ARROW MINERALS

ASX: AMD

14 May 2020

ARROW IDENTIFIES VMS TARGETS AT STRICKLAND PROJECT

HIGHLIGHTS:

- **Reanalysis of Strickland data highlights three large Cu-Au VMS targets**
- **Significant precious and base metal anomalism targeted for further work**
- **A high-magnitude Cu-Mo anomaly indicates potential for intrusion-related mineralisation**

Arrow Minerals Limited (**Arrow** or the **Company**) is pleased to announce that a detailed reanalysis of historical soil, reverse circulation (RC) and air core (AC) geochemical data at the Strickland project in Western Australia has identified strong signatures consistent with volcanogenic massive sulphide (VMS) copper-gold mineralisation.

Arrow's Managing Director, Mr Howard Golden, said:

"Reanalysis of results from over 40,000 multielement soil, RC and AC geochemical samples collected by Arrow geologists over the past three and half years has paid off. The interpretation the multielement analyses has resulted in the identification of three quality target areas at Strickland that show significant copper, gold, silver and zinc anomalism that is typical of VMS and intrusion related copper-gold deposits.

The nearby Perrinvale and Rover discoveries and general geological similarity to the major Golden Grove VMS camp add significantly to our confidence in these targets. These results will fast-track Arrow's targeted exploration programme to uncover the VMS potential at Strickland.

Exploring this high-quality Cu-Au-base metal project in addition to our recent Dassa gold discovery in Burkina Faso will give our shareholders excellent exposure to further discoveries."

Figure 1: Location Map of Strickland project, Western Australia

As a part of the ongoing reassessment of Arrow's assets, its geological team has analysed the large dataset of soil and drillhole geochemistry that was collected since November 2016 at the Strickland project in Western Australia. The analysis of more than 40,000 soil, shallow RC and AC samples showed that the large Arrow tenement holdings can be divided into two blocks – a northern block that is prospective for orogenic gold deposits and a southern block that contains three discrete areas hosting anomalous geochemistry typical of copper-gold VMS and intrusive hosted deposits *(**Figure 2**)*. The Cu-Au potential is currently the focus of ongoing work at Strickland.

