ARROW MINERALS

ASX: AMD

12 October 2020

STRONG CONDUCTORS IDENTIFIED AT STRICKLAND VMS PROJECT

HIGHLIGHTS:

- **Seven large discrete conductors were identified in an airborne electromagnetic survey at the Strickland Cu-Au VMS project**
- **The conductors are coincident with strong Cu and Au anomalism of up to 2.2% Cu and 9.6 g/t Au in historical drilling**

Arrow Minerals Limited (**Arrow** or the **Company**) is pleased to announce the detection of seven significant conductivity anomalies at its Strickland copper-gold project in Western Australia, shown in ***Figure 1***. Arrow completed a helicopter-borne SkyTEM electromagnetic survey at Strickland in late September 2020. The survey was designed to test strong geochemical signatures consistent with volcanogenic massive sulphide (VMS) copper-gold mineralisation identified in analysis of historical data. All seven conductive anomalies are shallow and correspond with geochemical and/or geological environments favourable for VMS mineralisation.

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

"These conductors, with the coincident Cu-Au-Ag-Zn-Bi anomalism and their geological settings are typical of the VMS environment as seen at the Golden Grove and Perrinvale VMS deposits. We are now prioritising these exciting new targets for follow-up drill testing."

Figure 1: Location Map of Strickland project, Western Australia

Base metals geochemical anomalism was detected in geochemical samples from previous aircore (AC) and reverse circulation (RC) drilling that had focussed exclusively on orogenic gold exploration as previously reported to the ASX *(refer to ASX announcements on 11 December 2017, 24 January 2018, 14 June 2018, 12 July 2018, 17 May 2018, 22 November 2018, 27 February 2019 and 14 May 2020).* Recent studies of this historical data highlighted the potential for VMS copper and gold mineralisation at five high quality target areas in the Strickland tenement block (***Figure 2***). The recently completed TEM survey identified seven discrete conductors coincident with strong Cu and Au anomalism of up to 2.2% Cu and 9.6 g/t Au in the historical drilling (Table 1 and Figures 3 to 10).

