

INVESTOR PRESENTATION

ASX:ARU



8/06/2020



(ASX:ARU)



Disclaimer

This presentation has been prepared by Arafura Resources Limited (Arafura, Arafura Resources or the Company) and is of a summary form only and therefore contains general background information which may not be complete. It should be read in conjunction with and full review made of Arafura Resources' disclosures and releases lodged with the Australian Securities Exchange (ASX) and available at www.asx.com.au.

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

Except for statutory liability which cannot be excluded, each of Arafura Resources and its related body corporates and their officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error in it or omission from it. Arafura Resources accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person, nor any obligation to furnish the person with any further information.

This presentation does not constitute an offer of any securities in Arafura Resources, nor an invitation to apply for such securities, in the United States or in any other jurisdiction where it would be illegal, and will not form part of any contract for the acquisition of Arafura shares. This presentation does not provide investment advice or financial product advice. The securities referred to in this presentation have not been, and will not be, registered under the US Securities Act of 1933 as amended (the "US Securities Act") and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The distribution of this presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions. Persons who come into possession of this presentation who are not in Australia should also observe any such restrictions. Any non-compliance with such restrictions may contravene applicable securities laws. Please refer to the section of this document headed "International Selling Restrictions" for more information.

Information in this presentation which is attributed to a third-party source has not been checked or verified by Arafura Resources.

Mineral Resources and Ore Reserves

The information in this presentation that relates to Mineral Resources was released in an ASX announcement dated 7 June 2017 (Detailed Resource Assessment Completed) and was completed in accordance with the guidelines of the JORC Code (2012). The information in this presentation that relates to Ore Reserves was released in an ASX announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project) and was completed in accordance with the guidelines of the JORC Code (2012). Arafura Resources confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. Arafura Resources confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.\



Disclaimer

Production Targets and Forecast Financial Information

The information in this presentation that relates to production targets and financial information included in this presentation is extracted from ASX announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project) including the cost and pricing assumptions referred to in the Company's 16 March 2020 announcement that were used in the DFS and which are set out in the Company's ASX Announcement 7 February 2019 (Nolans Project Definitive Feasibility Study) continue to apply and have not materially changed.

The Life Of Mine (LOM) production target includes a proportion of inferred mineral resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that a production target itself will be realised. Inferred resources makes up an average of 6% of life of LOM target for the first ten years, rising to 18% for years 10 to 20 with a LOM average of 26%.

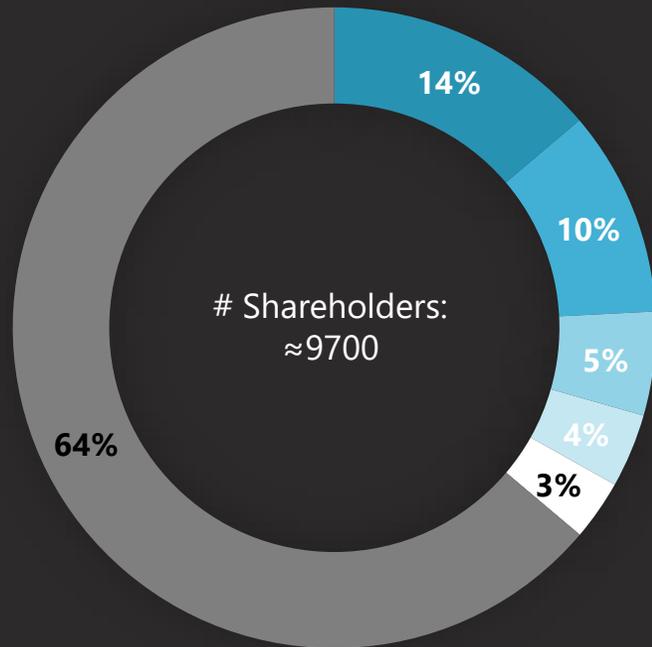
Financial data

The financial information also includes non-GAAP measures within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934 and non-IFRS measures, which have been included because the Company believes it provides users with additional relevant information. The non-IFRS/non-GAAP financial information does not have a standardised meaning prescribed by IFRS and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information included in this presentation.

JORC Code

It is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the Joint Ore Reserves Committee's Australasian Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code"). Investors outside Australia should note that while ore reserve and mineral resource estimates of the Company in this document comply with the JORC Code (such JORC Code-compliant ore reserves and mineral resources being "Ore Reserves" and "Mineral Resources" respectively), they may not comply with the relevant guidelines in other countries and, in particular, do not comply with (i) National Instrument 43-101 (Standards of Disclosure for Mineral Projects) of the Canadian Securities Administrators (the "Canadian NI 43-101 Standards"); or (ii) Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the US Securities and Exchange Commission (the "SEC"). Information contained in this document describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of Canadian or US securities laws. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

Corporate Snapshot



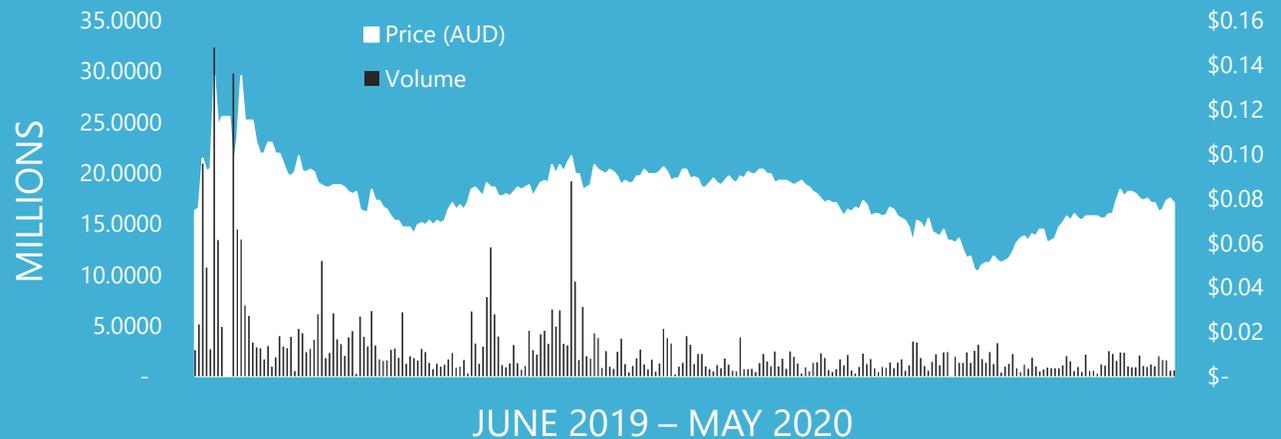
| |
|---------------------------------------|
| JP Morgan Nominees Australia Pty Ltd |
| ECE Nolans Investment Company |
| Talaxis Ltd |
| Citicorp Nominees Pty Ltd |
| HSBC Custody Nominees (Australia) Ltd |
| Other |

- ✓ Developing the world-class Nolans NdPr project
- ✓ Nolans aims to supply **5-10% of global demand for NdPr oxide**, the key rare earths in permanent magnets used extensively in electric motors
- ✓ DFS completed February 2019
- ✓ 100% Australian domiciled ore to oxide strategy

| Capital Structure | |
|--------------------------|---------|
| ASX Code | ARU |
| ASX Share Price (5 June) | \$0.078 |
| Shares on Issue | 1,055m |
| Market Capitalisation | \$82.3m |
| 12 Month Liquidity | \$60.8m |
| Cash* | \$20.1m |
| Debt | Nil |
| Enterprise Value* | \$62.2m |