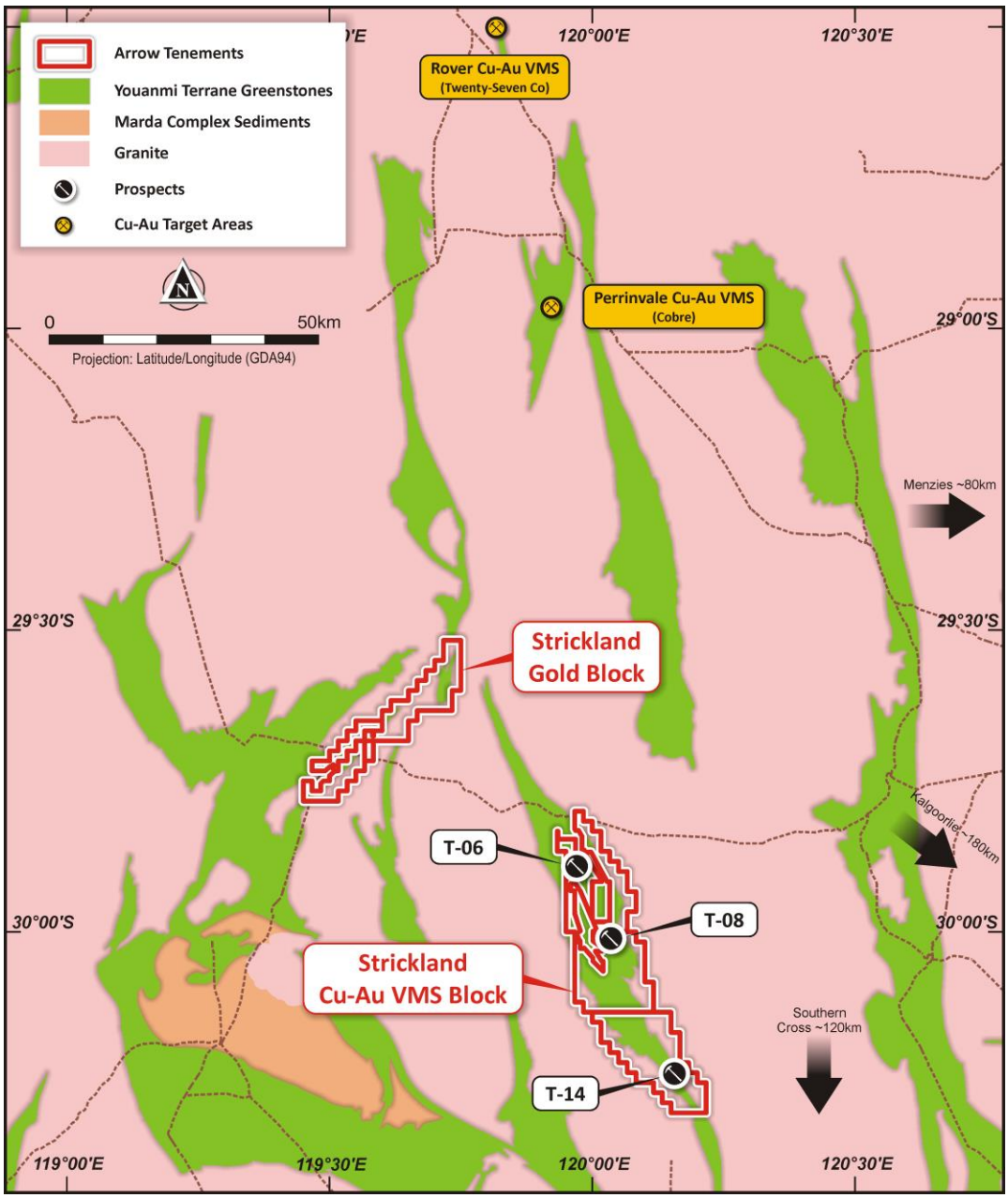

Figure 2: Strickland location map showing geology and Arrow gold and copper-gold tenement blocks with Cu-Au VMS target areas highlighted

Archaean VMS deposits, the majority of which are found in Canada, have also been discovered in Western Australia, including the recent discoveries of Perrinvale (Cobre Limited ASX:CBE) and Rover (Twenty Seven Co Ltd ASX:TSC). They typically occur as lenses of polymetallic massive sulphide that formed at or near the original seafloor in submarine volcanic settings and are hosted in either volcanic

or sedimentary rocks. This environment is exemplified by the greenstone terranes in the Yilgarn Craton where Strickland is located.

Arrow's three anomalous areas at Strickland have different combinations of highly anomalous gold, silver, base metals and other pathfinder elements that typify VMS environments. The three target areas are summarised below.

Target T-06

Target T-06 was identified by previous Arrow workers for its gold potential (see ASX announcement on 29 March 2017). Although gold up to 8.5 g/t is a significant component of the geochemical suite at T-06, the accompanying highly anomalous Cu (up to 4,200 ppm), Zn (up to 1,770 ppm), Pb (up to 3,300 ppm), and Ag (up to 128 g/t) along with pathfinder elements such as Bi and Sb form multiple clusters indicative of a VMS environment *(**see Figure 3**)*.

