ARROW MINERALS

ASX: AMD

25 September 2020

# Further Gold Results at Dassa Gold Discovery

**HIGHLIGHTS:**

- **Assay results from latest RC drilling at the Dassa gold discovery in western Burkina Faso have extended the known mineralisation**
- **Gold mineralisation at Dassa has been discovered and drilled in two zones, each over 600m long, with both remaining open along strike and down-dip**
- **Significant shallow gold intersections from the latest RC drilling include:**
  - **6m @ 1.1g/t gold from 61m**
  - **4m @ 1.1g/t gold from 113m**
  - **1m @ 1.9g/t gold from 35m**

Arrow Minerals Limited (**Arrow** or the **Company**) is pleased to announce the completion of reverse circulation (RC) drilling aimed at expanding known mineralisation at the Dassa gold discovery on Arrow's 100% owned Divole West project in western Burkina Faso. This follows up previously announced positive drilling results at Dassa *(see ASX announcements on 19 December 2019, 13 January 2020 and 25 February 2020).* The RC drilling program was impacted by the seasonal rains but results show that shallow mineralisation continues to exhibit good grades.

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

*"The drilling was curtailed due to the intensity of the seasonal rains. Nevertheless, 2,215m of RC were completed. The results were encouraging, bringing into focus the two zones of significant shallow gold mineralisation. Further, the mineralised zones continue into untested areas both north and south where drilling will continue when drier conditions return in Q4 2020."*

## Reverse Circulation Drilling

Arrow completed 2,215m of a planned 3,500m programme of RC drilling in July and August 2020 at the Dassa gold discovery on the Divole West tenement in Burkina Faso. Intense inflow of water during seasonal rains forced work to be suspended to ensure that samples collected from the drilling were not compromised. Nine of the 21 completed holes contained shallow intervals greater than one gram-metre gold. Seven holes were abandoned before they reached target depth. The effort to drill the Dassa discovery in a timely manner was not without challenges, but the results are extremely valuable and will allow Arrow to pursue a targeted programme of drilling in Q4 2020 to extend the known gold mineralisation. There is good potential for mineralisation to extend down-dip to the southeast where the deeper sediment-granite contact target zone was difficult to reach due to the significant water inflow encountered.

***Figure 1*** shows the locations of all holes drilled to date comprising 74 holes (7,992m) of RC drilling. The drilling targeted anomalous gold values in soil and auger drilling that define a mineralised strike length of more than 5km. The most recent drilling indicates that while gold mineralisation is present on every profile, the best gold grades and thicknesses are coalescing in two large target zones within the 5km trend that remain open along strike. Recent strongly gold anomalous auger results *(see ASX announcement on 20 August 2020)* demonstrate that gold anomalism continues to the south and has not yet been tested by drilling, as is shown in ***Figure 2***. Significant intersections from the RC holes are presented in ***Appendix A***.

