ASX ANNOUNCEMENT

ADDENDUM TO 2024 ANNUAL REPORT

22 November 2024

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Arafura Rare Earths Limited (**ASX: ARU**) ("**Arafura**" or the "**Company**") provides the following addendum to the 2024 Annual Report released to ASX on 16 September 2024 ("**Annual Report**"), which is the printed version of the 2024 Annual Report dated 21 August 2024.

1. **The Company would like to include a summary of the governance arrangements and internal controls that Arafura has put in place with respect to its estimates of mineral resources and ore reserves and the estimation process, after the existing information on page 18 of the Annual Report (LR 5.21.5).**

Corporate Governance and Internal Controls

Arafura has ensured that the Mineral Resource and Ore Reserve estimates stated are subject to appropriate governance arrangements and internal controls. Arafura reports its Mineral Resources and Ore Reserves in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "**JORC Code 2012**"). The Mineral Resource estimates have been generated by a Competent Person (as defined in the JORC Code 2012) who is an internal employee of the Company and a member of the Australian Institute of Geoscientists. The Ore Reserve estimates have been generated by a Competent Person (as defined in the JORC Code 2012) who is a third-party contractor and a member of the Australian Institute of Mining and Metallurgy (MAusIMM). Each Competent Person is experienced in best practices in modelling and estimation methods, and where applicable, has also undertaken review of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource and Ore Reserve estimates follow standard industry methodology using geological interpretation and assay results from samples obtained through drilling.

All Mineral Resource and Ore Reserve estimates that are disclosed by the Company (including the Competent Person report and sign off) are subject to review and approval by the Company's Board of Directors whose qualifications are disclosed in the Directors Report.

2. **The Company would like to include a Competent Person and Compliance Statement with its Mineral Resource and Ore Reserves Statement in the Annual Report after the existing information on page 18 and 19 of the Annual Report (LR 5.24).**

Competent Person and Compliance Statement

The information in this report that relates to Mineral Resources is based on information compiled by Mr Kelvin Hussey, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Hussey is a full-time employee of Arafura Rare Earths Limited. Mr Hussey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hussey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Mineral Resources statement included in the Annual Report is based on, and fairly represents, information and supporting documentation prepared by Mr Hussey. The Mineral Resources statement as a whole has been approved by Mr Hussey. The Mineral Resources statement is issued with the prior consent of Mr Hussey as to the form and context in which it appears in the Annual Report. Further information that relates to the Mineral Resource estimate is available in the Company's ASX Announcement dated 7 June 2017 (Detailed Resource Assessment Completed), which was completed in accordance with the guidelines of the JORC Code 2012 and is available to view on the Company's website (www.arultd.com) and at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market

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announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Joel van Anen, BEng (Mining), a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). Mr van Anen is a full-time employee of TME Mine Consulting. Mr van Anen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr van Anen consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. The Ore Reserves statement included in the Annual Report is based on, and fairly represents, information and supporting documentation prepared by Mr van Anen. The Ore Reserves statement as a whole has been approved by Mr van Anen. The Ore Reserves statement is issued with the prior written consent of Mr van Anen as to the form and context in which it appears in the Annual Report. Further information that relates to the Ore Reserve estimate is available in the Company's ASX Announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project), which was completed in accordance with the guidelines of the JORC Code 2012 and is available to view on the Company's website (www.arultd.com) and at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

3. The Company would like to include additional information after the existing information on page 94 of the Annual Report in relation to holders of each class of equity securities (LR 4.10.5 and LR4.10.16)

Statement of issued capital at 12 August 2024:

Listed Options:

Distribution of listed options, exercisable at $0.225 expiring 20 June 2025 (ASX: ARUOA):

Size of holding	Number of holders	Number of options
100,001 and Over	51	75,233,622
10,001 to 100,000	58	2,842,119
5,001 to 10,000	5	45,853
1,001 to 5,000	2	3,383
1 to 1,000	4	23
Total	**120**	**78,125,000**

In the period post 12 August 2024 and up until the date of this addendum, a total of zero options have been exercised and the number of holders has not changed.

