

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

SEPTEMBER QUARTER HIGHLIGHTS:

- Acquisition of Boromo Gold Limited completed in an all-scrip transaction worth \$3.5 million
- RC drilling at Divole East intersected gold mineralisation in all three targets, including:
 - 3m @ 3.7g/t Au from 53m (including 2m @ 4.8g/t Au)
 - 17m @ 1.2g/t Au from 41m (including 4m @ 2.7g/t Au)
 - 5m @ 1.4g/t Au from 109m (including 3m @ 2.0g/t Au)
- \$1.6 million Tranche 2 placement completed to fund gold exploration in Burkina Faso and Western Australia

ACQUISITION OF BOROMO GOLD LIMITED COMPLETED

During the quarter, Arrow completed the acquisition of Boromo Gold Limited (**Boromo**), via the issue of 10 Arrow shares for each Boromo share and 10 Arrow performance rights (**PR**) for each Boromo PR, valuing Boromo at \$3.5 million (excluding PR). Arrow now owns a 100% interest in six high quality gold exploration projects in Burkina Faso, totalling 2,013km², with drill-ready targets at Divole East and Divole West (*Figure 1*).

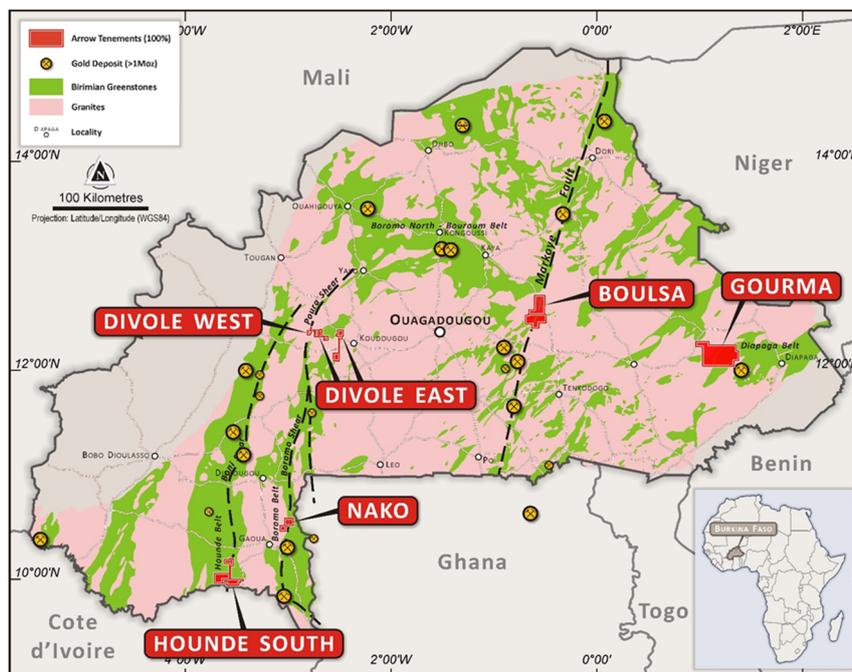


Figure 1: Arrow's Burkina Faso gold exploration projects – location map

Capital Structure

ASX Code:	AMD
Shares on issue:	837.7m
Listed options (AMDOA):	120.9m
Unlisted options:	170.8m
Performance rights:	209.0m

Board and Management

Dr Frazer Tabcart	Non-Executive Chairman
Tommy McKeith	Non-Executive Director
Morgan Ball	Non-Executive Director
Steven Michael	Executive Director
Howard Golden	Chief Executive Officer

DIVOLE EAST GOLD PROJECT

The Divole East Project consists of 28km² of tenements located on the Boromo-Poura Shear Zone. The Boromo Belt hosts several major gold deposits, including the historic Poura gold mine which produced 0.75Moz of gold at an average grade of ~15g/t Au. The Divole East Project was acquired due to its favourable geological setting on the Boromo-Poura Shear Zone and significant gold mineralisation identified in artisanal workings.

In March 2017, 10 diamond holes were drilled (total of 1,962m) on 160m spaced sections to test the significance of gold mineralisation associated with the Divole Main artisanal workings. Gold mineralisation (+1g/t Au) was intersected in eight of the drill holes, with mineralisation associated with a shear zone which may intersect the main north-south structure mined in the artisanal site at the southern end of the workings.

During the quarter, an RC drill campaign was completed to follow up high grade results on the eastern edge of the licence as well as to test N-S structures and laminated veins in the Divole East fold structure (**Figure 2**). The 24 hole RC drilling programme (total 2,385m, average 99m) intersected gold mineralisation at each of the three targets tested:

- a sheared porphyry intersected in first-pass 2017 drilling;
- an interpreted N-S shear zone; and
- laminated quartz veins.