* Cash balance based on 31 March 2020 Quarterly Report

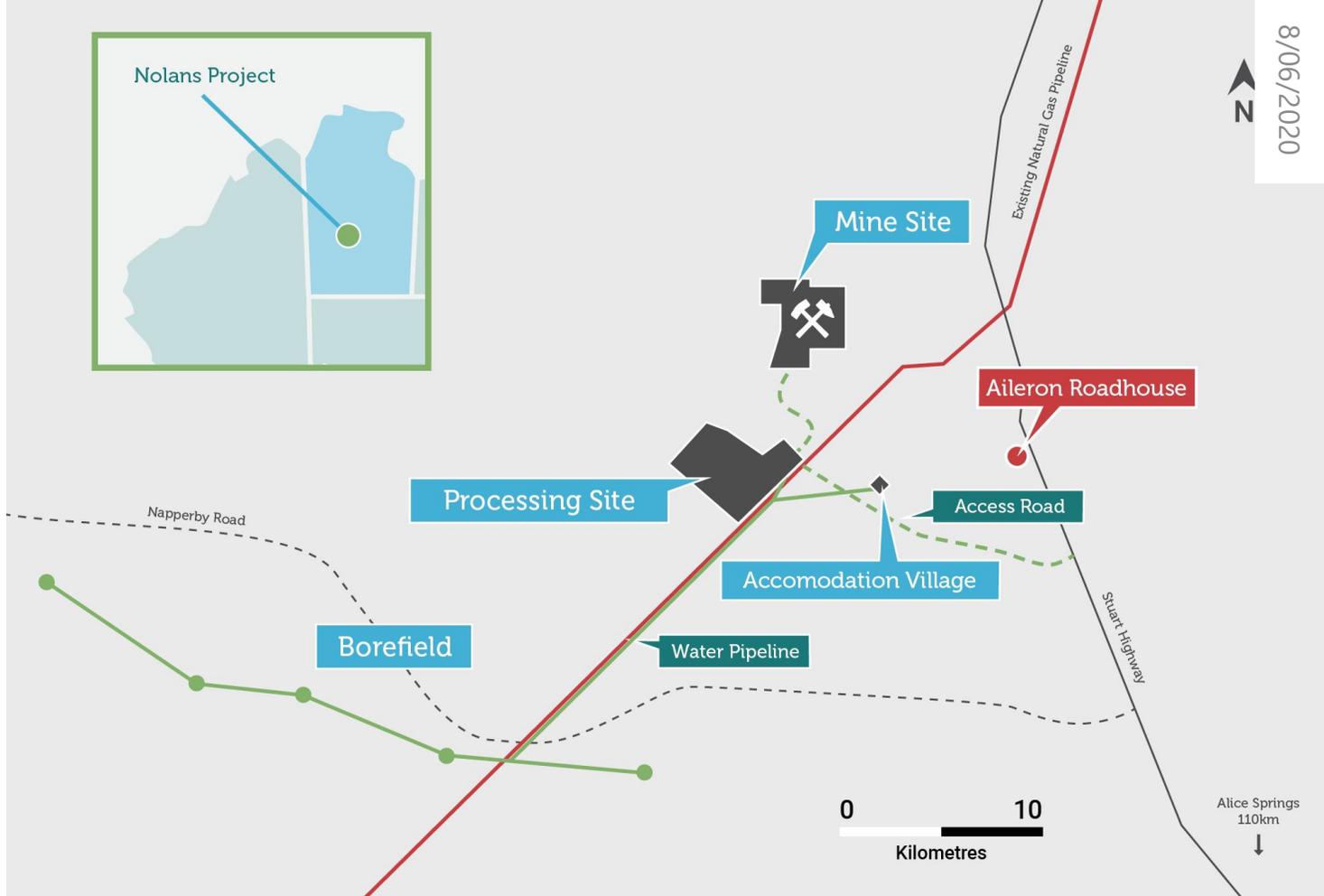
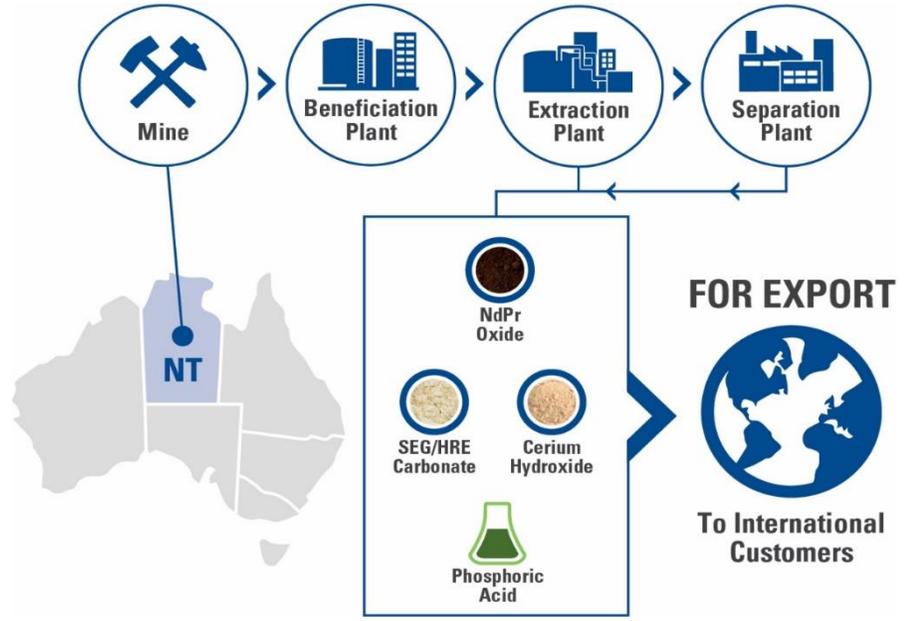
12 Month Share Price Performance



Nolans Project



100% Australian Domiciled in the NT



- 1** Ore to oxide at a single site in the Northern Territory
- 2** Environmental approvals secured including for water management

- 3** Product traceability and single site waste management certainty
- 4** DFS includes fully-costed rehabilitation of permanent disposal facility for tailings and process residues

Definitive Feasibility Study (DFS) Completed & Improved

| | Ore Reserves | Mining Inventory |
|-----------------------------------------------------------|--------------|------------------|
| Mining & Processing | | |
| Project Life (years) | 33 | 39 |
| Production | | |
| NdPr Oxide (tpa) | 3,923 | 4,325 |
| Financial | | |
| Capital Cost (A\$m) | 1,003 | 1,026 |
| KPI Analysis | | |
| Operating Cost (US\$/kg NdPr with Phosphoric Acid credit) | \$27.02 | \$23.71 |
| NPV10 after tax (A\$m) | 782 | 968 |
| IRR after tax (%) | 17.29% | 17.97% |
| After tax payback | Year 5 | Year 5 |

As announced on 16 March 2020. Average production and costs are calculated as the arithmetic annual average following the anticipated three year ramp up and excluding the partial final year of production.

The Life Of Mine (LOM) production target includes a proportion of inferred mineral resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that a production target itself will be realised. Inferred resources makes up an average of 6% of life of LOM target for the first ten years, rising to 18% for years 10 to 20 with a LOM average of 26%.

