

ASX ANNOUNCEMENT

REVISED AGM PRESENTATION

21/10/2024



Arafura Rare Earths Limited (ASX: ARU) (“Arafura” or the “Company”) refers to slides 8 and 12 of the presentation released on 17 October 2024 titled “**AGM Presentation**” which contained peer comparisons.

Following release of the AGM Presentation, ASX informed the Company that the slides contained comparisons to entities that ASX considers are not ‘like for like’ notwithstanding the disclosures included on those slides. Accordingly, the Company has retracted the peer comparisons contained on slides 8 and 12 of the AGM Presentation and investors should not rely on those slides when making an investment decision in relation to the Company.

An updated presentation with the peer comparisons removed is attached to this release.

-ENDS-

Further Information:

Investors

Shaan Beccarelli
Head of Corporate Affairs & Investor Relations
+61 455 559 553
sbeccarelli@arultd.com

Media

Luke Forrestal
GRA Partners
+61 411 479 144
luke.forrestal@grapartners.com.au

Authorised by:

Catherine Huynh
Company Secretary

Arafura Rare Earths Limited

ABN: 22 080 933 455

Level 6, 432 Murray St, Perth WA 6000

PO Box 5773, St Georges Terrace, Perth WA 6831

T: +61 8 6370 2800 | **W:** www.arultd.com | **E:** arafura@arultd.com

ASX: ARU

17 October 2024

Arafura Rare Earths Annual General Meeting



Disclaimer



This presentation is dated 17 October 2024 and has been prepared by Arafura Rare Earths Limited (“**Arafura**”, “**Arafura Rare Earths**” 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 Rare Earths’ most recent financial report and other periodic 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 report. No representation or warranty, express or implied is made by Arafura that any forward-looking statement contained in this report will occur, be achieved or prove to be correct. You are cautioned against relying upon any forward-looking statement.

Content presented in this presentation is provided as at the time of this presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this

presentation and, subject only to any legal obligation to do so, Arafura Rare Earths 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 Rare Earths, in any jurisdiction, nor an invitation to apply for such securities, in any jurisdiction, and will not form part of any contract for the acquisition of Arafura shares. This presentation is of a general nature and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor and does not provide investment advice or financial product advice. You should obtain professional advice and carry out your own independent investigations and assessment of the information in this presentation (including any assumptions) before acting.

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

Mineral Resources and Ore Reserves

The information in this presentation that relates to

Mineral Resources is extracted from the Company’s 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 is extracted from the Company’s 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 Rare Earths 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 Rare Earths confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

Production Targets and Forecast Financial Information

The information in this presentation that relates to production targets is extracted from the Company’s ASX announcement dated 11 November 2022 (Nolans Project Update). The production target is

based on 12% Proved Reserves, 62% Probable Reserves and 26% inferred resources as reported in the Company’s ASX announcement dated 11 November 2022. 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 the production target itself will be realised. Arafura confirms that, all material assumptions underpinning the production target set out in the Company’s ASX announcement dated 11 November 2022 (including any assumptions referred to in the Company’s ASX announcement dated 11 November 2022 that were used from the DFS as set out in the Company’s ASX announcement dated 7 February 2019 (Nolans Project Definitive Feasibility Study) or from the Updated Mining Study as set out in the Company’s ASX announcement dated 16 March 2020 (Major Increase in Mine Life for the Nolans Project)), continue to apply and have not materially changed.

The information in this presentation that relates to forecast financial information (including forecast financial information derived from the production target) is extracted from the Company’s ASX presentation dated 23 July 2024 (Arafura achieves major debt funding milestone). Arafura confirms that, all material assumptions underpinning the forecast financial information (and forecast financial information derived from the production target) set out in the announcement released on 23 July 2024 continue to apply and have not materially changed.

Arafura Rare Earths: corporate summary



Explorer



Developer



Operator



NdPr is essential for the **energy transition**



Supply security threat with ~90% of NdPr supplied by China⁴



Demand expected to nearly double by 2032² development pipeline is challenging



Mine life	+38 years
NdPr Oxide	4,440 tpa
SEG/HRE Oxide	474 tpa
Phos Acid	144,393 tpa (54% P₂O₅ MGA)

Why the Nolans Project?