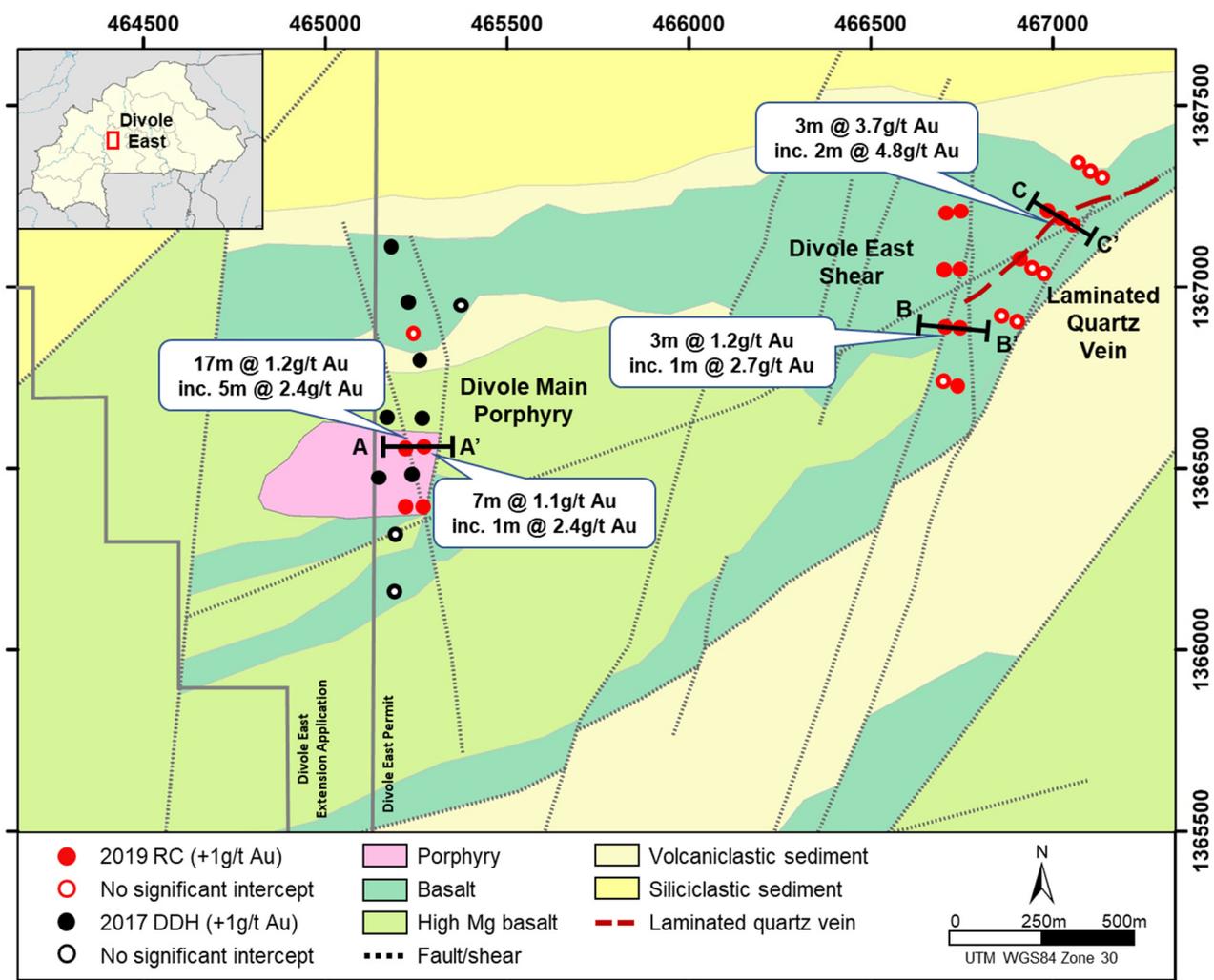


Figure 2: Divole East drill collar locations over geology

Divole Main Porphyry

Five RC holes were completed at Divole Main Porphyry, following up a 2017 diamond drilling programme that intersected up to 9.9m @ 4.3g/t Au. The RC programme confirmed that mineralisation is focussed in a sheared porphyry unit that extends for at least 240m along strike and is open in all directions. A section through the gold-bearing porphyry shows the consistency of mineralisation through the unit, which can be projected to artisanal workings at surface (**Figure 3**).

The best intersections from RC drilling include:

- 17m @ 1.2g/t Au from 41m, including 5m @ 2.4g/t Au (DERC19023);
- 7m @ 1.1g/t Au from 5m, including 1m @ 2.4g/t Au (DERC19022); and
- 2m @ 1.4g/t Au from 44m, including 1m @ 2.4g/t Au (DERC19022).

To date, six holes have intersected the porphyry, all of which have intersected gold grades over 1g/t Au. The porphyry unit does not outcrop but is inferred from geophysical data to extend in all directions away from where it has been encountered in drilling, resulting in the potential for a large mineralised rock volume.

Arrow has applied for an extension to the Divole East licence area to cover the western extension of the mineralised porphyry. The application was lodged in mid-2018 and granting is expected soon, enabling the pursuit of the gold-bearing porphyry at least 700m further to the west.

