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Arafura Rare Earths Limited

ABN 22 080 933 455

NOTICE OF GENERAL MEETING

AND

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

DATE OF MEETING	TIME OF MEETING	PLACE OF MEETING
Thursday, 2 July 2026	11.45am AWST	BDO Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000

A PROXY FORM IS ATTACHED

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the Meeting, please complete and return the attached Proxy Form (or otherwise submit a proxy vote) in accordance with the specified instructions.

Arafura Rare Earths Limited

ABN 22 080 933 455

Notice of General Meeting

Notice is given that a General Meeting of the Company will be held at the offices of BDO at **Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA 6000,** on Thursday 2 July 2026 at 11.45am AWST.

Agenda

Ordinary Business

An Explanatory Memorandum containing information in relation to each of the following resolutions accompanies this Notice of General Meeting.

1. Resolution 1 – Issue of Shares to Export Finance Australia

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 594,825,923 Shares to Export Finance Australia, for the purposes and on the terms set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Export Finance Australia or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

  (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Issue of Shares to Kreditanstalt für Wiederaufbau

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of Shares to Kreditanstalt für Wiederaufbau to the value of €50 million, for the purposes and on the terms set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Kreditanstalt für Wiederaufbau or any other person who is expected to participate in, or who will obtain a material benefit as a result

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of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

  (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Issue of Convertible Notes to the National Reconstruction Fund Corporation

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue to the National Reconstruction Fund Corporation of 200 Convertible Notes, the issue of Shares on conversion of the Convertible Notes, and the issue of any Shares in satisfaction of interest payments pursuant to the terms of the Convertible Notes, for the purposes and on the terms set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the National Reconstruction Fund Corporation or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

  (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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4. Resolution 4 – Ratification of Previous Issue of Shares under Tranche 1 of the Placement

To consider and, if thought fit, to pass the following as an ordinary resolution:

> *"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 675,126,287 Shares to various sophisticated and institutional investors under Tranche 1 of the Placement, for the purposes and on the terms set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

  (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. Resolution 5 – Issue of Shares under Tranche 2 of the Placement

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 671,027,560 Shares to various sophisticated and institutional investors under Tranche 2 of the Placement, for the purposes and on the terms set out in the Explanatory Memorandum."*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Resolution 6 – Issue of Shares under the SPP (including under the SPP Shortfall Offer)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 96,153,846 Shares under the SPP (including under the SPP Shortfall Offer) for the purposes and on the terms set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company has been granted a waiver from ASX in respect of Listing Rule 7.3.9 to the extent necessary to permit this Resolution to not include a voting exclusion statement excluding the votes of persons who may participate in the SPP, on the following conditions:

(a) that, if the SPP is underwritten, the Company excludes any votes cast in favour of the Resolution by any proposed underwriter or sub-underwriter of the SPP; and

(b) that the Notice states that any Shareholders casting votes on the Resolution will be excluded from participating in the SPP Shortfall Offer.

In relation to Condition (a), the Company confirms that the SPP is not underwritten.

In relation to Condition (b), any Shareholders casting votes on the Resolution will be excluded from participating in the SPP Shortfall Offer.

7. Resolution 7 – Issue of Shares to Directors under the SPP

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, subject to Shareholder approval of Resolution 6, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to $30,000 worth of Shares under the SPP (being a maximum of 115,384 Shares) to each Director (or that Director's associates) where the Director (or its associate) is an eligible shareholder for the purposes of the SPP, on the terms set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

(a) each Director, being Mark Southey, Darryl Cuzzubbo, Cathy Moises, Michael Spreadborough, Roger Higgins and Ian Murray (and each of their associates) that is (in each case) an eligible shareholder for the purposes of the SPP, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

(b) any associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution by:

(c) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

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(d) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

(e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Other business

To deal with any other business which may be brought forward in accordance with the Company's Constitution or the Corporations Act.

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of General Meeting.

Capitalised terms which are not otherwise defined in this Notice of General Meeting and Explanatory Memorandum are defined in **Annexure A** to the Explanatory Memorandum.

Resolution 7 is dependent on Resolution 6 being passed

Resolution 7 is dependent on Resolution 6 being passed. No other Resolution is inter-dependent (but please refer to the Explanatory Memorandum for detail on the practical impact that the failure to pass certain Resolutions may have on certain other Resolutions, even if those other Resolutions are passed). This means that, other than in respect of Resolution 7, a Resolution may be passed notwithstanding that another Resolution is not passed.

Snapshot date

It has been determined that in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the General Meeting, Shares will be taken to be held by the persons who are the registered holders at **5.00pm AWST** on 30 June 2026. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to vote at the Meeting.

Holders of Options or other convertible securities issued by the Company who are not Shareholders but who wish to vote as Shareholders at the Meeting are required to lodge valid exercise notices with the Company no later than one week before the Meeting to allow sufficient time for the Shares to be issued by the Company.

Chairperson and Chairperson's voting intentions for undirected proxies

It is proposed that the Meeting be chaired by Mr Darryl Cuzzubbo, the Managing Director and Chief Executive Officer of the Company. It is the Chairperson's intention to vote undirected proxies which he holds as proxy in favour of all Resolutions where possible. In exceptional circumstances, the Chairperson may change his voting intention on any Resolution, in which case an ASX announcement will be made.

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How to vote

You may vote by attending the Meeting in person, by proxy or by authorised representative. A corporate Shareholder may also appoint a corporate representative.

Voting in person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at **11.45am AWST on 2 July 2026.**

Voting by proxy

A Shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative.

If such evidence is not received, then the body corporate (through its representative) will not be permitted to act as a proxy.

A Shareholder that is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

The Proxy Form also provides further details on appointing proxies and lodging Proxy Forms.

Proxy voting online

Proxy votes may also be lodged online by accessing the following link: https://au.investorcentre.mpms.mufg.com, and then either:

1. Select 'Login' (to vote via your portfolio) and follow the prompts; or
2. Select 'View single holding' and enter Arafura Rare Earths Limited or ASX code ARU in the field 'Issuer Name'. Enter your Security Reference Number (SRN) or Holder Identification Number (HIN) and postcode, complete the verification process and click 'Submit'. Select the 'Voting' tab and then follow the prompts.

You will be taken to have signed and returned your Proxy Form if you vote online in accordance with the instructions given on the website.

If you choose to vote online, you must vote by no later than 11.45am AWST on 30 June 2026.

Proxy voting by mobile

Shareholders may submit a proxy vote by mobile by scanning the QR code on their Proxy Form and following the prompts. You will be taken to have signed and returned your Proxy Form if you vote by mobile in accordance with

the instructions given. If you choose to vote by mobile, you must vote by no later than 11.45am AWST on 30 June 2026.

Lodgement of physical Proxy Forms

Shareholders who wish to lodge physical proxy forms must return their Proxy Forms by:

- mail to Arafura Rare Earths Limited, C/- MUFG Corporate Markets (AU) Limited, Locked Bag A14, Sydney South NSW 1235 Australia;
- facsimile to +61 2 9287 0309; or
- hand to MUFG Corporate Markets (AU) Limited, Parramatta Square, Level 22, Building 6&8, 10 Darcy Street, Parramatta NSW 2150 Australia,

so that they are received no later than 11.45am AWST on 30 June 2026.

Proxy Forms or proxy voting instructions received after this time will be invalid.

If a proxy is executed by an attorney of a Shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must also be received by the Company by the above deadline.

Voting by corporate representative

To appoint a corporate representative, download and fill out the 'Appointment of Corporate Representation' form available from MUFG Corporate Markets (AU) Limited's website – https://www.mpms.mufg.com/en/for-individuals/au/shareholders/forms/ – then submit the form in accordance with the instructions on the 'Appointment of Corporate Representation' form.

By order of the Board

3 June 2026

Catherine Huynh
Company Secretary

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Arafura Rare Earths Limited
ABN 22 080 933 455

Explanatory Memorandum

Introduction

This Explanatory Memorandum has been prepared to assist Shareholders to understand information in relation to the business to be put to Shareholders at the General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of General Meeting. Please refer to **Annexure A** for definitions of capitalised terms in the Notice of General Meeting and Explanatory Memorandum.

Business

Background to Resolutions – Financing for the Nolans Project

The Company refers to its ASX announcement dated 22 May 2026. The receipt of the equity funding package described below, when combined with the execution of documents relating to the Company's project financing facilities,[1] is expected to satisfy the funding requirements for the Nolans Project, positioning the Company to move towards commencing construction of the Nolans Project which is targeted for September 2026.

The equity funding package for the Nolans Project comprises:

(a) the subscription funds that the Company will receive from each of Export Finance Australia, Kreditanstalt für Wiederaufbau (acting on behalf of the German Raw Materials Fund) and the National Reconstruction Fund Corporation (each a **Cornerstone Investor**), as described under "Cornerstone Equity" below and the subject of Resolutions 1, 2 and 3 respectively (together, the **Cornerstone Equity**);

(b) the funds to be raised under the Placement and the SPP (together, the **Capital Raising**), as described under "Capital Raising" below and the subject of Resolutions 4 to 7 (including the ~A$175.5 million already raised under Tranche 1 of the Placement); and

(c) existing cash on hand representing funds that the Company has already raised (including through the ~A$481 million equity raising completed in Q4 2025).

The Cornerstone Equity and the Capital Raising are described in more detail below.

Cornerstone Equity

As announced on 1 April 2026, the Company executed binding Subscription Agreements with Export Finance Australia and Kreditanstalt für Wiederaufbau (acting on behalf of GRMF) on 31 March 2026 (the **EFA Subscription Agreement** and **KfW Subscription Agreement** respectively). Under those agreements:

(a) EFA will subscribe for Shares to the value of US$100 million (converted to A$145,581,598.50 at an exchange rate of AUD/USD of 0.6869) at an issue price of A$0.24474656 per Share (**Cornerstone Issue Price**), being 594,825,923 Shares; and

(b) KfW will subscribe for Shares to the value of €50 million at the Cornerstone Issue Price.