- ✓ Fully-permitted¹
- ✓ Construction-ready³
- ✓ Single-site ore-to-oxide
- ✓ Tier 1 location
- ✓ Potential for Phase 2 expansion and third-party processing hub, preliminary study underway



● Alice Springs

¹ All Northern Territory Government approvals granted / Awaiting approval of relevant management plans in support of Commonwealth Government approvals already received

² Adamas Intelligence, "Rare Earth Magnet Market Outlook to 2040" (Q2 2023)

³ Commencement of construction is subject to finalisation and financial close of debt financing facilities and receipt of equity funding sufficient to proceed to construction

⁴ Adamas Intelligence, "Rare Earth Magnet Market Outlook to 2040" (Q2 2023)

2024: progress towards FID – a year in review



Government approvals¹



Experienced Board and Management team
+ KBR and Hatch²



Engineering well advanced³



Early works completed³



Offtakes binding or in advanced negotiations⁴



US\$1billion debt conditionally secured⁴



Final step:
secure equity



Market: short-term challenges locking in long-term upside

Short-term has been challenging¹

- China ~ 90% of market
- NdPr pricing recovering from multi-year lows
- Headwinds when raising funding

Medium- and long-term remains strong

- NdPr demand expected to double over decade¹
- Robotics present demand upside²
- Supply response limited due to historic NdPr pricing³
- Government policy responses:
 - European Critical Raw Materials Act (CRMA)
 - Inflation Reduction Act (IRA)
 - Future Made in Australia Act
- Structural supply deficit expected to trigger inducement pricing of US\$130-163/kg⁴

ARU share price vs NdPr price



¹ ASX Announcement 29 May 2025

² Adamas Intelligence, "Rare Earth Magnet Market Outlook to 2040" (Q3 2024)

³ Source: internal analysis of pipeline development as at August 2023

⁴ ASX announcement 23 July 2024

Debt financing: success despite headwinds

What we have achieved:

- Nine lenders across five countries
- Offtake aligned to export credit agency funding
- US\$1 billion+ in debt financing conditionally approved
- US\$775 million + US\$280 million completion support
- Average tenor >12 years

Successful due diligence:

- Independent Technical Expert (ITE)
- Independent environmental and social consultant – assessed risks across ESG
- Market consultant – assessed the market and competitive landscape
- Insurance advisor – assessed all risks and liabilities
- Legal review of project contracts, offtakes, approvals