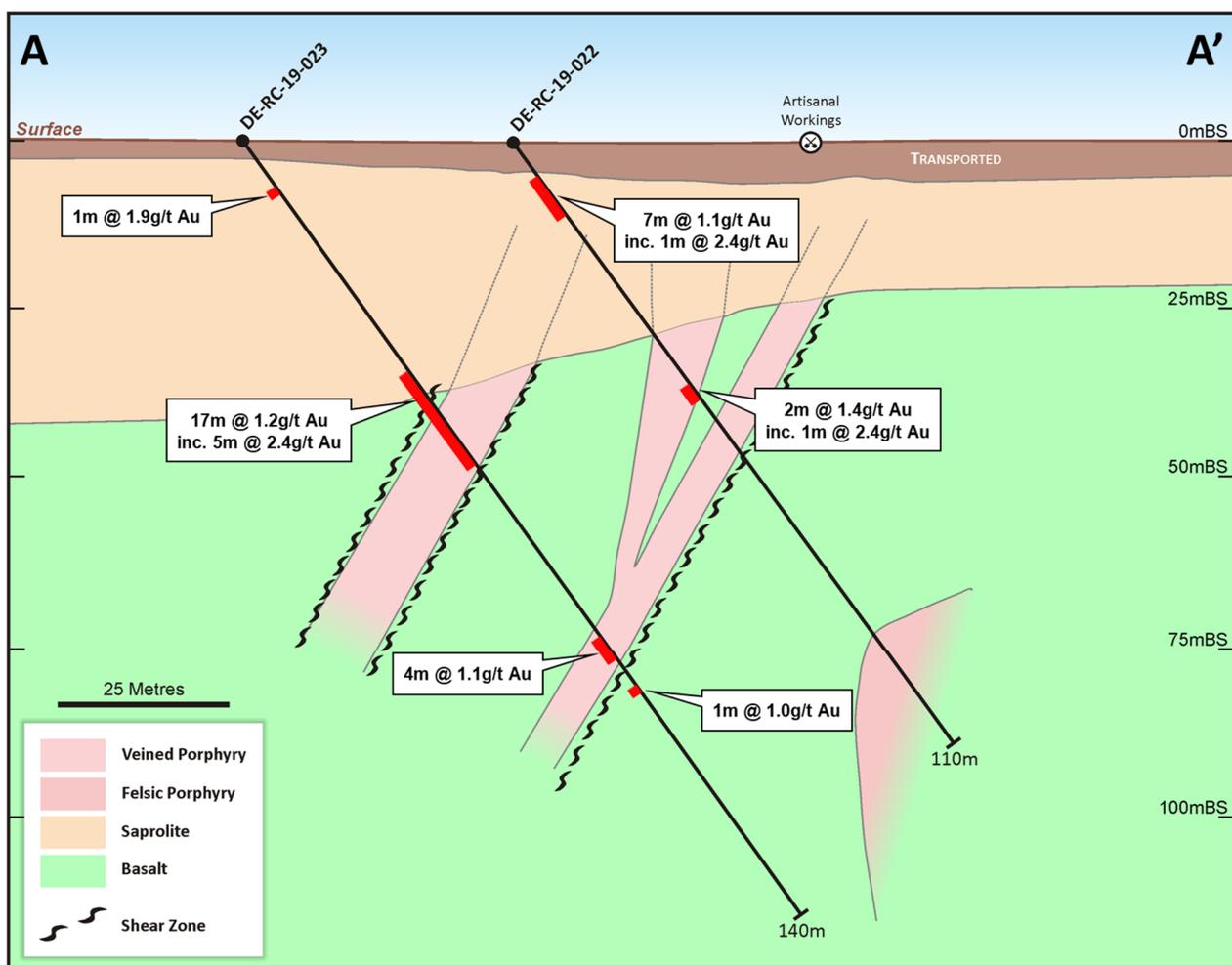


Figure 3: Section A-A' showing geology and significant gold intersections at Divole Main Porphyry

Divole East Shear Zone

Eight RC holes were drilled to test the subsurface continuation of a shear zone that was interpreted from ground geophysics, geological mapping and artisanal workings. The shear zone was confirmed, and gold values and thicknesses continue to indicate that the second order N-S structures at Divole East hosts continuous gold mineralisation (**Figure 4**).

Gold values from drilling on the shear included:

- 3m @ 1.2g/t Au from 71m, including 1m @ 2.7g/t Au (DERC19017);
- 1m @ 2.8g/t Au from 75m (DERC19018); and
- 2m @ 1.5g/t Au from 54m, including 1m @ 2.3g/t Au (DERC19015).

The shear zone is interpreted to continue toward an intersection with earlier vein structures that host high grade mineralisation and expand the potential strike length of the gold mineralisation. The shear system is significant in that the gold mineralisation is reasonably continuous, with seven of the eight holes drilled in the structure intersecting grades greater than 1g/t Au along a strike length of 480m which remains open to the north and south.

The southern end of the drilled shear zone appears to intersect the laminated quartz vein detailed below, potentially creating a zone of structural preparation that presents further exploration potential.