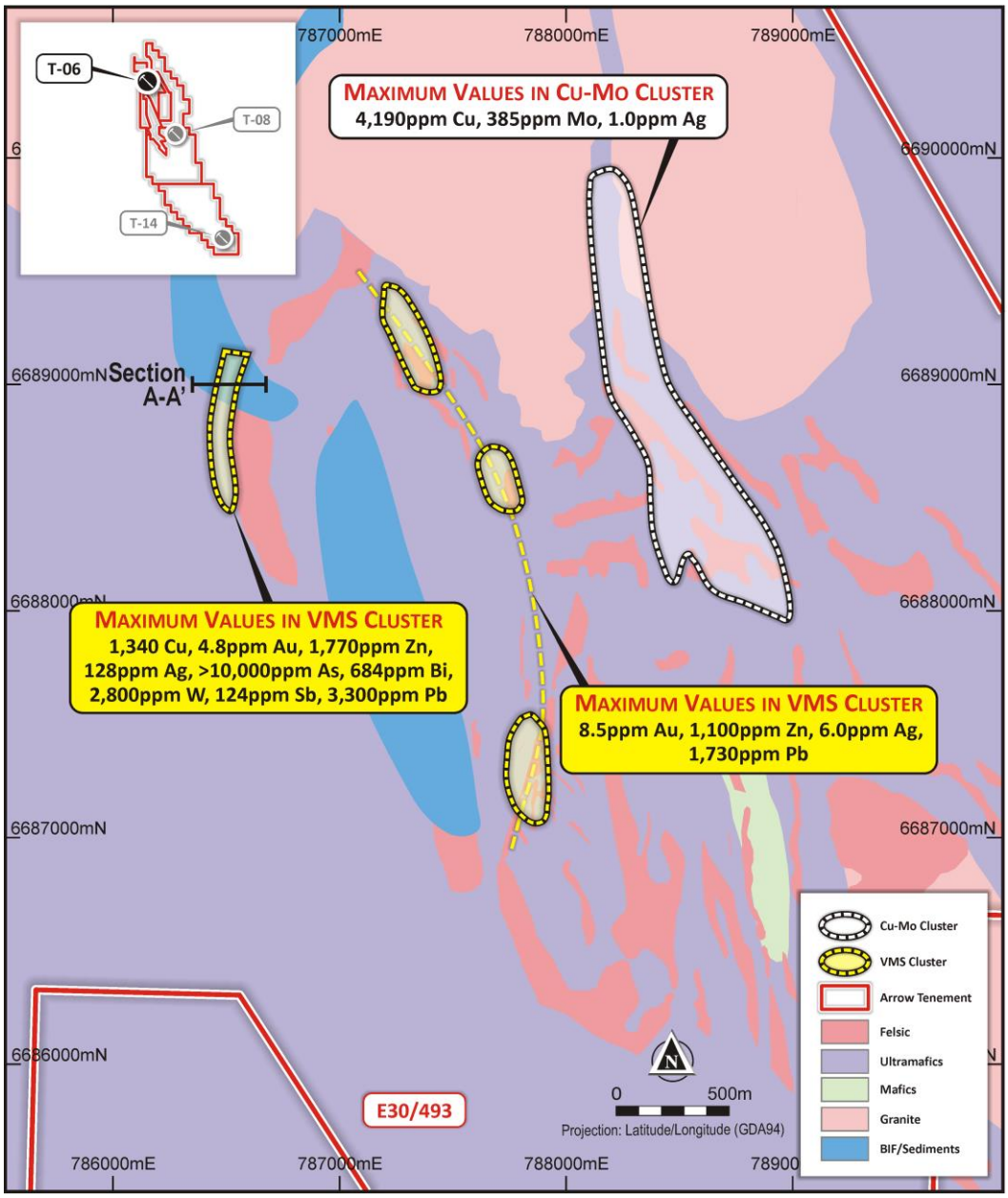

Figure 3: Strickland Anomaly T-06 geology and drillhole geochemical anomaly

The eastern flank of the T-06 target area highlighted a large 2 km long anomaly in AC drilling with coherent and highly elevated copper (to 4,200 ppm) and molybdenum (to 385 ppm), along with anomalous Zn and Ag values. This multi-element signature is more compatible with an intrusive hosted deposit style such as seen in porphyry copper deposits.

These highly anomalous values are from shallow AC and RC drilling, including the cross-section below *(**Figure 4**)* that was released to the ASX in a 14 June 2018 announcement that shows very strong precious and base metal anomalism associated with a sediment/BIF horizon intercalated with the mafic-ultramafic rock succession