- ✓ DFS completed February 2019 confirming **Nolans as a world class NdPr project**
- ✓ CAPEX US\$726m, low OPEX producer at **US\$27.02/kg NdPr**
- ✓ **Long-life asset** based on Ore Reserves only
- ✓ Mining Inventory (includes Inferred Resources) **improves Project Life (39 years) and OPEX (US\$23.71/kg)**
- ✓ Well positioned to **feed forecast NdPr supply shortfall**
- ✓ Globally strategic – **100% Australian-domiciled operation in the NT**
- ✓ Only Australian NdPr-focused project with **environmental approval for ore to oxide**



(ASX:ARU)

Environment & Sustainability





Extensive community and stakeholder consultation



Waste management plan tailings and residue facility



Assessing impact from mining, extraction and transport corridor



Surface water and groundwater management plans

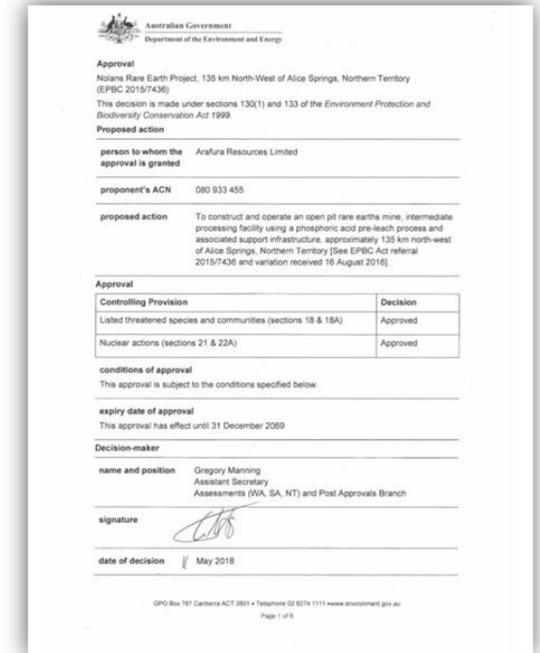
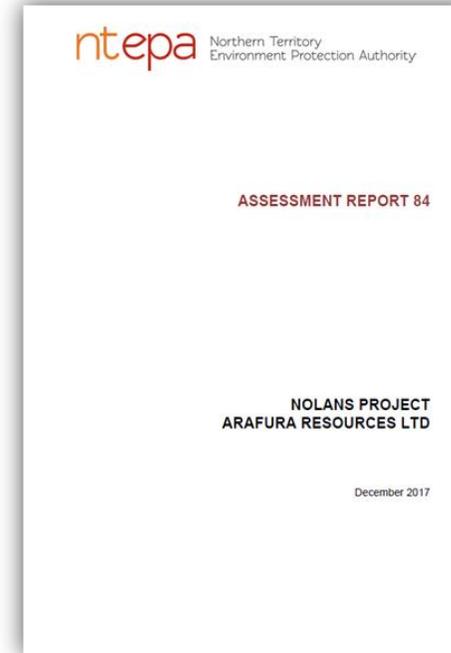


Biodiversity studies on existing flora and fauna



Framework for decommissioning closure and rehabilitation

Licence to Operate – Sustainable Supply



- ✓ **Nolans is the only NdPr-focused project in Australia with environmental approval for mining, extraction and separation, including for radioactive and other waste management from all processes**
- ✓ **Provides customers with a long-term reliable and sustainable supply from outside China**

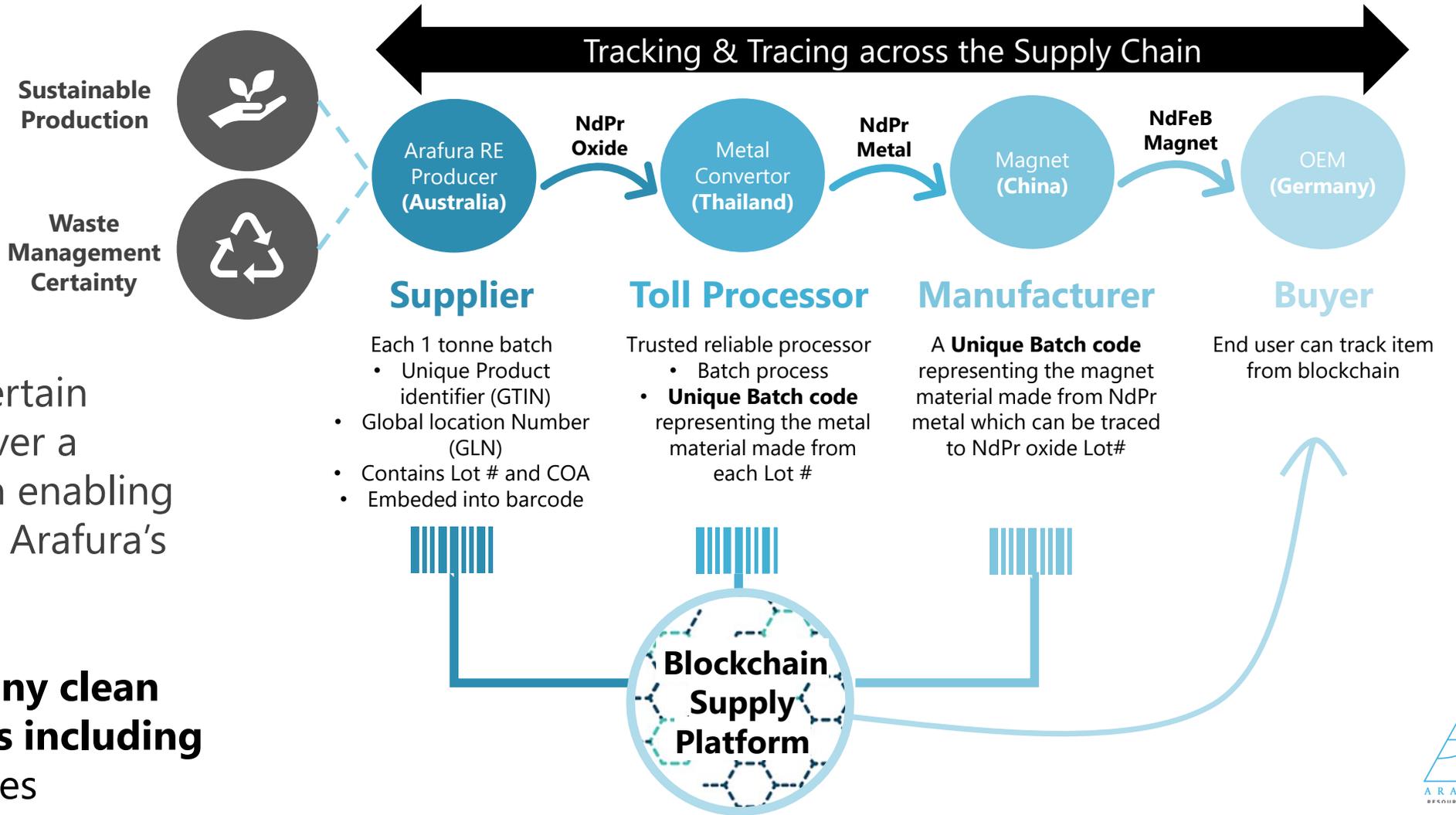


(ASX:ARU)

