

MAJOR DRILL PROGRAMME TO COMMENCE AT BARLEE GOLD

HIGHLIGHTS:

- **26,000m aircore drill programme to commence immediately at the Barlee Gold Project over the T1, T2, T6 and T8 prospects**
- **Drill programme to cover over 20 strike kilometres of gold-in-soil anomalies and define bedrock gold mineralisation**
- **First major drill programme to test multiple prospects in an emerging gold province**
- **Arrow is well-funded following \$2.8 million received from Independence Group (\$1.5m) and tranche 1 placement (\$1.3m) with an additional \$2.4m to be received in approx. 6 weeks (subject to shareholder approval)**

Arrow Minerals Limited (formerly Segue Resources Limited) (**Arrow** or the **Company**) is pleased to announce that it has awarded earthworks and drilling contracts for a 26,000m aircore drilling programme at the Company's 100%-owned Barlee Gold Project, 100km west of Menzies in the Eastern Goldfields of Western Australia (**Figure 1**).

The drill programme will focus on the T1, T2, T6 and T8 prospects, where significant gold mineralisation was intersected with first-pass drilling in 2017. Some of the better initial drill results include:

- T1 – 15m @ 1.5g/t Au, incl. 3m @ 6.7g/t Au;
- T2 – 48m @ 0.7g/t Au, incl. 21m @ 1.1g/t Au;
- T6 – 27m @ 0.6g/t Au and 18.7g/t Ag; and
- T8 – 27m @ 0.6g/t Au, incl. 1m @ 9.0g/t Au.

The aircore drill programme will complete fence lines across the entire soil anomaly at each prospect, including 10km of strike at T1, to define the extent and grade of bedrock gold mineralisation (**Figure 2**).

Earthworks for the drill programme will commence next week, with drilling at the T8 prospect anticipated to commence in mid-March. First assay results are expected to be received by the end of April 2018.

Based on the results of the 26,000m aircore drilling programme, Arrow will undertake substantial in-fill aircore and reverse circulation drilling (RC) programmes. The total amount of aircore drilling to be completed in two phases in 2018 is 40,000-50,000m, with an additional 15,000-20,000m of RC drilling scheduled.