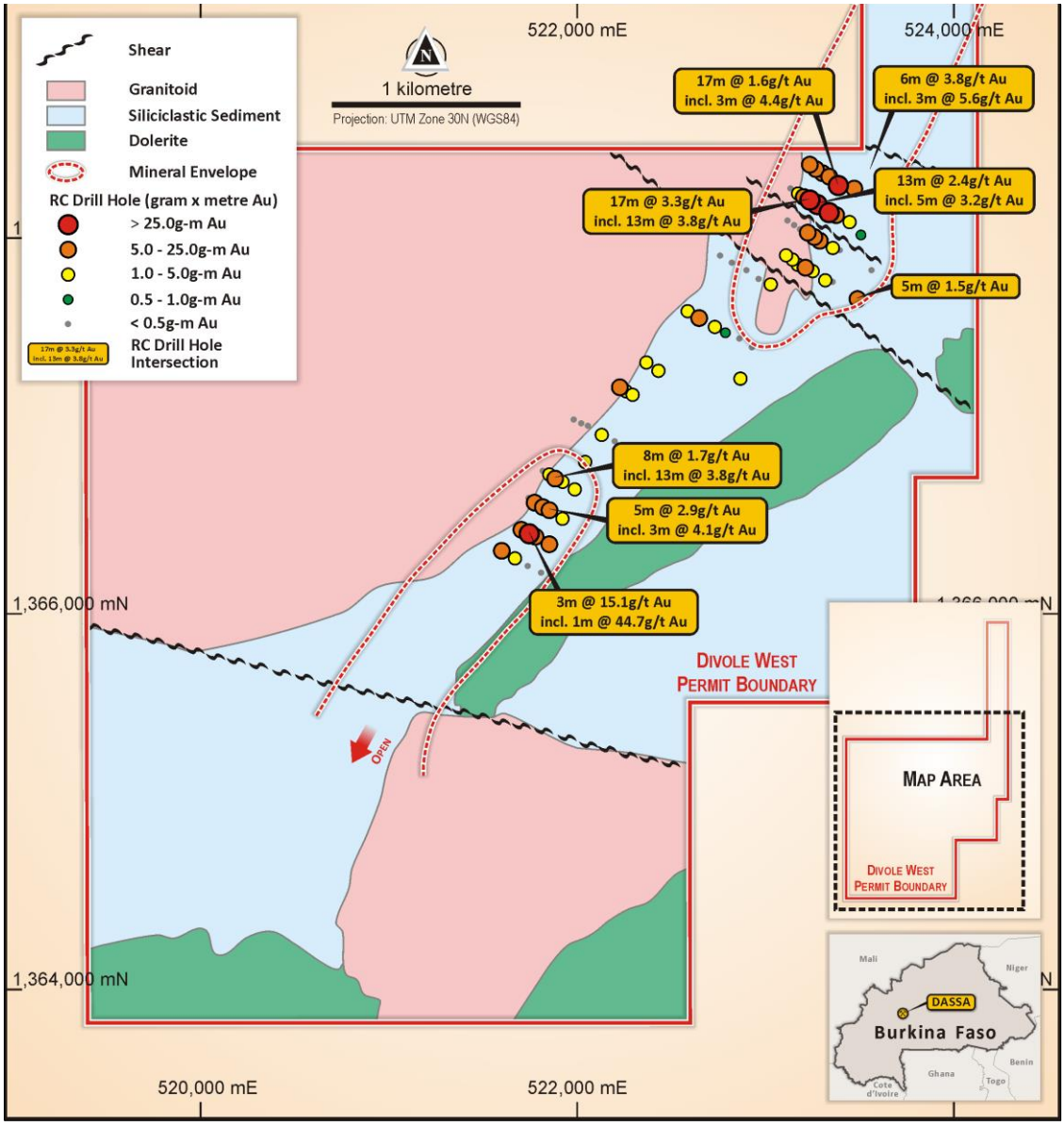


***Figure 1: Dassa RC drilling with gram x metres gold and significant intercepts***

Dassa is a greenfields discovery with no previous exploration or drilling prior to Arrow's programmes, but with the completion of the second phase of RC drilling Arrow has significantly increased its understanding of the gold system. The Dassa system is related to secondary structures along the Poura Shear Zone, as shown in ***Figure 5***, that form the contact between underlying granitoids and overlying sediments near surface.

## Results

Results of the drilling showed that, while gold is present all along the 3 km strike drilled to date, the highest grade and thickest gold mineralisation is resolving into two large bodies separated by a structurally offset zone hosting lower grades of gold. The mineralisation is generally present in sediments near a structural contact with an underlying granite, near the granite contact.

The new understanding developed from these results indicates that the northern mineralised zone measures 650m x 180m and is open to the north and downdip to the east along the sediment-

granite contact including the southward-extending granite 'nose' (***Figure 3***). The southern zone extends for at least 600m along strike (***Figure 4***), with potential for a further 3km extension to the south as indicated by recent auger results (*see ASX announcements on 20 August 2020*).

Further drilling is planned to extend the gold mineralisation in both the north and south zones, with the intention to define two large gold-bearing zones separated by just over a kilometre of lower grade gold-bearing oxidised rocks.