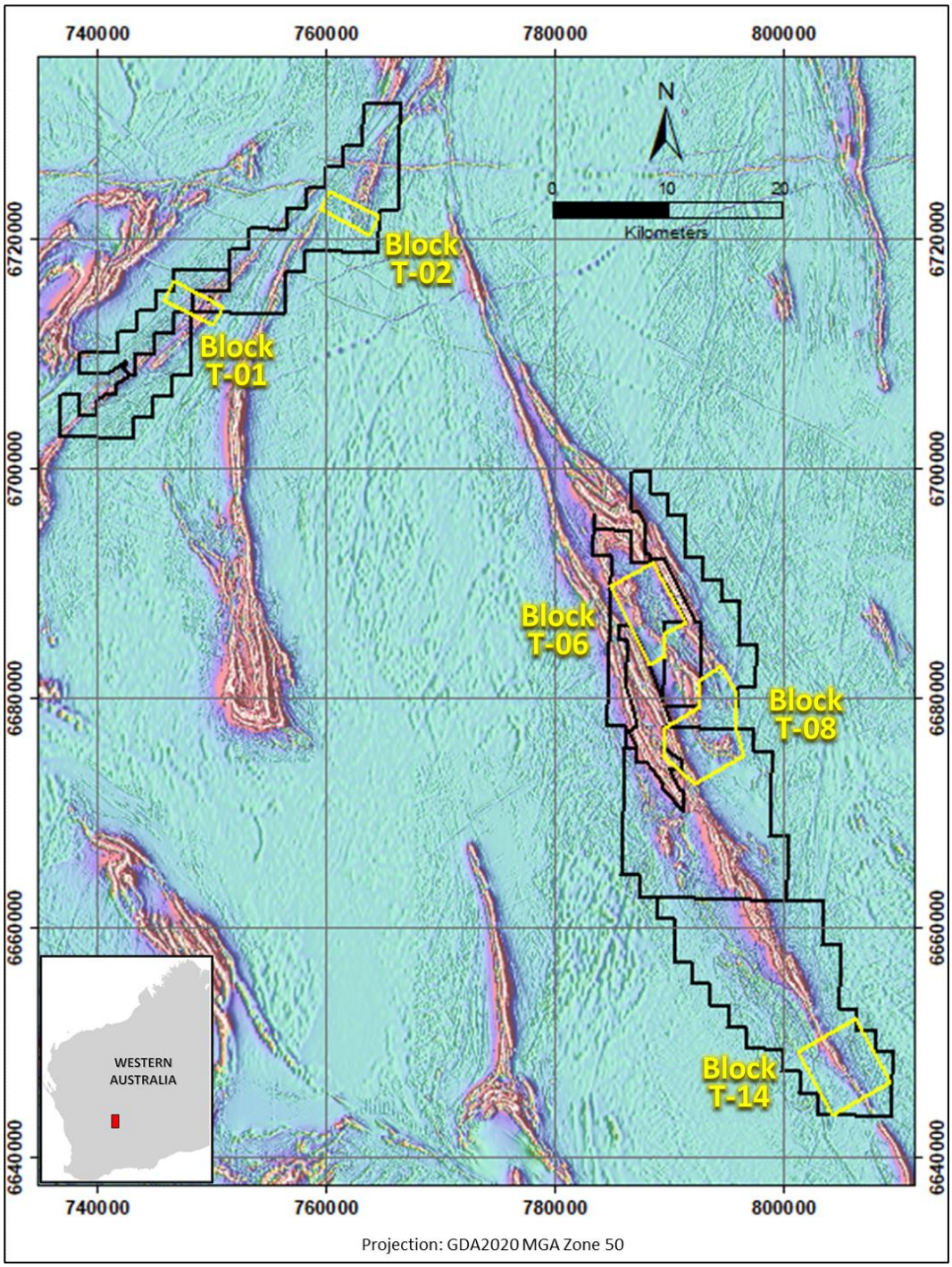

Figure 2: Strickland location map showing geology and Arrow gold and copper-gold tenements with Cu-Au VMS survey blocks. Background is pole reduced magnetic field map.

Survey Overview

A 680 linear km survey was completed at Strickland using the SkyTEM helicopter-borne transient electromagnetic (TEM) system to test for conductive minerals such as those that host VMS copper-gold deposits. The survey comprised five blocks (***Figure 2***) distributed throughout the Strickland licenses in Western Australia, covering an area of 131km^2. The surveying equipment is shown in flight in ***Figure 3***.

Figure 3: SkyTEM helicopter-borne electromagnetic surveying equipment in flight at Strickland

Results

At least one conductive anomaly was defined in each of five survey blocks and are listed in ***Table 1***. The TEM results defined seven discrete anomalies, all of which are in a favourable geological environment characterised by Archaean greenstones with a basal ultramafic package overlain by a sequence of sediments as well as bimodal volcanics and felsic intrusives. All the anomalies are of the size that could host economic mineralisation such as the 400m long Golden Grove deposit.

Table 1: Strickland Conductors and Characteristics (Images shown in Figures 4 – 10)

Anomaly	Depth to Top (m)	Strike Length (m)	Conductance (Siemens)	Time Constant (ms)	Geology	Geochemistry
T-01	5	700	154	9.17	Folded mafic-ultramafic geology. Shallow cover over conductor,	Strong multielement anomaly (Au-Ag-Cu-As, Pb-Zn) in soils and AC drilling
T-02	75	1,400	10	2.02	Significant sulphide-bearing intersection in drillhole west of conductor under shallow cover.	Au-Cu-Zn-Bi multielement soil and AC anomaly. **Hole BARRC001 - 2m @ 2.2% Cu, 17g/t Ag and 0.5g/t Au** with strongly anomalous Bi-Sn (typical VMS signature)
T-06A	20	1,450	46	6.54	Contact between basalt/ultramafic to east and fine-grained sediments to west. Conductor associated with Fe-oxide zones in weathered bedrock.	Strong multi-element anomaly (Au, Ag, Pb, Zn, Cu, As) in AC and RC. **Hole STKAC0477 - (24m @ 1.62g/t Au, Hole BARRC025 - (25m @ 0.6g/t Au, 20g/t Ag, 0.1%Pb)**
T-06B	25	190	70	7.69	Mafic sequence intercalated with fine-grained sediments.	No surface geochemistry or drilling completed in vicinity
T-08A	10	210	199	12.70	Regional contact between mafic rocks to the east and sediments to west. Conductor under shallow transported cover	No surface geochemistry or drilling completed in vicinity
T-08B	22	440	190	5.6	RC drilling intersected multiple sulphide-rich horizons with strong Au-Ag-Sb-As and Cu-Zn-Pb anomalism.	**Hole BARRC020 - peak Au 8.95g/t in Hole BARRC022 - peak Cu 0.28%**
T-14	110	530	86	3.47	Near eastern greenstone belt contact with granite/gneiss domain.	**Soil assays to 0.3% Cu, and 2.4ppm Ag with 11ppm Bi and 146ppm Zn** (typical VMS signature).

Survey system: SkyTEM 12.5Hz; 32ms off-time; 1,000,000A-m^2 moment; 30m AGL flying height
Modelling done using Maxwell and VPem1D EM inversion software

Next Steps

The conductors detected in the TEM survey at Strickland provide drill targets with geological and geochemical support for VMS copper-gold mineralisation. Arrow will undertake a programme to ground-truth the anomalies in the field followed by drill testing on all anomalies that are shown to be prospective.

