# $10M Capital Raising to accelerate exploration and fund acquisition of 100% interest in Simandou North Iron Project

**Arrow to expedite acquisition of remaining 66.7% interest in the entity that holds the Simandou North Iron Project after strong start to 2024 drilling program and increased confidence in the project's scale potential**

## Highlights

- **Successful completion of $10 million placement which was strongly supported by new and existing shareholders, including a number of high-quality institutional investors based domestically and offshore**
- **Funds will deliver a rapid step up in exploration and drilling, doubling to 4 drill rigs in coming weeks**
- **Arrow has reached agreement to accelerate acquisition of remaining 66.7% interest, taking 100% legal and beneficial interest in Amalgamated Minerals Pte. Ltd, which holds the Simandou North Iron Project**
- **Directors to participate in the Placement for $310,000 (subject to receipt of shareholder approval)**

Arrow Minerals Limited (ASX: AMD) (**Arrow** or the **Company**) is pleased to advise that it has received firm commitments totalling $10 million for a share placement at A$0.005 per share.

***Arrow Managing Director David Flanagan said: "After visiting site earlier in the year I could see so many quality drill targets. I wanted to drill them all and grow our interest in the Project as quickly as possible. The only constraint was funding. This raising will allow us to drill up to 150 holes in the tenement and test a lot of targets this year."***

***"Keep in mind the tenement is along strike from the world's largest high grade iron ore project and it hosts 40 kilometres of strike of the same host rock formation. Before Arrow started exploration in 2023, no one had ever drilled and assayed a hole for iron on the tenement and it is also next to a multi user railway due for commissioning next year."***

***"Given the strong start we have made to drilling at Simandou North and our very positive view of the Project's potential, we have also resolved now to be the perfect time to increase our interest to 100% for $2 million dollars cash payment."***

***"In the coming weeks we will double the rigs in the field to 4 and accelerate testing targets across the Project. This will be a very exciting year for the Company."***

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**Placement**

The Company has received firm commitments to raise $10 million (before costs) via at placement of 2 billion new shares (**Shares**) (**Placement**). The Placement will be conducted across two tranches, as follows:

- 1,895,941,273 Shares will be issued pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 (1,137,564,764 Shares) and ASX Listing Rule 7.1A (758,376,509 Shares) to raise ~$9.5 million (**Tranche 1**), with allotment of the shares expected to occur on Thursday, 21 March 2024; and
- 104,058,727 Shares will be issued subject to receipt of shareholder approval at a general meeting ~$0.5 million (**Tranche 2**).

Arrow Directors, Jeff Dowling, Tommy McKeith, and Alwyn Vorster will participate in Tranche 2 of the Placement for $310,000 in aggregate (subject to shareholder approval).

Euroz Hartleys Limited, Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited acted as Joint Lead Managers to the Placement. Peloton Capital Pty Ltd and Morgans Financial Limited acted as Co-Managers.

The proceeds of the Placement will be applied towards:

- Exploration, evaluation and pre-feasibility work at the Company's Simandou North Iron Project, including 10,000 - 15,000 metres of drilling within 12 months;
- Immediate purchase of the remaining 66.7% interest in Amalgamated Minerals Pte Ltd, which holds the Simandou North Iron Project, taking legal and beneficial interest to 100%; and
- Costs of the Offer and general working capital purposes.

The issue price for the Placement of $0.005 per share represents:

- A 14.7% discount to the 10-day volume weighted average market price of Arrow shares up to an including 11 March 2024; and
- A 28.6% discount to the last traded price of Arrow shares on 11 March 2024.

The new Shares issued under the Placement will rank equally with Arrow's existing shares.

Indicative timetable for the Placement is as follows:

| Event | Timing |
|---|---|
| Announcement of Placement and Return to Trading on ASX | Wednesday, 13 March 2024 |
| Settlement – Tranche 1 | Wednesday, 20 March 2024 |
| Allotment and Normal Trading of Tranche 1 New Shares | Thursday, 21 March 2024 |
| Anticipated General Meeting to approve Tranche 2 | Indicatively, late April 2024 |
| Settlement – Tranche 2 | Indicatively, late April 2024 |

The above timetable is indicative only and all dates are subject to change, with any such change likely to have consequential effects of other anticipated dates in the indicative timetable.

Salient Corporate acted as corporate adviser to the Company on the Placement.

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**Acquisition of 100% Interest in Simandou North Iron Project**

The Company is also very pleased to advise it has reached agreement to acquire the remaining 66.7% interest in Amalgamated Minerals Pte Ltd, which holds which holds the Simandou North Iron Project, taking legal and beneficial interest to 100% (**Agreement**).

Key terms of the Agreement are:

- Arrow to pay the vendors $2,000,000 in cash within 30 days of signing the Agreement;
- Arrow agrees to make a deferred payment of $500,000 in cash or shares on or before 30 June 2025 (at the Company's election); and
- The vendor retains a USD $1/tonne royalty.

This Agreement effectively replaces the previously announced agreement (ASX Announcement 30 August 2023) which provided a pathway to reach 100% over various milestones.

This announcement is intended to lift the trading halt of the Company's ordinary securities.

Announcement authorised for release by the Board of Arrow.

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

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**About Arrow Minerals**

Arrow Minerals is focused on creating value for shareholders through the discovery and development of multiple economic iron ore deposits at its Simandou North Iron Project in Guinea, West Africa. Arrow is rapidly advancing exploration and other evaluation. The Company also aims to fully realise the value of the project by accessing multi-user rail infrastructure.