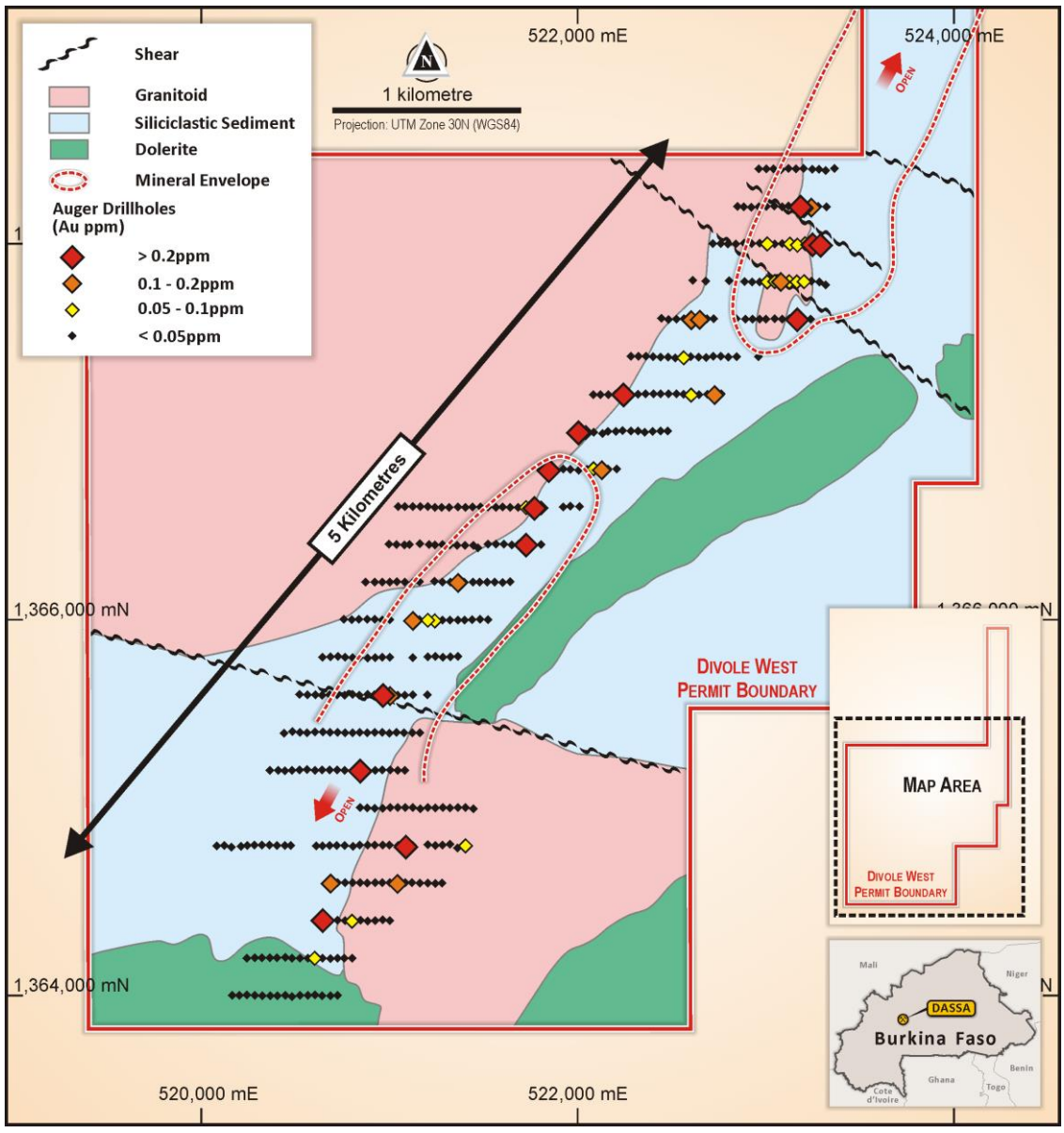


***Figure 2: auger results with anomalism >0.2 ppm Au over 5ppm Au***

The July/August RC drill programme included the following significant shallow intersections:

- 6m @ 1.1g/t gold from 61m
- 4m @ 1.1g/t gold from 113m
- 1m @ 1.9g/t gold from 35m

