



ASX SYMBOL: AMD



QUARTERLY ACTIVITIES REPORT PERIOD ENDED 31 MARCH 2022

Highlights

Vranso Project, Burkina Faso

- Reverse Circulation drilling
 - extended the known gold mineralised system at Dassa Prospect by 30% (1,000m)
 - confirmed gold mineralisation at Semapoun and Guido Prospects
- Stream sediment geochemistry
 - identified a previously unknown 50km² gold system at Kordie Prospect
- Soil geochemistry
 - delineated five new anomalous gold targets within structural corridors proximal to known mineralisation along the Semapoun-Sanguie trend
 - highlighted two anomalous gold areas at the Kordie Prospect

Malinda Lithium Project, Western Australia

- Arrow to receive A\$500,000 cash and retain a 10% free-carried interest in the Malinda Lithium Project

During the quarter ended 31 March 2022 Arrow Minerals Limited (ASX: AMD) (**Arrow** or the **Company**) advanced numerous high-quality prospects including **Dassa**, **Guido**, **Semapoun**, and identified a new highly prospective area at the **Kordie** Prospect at the Vranso Project, Burkina Faso through the use of;

- Reverse Circulation Drilling
- Soil Geochemical sampling
- Stream Sediment Geochemical Sampling
- Prospect Scale Geological Mapping

Consistent with its strategy of advancing its West African assets and creating shareholder value through the discovery of multi-million ounce gold deposits there, the Company also agreed to divest its non-core Malinda Lithium Project in Western Australia (see ASX announcement of 17 March 2022). This was completed through the sale of 90% of Arrow (Malinda) Pty Ltd to a private company, Electrostare Pty Ltd for total cash consideration of A\$500,000. Arrow retains a 10% free-carried interest in Arrow (Malinda) Pty Ltd through to a decision to mine.

DIRECTORS / OFFICERS

Frazer Tabearth
Chairman

Hugh Bresser
Managing Director

Tommy McKeith
Non-Executive Director

**Catherine Grant-Edwards
& Melissa Chapman**
Joint Company Secretary

WEBSITE

www.arrowminerals.com.au

Summary of Exploration during the March Quarter

Burkina Faso - Vranso Project

Reverse Circulation Drilling (RC)

During the March quarter Arrow reported the results of 35 RC holes (3,472m) drilled on three priority prospects, Dassa, Guido and Semapoun, at the Vranso Project, Burkina Faso.¹