KfW's €50 million equity commitment will be converted into Australian dollars by reference to the Bloomberg BFIX EUR-AUD rate (plus a margin set by KfW's foreign exchange counterparty, which is to be minimised to the extent possible) (**Exchange Rate**) shortly prior to completion in accordance with the KfW Subscription Agreement. The number of Shares to be issued to KfW will then be determined by dividing the resulting Australian dollar amount by the Cornerstone Issue Price.

[1] The Company has ongoing engagement with the lender group to ensure credit approvals are valid prior to contractual close on the project finance facilities.

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For illustrative purposes only, the table below shows how the number of Shares to be issued to KfW will be calculated under an assumed Exchange Rate of 1.6766, together with the effect of a 10% increase and decrease from that assumed Exchange Rate:

Exchange Rate (EUR-AUD)	At 1.5089 (10% decrease)	At 1.6766 (assumed)	At 1.8443 (10% increase)
Number of Shares	308,265,824 Shares	342,517,582 Shares	376,769,340 Shares

In addition, as announced on 12 May 2026 (**NRFC Announcement**), the Company executed a binding Subscription Agreement with the National Reconstruction Fund Corporation on 11 May 2026 (**NRFC Subscription Agreement**), pursuant to which NRFC will subscribe for 200 unsecured convertible notes (**Convertible Notes**) with an aggregate face value of A$200 million and a total tenor linked to maturity of the senior finance facilities for the Nolans Project. The Convertible Notes will be convertible to Shares at a conversion price of A$0.476, subject to customary adjustments as set out in Annexure C (**Conversion Price**). The key terms of the Convertible Notes are set out in Annexure B.

As more fulsomely set out in Annexure B, interest on the aggregate amount outstanding of the Convertible Notes accrues daily and is payable quarterly by the Company.

Please refer to the information under the heading "Resolution 3" below for further detail of the Shares that may be issued pursuant to the NRFC Subscription Agreement, including various illustrative worked examples.

Subject to rounding and noting the above, the specific details of the Cornerstone Equity issues are set out in the table below:

Cornerstone Investor	Number of Equity Securities to be issued	Subscription Amount
EFA	594,825,923 Shares	A$145,581,598.50 (converted from US$100 million at AUD/USD 0.6869)
KfW	342,517,582 Shares assuming an Exchange Rate of 1.6766[2]	€50 million (being approximately A$83,830,000.00, assuming the same Exchange Rate of 1.6766[2])
NRFC	200 Convertible Notes, convertible into a maximum of 420,168,067 Shares (assuming no adjustments to the Conversion Price under the adjustment rules set out in Annexure C, and excluding any capitalised interest or interest paid via Share issues).	A$200 million
Total		**Approximately A$429,411,598.50**

Shareholder approval

The issue of Shares to EFA and KfW, and the issue of Convertible Notes to NRFC, is conditional on and requires the approval of Shareholders pursuant to Listing Rule 7.1.

Resolution 1 seeks Shareholder approval for the issue of Shares to EFA, Resolution 2 seeks Shareholder approval for the issue of Shares to KfW, and Resolution 3 seeks Shareholder approval for the issue of Convertible Notes to NRFC

[2] As noted above, the Exchange Rate will not be determined until closer to completion under the KfW Subscription Agreement. Accordingly, the exact number of Shares that will be issued to KfW will only be determined at that time.

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(and the issue of Shares on conversion of the Convertible Notes, and in relation to the satisfaction of interest payments).

It is a further condition of the Subscription Agreements with KfW and EFA that the total amounts raised from the equity funding package (including the funds that will be received from NRFC) will, together with the amounts available for drawdown under the project debt financing documents (which are expected to be executed shortly prior to the issue of Shares to EFA and KfW, noting that the execution of certain "Senior Debt" documents is a condition precedent to completion under both the EFA Subscription Agreement and the KfW Subscription Agreement), be sufficient to fully fund the Nolans Project on a funds-certain basis. Accordingly, the issues of Shares to EFA and KfW are inter-conditional with each other, and are also conditional upon successful completion of the Capital Raising.

Similarly, it is a condition of the Subscription Agreement with NRFC that the Company has received net proceeds from equity raisings (including, for the avoidance of doubt, from the Placement, the SPP, the issues of Shares to EFA and KfW and the Company's existing cash on hand) which is sufficient (together with the A$200 million to be received from NRFC on the issue of the Convertible Notes) to proceed with the development of the Nolans Project. Accordingly, the issue of Convertible Notes to NRFC is conditional upon the completion of the Capital Raising, completion under the EFA Subscription Agreement and completion under the KfW Subscription Agreement.

This means that:

(a) if Resolution 1 is not passed, the issue of Shares contemplated by Resolution 2 will (absent receipt of a waiver of certain conditions of the KfW Subscription Agreement from KfW) not proceed, and the issue of Convertible Notes contemplated by Resolution 3 will (absent receipt of a waiver of certain conditions of the NRFC Subscription Agreement from NRFC) not proceed – even where both Resolutions 2 and 3 are passed;

(b) if Resolution 2 is not passed, the issue of Shares contemplated by Resolution 1 will (absent receipt of a waiver of certain conditions of the EFA Subscription Agreement from EFA) not proceed, and the issue of Convertible Notes contemplated by Resolution 3 will (absent receipt of a waiver of certain conditions of the NRFC Subscription Agreement from NRFC) not proceed – even where both Resolutions 1 and 3 are passed;

(c) if Resolution 3 is not passed, the issues of Shares contemplated by Resolutions 1 and 2 will (absent receipt of a waiver of certain conditions of the EFA Subscription Agreement and KfW Subscription Agreement from EFA and KfW respectively) not proceed – even where both Resolutions 1 and 2 are passed; and

(d) if Resolution 5 is not passed, the issue of Shares contemplated by Resolutions 1 and 2 will (absent receipt of a waiver of certain conditions of the EFA Subscription Agreement and KfW Subscription Agreement from EFA and KfW respectively) not proceed, and the issue of Convertible Notes contemplated by Resolution 3 will (absent receipt of a waiver of certain conditions of the NRFC Subscription Agreement from NRFC) not proceed – even where each of Resolutions 1, 2 and 3 are passed.

Any such waivers cannot be provided unilaterally by the Company and would require the consent of the relevant counterparty.

If any of the above circumstances occur (and the Company is unable to procure the various waivers mentioned from the relevant Cornerstone Investors), the Company will not be able to complete the subscriptions or receive the subscription funds from the Cornerstone Investors and will therefore not receive the full amount anticipated under the equity funding package. In those circumstances, the Company would need to seek alternative means of financing in order to proceed to the construction and development of the Nolans Project, and there can be no assurance that such alternative financing would be available on acceptable terms, or at all.

Capital Raising

On 22 May 2026, the Company announced:

(a) a placement of Shares at the Issue Price of A$0.26 per Share to raise ~A$350 million (before costs) from various sophisticated and institutional investors in two tranches, with the second tranche subject to Shareholder approval (**Placement**); and

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(b) a share purchase plan to raise up to $25 million at the same issue price as under the Placement (**SPP**),

(**Capital Raising Announcement**).

Placement

Tranche 1 of the Placement completed on 29 May 2026 and a total of 675,126,287 Shares (**Tranche 1 Shares**) were issued to the relevant subscribers raising a total of approximately A$175.5 million (before costs). These Shares were issued pursuant to the Company's available placement capacity under Listing Rule 7.1 and the issue did not require Shareholder approval.

Tranche 2 will, subject to Shareholder approval, result in the issue of a further 671,027,560 Shares at the Issue Price (**Tranche 2 Shares**) to raise approximately A$174.5 million (before costs).

The specific details of each tranche of the Placement are set out in the table below:

Description	Number of Shares issued/to be issued	Funds raised/to be raised (before costs)
Tranche 1	675,126,287 Shares issued on 29 May 2026	$175,532,834.62 raised
Tranche 2	671,027,560 Shares to be issued	$174,467,165.60 to be raised
Total	**1,346,153,847 Shares**	**$350,000,000.22**

The Company's largest shareholder, Hancock, has committed to subscribe for ~$85 million worth of Shares across both Tranche 1 (130,769,231 Shares) and Tranche 2 (196,153,846 Shares, should Shareholder approval of Tranche 2 be obtained) of the Placement (**Hancock Commitment**).

With the exception of the Hancock Commitment, the Placement is, subject to Shareholder approval for Tranche 2 of the Placement and other customary conditions, fully underwritten by Barrenjoey Markets Pty Limited and Canaccord Genuity (Australia) Limited, who acted as Joint Lead Managers and Bookrunners to the Placement (**JLMs**). A summary of the termination events contained in the placement underwriting agreement between the Company and the JLMs is set out in the Company's investor presentation which was released to ASX on 22 May 2026.

SPP and SPP Shortfall Offer

Under the SPP, eligible Shareholders may subscribe for up to $30,000 of new Shares in the Company at the same issue price as under the Placement. The SPP offer is being made through a prospectus that was lodged with ASIC and released to ASX on 3 June 2026 (**Prospectus**). The SPP opened on 3 June 2026 and is scheduled to close on 7 July 2026 (unless otherwise extended, withdrawn or closed early by the Company).

As the SPP is not underwritten, the SPP may raise less than the targeted amount of A$25 million. The Company retains the right to scale-back applications (in whole or in part) in its absolute discretion (subject to the ASX Listing Rules).

Subject to rounding of entitlements, the maximum total number of Shares that may be issued under the SPP if the SPP is fully subscribed is 96,153,846 Shares.

The SPP provides that, if the SPP raises less than $25 million (before costs), then the Company may seek to raise the shortfall of funds by way of an offer of Shares (**SPP Shortfall Shares**) to specific investors as a separate offer under the Prospectus (**SPP Shortfall Offer**). Any SPP Shortfall Shares issued will be issued at the same issue price as under the Placement and SPP. If there is a shortfall, and all SPP Shortfall Shares are issued, then the total number of Shares issued under the SPP and the SPP Shortfall Offer would be 96,153,846, being the same as the number of Shares issued if the SPP were fully subscribed.

