



ASX SYMBOL: AMD



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Chairman

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RIGHTS TO EARN A 100% INTEREST IN THE SIMANDOU NORTH IRON PROJECT

Highlights

- Arrow secures rights to earn a 100% interest in the Simandou North Iron Project through a staged earn-in
- Simandou North Iron Project covers the northern extension of the Simandou Range, host to the largest undeveloped high-grade iron ore province in the world
- Infrastructural corridor including shared use rail and port infrastructure to support development in the region advancing

Arrow Minerals Limited (ASX: AMD) (**Arrow**, or the **Company**) is pleased to announce it has executed a binding term sheet (**Agreement**) to acquire the remaining 39.5% interest in Amalgamated Minerals Pte. Ltd. (**Amalgamated**), a private Singaporean registered company, which holds the majority interest in the Simandou North Iron Project in Guinea, West Africa (**Project**). A summary of the key terms of the Agreement is set out in Annexure A to this announcement.

Arrow holds a beneficial 33.3% interest in the Project and is currently in the process of earning in to increase this interest to a 60.5% controlling interest in the project (see ASX announcement 24 October 2022). This new Agreement provides a mechanism by which Arrow can advance to a 100% interest in the Project.

Key commercial milestones are:

- 80% ownership through the completion of a Pre-Feasibility Study or expenditure of A\$15,000,000, whichever is less;
- 90% ownership through the completion of a Feasibility Study or expenditure of an additional A\$22,500,000, whichever is less;
- 100% ownership following Amalgamated reaching a decision to mine in exchange for a US\$1/tonne royalty.

Arrow Managing Director, Hugh Bresser comments "Establishing these commercial terms with the shareholders of Amalgamated is a major step forward for Arrow. It provides a roadmap for Arrow to advance to 100% ownership of the Simandou North Iron Project. This outcome provides clarity to shareholders on the future ownership structure for the Project and enables us to advance our exploration activities and development plans with security and confidence."

SIMANDOU NORTH

The Simandou North Iron Project (*Figure 1*) lies at the northern end of the Simandou Range, host to the largest undeveloped high-grade iron deposits in the world, including WCS's Block 1 & 2 with a reported measured, indicated and inferred mineral resource of 1.8 billion tonnes at 65.4% Fe and Simfer's Simandou Project Block 3 & 4 with a total measured, indicated and inferred mineral resource estimate of 2.8 billion tonnes grading 65.8% Fe.

Exploration Program

Initial high priority target areas identified within Arrow's Simandou North Iron Project have had preliminary field work conducted on them, the results of which have allowed the Company to develop four main target areas where area coincident modelled geophysical responses combined with favourable geology and elevated iron geochemistry demonstrate the potential for significant haematite development and enrichment within the iron bearing lithologies.

First pass scout drilling has been completed on high priority drill targets at Dalabatini and Kowouleni with additional targets being developed at Diassa and Kalako.

The ongoing systematic exploration program is designed to rapidly advance the Simandou North Iron Project following the conclusion of the wet season.

Infrastructure

The Government of Guinea, Simfer and WCS created *La Compagnie du TransGuineen (CTG)*, a JV company to co-develop the megaproject requiring the construction of the 670km "TransGuinean" railway, extending from the Simandou Ranges to Forécariah on the coast where the deep-water port and ship loading infrastructure will be built at Morebaya. This \$US15 billion major capital investment is set to deliver shared purpose infrastructure to the area, with the Government targeting completion by December 2024, enabling commercial production from mines in the area by 2025.

Development work continues for the Simandou Infrastructural Project with work underway to establish a 1,500-person temporary construction camp at Beyla, located approximately 100km south of the Simandou North Iron Project.

