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ASX ANNOUNCEMENT

COMPLETION OF TRANCHE 1 PLACEMENT

29 May 2026

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Arafura Rare Earths Limited (**ASX: ARU**) (**Arafura** or the **Company**) is pleased to announce that tranche 1 of the A$350 million placement announced on 22 May 2026 completed today, with the Company issuing 675.1 million new fully paid ordinary shares to institutional and sophisticated investors, raising ~A$175.5 million (before costs).

Tranche 2 of the placement, which comprises the issue of a further 671.0 million shares to raise ~A$174.5 million (before costs), is subject to shareholder approval.

An Appendix 2A will follow this announcement.

-ENDS-

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