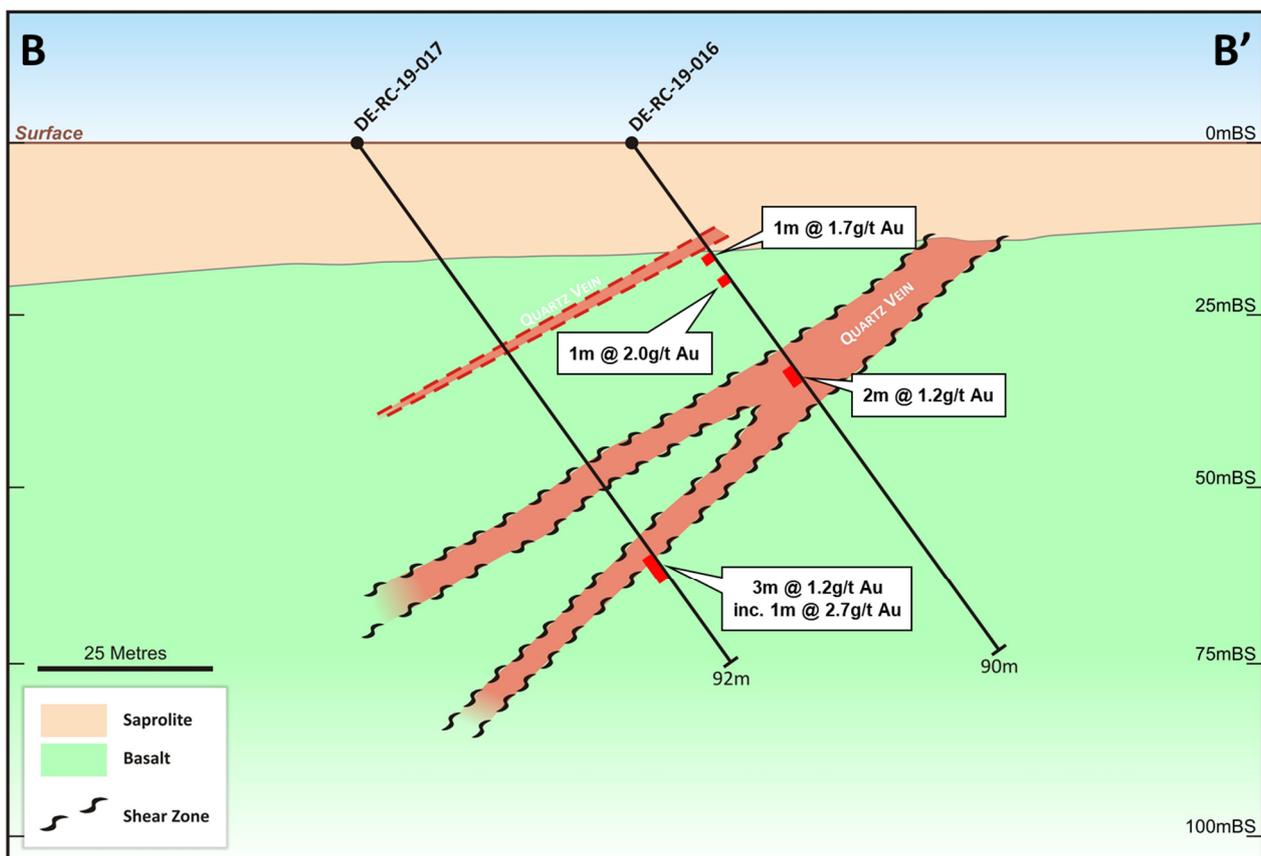


Figure 4: Section B-B' showing geology and significant gold intersections at Divole East Shear Zone

Divole East Laminated Quartz Vein

Laminated quartz veins like those seen at Divole East can host very high-grade gold deposits, for example at Roxgold Inc.'s (TSE: ROXG) Yaramoko deposit, 90km south-west of Divole East, that hosts a laminated vein grading >16g/t Au. Burkina's first commercial scale gold mine at Poura, 90km south of Divole East, mined a high grade vein structure averaging 14.9g/t. The Divole East veins, located on the southern limb of the Divole East fold structure, can be traced for at least 180m in artisanal workings.

Eleven holes were completed at Divole East along the interpreted laminated quartz veins (**Figure 5**).

The best intersections from drilling of the laminated quartz vein include:

- 3m @ 3.7g/t Au from 53m, including 2m @ 4.8g/t Au (DERC19002);
- 5m @ 1.4g/t Au from 109m, including 3m @ 2.0g/t Au (DERC19009); and
- 2m @ 1.1g/t Au from 9m (DERC19002).

RC hole DERC19002 intersected the laminated quartz vein at 53m and returned up to 2m @ 4.8g/t Au, demonstrating the high-grade nature of the veins. Of the eleven holes drilled to target the vein structure, only four intersected the vein and associated gold mineralisation, as the structure appears to be trending more to the ENE than was originally interpreted. Further testing of the structure is required to follow the veins and additional work is also planned to understand the mineralisation, which is of a type that has been found elsewhere to be high-grade but can at the same time be somewhat discontinuous at a detailed scale, requiring detailed drilling to define a continuous volume of mineralised rock.