Verified Supply Chain

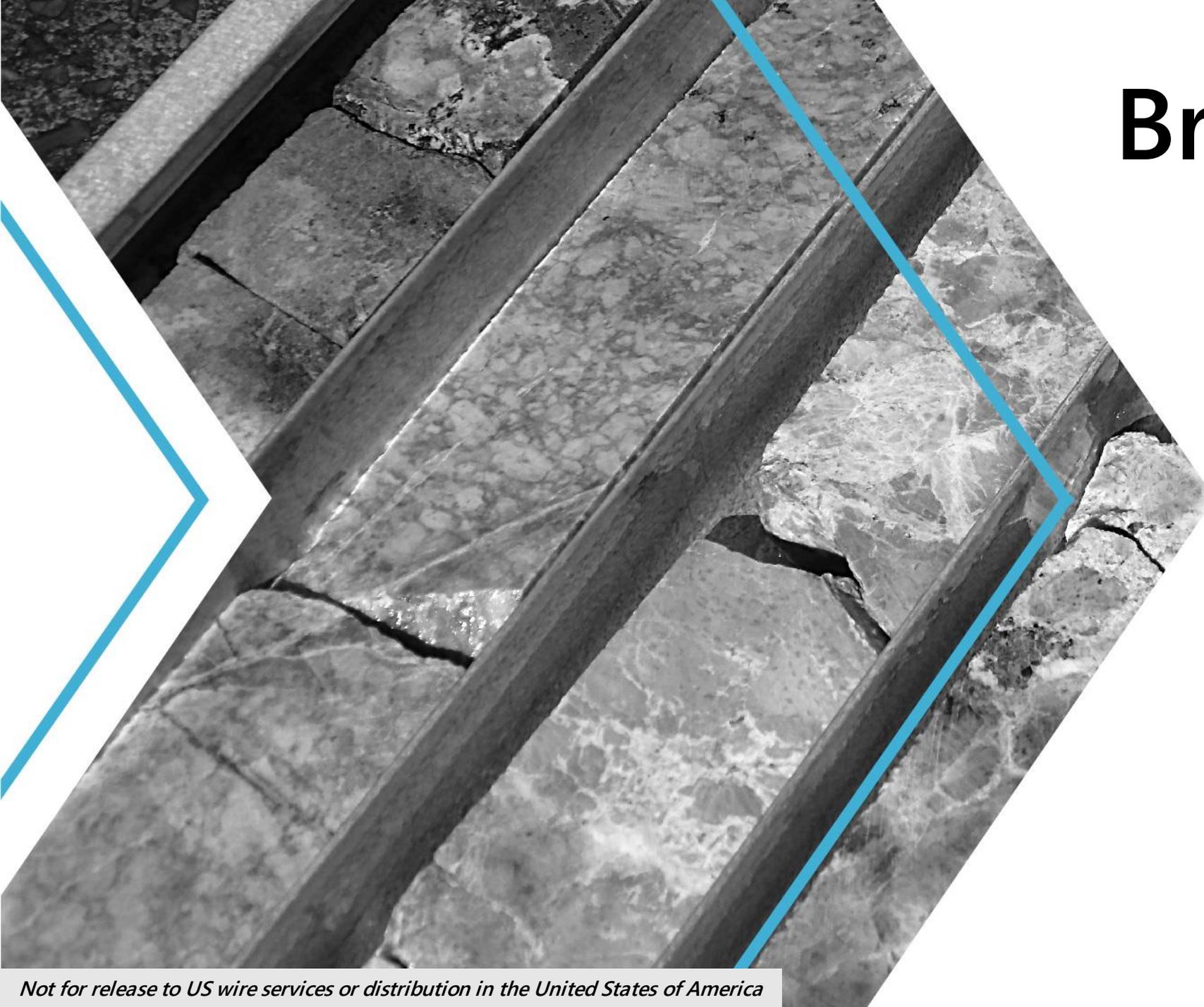
MoU with Source Certain International to deliver a verified supply chain enabling origin verification of Arafura's NdPr Oxide

NdPr central to many clean energy applications including EVs and wind turbines

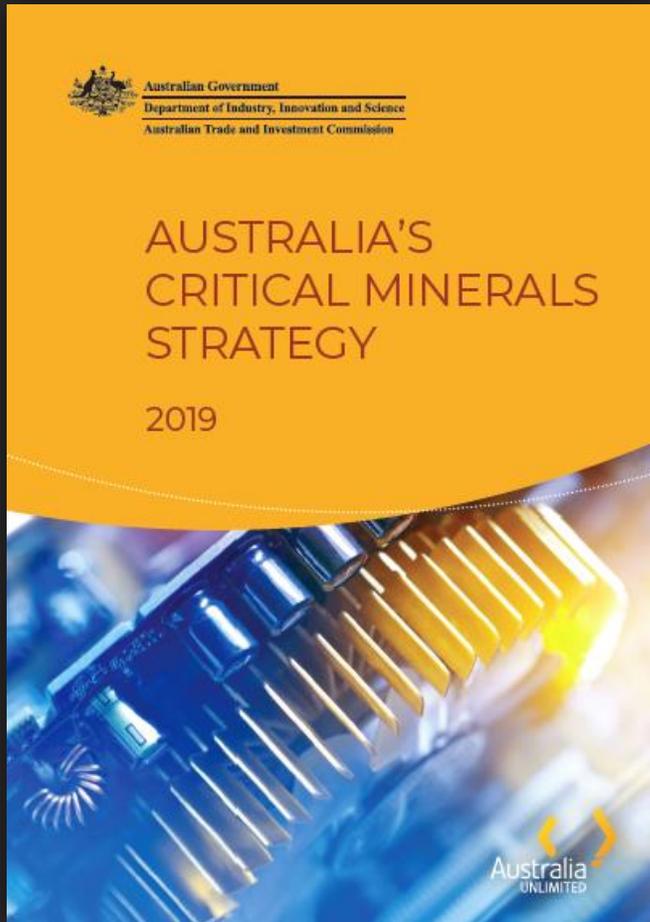


(ASX:ARU)

