

Arrow takes key step towards project development with next phase of metallurgical testwork

Follows Arrow's MoU with Baosteel for mine gate sales

Key Points

- Arrow and Baosteel have signed an MoU for potential mine gate sales of its iron ore, enabling access to the Simandou port and rail, the world's largest and newest bulk infrastructure development. This strategic partnership drives forward Arrow's development activities on its iron ore and bauxite projects
- Arrow has commenced the next phase of metallurgical testwork on the Simandou Formation Oxide BIF (Oxide BIF) identified at its Simandou North Iron Project
- The testwork will utilise 28 composite samples selected to represent the Friable Oxide BIF and Intact Oxide BIF zones at the Kowouleni and Dalabatini prospects
- The results will help determine the process flowsheet which will in turn be used in scoping study-level estimates for processing plant capital and operating costs
- Arrow's Simandou North Iron Project sits immediately adjacent to the giant Simandou iron ore project being developed by Baosteel, Winning consortium and the SimFer JV
- The Simandou rail line, which connects to the port, passes right next to Arrow's Simandou North Iron Project

Arrow Minerals Limited (ASX: **AMD**)(**Arrow**) recently signed a Memorandum of Understanding (MoU) providing a framework for potential mine gate sales of iron ore to Baosteel Resources Holding (shanghai) Co.Ltd¹ (Baosteel) from Arrow's Simandou North Iron Project². This important strategic partnership will leverage complementary strengths and resources, including access to the Simandou port and rail and markets, to advance the development of Arrow's iron ore and bauxite projects.

Arrow is pleased to advise that it has commenced the next phase of pre-development work at its Simandou North Iron Project in Guinea with the start of follow-up metallurgical testwork.

¹ Baosteel Resources Holding (shanghai) Co.Ltd is a wholly owned subsidiary of Baowu Group

² Refer to ASX Announcement 21 October 2024 (Baosteel and Arrow sign Iron Ore Development MoU)

In August this year, Arrow announced a significant Exploration Target (281Mt to 716Mt Simandou Formation Oxide BIF at 33-46% Fe)³ at the project, as well as results of bench scale metallurgical testwork on the same mineralisation.

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Arrow Managing Director David Flanagan said: *“The results of the preliminary metallurgical testwork were very encouraging, pointing to +60%-Fe grade product via a simple wet gravity process. When combined with the recent MoU with Baosteel relating to mine gate sales at Simandou North, this testwork takes on heightened importance as it feeds into flowsheet design, product specifications and value in use as part of ongoing contract negotiations”.*

“Combined with our Exploration Target, this will provide important technical and financial information about the outlook for the project”.

The results of the individual unit tests completed as part of the preliminary bench scale testwork were used in a flowsheet simulation which achieved a 61-64% Fe, low alumina (<0.5%) hematite fines product from a simple wet gravity process⁴.

Arrow has started more comprehensive testwork which has been awarded to Nagrom, a metallurgical laboratory based in Perth. Master composites will be processed through an extensive characterisation flowsheet. The two master composites (one each of Friable and Intact Oxide BIF) will be composed of individual diamond drill core intervals. The master composites will be characterised by use of standard iron ore processes including size fraction, chemical analysis, mineralogy, magnetic separation (for the recovery of hematite) and gravity separation (heavy liquids separation) unit tests. All unit tests will seek to better characterise the Friable and Intact Oxide BIF materials, facilitating the development of a scoping study process flowsheet.

The beneficiation methods being assessed are widely used in iron ore processing in the Pilbara and globally in mineral sands production. In contrast to Pilbara iron ore beneficiation processes where most are seeking to reduce alumina and silica in the final product, for this project the process is only about reducing silica in the final product. The mineralisation of the Simandou Formation Oxide BIF is naturally very low in alumina.

In order to further de-risk the process flowsheet, additional larger scale “bulk runs” of selected processes are planned following the initial characterisation. These bulk runs may include spiral separation and up-current classifier tests. Bulk runs provide increased certainty around equipment and material performance leading to a more robust mass and grade balance for the flowsheet.

This testwork program will allow the definition of a scoping study-level process flowsheet, which will form the basis of plant capital and operating cost estimates for the project. Subsequent programs will include additional testwork to refine and further develop the flowsheet and end product specification.

³ Refer to ASX Announcement 6 August 2024 (Exploration Target for Hematite Fines Project)

⁴ Refer to ASX Announcement 6 August 2024 (Exploration Target for Hematite Fines Project)

