

14 May 2018

PILBARA GOLD JV AGREEMENTS WITH PACTON FINALISED

Arrow Minerals Limited (**Arrow** or the **Company**) is pleased announce that it has finalised and executed definitive agreements (**Agreements**) with Pacton Gold Inc. (TSXV: PAC) (**Pacton**) for the sale and joint venture of the Pilbara Gold Project (see announcement on 4 April 2018). The Agreements have been submitted to the TSX Venture Exchange (**TSXV**) for final acceptance.

The Pilbara Gold Project consists of two exploration licences and two exploration licence applications totalling 609km² in the Pilbara Region of Western Australia (**Project**). The Project is highly prospective for conglomerate and basement gold targets, with prospectors discovering several gold nuggets at the Project in late 2017.

Under the Agreements, Pacton can acquire an initial 51% interest in the Project (**Tranche 1**) through the payment of C\$500,000 in cash as follows:

- C\$50,000 non-refundable deposit (already received by Arrow);
- C\$50,000 upon receiving final acceptance of the transaction by the TSXV;
- C\$200,000 within 60 days of receiving final acceptance of the transaction by the TSXV; and
- C\$200,000 upon granting of the exploration licence applications, with C\$100,000 paid on the grant of each application.

In addition to the cash payments above, within 60 days of receiving final acceptance of the transaction by the TSXV, Pacton will issue C\$250,000 of shares to Arrow at a price of C\$0.23 per share with a 1 for 1 attaching warrant (3 year term, exercisable at C\$0.35), which are the same terms as a private placement completed by Pacton on 9 May 2018. Arrow will receive 1,086,957 common shares and 1,086,957 warrants in Pacton, which will be held in escrow for four months from the date of issue.

Following completion of Tranche 1, Pacton has the option to acquire an additional 29% ownership interest in the Project, increasing its interest to 80%, by:

- Incurring exploration expenditure of C\$500,000 within 12 months; and
- Issuing Arrow with C\$250,000 worth of Pacton shares at the 5-day volume weighted average price (**VWAP**) immediately prior to the date of issue.

Once Pacton has reached an 80% interest in the Project, Arrow will be free-carried for the first C\$5,000,000 of Project expenditure. Arrow will receive a Discovery Bonus of C\$500,000 in cash upon Pacton publishing a gold resource at the Project of over 100,000 oz in accordance with National Instrument 43-101 (TSXV equivalent of the JORC Code).

Arrow retains all rights to explore, mine and extract lithium, caesium and tantalum from the Project.

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

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