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The issue of all Shares under the SPP (including the issue of any SPP Shortfall Shares) is subject to Shareholder approval. Resolution 6 seeks that Shareholder approval. As set out in the voting exclusion statement to Resolution 6, the Company notes that any Shareholders casting votes on Resolution 6 will be excluded from participating in the SPP Shortfall Offer. Accordingly, any Shareholder who may wish to participate in any SPP Shortfall Offer should not vote on Resolution 6.

Directors (and their associates and any other person referred to in Listing Rule 10.11) may only participate in the SPP subject to Shareholder approval. Resolution 7 seeks that Shareholder approval. In addition, Directors (and their associates and any other person referred to in Listing Rule 10.11) will not be permitted to participate in the SPP Shortfall Offer unless Shareholder approval is obtained. As these approvals will not be sought at the Meeting, no Directors (or their associates or any other person referred to in Listing Rule 10.11) will be able to participate in any SPP Shortfall Offer.

Further details about the Placement, the SPP and the Capital Raising more broadly are contained in the Capital Raising Announcement, the Company's ASX announcement dated 25 May 2026, and the Prospectus.

Listing Rules

Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue (or agree to issue) without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.2, Exception 17

As noted above, agreements to issue Equity Securities are also caught by Listing Rule 7.1. However, Listing Rule 7.2, Exception 17 contains an exception from Listing Rule 7.1 which allows entry into an agreement to issue Equity Securities provided it is conditional on shareholders approving the issue under Listing Rule 7.1 before the issue is made. If a listed company relies on Listing Rule 7.2, Exception 17 when entering into an agreement to issue Equity Securities, it must not issue the Equity Securities without such shareholder approval.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the listed company's capacity to issue further Equity Securities without shareholder approval under that rule.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to (among others) a related party or an associate (as defined in the Listing Rules) of a related party unless it obtains the approval of its shareholders. A "related party" includes a director.

Resolution 1 – Issue of Shares to Export Finance Australia

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for the background to this Resolution and for information about Listing Rule 7.1.

Shareholder approval sought

The issue of Shares to EFA under the EFA Subscription Agreement is conditional on, and requires, the approval of the Company's Shareholders under Listing Rule 7.1 (in accordance with Listing Rule 7.2, Exception 17). The agreement to issue Shares to EFA did not fit within any of the other exceptions to Listing Rule 7.1.

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Under this Resolution, the Company seeks Shareholder approval for the issue of 594,825,923 Shares to EFA for the purposes of Listing Rule 7.1, so as to permit the issue of these Shares to proceed.

If Resolution 1 is passed, the Company will be able to proceed with the issue of 594,825,923 Shares to EFA and the issue will be excluded from the calculation of the Company's 15% limit under Listing Rule 7.1. However, the Company notes that, unless a waiver of certain conditions of the EFA Subscription Agreement is obtained from EFA, the Company will not proceed with the issue of 594,825,923 Shares to EFA unless each of Resolutions 2, 3 and 5 are also passed.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of Shares to EFA under the EFA Subscription Agreement. As a consequence, unless a waiver of certain conditions of the KfW Subscription Agreement and the NRFC Subscription Agreement are obtained from KfW and NRFC respectively, the Company will also not be able to proceed with the issue of Equity Securities to KfW and NRFC under Resolutions 2 and 3 respectively (and the Company will not receive the Cornerstone Equity subscription funds).

Information required by Listing Rule 7.3

Listing Rule 7.3 requires the following specific information to be provided in relation to this Resolution:

(a) The Shares will be issued to Export Finance Australia.

(b) 594,825,923 fully paid ordinary shares in the capital of the Company will be issued.

(c) The Shares will be issued on or about 9 July 2026, and in any event within 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

(d) The Shares will be issued at the Cornerstone Issue Price of A$0.24474656 per Share. Accordingly, the Company will receive consideration of A$145,581,598.50 for the issue of the Shares to EFA. This amount was equivalent to US$100 million based on the exchange rate at signing of the EFA Subscription Agreement of AUD/USD of 0.6869.

(e) The purpose of the issue is to raise capital. Funds raised from the issue of Shares to EFA must be used solely for funding costs relating to the development, construction, commissioning, ramp-up and operation of the Nolans Project.

(f) The material terms of the EFA Subscription Agreement were set out in the Company's ASX announcement dated 1 April 2026. There are no further material terms to disclose in respect of this issue.

(g) A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

Resolution 2 – Issue of Shares to Kreditanstalt für Wiederaufbau

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for the background to this Resolution and for information about Listing Rule 7.1.

Shareholder approval sought

The issue of Shares to KfW under the KfW Subscription Agreement is conditional on, and requires, the approval of the Company's Shareholders under Listing Rule 7.1 (in accordance with Listing Rule 7.2, Exception 17). The agreement to issue Shares to KfW did not fit within any of the other exceptions to Listing Rule 7.1.

Under this Resolution, the Company seeks Shareholder approval for the issue of Shares to KfW to the value of €50 million, converted to AUD at the Exchange Rate in accordance with the KfW Subscription Agreement, for the purposes of Listing Rule 7.1, so as to permit the issue of these Shares to proceed.

If Resolution 2 is passed, the Company will be able to proceed with the issue of Shares to KfW and the issue will be excluded from the calculation of the Company's 15% limit under Listing Rule 7.1. However, the Company notes that,

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unless a waiver of certain conditions of the KfW Subscription Agreement is obtained from KfW, the Company will not proceed with the issue of Shares to KfW unless each of Resolutions 1, 3 and 5 are also passed.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of Shares to KfW under the KfW Subscription Agreement. As a consequence, unless a waiver of certain conditions of the EFA Subscription Agreement and the NRFC Subscription Agreement are obtained from EFA and NRFC respectively, the Company will also not be able to proceed with the issue of Equity Securities to EFA and NRFC under Resolutions 1 and 3 respectively (and the Company will not receive the Cornerstone Equity subscription funds).

Information required by Listing Rule 7.3

Listing Rule 7.3 requires the following specific information to be provided in relation to this Resolution:

(a) The Shares will be issued to Kreditanstalt für Wiederaufbau, Germany's state-owned development bank, acting on behalf of the German Raw Materials Fund.

(b) KfW will be issued fully paid ordinary shares in the capital of the Company to the value of €50 million. The actual number of Shares issued will be determined shortly prior to completion of the KfW Subscription Agreement, when KfW's €50 million equity commitment is converted into Australian dollars by reference to the Exchange Rate. The number of Shares to be issued to KfW will then be determined by dividing the resulting Australian dollar amount by the Issue Price.

Set out below are worked examples (for illustrative purposes only) showing how the number of Shares to be issued to KfW will be calculated under an assumed Exchange Rate of 1.6766, together with the effect of a 10% increase and decrease from that assumed Exchange Rate:

Exchange Rate (EUR-AUD)	At 1.5089 (10% decrease)	At 1.6766 (assumed)	At 1.8443 (10% increase)
Number of Shares	308,265,824 Shares	342,517,582 Shares	376,769,340 Shares

(c) The Shares will be issued on or about 9 July 2026, and in any event within 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

(d) The Shares will be issued at the Cornerstone Issue Price of A$0.24474656 per Share. The Company will receive consideration of an Australian dollar amount equivalent to €50 million (converted to AUD at the Exchange Rate).

(e) The purpose of the issue is to raise capital. Funds raised from the issue of Shares to KfW are intended to be used for construction and development of the Nolans Project.

(f) The material terms of the KfW Subscription Agreement were set out in the Company's ASX announcement dated 1 April 2026. There are no further material terms to disclose in respect of this issue.

(g) A voting exclusion applies to Resolution 2 in the terms set out in the Notice of Meeting.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2.

Resolution 3 – Issue of Convertible Notes to the National Reconstruction Fund Corporation

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for the background to this Resolution and for information about Listing Rule 7.1.

Shareholder approval sought

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The issue of Convertible Notes to NRFC under the NRFC Subscription Agreement is conditional on, and requires, the approval of the Company's Shareholders under Listing Rule 7.1 (in accordance with Listing Rule 7.2, Exception 17). The agreement to issue Convertible Notes to NRFC did not fit within any of the other exceptions to Listing Rule 7.1.

Under this Resolution, the Company seeks Shareholder approval for the issue of 200 Convertible Notes to NRFC for the purposes of Listing Rule 7.1, so as to permit the issue of these Convertible Notes to proceed. As noted above, the Convertible Notes are convertible into a maximum of 420,168,067 Shares (assuming no adjustments to the Conversion Price and excluding any capitalised interest or interest paid via Share issues). The Company also seeks approval of the issue of Shares on conversion of the Convertible Note and in relation to the satisfaction of interest payments, where applicable. Further detail on Shares which may be issued on the capitalisation or payment of interest are set out below.

If Resolution 3 is passed, the Company will be able to proceed with the issue of Convertible Notes to NRFC and the issue will be excluded from the calculation of the Company's 15% limit under Listing Rule 7.1. However, the Company notes that, unless a waiver of certain conditions of the NRFC Subscription Agreement is obtained from NRFC, the Company will not proceed with the issue of Convertible Notes to NRFC unless each of Resolutions 1, 2 and 5 are also passed. The Company will also be able to proceed with issues of Shares to NRFC, both on the conversion of Convertible Notes and to satisfy the payment of interest, without being required to seek further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of Convertible Notes to NRFC. As a consequence, unless a waiver of certain conditions of the EFA Subscription Agreement and the KfW Subscription Agreement are obtained from EFA and KfW respectively, the Company will also not be able to proceed with the issue of Shares to EFA and KfW under Resolutions 1 and 2 respectively (and the Company will not receive the Cornerstone Equity subscription funds).

Waiver required from Listing Rule 7.3.4

Listing Rule 7.3.4 requires a notice of meeting with a resolution to approve the issue of Equity Securities to state that the Equity Securities will be issued within three months of the date of the meeting.

