



ASX: AMD



DIRECTORS / OFFICERS

Frazer Tabcart
Chairman

Hugh Bresser
Managing Director

Tommy McKeith
Non-Executive Director

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

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DIVESTMENT OF STRICKLAND COPPER GOLD PROJECT, W.A.

Highlights

- Arrow (ASX:AMD) to receive \$600,000 staged cash payments and 2,350,000 shares in Dreadnought Resources Ltd (ASX:DRE).
- Arrow will retain exposure to potential upside through a conditional \$1,000,000 payment on identification of a Mineral Resource of 500,000oz gold equivalent and a 1% NSR Royalty.
- Divestment of the Company's West Australian assets allows Arrow to focus on its West Africa growth strategy.

Arrow Minerals Limited (ASX:AMD) (**Arrow**, or the **Company**) is pleased to announce that it has executed a tenement sale and purchase agreement (via its subsidiary) with Dreadnought Resources Ltd (ASX:DRE) (**Dreadnought**) by which Dreadnought will acquire a 100% interest in the Strickland Copper Gold Project (comprising E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634) in Western Australia (**Agreement**).

KEY COMMERCIAL TERMS

The commercial terms agreed by which Dreadnought will acquire a 100% interest in the Strickland Copper Gold Project are detailed in *Appendix 1*. A summary of key terms are outlined as follows:

- Arrow received a \$20,000 cash payment upon signing of the agreement.
- Arrow will receive \$280,000 cash payment at settlement.
- Dreadnought will issue Arrow 2,350,000 fully paid ordinary shares in Dreadnought at settlement.
- Arrow will receive a further cash payment of \$300,000 by 30 November 2022.
- On the identification and reporting of JORC compliant inferred mineral resource of >500,000oz gold equivalent Dreadnought will pay Arrow \$1,000,000 cash.
- Arrow will retain a total 1% Net Smelter Return royalty in relation to minerals mined by or on behalf of Dreadnought on the Strickland Copper Gold Project.
- Settlement is anticipated to occur before end of July.

Managing Director Hugh Bresser said:

"This transaction realises potential value for shareholders of both Arrow and Dreadnought. Dreadnought are actively engaged in Western Australian minerals exploration and Strickland presents an advanced project, with copper and gold drill ready targets. Through this transaction Arrow also retains an interest in the success of the Strickland Copper Gold Project, whilst being free to focus on its West Africa projects."

ARROW MINERALS STRATEGY

This transaction follows Arrow's previous sale of 90% of the Malinda Lithium Project (ASX:AMD announcement *17 March 2022*) as the company continues to implement its strategy to divest its non-core Australian assets.

Arrow's strategic focus is to deliver long-term value to shareholders through the discovery and development of economic mineral deposits in West Africa. Arrow will continue to advance the Vranso Project in Burkina Faso toward resource definition whilst seeking additional growth opportunities in the region.

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 Sale and Purchase Agreement

Deposit	A non-refundable payment of \$20,000 was paid to Arrow by Dreadnought upon execution of the Agreement.
Sale and Purchase	Arrow will sell to Dreadnought 100% of the Strickland Copper Gold Project (comprising E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634)
Completion Payment	A payment of \$280,000 to be paid by Dreadnought to Arrow at settlement.
Consideration Shares	Issue to Arrow of 2,350,000 fully paid ordinary shares in Dreadnought Resources at settlement (subject to voluntary escrow until 5pm WST on 31 January 2023).
Further Cash Payment	A payment of \$300,000 to be paid by Dreadnought to Arrow on or by no later than 30 November 2022.
Resource Consideration Cash	A payment of \$1,000,000 to be paid by Dreadnought to Arrow when an Inferred Mineral Resource Estimate (MRE) (CL26) reported in accordance with the JORC Code of an average grade and tonnes, at a cut-off grade determined by a Competent Person (CL11) to meet the Reasonable Prospect for Eventual Economic Extraction (CL20) contains a calculated metal content, based on the average grade and tonnes, is greater than or equal to 500,000oz of gold or an Inferred Mineral Resource Estimate (CL26) reported in accordance with the JORC Code of an average grade and tonnes at a cut-off grade determined by a Competent Person (CL11) to meet the Reasonable Prospect for Eventual Economic Extraction (CL20) of any commodity likely to be discovered in the area, including Copper, Iron, Nickel and Lithium, alone or in combination, with a combined calculated metal content equal to or greater than 500,000 oz Au based on a calculated metal equivalent (CL50) is identified by Dreadnought on any of the tenements comprising the Strickland Copper Gold Project, within 30 Business Days of the date on which that Mineral Resource Estimate is announced in accordance with the JORC Code to the ASX (LR5) (or

	<p>if there is no requirement to announce to the ASX, the date the Mineral Resource Estimate is finalised and reported in accordance to the JORC Code).</p> <p>Note:</p> <ol style="list-style-type: none"> 1. The 500,000 oz Au or contained metal equivalent is a mutually agreed threshold between AMD and DRE. 2. No minimum cut-off grade has been assigned, as required by the JORC Code (CL20) the cut-off grade will be determined by the Competent Person calculating the MRE when determining "Reasonable Prospects of Eventual Economic Extraction." 3. The derivation and reporting of the MRE lies exclusively with DRE. 4. In the case of reporting a MRE for a polymetallic deposit or commodity deposit other than gold a contained metal equivalent will be calculated in line with CL50 of the JORC Code.
Royalty	<p>Arrow will retain a total 1% Net Smelter Return royalty in relation to any Minerals mined by or on behalf of Dreadnought on the Strickland Copper Gold Project.</p>