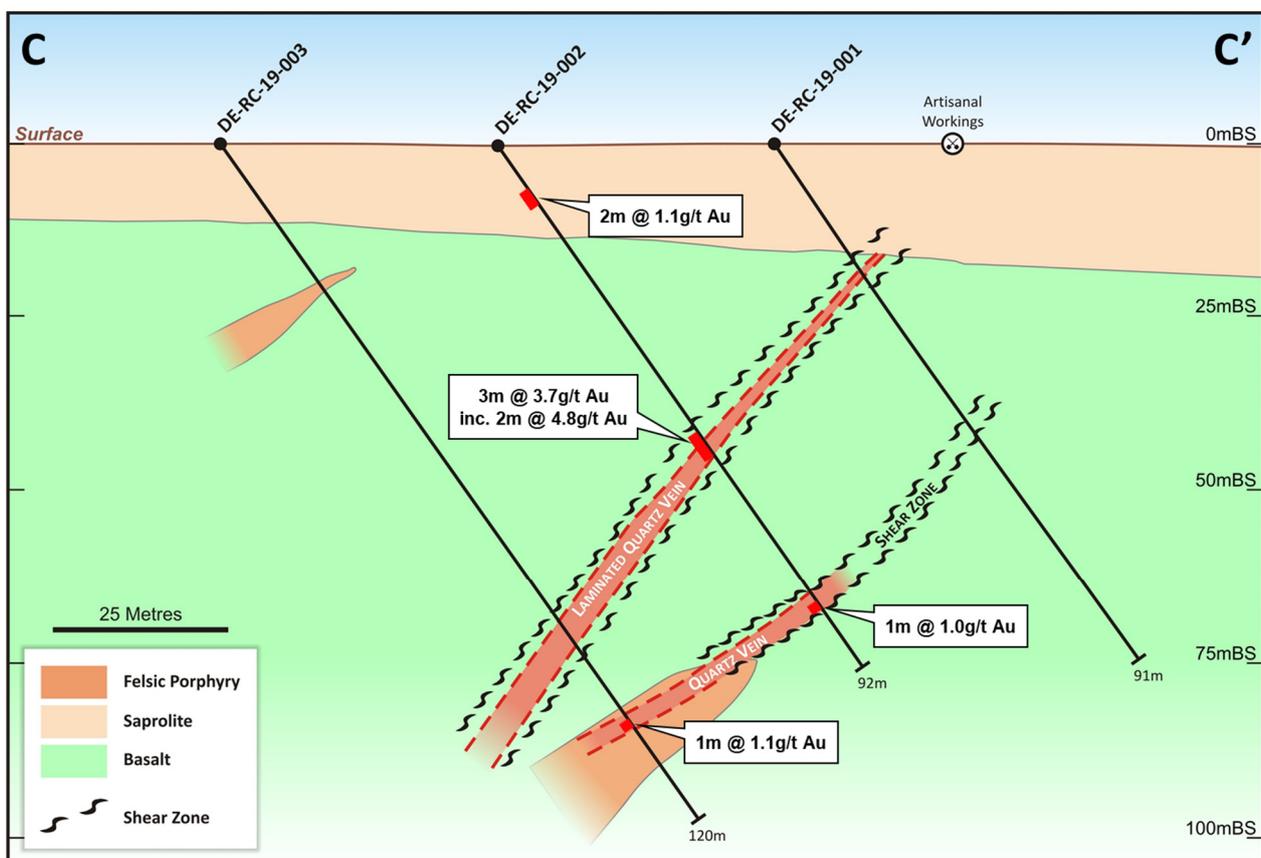


Figure 5: Section C-C' showing geology and significant gold intersections at Divole East Laminated Quartz Vein

DIVOLE WEST GOLD PROJECT

Subsequent to the end of the quarter, Arrow announced that a maiden drilling programme at Divole West will commence in early November. The drilling follows soil geochemistry completed in late 2017 that confirmed a strong coherent 3km gold-in-soil anomaly with values up to 400ppb Au. These results were followed up by a programme of auger sampling that concluded in March 2018 comprising a total of 164 holes for 1,064m of auger drilling (average depth 6m).

The auger work defined a previously unknown gold mineralised system with over 2km of strike length with multiple high gold values including 6.1g/t, 4.4g/t and 3.6g/t gold. As shown in **Figure 6**, large continuous zones of >50ppb gold in auger samples are rare in this environment and are evidence of a very significant zone of potentially high-grade bedrock gold mineralisation ready for drill testing.

The current interpretation of the auger geochemical anomalies suggests an array of northerly trending mineralised splay structures off the Poura shear zone, a structure that hosts the historically mined Poura deposit. The drilling pattern planned for completion in November this year is designed to test these structures and will comprise 33 RC holes for 3,000m of drilling (average depth 90m).

