ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR PERIOD ENDING 31 DECEMBER 2024

30 January 2025

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Arafura Rare Earths Limited (**ASX: ARU**) (**Arafura** or the **Company**) reports that during the fourth quarter of 2024 the Company continued to focus on progressing the funding strategy and derisking the Nolans Project (**Nolans** or the **Project**) to reach a final investment decision (**FID**).

HIGHLIGHTS

- A$200 million investment commitment from the National Reconstruction Fund Corporation (**NRFC**) in support of the Nolans Project was received subsequent to the quarter
- Tommie van der Walt commenced as Chief Projects Officer on 20 January 2025 and will further build on the Company's major capital project expertise
- Arafura and the Nolans Project received global recognition as a Materials Security Partnership (**MSP**) initiative
- Engineering work progressed on the detailed design to de-risk plant start-up and optimise capital costs
- Third sustainability report released

Arafura's Managing Director Darryl Cuzzubbo said:

"In January 2025 we announced a A$200 million investment commitment from the NRFC. This is significant for Arafura as it demonstrates progress on delivering against our equity strategy. The NRFC is an industry cornerstone investor which will assist in encouraging additional investment. Both teams worked tirelessly on this deal throughout the quarter, and I want to acknowledge a job well done. This commitment not only reduces the total equity required, but it reflects the interests of current shareholders whilst attracting new investors. We are engaging with other potential cornerstone investors to advance discussions in securing the equity required to move the project forward.

In December Arafura and Nolans was acknowledged as a Materials Security Partnership (**MSP**) initiative, highlighting the geopolitical push to secure a globally diversified rare earths supply chain. The MSP represents 14 like-minded countries and the European Union (**EU**) whose aligned aim is to secure a reliable and ESG-credentialed global rare earths supply chain from projects like Nolans.

Arafura is continuing to target FID by the end of first half of CY2025, noting that this timeline is contingent upon potential cornerstone investor's internal processes and due diligence and broader market conditions. Throughout the quarter the teams continued to collaborate and work on derisking the project and Nolans remains one of the most advanced rare earths ore to oxide projects globally."

-ENDS-

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Company Secretary

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THE NOLANS PROJECT

The December 2024 quarter saw a continued focus on executing the equity strategy and exploring attractive commercial arrangements for funding, offtake and progress improvement ideas that optimise capital, schedule and risk.

Subsequent to the end of the quarter, the Company announced an investment commitment from the National Reconstruction Fund Corporation (**NRFC**) of A$200 million.[1] The investment commitment will take place through the issue of Convertible Notes which will have a total tenor of 15 years and a conversion period of seven years (non-convertible for the first two years). The Convertible Notes will be convertible at NRFC's election at a 40 percent premium to the reference price, which will be determined by the future equity raising required to fully fund and develop the Nolans Project. This is a significant milestone for the Company and demonstrates the progress being made on its equity strategy. The NRFC falls into the industry cornerstone investor category, and it is anticipated to be a catalyst for attracting other cornerstone investment (see Table 4).

ENGINEERING DESIGN AND PROCUREMENT

The integrated project management team (**IPMT**) remained focused on preparations for a final investment decision (**FID**), managing and overseeing the engineering, and supporting the funding efforts.

Strategic procurement planning and preparation is under review. The procurement team, in collaboration with the engineering team, awarded a number of minor works agreements with select vendors for the execution of optimisation studies.

Work in relation to the construction contract focused on delivery solutions and constructability.

Engineering Design and Procurement

Hydrometallurgical Plant

Engineering continued to progress with a view to advancing the deliverables required for detailed design. The engineering and project teams continued the collaboration on identified opportunities to de-risk the plant start-up and review capital costs.

Power Station

The Company continued to progress the power station solution for the Nolans operation and is working towards a more definitive costing and a design level sufficient to enable the development of a power-purchase agreement.

Gas Supply

In the fourth quarter of 2024, the Company and the Mereenie field joint venture extended the condition precedent date for the gas supply agreement related to the Nolans Project to 4 February 2025.[2] The Company is in discussions which may result in a further extension of the condition precedent date. The Company is also conducting a review of the Northern Territory gas market. Given the changing circumstances where more gas may become available in the Northern Territory, the Company is exploring long term supply options.