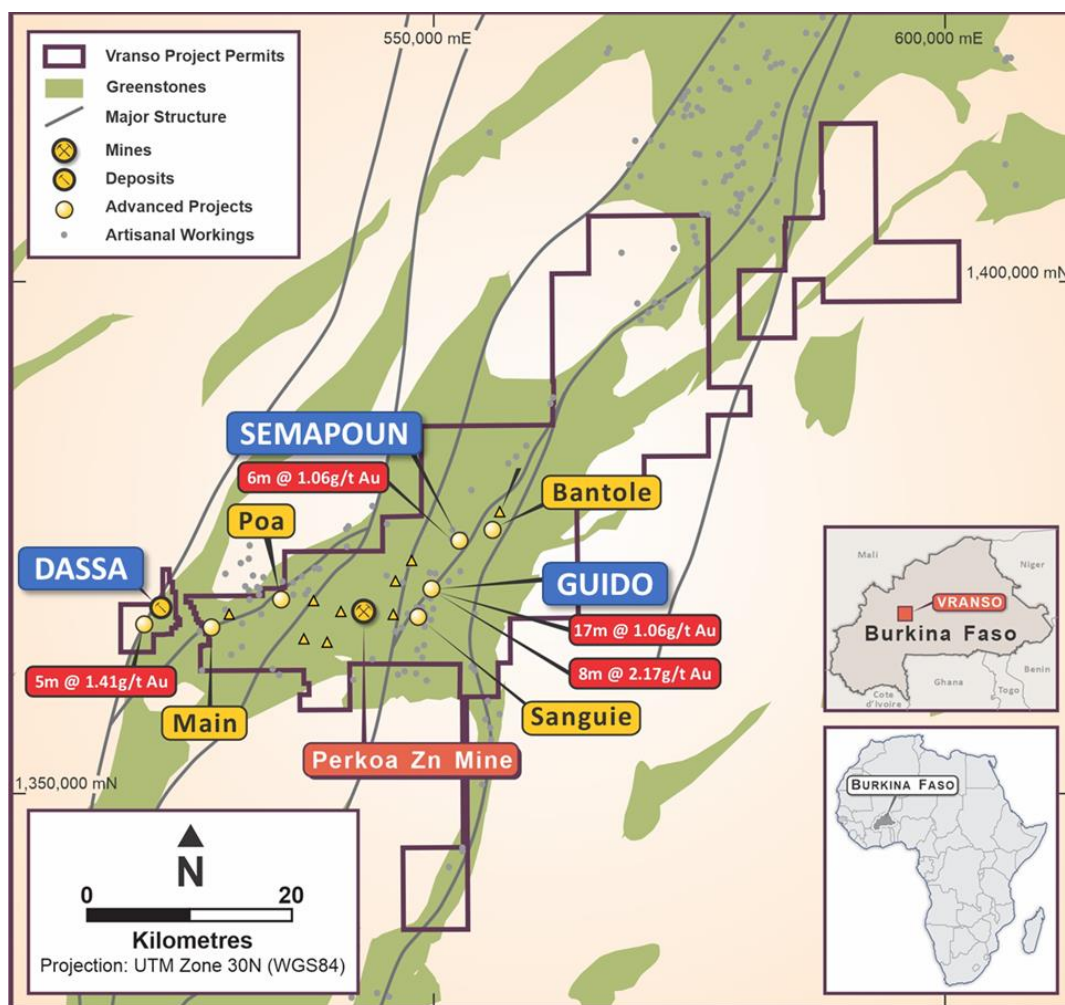


Figure 1. Significant intercepts from RC drilling at Dassa, Guido and Semapoun Prospects on the Vranso Project.

Dassa Prospect

- Six shallow RC holes were drilled (424m) testing the southern extension of the Dassa mineralised system (**Figures 1 and 2**).
- Three holes, DW_RC_21_109, 110 and 111, successfully extended the known mineralised system by 1km confirming the continuation of the Dassa gold system.
- Hole DW_RC_21_110 intersected 1.41g/t Au over 5m from 59 metres.
- The interpreted strike of the known shallow oxide mineralised gold system is now more than 4km. The deposit comes to surface, extends more than 100m downdip, and ranges from 2 to 15m in thickness.
- Further exploration drilling is planned to define the extent and magnitude of the Dassa Deposit and move toward resource definition.

¹ AMD ASX Announcement 24 February 2022 – Drilling Extends Dassa Gold System At Vranso Project, Burkina Faso