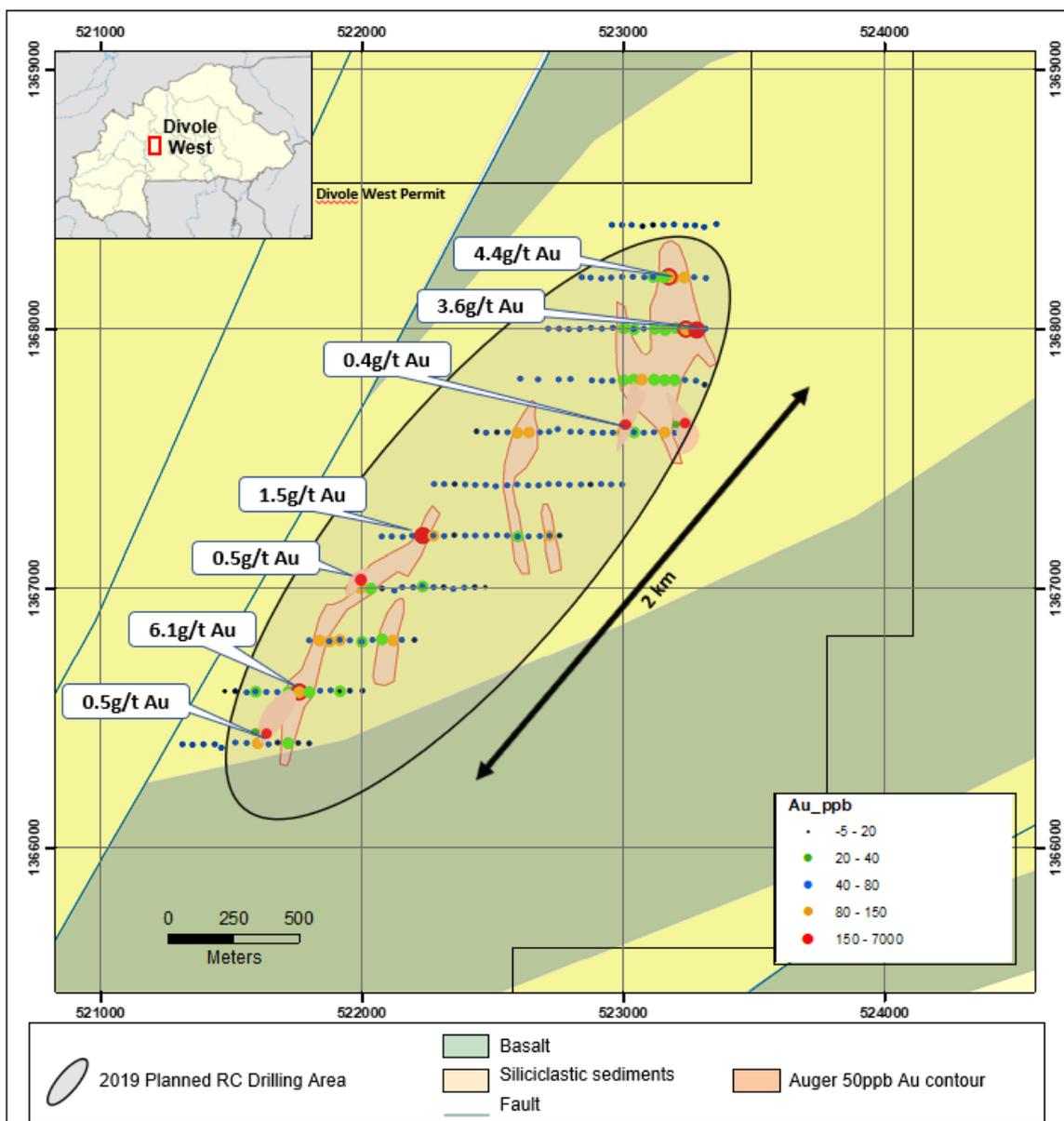


Figure 6: Divole West significant auger results and Q4 2019 RC drilling area

PLUMRIDGE NICKEL PROJECT (AMD 10%, Independence Group NL 90%)

During the quarter, Arrow's joint venture partner in the Plumridge Nickel Project (**Plumridge**), Independence Group NL (ASX: IGO) (**IGO**), completed diamond drill holes at four bedrock targets that were identified using the aircore drilling, AEM and MLEM datasets (**Figure 7**). The modelled EM conductor plates were intersected at each target with downhole EM completed to identify any additional off-hole conductors (assay results have not yet been received for any of the diamond holes). The source of each of the conductors is described as:

- Regal – disseminated sulphide in graphitic gneiss (plus an untested off-hole conductor)
- Perle – sulphide-bearing graphitic gneiss
- Meera – sulphide-bearing graphitic gneiss
- Mafic – graphitic gneiss

