



ARRAS MINERALS ANNOUNCES C\$2 MILLION NON-BROKERED FINANCING

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May 21, 2024

TSX.V: ARK

Vancouver, British Columbia – Arras Minerals Corp. (TSX-V: ARK) (“Arras” or “the Company”) is pleased to announce a non-brokered private placement financing (the **“Offering”**) of up to 7,692,308 units of the Company (**“Units”**) at a price per Unit of C\$0.26 (the **“Offering Price”**) for aggregate gross proceeds of up to C\$2 million.

Darren Klinck, President of Arras, commented, “Over the past 18 months since we announced the initial strategic equity investment by Teck, Arras has successfully and significantly advanced our project portfolio in Kazakhstan with the funding from that associated financing in 2022. We are now pleased to have a strategic alliance with Teck on a portion of our land package and a US\$2.5 million budget in 2024 funded by Teck which is expected to advance targets to drill-ready status this year. In addition, the highly successful soil-sampling program at our 100%-owned Elemes project which we announced results from in Q1 this year, has attracted considerable attention from major mining companies as we have identified two coherent copper-in-soil anomalies stretching more than 8 km each and containing porphyry mineralization which Arras intends to begin testing later this year.”

Tim Barry, CEO of Arras, went on to add, “As we commence our third field season this month in Kazakhstan, we expect to be advancing and drilling at least three new copper-gold porphyry targets this year. By utilizing modern exploration techniques in a region that has had very little to no exploration focus since pre-1990, our thesis is continuing to strengthen that the Bozshakol-Chingiz metallogenic belt has the potential to contain multiple new copper-gold deposits masked under shallow cover. This is truly a very exciting time for Arras as we quickly advance in a new tier-one jurisdiction for exploration of base and precious metals.”

Private Placement Terms

Under the Offering, each Unit shall comprise of one (1) common share in the capital of the Company (each, a **“Common Share”**) and one-half of one (1/2) non-transferable Common Share purchase warrant (each whole warrant, a **“Warrant”**). Each whole Warrant will entitle the holder thereof to purchase one (1) additional Common Share at a price of C\$0.40 for a period of (3) years from closing of the Offering (the **“Expiry Date”**).

In the event the volume weighted average trading price of the Common Shares on the TSX Venture Exchange (the **“TSXV”**) meets or exceeds C\$0.60 for fifteen (15) consecutive trading days at any time

after four months and one day following closing of the Offering, the Company shall have the option, but not the obligation, at any time thereafter to accelerate the Expiry Date to a date that is thirty (30) days following the date of issuance of a press release by the Company announcing the acceleration of the Expiry Date.

The net proceeds of the Offering will be used to advance the Company's exploration program in Kazakhstan and for general corporate purposes. Finders' fees may be payable on a portion of the Offering in accordance with applicable laws and TSXV policies.

The Offering is scheduled to close on or about June 4, 2024 and is subject to the approval of the TSXV. The securities issued pursuant to the Offering will be subject to a four-month hold period in Canada and will be subject to U.S. resale restrictions under U.S. securities laws as applicable.

The securities to be sold in the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), or any state or other applicable jurisdiction's securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state or other jurisdictions' securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any offer, solicitation, or sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Qualified Person: The scientific and technical disclosure for this news release has been prepared under supervision of and approved by Matthew Booth, Vice President of Exploration, of Arras Minerals Corp., a Qualified Person for the purposes of NI 43-101. Mr. Booth has over 19 years of mineral exploration experience and is a Qualified Person member of the American Institute of Professional Geologists (CPG 12044).

On behalf of the Board of Directors

"Tim Barry"

Tim Barry, MAusIMM CP(Geo)
Chief Executive Officer and Director

INVESTOR RELATIONS:

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Further information can be found on:

- the Company's website <https://www.arrasminerals.com> or

- follow us on LinkedIn: <https://www.linkedin.com/company/arrasminerals> or
- follow us on X (formerly Twitter): <https://twitter.com/arrasminerals>

About Arras Minerals Corp.

Arras is a Canadian exploration and development company advancing a portfolio of copper and gold assets in northeastern Kazakhstan, including the Option Agreement on the Beskauga copper and gold project. The Company has established the third-largest license package in the country prospective for copper and gold (behind Rio Tinto and Fortescue). In December 2023, the Company entered into a strategic alliance with Teck Resources Limited ("Teck") in which Teck will sole fund a US\$5 million generative exploration program over a portion of the Arras license package in 2024-2025 focusing on critical minerals. The Company's shares are listed on the TSXV under the trading symbol "ARK".

Cautionary note regarding forward-looking statements: *This news release contains forward-looking statements regarding the Offering, future events and Arras' future results that are subject to the safe harbors created under the U.S. Private Securities Litigation Reform Act of 1995, the Securities Act of 1933, as amended, and the Exchange Act, and applicable Canadian securities laws. Forward-looking statements include, among others, statements regarding the Offering, the participation in the Offering by Teck Resources Limited, the amount of securities that may be sold and proceeds raised by the Company from the Offering, timing of closing of the Offering, the terms to the securities offered under the Offering, the receipt of TSXV and other required regulatory and third party approvals in respect of the Offering, exercise of the Company's acceleration right in respect of the Warrants (or the satisfaction of the acceleration condition in respect thereof), and plans and expectations of the exploration program Arras is in the process of undertaking. These statements are based on current expectations, estimates, forecasts, and projections about Arras' exploration projects, the industry in which Arras operates and the beliefs and assumptions of Arras' management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," variations of such words, and similar expressions and references to future periods, are intended to identify such forward-looking statements. Forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond management's control, including investor interest in the Offering and perception of the Company and its business and assets, regulatory approval of the Offering, changes to the market price for the Company's securities, changes to economic conditions, changes to metals and commodity prices, price of inputs, expected costs and timelines to achieve the Company's goals, that general business and economic conditions will not change in a materially adverse manner, financing will be available when needed on economically reasonable terms, undertaking further exploration activities, the results of such exploration activities and that such results support continued exploration activities, unexpected variations in ore grade, types and metallurgy, volatility and level of commodity prices, the availability of sufficient future financing, and other matters discussed under the caption "Risk Factors" in the Management Discussion and Analysis filed on the Company's profile on SEDAR+ on February 28, 2024 and in the Company's Annual Report on Form 20-F for the fiscal year ended October 31, 2023 filed with the U.S. Securities and Exchange Commission filed on February 28, 2024 available on www.sec.gov. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those expressed or implied in the forward-looking statements. Any forward-looking statement made by the Company in this release is based only on information currently available and speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments, or otherwise.*

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.