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Successful $7M Capital Raising to Advance Niagara Bauxite Project

Highlights

- **Successful $7 million placement to institutional and sophisticated investors.**
- **Funds raised from the Placement will be applied towards advancing the Company's Niagara Bauxite Project and Simandou North Iron Project including:**
  - **Finalisation of the maiden JORC resource estimate at Niagara;**
  - **Completing a Scoping Study on the Niagara Bauxite Project; and**
  - **Undertaking further drilling, metallurgical test work, and permitting processes at the Company's Niagara Bauxite and Simandou North Iron Projects.**

Arrow Minerals Limited (ASX: **AMD**) (**Arrow** or the **Company**) is pleased to announce it has received firm commitments from institutional and sophisticated investors to raise gross proceeds of approximately $7 million (the **Placement**).

Arrow Managing Director David Flanagan said: "*We are delighted with the strong support received for this capital raising which demonstrates the market's growing awareness of the significant potential of Arrow's bauxite and iron ore projects. This capital raising positions Arrow with a robust balance sheet, enabling the Company to finalise its maiden mineral resource estimate, complete a scoping study and undertake further drilling at the Company's Niagara Bauxite project. The quality and scale of the mineralisation demonstrated by recent drilling has illustrated the world class nature of the Niagara Bauxite Project. We will also continue to progress commercial studies, metallurgical test work, and progress the environmental permitting process at both the Niagara Bauxite and Simandou North Iron Projects. We were very well bid for the Placement and received strong support from new investors and the Company's existing shareholders.*

We believe that these work streams will demonstrate the significant value of both of our projects in Guinea, which we anticipate will rapidly drive demonstrable shareholder value."

Placement

The Placement comprises the issue of 185,013,160 new fully paid ordinary shares in the Company (**New Shares**) at an issue price of A$0.038 per share (**Issue Price**). The Company will also issue one (1) free attaching unlisted option for every two (2) New Shares issued under the Placement (**Placement Options**). The Placement Options are exercisable at A$0.055 and expire 18 months from the issue date. The Placement will be conducted across two tranches:

- **Tranche 1** will consist of a total of 157,078,840 New Shares issued pursuant to the Company's existing placement capacity (including 91,088,206 shares under Listing Rule 7.1

and 65,990,634 shares under ASX Listing Rule 7.1A) (**Tranche 1 Placement Shares**), with allotment of the shares expected to occur on Friday, 7 February 2025;

- **Tranche 2** will consist of 27,934,320 New Shares (**Tranche 2 Placement Shares**) and 92,506,580 Placement Options, subject to shareholder approval at a general meeting expected to be held in March 2025 and will include approval for director participation of approximately A$60,000.

Proceeds of the Placement, together with existing cash, will be applied towards:

- drilling, mining studies and testwork on the Niagara Bauxite Project;
- concluding studies and testwork on the Simandou North Iron Project; and
- costs of the Placement and general working capital purposes.

The Issue Price of A$0.038 per share (excluding the Placement Option value) represents a:

- 11.9% discount to the 5-day volume weighted average market price of Arrow shares up to an including Friday, 24 January 2025; and
- 3.5% discount to the 10-day volume weighted average market price of Arrow shares up to an including Friday, 24 January 2025.

The Placement Shares will rank equally with Arrow's existing shares.

Refer to Appendix 1 for the terms and conditions of the Placement Options.

Euroz Hartleys Limited, Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited acted as Joint Lead Managers and Bookrunners to the Placement. Salient Corporate acted as corporate adviser to the Company in respect of the Placement.

Indicative timetable

Event	**Timing**
Announcement of Placement and Return to Trading on ASX	Wednesday, 29 January 2025
Settlement – Tranche 1	Thursday, 6 January 2025
Allotment and Normal Trading of Tranche 1 Shares	Friday, 7 January 2025
Anticipated General Meeting to approve Tranche 2	Indicatively, March 2025
Settlement – Tranche 2	Indicatively, mid-March 2025
Allotment of Tranche 2 Shares and Placement Options	Indicatively, mid-March 2025

The above timetable for the Placement is indicative only and all dates are subject to change.

This announcement is intended to lift the trading halt of the Company's ordinary securities.

Announcement authorised for release by the Board of Arrow.

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About Arrow Minerals

Arrow is focused on creating value for shareholders through the discovery and development of mineral deposits into producing mines. The Company's development strategy is to streamline a pathway to execution of a 'starter mine' that can later be expanded once in production[1].