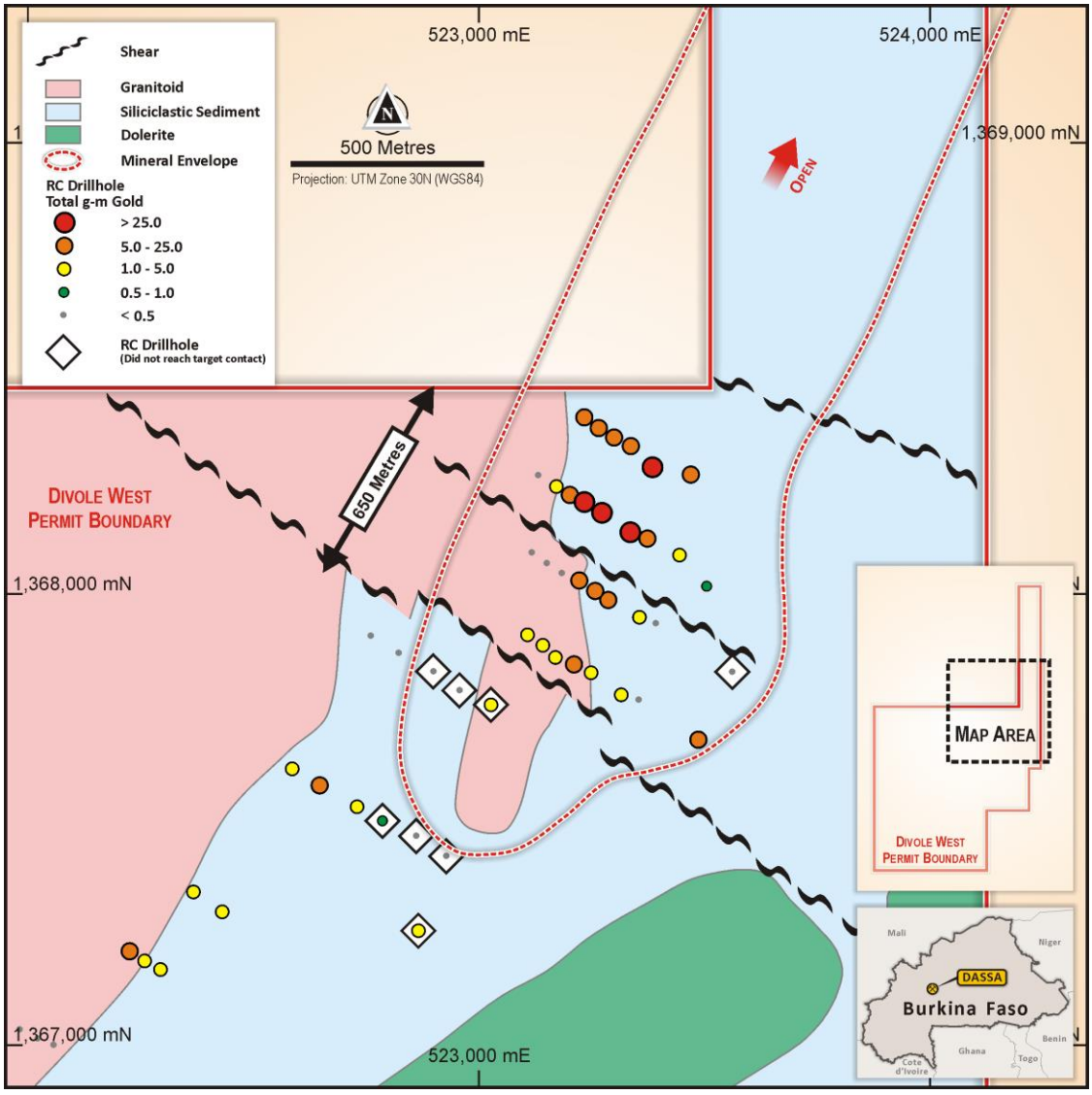


***Figure 3: North Dassa zone showing RC drilling results***

## Next Steps – Burkina Faso

The Dassa discovery remains open. Further drilling is planned for Q4 2020. This next round of drilling will aim to grow the Dassa gold discovery and will include:

- expanding both the north and south zones of gold mineralisation at Dassa;
- deeper drilling down-dip to the south-east to determine the extent of the mineralisation along the Dassa contact target zone. This will also allow Arrow to deepen some holes that were unable to intersect the target zone due to unfavourable drilling conditions during the recent rainy season, and
- drilling to test significant auger anomalies to the south of known gold mineralisation
- Surface mapping and geochemical sampling on its expanded Divole permits as well as on the Boulsa and Nako permit blocks (***Figure 5***).

## Next Steps – Australia

In parallel with planning further Dassa drilling, Arrow will be undertaking an airborne electromagnetic survey of volcanogenic massive sulphide (VMS) copper-gold anomalies on its Strickland project in Western Australia. This survey is expected to be completed before mid-October 2020.