Breaking the Chinese Monopoly



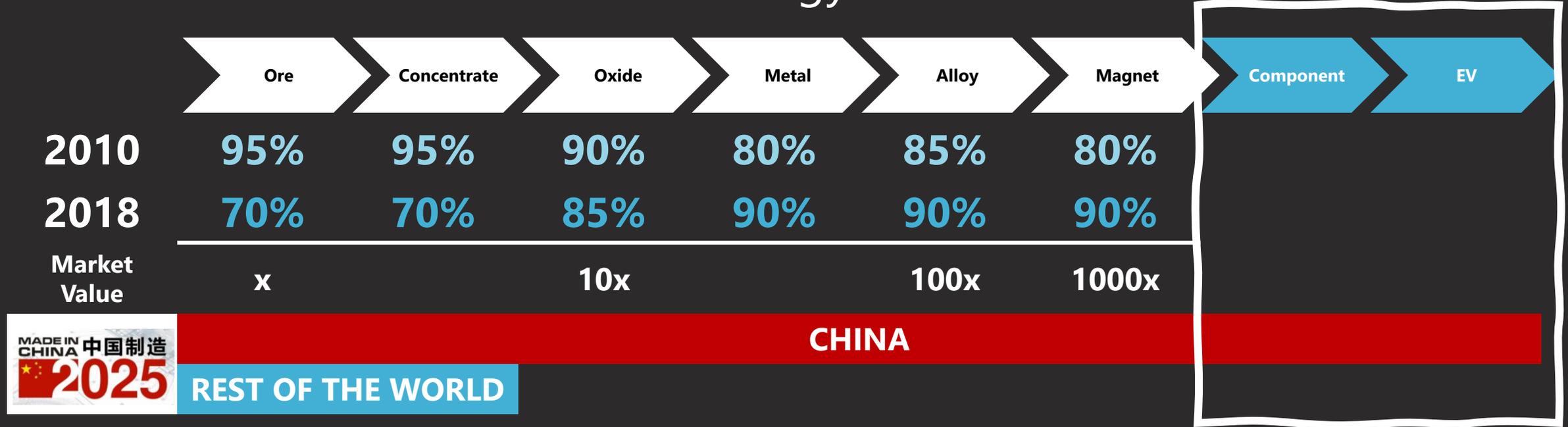
Rare Earths are Critical Minerals



- ✓ **China exerts control** over most of the global rare earth supply chain
- ✓ **Australia and its strategic allies recognise the threat posed by China's strategy** to deny capital to new developments
- ✓ **Australia is active in its policy response:** Critical Minerals Strategy & Facilitation Office, expanded EFA mandate via Defence Export Facility, NAIF-EFA co-investment, Austrade support
- ✓ **Multilateral engagement intensifying** with Japan, EU member states and USA
- ✓ Nolans aims to supply **5-10% of global demand for NdPr oxide**

China's Evolving Integrated NdPr Supply Chain

– Enables Made In China 2025 Strategy



1

More recently China has **increased its reliance** on concentrate and oxide from non-China sources

2

Access to capital and increased environmental constraints means ore, concentrate and oxide production from China **will be less reactive to world demand**

3

Capital deployed down the value chain focused on enabling China's **Made In China 2025 strategy**

4

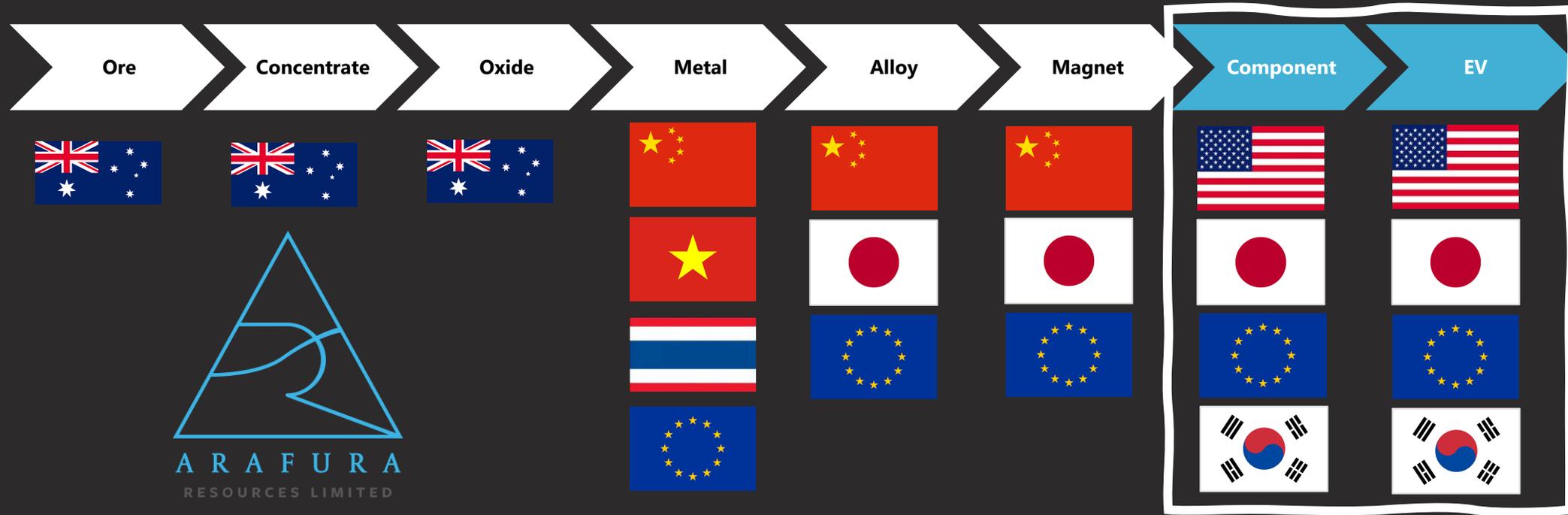
China is the only country with a fully integrated **Mine to Motor** supply chain

Source: Adamas Intelligence



(ASX:ARU)

Rest of the World Alternative Supply Chain



1

European auto industry employs 13.8 million people which equates to 6.1% of the EU workforce and 11.4% of all manufacturing jobs
("Electric cars sparks jobs fears in Germany's auto heartland" – Wall Street Journal, August 2019)

2

Diversification of NdPr supply source may provide better traceability, supply certainty and more transparent pricing

3

Government recognition of the strategic significance of NdPr can enable multilateral Mine to Motor supply chain solutions

4

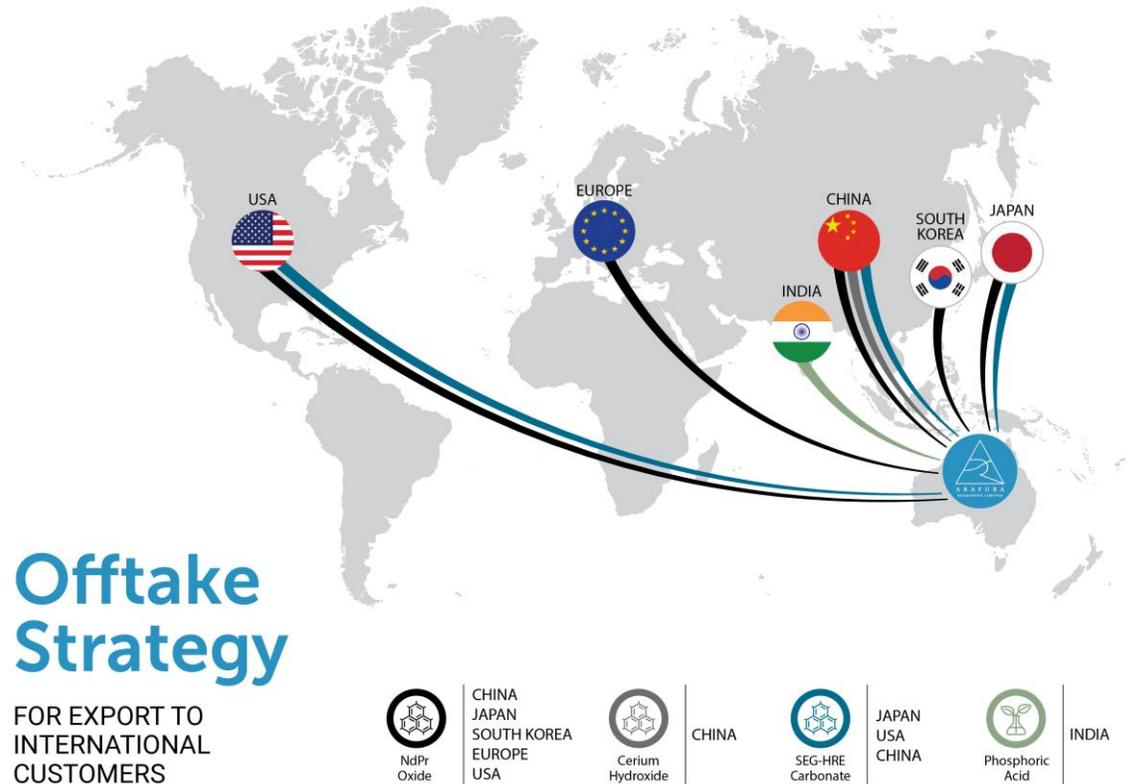
Nolans offtake strategy focused on parties **not aligned with the Made in China 2025 strategy**



