$5.5 Million Capital Raising to Advance West Pilbara Iron Ore Strategy

Key Points

- **Arrow has received binding commitments to raise $5.5 million (before costs) via a Placement at $0.02 per Share.**
- **Strong support from investors following the binding option agreement to acquire the Pannawonica Iron Ore Project which includes a 62.5Mt Resource on granted mining leases, with native title mining agreement in place, located in close proximity to ports[1].**
- **Proceeds to be used for exploration and resource drilling, product testwork and development studies for Pannawonica and the broader West Pilbara iron ore opportunity.**
- **Arrow to rapidly develop Pannawonica towards Final Investment Decision (FID), targeting near term DSO mining operations.**
- **Arrow has accumulated a Pilbara iron ore landholding of over 1,600km², building a pipeline of iron ore projects for staged growth and expansion.**

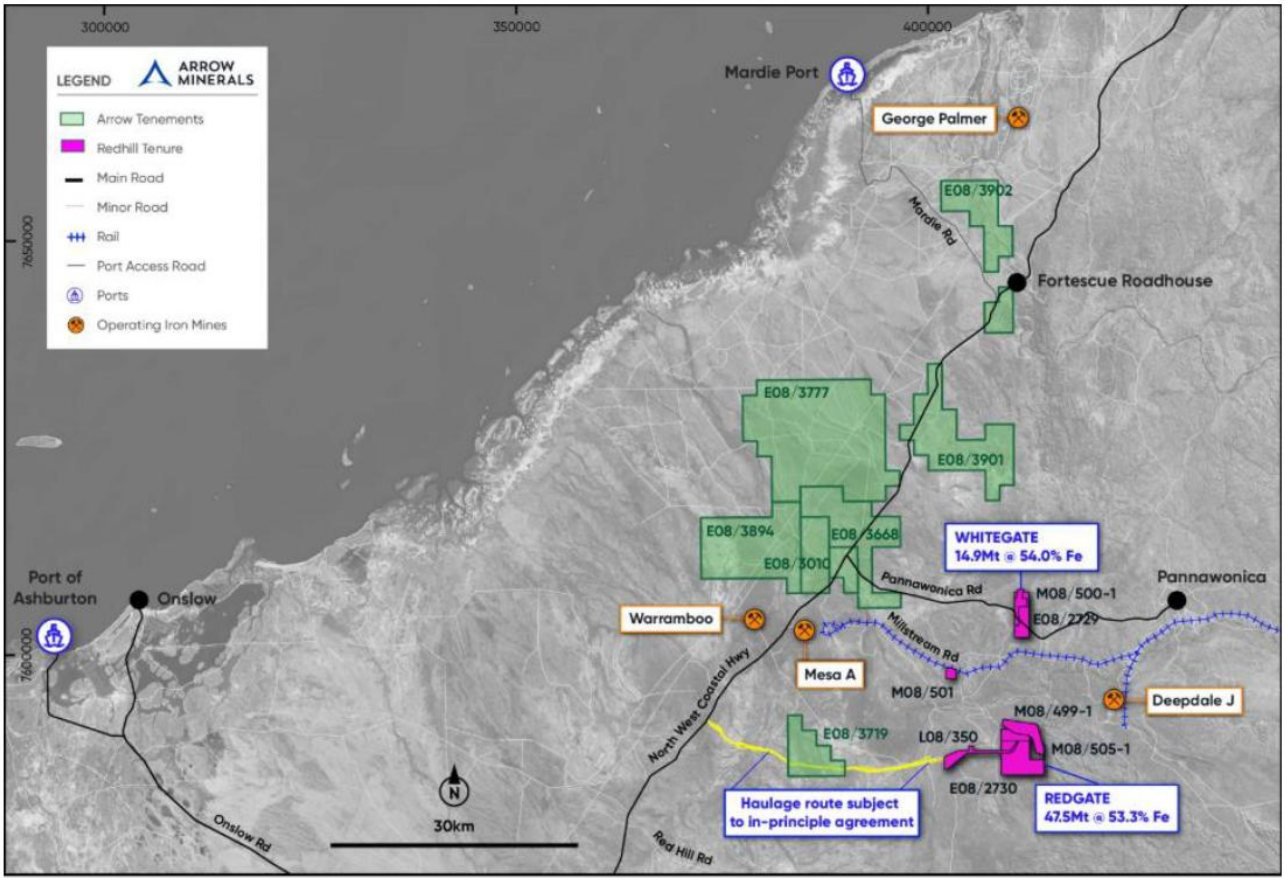
Arrow Minerals Limited (ASX: AMD) (**Company**) is pleased to advise that it has received binding commitments to raise $5.5 million via a placement of new fully paid ordinary shares (**Placement**). The Directors have committed to subscribe for $115,000, subject to shareholder approval.