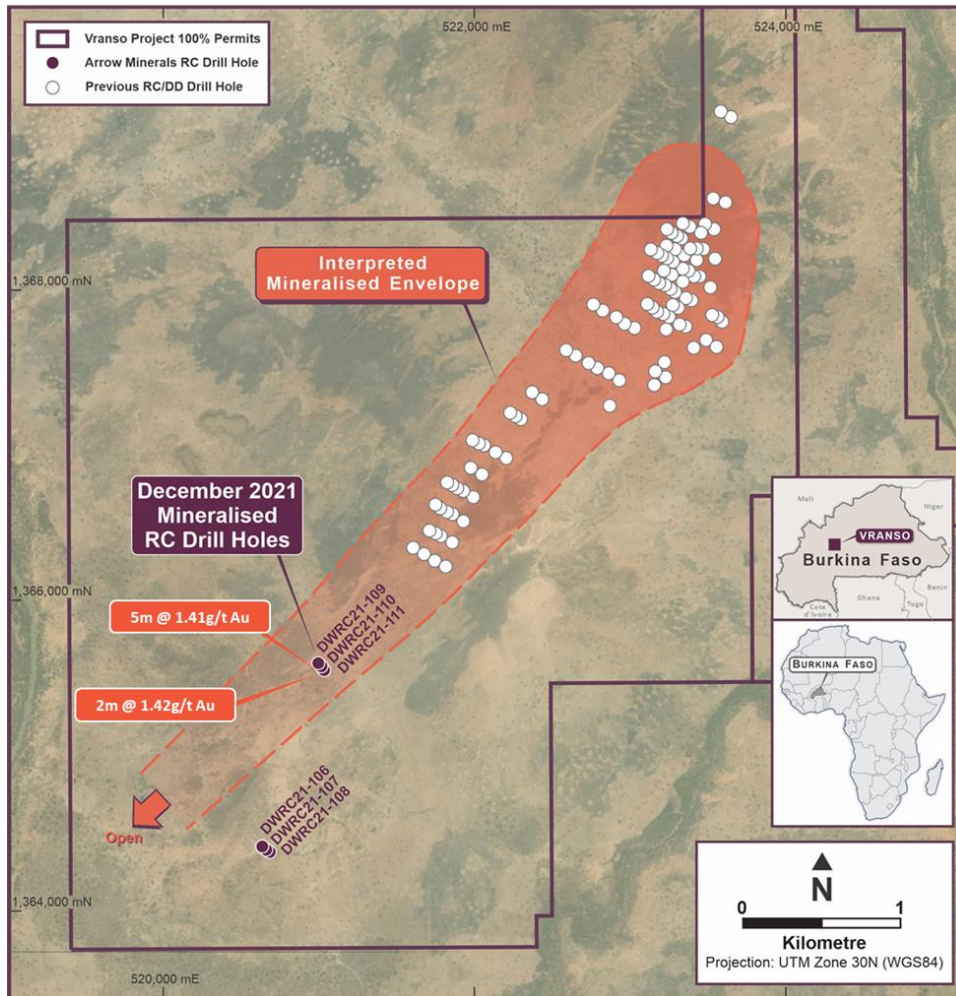


Figure 2. Interpreted mineralised envelope at the Dassa Prospect that remains open to the South and East.

Guido Prospect

- Arrow completed 19 RC holes (2,288m) confirming historical results and intersecting near-surface gold mineralisation hosted by two NNE-SSW trending structures extending over 3 km of strike.
- Significant gold mineralisation intercepted included:
 - 1.06 g/t Au over 17m from 21 metres (GUD_RC_21_001)
 - 2.17 g/t Au over 8m from 83 metres (GUD_RC_21_010)
 - 0.92 g/t Au over 11m from 145 metres (GUD_RC_21_011)

Semapoun Prospect

- A total of 10 RC holes (760m) were drilled to test the gold mineralisation at Semapoun. The best result reported 1.06 g/t Au over 6m from 31 metres.
- Detailed geological mapping and structural studies are being undertaken.

Soil Geochemistry

Through the March Quarter, Arrow conducted a detailed soil geochemical survey over the 10km Sanguie-Semapoun structural corridor and a broad spaced soil geochemical survey over the newly defined greenfield Kordie Prospect to systematically advance the Kordie Prospect following the identification of a 50km² anomalous area defined by stream sediment geochemistry.

Sanguie Semapoun Trend

- A total of 2,032 sites were sampled along 400m spaced lines and 50m centres and dispatched to ALS in Ouagadougou for gold analysis by fire assay (*Figure 3*)².
- Multiple sub-parallel gold mineralised structures were confirmed within the structural zone.