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 allow Arrow year-round access to projects during their respective field seasons.

Block T-01 (Anomaly T-01)

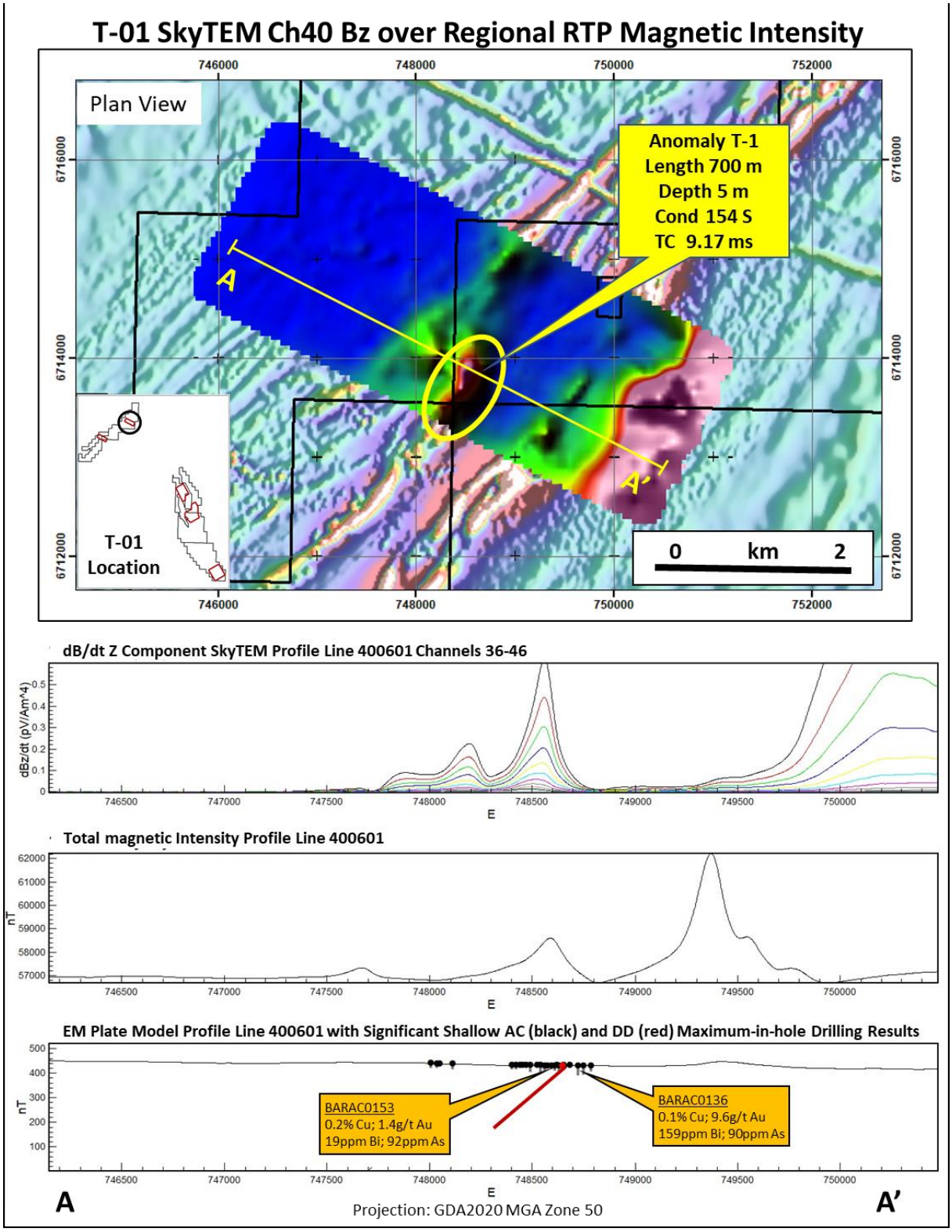

Figure 4: Strickland T-06 SkyTEM conductive anomaly shown in plan on magnetic background in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line with significant AC and RC maximum-in-hole drilling results

Block T-02 (Anomaly T-02)