[1] Refer ASX announcement 15 January 2025
[2] Refer ASX Announcement 20 December 2024

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Non-Process Infrastructure

Throughout the quarter work on non-process infrastructure (**NPI**) focused on:

- the commencement of a concept design update for the Residue Storage Facility (**RSF**); and
- continued progress of updates to bulk earthworks design, with the site access road and mine access roads reviewed by a third-party and ready for 'Issue for Tender' finalisation. Bulk earthworks is on the construction critical path.

Construction

No on-site activity occurred during the quarter other than environmental monitoring, and ongoing site security and surveillance protecting assets. Arafura continued along the pathway to ascertain Workplace, Health and Safety Accreditation from the Office of the Federal Safety Commissioner, with the initial Systems Verification Audit (**SVA**) scheduled for February 2025 after the initial application was accepted in October 2024.

OPERATIONAL READINESS

The draft safety case outline continued to be developed during the quarter, with the Major Hazards Facility Notification remaining under review. An updated mine execution plan progressed and commissioning strategies and sequencing continued to be advanced.

CAPITAL COST TRENDING

Current trend analysis has not changed from the Company's update on its Project Economics from 23 July 2024.[3]

Since the release of the November 2022 Project Update,[4] which is the most recent 'first principles' estimate for the Project provided to the market, the Company has been diligently reviewing capital expenditure (**capex**) costs and exploring ways to optimise capex, risk, and schedule. This includes, but is not limited to, continuous engagement with potential suppliers and vendors on market trends and cost pressures.

As the point of FID draws near, these efforts have intensified to ensure that any capex and operational expenditure pressures are balanced by improvements, thereby maintaining the Nolans investment case.

Arafura will update the market should there be a material change, including details of any material financial impact on the Project.