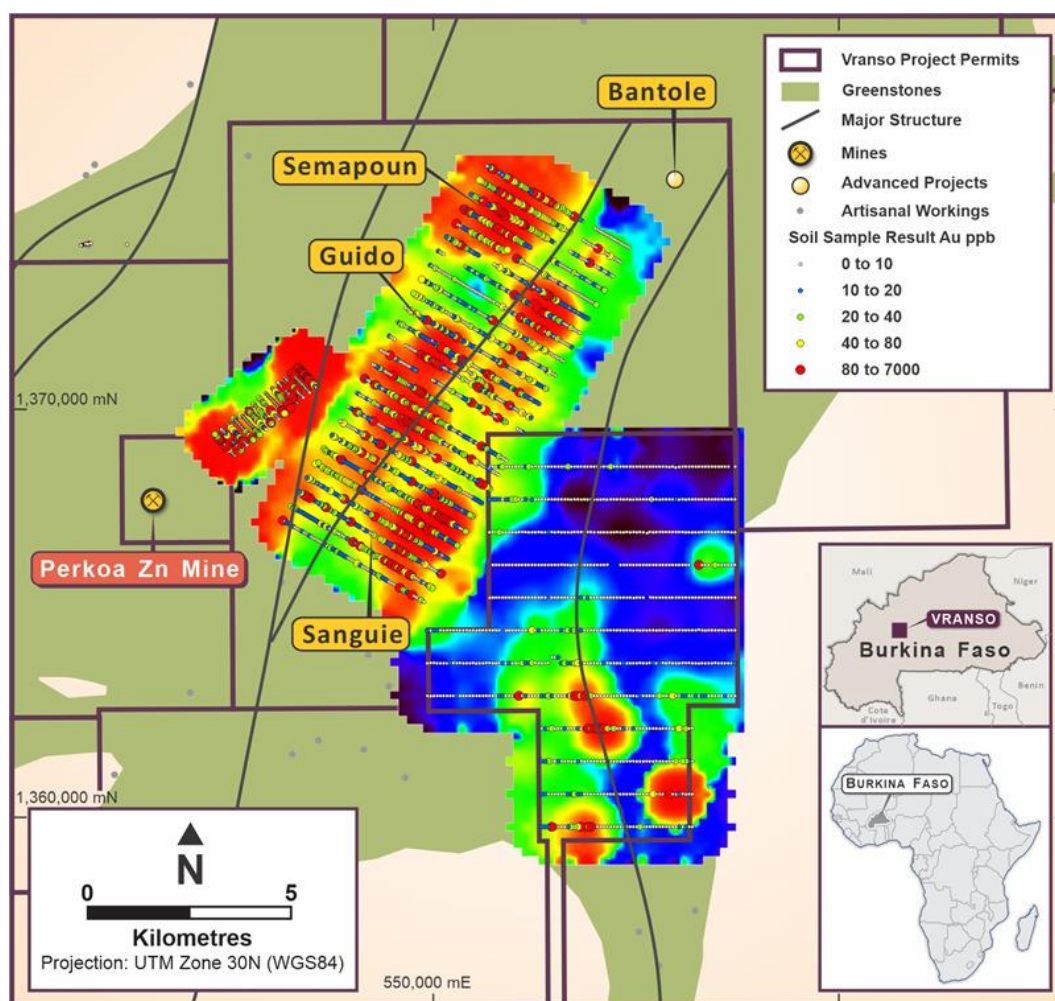


Figure 3. Soil geochemical gold assay results highlighting anomalous gold bearing structures.

- Five newly confirmed sub-parallel systems, all extending for greater than 2km of strike, remain to be drill tested.

Kordie Prospect³⁴

- Arrow previously identified a 50km² area of elevated gold in numerous drainage systems along a regional NW-SE trending structure in the northern portion of the Vranso Project.
- Broad spaced soil lines, approximately 800m x 50m, formed the first pass work to evaluate a large portion of this area.
- A total of 1,267 sites were analysed for gold by fire assay at ALS in Ouagadougou.
- The results of this reconnaissance soil geochemistry program have confirmed the presence of in situ gold anomalous; the main **southern zone extending 2km** with a northeast orientation and assay results consistently above **80ppb Au**, and a second lower level anomaly extending

² AMD ASX Announcement 14 March 2022 – New Gold Targets Identified Vranso Project, Burkina Faso

³ AMD ASX Announcement 14 February 2022 – 50km² Stream Sediment Gold Anomaly defined at Vranso Project, Burkina Faso

⁴ AMD ASX Announcement 5 April 2022 – Gold Target Confirmed at the Kordie Prospect Vranso Project, Burkina Faso

for **approximately 5km** in a north-south direction, defined by results greater than **20ppb Au** (*Figure 4*).

