

**Form 605**  
Corporations Act 2001  
Section 671B

## Notice of ceasing to be a substantial holder

To Company Name/Scheme ARAFURA RARE EARTHS LTD

ACN/ARSN 080 933 455

### 1. Details of substantial holder (1)

Name Morgan Stanley and its subsidiaries listed in Annexure A  
ACN/ARSN (if applicable) Not Applicable

The holder ceased to be a substantial holder on December 17, 2025  
The previous notice was given to the company on December 19, 2025  
The previous notice was dated December 16, 2025  
The holder became aware on December 19, 2025

### 2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed      | Nature of change (4) | Consideration given in relation to change (5) | Class (6) and number of Securities affected | Person's votes affected |
|----------------|---|----------------------|---|---|-------------------------|
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 2,970.90                                      | 13,204 Ordinary Shares                      | 13,204                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 16,490.98                                     | 74,959 Ordinary Shares                      | 74,959                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 79,967.80                                     | 363,490 Ordinary Shares                     | 363,490                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 69,320.03                                     | 308,089 Ordinary Shares                     | 308,089                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 952.20  | 4,140 Ordinary Shares                       | 4,140                   |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 5,645.03                                      | 25,089 Ordinary Shares                      | 25,089                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 93,489.53                                     | 415,509 Ordinary Shares                     | 415,509                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 90,327.82                                     | 410,581 Ordinary Shares                     | 410,581                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 1,049.63                                      | 4,882 Ordinary Shares                       | 4,882                   |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 17,472.19                                     | 81,266 Ordinary Shares                      | 81,266                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 370.92  | 1,686 Ordinary Shares                       | 1,686                   |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Buy                  | 15,244.88                                     | 67,755 Ordinary Shares                      | 67,755                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 12,861,325.40                                 | 58,460,570 Ordinary Shares                  | 58,460,570              |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 2,111.12                                      | 9,596 Ordinary Shares                       | 9,596                   |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 1,224,979.63                                  | 5,615,695 Ordinary Shares                   | 5,615,695               |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 48,389.66                                     | 219,953 Ordinary Shares                     | 219,953                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 97,015.74                                     | 451,236 Ordinary Shares                     | 451,236                 |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 4,180.69                                      | 19,052 Ordinary Shares                      | 19,052                  |
| 12/17/2025     | Morgan Stanley Australia Securities Limited | Sell                 | 249.04  | 1,132 Ordinary Shares                       | 1,132                   |
| 12/17/2025     | Morgan Stanley & Co. International plc      | Borrow Returned      | N/A   | 6,385,067 Ordinary Shares                   | 6,385,067               |
| 12/17/2025     | Morgan Stanley & Co. LLC                    | Borrow Returned      | N/A   | 13,059,600 Ordinary Shares                  | 13,059,600              |

### 3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in

relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| Not Applicable                    | Not Applicable        |

4. Addresses

The addresses of persons named in this form are as follows:

| Name  | Address  |
|---|--|
| Morgan Stanley                              | 1585 Broadway, New York, New York, 10036, USA.   |
| Morgan Stanley & Co. International plc      | Legal & Compliance Department, 25 Cabot Square, Canary Wharf, London, E14 4QA, UNITED KINGDOM. |
| Morgan Stanley Australia Securities Limited | Level 39, Chifley Tower, 2 Chifley Square, Sydney, 2000, AUSTRALIA.                            |
| Morgan Stanley & Co. LLC                    | 1585 Broadway, New York, 10036, USA.   |

Signature

|            |   |          |                   |
|------------|---|----------|-------------------|
| print name | Ashish Koltharkar   | capacity | Vice President    |
| sign here  |  | date     | December 22, 2025 |

List of Morgan Stanley and its subsidiaries that have a relevant interest or deemed to have a relevant interest in the shares or units.

| Name  |
|---|
| Morgan Stanley  |
| └─ Morgan Stanley International Holdings Inc.                 |
| └─ Morgan Stanley (Australia) Securities Holdings Pty Limited |
| └─ Morgan Stanley Australia Securities Limited                |
| └─ Morgan Stanley International Limited                       |
| └─ Morgan Stanley Investments (UK)                            |
| └─ Morgan Stanley & Co. International plc                     |

**Signature**

print name Ashish Koltharkar

capacity Vice President

sign here



date December 22, 2025

#### **DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

# GUIDE

**This guide does not form part of the prescribed form and is included by ASIC to assist you in completing and lodging form 605.**

## Signature

This form must be signed by either a director or a secretary of the substantial holder.

