:
Summary of Underwriting Agreement

s) the listed "PrND Oxide Pr6O11 25%, Nd 75% EXW China RMB/mt" as quoted by Asian Metals (www.asianmetal.com) falls to a level that is 10% (or more) below its level at the close of the trading day prior to the date of the Placement Agreement;

t) (*) there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any Government Agency which makes it illegal for the Joint Lead Managers to satisfy an obligation under the Placement Agreement;

u) (*) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Placement Agreement;

v) (*) any of the following occurs:

- a general moratorium on commercial banking activities in Australia, Hong Kong, Singapore, the United Kingdom or the United States of America is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;

- trading of securities quoted on ASX, the London Stock Exchange, Hong Kong Exchanges and Clearing, the New York Stock Exchange or Singapore Stock Exchange is suspended, or there is a material limitation in trading, for one Business Day or a substantial part of one Business Day on which the exchange is open for trading; or

- any adverse change or disruption occurs to the existing financial markets, political or economic conditions of, or currency exchange rates or controls in Australia, Hong Kong, Singapore, the United Kingdom or the United States of America.

Certain termination events noted above (marked with an *) will only entitle a Joint Lead Manager to exercise its rights to terminate its obligations under the Placement Agreement, if in the reasonable opinion of that Joint Lead Manager, the event:

a. has had, or is likely to have, a material adverse effect on the success, outcome, marketing or settlement of the Offer or the likely price at which the new shares will trade on ASX or on the ability of the Joint Lead Managers to settle the Offer; or

b. leads, or is likely to lead, to a contravention by, or liability of, the Joint Lead Manager (or one of their respective affiliates) under, the Corporations Act or any applicable law.

If either Joint Lead Manager terminates its obligations under the Placement Agreement, that Joint Lead Manager will be immediately relieved of its obligations under the Placement Agreement. Termination of the Placement Agreement could have an adverse impact on the amount of proceeds raised under the Offer.

For details of fees payable to the Joint Lead Managers, see the Appendix 3B released to the ASX on 13 December 2023.

Contact

Level 6, 432 Murray St
Perth WA 6000

PO Box 5773
St Georges Terrace
Perth WA 6831

T: +61 8 6370 2800

E: arafura@arultd.com
(All corporate and general enquiries)

E: nolansproject@arultd.com
(Nolans Project enquiries only)

ARAFURA
RARE EARTHS LIMITED