Arrow currently has two projects in Guinea, West Africa. The Simandou North Iron Project (**Simandou North**) and the Niagara Bauxite Project[2] (**Niagara, Niagara Project**). Both Niagara and Simandou North are located within trucking distance to the Trans-Guinean Railway (TGR) that is currently under construction by Winning Consortium Simandou. The location of the Niagara Project relative to the TGR provides significant benefits to the development of the project as a result of multi-user access to rail and port infrastructure (Figure 1).

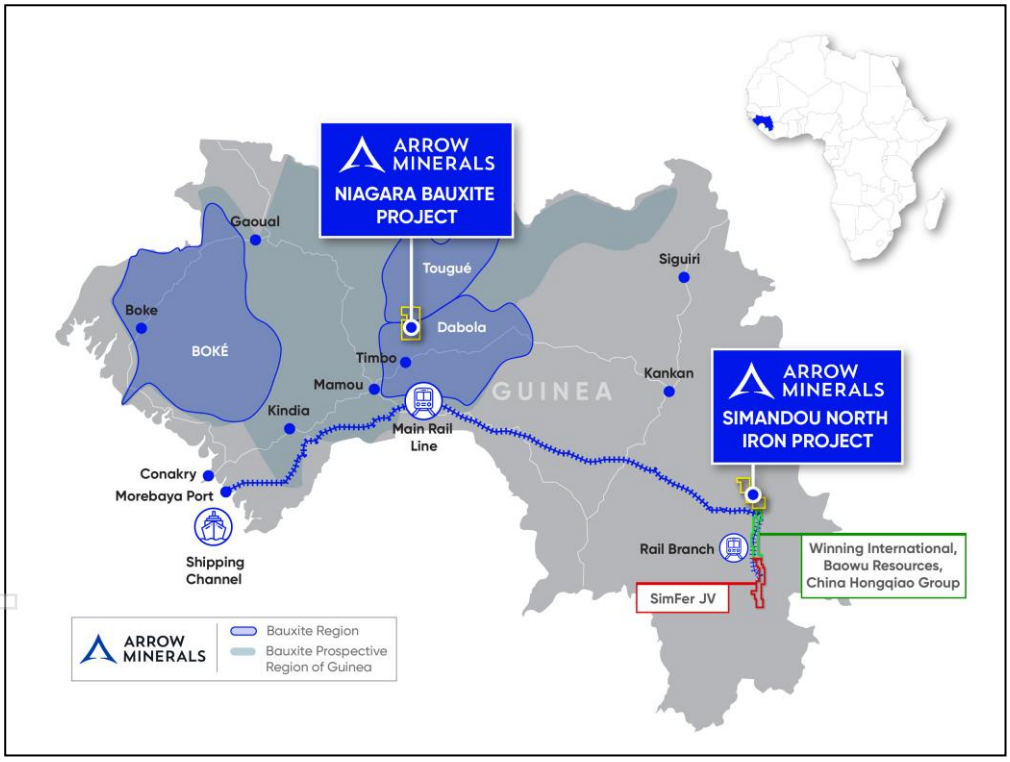

Figure 1. Location of Arrow's Projects in Guinea.

https://arrowminerals.com.au/asx-announcements/
https://www.asx.com.au/markets/company/AMD/

[1] Refer to ASX Announcement dated 16 January 2025 titled "Corporate Presentation".
[2] Refer to ASX Announcement dated 1 August 2024 entitled "Arrow Expands Bulks Presence with Major Bauxite Transaction."

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APPENDIX 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be $0.055 (5.5 cents) (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date 18 months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. The Options must be exercised in multiples of one thousand (1,000) unless fewer than one hundred (1,000) Options are held by a holder.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five (5) Business Days after the later of the following:

(i) the Exercise Date; and

(ii) when excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act 2001 (Cth) (**Corporations Act**) (if any) ceases to be excluded information,

the Company will:

(iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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If a notice delivered under (g)(iv) pursuant to section 708A(5)(e) of the Corporations Act for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues and other rights**

A holder is not entitled to:

(i) notice of, or to vote or attend at, a meeting of the Shareholders;

(ii) receive any dividends declared by the Company;

(iii) any right to a return of capital, whether in winding up of the Company, upon a reduction of capital in the Company or otherwise;

(iv) participate in any new issues of securities offered to Shareholders during the term of the Options; or

(v) cash for the Options or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Options are exercised and the Holder holds Shares.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are not transferable.

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