(ASX:ARU)

Product Offtake

| Customer / Target Region | Amount (tonnes p.a.) | Offtake Status | Proportion of Revenue |
|---------------------------------------------------------------------------------------|-------------------------|----------------|-----------------------|
| NdPr Oxide – targeting contract with NdFeB magnet companies &/or end users | | | |
| JingCi Material Science | 900 | MoU | 96% |
| Baotou Tianhe Magnetics | 900 | MoU | |
| Japan | 2,557 | In progress | |
| South Korea | | | |
| Europe | | | |
| USA | | | |
| SEG-HRE Carbonate – targeting contract with rare earth processors | | | |
| China | 606 (TREO equivalent) | In progress | 1% |
| Japan | | | |
| Cerium Hydroxide – targeting contracts with rare earth processors | | | |
| Baotou Xinyuan Rare Earth Hi-tech | 8,383 (TREO equivalent) | MoU | 3% |



1 Customer Engagement targeted at NdPr users not aligned with Made in China 2025 strategy

- Japan – NdFeB magnet manufacturers
- Europe & Korea – automotive component makers, OEMs and wind turbine makers
- China – Tier 1 NdFeB magnet manufacturers with significant export markets

2 U.S. emerging as an offtake opportunity

3 Product offtake closely linked to project funding



(ASX:ARU)

Development Opportunities



- ✓ Most rare earth processing is based on Chinese technology for bastnaesite or monazite/xenotime ore types
- ✓ Export of rare earth separation technology from China prohibited
- ✓ Arafura has patented IP proven at demonstration scale for apatite ore to oxides
- ✓ Arafura's IP can be applied to:
 - ✓ Other apatite and monazite/xenotime ores
 - ✓ Phosphogypsum waste from the production of wet-process phosphoric acid
 - ✓ Waste or bleed liquors from acid process uranium projects

Project Funding Strategy



Project Funding Solutions

The Enablers

- Alignment with offtake and strategic partners that removes some market risk
- Offtake contracts and project finance will need to be engineered to manage downside price risk for low cost / efficient producers
- Piloting at scale to mitigate materials handling and commissioning risk
- Traceability for product and waste management certainty, permitting is robust
- NdPr is a strategic input – leverage this to access funding: ECAs, industry and commercial banks
- Trade war has highlighted the structural supply chain risk for ROW

The Opportunities

- China new supply more constrained – capital strategically focused downstream and tougher environmental standards
- Supply chain risk will bring greater linkage between OEMs, producers and funding (China and ROW)
- Funding challenges and development complexity will prevent a rush of new ROW NdPr producers

Project Funding Strategy

- ✓ Arafura looking to secure US\$726m to meet CAPEX requirements for the Nolans project
- ✓ Potential sources of funding include equity, debt, JV and/or project selldown with a strategic investor
- ✓ DFS completion and environmental approval are critical enablers for engagement with funding partners
- ✓ Critical mineral supply and NdPr supply diversification strategies are topical with industry, ECAs and governments
- ✓ Nolans a key critical minerals project identified for potential financing support through Australian Government's Export Finance Australia (EFA) and Northern Australia Infrastructure Facility (NAIF)

Offtake & Equipment Procurement

- ✓ Offtake long term strategic supply
- ✓ Procurement for high value specialist capital equipment

Export Credit Agencies

- ✓ Government-backed direct loans and guarantees
- ✓ Leveraged to strategic link with NdFeB magnet supply and capital equipment procurement
- ✓ NAIF mandate – encourage investment and Indigenous engagement in Northern Australia

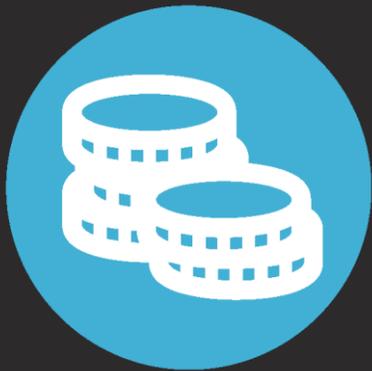
Commercial Banks

- ✓ Long-life project, high margin and low-cost producer
- ✓ Offtake and Export Credit Agency(s) (ECA) – reduce market exposure and credit risk
- ✓ Improved bankability for conventional lenders

Equity

- ✓ ECA and bank involvement “halo-effect” – reduced funding risk and less equity dilution
- ✓ Market and technical validation
- ✓ JV / Project selldown opportunities

Other Funding Sources



Subordinated debt facilities and other funding sources

- ✓ NAIF and Clean Energy Finance Corporation (CEFC)
- ✓ Mezzanine or cost over-run facility
- ✓ Build-Own-Operate (BOO) and equipment financing
- ✓ Offtake finance – prepayment or working capital

Current Focus



2020 Focus

**1**

Prioritising project work streams against cash conservation priorities in light of COVID-19 and uncertain recovery of capital markets.

2

Provision of sample product & advancing terms sheets with end users for offtake.

3

Escalate engagement with financiers and financial advisors for project financing.

4

Continued dialogue with Australian and other governments seeking to establish non-Chinese critical minerals supply chains.



Appendices

Experienced Board



MARK SOUTHEY
CHAIRMAN

Mark Southey has previously held senior executive positions with Honeywell and ABB both in Australia and internationally, and more recently was part of the global executive leadership team within WorleyParsons, where he held the position of Group Managing Director for the Minerals, Metals and Chemicals Sector. He is Chair of Arafura Resources' Remuneration and Nomination Committee and is a member of the Audit and Risk Committee.



CHRIS TONKIN
NON-EXECUTIVE DIRECTOR

Chris Tonkin has over 35 years' experience as a senior business executive with a broad industry background in business generation, management, and strategy development. He is a member of Arafura Resources' Remuneration and Nomination and is the Chair of the Audit and Risk Committee.



QUANSHENG ZHANG
NON-EXECUTIVE DIRECTOR

Quansheng Zhang holds a Doctoral degree in Engineering and a Masters degree in Geophysical Prospecting. He is based in Nanjing in the Peoples Republic of China and is the General Manager of Hong Kong East China Non-Ferrous Mineral Resources Co Ltd (HKECE). Quansheng has over 30 years of mineral prospecting and exploration experience, and expertise in mineral resource surveys and geophysics.



CATHY MOISES
NON-EXECUTIVE DIRECTOR

Cathy Moises has extensive resource sector experience having worked for several major stockbroking firms including McIntosh (now Merrill Lynch), County Securities (now Citigroup) and Evans and Partners. More recently, she was Head of Research at Patersons Securities. Cathy holds a Bachelor of Science with Honours in Geology from the University of Melbourne and a Diploma of Finance and Investment from the Securities Institute of Australia. She is a member of Arafura's Remuneration and Nomination and Audit and Risk Committees.



