

1 September 2021

CONSOLIDATING AND EXTENDING THE VRANSO PROJECT IN BURKINA FASO

HIGHLIGHTS

- **Arrow consolidates dominant position within gold-rich Boromo Belt through acquisition of key Tombi-Ouest permit for staged payments totalling \$170,000**
- **Localised structural traps for gold identified within a regional shear zone**
- **Gold mineralisation being targeted using historical exploration data collected and analysed primarily with Base Metal focus**
- **Exploration programme progressing rapidly on the Vranso Project**
- **Numerous targets advancing towards drill testing**

Arrow Minerals Limited (ASX: AMD) (**Arrow** or the **Company**) is pleased to announce it has secured the Tombi-Ouest Minerals Exploration Permit (**Tombi-Ouest**) in Burkina Faso for a total consideration of approximately AUD \$170,000 and a 1% NSR. The acquisition of Tombi-Ouest provides Arrow with a dominant position in a portion of the Boromo Belt, a subdivision of the world class Birimian Paleoproterozoic Greenstones, host to numerous multi-million ounce gold mines in Burkina Faso that has been largely unexplored for gold with modern exploration techniques.

The Vranso Project, located 100km west of the capital of Burkina Faso, Ouagadougou, now consists of nine semi-contiguous exploration permits extending uninterrupted for over 80 kilometres along the main NE-SW trending Boromo shear zone. The addition of Tombi-Ouest to the Arrow land package increases the total area to in excess of 1,300km² of fertile gold ground (**Figure 1**).

Within the Paleoproterozoic Greenstones of West Africa there is a documented relationship between regional scale structural zones, such as the Boromo Shear Zone, and gold mineralisation. Arrow is now in the unique position of evaluating a continuous 80km of a known regional structural shear zone to identify local scale structural focusing of gold mineralising fluids. The information generated and developed from this analysis will factor directly into the target development for the upcoming drilling programme.

Historically known as Seboun when held by Blackthorn Resources from 2009 to 2014, Tombi-Ouest comes with a substantial volume of soil geochemistry, trenching and geophysical data collected with the discovery of base metals, primarily zinc, in mind. Arrow will combine this information with the extensive historical data recently obtained as part of the Trevali agreement to form a coherent image of the geology and mineralised systems that extend through the Vranso Project area.

Arrow exploration teams are active in the field conducting regional stream sediment geochemical surveys in the northern permits, Pilimpikou, Kordie and Viveo and auger soil surveys to the south on the Dyapya permit. The results from these surveys are anticipated by the Company within the next two months.

At the conclusion of the seasonal rains in Burkina Faso, Arrow will be well positioned to embark on an aggressive diamond and reverse circulation drilling programme targeting new gold systems in combination with expanding upon the already identified deposits at the Dassa and Pao prospects.

The commercial terms by which Arrow can acquire a 100% interest of the Tombi-Ouest permit from Agri-Bio SARL, a Burkinabe incorporated company, are detailed in Appendix 1. A summary of key terms are outlined as follows:

- Total cash payment of 70,000,000 FCFA (~AUD \$170,000) made on the following schedule:
 - 20,000,000 FCFA (~AUD \$50,000) on commencement date
 - 20,000,000 FCFA (~AUD \$50,000) on the one year anniversary
 - 30,000,000 FCFA (~AUD \$70,000) on second year anniversary
- Agri-Bio retain a 1% NSR which Arrow may buy back for a one-off payment of US\$2,000,000