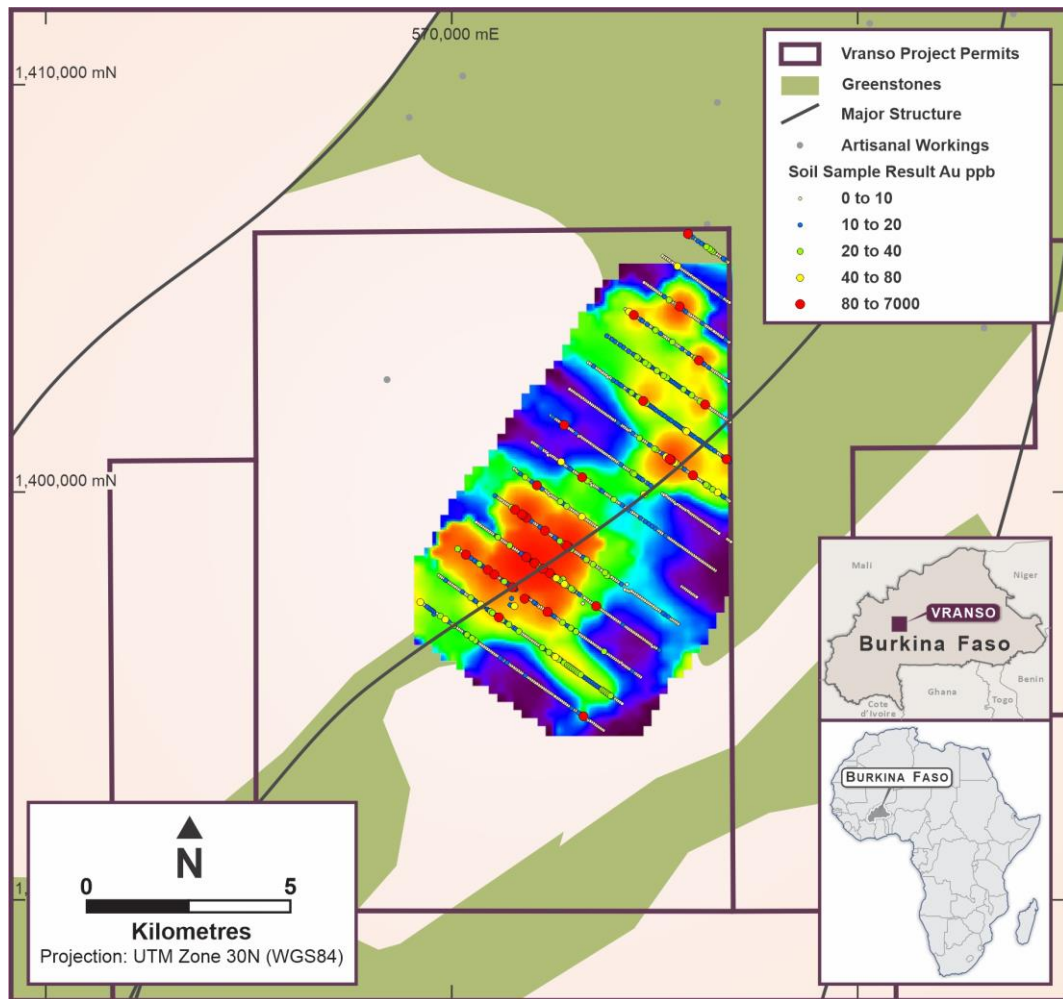


Figure 4. Soil geochemical gold assay results highlighting two anomalous gold bearing structures.

Stream Geochemistry Survey⁵

Arrow applied modern gold exploration work for the first time over the northern exploration permits of the Vranso Project in the search for an extensive gold mineralised system in this greenfield area. A total of 220 stream sediment samples were dispatched to Bureau Veritas Minerals in Perth covering a 580km² area.

- Analytical results identified a 50km² area containing drainage systems sheading anomalous gold (*Figure 5*).
- Gold anomalism is coincident with known regional gold mineralised structures.

⁵ AMD ASX announcement 14 February 2022, 50km² Stream Sediment gold anomaly defined at Vranso Project, Burkina Faso.