The conditions precedent to the issue of the Convertible Notes must be satisfied (or waived) by 11 May 2027 (or such later date as agreed between the parties), and the Convertible Notes must be issued by 11 November 2027 (being the date that is 18 months after the date of the NRFC Subscription Agreement). This 18-month period was negotiated to allow the Company to defer issuing the Convertible Notes until it has a need for the A$200 million in subscription funds from NRFC, in circumstances where the Company, subject to the passing of Resolutions 1, 2, 3 and 5 at the Meeting, will have already raised significant capital (including the ~A$481 million raised in Q42025, the ~A$145 million raised from EFA, the €50 million from KfW and the ~A$350 million from the Placement) sufficient to fund the initial construction and development works at the Nolans Project. The Company does not wish to issue the Convertible Notes before it requires the A$200 million in subscription funds as, once it issues the Convertible Notes, quarterly interest becomes payable on the aggregate outstanding face value of the Convertible Notes (see below for further detail on the payment of interest).

The Company has applied for a waiver from the ASX to permit the Company to issue the Convertible Notes later than three months after the date of the Meeting. If the waiver is not granted by ASX, the Company will only have three months from the date of the Meeting to issue the Convertible Notes to NRFC (unless a further shareholder approval is sought in the future). Issuing the Convertible Notes earlier than is necessary will expose the Company to additional interest on the aggregate outstanding face value of the Convertible Notes.

The Company will announce to the market the outcome of its waiver application once ASX has finalised its decision.

Capitalisation, interest and the potential issue of Shares to NRFC

From the issue date of the Convertible Notes until the date that is 7 years after that issue date (or until the Convertible Notes are converted) (the **Initial Interest Period**), interest will accrue on the amount outstanding under the Convertible Notes at an interest rate equal to the prevailing three-month BBSY rate plus 3.0% per annum (noting that, as at the date of this Notice, the current three-month BBSY rate is 4.5128% per annum, which would result in an interest rate during the Initial Interest Period of 7.5128% per annum if the rate was determined at the date of this

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Notice). During the Initial Interest Period, interest is payable at the election of the Company by either capitalising the interest into the aggregate outstanding face value of the Convertible Notes or by the issue of new Shares to the value of the interest owing, with the issue price for those Shares to be calculated by reference to the 30 Trading Day VWAMP prior to the last day of the quarter to which the interest relates.

From the date that is 7 years after the issue date to the maturity date of the Convertible Notes (the **Subsequent Interest Period**), interest will accrue on the amount outstanding under the Convertible Notes (if not converted) at an interest rate equal to the prevailing three-month BBSY rate plus 6.0% per annum. During the Subsequent Interest Period, interest is payable at the election of NRFC in cash (to the extent such a cash payment is permitted under the terms of Arafura's senior finance facilities for the Nolans Project) or by the issue of new Shares to the value of the interest owing, with the issue price for those Shares to be calculated by reference to the 30 Trading Day VWAMP prior to the last day of the quarter to which the interest relates. To the extent that interest cannot be paid in cash (for example, in circumstances where payment of cash is precluded by the terms of Arafura's senior finance facilities) or by the issue of new Shares (for example, where the issue of Shares to NRFC would result in NRFC contravening section 606 of the Corporations Act), interest will be capitalised into the aggregate outstanding face value of the Convertible Notes.

Accordingly, the Company may issue further Shares to NRFC (beyond the issue of Shares on conversion of some or all of the $200m face value of the Convertible Notes), either where the Company elects for interest to be capitalised into the aggregate outstanding face value of the Convertible Notes during the Initial Interest Period and NRFC subsequently converts that amount (at the Conversion Price) into Shares, or where the Company issues Shares to the value of the interest owing (at the Company's election during the Initial Interest Period, and at NRFC's election during the Subsequent Interest Period). This Resolution 3 seeks Shareholder approval to these potential issues of Shares, in addition to the issue of Shares on conversion of the Convertible Notes (if any) and to the issue of the Convertible Notes.

The number of Shares to be issued in the circumstances set out above is presently unknown, as:

(a) the Company does not yet know whether it will elect to capitalise interest or pay interest by way of the issue of Shares (in the Initial Interest Period);

(b) the Company does not know whether NRFC will convert any or all of its Convertible Notes during the conversion period;

(c) to the extent NRFC does not convert its Convertible Notes during the conversion period, the Company does not know whether NRFC will elect for interest accruing during the Subsequent Interest Period to be paid in cash (and if so, whether the terms of the senior finance facilities will permit this form of repayment at the relevant time) or be paid by way of the issue of Shares;

(d) the Company does not know, and is unable to predict, the interest rate(s) that will be payable during the Initial Interest Period, which will impact both the number of Shares issued during the Initial Interest Period (if the Company elects to pay interest by way of the issue of Shares) and the aggregate amount outstanding of the Convertible Notes (if the Company elects to capitalise interest); and

(e) the Company does not know, and is unable to predict, the interest rate(s) that will be payable during the Subsequent Interest Period (assuming NRFC has not converted all Convertible Notes), which will impact both the number of Shares issued during the Subsequent Interest Period (if NRFC elects to be paid interest by way of the issue of Shares) and the aggregate amount outstanding of the Convertible Notes (if the Company is unable to pay interest by way of cash or the issue of shares, in which case interest will be capitalised into the aggregate outstanding face value of the Convertible Notes).

Worked examples:

Key assumptions for the below examples are:

(a) the Convertible Notes are issued on 1 October 2026;

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(b) each quarter is exactly one-quarter of a year;

(c) during the Initial Interest Period, the prevailing three-month BBSY is 4.5% at all times (and so the mid-point example shown is 7.5%, the low-point example shown is 5.25%, and the high-point example shown is 9.75%);

(d) during the Subsequent Interest Period, the prevailing three-month BBSY is 4.5% at all times (and so the mid-point example shown is 10.5%, the low-point example shown is 8.25%, and the high-point example shown is 12.75%); and

(e) Arafura's 30 Trading Day VWAMP is, at all times, A$0.26 (and so the mid-point example shown is A$0.26, the low-point example shown is A$0.13, and the high-point example shown is A$0.52.

The Company notes that each example is for illustrative purposes only. Actual figures will ultimately depend on the actual outcome of the variables noted above.

Worked example 1: First quarterly interest payment during the Initial Interest Period

The below example assumes that, on 31 December 2026 (i.e. three months after the date of issue), the Company elects to pay interest accrued on the Convertible Notes by way of the issue of Shares to NRFC.

Share Price Interest Rate	Low-point (A$0.13)	Mid-point (A$0.26)	High-point (A$0.52)
Low-point (5.25%)	Interest: $2,625,000 Shares: 20,192,307	Interest: $2,625,000 Shares: 10,096,153	Interest: $2,625,000 Shares: 5,048,076
Mid-point (7.5%)	Interest: $3,750,000 Shares: 28,846,153	Interest: $3,750,000 Shares: 14,423,076	Interest: $3,750,000 Shares: 7,211,538
High-point (9.75%)	Interest: $4,875,000 Shares: 37,500,000	Interest: $4,875,000 Shares: 18,750,000	Interest: $4,875,000 Shares: 9,375,000

By way of further example, on the assumption that NRFC does not convert any of its Convertible Notes, if the Company elects to pay interest each quarter by way of the issue of Shares to NRFC:

(a) assuming the interest rate is steady at 5.25% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.52 throughout the entire Initial Interest Period, the Company would issue NRFC 141,346,153 Shares to satisfy interest repayments during the Initial Interest Period;

(b) assuming the interest rate is steady at 7.5% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.26 throughout the entire Initial Interest Period, the Company would issue NRFC 403,846,153 Shares to satisfy interest repayments during the Initial Interest Period; and

(c) assuming the interest rate is steady at 9.75% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.13 throughout the entire Initial Interest Period, the Company would issue NRFC 1,050,000,000 Shares to satisfy interest repayments during the Initial Interest Period.

Worked example 2: Capitalisation until final day of conversion period

The below example assumes that at the end of each quarter during the Initial Interest Period, the Company elects to capitalise interest into the aggregate outstanding face value of the Convertible Notes, and that NRFC elects to convert all of its Convertible Notes on the final day of the conversion period (being the date that is 7 years after the issue date of the Convertible Notes) at the conversion price of A$0.476.

Description Interest Rate	Interest accrued	Amount outstanding	Shares issued
Low-point (5.25%)	$88,134,257.90	$288,134,257.90	605,324,071
Mid-point (7.5%)	$136,452,224.94	$336,452,224.94	706,832,405
High-point (9.75%)	$192,537,526.27	$392,537,526.27	824,658,668

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In each example, the Shares issued includes 420,168,067 Shares issued in relation to the initial aggregate face value of the Convertible Notes of A$200 million. Accordingly:

(a) assuming the interest rate is steady at 5.25% throughout the entire Initial Interest Period, the Company would issue 185,156,004 Shares in respect of interest accrued;

(b) assuming the interest rate is steady at 7.5% throughout the entire Initial Interest Period, the Company would issue 286,664,338 Shares in respect of interest accrued; and

(c) assuming the interest rate is steady at 9.75% throughout the entire Initial Interest Period, the Company would issue 404,490,601 Shares in respect of interest accrued.

Worked example 3: First quarterly interest payment during the Subsequent Interest Period

The below example assumes that NRFC did not convert any of their Convertible Notes during the conversion period, that interest accrued during the Initial Interest Period at the rates shown in worked example 2 above and was capitalised into the aggregate amount outstanding of the Convertible Notes, and that, on 31 December 2033 (i.e. the end of the first quarter of the Subsequent Interest Period), NRFC elects to be paid interest by way of the issue of Shares. The example also assumes that the Company has not redeemed any of the Convertible Notes at this time.