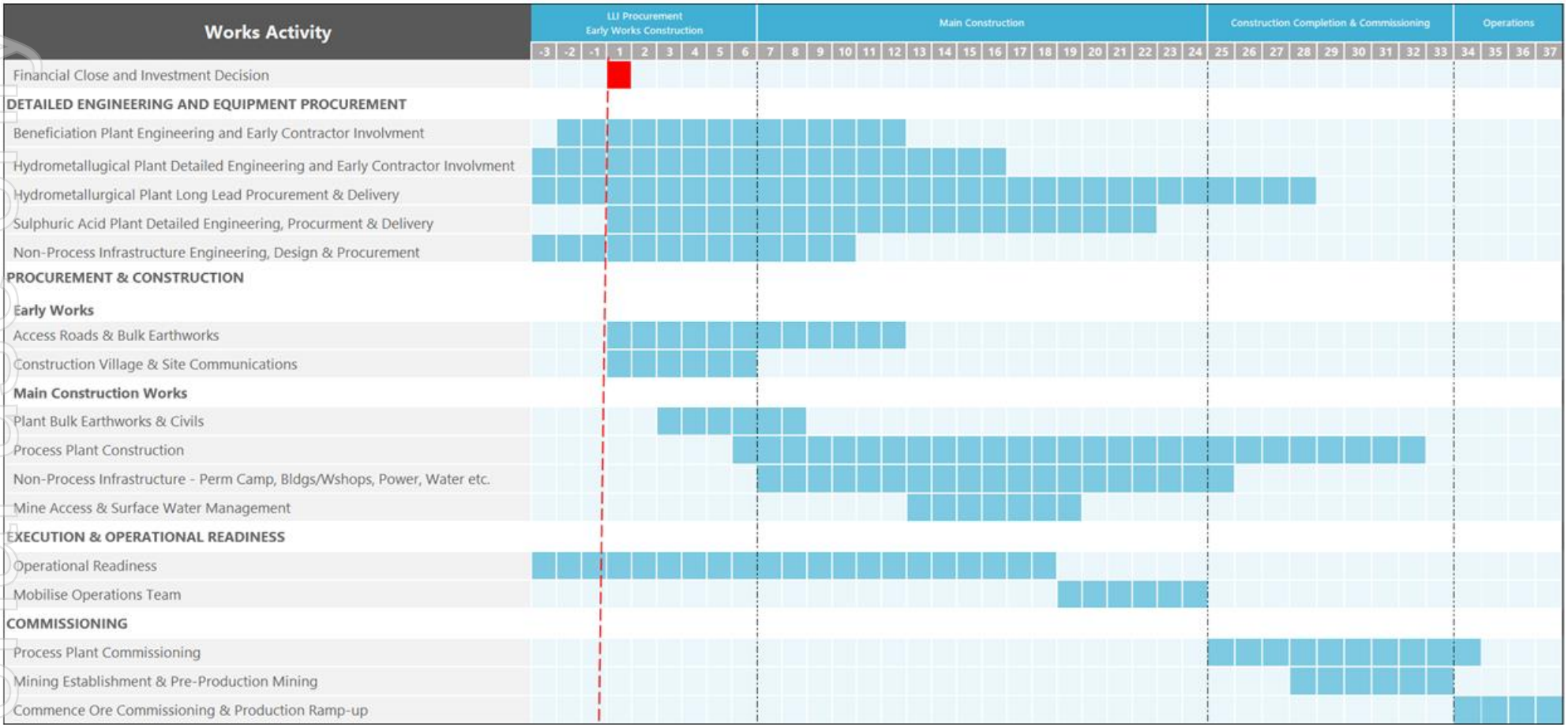
PROJECT SCHEDULE

Securing funding remained the primary focus during the quarter, with the execution schedule from FID to start-up remaining at 37 months.

The indicative schedule (see Figure 1) is subject to change and is contingent on project funding, the completion of construction and development, commissioning, and general market conditions.

[3] Refer ASX Announcement 23 July 2024
[4] Refer ASX Announcement 11 November 2022

Figure 1: Indicative Nolans Project Schedule



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OPERATIONAL LICENCING

Following resubmission of its Radiation Protection and Waste Management Plan to the Department of Climate Change, Energy, and Environment and Water (**DCCEEW**) for assessment, the Company received further feedback in December 2004. The Company maintained proactive engagement and is preparing a further revision and submission of the plan, to ensure that a timely approval is received.

Further revision was made to the Mine Management Plan (**MMP**) and associated security calculation, and submitted to the Northern Territory Department of Environment, Parks and Water Security (**DEPWS**) during the quarter. The Company is awaiting final feedback and approval of the MMP and security calculation. The approved MMP remains current and there is no risk to schedule delay with the assessment of the revised MMP.

SUSTAINABILITY

Reporting, disclosures and compliance

Activities to deliver the Environmental and Social Action Plan (**ESAP**) by Tetra Tech Coffey (**TTC**) on behalf of the lenders group continued during the quarter.[5] The Company is on track to deliver the ESAP actions (committed to the lenders) prior to the commencement of construction.

The Company's third sustainability report was published in the quarter. The report provides an update of the Company's progress in alignment with Arafura's Eight Elements of Sustainability, and the progress made in readiness for FID and commencement of construction.



Figure 2: Environmental monitoring at Nolans in December 2024



Figure 3: Aerial view of the Nolans Project

[5] ASX announcement 29 April 2024

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Energy and Emissions Reduction

The Company continued to engage with the Commonwealth Government on the impact of the Safeguard Mechanism to the Nolans Project, with the objective of reducing impact before commercial production. The Company remains committed to environmental responsibility and sustainable development and has published its pathway to achieve net zero by 2050.[6]

Stakeholder Engagement

The Company continued to engage extensively with international government entities and private enterprise stakeholders, including from the EU, Korea and North America, to explore opportunities for Nolans in a globally diversified supply chain of rare earths. Discussions included potential opportunities to supply or toll process Samarium-Europium-Gadolinium/ Dysprosium (Dy) and Terbium (Tb) (SEG/HRE), as well as mixed rare earth carbonate and oxide from Nolans.