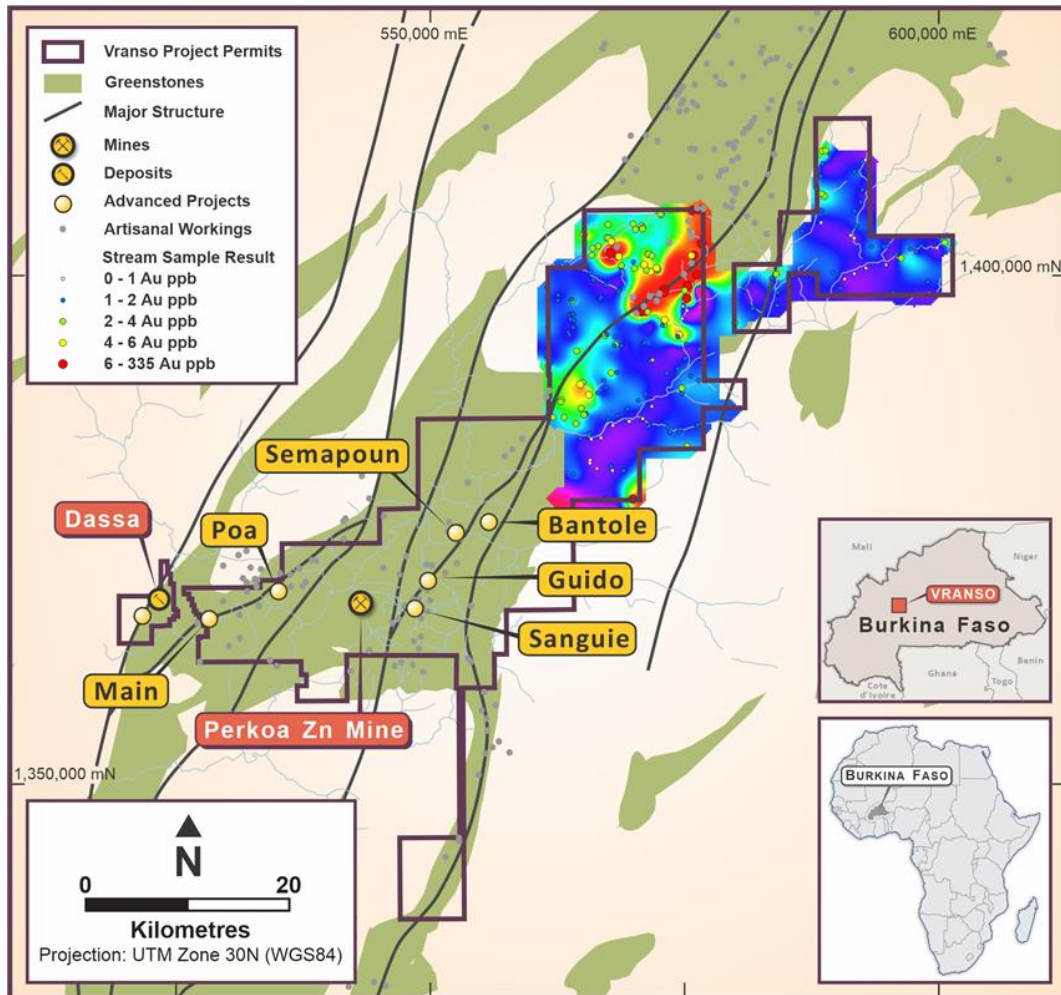


Figure 5. Stream sediment geochemical assay results highlighting anomalous drainages and NE-SW trending structure.

CORPORATE AND FINANCIAL

Corporate Restructure

During the quarter the Company completed a corporate restructure as part of an established succession plan. Effective 28 February 2022, Mr Howard Golden stepped down from the Board and the role of Managing Director. Mr Hugh Bresser, who has been Arrow's Technical Director since 5 July 2021, assumed the position of Managing Director effective from 1 March 2022.