Sets a solid foundation to secure remaining equity

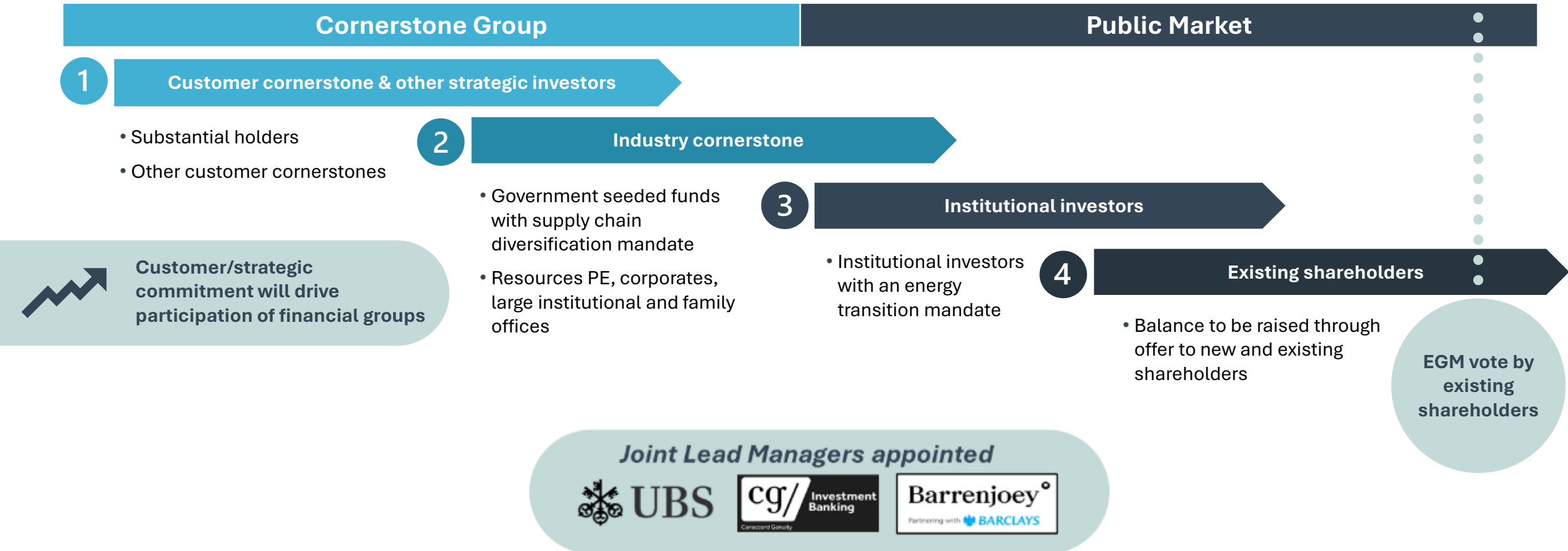


Australian and international lenders¹



Equity Funding strategy: prioritising certainty over speed

Focused on execution certainty over speed



Creating value: leveraging off a world class orebody

Nolans: a differentiated proposition at the right time for the energy transition



Large, scalable resource



High grade

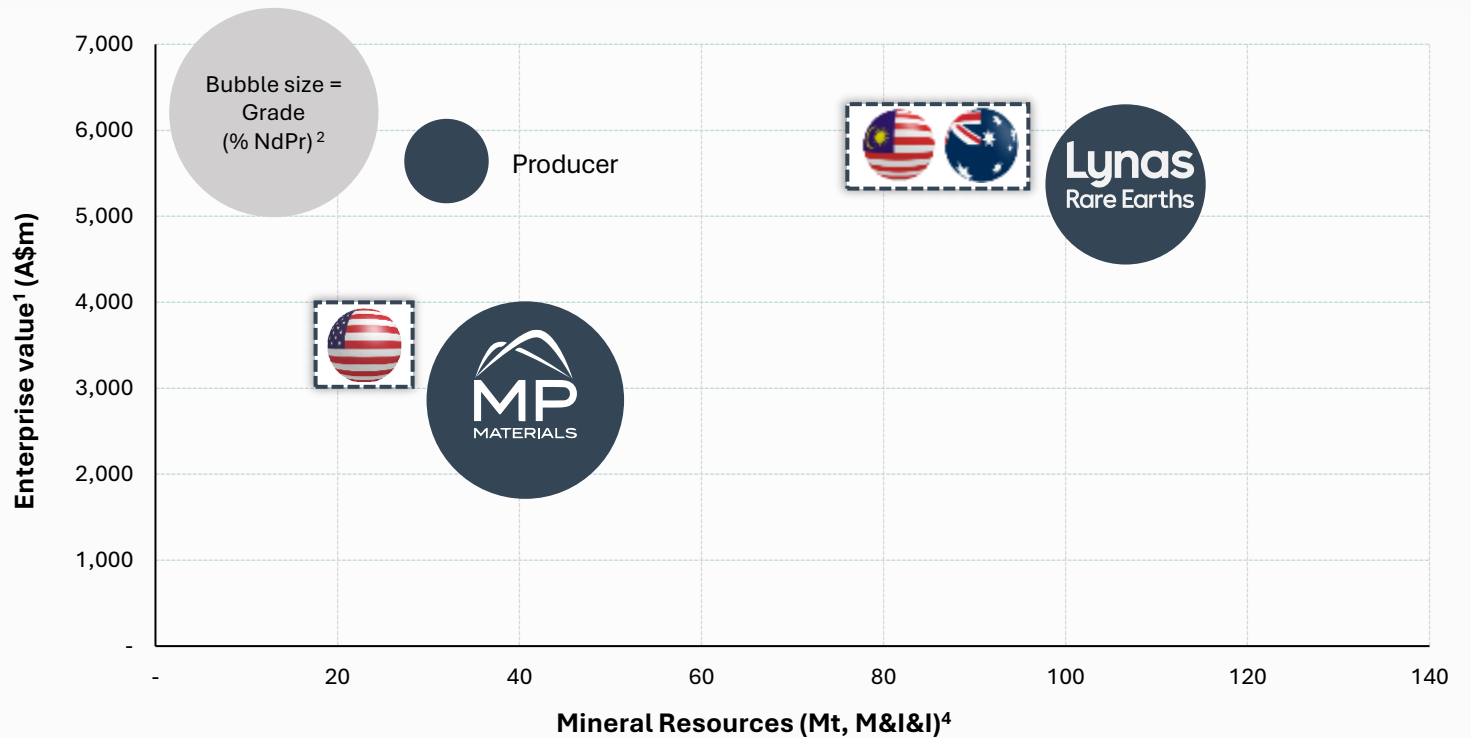


Low unit cost – phosphoric acid credits



Tier 1 location

Lynas and MP Materials³



¹ Enterprise value as at 13 August 2024. Enterprise value calculated as market capitalisation plus debt minus cash. Debt and cash as at reported on 30 June 2024. There is no guarantee that Arafura's enterprise value following production will be similar to that of Lynas or MP