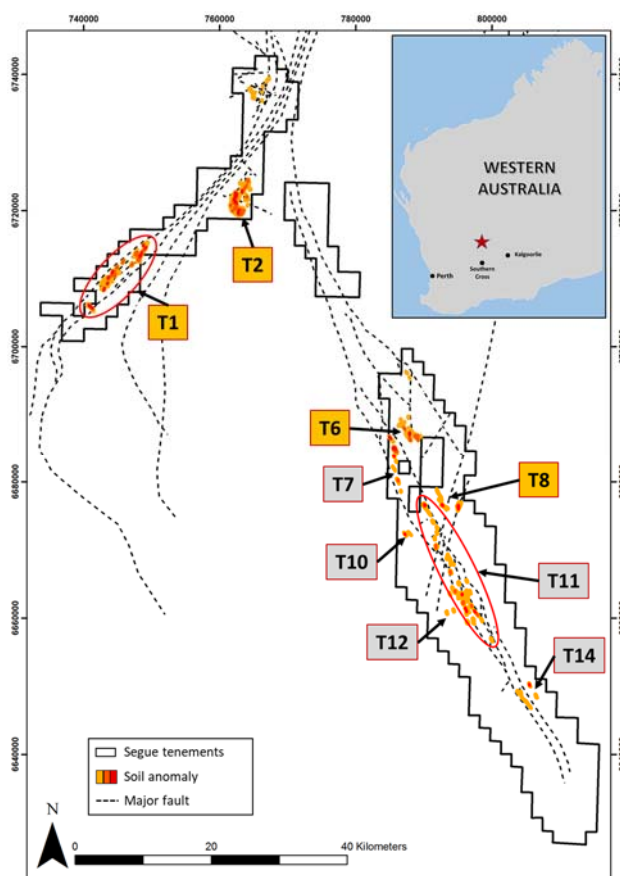


Figure 1 – Barlee Gold project location map

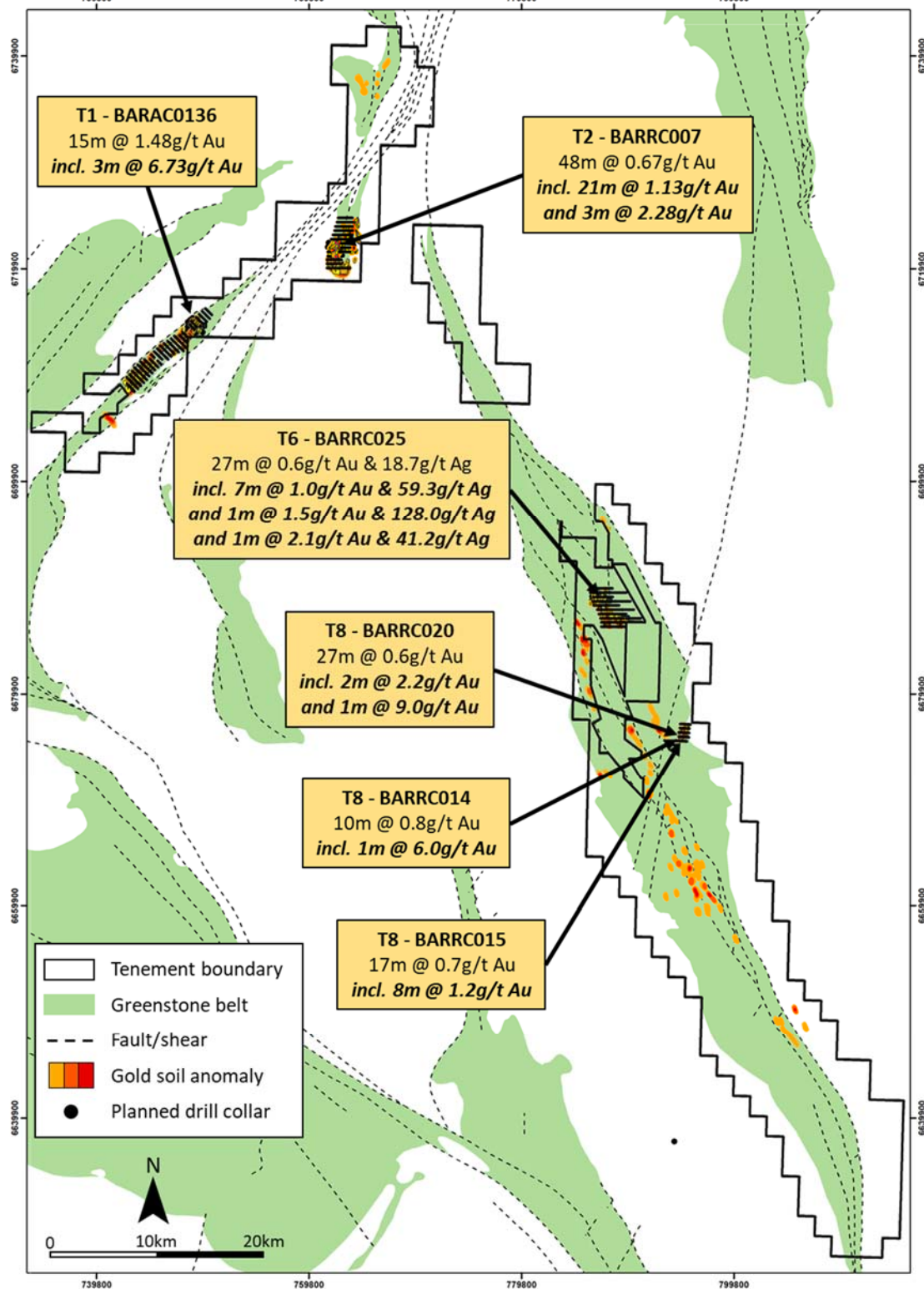


Figure 2 – Planned drill lines and previous drill results from T1, T2, T6 and T8 prospects

IGO JV and Tranche 1 Placement Funds Received

Arrow is pleased to advise that it has received \$1.5 million from Independence Group NL (**IGO**) to acquire a 51% interest in the Plumridge Nickel Project. IGO will now manage all exploration activities at the Project and can increase its interest in the Project to 90% through the expenditure of \$5 million over four years. For full details on the acquisition and joint venture, refer to the Company's announcement on 5 February 2018.

In addition, the Company has received \$1.3 million, being the proceeds of the Tranche 1 Placement which was announced on 5 February 2018. Subject to approval at a shareholder meeting to be held in March, Arrow will receive an additional \$2.4 million from a placement to IGO (\$1 million) and the Tranche 2 Placement (\$1.4 million).

The placement was completed pursuant to the Company's existing placement capacity under Listing Rule 7. Arrow provides the following information in relation to the Placement as required under ASX Listing Rule 3.10.5A:

1. The dilutive effect of the Placement shares on existing shareholders is as follow:

The number of shares on issue prior to the placement was 180,858,615.

Dilution as a result of issue under LR7.1 of 26,463,792 shares	14.63%
Dilution as a result of issue under LR7.1A of 18,085,861 shares	9.99%
Total Dilution	24.63%

2. Details of the Company's issued capital following completion of only the shares issued under Listing Rule 7.1A held by pre-issue shareholders and new shareholders are as follows:

	Shares	Percentage
Pre-issue shareholders who did not participate in the new issue	174,628,278	87.78%
Pre-issue shareholders who participated in the new issue	11,909,716	5.99%
New shareholders who participated in the new issue	12,406,482	6.24%
Total	198,944,476	100%

3. 18,085,861 shares were issued under Listing Rule 7.1A and were issued to sophisticated and professional investors as it was considered to be the most efficient mechanism for raising funds at the time.
4. Commission fees equal to 6.0% (plus GST) of the total funds raised were paid in relation to the issue of the placement shares.

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

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Dean Tuck who is a Member of the Australian Institute of Geoscientists. Mr Tuck 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 Tuck consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.