Sale of Malinda Lithium Project

On 17 March 2022, the Company announced it had renegotiated commercial terms with Electrostate Pty Ltd (**Electrostate**) in respect of the Malinda Lithium Project in Western Australia. Under the new binding agreement Electrostate would purchase 90% of Arrow (Malinda) Pty Ltd, the holding company of the Malinda Lithium Project, for total cash consideration of A\$500,000. Arrow retains a 10% free-carried interest in Arrow (Malinda) Pty Ltd through to a decision to mine.

The new agreement supersedes the previously announced arrangement between Arrow and Electrostate (see ASX announcement from 23 August 2021). Under the new terms Arrow and Electrostate have entered into a Share Sale Agreement (**Agreement**) and associated Shareholders' Agreement pursuant to which Electrostate will purchase a 90% equity interest in Arrow (Malinda) Pty Ltd and Arrow will retain a 10% non-diluting free-carried interest through to a decision to mine. Arrow (Malinda) Pty Ltd owns three granted Exploration Tenements, E09/2169, E09/2170 and E09/2283. Upon execution of the Agreement, Electrostate paid Arrow a non-refundable deposit of \$100,000 (received during the quarter).

The transaction was completed on 6 April 2022 (subsequent to quarter end), with Arrow receiving the final \$400,000 in cash consideration upon completion.

Financial Position

As at 31 March 2022 Arrow had \$0.4m in available cash.

Expenditure on Mining Exploration Activities

In accordance with ASX Listing Rule 5.3.1, the Company advises its exploration and evaluation expenditure during the March 2022 quarter totalled \$727,000. This amount is included at Item 2.1(d) of the Appendix 5B and includes \$315,000 on drilling activities, \$118,000 on geological consultants and employee costs, \$57,000 on airborne surveys, \$69,000 on soil sampling, \$62,000 in assaying, \$10,000 on travel costs; \$11,000 on field and camp costs, \$41,000 on tenement rents, rates and management; and \$44,000 other costs. Refer to the projects overview commentary above for details of activities conducted during the quarter.

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totalled \$161,809. The Company advises that \$146,117 of this relates to Directors fees. An amount of \$13,442 was paid to Mitchell River Group (a director-related party of Dr Frazer Tabcart) for data analysis. An amount of \$2,250 was paid to GenGold Resource Capital Pty Ltd (a director-related party of Mr Tommy McKeith) for rental of geochemical equipment. These amounts are included at Item 6 of the Appendix 5B.

Capital Structure

There were no movements in securities during the quarter.

The capital structure of Arrow at 31 March 2022 is set out below:

Quoted Securities

Ordinary shares on issue (ASX:AMD)	1,823,931,760
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Unquoted Securities

Unlisted options exercisable at 2.0¢ on or before 22/08/2022	120,150,000
Unlisted options exercisable at 1.25¢ on or before 15/10/2022	10,000,000
Unlisted options exercisable at 1.45¢ on or before 22/08/2023	37,500,000
Unlisted options exercisable at 1.0¢ on or before 11/12/2023	2,850,000
Unlisted options exercisable at 0.9¢ on or before 11/10/2024	4,300,000
Unlisted options exercisable at 0.9¢ on or before 25/11/2024	8,000,000
Unlisted options exercisable at 1.1¢ on or before 25/11/2025	4,000,000
Class B Performance Rights subject to performance conditions (ex. 26/08/2022)	69,682,290
Class C Performance Rights subject to performance conditions (ex. 26/08/2023)	69,682,300
Convertible Notes	1,000,000

Announcement authorised for release by Hugh Bresser, Managing Director of Arrow.

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

Arrow Minerals Limited

Mr Hugh Bresser

Managing Director

E: info@arrowminerals.com.au

JORC Code 2012 Compliance Statement

The technical information contained within this Quarterly Report is extracted from numerous announcements made by Arrow Minerals Ltd. to the ASX which are available to view on www.arrowminerals.com.au. The company confirms that is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Arrow Minerals

Arrow Minerals Limited is a committed West African gold exploration company focused on shareholder value creation through the discovery of multi-million ounce gold deposits in Africa's Birimian Greenstone Belt via the application of systematic science-based exploration. The Company's current focus is on exploring and developing the potential of several prospects as the Vranso Project in Burkina Faso.