² Based on % TREO multiplied by % NdPr enrichment

³ Please refer to Appendix 1 for data sources

⁴ Total mineral resources include varying compositions of measured, indicated and inferred; refer to Appendix 1 for a full breakdown of these resource estimates

ESG – focused on what matters most

Contribution to a lower carbon future and global energy transition



01

Nolans Phase 1 supports the equivalent of around four million electric vehicles¹



02

Aiming to be Australia's first NdPr ore to oxide processing facility



03

Expected to be largest and longest life mine in the NT will bring significant economic activity to Alice Springs and the NT more broadly



04

Published net zero pathway²



05

Aligned to international standards³

- International Finance Corporation (IFC) Performance Standards
- EP4 Equator Principles IV
- Global Industry Standard on Tailings Management (GISTM)



06

Potential Phase 2 expansion will unlock Australia's rare earth sector through third party processing hub³

¹CRU Rare Earths Special Report 2024

²ASX announcement 31 January 2023

³ASX announcement 23 July 2024

The Nolans Project is ready to go



01 Large, high grade, scalable resource¹

- Long life and large scale, Nolans has a 38-year mine life underpinned by Mineral Resource of 56Mt at a grade of 2.6% TREO (26.4% NdPr enrichment)
- Life of mine average production of 4,440 tpa NdPr oxide

02 Development ready, ore to oxide project²

- One of the only construction-ready, fully-permitted, ore to oxide NdPr rare earths projects in the western world
- Located close to existing infrastructure and 135km north of Alice Springs in the Northern Territory
- High-level of engineering completed

03 Projected first quartile of cost curve³

- Revised project economics released in July 2024
- Low-cost operation placing Nolans in the first quartile of the cost curve underpinning attractive economics through the cycle

04 Debt funding and binding offtakes secured³

- >US\$1 billion in debt funding conditionally approved (US\$775m senior debt, US\$280m of completion support facilities)
- Secured binding offtake agreements with tier 1 customers: Hyundai & Kia, Siemens Gamesa Renewable Energy

05 Project delivery to drive re-rate of market valuation⁴

- Existing rare earth producers have elevated EV/EBITDA trading multiples due to strategic importance and strong fundamentals
- Potential for significant re-rate in Arafura's market valuation to EV/EBITDA once production achieved

¹ Refer ASX Announcement 7 February 2019

² ASX Announcement 19 March 2024

³ ASX Announcement 23 July 2024

⁴ Refer slide 'Creating value: leveraging off a world class ore body'

Contact

Level 6, 432 Murray St
Perth WA 6000

PO Box 5773
St Georges Terrace
Perth WA 6831

T: +61 8 6370 2800

E: arafura@arultd.com
(All corporate and general enquiries)

E: nolansproject@arultd.com
(Nolans Project enquiries only)



Appendix 1: pure-play rare earth peer benchmarking



Company	Project	Location	Stage	Product	EV (A\$m) ¹	Mineral Resources (Mt)	TREO grade (%)	NdPr enrichment (%)	NdPr grade(%) ²	Contained NdPr (Mt)	NdPr Production capacity (ktpa)	Source(s)
Lynas	Mount Weld	Australia	Producing	Oxide	5,371	Measured: 20.0 Indicated: 15.5 Inferred: 71.1 Total: 106.6	Measured: 7.2% Indicated: 4.3% Inferred: 3.2% Total: 4.1%	Total: 15.0%	Total: 0.61%	0.65	12.00	ASX announcement: "Annual Report FY2023" on 12 October 2023 ASX announcement: "2024 Mineral Resource and Reserve Update" on 5 August 2024
MP	Mountain Pass	USA	Producing	Oxide	2,862	Measured ³ : 0.1 Indicated ³ : 31.5 Inferred ³ : 9.1 Total: 40.6	Measured ³ : 9.5% Indicated ³ : 6.2% Inferred ³ : 5.1% Total: 5.9%	Total: 15.7%	Total: 0.93%	0.38	6.00	SEC filing: "FORM 10-K" from 28 February 2022

¹ Enterprise value as at 13 August 2024. Enterprise value calculated as market capitalisation plus debt minus cash. Debt and cash are as at 30 June 2024

² Based on % TREO multiplied by % NdPr enrichment

³ Resources reported exclusive of Reserves. Measured Resource assumed to be equal to Proven Reserves. Indicated Resource assumed to include Probable Reserves