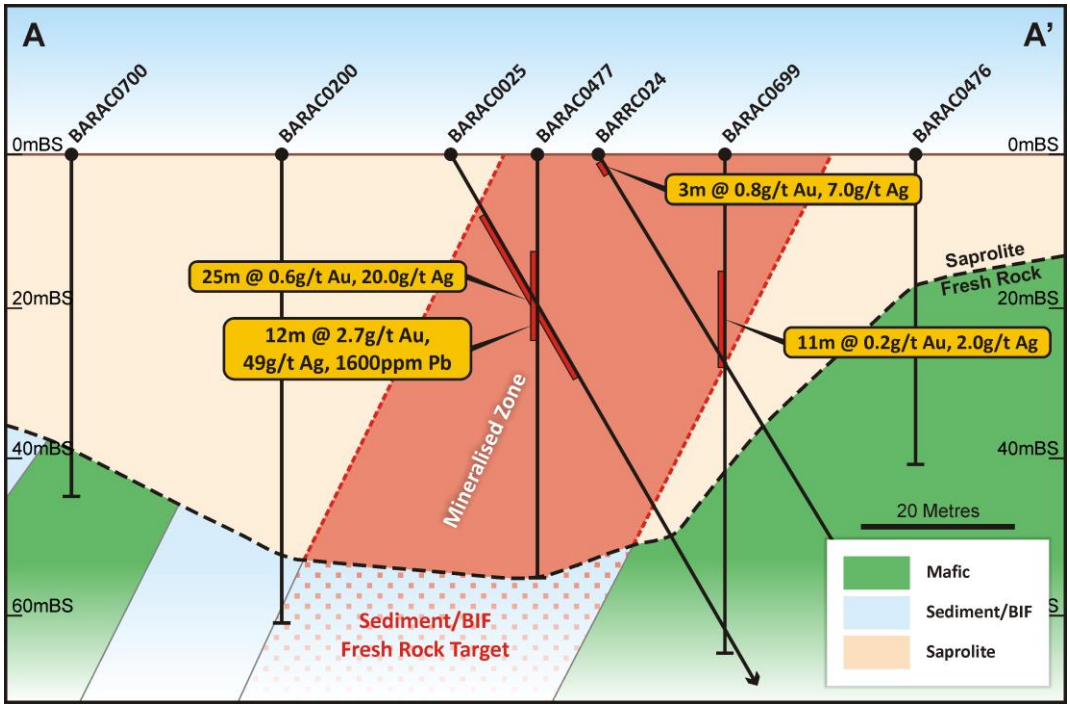

Figure 4: Strickland Anomaly T-06 shallow drilling cross-section

Target T-08

Target T-08 was also previously noted as a gold exploration priority but, as with T-06, the base metals association is very significant and highlights this cluster as a Cu-Au-Zn VMS target. ***Figure 5*** shows the sedimentary unit wrapping around a granite intrusion and the location of a cluster of values from AC and RC drilling up to 9.0 g/t Au, 2,820 ppm Cu and 1,170 ppm Zn as well as very high pathfinder elements that show a favourable geochemical signature for Cu-Au VMS potential.