Appendix A – Schedule of Western Australian Tenements as at 31 March 2022

Tenement ID	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Strickland Gold Project				
E16/495	Granted	100%	-	100%
E30/493	Granted	100%	-	100%
E30/494	Granted	100%	-	100%
E77/2403	Granted	100%	-	100%
E77/2416	Granted	100%	-	100%
E77/2432	Granted	100%	-	100%
E77/2634	Granted	100%	-	100%
Malinda Lithium Project				
E09/2169	Granted	100%	-	100% ¹
E09/2170	Granted	100%	-	100% ¹
E09/2283	Granted	100%	-	100% ¹

¹Sale of 90% interest completed in April 2022.

Appendix B – Schedule of Burkina Faso Tenements as at 31 March 2022

Tenement ID	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Divole East & West				
20/193/MMC/SG/DGCM	Renewed	100%	-	100%
20/192/MMC/SG/DGCM	Renewed	100%	-	100%
19/047/MMC/SG/DGCM	Granted	100%	-	100%
20/190/MMC/SG/DGCM	Granted	100%	-	100%
Boulsa				
18/152/MMC/SG/DGCM	Granted	100%	-	100%
20/147/MMC/SG/DGCM	Granted	100%	-	100%
Houde South & Nako				
20/084/MMC/SG/DGCM	Granted	100%	-	100%
20/161/MMC/SG/DGCM	Renewed	100%	-	100%
20/162/MMC/SG/DGCM	Renewed	100%	-	100%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ARROW MINERALS LIMITED

ABN

49 112 809 846

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(164)	(489)
(e) administration and corporate costs	(198)	(672)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(20)	(60)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- Rental bond refund	-	3
1.9 Net cash from / (used in) operating activities	(382)	(1,218)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(49)
(c) property, plant and equipment	-	(13)
(d) exploration & evaluation	(727)	(1,686)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	100	100
	(b) tenements	-	60
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	- Stamp duty paid	-	(2)
	- Reimbursement of Malinda Project expenditure from Electrostate	-	56
2.6	Net cash from / (used in) investing activities	(627)	(1,534)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(116)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	(116)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,414	3,284
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(382)	(1,218)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(627)	(1,534)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(116)
4.5	Effect of movement in exchange rates on cash held	(12)	(23)
4.6	Cash and cash equivalents at end of period	393	393

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	392	1,424
5.2	Call deposits	-	-
5.3	Bank overdrafts – credit card	(1)	(11)
5.4	Other (provide details) – cash on hand	2	1
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	393	1,414

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	146
6.2	Aggregate amount of payments to related parties and their associates included in item 2	15
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		
<p>Item 1.2 (d) contains \$13k to Geogen Consulting Pty Ltd for Dr Frazer Tabear's director fees, \$73k to Milagro Ventures Pty Ltd for Mr Hugh Bresser's director fees, and \$60k to other directors on payroll.</p>		
<p>Item 2.1 (d) includes \$13k to Mitchell River Group, a related party of Dr Frazer Tabear and \$2k to Gengold Resource Capital Pty Ltd, a related party of Thomas McKeith. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.</p>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-
7.5	Unused financing facilities available at quarter end	
		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000
8.1	(382)
8.2	(727)
8.3	(1,109)
8.4	393
8.5	-
8.6	393
8.7	0.4
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
Answer: Yes. Expenditure in the current quarter reported is representative of the Company's current and expected level of net operating cash flows. The Company's planned exploration work for the next quarter will be adjusted based on the quantum of existing funds, receipt of final funds from sale of 90% interest in Arrow (Malinda) Pty Ltd (\$0.4m), and new funds arising via an equity raising.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: Yes. During the quarter the Company announced the sale of a 90% interest in Arrow (Malinda) Pty Ltd, with \$0.1m received during the quarter and final \$0.4m received upon completion in April 2022. The Company is reviewing funding options including the raising of additional capital through an equity raising.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern based on the following factors:

- Adjusting planned exploration activities (subject to available funds)
- Raising additional funds (as outlined above)

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2022

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.