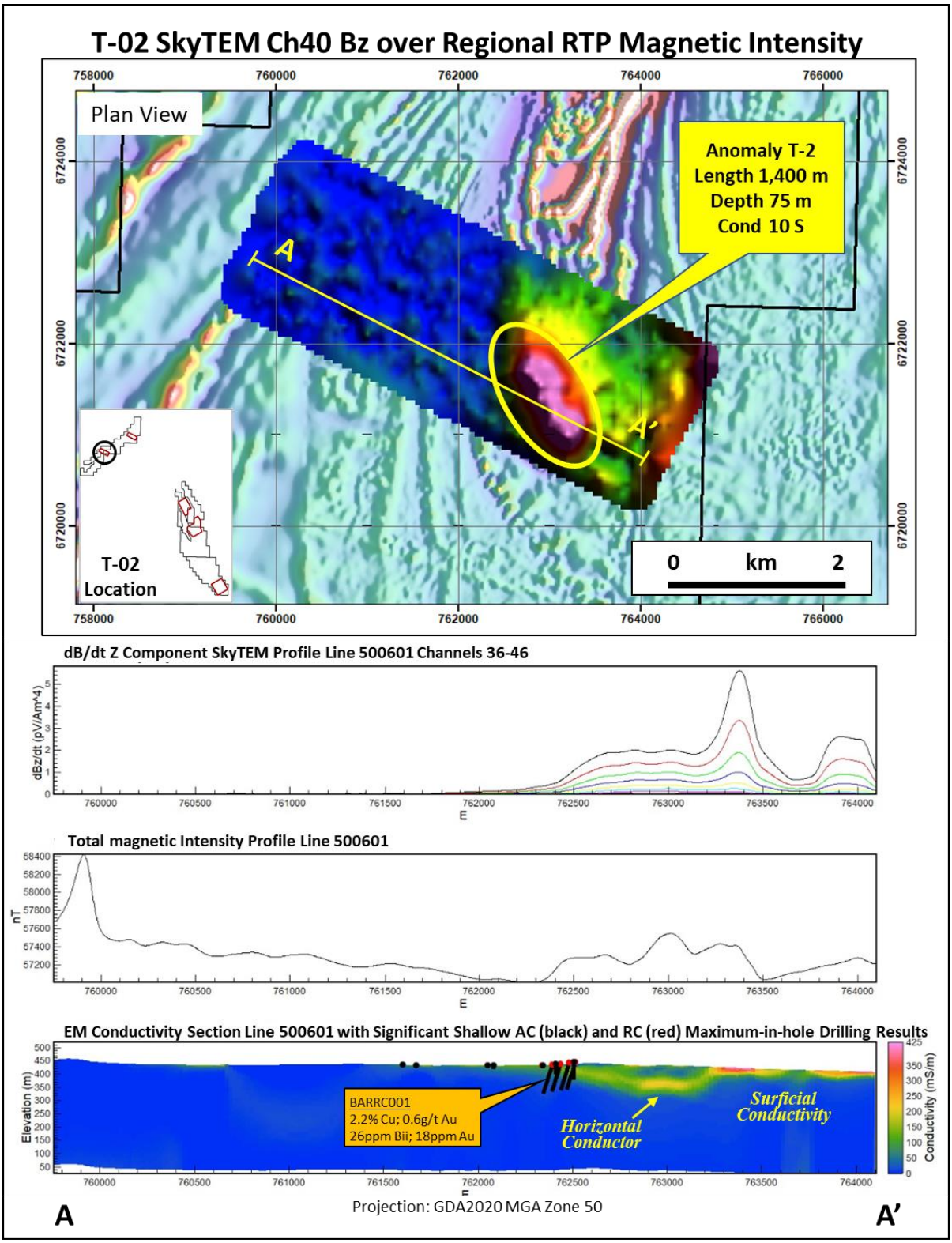

Figure 5: Strickland T-02 SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and conductance modelling with significant maximum-in-hole AC and RC drilling results

Block T-06 (Anomaly T-06A)

