



ASX SYMBOL: AMD



DIRECTORS / OFFICERS

Tommy McKeith

Chairman

Hugh Bresser

Managing Director

Frazer Tabcart

Non-Executive Director

Alwyn Vorster

Non-Executive Director

Catherine Grant-Edwards &

Melissa Chapman

Joint Company Secretary

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DEFINITIVE BINDING AGREEMENT FOR THE SIMANDOU NORTH IRON PROJECT AND CORPORATE RESTRUCTURE

Highlights

- **Definitive binding agreement for the acquisition of up to 60.5% of the Simandou North Iron Project executed**
- **Alwyn Vorster, mining executive with over 30 years corporate and project development experience joins Arrow as a non-executive Director**
- **Tommy McKeith assumes the role of non-executive Chairman**

Arrow Minerals Limited (ASX: AMD) (**Arrow**, or the **Company**) is pleased to announce two significant steps forward for the Company as it moves to implement Arrow's strategy of delivering long-term value to shareholders through the discovery and development of economic mineral deposits in West Africa.

1. Simandou North Iron Project.

Subsequent to the successful completion of due diligence on the **Simandou North Iron Project**, which included visits to the project area in Guinea by Arrow directors, as well as reviews from reputable legal firms in Australia, Singapore and Guinea, Arrow has now executed a binding agreement (**Definitive Agreement**) formalising the terms outlined in the Company's ASX Announcement of 13 July 2022. Under the Definitive Agreement, Arrow can acquire up to a 60.5% controlling interest (Appendix 1) in Amalgamated Minerals Pte. Ltd., a private Singaporean registered company, which holds a 100% interest in the Simandou North Iron Project in Guinea, West Africa.

2. Corporate Restructure

The Arrow Board of Directors has been reorganised and strengthened to oversee and drive the Company's ambitious growth strategy in West Africa.

Effective immediately, **Tommy McKeith** will assume the role of non-executive Chairman, **Frazer Tabcart** will resume the role of non-executive Director, and Arrow welcomes **Alwyn Vorster** to the Board of Directors in the position of non-executive Director.

Arrow Chairman, Tommy McKeith, said: "Arrow has reached a significant milestone with the announcement of the Simandou North transaction, and we are now positioning the Company for a significant new growth chapter. The Board is delighted to have attracted someone of Alwyn Vorster's calibre to Arrow, further underpinning our exciting future. The Board would also like to thank Frazer Tabcart for his leadership since 2018."

Mr Vorster has extensive corporate, marketing and project development experience in the bulk commodities arena (particularly iron ore) having previously been Managing Director for BCI Minerals and Iron Ore Holdings, as well as holding senior roles with Aquila Resources, Rio Tinto Iron Ore and Kumba Resources. He brings to Arrow a proven track record of creating shareholder value from the discovery of bulk mineral deposits, through studies, approvals, funding, offtake, infrastructure solutions and development, including projects like Hope Downs, Iron Valley, Buckland and Mardie Salt & Potash. His qualifications include BSc (Hons) Geology, MSc Mineral Economics and MBA degrees.

SIMANDOU NORTH

The Simandou North Iron Project (*Figure 1*) lies at the northern end of the Simandou Range and forms an extension of the stratigraphy that hosts one of the largest undeveloped high-grade iron deposits in the world, including Winning Consortium Simandou (WCS) Block 1 & 2 with a reported measured, indicated and inferred mineral resource of 1.8 billion tonnes at 65.4% Fe and Rio Tinto Simfer's (Simfer) Simandou Project Block 3 & 4 with a total measured, indicated and inferred mineral resource estimate of 2 billion tonnes grading 65.5% iron.

PROSPECTIVITY AND REGIONAL DEVELOPMENT

Historical exploration work undertaken in the wider area by BSGR and Vale through the early to mid 2000s, including airborne magnetic geophysical surveys, geological mapping and completion of 4 diamond drill holes (157m), confirmed the continuation of the iron hosting Simandou Group stratigraphy into the Simandou North permit (ASX:AMD Announcement 13 July 2022).