GAVIN LOCKYER
MANAGING DIRECTOR

Gavin Lockyer's diverse, global experience has provided management and leadership opportunities in a range of disciplines including; Accounting, Financial & Investment Banking, Major Resource Development & Operations, and Global Bank Treasuries. Over the past 20 years his career has exposed him to business practices in North America, Europe, and Australasia.



(ASX:ARU)

Experienced Management



RICHARD BRESCIANINI
GENERAL MANAGER
EXPLORATION & BUSINESS
DEVELOPMENT

Richard has over 30 years' experience in the minerals industry. He worked with BHP Minerals on base and precious metals exploration programs throughout Australasia and North America, contributing to significant economic discoveries at Eloise (copper-gold) and Cannington (silver-lead-zinc). Thereafter he led the Northern Territory Government's Geological Survey as its Director from 2003 to 2007 before joining Arafura.



PETER SHERRINGTON
CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY

Peter commenced employment with Arafura in 2008 as Commercial Manager and was appointed Chief Financial Officer in July 2013. He has more than 20 years' experience in professional and corporate roles in Perth. Prior to working with Arafura, he held senior finance and commercial positions with several ASX and public unlisted entities. He has also worked in public practice for 10 years in the areas of business services and corporate advisory.



LLOYD KAISER
GENERAL MANAGER
SALES & MARKETING

Lloyd has more than 10 years' experience in the sales and marketing of industrial minerals into high value sector markets including the nuclear, automotive, and advanced ceramics sectors. Prior to joining Arafura, he held several senior positions in account management, business development and marketing across a diverse range of commodities and chemicals including alumina, coal, industrial minerals, refractories, and ceramics.



BRIAN FOWLER
GENERAL MANAGER
NT & SUSTAINABILITY

Brian has worked for over 40 years in private sector mineral companies developing a range of commodities, including rare earths, base metals, and gold. Brian is a member of the Northern Territory Mining Board, Management Board of the Northern Territory Minerals Council of Australia, and a member of Work Health & Safety Advisory Council of the Northern Territory.



STEWART WATKINS
GENERAL MANAGER
PROJECTS

Stewart has 25 years' experience in many facets of the mining industry including operations, engineering consulting, project development and management. Stewart is a Fellow of the AusIMM. This has included a wide range of roles including corporate and business management, business development, project/study management, process design, commissioning and process plant operation.



Long Life Asset

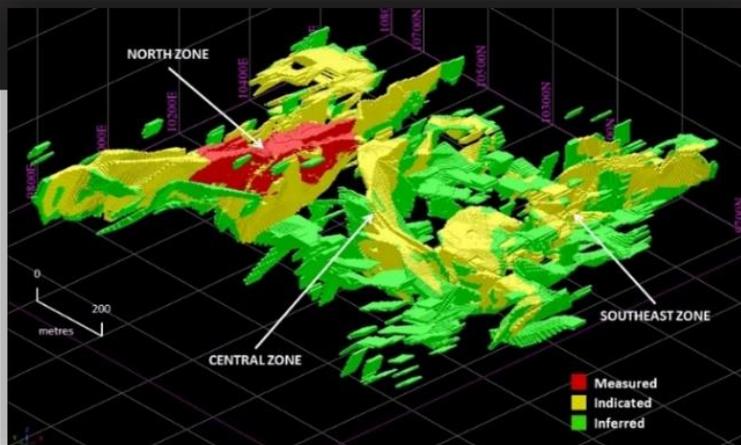
| RESOURCES | TONNES (m) | RARE EARTHS TREO % | PHOSPHATE P ₂ O ₅ % | NdPr ENRICHMENT % |
|------------------|------------|--------------------|-------------------------------------------|-------------------|
| Measured | 4.9 | 3.2 | 13 | 26.1 |
| Indicated | 30 | 2.7 | 12 | 26.4 |
| Inferred | 21 | 2.3 | 10 | 26.5 |
| TOTAL | 56 | 2.6 | 11 | 26.4 |

As announced on 7 June 2017. 1% TREO cut-off grade. Numbers may not compute exactly due to rounding. "NdPr enrichment" is the proportion of TREO comprising Nd₂O₃ and Pr₆O₁₁.

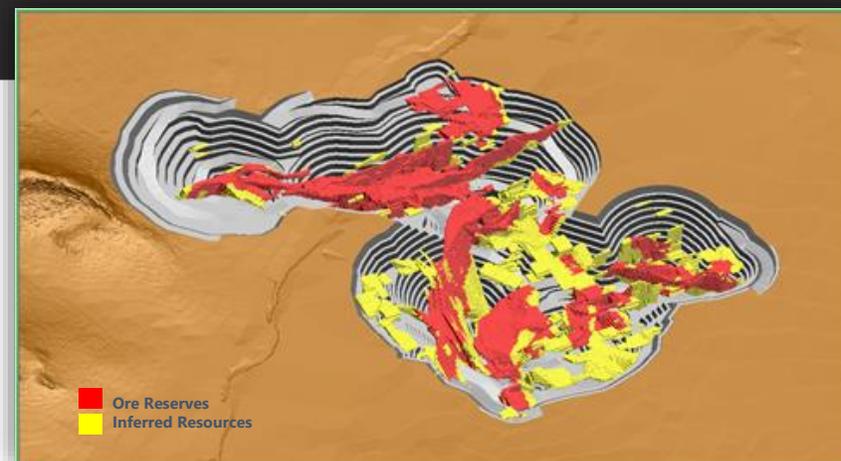
| RESERVES | TONNES (m) | RARE EARTHS TREO % | PHOSPHATE P ₂ O ₅ % | NdPr ENRICHMENT % |
|-----------------|-------------|--------------------|-------------------------------------------|-------------------|
| Proved | 5.0 | 3.0 | 13 | 26.2 |
| Probable | 24.6 | 2.8 | 13 | 26.5 |
| TOTAL | 29.5 | 2.9 | 13 | 26.4 |

As announced on 16 March 2020. Numbers may not compute exactly due to rounding. "NdPr enrichment" is the proportion of TREO comprising Nd₂O₃ and Pr₆O₁₁.

