

FORM 51-102F3
Material Change Report

ITEM 1. NAME AND ADDRESS OF COMPANY

NORTH ARROW MINERALS INC. (the "Issuer")
Suite 860, 625 Howe Street
Vancouver, British Columbia
V6C 2T6

ITEM 2. DATE OF MATERIAL CHANGE

August 5, 2011

ITEM 3. NEWS RELEASE

Issued August 5, 2011 and distributed through the facilities of Marketwire (formerly CCN Matthews) (TSX Venture Exchange).

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Issuer has arranged a \$1,000,000 private placement of a convertible note with Anglo-Celtic Exploration Ltd., a private company controlled by D. Grenville Thomas, who is a director of North Arrow. The proposed private placement is subject to regulatory approval. As a result of the private placement, Mr. Thomas, through Anglo-Celtic, may become a "Control Person" (as defined in the TSX Venture Exchange's policies) of North Arrow.

The Issuer proposes to extend the expiry date of 1,979,167 subscriber warrants issued as part of an August 2010 private placement by six months, to February 20, 2012. All other terms and conditions of the warrants remain unchanged. The proposed extension of the expiry date of the warrants is subject to regulatory approval.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

Please see attached Press Release 11-08.

ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51- 102

This report is not being filed on a confidential basis.

ITEM 7. OMITTED INFORMATION

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8. EXECUTIVE OFFICER

Contact: Brian McEwen, President and COO
Telephone: (604) 668-8355

ITEM 9. DATE OF REPORT

August 5, 2011



Suite 860 – 625 Howe Street, Vancouver, BC, Canada V6C 2T6
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News Release

**NORTH ARROW ARRANGES PRIVATE PLACEMENT
AND EXTENSION OF WARRANT EXPIRY DATE**

August 5, 2011

Trading Symbol: TSXV: NAR

#11-08

North Arrow Minerals Inc. (TSXV-NAR) announces that it has arranged a \$1,000,000 private placement of a convertible note with Anglo-Celtic Exploration Ltd. (“Anglo-Celtic” or the “Lender”), a private company controlled by D. Grenville Thomas, who is a director of North Arrow. The independent directors of North Arrow have reviewed and accepted the proposed private placement, which is subject to regulatory approval.

The private placement will consist of a convertible note, structured as an unsecured, interest-bearing loan of \$1,000,000. The term of the loan will be for one-year, following receipt of all required regulatory approvals. The Lender may convert at any time all or a portion of the principal amount outstanding under the loan into common shares of North Arrow at a conversion price of \$0.25 per common share. The Lender will also have the right to convert all or any portion of the accrued interest on the loan into common shares of North Arrow at the market price of North Arrow’s common shares at the time of conversion. North Arrow may, at its option, repay all or any part of the principal amount outstanding under the loan, without bonus or penalty, subject to the requirement that North Arrow give notice to the Lender that the Lender may elect within 10 days to convert all or any portion of the loan into common shares. The loan agreement will contain provisions related to default by North Arrow and remedies available to the Lender. North Arrow will pay interest to the Lender at the rate charged by the Lender’s bank or financial institution, plus 400 basis points. The loan will accrue interest to the date of repayment and will be calculated monthly on the last day of the month.

As a result of the private placement, Mr. Thomas, through Anglo-Celtic, may become a "Control Person" (as defined in the TSX Venture Exchange's policies) of North Arrow. Mr. Thomas, through Anglo-Celtic, currently owns 9,839,582 common shares, representing approximately 18.7% of North Arrow’s issued and outstanding common shares, and will be entitled to acquire a further 4,000,000 common shares by converting the \$1,000,000 loan principal into common shares at a conversion price of \$0.25 per share. If Anglo-Celtic converts the entire principal amount of the loan, Mr. Thomas would control approximately 24.4% of the then issued shares of North Arrow (assuming no other shares are issued by North Arrow, except the common shares to Anglo-Celtic upon conversion of the loan). The creation of a new Control Person requires shareholder approval, which North Arrow will seek from shareholders at the next Annual General Meeting.

Proceeds from the loan will be used to continue to fund North Arrow’s exploration activities and for working capital purposes.

Warrant Extension

The Company also proposes to extend the expiry date of subscriber warrants issued as part of a private placement in August 2010. In August 2010, the Company issued to subscribers of a private placement a total of 1,979,167 warrants exercisable at \$0.25 until August 20, 2011. The Company proposes to extend the expiry date for these warrants by six months to February 20, 2012 from August 20, 2011; all other

terms and conditions of the warrants remain unchanged. The proposed extension of the expiry date of the warrants is subject to regulatory approval.

Proceeds from any exercise of warrants will be used to continue to fund North Arrow's exploration activities and for working capital purposes.

About North Arrow Minerals

North Arrow Minerals is a well-established junior exploration company with a diversified portfolio of gold, base metal and diamond projects. Most of the North Arrow's 2011 field programs on Canadian properties are funded through option or joint venture agreements, allowing the Company to focus its resources on the acquisition and development of advanced exploration properties in South America. North Arrow has signed a letter of intent to acquire the Agua Grande gold-copper project in Chile and is currently conducting a due diligence program.

North Arrow Minerals Inc.

/s/ "Brian McEwen"

Brian McEwen
President and COO

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Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements *The information in this press release includes certain "forward-looking statements". All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. The Company's forward looking statements reflect the beliefs, opinions and projections of management on the date the statements are made. These forward-looking statements are made as of the date of this press release and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.*