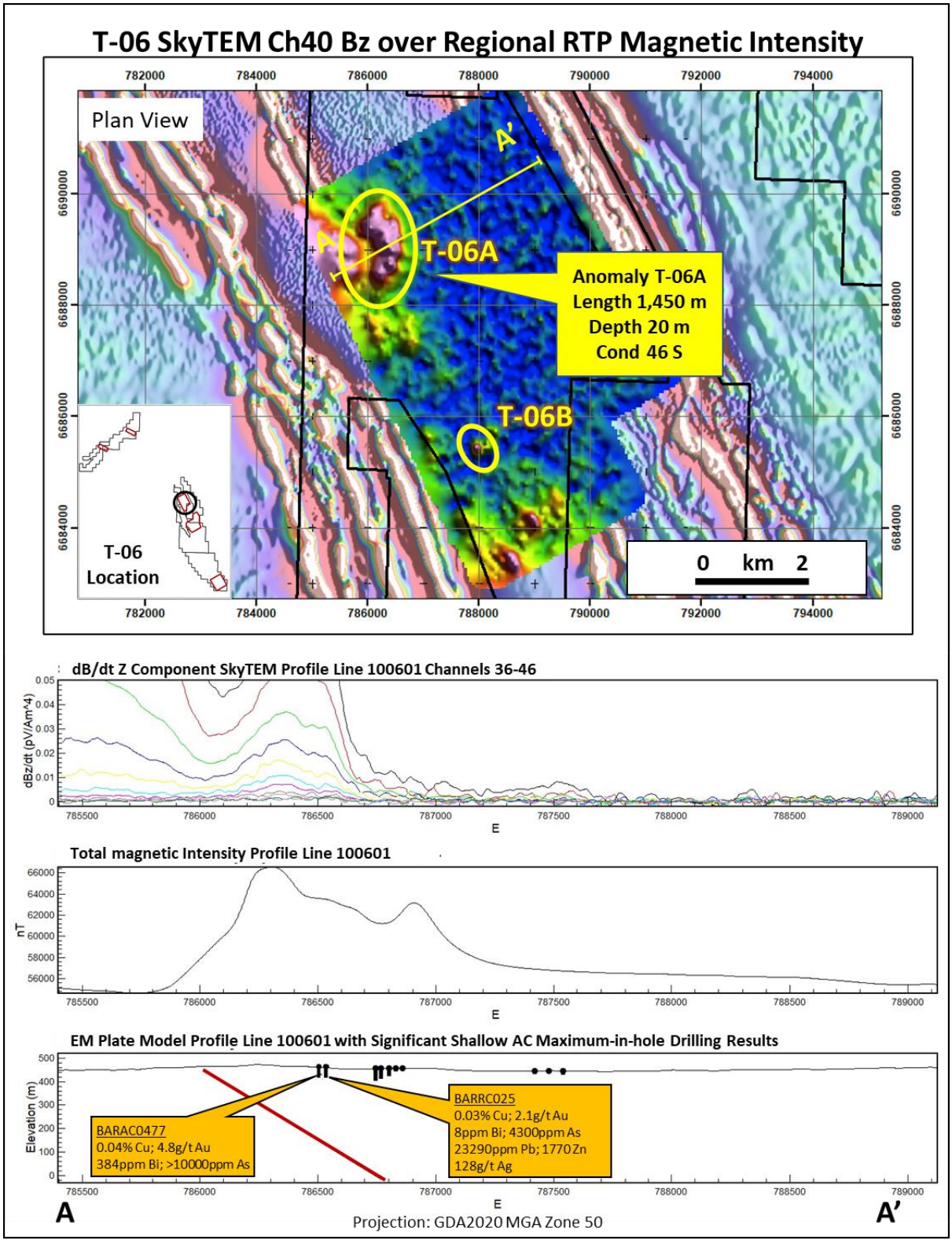

Figure 6: Strickland T-06A SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line with significant maximum-in-hole AC and RC drilling results

Block T-06 (Anomaly T-06B)

