

ASX RELEASE

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A\$90m Placement update.

Further to the announcement of a \$90 million capital raise last week, Arafura Resources Limited (**ASX: ARU**) (“**Arafura**” or “**the Company**”), wishes to advise it has received formal notification from the East China Exploration & Development Bureau (“ECE”) that it has declined the offer to acquire shares at the placement price to restore its pro-rated shareholding to pre-placement levels.

The first tranche of the A\$90m placement consisting of 43,695,000 shares at an issue price of \$1.20 is due to settle on Thursday 4th November. The second tranche of 31,305,000 shares is subject to shareholder approval which will be sought at an Extraordinary General Meeting to be held in early December. The Notice of meeting is currently undergoing regulatory review.

Subject to shareholder approval for the second tranche of shares, ECE’s subsequent shareholding will be 17.59% of the issued capital.

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