Unlisted Options and Performance Rights issued under an employee incentive scheme

Description	Number of holders	Number of options/performance rights
Options, expiring various dates at varying exercise prices (ASX: ARUAC)	12[1]	5,122,000
Performance Rights (ASX: ARUAD)	19[2]	45,398,496

[1] In the period post 12 August 2024 and up until the date of this notice, a total of 37,000 options have lapsed pertaining to 1 holder.

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[2] In the period post 12 August 2024 and up until the date of this notice, a total of 849,743 performance rights have lapsed pertaining to 2 holders.

No unquoted securities have been exercised or converted to ordinary shares in the period. Holders of listed options and performance rights do not hold voting rights, until such time they are exercised and/or converted to ordinary shares.

All 19 holders hold over 100,001 unlisted options and performance rights (combined).

4. The Company would like to include additional information after the existing information on page 94 of the Annual Report in relation to the top 20 largest holders of listed options (LR 4.10.9)

Top 20 Listed Option Holders:

No.	Name	Options	% of issued
1	CITICORP NOMINEES PTY LIMITED	15,036,978	19.25
2	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	12,015,080	15.38
3	UBS NOMINEES PTY LTD	9,222,716	11.81
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,976,988	10.21
5	NEWECONOMY COM AU NOMINEES PTY LIMITED	3,915,122	5.01
6	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	3,125,000	4.00
7	MR GAURAV NAGARAJAN GHOSH	1,825,000	2.34
8	GREEN JADE INVESTMENTS PTY LTD	1,800,000	2.30
9	BUTTONWOOD NOMINEES PTY LTD	1,713,504	2.19
10	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,615,955	2.07
11	HAWKSBURN CAPITAL PTE LTD	1,524,540	1.95
12	SNOOPE INVESTMENTS PTY LTD	1,512,500	1.94
13	MR JOHN ALBERT JAMES RYAN & MRS CHANTHA RYAN	1,405,000	1.80
14	MR NICOLAS ANTHONY STOTT	1,336,000	1.71
15	BNP PARIBAS NOMS PTY LTD	1,062,500	1.36
16	BILGOLA NOMINEES PTY LIMITED	973,432	1.25
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	521,159	0.67
18	MR ANTONIO CATALANO	500,000	0.64
18	MERBRINK PTY LTD	500,000	0.64
18	MR MATTHEW HENDER & MS TATIANA ARELLANO	500,000	0.64
19	MR STUART BRUCE COTTEE	495,479	0.63
20	CALDER RETIREMENT HOLDINGS PTY LTD	450,000	0.58
		69,026,953	**88.35**

5. The Company would like to include additional information after the existing information on page 94 of the Annual Report in relation to on-market buybacks (LR 4.10.18)

On Market Buyback:

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The Company is not performing an on-market buyback at the time of this report.

6. **The Company would like to include additional detail under Note 23: Events occurring after the reporting date on page 84. The Company notes that some of this information was included elsewhere in the Annual Report.**

Subsequent events to 30 June 2024 to 21 August 2024:

- The Company received conditional approval for debt funding of up to US$150m from the Export-Import Bank of Korea (KEXIM) and German ECA Euler Hermes to achieve a total debt funding package for the Nolans Project of over US$1 billion, including project completion support provided through a US$80 million cost overrun facility and subordinated standby liquidity facility of US$200 million.
- The Company launched a A$20 million placement and A$7 million Share Purchase Plan. Tranche 2 of the Placement was subject to shareholder approval and the SPP was not yet completed as at 21 August 2024.
- The Company updated its gas supply agreement with Mereenie JV partners, including in relation to take or pay provisions and fixed pricing for volumes that will satisfy most of the Project's immediate gas requirements.

-ENDS-

Further Information:

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