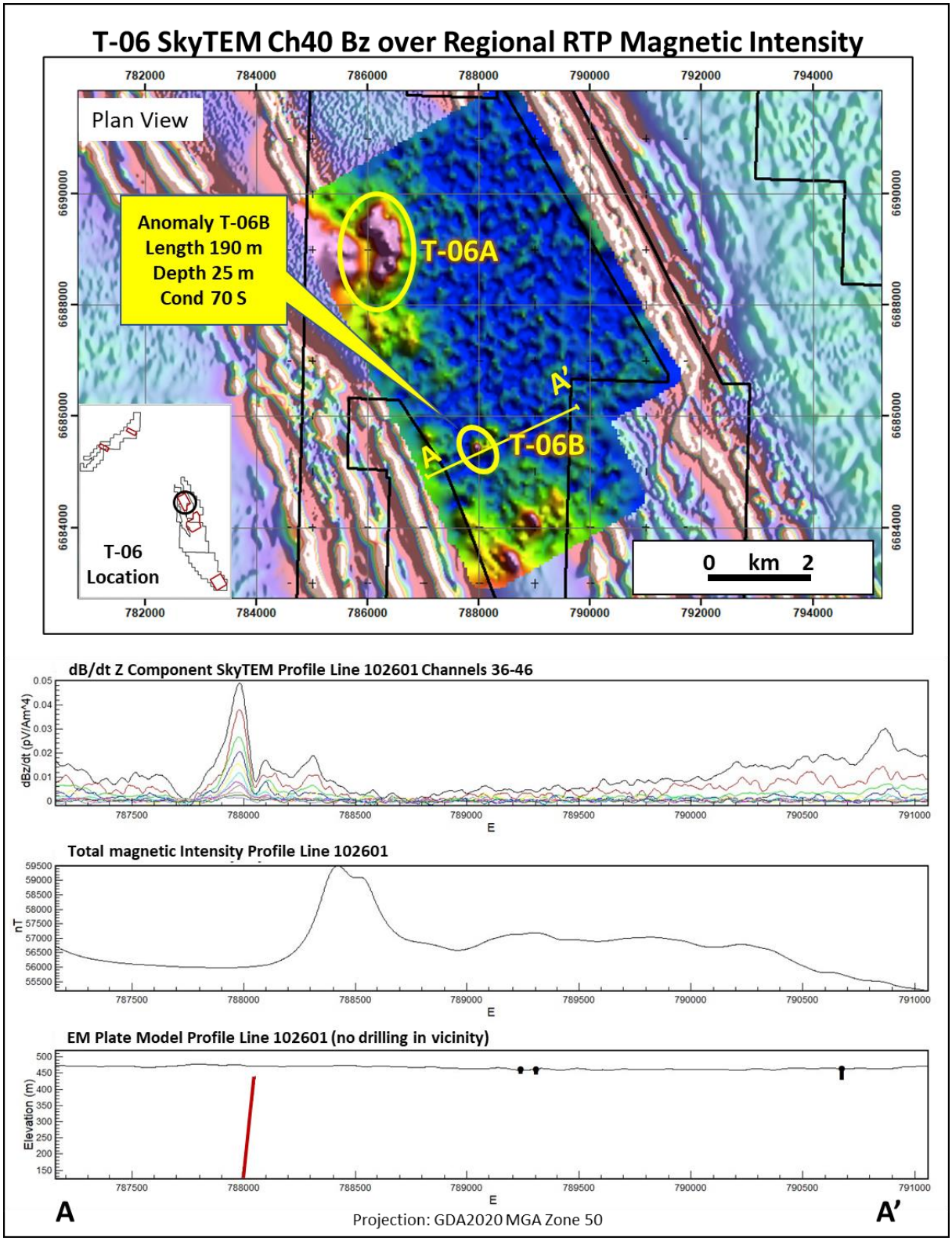

Figure 7: Strickland T-06B SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line. No sampling or drilling were done near this anomaly.

Block T-08 (Anomaly T-08A)

