Announcement Summary

Entity name

ARAFURA RARE EARTHS LTD

Announcement Type

New announcement

Date of this announcement

Tuesday December 19, 2023

The +securities to be quoted are:

☑ Other

Total number of +securities to be quoted

ASX +security code	Security description	Number of +securities to be quoted	Issue date
New class - code to be confirmed	OPTIONS EXPIRING 20-JUN-2025	78,125,000	20/12/2023

Refer to next page for full details of the announcement

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Part 1 - Entity and announcement details

1.1 Name of entity

ARAFURA RARE EARTHS LTD

We (the entity named above) apply for +quotation of the following +securities and agree to the matters set out in Appendix 2A of the ASX Listing Rules.

1.2 Registered number type

ABN

Registration number

22080933455

1.3 ASX issuer code

ARU

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

19/12/2023

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Part 2 - Type of Issue

2.1 The +securities to be quoted are:
☑ Other

2.2 The +securities to be quoted are:
☑ New +securities in a class that is not yet quoted on ASX ("new class")

2.3c Have these +securities been offered under a +disclosure document or +PDS?
☑ Yes

2.3c.1 Date of +disclosure document or +PDS?

15/12/2023

2.3d Please provide any further information needed to understand the circumstances in which you are applying to have these +securities quoted on ASX, including why the issue of the +securities has not been previously announced to the market in an Appendix 3B

Please refer to the Company's ASX announcements dated 13 December 2024, 14 December 2024 and 15 December 2024. The Company is issuing investors one free-attaching option for every two new shares subscribed for under the placement announced on 13 December 2023 (Free Attaching Options). An Appendix 3B was released on 13 December 2023 in respect of the Free Attaching Options.

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Part 3C - number and type of +securities to be quoted (new class) where issue has not previously been notified to ASX in an Appendix 3B

New +securities

ASX +security code

New class - code to be confirmed

+Security description

OPTIONS EXPIRING 20-JUN-2025

+Security type

Options

ISIN code

Issue date

20/12/2023

Will all the +securities issued in this class rank equally in all respects from the issue date?

☑ Yes

Options Details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.22500000

Expiry date

20/6/2025

Details of the type of +security that will be issued if an option is exercised

ARU : ORDINARY FULLY PAID

Number of +securities that will be issued if an option is exercised

1

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities to be quoted or provide the information by separate announcement.

https://wcsecure.weblink.com.au/pdf/ARU/02754642.pdf

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Issue details

Number of +securities to be quoted

78,125,000

Are the +securities being issued for a cash consideration?

☑ No

Please describe the consideration being provided for the +securities

The Company is issuing investors Free Attaching Options under the placement announcement on 13 December 2023.

Please provide an estimate (in AUD) of the value of the consideration being provided per +security for the +securities to be quoted

0.155000

Any other information the entity wishes to provide about the +securities to be quoted

Please refer to the Company's announcements dated 13 December 2023, 14 December 2023 and 15 December 2023.

The purpose(s) for which the entity is issuing the securities

Other

Please provide additional details

Free Attaching Options issued under the placement.

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Part 4 - Issued capital following quotation

Following the quotation of the +securities the subject of this application, the issued capital of the entity will comprise:
(A discrepancy in these figures compared to your own may be due to a matter of timing if there is more than one application for quotation/issuance currently with ASX for processing.)

4.1 Quoted +securities (total number of each +class of +securities quoted on ASX following the +quotation of the +securities subject of this application)

ASX +security code and description	Total number of +securities on issue
ARU : ORDINARY FULLY PAID	2,113,364,692
ARUO : OPTION EXPIRING 29-FEB-2024	70,676,878
New class - code to be confirmed : OPTIONS EXPIRING 20-JUN-2025	78,125,000

4.2 Unquoted +securities (total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
ARUAD : PERFORMANCE RIGHTS	51,047,240
ARUAC : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	10,923,000

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Part 5 - Other Listing Rule requirements

5.1 Are the +securities being issued under an exception in Listing Rule 7.2 and therefore the issue does not need any security holder approval under Listing Rule 7.1?

☑ No

5.2 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

☑ No

5.2b Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☑ Yes

5.2b.1 How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

78,125,000

5.2c Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☑ No

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