Share Price Interest Rate	Low-point (A$0.13)	Mid-point (A$0.26)	High-point (A$0.52)
Low-point (8.25%) (Amount outstanding at commencement of quarter is $288,134,257.90)	Interest: $5,942,769.07 Shares: 45,713,608	Interest: $5,942,769.07 Shares: 22,856,804	Interest: $5,942,769.07 Shares: 11,428,402
Mid-point (10.5%) (Amount outstanding at commencement of quarter is $336,452,224.94)	Interest: $8,831,870.90 Shares: 67,937,468	Interest: $8,831,870.90 Shares: 33,968,734	Interest: $8,831,870.90 Shares: 16,984,367
High-point (12.75%) (Amount outstanding at commencement of quarter is $392,537,526.27)	Interest: $12,512,133.65 Shares: 96,247,181	Interest: $12,512,133.65 Shares: 48,123,590	Interest: $12,512,133.65 Shares: 24,061,795

By way of further example, on the assumption that the Subsequent Interest Period lasts for 8 years (which is consistent with the Company's current projection for the tenor of the senior finance facilities for the Nolans Project), that NRFC elects to receive interest each quarter by way of the issue of Shares to NRFC, and that Arafura is unable at any point to pay any amount of the principal amount outstanding:

(a) assuming the interest rate is steady at 8.25% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.52 throughout the entire Subsequent Interest Period, the Company would issue NRFC 365,708,865 Shares to satisfy interest repayments during the Subsequent Interest Period; and

(b) assuming the interest rate is steady at 10.5% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.26 throughout the entire Subsequent Interest Period, the Company would issue NRFC 1,086,999,495 Shares to satisfy interest repayments during the Subsequent Interest Period;

(c) assuming the interest rate is steady at 12.75% and the 30 Trading Day VWAMP of Arafura Shares is steady at A$0.13 throughout the entire Subsequent Interest Period, the Company would issue NRFC 3,079,909,821 Shares to satisfy interest repayments during the Subsequent Interest Period.

19.99% Voting Power limit

Note that the NRFC Subscription Agreement contains certain restrictions and obligations where an issue of Shares on conversion of the Convertible Notes, including on conversion of interest that has been capitalised into the aggregate amount outstanding of the Convertible Notes) would result in a person contravening section 606 of the Corporations Act (on the basis that their Voting Power in the Company would exceed 19.99%, or would increase from a starting point that is above 20% and below 90% (the **Relevant Threshold**)).

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In circumstances where a person exceeding the Relevant Threshold is not permitted under the Corporations Act or applicable law, the noteholder may only convert such portion of the Convertible Notes that would result in the Voting Power of the relevant person in the Company being at or as close as possible to the Relevant Threshold, and the Company must (if requested) take all steps necessary to obtain Shareholder approval for the purposes of Item 7 of Section 611 of the Corporations Act (which, if obtained, would allow the relevant person to exceed the Relevant Threshold). If the Company's Shareholders do not provide this approval, the Company would be required to redeem the relevant person's outstanding Convertible Notes within three months of the date at which the Company had sought the Shareholder approval.

Accordingly, while each of the above examples purports to illustrate the Shares that may be issued to NRFC in certain circumstances, it is important to note that issues of Shares on conversion of Convertible Notes may be limited by the operation of the NRFC Subscription Agreement and section 606 of the Corporations Act unless further Shareholder approvals are obtained.

Examples illustrative only

The Company notes that each of the above examples is illustrative only, and notes that:

(a) the issue price for any Shares issued in satisfaction of interest repayments is variable and does not have a floor;

(b) the interest rate payable (both in the Initial Interest Period and in the Subsequent Interest Period) is variable;

(c) while a "low-point" and "high-point" interest rate is shown for the Initial Interest Period, this rate could ultimately fall as low as 3% and has no cap and, accordingly, the "low-point" and "high-point" examples do not represent potential future minimums or maximums;

(d) while a "low-point" and "high-point" interest rate is shown for the Subsequent Interest Period, this rate could ultimately fall as low as 6% and has no cap and, accordingly, the "low-point" and "high-point" examples do not represent potential future minimums or maximums;

(e) the Company cannot predict its future Share price, and so the "low-point" Share price of A$0.13 and the "high-point" Share price of A$0.52 do not represent potential future minimums or maximums; and

(f) in practice, Arafura's Share price and the relevant interest rate payable will fluctuate from day-to-day and throughout the periods to which the examples relate. The examples shown assume fixed, consistent Share prices and BBSY rates, and so the ultimate amount of interest payable (and Shares that the Company may issue in respect of interest) will vary from the examples shown.

Information required by Listing Rule 7.3

Listing Rule 7.3 requires the following specific information to be provided in relation to this Resolution:

(a) The Convertible Notes, and any Shares to be issued on their conversion, will be issued to the National Reconstruction Fund Corporation (or its nominee) or to a "Qualifying Transferee" (being either a related-entity of the Australian Government or an OECD-headquartered, non-sanctioned bank or financial institution meeting certain credit rating specifications).

(b) 200 Convertible Notes will be issued in total, convertible into a maximum of 420,168,067 fully paid ordinary shares in the capital of the Company (assuming no adjustments to the Conversion Price and excluding any capitalised interest or interest paid via Share issues). As set out above under the heading "Worked Examples", Shares may also be issued in payment of interest or if interest is capitalised into the aggregate amount outstanding of the Convertible Notes and those Convertible Notes are then converted. Shareholder approval is also requested by way of this Resolution for the issue of Shares to satisfy the required interest payment obligations under the NRFC Subscription Agreement.

(c) A summary of the material terms of the Convertible Notes are set out in Annexure B.

(d) Subject to the grant of the waiver of Listing Rule 7.3.4 (refer to the detail under the subheading "Waiver required from Listing Rule 7.3.4" above), the Convertible Notes will be issued no later than 11 November 2027. The Company confirms that it has applied to ASX for a waiver of Listing Rule 7.3.4 as at the date of this

Notice. If the waiver is not granted, the Convertible Notes will be issued no later than the date that is 3 months after the date of the Meeting (or such later date to the extent permitted by a subsequent ASX waiver or modification of the Listing Rules).

(e) The Convertible Notes will be issued for $200 million in aggregate (before costs), with each Convertible Note having a face value of $1 million.

(f) The purpose of the issue is to raise capital. Funds raised from the issue of the Convertible Notes to NRFC must be used solely to fund the development and commissioning of the Nolans Project and to fund corporate activities and overheads incidental or ancillary to the development and commissioning of the Nolans Project.

(g) The material terms of the NRFC Subscription Agreement were set out in the Company's ASX announcement dated 12 May 2026, and a summary of the material terms of the Convertible Notes are set out in Annexure B. There are no further material terms to disclose in respect of this issue.

(h) A voting exclusion applies to Resolution 3 in the terms set out in the Notice of Meeting.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 4 – Ratification of Previous Issue of Shares under Tranche 1 of the Placement

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for information about the Placement and Listing Rules 7.1 and 7.4.

Shareholder approval sought

The issue of the Tranche 1 Shares did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, has used up a significant portion of the Company's 15% limit under Listing Rule 7.1, reducing (to essentially zero) the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Tranche 1 Shares.

Under this Resolution, the Company seeks Shareholder approval for, and ratification of, the issue of the Tranche 1 Shares under and for the purposes of Listing Rule 7.4 so as to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

If this Resolution is passed, the issue of the Tranche 1 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Shares.

If this Resolution is not passed, the issue of the Tranche 1 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, and will continue to restrict the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Shares.

Information required by Listing Rule 7.5

Listing Rule 7.5 requires the following specific information to be provided in relation to this Resolution:

(a) The Tranche 1 Shares were issued to various Australian and international sophisticated and institutional investors. Some of the investors were introduced to the Company by the JLMs as part of the bookbuild process for the Placement and the other investors were known to the Company. Hancock is a substantial holder of the Company and participated in Tranche 1 of the Placement. None of the other investors who participated in Tranche 1 of the Placement were material investors whose identity is required to be disclosed under ASX Guidance Note 21.

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(b) 675,126,287 fully paid ordinary shares in the capital of the Company were issued under Tranche 1 of the Placement.

(c) The Tranche 1 Shares were issued on 29 May 2026.

(d) The Tranche 1 Shares were issued at the Issue Price of $0.26 per Share. Accordingly, the Company received consideration of $175,532,834.62 (before costs) for the issue of the Tranche 1 Shares.

(e) The purpose of the issue is to raise capital. Funds raised from the Placement (in conjunction with the funds raised from the Cornerstone Equity and under the SPP) are intended to be used for construction and development of the Nolans Project, provision for the cash component of the cost overrun account, and for corporate, working capital and offer costs.

(f) There are no further material terms to disclose in respect of the Tranche 1 Shares.

(g) A voting exclusion applies to Resolution 4 in the terms set out in the Notice of Meeting.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Resolution 5 – Issue of Shares under Tranche 2 of the Placement

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for information about the Placement and Listing Rule 7.1.

Shareholder approval sought

The agreement to issue the Tranche 2 Shares did not fit within any of the exceptions to Listing Rule 7.1 and would have exceeded the 15% limit in Listing Rule 7.1 at the time of agreement. As such, the agreement to issue (and the issue) of the Tranche 2 Shares was conditional on, and requires, the approval of the Company's Shareholders under Listing Rule 7.1.

Under this Resolution, the Company seeks Shareholder approval for the issue of 671,027,560 Shares to sophisticated and institutional investors under Tranche 2 of the Placement for the purposes of Listing Rule 7.1, so as to permit the issue of these Tranche 2 Shares to proceed.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Tranche 2 Shares and raise $174,467,165.60 (before costs) for the issue of the Shares. The issue will also be excluded from the calculation of the Company's 15% limit under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Shares and will not raise the full amount under the Placement. As a consequence, unless a waiver of certain conditions of the EFA Subscription Agreement, the KfW Subscription Agreement and the NRFC Subscription Agreement are obtained from EFA, KfW and NRFC respectively, the Company will also not be able to proceed with the issue of Equity Securities to the Cornerstone Investors under Resolutions 1, 2 and 3 (and the Company will not receive the Cornerstone Equity subscription funds).

Information required by Listing Rule 7.3

Listing Rule 7.3 requires the following specific information to be provided in relation to this Resolution:

(a) The Tranche 2 Shares will be issued to various Australian and international sophisticated and institutional investors and/or the JLMs. Some of the investors were introduced to the Company by the JLMs as part of the bookbuild process for the Placement and the other investors were known to the Company. Hancock is a substantial holder of the Company and will participate in Tranche 2 of the Placement. None of the other investors who will participate in Tranche 2 of the Placement are material investors whose identity is required to be disclosed under ASX Guidance Note 21.