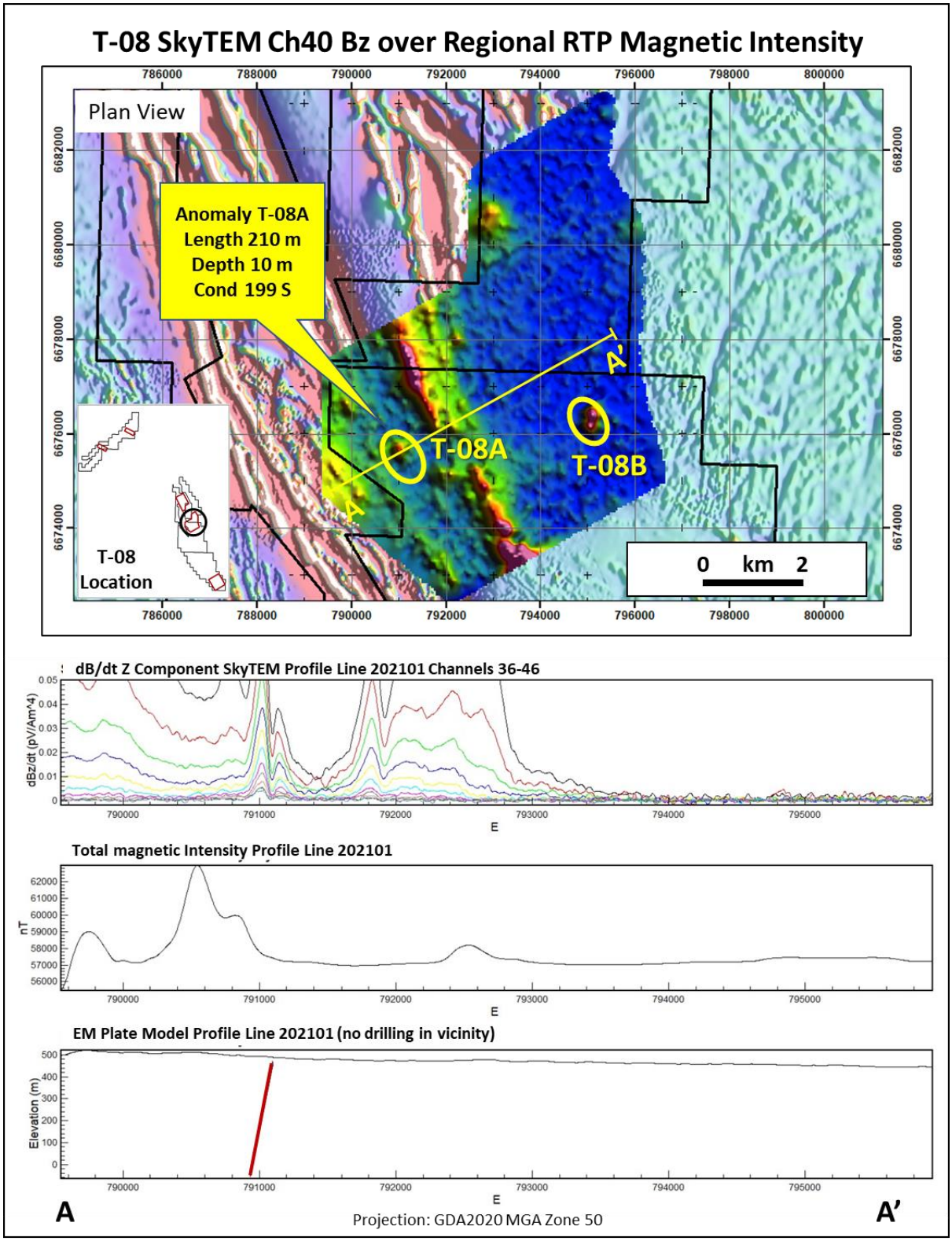

Figure 8: Strickland T-08A SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line. No sampling or drilling were done near this anomaly.

Block T-08 (Anomaly T-08B)

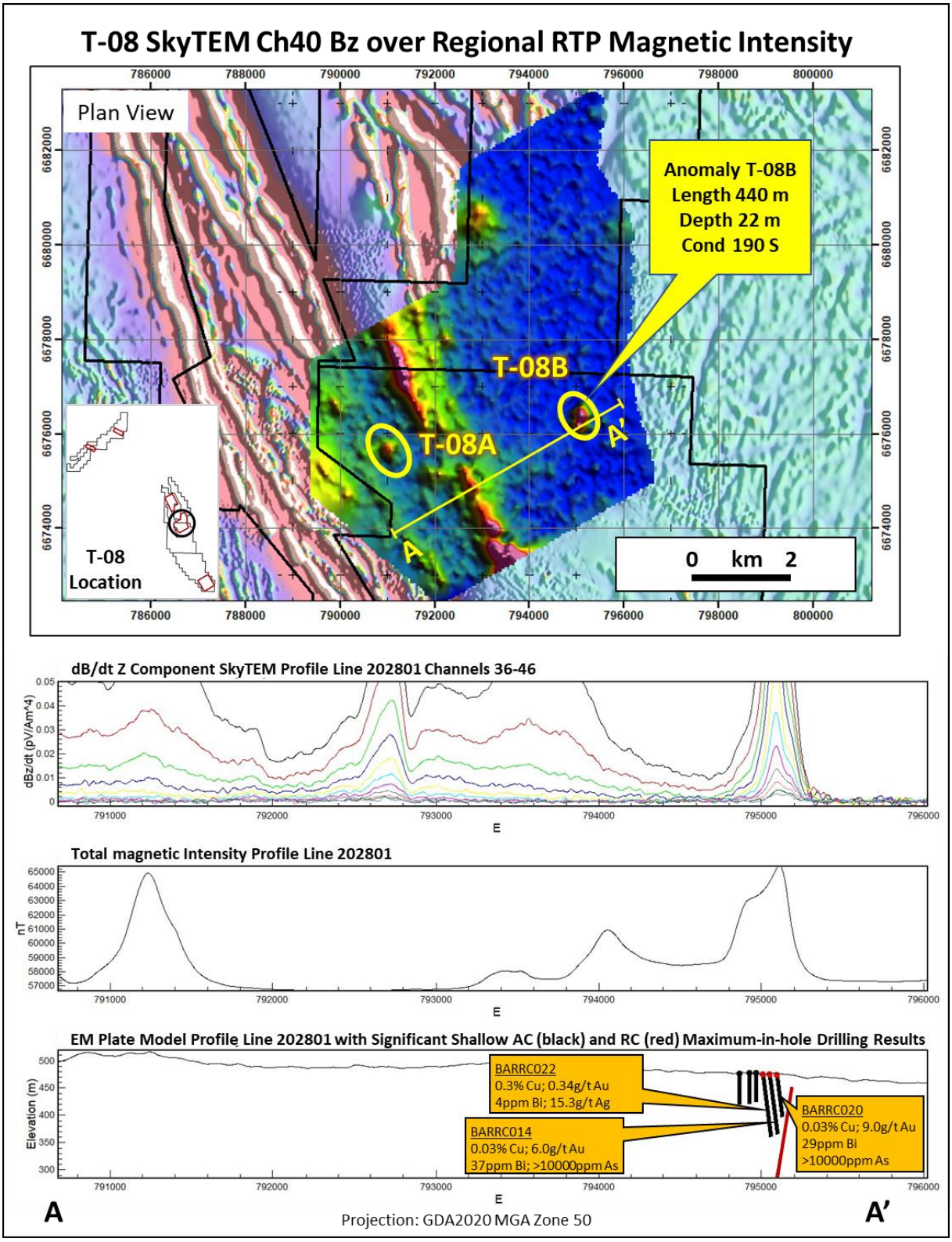

Figure 9: Strickland T-08B SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line with significant maximum-in-hole AC and RC drilling results