On the sidelines of the European Commission Raw Materials Week conference in Brussels, the Nolans Project was recognised as a key initiative by the Minerals Security Partnership (**MSP**). The MSP, which has members including the US, the EU, Korea and Australia, focuses on strengthening critical mineral supply chains to ensure sustainable and secure access to vital resources.

Engagement with a broad range of stakeholders continued throughout the quarter, including participation at the Noosa Mining Conference and several features in the media, to ensure the story of Arafura and Nolans was shared with current and potential investors, customers and partners. Engagement with these stakeholder groups is an important part of executing the Company's equity strategy. In line with this, the Company continued to make representation to the Federal and Territory Governments throughout the quarter.

EXPLORATION

Nolans Bore

Activities continued to focus on progressing mining-related studies.

Work largely focussed on mining studies and further enhancing the geological database, researching opportunities, and reviewing the exploration activities of other rare earth companies. Environmental monitoring continued on-site to collect baseline data. Dust samples were collected from passive sampling points monthly. Groundwater levels were measured in monitoring bores monthly and samples collected and analysed for water quality once during the quarter.

No on-ground exploration activity occurred in the quarter.

MACROECONOMIC DEVELOPMENTS

Neodymium and Praseodymium (NdPr) Market

The price of NdPr oxide at the end of the quarter was $54.60 per kilogram. In the December 2024 quarter some Chinese producers reduced their production as the separation quotas for the year were fully utilised. Overall, the market was still impacted by overcapacity and producers preferred holding onto their inventory rather than selling at lower prices. Towards the end of the quarter the imminent Lunar New Year celebrations saw some restocking before the annual downtime commenced.

The Company will watch closely how policy and trade decisions by the second Trump Administration will impact the global market for rare earths. Critical minerals were used as a bargaining chip during the first Trump mandate

[6] ASX Announcement 31 January 2023

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and resulted in China subsequently imposing measures to control the export of materials with dual use – civilian and military – and other critical minerals used in semiconductors, defence technology and permanent magnets.

Despite significant fiscal and legislative measures to encourage the growth of the US's critical minerals supply chain, it is anticipated that, in the short term, the US will continue to rely on rare earth magnet imports while the domestic supply chain is in the early stages of development.

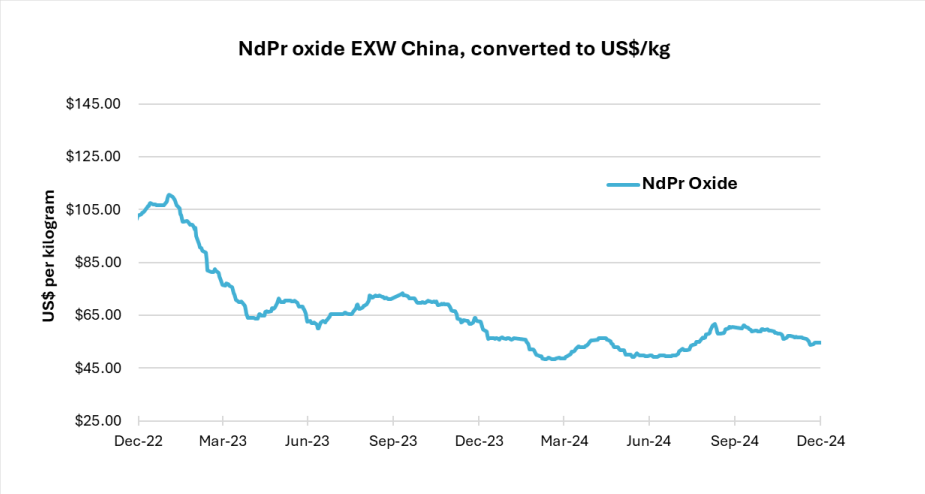
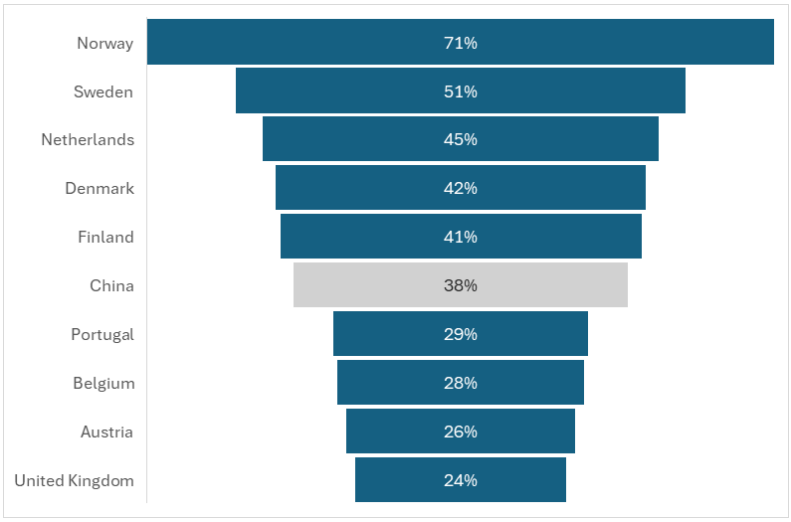