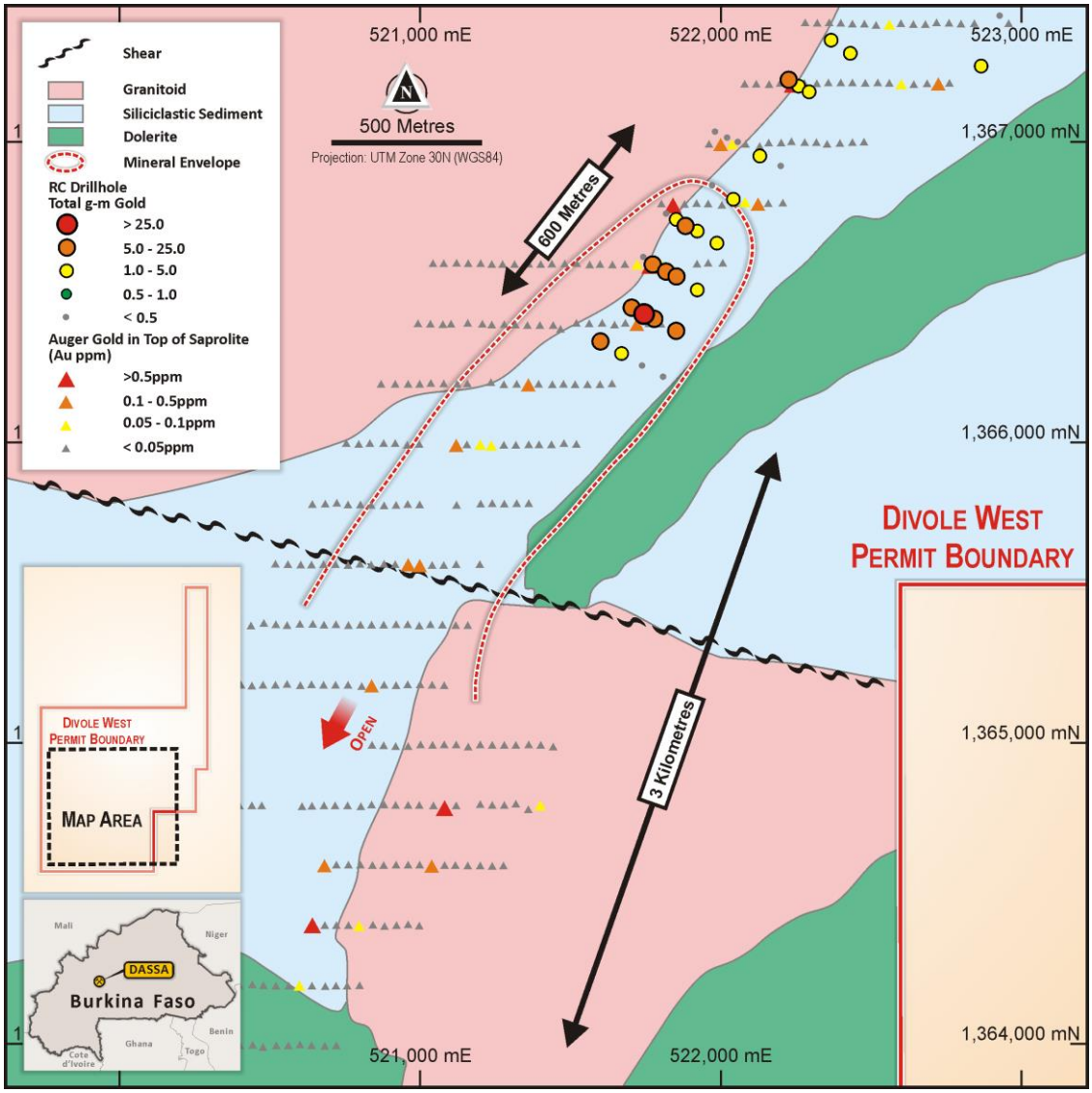


***Figure 4: South Dassa zone showing RC drilling and auger results***

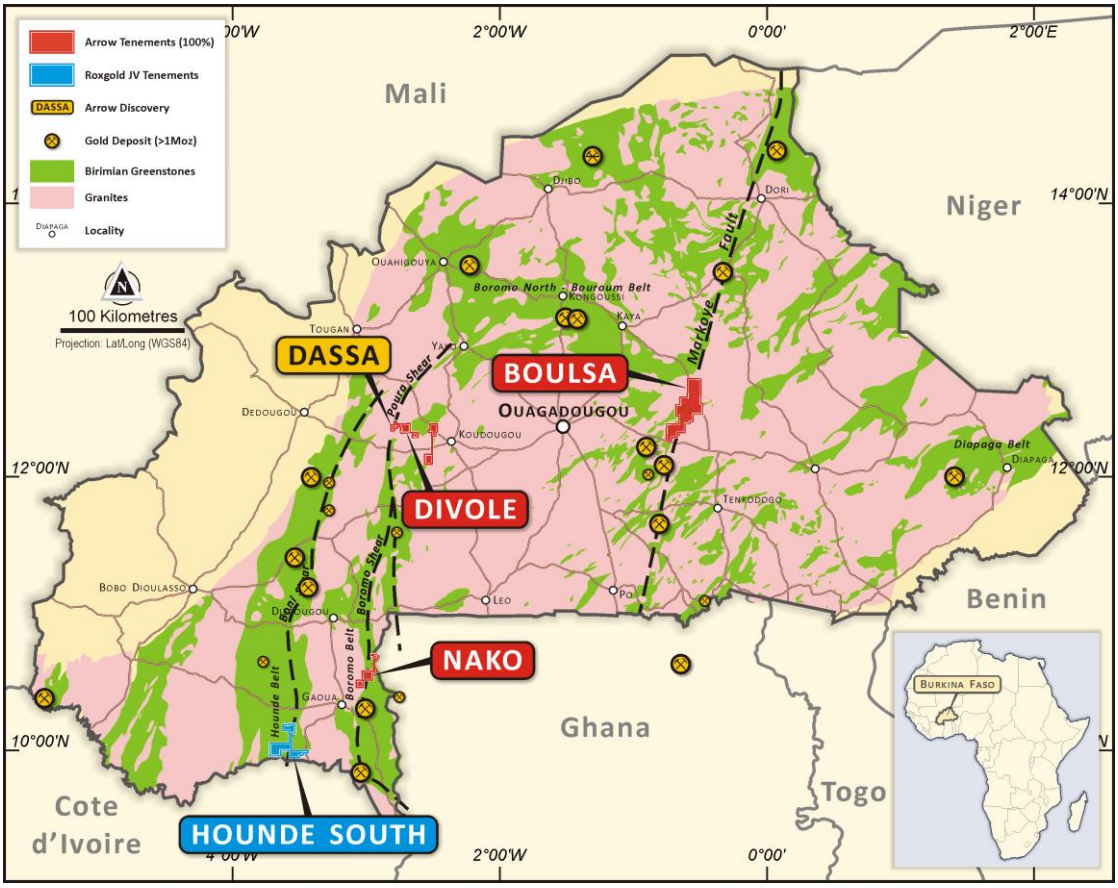


***Figure 5: Arrow exploration permits in Burkina Faso over Birimian greenstone belts***

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

For further information visit www.arrowminerals.com.au or contact:

**Arrow Minerals Limited**

Mr Howard Golden
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**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.

## Appendix A: Significant July-August 2020 RC Drill Intersections (≥ 1g/t Au)

| Hole ID | From (m) | | Width (m) | Grade (g/t Au) |
|---|---|---|---|---|
| DW_RC_20_059 | 61 | 67 | 6 | 1.1 |
| DW_RC_20_061 | 75 | 76 | 1 | 1.4 |
| DW_RC_20_062 | 113 | 117 | 4 | 1.1 |
| DW_RC_20_064 | 46 | 47 | 1 | 1.2 |
| DW_RC_20_065 | 70 | 72 | 2 | 1.2 |
| DW_RC_20_066 | 25 | 27 | 2 | 1 |
| DW_RC_20_066 | 35 | 36 | 1 | 1.9 |
| DW_RC_20_066 | 108 | 110 | 2 | 1.1 |
| DW_RC_20_067 | 86 | 87 | 1 | 1.1 |
| DW_RC_20_072 | 39 | 40 | 1 | 1.1 |
| DW_RC_20_072 | 102 | 103 | 1 | 1.3 |
| DW_RC_20_073 | 66 | 68 | 2 | 1.2 |

Drill type: Reverse circulation
All intersection widths are downhole widths
0.5g/t Au cut-off, showing intersections of >1g/t Au