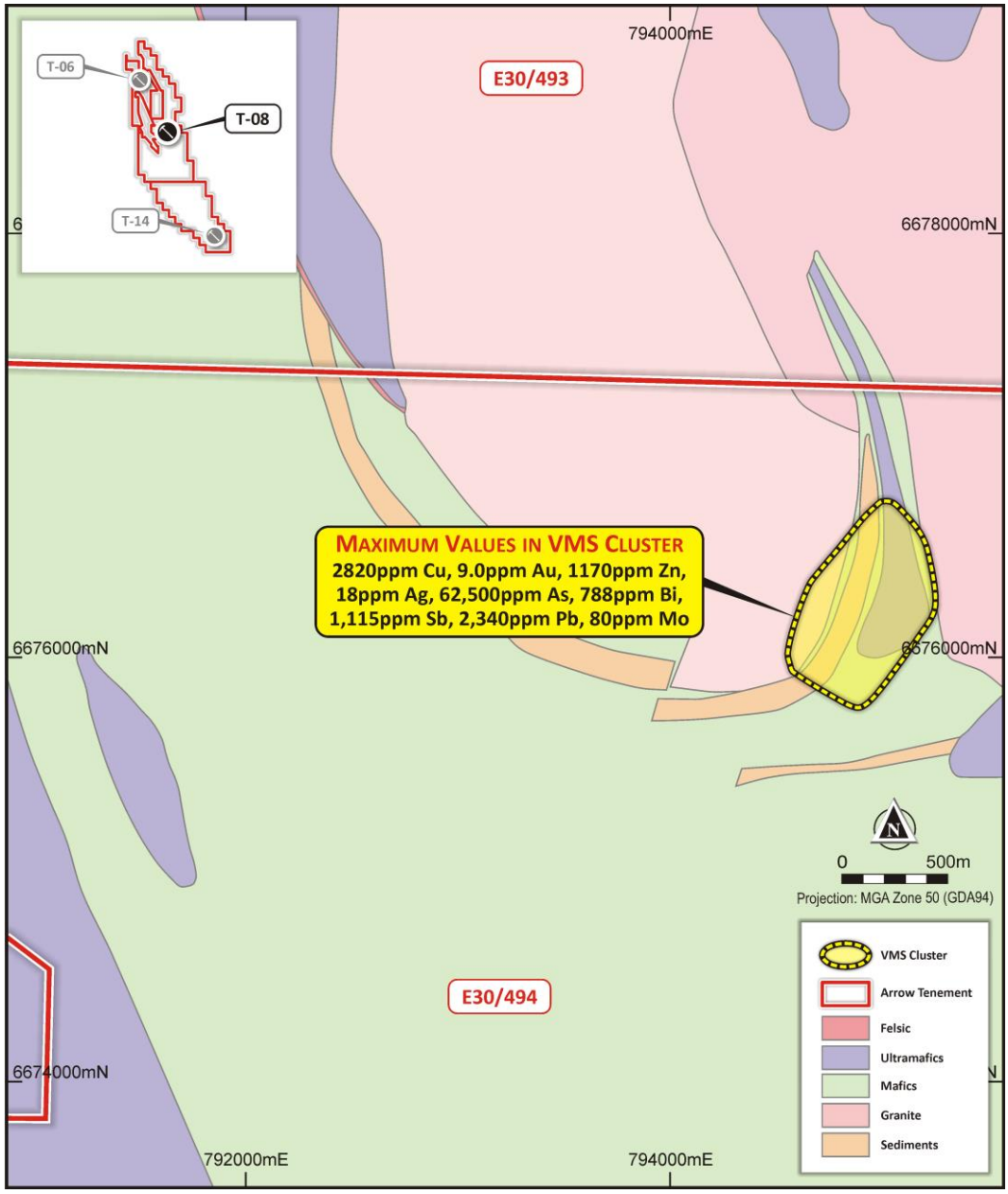

Figure 5: Strickland Anomaly T-08 geology and drillhole geochemical anomaly clusters

Target T-14

Target T-14 is also an historical Arrow gold target, but previous work was restricted to soil geochemistry *(**Figure 6**)*. While values of base metals, precious metals and pathfinder elements in soils are predictably lower in T-14 than in the drilling data described above in T-06 and T-08, the values are highly anomalous, yielding up to 283 ppm Cu, 146 ppm Zn and 2.4 g/t Ag, all coincident with structural contacts between volcanic and felsic rocks units.