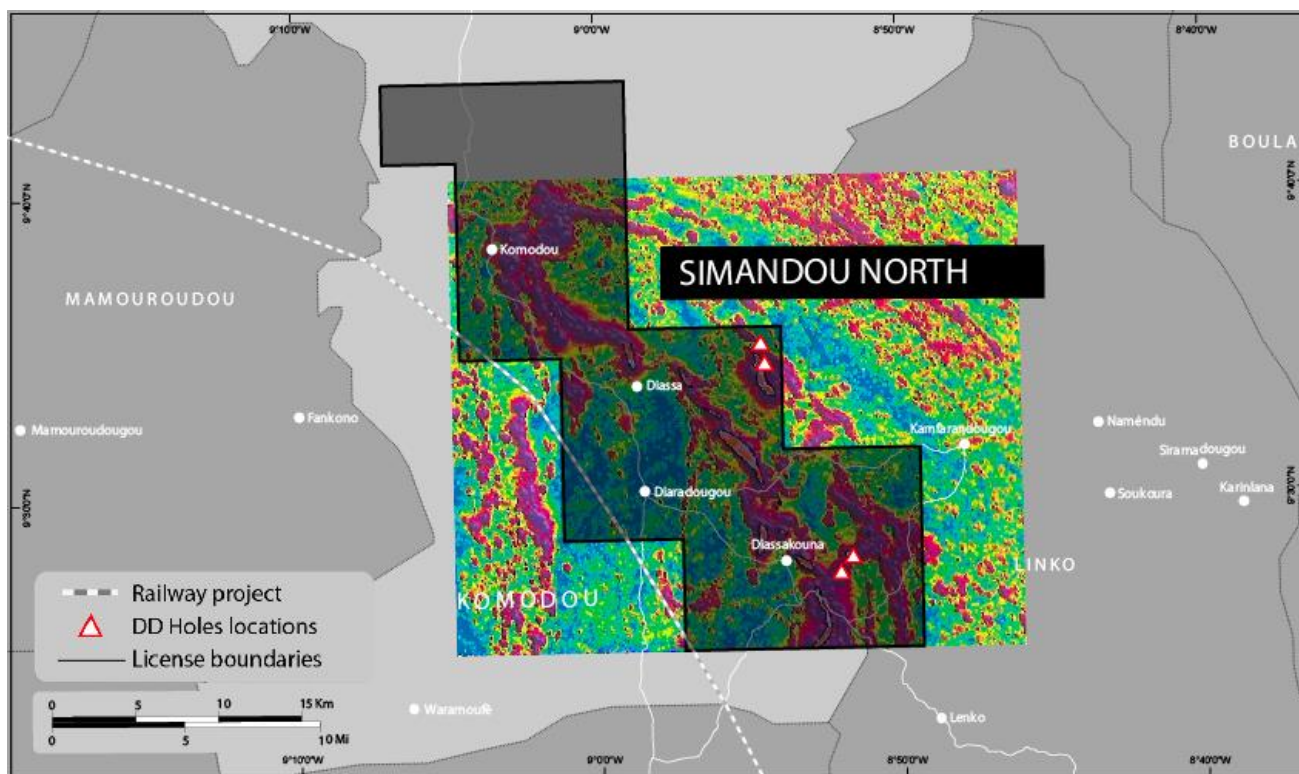


Figure 1. Simandou North Permit map showing airborne magnetic geophysical image and historical drillhole locations within interpreted Simandou Group stratigraphy and proposed rail line route (Datum WGS84-29N).

On 27 July 2022, the government of Guinea, Simfer and WCS created La Compagnie du TransGuineen, 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. This \$US15 billion major capital

investment is set to deliver shared purpose infrastructure to the area, expected to be completed by December 2024, enabling commercial production from mines in the area by 2025.

The emergence of a combined commitment between Government and Industry opens the way for Arrow to potentially establish itself as a major West African mining company. Simandou North Iron Project allows Arrow to participate in the development of an area where, until now, mineral wealth has been locked up due to infrastructural constraints.