Figure 4: NdPr Oxide Price EXW China (inclusive VAT) converted to US$

Throughout 2024 a 25 percent year-on-year growth in electric vehicle (**EV**) sales culminated in 17.1 million cars sold worldwide. China dominated the global EV market with 11 million units sold. However, in other regions, EVs are gaining market penetration, with nine of the top 10 countries for EV adoption rates in Europe.

Table 1: Percentage of new BEV/PHEV models out of car sales (Jan-Nov 2024)



Source: Project Blue: EV Adoption in Europe (January 2025)

Europe is showing signs of a transition to technologies emitting less greenhouse gases, in line with the Paris Agreement. However, if protectionist measures are implemented by a second Trump Administration eliciting an equal response from China, resilient global EV supply chains will become increasingly important to derisk European and other ex-China automakers' electrification strategy.

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Nolans is increasingly becoming recognised as a solution for the sourcing and processing of rare earths into oxides and metals outside of China, and as a reliable and sustainable component for achieving EV targets (note recognition of Arafura by the MSP).

In the USA, the General Motors Company (**GM**) and the Ford Motor Company (**Ford**) achieved record sales of EVs in 2024. GM sold 50 percent more EVs in 2024 than in 2023 with sales totalling 114,432 units. Ford sold 285,291 EVs, a 38 percent year-on-year increase. Ford's F-series hybrid and electric captured around 76 percent of the segment share, positioning the automaker as the second-largest US EV brand behind Tesla.

OFFTAKE AND PROJECT FUNDING

Offtake from Nolans

Arafura continued discussions with potential offtakers to complete the remaining offtake target. Binding offtake agreements announced to the market represent 58 percent of the total target volume. Despite sustained lower NdPr prices, many rare earth magnet users continue to view NdPr as being a strategic input. Arafura continues to prioritise placing remaining offtake with groups who can bring strategic support to Nolans, including strategic investment.

Table 2: Offtake overview

Offtake Discussion Group	Location	NdPr Oxide (tpa) (1)	% of Binding Offtake Target(3)
Secured Offtake (Binding Agreement)			
Hyundai & Kia	Korea	1,500	43%
Siemens Gamesa RE	Germany	520	15%
Offtake Under Discussion (2)			
Contract negotiations	Asia & Europe	1,925	54%
Advanced offtake discussions	Europe & US	2,815	79%
TOTAL		**6,760**	**191%**

(1) Product may be supplied as NdPr Oxide or Metal equivalent.
(2) The Company, at this stage, has no certainty as to the timing and likelihood of successfully concluding binding offtake agreements.
(3) The Company is targeting 80% of Planned Production as binding offtake. Planned Production refers to the average annual production from Nolans, being 4,440 tpa of NdPr oxide (refer ASX Announcement dated 11 November 2022).

Project Funding – Debt

Further to the announcement of credit approved commitments in relation to the senior and subordinated debt facilities on 23 July 2024, negotiation of documentation with the lender group progressed well during the December 2024 quarter, with advanced drafts of material project finance agreements supporting the periodic extension of lender credit approvals to align with the project development schedule.