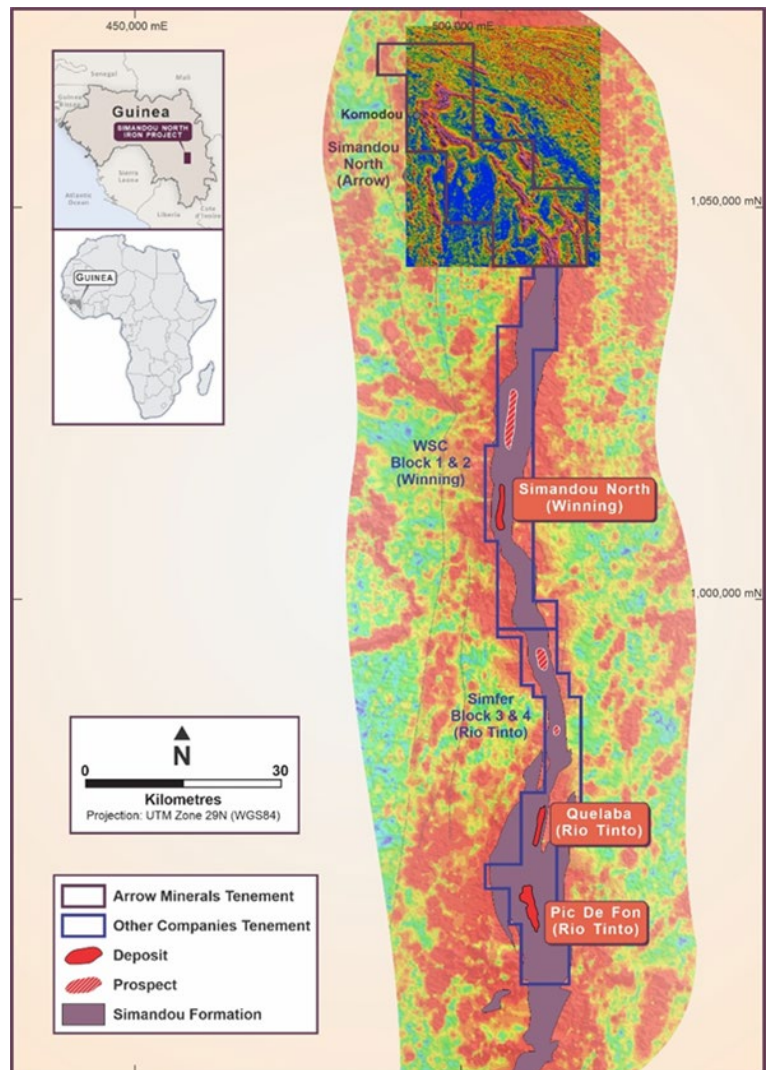


Figure 1. Map showing distribution of the Simandou Range stratigraphy, including known iron deposits, extending north through Simfer (Rio Tinto) Blocks 3 & 4, WCS Blocks 1 & 2, into Arrow's Simandou North Iron Project area where detailed airborne magnetic geophysical image highlights the interpreted stratigraphic continuation (Datum WGS84-29N).



Photo 1. Newly constructed traffic bridge over the Mamkudu River in Guinea officially opened in May 2023 with pylons for the railway bridge alongside (courtesy of Government of Guinea).



Photo 2. Aerial view of commencement of mobilisation of 1,500-person temporary construction camp in Beyla to service the CTG Simandou Infrastructure Project underway, located approximately 100km south of the Simandou

ARROW MINERALS STRATEGY

Arrow Minerals has a strategy of delivering long-term value to shareholders through the discovery and development of economic mineral deposits in West Africa. Arrow has beneficial rights of 33.3% in the Simandou North Iron Project, Guinea and a clear road map to extend these rights to 100%. Arrow aims to systematically advance the Simandou North Iron Project in the coming dry season to identify and drill test areas of high-grade iron within the project area and realise the potential value released through the major infrastructural upgrades, rail and port, underway in the region.

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

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Investor & Media Relations contact Investability: investors@investability.com.au

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Hugh Bresser who is a Member of the Australian Institute of Geoscientists and Australasian Institute of Mining and Metallurgy. Mr Bresser is an employee of Milagro Ventures which provides executive and technical consultancy services to Arrow Minerals. Mr Bresser is in the role of Managing Director of Arrow Minerals, he has sufficient experience that 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 Bresser consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ANNEXURE A – SUMMARY OF KEY TERMS OF THE AGREEMENT

The key commercial terms upon which Arrow may acquire up to a 100% interest in Amalgamated under the terms of the Agreement are summarized as follows;

1. If Arrow Minerals provides funds to the Amalgamated of the lesser of:
 - (a) the funds required to enable Amalgamated to conduct a Pre-Feasibility Study in connection with the Simandou North Permit; and
 - (b) A\$15,000,000,

through an interest-free unsecured convertible loan to Amalgamated for the purposes of sole funding Amalgamated's expenditure in connection with the Simandou North Permit, Arrow is entitled to convert the interest free loan into such number of Amalgamated (**Amalgamated Shares**), free from all encumbrances, such that Arrow's beneficial interest in the total number of Amalgamated shares will increase to 80%.

2. If Arrow Minerals provides further funds to Amalgamated of the lesser of:
 - (a) the funds required to enable Amalgamated to conduct a Feasibility Study in connection with the Simandou North Permit; and
 - (b) A\$22,500,000,

by way of entering into an unsecured, interest-free convertible loan to Amalgamated for the purposes of sole funding Amalgamated's expenditure in connection with the Simandou North Permit, Arrow is entitled to convert the convertible loan into such number of Amalgamated Shares, free from all encumbrances, such that Arrow Minerals beneficial interest in the total number of Amalgamated Shares will increase to 90%.

3. Arrow will be entitled, in its absolute discretion, to determine in what manner in which the expenditure will be incurred and satisfied in connection with the Simandou North Permit.
4. If Amalgamated approves a Decision to Mine in respect of the Project:
 - (a) it will have the right to elect to buy-back all Amalgamated Shares held by its shareholders other than Arrow (**Other Shareholders**); or
 - (b) the Other Shareholders will have the right to require Amalgamated to buy-back such Amalgamated Shares,

in each case, free from all encumbrances, in consideration for the grant of a US\$1/tonne royalty in favour of Other Shareholders to be distributed on a pro rata basis. Amalgamated's approval of a Decision to Mine shall only be taken if sufficient funds have been secured (to the reasonable satisfaction of the parties) to construct an initial mining project amounting to an operation of at least 2 million tonnes/annum.