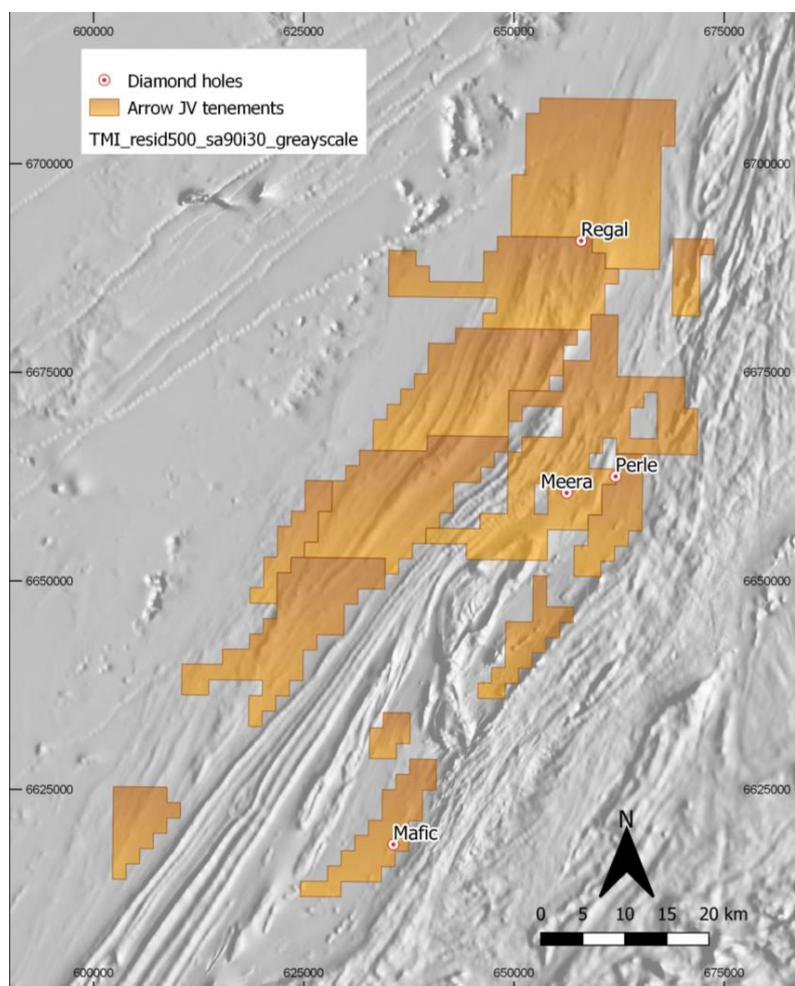


Figure 7: EM conductor targets diamond drill-tested at Plumridge

Table 1 – Diamond drillhole information

Hole ID	Easting	Northing	RL	Dip	Azi	EOH	Target
19AFDD1004	657996	6690752	192m	-70	290	548.7m	Regal
19AFDD1005	662077	6662506	223m	-60	105	385.2m	Perle
19AFDD1006	656274	6660539	224m	-70	130	290.0m	Meera
19AFDD1007	635660	6618390	200m	-65	130	171.0m	Mafic
19AFDD1007A	635660	6618390	200m	-65	130	480.0m	Mafic

IGO completed 269 aircore drill holes for a total of 13,475m (average depth 50m) to infill specific areas from 3km x 800m (drilled in 2018) to 200m – 400m spacing (**Figure 8**). In addition, 19 ground MLEM surveys were completed over targets identified from the SPECTREM AEM survey. MLEM surveys are planned to be completed over a further six targets in the remainder of the 2019 field season (**Figure 9**).

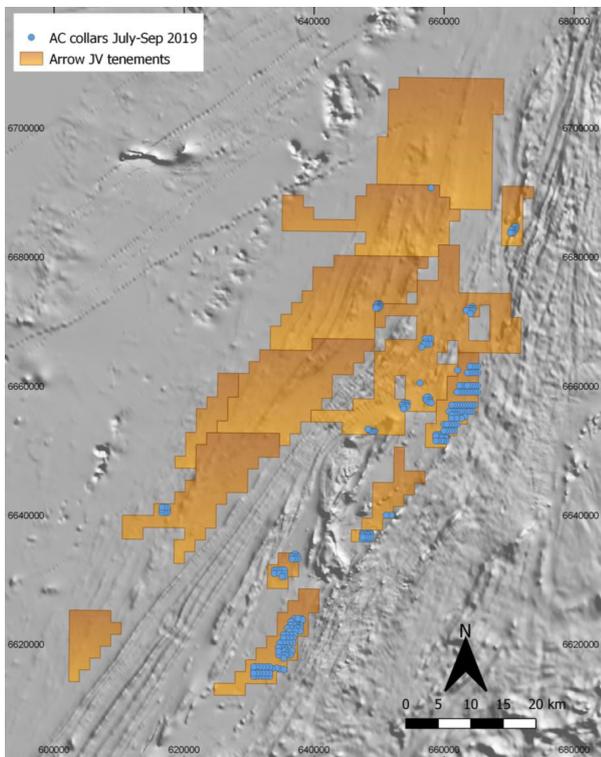


Figure 8: Infill aircore drill collar locations

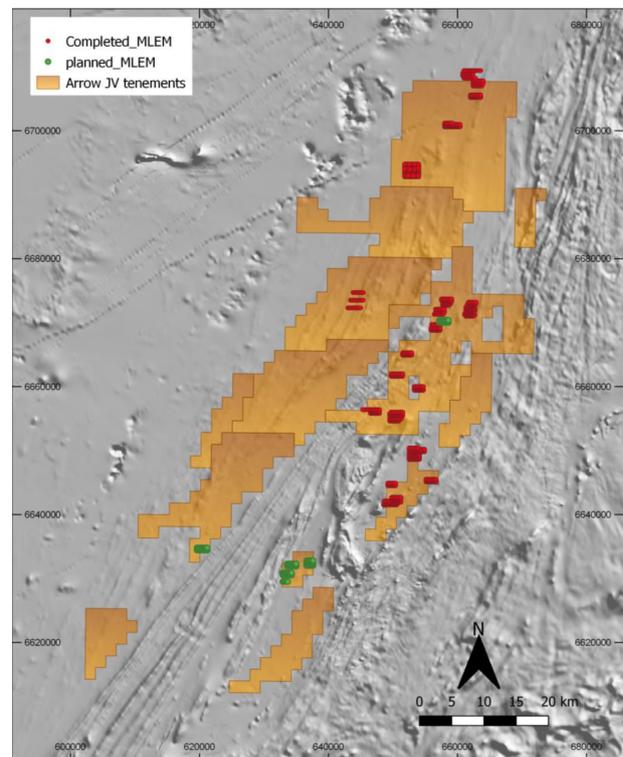


Figure 9: Ground MLEM surveys

CORPORATE AND FINANCIAL

Financial Position

Arrow remains in a strong financial position with \$2.1 million in cash (\$1.2 million), receivables (\$0.1 million) and prepayments for drilling services in Burkina Faso (\$0.8 million).