## Lodging period

Nil

## Lodging Fee

Nil

## Other forms to be completed

Nil

## Additional information

- (a) If additional space is required to complete a question, the information may be included on a separate piece of paper annexed to the form.
- (b) This notice must be given to a listed company, or the responsible entity for a listed managed investment scheme. A copy of this notice must also be given to each relevant securities exchange.
- (c) The person must give a copy of this notice:
  - (i) within 2 business days after they become aware of the information; or
  - (ii) by 9.30 am on the next trading day of the relevant securities exchange after they become aware of the information if:
    - (A) a takeover bid is made for voting shares in the company or voting interests in the scheme; and
    - (B) the person becomes aware of the information during the bid period.

## Annexures

To make any annexure conform to the regulations, you must

- 1 use A4 size paper of white or light pastel colour with a margin of at least 10mm on all sides
- 2 show the corporation name and ACN or ARBN
- 3 number the pages consecutively
- 4 print or type in BLOCK letters in dark blue or black ink so that the document is clearly legible when photocopied
- 5 identify the annexure with a mark such as A, B, C, etc
- 6 endorse the annexure with the words:  
*This is annexure (mark) of (number) pages referred to in form (form number and title)*
- 7 sign and date the annexure.

The annexure must be signed by the same person(s) who signed the form.

**Information in this guide is intended as a guide only. Please consult your accountant or solicitor for further advice.**

**Annexure B:**

*This is Annexure B referred to in the Form 605: Notice of ceasing to be a substantial holder issued by Morgan Stanley and its subsidiaries. The following is description of the securities lending agreements referenced in the accompanying Form 605.*

|  |   |
|--|---|
| <b>Schedule</b>  |   |
| <b>Type of Agreement</b>                                 | Australian Master Securities Lending Agreement  |
| <b>Parties to agreement</b>                              | Morgan Stanley Australia Securities Limited and CITIBANK NA   |
| <b>Transfer Date</b>                                     | 20251021; 20251022; 20251023; 20251024; 20251028; 20251031; 20251110; 20251209; 20251210; 20251217;   |
| <b>Holder of Voting Rights</b>                           | Borrower  |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No  |
| <b>If yes, detail</b>                                    | Not applicable  |
| <b>Scheduled Return Date (if any)</b>                    | Open  |
| <b>Does the borrower have the right to return early?</b> | Yes/No  |
| <b>If yes, detail</b>                                    | The Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No  |
| <b>If yes, detail</b>                                    | The Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the Standard Settlement Time for such Equivalent Securities or the equivalent time on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered.   |
| <b>Will the securities be returned on settlement?</b>    | Yes/No  |
| <b>If yes, detail any exceptions</b>                     | If an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations shall be accelerated so as to require performance thereof at the time such Event of Default occurs. In such event the Relevant Value of the Securities to be delivered by each Party shall be established and on the basis of the Relevant Values so established, an account shall be taken of what is due from each Party to the other and the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable. |

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| <b>Schedule</b>  |  |
| <b>Type of Agreement</b>                                 | Global Master Securities Lending Agreement   |
| <b>Parties to agreement</b>                              | Morgan Stanley & Co. International plc and SOCIETE GENERALE  |
| <b>Transfer Date</b>                                     | 20251112;  |
| <b>Holder of Voting Rights</b>                           | Borrower   |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No   |
| <b>If yes, detail</b>                                    | Not applicable   |
| <b>Scheduled Return Date (if any)</b>                    | Open   |
| <b>Does the borrower have the right to return early?</b> | Yes/No   |
| <b>If yes, detail</b>                                    | The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No   |
| <b>If yes, detail</b>                                    | The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |
| <b>Will the securities be returned on settlement?</b>    | Yes/No   |
| <b>If yes, detail any exceptions</b>                     | If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.   |

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| <b>Schedule</b>  |  |
| <b>Type of Agreement</b>                                 | Global Master Securities Lending Agreement   |
| <b>Parties to agreement</b>                              | Morgan Stanley & Co. International plc and UBS AG  |
| <b>Transfer Date</b>                                     | 20251124;  |
| <b>Holder of Voting Rights</b>                           | Borrower   |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No   |
| <b>If yes, detail</b>                                    | Not applicable   |
| <b>Scheduled Return Date (if any)</b>                    | Open   |
| <b>Does the borrower have the right to return early?</b> | Yes/No   |
| <b>If yes, detail</b>                                    | The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No   |
| <b>If yes, detail</b>                                    | The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |
| <b>Will the securities be returned on settlement?</b>    | Yes/No   |
| <b>If yes, detail any exceptions</b>                     | If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.   |