Block T-14 (Anomaly T-14)

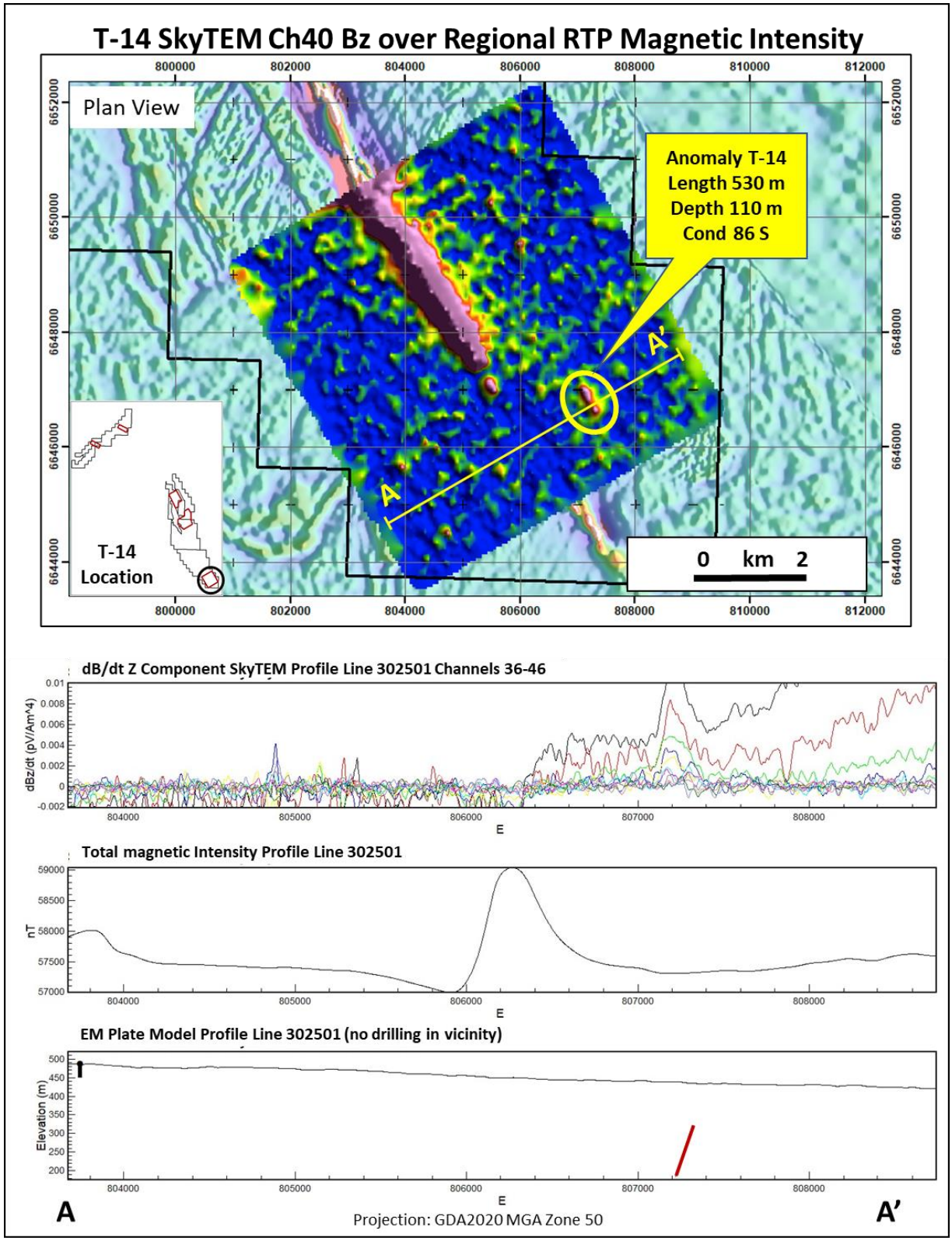

Figure 10: Strickland T-14 SkyTEM conductive anomaly shown in plan on magnetic background and in profiles of linear TEM data display, total magnetic intensity and plate modelling displayed as heavy red line. No sampling or drilling were done near this anomaly.

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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