Announcement Summary

Entity name

ARAFURA RARE EARTHS LTD

Date of this announcement

Tuesday July 07, 2026

The +securities the subject of this notification are:

+Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

Total number of +securities to be issued/transferred

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
ARUAD	PERFORMANCE RIGHTS	4,711,676	04/06/2026

Refer to next page for full details of the announcement

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Part 1 - Entity and announcement details

1.1 Name of entity

ARAFURA RARE EARTHS LTD

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

1.2 Registered number type

ABN

Registration number

22080933455

1.3 ASX issuer code

ARU

1.4 The announcement is

New announcement

1.5 Date of this announcement

7/7/2026

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Part 2 - Issue details

2.1 The +securities the subject of this notification are:
+Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:
has an existing ASX security code ("existing class")

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Part 3B - number and type of +securities the subject of this notification (existing class) where issue has not previously been notified to ASX in an Appendix 3B

ASX +security code and description

ARUAD : PERFORMANCE RIGHTS

Date the +securities the subject of this notification were issued

4/6/2026

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class

Yes

Were any of the +securities issued to +key management personnel (KMP) or an +associate?

No

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

https://announcements.asx.com.au/asxpdf/20250930/pdf/06pw57hq37mvdf.pdf

Any other information the entity wishes to provide about the +securities the subject of this notification

Performance rights include different non-market performance conditions for different groups of staff, but broadly relate to: (1) maintaining project capital cost targets (2) completion of equity funding activities (3) construction readiness targets.

Vested performance rights are subject to a restriction period of 12 months (in relation to 50% of vested rights) and 24 months (in relation to the remaining 50% of vested rights). During the restriction period, the Board has the right to forfeit those rights in the event of material changes in the Nolans Project's capital and operating costs since the date of vesting where such material changes are deemed by the Board to have been within the control of the Company.

Issue details

Number of +securities

4,711,676

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Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this notification, the +securities of the entity will comprise:

The figures in parts 4.1 and 4.2 below are automatically generated and may not reflect the entity's current issued capital if other Appendix 2A, Appendix 3G or Appendix 3H forms are currently with ASX for processing.

4.1 Quoted +securities (Total number of each +class of +securities issued and quoted on ASX)

ASX +security code and description	Total number of +securities on issue
ARU : ORDINARY FULLY PAID	5,355,174,672

4.2 Unquoted +securities (Total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
ARUAD : PERFORMANCE RIGHTS	51,396,215
ARUAC : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	2,736,000

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Part 5 - Other Listing Rule requirements

5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1?

Yes

5.1a Select the number of the applicable exception in Listing Rule 7.2

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