The ongoing support from a diverse group of international Export Credit Agencies (**ECA**) and commercial lenders, as shown in Table 3 below, highlights the geostrategic importance of Nolans in creating a diversified global supply chain for NdPr products.

Arafura's offtake and debt funding strategy are interlinked and focused on leveraging the strategic nature of NdPr, and targeting NdPr offtake with partners in jurisdictions with active ECA was central to securing the funding.

The attraction of commercial lenders under the ECA-covered tranches provides Arafura with access to ancillary services critical to the operation of the Nolans Project including foreign exchange, transactional banking, custodial services and other treasury related products.

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The participation of the commercial lenders also demonstrates appropriate risk sharing with the ECA. The quality of the lender group and long tenor of the debt facilities sets a solid foundation for securing project equity.

Table 3: Indicative Debt Facilities

Facilities	Tenor (Years)	Amount (US$ million)
Senior Debt Facilities		
Export Finance Australia	15	125
Northern Australia Infrastructure Facility	15	100 (1)
Export Development Canada	12	290 (2)
KEXIM	10	75
ECA Covered Tranches		
KfW IPEX-Bank KEXIM Global (Singapore) Commonwealth Bank of Australia ING Export Finance Australia		
Total ECA Covered Tranches (3)	10	185
TOTAL		**775**
Cost Overrun Facility	8	80 (4)
TOTAL SENIOR DEBT		**855** (5)
Subordinated Debt		
EFA Standby Liquidity Facility	15	200
TOTAL DEBT		**1,055**

(1) NAIF commitment of A$150 million converted to US$ for comparison purposes only at AUD/USD 0.6667428.
(2) US$10m of EDC funding is included in the COF.
(3) Commercial bank lenders supported by untied loan guarantees from Euler Hermes of US$110 million and KEXIM of US$75 million (refer to ASX Announcements dated 4 July 2024 and 1 July 2024).
(4) US$160m total Cost Overrun funding, 50% debt funded (COF) with the remaining US$80 million to be funded by equity. COF debt includes A$ tranche with NAIF commitment up to A$50 million.
(5) Excludes Contingent Instrument Facilities to support the provision of bank guarantees.

Project Funding – Equity

The A$200 million investment commitment from the NRFC, announced on 15 January 2025, is in support of the development of Nolans. The investment commitment will deliver on a number of the NRFC's core objectives, including supporting projects that will diversify and transform Australia's industry and economy, and boost global supply of critical minerals.

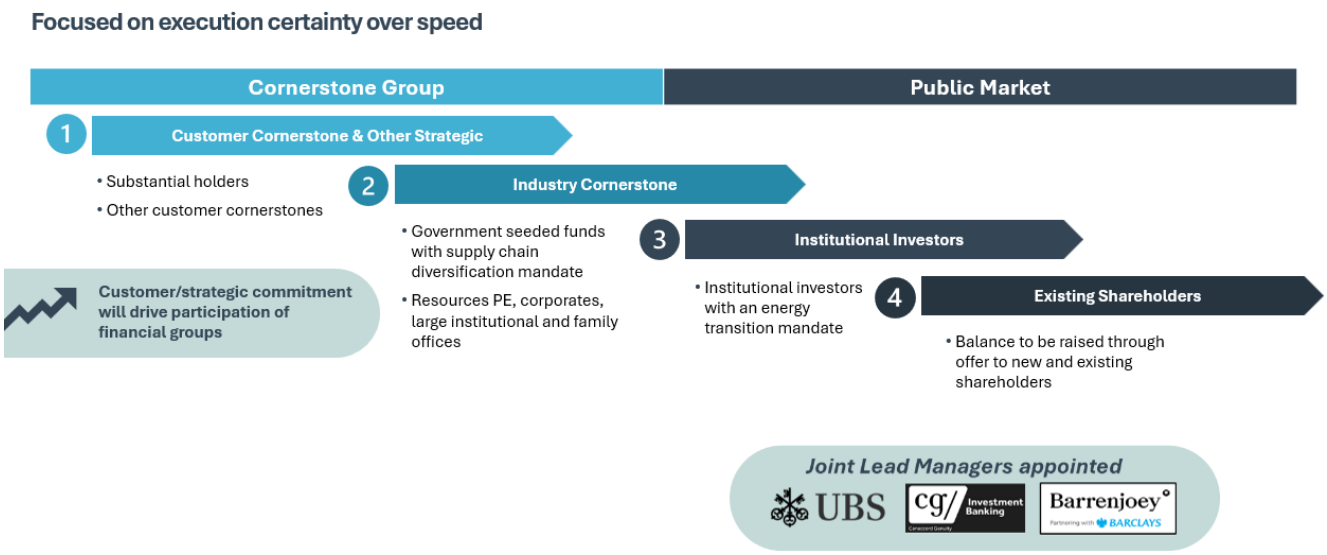
The binding term sheet for A$200 million of Convertible Notes will have a total tenor of 15 years and a conversion period of seven years (non-convertible for first two years) and convertible at a 40 percent premium to the reference price, which will be determined by the future equity raising required to fully fund and develop Nolans.