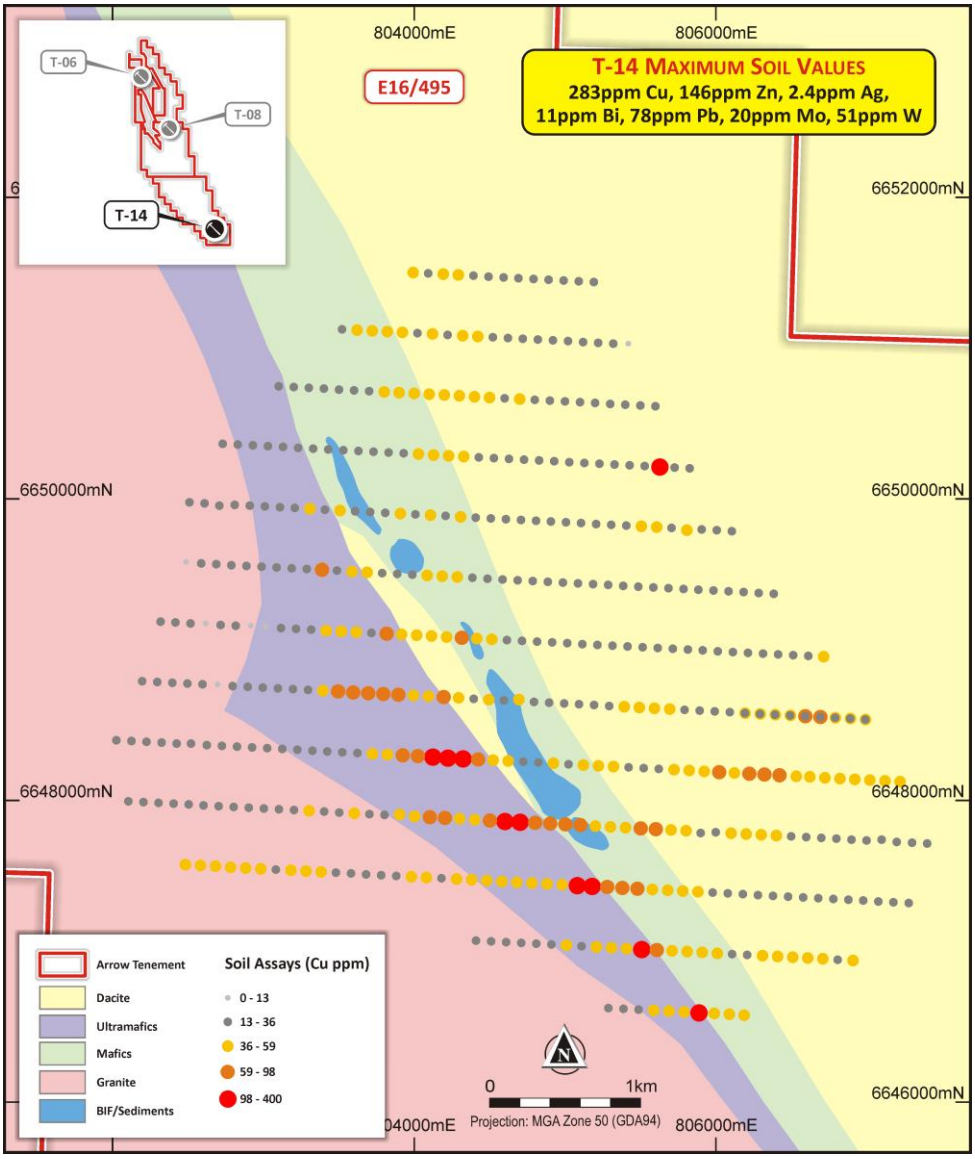

Figure 6: Strickland Anomaly T-14 geology and soil geochemical anomaly clusters

Next Steps

The recognition of multi-element anomalies with Cu-Au VMS and intrusive-hosted potential at three sizeable targets highlights the significant exploration potential of the Strickland project. The company plans to progress work in Western Australia as well as in West Africa as the COVID-19 pandemic recedes in the coming months. Electrical geophysical surveys will be planned for Strickland to pinpoint potential massive sulphide sources of the already well constrained geochemical anomalies at the three targets.

In parallel with Strickland, Arrow continues to explore for gold in Burkina Faso, focusing on the recent Dassa discovery in the west of the country These complimentary projects in Western Australia and Burkina Faso will allow Arrow year-round access to projects during their respective field seasons. The next step at Dassa will be follow-up reverse circulation drilling to fill in an undrilled gap in a 3 km strike length of gold mineralisation defined in previous drilling (see ASX announcement on 25 February 2020). Arrow still has A$300,000 of prepaid drilling available for the next round of work at Dassa.

The recognition of two highly prospective jurisdictions in West Africa and Western Australia puts Arrow in an excellent position to move ahead with targeted exploration for gold and copper gold during the remainder of 2020.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Howard Golden who is a Member of the Australian Institute of Geoscientists. Mr Golden is full-time employee of Arrow and has more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Golden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Additionally, Mr Golden confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report

Announcement authorised for release by Howard Golden, Managing Director of Arrow.

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