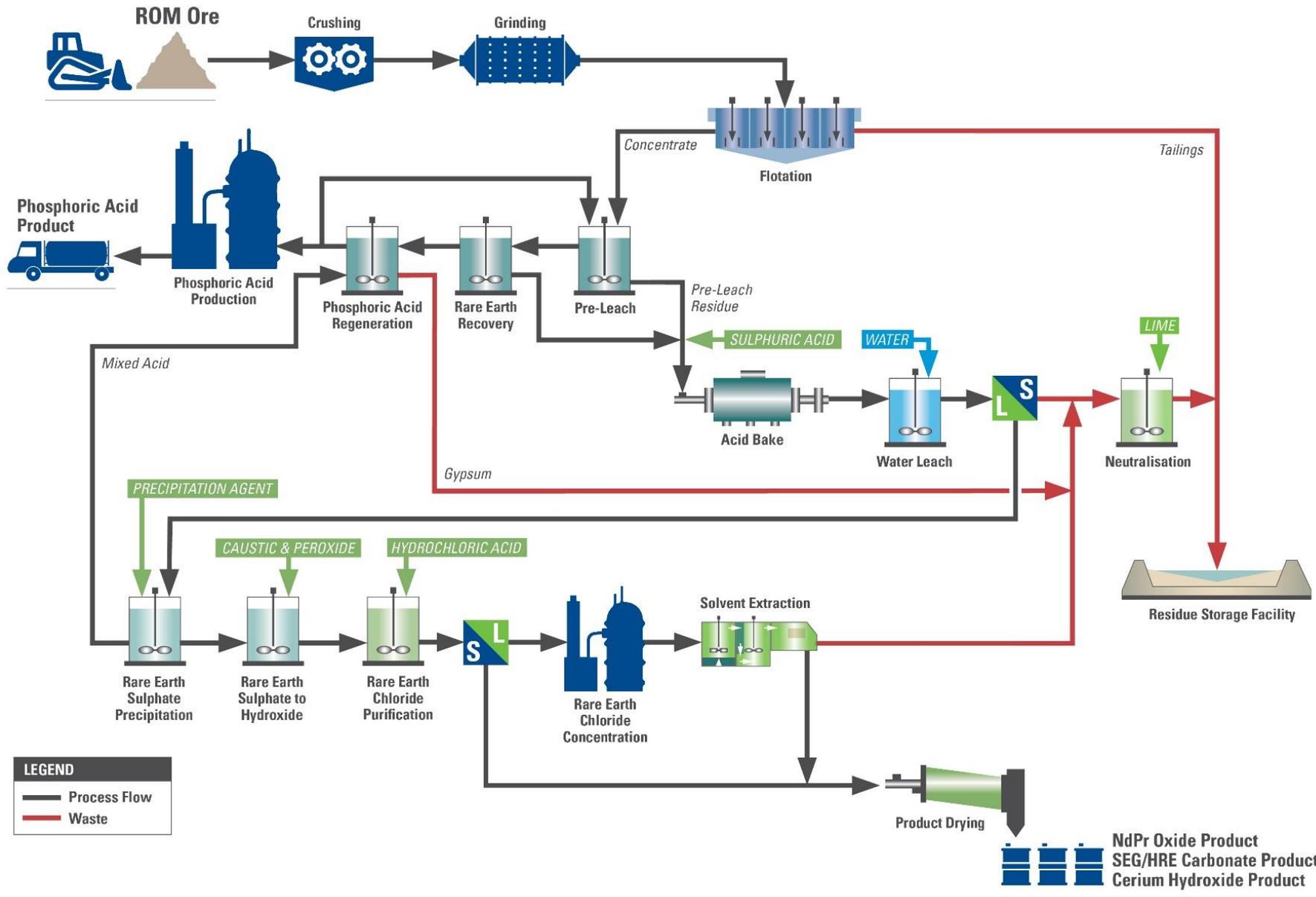
Mineral Resources



Ore Reserves



Process Flowsheet Supported by Successful Pilot

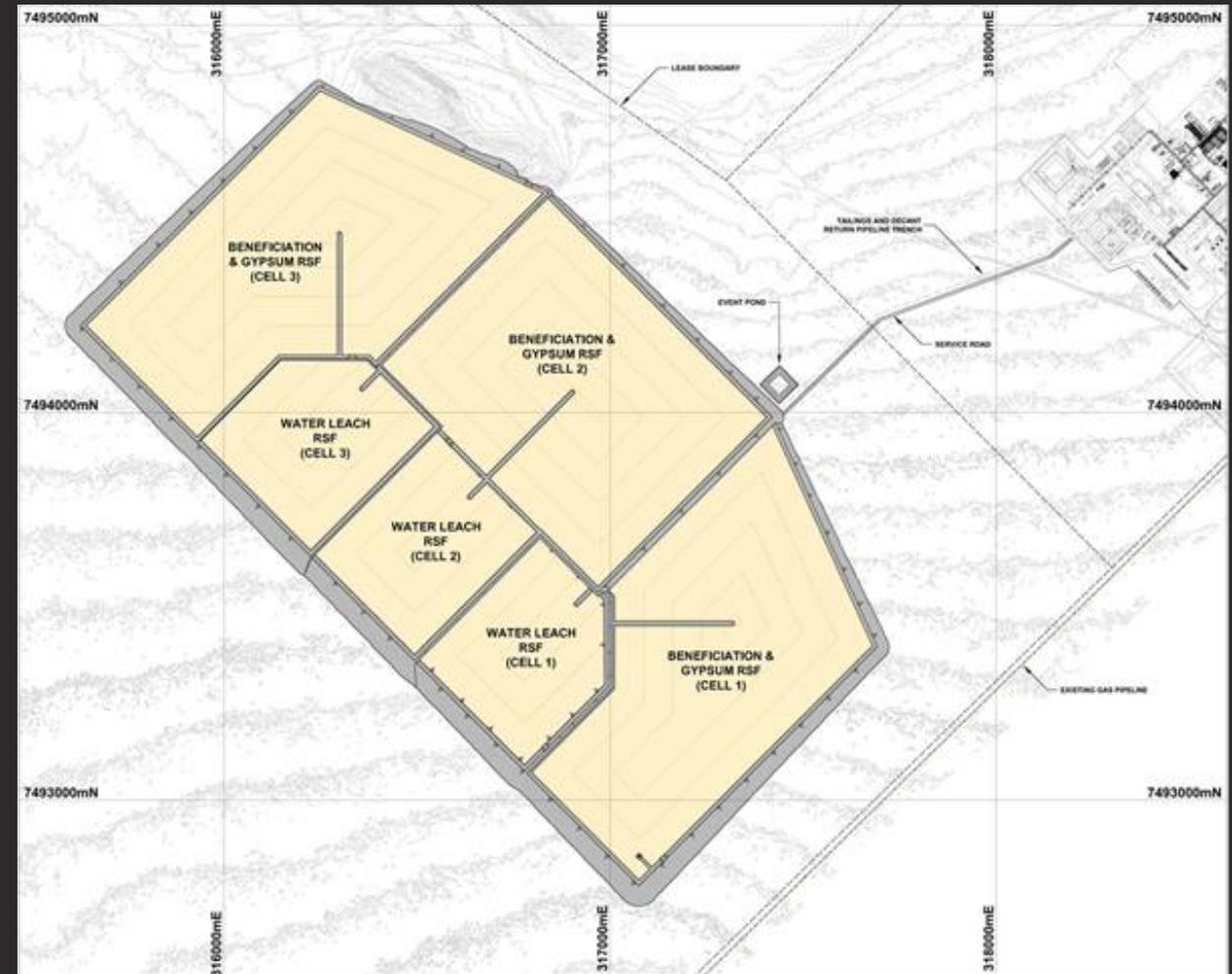


(ASX:ARU)

Residue Storage Facility

- ✓ Waste streams generated within the process plant disposed in RSF, a purpose built, long-term, earth fill, lined containment facility.
- ✓ The RSF footprint has been designed for the entire LOM and will be a permanent facility that will be closed and rehabilitated on site without the need for any further residue handling.
- ✓ Each cell – seven to nine years and will then be decommissioned and capped in preparation for rehabilitation.
- ✓ Subsequent cells will be constructed immediately adjacent to the initial structure. In addition to the volume occupied by the residue, each cell can contain the rainfall runoff due to extreme short duration storms and/or prolonged wet periods.

General arrangement of the final RSF design



International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold in the Placement, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation.

Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.



(ASX:ARU)

International Offer Restrictions

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Hong Kong
 WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand
 This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.



(ASX:ARU)

International Offer Restrictions

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- institutional accredited investors (as defined in Rule 501(a)(1), (2), (3) and (7) under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.



(ASX:ARU)