The NRFC announcement is Arafura's first major milestone in executing the cascade equity strategy (see Table 4) and secures government seeded funds that have a mandate of value-add in resources. It is expected to be a catalyst for additional equity funding and attract additional strategic investment to deliver Australia's first ore-to-oxide rare earths processing operation.

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The Company remains focused on executing the equity funding strategy whilst prioritising certainty over speed and forecasts sufficient cashflow into the third quarter 2025 whilst maintaining a healthy cash buffer. The Company continually reviews its cash position and general market conditions to ensure sufficient funding to meet its forecast expenditure, in anticipation of completing the equity strategy and reaching FID.

Table 4: Equity strategy



CORPORATE

Subsequent to the quarter Tommie van der Walt commenced in the role of Chief Projects Officer.[7] Tommie brings extensive project delivery experience on a scale relevant to delivering Nolans and also brings rare earths experience and insights given his previous role at Ionic Rare Earths.

Cash Position

On 31 December 2024, Arafura had cash reserves of A$45m (versus A$55m as at 30 September 2024).

During the quarter, the Company spent ~A$0.5 million on exploration and evaluation activities, ~A$3.5 million on corporate, administration and business development costs and ~A$6.5 million on project development activities including:

- Detailed engineering on the hydrometallurgical plant.
- Engineering activities on other aspects of Nolans.
- Project management.
- Site overheads.

Consistent with the company wide expenditure review disclosed in the Company's March 2024 Quarterly Report, cash outflows from reoccurring activities continued to reduce in the current quarter, averaging ~A$3.3m per month (versus ~A$3.9m per month in the prior quarter).

[7] refer ASX announcement 10 December 2024

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Payments of A$291k reported in Item 6.1 of the attached Appendix 5B relate to salaries, fees and superannuation paid to Directors.

Further details on cashflows for the December 2024 quarter are available in the attached Appendix 5B.

Tenements

In accordance with ASX Listing Rule 5.3, please refer to Appendix A for a listing of all tenement holdings.

Forward Looking Statements

This report contains certain statements which may constitute "forward-looking statements." Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this announcement. No representation or warranty, express or implied is made by Arafura that any forward-looking statement contained in this announcement will occur, be achieved or prove to be correct. You are cautioned against relying upon any forward-looking statement.

Content presented in this report is provided as at the time of this announcement (unless otherwise stated). Reliance should not be placed on information or opinions contained in this announcement and, subject only to any legal obligation to do so, Arafura Rare Earths accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this announcement or any other information made available to a person, nor any obligation to furnish the person with any further information.

Production Targets and Forecast Financial Information

The information in this announcement that relates to production targets 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, all material assumptions underpinning 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.

The information in this announcement that relates to forecast financial information (including forecast financial information derived from the production target) is extracted from the Company's ASX presentation dated 23 July 2024 ('Arafura achieves major debt funding milestone'). Arafura confirms that, all material assumptions underpinning the forecast financial information (and forecast financial information derived from the production target) set out in the announcement released on 23 July 2024 continue to apply and have not materially changed.