## Appendix B: July-August 2020 RC Drill Hole Information

| Hole ID | Easting | Northing | RL | Dip | Azimuth | EOH |
|---|---|---|---|---|---|---|
| DW_RC_20_056A | 522822 | 1367870 | 265m | -55° | 300° | 115m |
| DW_RC_20_057A | 522899 | 1367830 | 264m | -55° | 300° | 85m |
| DW_RC_20_058 | 522760 | 1367908 | 266m | -55° | 300° | 90m |
| DW_RC_20_059 | 521600 | 1366341 | 270m | -55° | 300° | 90m |
| DW_RC_20_060 | 521972 | 1366857 | 274m | -55° | 300° | 97m |
| DW_RC_20_061 | 522042 | 1366813 | 275m | -55° | 300° | 139m |
| DW_RC_20_062 | 521987 | 1366667 | 284m | -55° | 300° | 133m |
| DW_RC_20_063 | 522962 | 1367784 | 268m | -55° | 300° | 150m |
| DW_RC_20_064 | 523027 | 1367757 | 243m | -55° | 300° | 120m |
| DW_RC_20_065 | 522586 | 1367615 | 271m | -55° | 300° | 97m |
| DW_RC_20_066 | 522647 | 1367579 | 266m | -55° | 300° | 129m |
| DW_RC_20_067 | 522730 | 1367531 | 266m | -55° | 300° | 175m |
| DW_RC_20_068 | 522786 | 1367499 | 263m | -55° | 300° | 133m |
| DW_RC_20_069 | 522861 | 1367465 | 269m | -55° | 300° | 150m |
| DW_RC_20_070 | 522928 | 1367420 | 262m | -55° | 300° | 97m |
| DW_RC_20_071 | 522367 | 1367342 | 268m | -55° | 300° | 109m |
| DW_RC_20_072 | 522431 | 1367298 | 270m | -55° | 300° | 181m |
| DW_RC_20_073 | 522866 | 1367256 | 266m | -55° | 300° | 127m |
| DW_RC_20_074 | 523562 | 1367829 | 270m | -55° | 300° | 98m |

Drill type: Reverse circulation
Coordinates are reported in UTM WGS84 Zone 30

# JORC Code, 2012 Edition – Table 1 report template

## *Section 1 Sampling Techniques and Data*

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | • Pulverised rock sample at 1m intervals of which an approximate 2.5kg sample was taken for assay. |
| ***Drilling techniques*** | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | • Reverse Circulation (RC) drilling was used to collect 1m pulverised rock samples using a face sampling hammer.<br>• Air Core drilling was used to collect samples in the saprolite zone, collecting 1m pulverised samples of oxidised material. Drilling continued until bit refusal at the fresh rock interface. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Visual estimates of recovery were made and only recorded where there were significant differences in volumes of chip sample.<br>• Overall sample recovery is considered good, and in line with normal expectations for this type of drilling. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • RC and air core drill chips have been geologically logged to a level that is considered relevant to the style of mineralization under investigation. All relevant reverse circulation and air core intervals with potential for gold and other mineralisation have been sampled<br>• Lithological and structural information was collected on paper logs including lithology, mineralogy, mineralization, weathering, colour and other appropriate features using a geological legend appropriate for West African geology and subsequently entered into a digital database.<br>• All logging is qualitative.<br>• Selected chip samples from each hole were washed and placed into plastic chip trays for future reference. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • The sample material from the RC drilling is collected by passing the drill spoil through a riffle splitter after passing through the drill rig cyclone at 1m intervals to collect an approximate 2.5kg sample in a plastic bag. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • ALS Burkina SARL, Ouagadougou Burkina Faso was contracted to carry out the sample prep and analysis.<br>• 1m Samples were analysed using 50g fire assay for total separation of gold using the ALS BGS Au-AA26 technique.<br>• A total of 1,306 reverse circulation samples and 655 air core samples were submitted for fire assay. In addition, 63 standard samples with known gold contents, 42 blank samples, and 42 duplicate samples were submitted for assay for QA/QC purposes<br>• No umpire or third-party assay checks were completed.<br>• Data is reviewed before being accepted into the database. Any batches failing QA/QC analysis resubmitted for check assays. Dataset QA/QC contains acceptable levels of precision and accuracy. A third-party independent database administrator, Mitchell River Group, has been contracted for QA/QC control and data validation. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • All assay results were received electronically from the laboratory and digitally merged with field logs, after which spot manual checks were made to ensure this had been completed correctly. No adjustments were necessary to the assay or logging data.<br>• No twinning of reverse circulation or air core drilling has been undertaken due to the early stage of exploration. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Collar positions of the reverse circulation and air core holes were located with GPS, and drillhole azimuth at the collar was determined with a combination of GPS and compass readings. At the completion of each hole, the collar was capped with concrete and drillhole details inscribed in the cement.<br>• Down hole surveys were undertaken for all reverse circulation holes by the drill contractor utilizing a Reflex EZ-Shot downhole survey instrument and by single shot Eastman Cameras. Survey intervals of 30m and end of hole were routinely collected. No strongly magnetic rock units are present within the deposit which may upset magnetic based readings. No downhole surveys were undertaken for air core holes.<br>• Divole West project coordinates are reported in this document using WGS84 UTM Zone 30N. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • The reverse circulation drilling was conducted on nominal 160m spaced drill traverses with between three and eight holes per section. Air core holes were drilled on nominal 350m spaced traverses with between five and eight holes per section.<br>• Drilling was not sufficient, along with surface and artisanal workings exposures, to develop a good enough geological understanding of stratigraphy, intrusions, and veining orientations within the prospect area drilled to establish mineral resources.<br>• No sample compositing was applied. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • The drilling is early stage and not adequately spaced to determine identification of the key geological features with high confidence, but an estimate of the continuity of structures and lithological units can be made. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • Samples are removed from the field immediately upon collection and stored in a secure compound for subsampling and preparation for laboratory dispatch. Samples are then delivered to the laboratory directly from the field. Sample submission forms are sent in hardcopy, as well as electronically, to the laboratories. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • Databases were reviewed for obvious discrepancies and validated by a third-party database administrator, however no audits were completed on these early exploration results. |