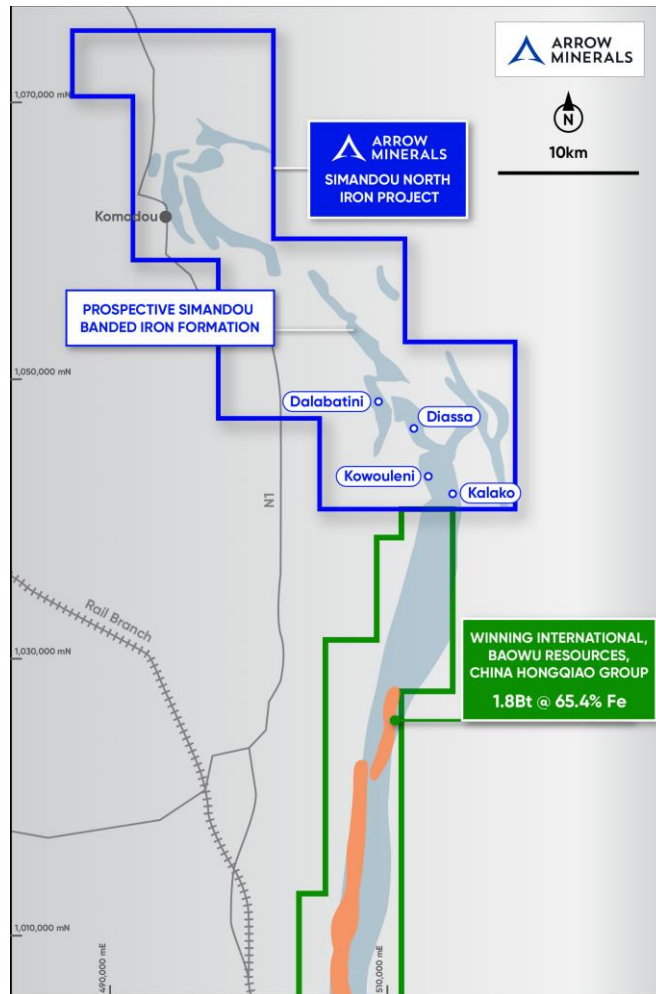


Figure 1. Location of Arrow's Simandou North Iron Project

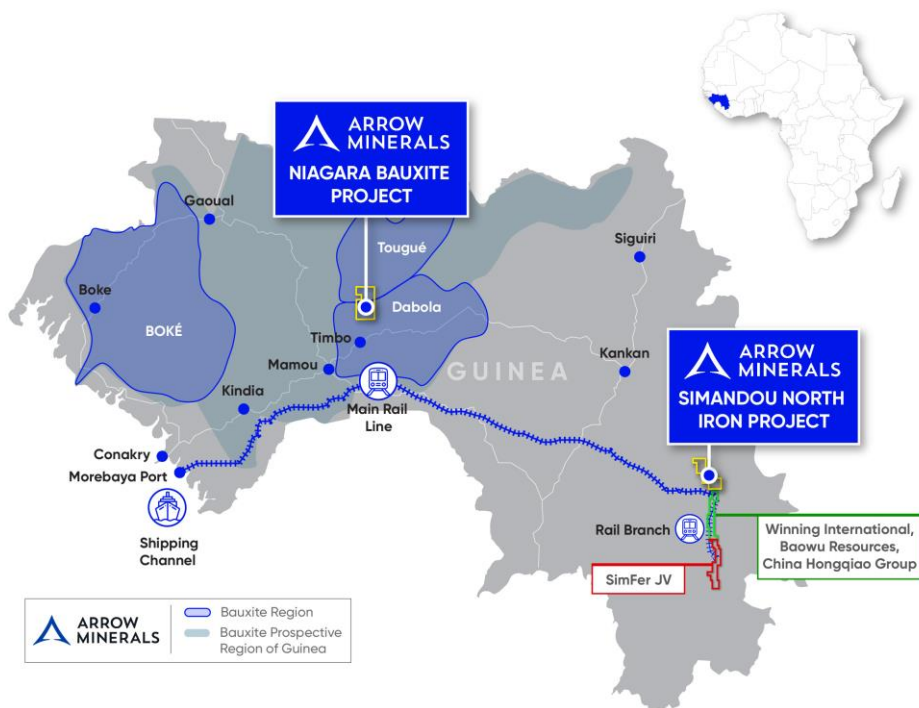


Figure 2. Location of Arrow's Projects in Guinea.

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 is focused on creating value for shareholders through the discovery and development of multiple economic iron ore and bauxite prospects at its Simandou North Iron Project and its Niagara Bauxite Project⁵, located in Guinea, West Africa, and through validation and resource drilling, economic studies, permitting and development pathways. The Company intends to fully realise the value of the Projects by accessing multi-user rail and port infrastructure.

<https://arrowminerals.com.au/asx-announcements/>

<https://www.asx.com.au/markets/company/AMD/>

Competent Persons' Statement

The information in this report that relates to Exploration Targets is based on, and fairly represents, information and supporting documents compiled by Marcus Reston, who is an employee of the Company and is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Reston has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reston is an employee of the Company and has performance incentives associated with the successful development of the Simandou North Iron Project. Mr Reston consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information contained in this announcement that relates to metallurgical information is based, and fairly reflects, information and supporting documents compiled by Mr Aaron Debono, who is a full-time employee of NeoMet Engineering acting for Arrow Minerals Limited and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Debono has sufficient experience which 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, Mineral Resources and Ore Reserves'. Mr Debono consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. These forward-looking statements are based upon a number of estimates, assumptions and expectations that, while considered to be reasonable by the Company, are inherently subject to significant uncertainties and

⁵ Refer to ASX Announcement dated 1 August 2024 entitled "Arrow Expands Bulks Presence with Major Bauxite Transaction" for further details.

contingencies, involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and any of its officers, employees, agents or associates.

Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, to date there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and the Company assumes no obligation to update such information made in this announcement, to reflect the circumstances or events after the date of this announcement.