\$1.6 Million Tranche 2 Placement

During the quarter, Arrow completed the Tranche 2 Placement raising \$1.6 million at an issue price of 1¢ per share plus a 1 for 2 option (strike price 2¢, ex. 22/08/2022). Total proceeds from the two-tranche placement was \$2.1 million.

Capital Structure

The capital structure of Arrow at 30 September 2019 is set out below:

Quoted Securities

Ordinary shares on issue (ASX:AMD)	844,134,519
Options exercisable at 10.0¢ on or before 31/12/2019 (ASX:AMDOA)	120,872,133

Unquoted Securities

Options exercisable at 7.0¢ on or before 31/12/2019	13,146,469
Options exercisable at 2.0¢ on or before 22/08/2022	120,150,000
Options exercisable at 1.45¢ on or before 22/08/2023	37,500,000
Class A Performance Rights subject to performance conditions (ex. 26/08/2022)	69,682,290
Class B Performance Rights subject to performance conditions (ex. 26/08/2022)	69,682,290
Class C Performance Rights subject to performance conditions (ex. 26/08/2023)	69,682,300

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

Arrow Minerals Limited

Mr Howard Golden

Chief Executive Officer

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Howard Golden who is a Member of the Australian Institute of Geoscientists. Mr Golden is a full-time employee of the Company and has more than five years' 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, Minerals Resources and Ore Reserves". Mr Golden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Additionally, Mr Golden confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

Appendix A – Schedule of Western Australian Tenements as at 30 September 2019

Tenement ID	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Strickland Gold Project				
E16/495	Granted	100%	0%	100%
E16/498	Granted	100%	0%	100%
E30/503	Granted	100%	0%	100%
E30/488	Granted	100%	0%	100%
E30/493	Granted	100%	0%	100%
E30/494	Granted	100%	0%	100%
E77/2403	Granted	100%	0%	100%
E77/2416	Granted	100%	0%	100%
E77/2432	Granted	100%	0%	100%
E77/2570	Granted	100%	0%	100%
Malinda Lithium Project				
E09/1618	Granted	50% ¹	0%	50%
E09/2169	Granted	100%	0%	100%
E09/2170	Granted	100%	0%	100%
E09/2197	Granted	100%	0%	100%
E09/2198	Granted	100%	0%	100%
E09/2283	Application	0%	0%	0%
Plumridge Nickel Project				
E28/1475	Granted	10%	0%	10%
E28/2266	Granted	10%	0%	10%
E28/2267	Granted	10%	0%	10%
E28/2317	Granted	10%	0%	10%
E39/1084	Granted	10%	0%	10%
E39/1709	Granted	10%	0%	10%
E39/1710	Granted	10%	0%	10%
E39/1731	Granted	10%	0%	10%
E39/2088	Application	0%	0%	0%
E28/2889	Application ²	0%	0%	0%
E28/2896	Application ²	0%	0%	0%
E28/2900	Application ²	0%	0%	0%
E28/2902	Application ²	0%	0%	0%

1. Subject to confirmation by Zeus Resources Limited.
2. Applications are subject to a ballot.

Appendix B – Schedule of Burkina Faso Tenements as at 30 September 2019

Tenement ID	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Divole East & West				
17/046/MEMC/SG/DGCM	Granted	0%	100%	100%
17/047/MEMC/SG/DGCM	Granted	0%	100%	100%
19/047/MEMC/SG/DGCM	Granted	0%	100%	100%
17/046/MEMC/SG/DGCM	Application	0%	0%	0%
17/046/MEMC/SG/DGCM	Application	0%	0%	0%
Boulsa				
18/152/MEMC/SG/DGCM	Granted	0%	100%	100%
18/153/MEMC/SG/DGCM	Granted	0%	100%	100%
17/046/MEMC/SG/DGCM	Application	0%	0%	0%
Houde South & Nako				
16/226/MEMC/SG/DGCM	Granted	0%	100%	100%
16/227/MEMC/SG/DGCM	Granted	0%	100%	100%
16/228/MEMC/SG/DGCM	Granted	0%	100%	100%
17/046/MEMC/SG/DGCM	Application	0%	0%	0%
Gourma				
17/208/MEMC/SG/DGCM	Granted	0%	100%	100%
17/219/MEMC/SG/DGCM	Granted	0%	100%	100%
17/220/MEMC/SG/DGCM	Granted	0%	100%	100%
17/221/MEMC/SG/DGCM	Granted	0%	100%	100%