## *Section 2 Reporting of Exploration Results*

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmentalsettings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The Divole East Project comprises 2 separate permits. Arrow Minerals is 100% owner of these permits<br>o Divole East: granted on 2017/05/18 arrete 17/046/MEMC/SG/DGCM and transferred on 2017/12/29 arrete 17/249/MMC/SG/DGCM<br>o Dyabya: granted on 2019/05/10 arrete 19/047/MMC/CG/DGCM<br>• The Divole West Project comprises a single exploration permit. Arrow Minerals is 100% holder of this permit.<br>o Divole West: granted on 2017/05/18 arrete 17/047/MMC/SG/DGCM and transferred on 2017/12/29 arrete 17/250/MMC/SG/DGCM<br>• The Hounde South Project comprises 2 separate exploration permits. Arrow Minerals is 100% holder of these permits.<br>o Fofora: granted on 2016/12/20 arrete 16/226/MEMC/SG/DGCMIM<br>o Konkoira: granted on 2016/12/20 arrete 16/228/MEMC/SG/DGCMIM<br>• The Nako Project comprises a single exploration permit. Arrow Minerals is 100% holder of this permit.<br>o Nako: granted on 2016/12/20 arrete 16/227/MEMC/SG/DGCMIM<br>• The Gourma Project comprises 4 separate exploration permits. Arrow Minerals is the 100% holder of these permits<br>o Gountouna: granted on 2017/11/09, arrete 17/208/MMC/SG/DGCM<br>o Artougou East: granted on 2017/11/20, arrete 17/219/MMC/SG/DGCM<br>o Matiakoali BSR: granted on 2017/11/20 arrete 17/220/MMC/SG/DGCM<br>o Bankartougou West: granted on 2017/11/20 arrete 17/221/MMC/SG/DGCM<br>• The Boulsa Project comprises 2 exploration permits. Arrow Minerals is the 100% holder of these permits<br>o Lilyala: granted on 2018/08/24, arrete 18/152/MMC/SG/DGCM<br>o Konkoira: granted on 2018/08/24, arrete 18/228/MMC/SG/DGCM |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • No historic exploration by other parties has been recovered for the Divole West project area. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • Arrow projects are all hosted in granite/greenstone belts of the Proterozoic Birimian Shield in Burkina Faso. The exploration is targeting orogenic style gold mineralisation systems. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Drillhole Information*** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:*<br>- *easting and northing of the drillhole collar*<br>- *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar*<br>- *dip and azimuth of the hole*<br>- *down hole length and interception depth*<br>- *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • The drill hole data referred to in this document has been summarised in Appendices B and C. |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • The reverse circulation drill results have been reported using a 0.5g/t edge grade and incorporating a maximum of 3m of consecutive internal dilution. Only intersections with average grades of at least 1 g/t are reported.<br>• Air core grades are reported using the maximum 1m sample interval from each hole in saprolite.<br>• N/A as no metal equivalents are used. |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • Drill holes have been oriented as close as possible to perpendicular to interpreted strike orientation of the mineralisation<br>• Reported intersections are downhole widths. Exploration at the prospects is at an early stage and insufficient information is currently available to infer true widths |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.* | • Summary maps are provided in this document. |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Further exploration activities are required to allow assessment of potential target size and will be provided when Arrow Minerals progresses work and data validation. |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Nil. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Further exploration work will occur at Divole West utilising skilled staff and fit for purpose techniques including, depending on requirements, reverse circulation and diamond drilling, drainage sampling, soils, auger, air core drilling, geological mapping, ground and airborne geophysics. Specific targets for follow up are being defined at Divole West using data included in this report and illustrated in the relevant figures. |