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(b) 671,027,560 fully paid ordinary shares in the capital of the Company will be issued.

(c) The Tranche 2 Shares will be issued on or about 9 July 2026, and in any event within 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

(d) The Tranche 2 Shares will be issued at the Issue Price of $0.26 per Share. Accordingly, the Company will receive consideration of $174,467,165.60 (before costs) for the issue of the Tranche 2 Shares.

(e) The purpose of the issue is to raise capital. Funds raised from the Placement (in conjunction with the funds raised from the Cornerstone Equity and under the SPP) are intended to be used for construction and development of the Nolans Project, provision for the cash component of the cost overrun account, and for corporate, working capital and offer costs.

(f) There are no further material terms to disclose in respect of the Tranche 2 Shares.

(g) A voting exclusion applies to Resolution 5 in the terms set out in the Notice of Meeting.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

Resolution 6 – Issue of Shares under the SPP (including under the SPP Shortfall Offer)

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for information about the SPP, the SPP Shortfall Offer and Listing Rule 7.1.

In certain circumstances, a listed company may undertake a share purchase plan in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* (**ASIC Instrument**). This ASIC Instrument allows a registered holder (subject to particular conditions applicable to some custodians) to be issued no more than $30,000 worth of shares in any consecutive 12-month period under a share purchase plan.

Similarly, Listing Rule 7.2 (Exception 5) permits a listed company to issue securities under a share purchase plan without that issue counting towards the company's placement capacity under Listing Rule 7.1, where (amongst other things) the issue satisfies the conditions of the ASIC Instrument. Listing Rule 7.2 (Exception 5) can only be relied upon once in any 12-month period.

The Company has completed two share purchase plans in the last 12 months. The first completed on 10 October 2025 in reliance on Listing Rule 7.2 (Exception 5) and the ASIC Instrument, and the second completed on 15 December 2025 (pursuant to a prospectus released to the ASX on 6 November 2025 and subject to shareholder approval in reliance on a waiver of Listing Rule 7.3.9, which was granted by ASX on 5 November 2025). The Company now wishes to offer eligible Shareholders the ability to acquire up to a further $30,000 worth of Shares under the SPP.

Accordingly, given that the Company is unable to satisfy the conditions of the ASIC Instrument for the SPP or rely on Listing Rule 7.2 (Exception 5) more than once in a 12 month period, the issue of all Shares under the SPP is being made pursuant to the Prospectus and is subject to the Company receiving prior Shareholder approval for the purposes of Listing Rule 7.1 (and for all other purposes) at this Meeting.

As noted above, to the extent that the SPP offer is not fully subscribed for by eligible Shareholders under the SPP and raises less than $25 million (before costs), the Company may offer those SPP Shortfall Shares to specific investors by

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invitation only under the SPP Shortfall Offer. Any SPP Shortfall Shares issued under the SPP Shortfall Offer will be issued at the same issue price as under the Placement and SPP (i.e., $0.26).

Shareholder approval sought

As stated above, Shareholder approval is required under Listing Rule 7.1 for the proposed issue of Shares under the SPP (including any SPP Shortfall Shares).

Accordingly, this Resolution seeks Shareholder approval for the issue of up to 96,153,846 Shares under the SPP (including any SPP Shortfall Shares) under and for the purposes of Listing Rule 7.1, being the maximum number of Shares that may be issued under the SPP if the Company raises the maximum amount of $25 million.

If this Resolution is passed, the issue of the Shares under the SPP (including any SPP Shortfall Shares) can proceed and the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1. As a result, the Company will be able to raise the full amount under the SPP if the offer is fully subscribed.

If this Resolution is not passed, the issue of Shares under the SPP (including any SPP Shortfall Shares) will not proceed, the SPP will be withdrawn and the Company will not raise any funds under the SPP, which will impact the total amount the Company could potentially raise under the Capital Raising. Any amounts received from eligible Shareholders under the SPP will be refunded by the Company, without interest.

On 29 May 2026, the Company obtained a waiver from ASX in respect of Listing Rule 7.3.9 to the extent necessary to permit this Resolution to not include a voting exclusion statement excluding the votes of persons who may participate in the SPP. In accordance with condition 2 of the ASX waiver, any Shareholders casting votes on this Resolution will be excluded from participating in the SPP Shortfall Offer. The waiver also contained a condition that, if the SPP is underwritten, the Company excludes any votes cast in favour of the Resolution by any proposed underwriter or sub-underwriter of the SPP. The Company confirms that the SPP is not underwritten.

Resolution 6 does not, itself, permit the issue of Shares under the SPP to Directors or their associates to the extent that they are eligible Shareholders under the SPP (and that approval is sought under Resolution 7 below).

Information required by Listing Rule 7.3

Listing Rule 7.3 requires the following specific information to be provided in relation to this Resolution:

(a) Shares under the SPP will be issued to Shareholders with a registered address in Australia or New Zealand as at 7.00pm (AEST) on 21 May 2026 who apply for such Shares (provided such applications are accepted by the Company). See Resolution 7 in relation to the Shareholder approval required if Directors wish to participate in the SPP. To the extent that any SPP Shortfall Shares are issued, they will be issued to specific investors by invitation only under the SPP Shortfall Offer. Directors and related parties of the Company (and any associates) will not be permitted to participate in the SPP Shortfall Offer. These approvals will not be sought at the Meeting.

(b) The maximum number of Shares that the Company may issue under the SPP is 96,153,846 Shares. For the avoidance of doubt, this includes (as applicable) any SPP Shortfall Shares and any Shares issued to Directors under Resolution 7. All Shares issued will be fully paid ordinary shares in the capital of the Company.

(c) Subject to receipt of Shareholder approval, it is expected that Shares to be issued to eligible Shareholders under the SPP will be issued on or about 13 July 2026, and in any event within 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules). Any SPP Shortfall Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

(d) The Shares will be issued at the Issue Price of $0.26 per Share.

(e) The purpose of the issue is to raise capital. Funds raised from the SPP (in conjunction with the funds raised from the Cornerstone Equity and the Placement) are intended to be applied to the construction and development of the Nolans Project, the equity account for cost overruns, and for corporate, working capital and offer costs.

(f) There are no further material terms to disclose in respect of this arrangement.

Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

Resolution 7 – Issue of Shares to Directors under the SPP

Please refer to the information under the heading "Background to Resolutions – Financing for the Nolans Project" above for information about the SPP, the SPP Shortfall Offer and Listing Rule 10.11.

Directors and their associates who are 'eligible Shareholders' for the purposes of the SPP will only be permitted to participate in the SPP (on the same terms as all other eligible Shareholders) subject to Shareholder approval being obtained under Resolution 7.

To the extent the Directors or their associates subscribe for Shares under the SPP, a maximum of 692,307 Shares in total or 115,384 per Director (being $30,000 worth of Shares for each Director) may be issued to those Directors (or their associates) (**Director SPP Issues**), subject to Shareholder approval at this Meeting.

Shareholder approval sought

The Director SPP Issues fall within Listing Rule 10.11.1 and do not fall within any of the exceptions in Listing Rule 10.12. They therefore require the approval of Shareholders under Listing Rule 10.11.

Resolution 7 seeks the required Shareholder approval for the Director SPP Issues under and for the purposes of Listing Rule 10.11.

Resolution 7 is conditional upon the passing of Resolution 6.

If Resolution 7 is passed, the Company will be able to proceed with the Director SPP Issues. As a result, the Company will be able to raise a maximum of $30,000 from each Director that participates in the SPP.

If Resolution 7 is not passed, the Company will not be able to proceed with the proposed issue of Shares under the SPP to the Directors (or their associates). However, provided that Resolution 6 is passed, the relevant Shares will (as part of the SPP) still be able to be issued by the Company to eligible Shareholders under the SPP, or to specific investors pursuant to the SPP Shortfall Offer. As noted above, Directors (and their associates and any other person referred to in Listing Rule 10.11) will not be permitted to participate in the SPP Shortfall Offer.

Information required by Listing Rule 10.13

Listing Rule 10.13 requires the following information to be provided in relation to the Director SPP Issues:

(a) The persons that may acquire Shares under the Director SPP Issues are each Director (being Mark Southey, Darryl Cuzzubbo, Cathy Moises, Michael Spreadborough, Roger Higgins and Ian Murray), or their associates that are eligible Shareholders under the SPP.

(b) Each Director falls within Listing Rule 10.11.1 as a Director of the Company and each associate (that is an eligible Shareholder) will fall within Listing Rule 10.11.4 as an associate of the relevant Director.

(c) The number of Shares that may be acquired by each Director (or their associates) is up to 115,384 Shares (being $30,000 worth of new Shares under the SPP at $0.26 per Share). A maximum of 692,307 Shares in total may be issued under the Director SPP Issues. Each Director will determine the extent of their participation in the SPP (if at all) in due course.

(d) The Shares will be fully paid ordinary shares in the capital of the Company.

(e) Subject to receipt of the relevant Shareholder approvals, it is expected that Shares to be issued to eligible Shareholders under the SPP will be issued on or about 13 July 2026. In any event, the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

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(f) The Shares will be issued at the Issue Price of $0.26 per Share.

(g) The purpose of the issue is to raise capital. Funds raised from the SPP (in conjunction with the funds raised from the Cornerstone Equity and the Placement) are intended to be applied to the construction and development of the Nolans Project, the equity account for cost overruns, and for corporate, working capital and offer costs.

(h) The Director SPP Issues will (if subscribed for) be paid for by the relevant Directors with their own funds and are not issued to remunerate or incentivise the Director. The Director SPP Issues are on the same terms as the rest of the SPP, except that they are subject to approval under Listing Rule 10.11 at the Meeting.

(i) There are no further material terms to disclose in respect of this arrangement.

(j) A voting exclusion statement in respect of Resolution 7 is set out in the Notice.