ARROW MINERALS STRATEGY

The completion of the Definitive Agreement over the Simandou North Iron Project is a key component to Arrow's strategy of delivering long-term value to shareholders through the discovery and development of economic mineral deposits in West Africa. Arrow will focus its efforts on the Simandou North Iron Project in Guinea over the coming months whilst continuing to monitor the situation in Burkina Faso following the September 30 Coup and elevated security concerns in the country.

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

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

Appendix 1 – Summary of the Key Terms of the Definitive Agreement

A summary of the terms of the Definitive Agreement is set out below.

1. Share Acquisitions

The Company will acquire up to a 60.5% interest in the issued capital of Amalgamated in two stages from the Sellers as set out below.

2. Consideration

Consideration is to be settled as follows:

Stage	Seller	Shares	Consideration
1	ROPA Investments (Gibraltar) Limited (Ropa)	49 fully paid ordinary shares (representing approximately 33% of the entire issued ordinary shares)	The lower of: (a) 500,000,000 shares in the Company; and (b) such number of shares in the Company that would result in Ropa holding a relevant interest (as defined in the Corporations Act) in 19.9% of all shares in the Company on issue
2	Helvetica Investments Pte. Ltd	20 fully paid ordinary shares	Either: (a) \$1,000,000 worth of shares in the Company at an issue price equal to the VWAP of the shares for the ten trading days prior to the date the last of the Stage 2 Conditions Precedent is satisfied; or (b) \$1,000,000 cash
	Yacine Wafy	20 fully paid ordinary shares (together with the 20 fully paid ordinary shares from Helvetica Investments Pte. Ltd representing approximately 27.5% of the entire issued ordinary shares)	

3. Stage 1 Conditions Precedent

Completion of Stage 1 of the proposed acquisition is subject to:

- (1) the Company obtaining the requisite approvals from Shareholders;
- (2) the parties agreeing on the terms of a shareholders agreement in respect of Amalgamated;

- (3) Amalgamated procuring that its wholly-owned subsidiary, Mineralfields Guinea SARLU:
 - (1) files its financial statements for 2020 and 2021;
 - (2) satisfies filing requirements with the National Social Security Funds under the Social Security Code 1994 of Guinea;
 - (3) prepares and obtain approvals for management reports for financial years 2020 and 2021;
- (4) no material adverse change in respect of Amalgamated occurring prior to Stage 1 completion; and
- (5) the parties obtaining all necessary regulatory approvals from government authorities for sale and purchase of Stage 1 shares.

4. Expenditure Commitment

- (6) After Stage 1 Completion, the Company agrees to use its best endeavours to fund, by way of an unsecured, interest-free shareholder loan to the Company (**Loan**), \$2,500,000 worth of exploration expenditure on the Simandou North Project within 24 months after completion of Stage 1 (**Expenditure Commitment**).
- (7) The Loan will be provided pursuant to a separate loan agreement to be entered into between the Company and Amalgamated, pursuant to which the Loan will be repayable on or before the date that is 15 years after the date on which any part of the Loan is first advanced to the Company (or such other date as agreed between the Company and Amalgamated) and such other provisions which are customary for agreements of the same nature.
- (8) The Company, in its absolute discretion, will determine in what manner, and on which area of the Simandou North Project, the Expenditure Commitment will be satisfied.

5. Stage 2 Conditions Precedent

Completion of Stage 2 of the proposed acquisition is subject to:

- (a) the Company completing the Expenditure Commitment;
- (b) the Company obtaining the requisite approvals from Shareholders;
- (c) no material adverse change in respect of Amalgamated occurring prior to Stage 2 completion; and
- (d) the parties obtaining necessary regulatory approvals from government authorities for sale and purchase of Stage 2 shares.

6. Completion

- (e) Completion of Stage 1 is to occur 3 Business Days following the date on which the last of the Stage 1 conditions precedent is satisfied, which is expected to occur in December 2022.

- (f) Completion of Stage 2 is to occur 3 Business Days following the date on which the last of the Stage 2 conditions precedent is satisfied, which is expected to occur in December 2024.

7. Other terms

The Definitive Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).