ASX ANNOUNCEMENT

SPP OPENS AND DESPATCH OF NOTICE OF MEETING

2/08/2024

Arafura Rare Earths Limited (**ASX: ARU**) ("**Arafura**" or the "**Company**") is pleased to confirm that its share purchase plan ("**SPP**") opens today following lodgement of the SPP prospectus with ASIC and despatch to eligible shareholders.

A copy of the letter that has been sent to eligible shareholders in relation to the SPP ("**SPP Access Letter**") is attached. The SPP prospectus can be accessed by following the instructions contained in the SPP Access Letter.

Eligible shareholders who have provided an e-mail address have been sent an e-mail communication regarding the SPP. Eligible shareholders who have not provided an e-mail address will receive the SPP Access Letter via post.

The Company has also today despatched its notice of meeting for an extraordinary general meeting to be held on 4 September 2024. The meeting will be held at Arafura's offices at Level 6, 432 Murray Street, Perth WA 6000 at 10:00am (Perth time). A copy of the notice of meeting will be released to ASX following this announcement.

-ENDS-

Further Information:

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Authorised by:
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Company Secretary

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2/08/2024

Dear Shareholder,

RE: SHARE PURCHASE PLAN

On 24 July 2024, **Arafura Rare Earths Limited** (**ASX: ARU**) (**Arafura**, or the **Company**) announced a Share Purchase Plan (**SPP**) to raise A$7 million (before costs) with the ability to accept oversubscriptions of up to A$3 million.

The SPP will provide Eligible Shareholders (defined below) an opportunity to subscribe for up to A$30,000 worth of new fully paid ordinary shares (**New Shares**) without incurring any brokerage or other transaction costs.

The SPP is open to all eligible existing shareholders on the Company's share register at 7.00pm (AEST) on Tuesday, 23 July 2024 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**), unless:

(a) you are in the United States or acting for the account or benefit of a person in the United States; or
(b) you hold Arafura shares on behalf of another person who resides outside Australia or New Zealand,

in which case you will not be eligible to participate in respect of the shares of that person.

The offer price under the SPP is A$0.16 per New Share, which represents a 15.8% discount to the last closing price of shares on 23 July 2024 of A$0.19.

Eligible Shareholders may apply for a parcel of New Shares valued at A$2,500, A$5,000, A$10,000, A$20,000, A$25,000, A$30,000. Participation in the SPP is optional.

The SPP is subject to the terms and conditions set out in the prospectus in relation to the SPP that was lodged with ASIC on 2 August 2024 (**SPP Prospectus**). The issue of New Shares under the SPP (and under any SPP shortfall offer) is subject to shareholder approval, which will be sought at a general meeting of the Company to be held on or around 4 September 2024.

How to obtain a copy of the SPP Prospectus and your personalised application form?

1. **PAPER** - You can request a paper copy of the SPP Prospectus and your personalised application form by contacting the Arafura Shareholder Information Line on (+61) 1300 402 422 (toll free within Australia), from 8.30am to 5.30pm (AEST) Monday to Friday (excluding public holidays) during the SPP offer period.

   Please note that that if you request a paper copy of the SPP Prospectus and personalised application form, there may be some delays in delivery of the SPP Prospectus and your personalised application form via post. You are encouraged to access the SPP Prospectus and your personalised application form online by following the instructions on the offer website (see below).

2. **ONLINE** - The SPP Prospectus and your personalised application form are available to view online at www.arultd.com. To access the SPP Prospectus on the website you will need your SRN or HIN, and must follow the following steps:

   - Log in to the SPP Offer Website accessible through the Company's website at www.arultd.com and enter your exact registered details.
   - Enter your HIN/SRN, Surname/Company Name and your postcode (applicable only in Australia).

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- Read the SPP Prospectus in its entirety. If you are in doubt about what to do, consult your professional advisor.
- Download your personalised application form with payment details.
- Make your payment of total application monies via BPAY® (or, for Eligible Shareholders in New Zealand, via BPAY® or electronic funds transfer) for the amount of New Shares that you wish to apply for, available in the following six parcels: $2,500, $5,000, $10,000, $20,0000, $25,000 or $30,000.

The SPP Prospectus has also been released to ASX and is available to view on the ASX website (www.asx.com.au).

The SPP is scheduled to close at 5.00pm (AEST) on Monday, 9 September 2024. Payment must be received before this time.

Key Dates for the SPP*

Time (AEST) and Date	Event
7:00pm, Tuesday, 23 July 2024	**SPP Record date** The date and time at which Arafura determines who is eligible to participate in the SPP.
Friday, 2 August 2024	**SPP opening date** Applications will be processed following this date.
Wednesday, 4 September 2024	**Extraordinary general meeting** General meeting to approve the issue of New Shares under the SPP (and SPP shortfall offer)
5:00pm, Monday, 9 September 2024	**SPP closing date** Application monies must be received by this time and date.
Wednesday, 11 September 2024	Announcement of results of SPP Issue of New Shares under SPP
Thursday, 12 September 2024	Commencement of trading of New Shares issued under SPP
Friday, 13 September 2024	Despatch date of holding statements in respect of New Shares issued under the SPP

* Subject to change. The Company reserves the right to withdraw the SPP or vary the above dates at its discretion.

Enquiries

If you have any questions, please visit www.arultd.com or call the Arafura Shareholder Information Line on (+61) 1300 402 422 (toll free within Australia), from 8.30am to 5.30pm (AEST) Monday to Friday (excluding public holidays) during the SPP offer period. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

Yours sincerely



Catherine Huynh – Company Secretary
Arafura Rare Earths Limited

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