



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

#### WEBSITE

[www.arrowminerals.com.au](http://www.arrowminerals.com.au)

#### EMAIL

[info@arrowminerals.com.au](mailto:info@arrowminerals.com.au)

## ARROW RAISES \$2.7 MILLION TO ADVANCE THE SIMANDOU NORTH IRON PROJECT

### Highlights

- \$2,695,000 raised (before costs) at \$0.0055 per share as part of a placement to sophisticated and institutional investors, including Director participation.
- Placement lead managed by Euroz Hartleys and will be completed in two tranches.
- Funds raised will be used primarily to accelerate exploration activities at the Simandou North Iron Project, Guinea.

Arrow Minerals Limited (ASX: AMD) (**Arrow**, or the **Company**) is pleased to announce it has received firm commitments to raise \$2,695,000 via a placement of 490,000,002 ordinary shares (**Placement Shares**) to sophisticated and institutional investors at an issue price of \$0.0055 per share (**Issue Price**), together with a one for two (1:2) unlisted option, exercisable at a 50% premium to the Issue Price on or before 22 February 2024 (**Placement Options**) (**Placement**).

The Placement includes participation by Directors of the Company, who have subscribed for 17,272,728 Shares (value of \$95,000), subject to receipt of shareholder approval (**Director Placement Shares**).

Proceeds from the Placement will be applied as follows:

- Funding applied towards the \$2.5m expenditure commitment by way of an unsecured, interest-free shareholder loan to Amalgamated Minerals Pte. Ltd, to fund exploration evaluation expenditure on the Simandou North Iron Project;
- Maintaining interests in Burkina Faso; and
- Costs of the Placement and general working capital.

#### Arrow's Managing Director Hugh Bresser, commented:

*"We are very pleased with the strong support from new and existing shareholders for the capital raising. This funding enables Arrow to accelerate our exploration activities at the Simandou North Iron Project over the coming months to identify areas of high-grade iron within the project area, which is proximal to planned major regional infrastructural upgrades, including rail and port. We look forward to keeping shareholders up to date with our progress during this exciting time."*

## Placement

The issue price of the Placement Shares represents a discount of 8.3% to the Company's last traded price of \$0.006 (10 February 2023), a discount of 4.8% to the 5-day VWAP of \$0.0058, and a discount of 24.1% to the 15-day VWAP of \$0.0073.

The Placement is proposed to be completed in two tranches:

- **Tranche 1** will consist of a total of 374,545,455 Shares (**Tranche 1 Placement Shares**) to raise \$2,060,000. Securities to be issued as part of Tranche 1 will include the Tranche 1 Placement Shares, Tranche 1 Placement Options, Adviser Options, and the portion of Broker Options linked to the Tranche 1 proceeds will be issued using the Company's existing placement capacity under ASX Listing Rule 7.1 (379,653,795 securities) and ASX Listing Rule 7.1A (253,376,509 securities); and
- **Tranche 2** will consist of a total of 115,454,547 Shares (**Tranche 2 Placement Shares**) to raise \$635,000. Subject to receipt of shareholder approval, the securities to be issued as part of Tranche 2 will include the Tranche 2 Placement Shares (including the Director Placement Shares), the Tranche 2 Placement Options, and the balance of the Broker Options.