If approval is given under Listing Rule 10.11, approval is not separately required under Listing Rule 7.1. However, approval for the issue of Shares under the SPP is being sought under Resolution 6 in any event.

Board Recommendation

The Board does not make a voting recommendation to Shareholders in respect of Resolution 7 given that this Resolution relates to the issue of securities to current Directors or their associates.

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Annexure A – Definitions

The meanings of capitalised terms used in this Notice of General Meeting and Explanatory Memorandum are set out below:

AEST means Australian Eastern Standard Time.

ASX means the ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.

AWST means Australian Western Standard Time.

ASIC Instrument has the meaning given in the Explanatory Memorandum under the heading "Resolution 6 – Issue of Shares under the SPP (including under the SPP Shortfall Offer)".

BBSY means the Bank Bill Swap Bid Rate.

Board means the board of Directors.

Capital Raising has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Capital Raising Announcement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Chairperson means the chairperson of the Meeting.

Company or **Arafura** means Arafura Rare Earths Limited ABN 22 080 933 455.

Constitution means the constitution of the Company.

Conversion Price has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Convertible Notes has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Cornerstone Equity has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Cornerstone Investor has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Cornerstone Issue Price means A$0.24474656 per Share.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a Director of the Company.

Director SPP Issues has the meaning given in the Explanatory Memorandum under the heading "Resolution 7 – Issue of Shares to Directors under the SPP".

EFA Subscription Agreement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

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Annexure A – Definitions

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Equity Security has the meaning given in Chapter 19 of the Listing Rules.

Exchange Rate has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Explanatory Memorandum means the explanatory memorandum to the Notice.

Export Finance Australia or **EFA** means Export Finance Australia (also known as Export Finance and Insurance Corporation) established under the *Export Finance and Insurance Corporation Act 1991* (Cth).

General Meeting or **Meeting** means the Company's General Meeting to be held on Thursday 2 July 2026 at 11.45am AWST.

GRMF means German Raw Materials Fund.

Hancock means Hancock Prospecting Pty Ltd.

Hancock Commitment has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Initial Interest Period has the meaning given in the Explanatory Memorandum under the heading "Resolution 3 – Issue of Convertible Notes to the National Reconstruction Fund Corporation".

Issue Price means A$0.26 per Share.

JLMs has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Kreditanstalt für Wiederaufbau or **KfW** means Kreditanstalt für Wiederaufbau, Germany's state-owned development bank, acting on behalf of the German Raw Materials Fund.

KfW Subscription Agreement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Listing Rules means the Listing Rules of ASX.

Nolans Project means the Company's Nolans Rare Earths Project located in the Northern Territory.

Notice or **Notice of General Meeting** means this Notice of General Meeting.

NRFC means the National Reconstruction Fund Corporation.

NRFC Announcement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

NRFC Subscription Agreement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Option means an option to acquire a Share.

Annexure A – Definitions

Placement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Prospectus has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Proxy Form means the proxy form attached to the Notice.

Relevant Threshold has the meaning given in the Explanatory Memorandum under the heading "Resolution 3 – Issue of Convertible Notes to the National Reconstruction Fund Corporation".

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

SPP has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

SPP Shortfall Offer has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions - Financing for the Nolans Project".

SPP Shortfall Shares has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions - Financing for the Nolans Project".

Subsequent Interest Period has the meaning given in the Explanatory Memorandum under the heading "Resolution 3 – Issue of Convertible Notes to the National Reconstruction Fund Corporation".

Trading Day has the meaning given to that term in the Listing Rules.

Tranche 1 Shares has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Tranche 2 Shares has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions – Financing for the Nolans Project".

Voting Power has the meaning given in the Corporations Act.

VWAMP means volume weighted average market price.

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Annexure B – Key terms of the Convertible Notes

A summary of the key terms of the NRFC Subscription Agreement and the terms and conditions of the Convertible Notes is set out below:

Topic	Summary
Subscriber	National Reconstruction Fund Corporation
Securities	Unsecured convertible notes (**Convertible Notes**)
Face Value	The aggregate principal amount of the Convertible Notes is A$200 million, divided into 200 Convertible Notes each with a face value of A$1 million.
Issue Date	The Convertible Notes will be issued following satisfaction or waiver of conditions precedent (see below), at a time elected by the Company by giving a notice to subscribe to NRFC (which must be no later than 11 November 2027).
Maturity Date	1 business day after the later of (a) the "Final Repayment Date" under the Common Terms Deed and (b) the "Termination Date" under the Subordinated Facility Agreement (each as at the date of signing of those documents).
Conversion Period	From 2 years after the Issue Date to 7 years after the Issue Date.
Interest	<u>From the Issue Date to 7 years after the Issue Date (until the Convertible Notes are converted):</u> • Rate equal to the prevailing three-month BBSY plus 3.0% per annum • Accrues daily and payable quarterly • Payable at the election of Arafura by the issue of Arafura Shares (valued by reference to the 30 Trading Day VWAP prior to the last day of the relevant Quarterly Interest Period (**QIP VWAP**)) or by capitalising interest into the aggregate Face Value <u>From 7 years after the Issue Date to the Maturity Date:</u> • Rate equal to the prevailing three-month BBSY plus 6.0% per annum • Accrues daily and payable quarterly • Payable at the election of NRFC in cash (to the extent that it is permitted under Arafura's senior debt facilities for Nolans) or by the issue of Arafura Shares (valued by reference to the QIP VWAP). To the extent that the Coupon cannot be satisfied by either, interest will be capitalised into the aggregate Face Value
Conversion Price	A$0.476, subject to customary adjustments for capital events and restructures (refer to the Adjustment Rules in Annexure C).
Conversion Rights	NRFC may convert in full or in part during the Conversion Period, subject to a voting power threshold of 19.99%. If a conversion would cause this threshold to be exceeded, Arafura must seek Shareholder approval under item 7 of section 611 of the Corporations Act. If Shareholder approval is not obtained, Arafura must redeem the outstanding Convertible Notes.
Issuer Call	At any time after the Conversion Period and prior to the Maturity Date, Arafura may redeem the Convertible Notes in cash either in full or in part (subject to a minimum redemption of A$20 million principal) by paying to the noteholder the aggregate amount outstanding in respect of those Convertible Notes, including any interest accrued and unpaid (but not capitalised) on such aggregate amount outstanding in accordance with the terms of the Convertible Notes.
Security and Ranking	• Unsecured • Subordinated to any existing or future project financing facilities for the development of the Nolans Project

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Annexure B – Key terms of the Convertible Notes

Topic	Summary
	• Permitted Distributions received by the Company from the Nolans Project structure must be applied to pay amounts owed to the noteholder in priority to dividends and other debt repayments
Use of Proceeds	Development and commissioning of the Nolans Project and to fund incidental or ancillary corporate activities and overheads
Conditions Precedent	• Execution of the subordination deed • NRFC receiving a legal opinion of their legal advisers in respect of the NRFC Subscription Agreement, the Deed Poll and the Subordination Deed; • the Company approving a final investment decision in respect of the Nolans Project; • The execution of various Senior Debt documents; • The Company obtaining Shareholder approval for the issue of the Convertible Notes; • The Company receiving all funds which (together with the A$200m from the NRFC) will fully fund the equity component of the Nolans Project; • Provision of certain documents evidencing satisfaction of certain conditions in the Senior Debt documents; • The Company receiving all approval required to commence construction of the Nolans Project; • The provision of an updated financial model (at or following the final investment decision); • The provision of certified and correct copies of offtake agreements; • Confirmation from ASX regarding ASX Listing Rule 6.1 (if required, noting that ASX has not raised any concerns in relation to the terms of the Convertible Notes); • Delivery of any information requested to ensure compliance with AML/CTF laws; and • Evidence that each contractor is accredited under the WHS Accreditation Scheme. Note that the NRFC Subscription Agreement automatically terminates if any Key Senior Finance Document is terminated prior to the Issue Date.
Conditions Precedent End Date	11 May 2027
Transferability	NRFC may transfer the Convertible Notes to a Qualifying Transferee (being a Commonwealth entity or a bank/financial institution meeting certain criteria) at any time without the prior written consent of Arafura.
Change of Control	• On a change of control, the noteholder is entitled to convert its Convertible Notes. If the noteholder does not convert, Arafura must redeem all Convertible Notes. • On a change of control occurring outside the Conversion Period, the Conversion Price will be the relevant bid or offer price per Arafura Share under the change of control event.
Indemnities	The Company has provided customary indemnities in favour of NRFC, subject to an aggregate liability cap of A$200 million.
Negative Covenants	While the Convertible Notes are on issue, the Company must not (among other things and without the noteholder's consent):

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Annexure B – Key terms of the Convertible Notes

Topic	Summary
	• substantially change its business; • dispose of material assets; • incur material financial indebtedness ranking equal to or ahead of the noteholder; or • vary the terms of the Senior Finance Documents, the Company's constitution or rights attaching to the Company's Shares in a material way.
Events of Default	Events of default include: • the conditions precedent to Financial Close under the Common Terms Deed not being satisfied by 30 April 2028 (or such later date agreed); • default by Arafura (or its material subsidiaries) of any payment obligation under the Convertible Notes; • any financial indebtedness under the Senior Finance Documents becomes due and payable prior to its maturity; • any other financial indebtedness in excess of $10m not being paid when due; • material non-compliance with any material term of the Convertible Note documents, the Intercompany Documents or Senior Finance Documents, or any enforcement action being taken under any of those documents; • material breach of warranty; • liquidation of Arafura (or a material subsidiary); • Arafura being de-listed; and • Suspension from trading for more than a total of 10 consecutive trading days. On an event of default that remains uncured, interest will accrue at a higher interest rate than the relevant coupon, and the noteholder may (at its election), declare amounts outstanding immediately due and payable, convert the Convertible Notes, or transfer the Convertible Notes without consent.