The Placement follows the recently announced binding option to acquire the Pannawonica Iron Ore Project from Red Hill Minerals (ASX:RHI) (**Pannawonica Acquisition**). In exchange for $150,000 of fully paid shares in the Company, Arrow has a 12-month option to acquire the tenements outright for $1,000,000 in cash or shares at the election of Arrow (refer ASX Announcement dated 10 November 2026).

David Flanagan said *"The Placement attracted significant investor demand with investors backing the Company's strategy to become the Pilbara's next mid cap iron ore producer and developer. In recent months Arrow has built a strategic tenement package in the West Pilbara region where new infrastructure development has the potential to unlock a lot of value in the region. The Pannawonica Acquisition represents an enormous opportunity for Arrow shareholders. The cashflow potential from near port DSO projects can be significant and this Placement allows Arrow to rapidly develop the Pannawonica Project towards a final investment decision."*

[1] Refer to ASX Announcement dated 10 November 2026 titled "Arrow agrees option to acquire 62MT West Pilbara DSO Fe."

Pannawonica Acquisition



Source: Arrow Minerals ASX announcement, 10 November 2026

Placement

The Placement comprises the issue of 275,000,000 new fully paid ordinary shares in the Company (**New Shares**) to be issued at an issue price of 2.0 cents ($0.02) per New Share (**Placement**).

A total of 269,250,000 New Shares will be issued pursuant to the Company's existing placement capacity under Listing Rule 7.1 (96,096,114 shares) and Listing Rule 7.1A (173,153,886 shares). In addition, subject to receipt of shareholder approval to be sought at an upcoming General Meeting, Directors have committed to subscribe for $115,000 in the Placement (5,750,000 shares).

Salient Corporate, BMO Capital Markets and Morgans Corporate Limited acted as Joint Lead Managers in respect of the Placement.

Use of Funds

In addition to existing cash reserves, proceeds from the Placement are proposed to be applied towards:

- Exploration and resource drilling in Pilbara;
- Product testwork and marketing;
- Development studies for Pannawonica;
- Niagara work program; and
- Working capital and costs of the offer.

Full terms of the Pannawonica Binding Agreement are outlined in Appendix 1 (as per the ASX announcement on 10 November 2026).

Indicative timetable

The indicative timetable for the Placement is given below:

Event	Timing
Trading Halt and Announcement of Pannawonica Acquisition	Tuesday, 10 November 2026
Announcement of Placement & Recommence of Trading	Thursday, 12 November 2026
Settlement of Tranche 1 Placement Shares	Wednesday, 18 November 2026
Allotment of Tranche 1 Placement Shares	Thursday, 19 November 2026
Dispatch Notice of General Meeting	To be confirmed
General Meeting of Shareholders	To be confirmed
Issue and Allotment of Tranche 2 Placement Shares to participating Directors (subject to shareholder approval)	To be confirmed

Note: The above timetable is indicative only and all dates are subject to change, with any such change likely to have consequential effects of other anticipated dates in the indicative timetable.