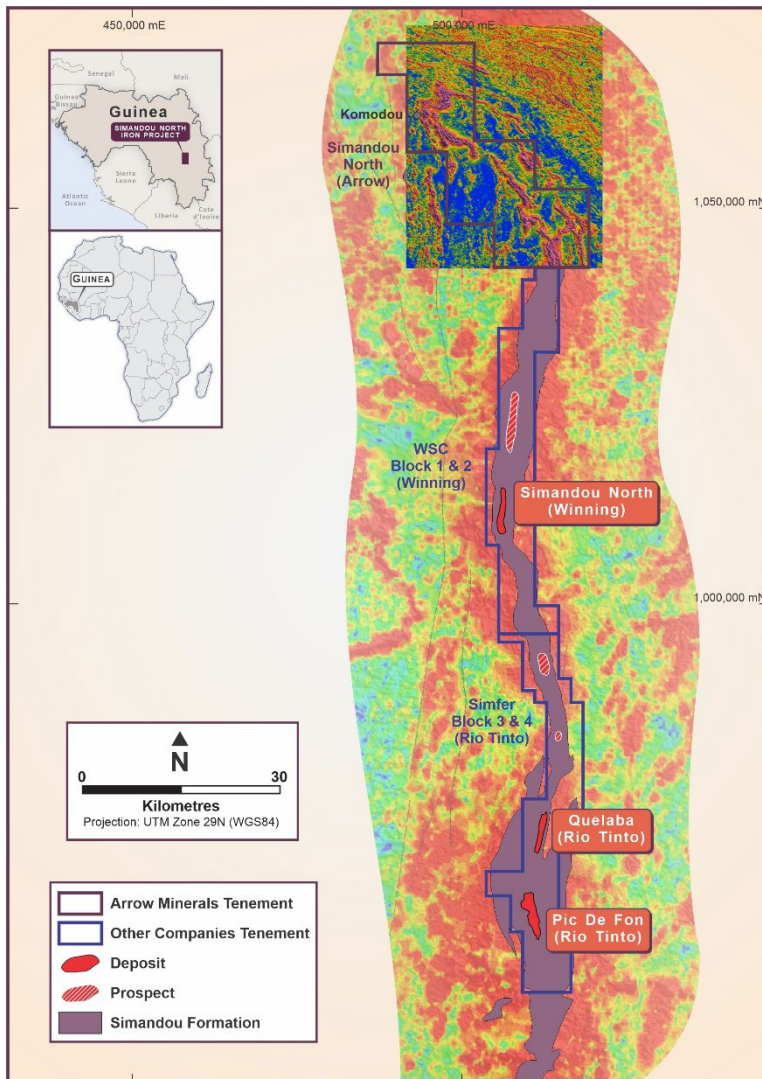
A General Meeting of shareholders is anticipated to be held in late March 2023 to seek approval to issue the Tranche 2 securities. The Notice of Meeting will be communicated to shareholders in due course.

The Placement was managed by Euroz Hartleys Limited (**Euroz Hartleys**). Pursuant to a mandate executed between the parties, Euroz Hartleys are entitled to receive a 6% equity raising fee on Placement proceeds raised from investors introduced by Euroz Hartleys, and a management fee of 2% on all other proceeds. In addition, Euroz Hartleys will receive unlisted options on a one for twelve (1:12) basis of shares issued under the Placement (excluding Director Placement Shares), exercisable at a 50% premium to the Issue Price on or before on 22 February 2024 (**Broker Options**). Euroz Hartleys are also entitled to receive 40,000,000 unlisted options exercisable at \$0.007 on or before 22 February 2026 (**Adviser Options**).

This announcement is intended to lift the trading halt requested by the Company on 13 February 2023 in relation to its securities.

## SIMANDOU NORTH IRON PROJECT

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 WCS's 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.



**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).**

Five high priority areas have been identified within Arrow's Simandou North Iron Project area, each between 5km and 7km in strike length (**Figure 2**). These priority areas demonstrate modelled geophysical responses consistent with those expected for significant haematite development and enrichment within the iron bearing lithologies.

These targets form the focus on Arrow's ongoing exploration program which will involve environmental surveys, detailed geological mapping, surface geochemistry, ground geophysical surveys and drilling. Field work is anticipated to recommence in the coming weeks.

The government of Guinea, Simfer and WCS created *La Compagnie du TransGuineen* (CTG) on 27 July 2022, 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.

The Government of Guinea stated on January 30, 2023 that Rio Tinto Group, Winning Simandou Consortium and China Baowu Steel Group agreed to restart infrastructure development for the multi-purpose and multi-user infrastructure project in March 2023 (**Figure 3**).