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| <b>Schedule</b>  |  |
| <b>Type of Agreement</b>                                 | Global Master Securities Lending Agreement   |
| <b>Parties to agreement</b>                              | Morgan Stanley & Co. International plc and CITIGROUP GLOBAL MARKETS LIMITED  |
| <b>Transfer Date</b>                                     | 20251030; 20251031; 20251103; 20251104; 20251107; 20251111; 20251113; 20251120; 20251127;  |
| <b>Holder of Voting Rights</b>                           | Borrower   |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No   |
| <b>If yes, detail</b>                                    | Not applicable   |
| <b>Scheduled Return Date (if any)</b>                    | Open   |
| <b>Does the borrower have the right to return early?</b> | Yes/No   |
| <b>If yes, detail</b>                                    | The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No   |
| <b>If yes, detail</b>                                    | The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |
| <b>Will the securities be returned on settlement?</b>    | Yes/No   |
| <b>If yes, detail any exceptions</b>                     | If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.   |

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| <b>Schedule</b>  |  |
| <b>Type of Agreement</b>                                 | Global Master Securities Lending Agreement   |
| <b>Parties to agreement</b>                              | Morgan Stanley & Co. International plc and NATIONAL FINANCIAL SERVICES LLC   |
| <b>Transfer Date</b>                                     | 20251211; 20251217;  |
| <b>Holder of Voting Rights</b>                           | Borrower   |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No   |
| <b>If yes, detail</b>                                    | Not applicable   |
| <b>Scheduled Return Date (if any)</b>                    | Open   |
| <b>Does the borrower have the right to return early?</b> | Yes/No   |
| <b>If yes, detail</b>                                    | The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No   |
| <b>If yes, detail</b>                                    | The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |
| <b>Will the securities be returned on settlement?</b>    | Yes/No   |
| <b>If yes, detail any exceptions</b>                     | If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.   |

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| <b>Schedule</b>  |  |
| <b>Type of Agreement</b>                                 | Global Master Securities Lending Agreement   |
| <b>Parties to agreement</b>                              | Morgan Stanley & Co. International plc and UBS SWITZERLAND AG  |
| <b>Transfer Date</b>                                     | 20251023; 20251031; 20251103; 20251104; 20251107; 20251113; 20251114; 20251119; 20251217;  |
| <b>Holder of Voting Rights</b>                           | Borrower   |
| <b>Are there any restrictions on voting rights?</b>      | Yes/No   |
| <b>If yes, detail</b>                                    | Not applicable   |
| <b>Scheduled Return Date (if any)</b>                    | Open   |
| <b>Does the borrower have the right to return early?</b> | Yes/No   |
| <b>If yes, detail</b>                                    | The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |
| <b>Does the lender have the right to recall early?</b>   | Yes/No   |
| <b>If yes, detail</b>                                    | The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |
| <b>Will the securities be returned on settlement?</b>    | Yes/No   |
| <b>If yes, detail any exceptions</b>                     | If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.   |

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| <b>Schedule</b>                |  |
| <b>Type of Agreement</b>       | Global Master Securities Lending Agreement                                 |
| <b>Parties to agreement</b>    | Morgan Stanley & Co. International plc and BLACKROCK ADVISORS (UK) LIMITED |
| <b>Transfer Date</b>           | 20251114; 20251117; 20251121;  |
| <b>Holder of Voting Rights</b> | Borrower   |

|  |        |
|--|--------|
| <b>Are there any restrictions on voting rights?</b>  | Yes/No |
| <b>If yes, detail</b> Not applicable   |        |
| <b>Scheduled Return Date (if any)</b>  | Open   |
| <b>Does the borrower have the right to return early?</b>   | Yes/No |
| <b>If yes, detail</b> The Borrower is entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.  |        |
| <b>Does the lender have the right to recall early?</b>   | Yes/No |
| <b>If yes, detail</b> The Lender is entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. |        |
| <b>Will the securities be returned on settlement?</b>  | Yes/No |
| <b>If yes, detail any exceptions</b> If the Borrower does not redeliver Equivalent Securities in accordance with the Agreement, the Lender may by written notice to Borrower terminate the Loan forthwith and the Parties' delivery and payment obligations in respect thereof.  |        |

*The above schedules are based on the relevant standard agreements. The entity filing the report will, if requested by the company or responsible entity to whom the prescribed form must be given or ASIC, give a copy of the agreement to the company, responsible entity or ASIC.*

**Signature**

print name Ashish Koltharkar

capacity Vice President

sign here



date

December 22,  
2025