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

Announcement authorised for release by the Board of Arrow.

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

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Appendix 1: Key Terms of Pannawonica Binding Agreement

1. On executing the Binding Agreement Arrow agreed to pay Red Hill a $150,000 option fee in Arrow Shares at an issue price equal to the 20-day VWAP prior to execution of the binding agreement to be issued under Listing Rule 7.1 capacity (**Option Fee Shares**).

2. From the date of execution Arrow will cover combined annual holding costs and expenditure commitments of $370,614 and generally operate in accordance with the rights and obligations attaching to the tenements.

3. Arrow may exercise the option within 12 months of the Binding Agreement and the date the Option Fee Shares are issued (Option Period), provided the following conditions are satisfied or waived and it has paid of the rent, rates and expenditure commitments for the Tenements from the grant of the Option until exercise and, subsequently, Completion:

    a. ASX confirmation that the Proposed Transaction does not constitute a significant change to the nature or scale of its activities for the purposes of Listing Rule 11.1 – this may be waived by the Company if it subsequently seeks shareholder approval for the purposes of Listing Rule 11.1.2; and

    b. Arrow raising a minimum of $5 million dollars before costs.

4. Subject to the satisfaction of the exercise conditions described above and the additional Conditions Precedent below and Arrow completing due diligence to its satisfaction, on exercise of the option Arrow will pay Red Hill a further $1,000,000 as acquisition consideration in return for 100% of the Pannawonica Iron Ore Project.

5. The acquisition consideration can be paid in cash or Shares at the absolute discretion of Arrow. If Arrow elects to pay the acquisition consideration in Shares, the Shares will be priced at the lower of the share price specified in (1) above, or the price of the first fund raising completed by the Company after execution. Shareholder approval will be sought for the issue of any Acquisition consideration Shares. If Arrow elects to pay this in cash it will be funded via any capital raised contemplated including as a condition to the exercise of the option.

6. 50% of the acquisition consideration shares will be subject to 6-month escrow, and 50% of the acquisition consideration shares will be subject to 12-month escrow.

7. The parties will negotiate in good faith and use their reasonable endeavours to agree a definitive asset sale agreement, royalty deed and escrow deed (Definitive Agreements) within 60 days on terms which reflect and are consistent with the key commercial terms and conditions set out in the Binding Agreement.

8. If the Definitive Agreements are not agreed to between the parties within 60 days from the date of the Binding Agreement, the parties may, agree an extension of a further 30 days.

9. If the Definitive Agreements have not been executed within 60 days (or 90 days if extended) either party, may terminate the Binding Agreement.

10. Key Conditions Precedent to be satisfied or waived no later than 60 days after the option is exercised are:

    a. Shareholder approval for the Proposed Transaction for the purposes of Chapter 7 and/or Chapter 11, if required; and

b. Red Hill obtaining all necessary third-party approvals, consents and registrations for the transfer of the Tenements to the Buyer, and procuring the execution of any required deeds of covenant by the relevant third parties.

11. Red Hill will receive a 1.5% Gross Sales Royalty (GSR) on all proceeds from mineral sales from the tenements. Red Hill will also receive a further 0.25% GSR on all mineral sales from production from any new project delivered or acquired in the area of influence (refer Appendix 2).

12. Red Hill have particular expertise in iron ore in the West Pilbara and has also agreed to consider an informal alliance to assist the Company with consolidating further ground in the West Pilbara into Arrow Minerals, within a fifty (50) kilometre radius of the Project.

The Company may withdraw from the option at any time during the Option Period by giving Red Hill at least 20 Business Days' notice, provided it has incurred the minimum exploration expenditure of $110,000 within the first six months or $220,000 thereafter (or, where permitted, paid any shortfall) and paid a proportion of rent and rates equal to the period from the grant of the option to withdrawal.

The Binding Agreement otherwise contains customary terms for an agreement of this nature including warranties and indemnities provided by Red Hill.