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APPENDIX 5B MINING EXPLORATION ENTITY AND OIL AND GAS EXPLORATION ENTITY QUARTERLY REPORT

Name of entity	
Arafura Rare Earths Ltd	
ABN	Quarter ended ("current quarter")
22 080 933 455	31 December 2024

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**	-	-
1.1	Receipts from customers		
1.2	Payments for	-	-
	(a) exploration & evaluation		
	(b) development	(6,486)	(13,212)
	(c) production	-	-
	(d) staff costs	(1,426)	(2,953)
	(e) administration and corporate costs	(2,116)	(3,881)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	540	1,060
1.5	Interest and other costs of finance paid	(9)	(23)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(9,497)**	**(19,009)**

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2.	**Cash flows from investing activities**	-	-
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements and bonds	-	-
	(c) property, plant and equipment	(19)	(32)
	(d) exploration and evaluation	(495)	(1,211)
	(e) investments	-	-
	(f) other non-current assets (environmental bond and term deposit)	(2)	(2)
2.2	Proceeds from the disposal of:	-	-
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(516)**	**(1,245)**

3.	**Cash flows from financing activities**	-	24,644
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-

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3.4	Transaction costs related to issues of equity securities or convertible debt securities	(102)	(1,437)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(131)	(261)
3.10	**Net cash from / (used in) financing activities**	**(233)**	**22,946**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	55,111	42,170
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,497)	(19,009)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(516)	(1,245)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(233)	22,946
4.5	Effect of movement in exchange rates on cash held	(7)	(4)
4.6	**Cash and cash equivalents at end of period**	**44,858**	**44,858**

5.	**Reconciliation of cash and cash equivalents**	**Current quarter $A'000**	**Previous quarter $A'000**
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	44,858	55,111

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5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**44,858**	**55,111**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate number of payments to related parties and their associates included in item 1	(291)
6.2	Aggregate number of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		
Salaries, fees and superannuation of Directors of the Company.		

7.	**Financing facilities** Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into		

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	or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.
Not applicable.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(9,497)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(495)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(9,992)
8.4	Cash and cash equivalents at quarter end (item 4.6)	44,858
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	44,858
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.5
	Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable.	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not applicable.	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Not applicable.	
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

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COMPLIANCE STATEMENT

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2025

Authorised by: The Audit Committee

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.pDividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.tIf this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g., Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".pIf this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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APPENDIX A – MINING TENEMENTS HELD AS AT 31 DECEMBER 2024

Tenement reference	Project	Holder	Nature of interest	Interest at beginning of quarter	Interest at end of quarter	Notes
ML 26659 ML 30702 ML 30703 ML 30704 ML 32411 ML 32412 ML 32413 ML 32414 ML 32415 ML 32416	Nolans, NT	Arafura Nolans Project Pty Ltd	Mineral Lease	100% 100% 100% 100% 100% 100% 100% 100% 100% 100%	100% 100% 100% 100% 100% 100% 100% 100% 100% 100%	
EL 28473 EL 28498 EL 29509 EL 31224 EL 31284 EL 31957	Aileron–Reynolds, NT	Arafura Rare Earths Ltd	Exploration Licence	100% 100% 100% 100% 100% 100%	100% 100% 100% 100% 100% 100%	
EL 29701	Bonya JV, NT	Arafura Rare Earths Ltd	Exploration Licence	60%	60%	Thor Mining Plc 40%, Arafura Rare Earths Limited 60%
EL 32167	Jervois Vanadium, NT	Arafura Rare Earths Ltd	Exploration Licence	60%	60%	Thor Mining Plc 40%, Arafura Rare Earths Limited 60%

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Tenement reference	Project	Holder	Nature of interest	Interest at beginning of quarter	Interest at end of quarter	Notes
ML32722	Nolans, NT	Arafura Nolans Project Pty Ltd	Mineral Lease	100%	100%	Application lodged.
ML33107	Nolans, NT	Arafura Nolans Project Pty Ltd	Mineral Lease	100%	100%	
EMP33078 EMP33079 EMP33080 EMP33081 EMP33082 EMP33083 EMP33084 EMP33085	Nolans, NT	Arafura Nolans Project Pty Ltd	Extractive Mineral Permit	100%	100%	