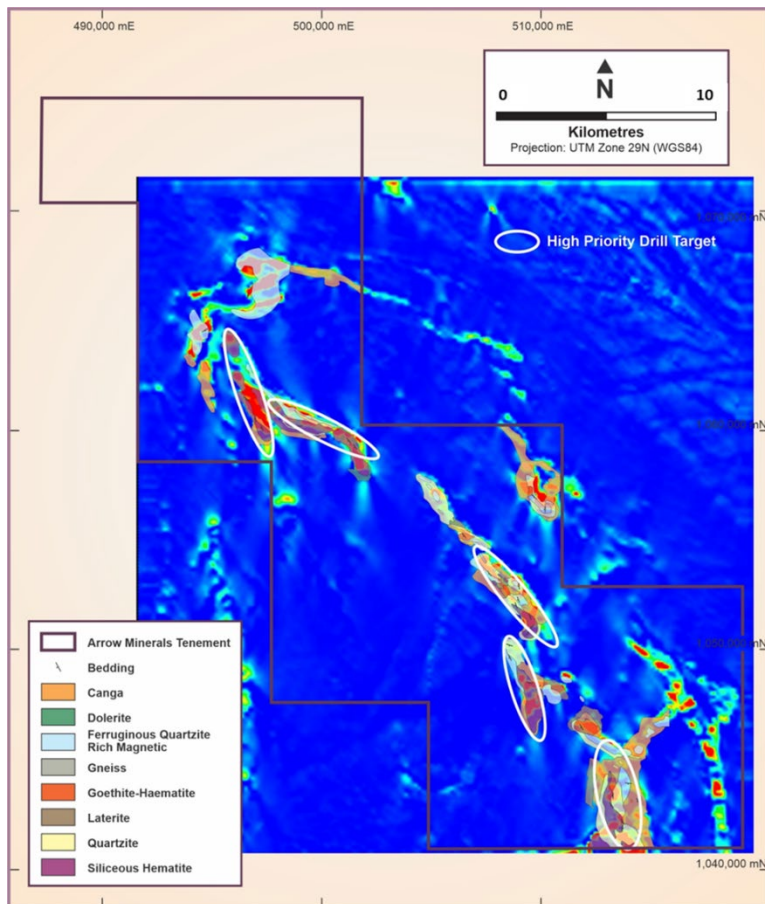


Figure 2. High priority drill targets highlighted on first pass inversion 100m depth slice using modelled BIF domains overlain with mapped surface geology. The correlation between geophysical modelling and geology provide confidence in the target vectoring.

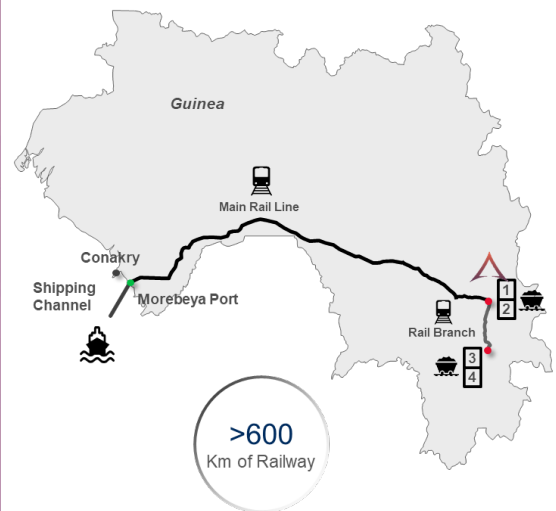


Figure 3. Schematic diagram from *La Compagnie du TransGuineen* showing planned port location and rail route relative to the Simandou Range iron projects.

## 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 60.5% within 24 months. Arrow aims to systematically advance the Simandou North Iron Project over the coming months to identify 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.

For further information visit: [www.arrowminerals.com.au](http://www.arrowminerals.com.au) or contact: [info@arrowminerals.com.au](mailto:info@arrowminerals.com.au)

Investor & Media Relations contact Investability: [investors@investability.com.au](mailto: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.