

**ASX
RELEASE**

5 April 2017

ASX: ARU



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RARE EARTHS
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ARAFURA RAISES \$3.1M THROUGH SHARE PURCHASE PLAN

Arafura Resources Limited (ASX: ARU, "Arafura" or the "Company") is pleased to advise the Share Purchase Plan ("SPP") dated 20 February 2017, has raised **\$3,133,500** at the issue price of **\$0.060** per share.

The volume weighted average market price ("VWAMP") for the 5 day calculation period up to and including Tuesday 4 April 2017 is \$0.075. In accordance with the SPP offer, the issue price for new shares is **\$0.060**, being 80% of the 5 day VWAMP. The Allotment of the Shares under the SPP will take place today, Wednesday 5 April 2017. The SPP shares will commence trading on the ASX on or before Friday 7 April 2017.

The SPP has been strongly supported by Arafura shareholders. The Company's cash position as at 31 March 2017 is \$11.8 million (excluding funds from the SPP) and the \$3.1 million raised through the SPP along with the Company's existing cash reserves will be used to progress the Nolans Neodymium- Praseodymium ("NdPr") Project. The Company is now well placed to complete the Nolans pilot program.

The SPP was oversubscribed and was closed on Thursday 30 March 2017. The Company appreciates the interest shown by shareholders. Funds received after the closing date will not result in the issue of shares under the SPP. Where applicable, Link Market Services will make arrangements for refund cheques to be mailed to shareholders or direct credits for funds received after the closing date.

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