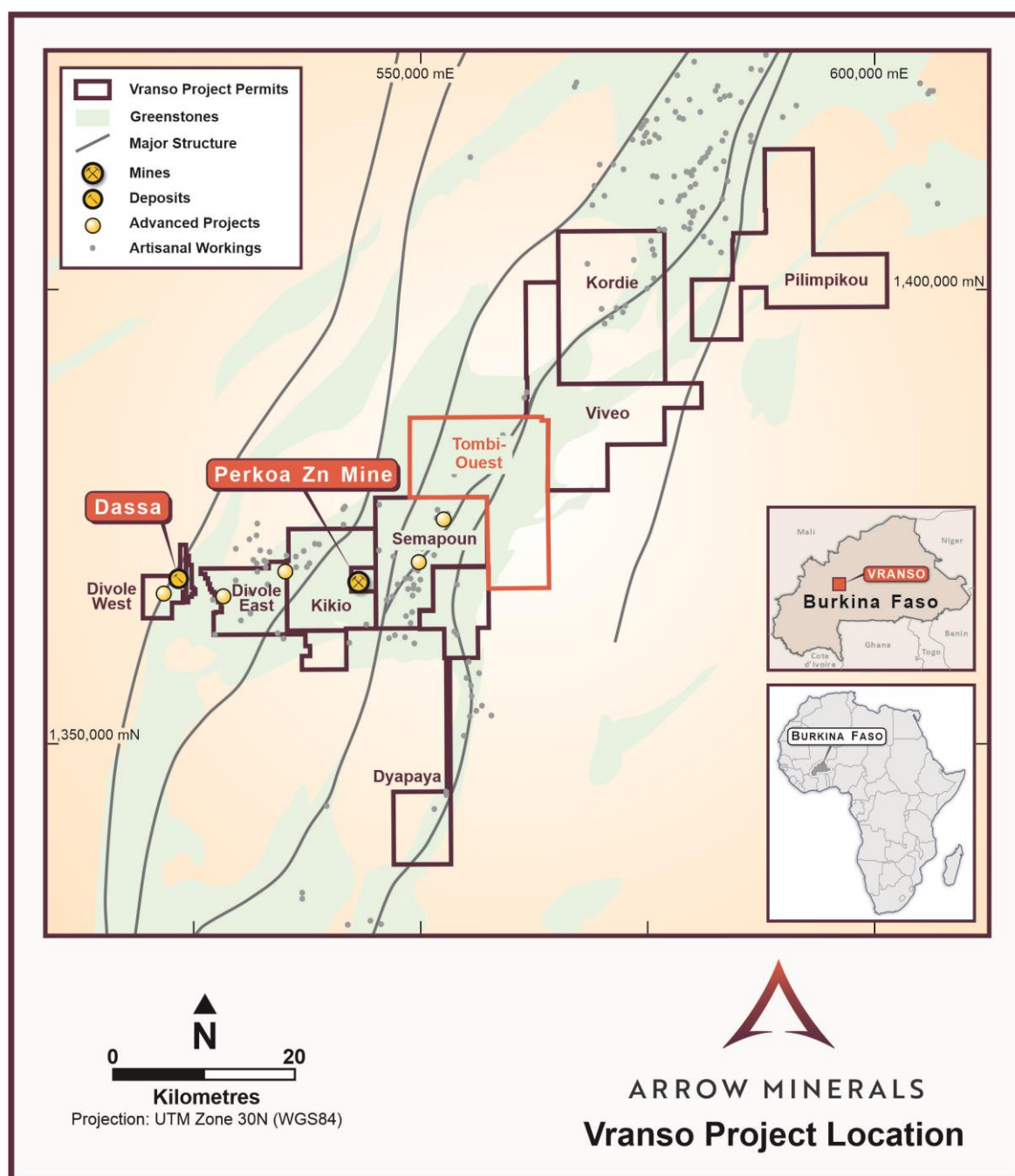


Figure 1: Map of the Vranso Project exploration permits including Tombi-Ouest within the gold rich Paleoproterozoic Boromo Belt, Burkina Faso

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

"This purchase option knits together our position in Burkina Faso. We have consolidated an 80km extent of the Boromo Shear Zone that has primarily been explored for base metals, despite numerous indications of significant gold occurrences including artisanal workings and our discovery at Dassa.

Arrow is now embarking on a transformative gold exploration programme. We are integrating historical information with our modern data and examining the 80km belt as one expansive project.

At the conclusion of the wet season in Burkina Faso we will deploy drill rigs to test a number of new high priority targets plus continue to expand our recent discoveries."

Arrow has consolidated the Vranso Project, strengthening its position within the Boromo Belt, a known gold producing belt in Burkina Faso. The Company has built upon its local reputation and track record of discovery in the area to secure its position. Arrow is proceeding with an aggressive exploration program to rapidly advance targets toward drilling in preparedness for the conclusion of the wet seasons.

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

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 a full-time employee of the Company 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.

About Arrow

Arrow Minerals Limited is a well-funded and supported West African gold exploration company with a principal focus on Burkina Faso, Africa's fastest emerging gold producing country. The Company is rapidly progressing a portfolio of high-quality exploration projects with a record of recent discoveries made within a short space of time. We apply three critical components to exploration success

- Capable and experienced team.
- High quality projects
- Aggressive modern systematic exploration techniques

Arrow is committed to supporting the communities in which we work and their environment.

Appendix 1 – Summary of the Key Terms and Conditions of the Purchase Agreement

Consideration	<p>Arrow will have the right to earn a 100% interest in the Permit and all mining information associated with the Permit by paying to Agri-Bio over a two-year period from the Purchase Option Commencement Date a total consideration of 70,000,000 FCFA in the following three instalments:</p> <ul style="list-style-type: none"> (a) within ten (10) days of the Earn-In Commencement Date, 20,000,000 FCFA (First Payment); (b) on or before the one-year anniversary of the Earn-In Commencement Date, 20,000,000 FCFA (Second Payment); and (c) on or before the two-year anniversary of the Earn-In Commencement Date, 30,000,000 FCFA (Final Payment). <p>Arrow has the right to advance the timing of the Second Payment and Final Payment.</p> <p>Arrow may lodge any applicable security interests or encumbrances (including a caveat) against the Permit to protect its interest during the Purchase Option Period.</p>
Transfer of Ownership	<p>On the date that the Final Payment is made, Agri-Bio must transfer 100% of the legal and beneficial interest in the Permit and all geological, technical, regulatory, commercial, or other information (including drill cores and samples) in respect of the Permit to Arrow and use all reasonable endeavours to assist Arrow to obtain any required regulatory approvals to allow for such transfer to occur.</p>
Royalty	<p>Following the Permit Transfer, Arrow must pay to Agri-Bio a 1% net smelter return royalty payable with respect to any minerals produced by or on behalf of Arrow (and assignees and successors) from the Permit.</p> <p>Arrow will have the right to buy back the Royalty for an amount of US\$2,000,000 at any time.</p>
Withdrawal	<p>Subject to the Permit being in good standing, Arrow may withdraw, with 1 months' notice to Agri-Bio, from the Purchase Option at any time. Following such withdrawal:</p> <ul style="list-style-type: none"> (a) this Term Sheet will terminate (other than clauses Error! Reference source not found. to Error! Reference source not found. which shall survive termination of this Term Sheet); (b) Arrow will not retain any legal or beneficial interest in the Permit; and <p>Arrow will not be liable for any residual environmental or other liabilities relating to the Permit and Agri-Bio will indemnify and keep indemnified Arrow in relation to such liabilities.</p>