



15 August 2018

Arafura completes Institutional Entitlement Offer

Arafura Resources Limited (ASX: ARU) (**Arafura, the Company**) announces it has completed the institutional component (**Institutional Entitlement Offer**) of its accelerated non-renounceable 1 for 4 pro-rata entitlement offer (**Entitlement Offer**), as announced on 10 August 2018.

Arafura intends to use the funds raised under the Institutional Entitlement Offer and the retail entitlement offer described below to progress further development of the Company's Nolans NdPr Project in the Northern Territory by carrying out technology, engineering and piloting activities as required to progress to a definitive feasibility study (DFS) and to enable project execution readiness, and for general working capital purposes.

"We are delighted with the success of the Institutional Entitlement Offer and appreciate the support we have received from both existing and new investors as we progress further development of the Company's Nolans NdPr Project in the Northern Territory" said Mr Gavin Lockyer, Managing Director, Arafura.

"We are pleased to be shortly launching the retail component of the Entitlement Offer to give our existing broader shareholder base the opportunity to participate" he said.

The Institutional Entitlement Offer raised \$2.45m at the offer price of \$0.08 (**Offer Price**) per new share (**New Share**). A total of 30,625,000 New Shares were subscribed for by both existing eligible institutional shareholders and new institutional investors identified by Arafura (or its brokers).

New Shares issued under the Institutional Entitlement Offer will rank equally with existing shares on issue and are expected to settle on 21 August 2018. New shares will be allotted on 22 August 2018 and will commence trading on a normal settlement basis on the Australian Securities Exchange (**ASX**) on the same day.

Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will open on 20 August 2018 and is anticipated to close at 5:00pm (AEST) on 29 August 2018 through a 1 for 4 pro-rata non-renounceable entitlement offer at \$0.08 per share.

The Retail Entitlement Offer will open on 20 August 2018 and is anticipated to close at 5:00pm (AEST) on 29 August 2018.

Eligible retail shareholders with a registered address in Australia or New Zealand as at 7.00pm (AEST) on 15 August 2018 (**Record Date**) (**Eligible Retail Shareholders**), have the opportunity to take up their entitlement of New Shares at the Offer Price, on the terms and conditions outlined in the Retail Offer Booklet to be lodged with ASX today and then sent to Eligible Retail Shareholders on or around 20 August 2018. Eligible Retail Shareholders can choose to take up all, part, or none of their entitlements. Furthermore, the Retail Entitlement Offer will include a top up facility under which Eligible Retail Shareholders who take up their entitlement in full may also apply for additional New Shares in the Retail Entitlement Offer that were not taken up by other Eligible Retail Shareholders. There is no guarantee that applicants under the top up facility will receive all or any of the additional New Shares for which they apply.

The Entitlement Offer is not underwritten and any shortfall shares will be placed by the directors at their discretion subject to compliance with the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

It is important to note that the Retail Entitlement Offer is non-renounceable and there will be no trading of entitlements.

New Shares under the Retail Entitlement Offer are expected to be issued on 5 September 2018. Arafura will, upon issue of the New Shares under the Retail Entitlement Offer, seek quotation of the New Shares on ASX.

Please note that Shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer.

Arafura expects its trading halt to be lifted and Arafura shares to recommence trading on an “ex-entitlement” basis from market open on 15 August 2018.

Key dates

Event	Date
Announcement of the Entitlement Offer	10 August 2018
Institutional Entitlement Offer opens	13 August 2018
Institutional Entitlement Offer closes	14 August 2018
Shares recommence trading on ASX on an “ex-entitlement” basis	15 August 2018
Record Date for the Entitlement Offer	7.00pm (AEST) 15 August 2018
Retail Entitlement Offer opens	20 August 2018
Retail Offer Booklet despatched	20 August 2018
Settlement of New Shares issued under the Institutional Entitlement Offer	21 August 2018
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	22 August 2018
Retail Entitlement Offer closes (Retail Closing Date)	5.00 pm (AEST) 29 August 2018
Allotment of New Shares under the Retail Entitlement Offer	5 September 2018
New Shares issued under the Retail Entitlement Offer commence trading on ASX	6 September 2018
Despatch to Shareholders of holding statements under the Retail Entitlement Offer	7 September 2018

All dates and times referred to are based on AEST and are subject to change. Arafura reserves the right to vary these dates or to withdraw the Entitlement Offer at any time.

Retail Investor Enquiries

For further information in regard to the Retail Entitlement Offer, please contact the Arafura Shareholder Information Line on 1300 494 861 (local call cost within Australia) or +61 1300 494 861 (from outside Australia) at any time between 8.30am and 5.30pm (AEST), Monday to Friday (excluding public holidays).

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

ENDS

Further comment and information	
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Summary Information

The following disclaimer applies to this announcement and any information contained in it. The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Arafura's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au. You are advised to read this disclaimer carefully before reading or making any other use of this announcement or any information contained in this announcement. In accepting this announcement, you agree to be bound by the following terms and conditions including any modifications to them.

Forward Looking Statements

This announcement includes forward-looking statements. These statements relate to Arafura's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "will", "progress", "anticipate", "intend", "expect", "may", "seek", "towards", "enable" and similar words or expressions containing same.

The forward-looking statements reflect the Arafura's views and assumptions with respect to future events as of the date of this announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. Given these uncertainties, no one should place undue reliance on any forward looking statements attributable to Arafura, or any of its affiliates or persons acting on its behalf. Arafura does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Neither Arafura nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. To the maximum extent permitted by law, Arafura and each of its advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any

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