ASX ANNOUNCEMENT

COMPLETION OF TRANCHE 2 PLACEMENT

12/12/2025

Arafura Rare Earths Limited (**ASX: ARU**) ("**Arafura**" or the "**Company**") is pleased to announce that Tranche 2 of the A$475 million placement announced on 28 October 2025 ("**Placement**") completed today, with the Company issuing 1,255,859,790 new fully paid ordinary shares to institutional and sophisticated investors, raising approximately A$351.6 million (before costs).

Tranche 1 of the Placement (which comprised the issue of 440,568,781 new fully paid ordinary shares) completed on 4 November 2025.

Alongside the Placement (and as also announced on 28 October 2025), the Company has undertaken a share purchase plan ("**SPP**") targeting to raise an additional A$50 million. The SPP was sized to ensure there was no constraint on retail participation and was offered at the same price of $0.28 per share as the Placement.

The SPP closed on 9 December 2025, and results will be announced to the ASX on 15 December 2025.

An Appendix 2A in relation to Tranche 2 of the Placement will follow this announcement.

-ENDS-

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