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Annexure C –Convertible Note Adjustment Rules

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1 Rules

1.1 Issue of Shares or rights to acquire Shares at a discount (other than by way of rights)

Other than with respect to any Employee Incentive Scheme Issue and the issue of Ordinary Course of Business Securities, during the Adjustment Period if and whenever the Company shall issue (otherwise than as mentioned in clause 1.2) any Shares (other than Shares issued on Conversion or on the exercise of any other rights of conversion into, or exchange or subscription for or purchase of, Shares) or shall issue or grant (otherwise than as mentioned in clause 1.2) any options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares at a price per Share which is less than 92.5% of the market price of the Shares on ASX at market close on the last Trading Day preceding the date of announcement of the terms of such issue (***Last Market Price***), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A+B}{C}$$

where:

A is the number of Shares on issue immediately before the issue of such additional Shares or the issue or grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares;

B is the number of Shares which the aggregate consideration (if any) receivable for the issue of such additional Shares, or for the Shares to be issued on exercise of such option, warrants or other rights to subscribe for Shares, would purchase at the Last Market Price per Share; and

C is the number of Shares on issue immediately after the issue of such additional Shares or which would be on issue immediately after the exercise of such options, warrants or other rights to subscribe for Shares,

provided that if, at the time of issue or grant of any such options, warrants or rights (as used in this clause 1.1, the ***Specified Date***) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such rights of subscription are exercised or at such other time as may be provided) then for the purposes of this clause 1.1, 'C' shall be determined by application of such formula or variable feature or as if the relevant event occurs or has occurred as at the Specified Date and as if such conversion, exchange, subscription or purchase had taken place on the Specified Date.

Such adjustment shall become effective on the date of issue of such additional Shares or the grant of any such options, warrants or other rights (as applicable).

1.2 Discounted rights issues in respect of Shares or rights to acquire Shares

During the Adjustment Period, if and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares at a price per Share which is less than 92.5% of the Current Market Price per Share immediately prior to the first date on which the Shares are traded ex-rights on the ASX (or any applicable securities exchange on which the Shares are listed) (***Ex-Rights Date***), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Ex-Rights Date by the following fraction:

$$\frac{A+B}{A+C}$$

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where:

A is the number of Shares on issue immediately before such issue or grant;

B is the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued by way of rights and for the total number of Shares comprised therein would purchase at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants (as the case may be).

1.3 Issue of convertible or exchangeable securities

During the Adjustment Period, other than in respect of any Employee Incentive Scheme Issue, and save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this clause 1.3, in the event of the issue by the Company or any other member of the Issuer Group (otherwise than as mentioned in clauses 1.1 and 1.2) or at the direction or request of, or pursuant to any arrangements with, the Company or any member of the Issuer Group by any other company, person or entity, of any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than 92.5% of the Last Market Price, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A+B}{A+C}$$

where:

A is the number of Shares on issue on the Trading Day immediately preceding the date of such announcement;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at the Last Market Price per Share; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate, provided that, if at the time of issue of the relevant securities or date of grant of such rights (as used in this clause 1.3, the ***Specified Date***) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such securities are exchanged or rights of subscription are exercised or, as the case may be, such securities are re-designated or at such other time as may be provided) then for the purposes of this clause 1.3, 'C' shall be determined by application of such formula or variable feature or as if the relevant event occurs or has occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition or, as the case may be, re-designation had taken place on the Specified Date.

Such adjustment shall become effective on the date of issue of such securities.

1.4 Consolidation, subdivision etc

If and whenever there shall be an alteration to the number of issued Shares as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the number of issued Shares immediately before such alteration; and

B is the number of issued Shares immediately after, and as a result of, such alteration.

Such adjustment shall become effective on the date the relevant alteration takes effect.

1.5 General

(a) The intent of these adjustment rules is to maintain the relative benefit and burden to the Noteholder and the Company of their respective economic bargains on the basis agreed between the parties as set out in these adjustment rules.

(b) For the avoidance of doubt, clauses 1.1 to 1.3 apply to any event described by those clauses impacting the Company's capital structure occurring during the Adjustment Period and clause 1.4 applies on and from the date of the Subscription Agreement.

(c) If:

(i) one or more events or circumstances affecting the Company or the capital structure of the Company not referred to in these adjustment rules occurs; or

(ii) the Company determines that the application of any of the provisions in these adjustment rules results in an adjustment to the Conversion Price that is not fair or reasonable to protect the interests of the Noteholders in the reasonable opinion of the Company or the Noteholders,

the Company and the Noteholders shall consult in good faith to determine and agree as soon as practicable what adjustment (if any) to the Conversion Price, or to these Terms and Conditions, is fair and reasonable to protect the rights and interests of the Noteholders taking account of that event or circumstance and the intent and spirit of these adjustment rules.

(d) When the Company becomes aware of a fact that may give rise to an adjustment under these adjustment rules, the Company must promptly notify each Noteholder of the specifics of the fact that may give rise to such adjustment.

(e) If there is any reorganisation of the issued share capital of the Company, the rights of the Noteholders may be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

2. Definitions

The following defined terms apply to capitalised terms used in these adjustment rules:

Adjustment Period means the period:

(a) from and including the Business Day following the issue of the last tranche of Shares (or securities convertible into Shares) pursuant to the next capital raising launched publicly by the Company following the date of the Subscription Agreement (and for the avoidance of doubt, if the capital raising comprises multiple tranches of Shares, contains a retail component, or includes the issue of Shares under the cornerstone subscription agreements between the Company and EFA and KfW, then the Adjustment Period will commence on the Business Day following the last date on which Shares (or securities convertible into Shares) are issued under that capital raising, irrespective of whether all of the Shares (or securities convertible into Shares) proposed to be issued under that capital raising are ultimately issued); and

(b) ending on the final day of the Conversion Period, including that day.

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Annexure C –Convertible Note Adjustment Rules

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ASX means ASX Limited and, as the context requires, the market operated by it.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Perth, Western Australia and Sydney, New South Wales.

Conversion means a conversion of a Convertible Note into Conversion Shares.

Conversion Price means $0.476 per Conversion Share, subject to adjustment in accordance with the Terms and Conditions.

Convertible Notes means the convertible notes issued by the Company in accordance with the Subscription Agreement, the terms of which are set out in the Terms and Conditions, and **Convertible Note** means each of those.

Current Market Price means, in respect of a Share as at a particular date, the VWAP over the five consecutive Trading Days ending on such date.

Deed Poll means the NRFC deed poll set out in Schedule 1 to the NRFC Subscription Agreement, including the Terms and Conditions.

Employee Incentive Scheme Issue means any offer or issue of any awards under any employee incentive scheme adopted by the Company (including any performance rights or options in respect of Shares), and any issue of Shares under the terms of any such awards.

Issuer Group means the Company and each of its Subsidiaries.

Listing Rules means the listing rules of the ASX, as amended from time to time.

Noteholder means, in relation to a Convertible Note, the person who holds that Convertible Note, a successor or permitted transferee of the Noteholder and, as the case may be, its liquidator(s).

Ordinary Course of Business Securities means Shares, securities, options, performance rights or other instruments which are (or will be) outstanding and may convert into Shares that the Company issues or agrees to issue in the ordinary course of the Company's business on commercial terms for the payment of service providers, the payment of compensation to landowners or for payment to other third parties commonly encountered in the operation of the Company's business.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a person who is registered as the holder of one or more Shares.

Subscription Agreement means the Convertible Note Subscription Agreement executed as of the date of the Deed Poll between the Company and the Subscriber.

Subsidiary has the meaning given in the Corporations Act, amended as necessary such that:

(a) a body corporate or a trust will also be taken to be a Subsidiary of an entity if it is controlled by that entity (as defined in section 50AA of the Corporations Act);

(b) a trust may be a Subsidiary, for the purpose of which a unit or other beneficial interest in the trust will be regarded as a share (ignoring the operation of section 48(2) of the Corporations Act); and

(c) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate,

(d) and when used in relation to the Company, means the Subsidiaries of the Company.

Terms and Conditions means the terms of the Convertible Notes as set out in Schedule 1 to the Deed Poll.

Trading Day has the meaning given to that term in the Listing Rules.

VWAP has the meaning given to the term "volume weighted average market price" in Listing Rule 19.12.

ARAFURA RARE EARTHS

ABN 22 080 933 455

LODGE YOUR VOTE

ONLINE
https://au.investorcentre.mpms.mufg.com

BY MAIL
Arafura Rare Earths Limited
C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
MUFG Corporate Markets (AU) Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474

X99999999999

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PROXY FORM

I/We being a member(s) of Arafura Rare Earths Limited **(Company)** and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐ **the Chairperson of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairperson of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairperson of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **11:45am (AWST) on Thursday, 2 July 2026 at BDO Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA 6000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairperson of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

		For	Against	Abstain*
1	Issue of Shares to Export Finance Australia			
2	Issue of Shares to Kreditanstalt für Wiederaufbau			
3	Issue of Convertible Notes to the National Reconstruction Fund Corporation			
4	Ratification of Previous Issue of Shares under Tranche 1 of the Placement			
5	Issue of Shares under Tranche 2 of the Placement			
6	Issue of Shares under the SPP (including under the SPP Shortfall Offer)			
7	Issue of Shares to Directors under the SPP			

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

SAMPLE

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairperson of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairperson of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRPERSON OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairperson of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairperson of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at support@cm.mpms.mufg.com prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.mpms.mufg.com/en/mufg-corporate-markets.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:45am (AWST) on Tuesday, 30 June 2026,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE

https://au.investorcentre.mpms.mufg.com

Login to the Investor Centre using the holding details as shown on the Voting/Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

QR Code

Our voting website is designed specifically for voting online. You can now lodge your vote by scanning the QR code adjacent or enter the voting link **https://au.investorcentre.mpms.mufg.com** into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

BY MAIL

Arafura Rare Earths Limited
C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX

+61 2 9287 0309

BY HAND

delivering it to MUFG Corporate Markets (AU) Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150
*During business hours Monday to Friday (9:00am - 5:00pm)

COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.

ONLINE

https://au.investorcentre.mpms.mufg.com

Login to the Investor Centre using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.

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SAMPLE