

23 August 2018

ARROW SELLS 49% INTEREST IN PILBARA GOLD PROJECT TO PACTON GOLD INC. FOR C\$2 MILLION IN CASH AND SHARES

Arrow Minerals Limited (**Arrow** or the **Company**) is pleased to announce that it has agreed to dispose of its remaining 49% interest in the Pilbara Gold Project (**Project**) to Pacton Gold Inc. (TSXV: PAC) (**Pacton**) for consideration of C\$1,000,000 in cash and 2,000,000 Pacton shares (**Consideration**). The Share Sale Agreement (**Agreement**) has been submitted to the TSX Venture Exchange (**TSXV**) for final acceptance.

The Project consists of two exploration licences and two exploration licence applications totalling 609km² in the Pilbara Region of Western Australia. Arrow sold a 51% interest in the Project to Pacton in May and entered into a joint venture whereby Pacton could increase its interest to 80% through expenditure and payment obligations (*see announcement on 14 May 2018*). The Agreement entered into today enables Pacton to acquire a 100% interest in the Project, while preserving the following rights and obligations to Arrow:

- Pacton will pay Arrow C\$200,000 upon granting of the exploration licence applications, with C\$100,000 paid on the grant of each application;
- Arrow will receive a Discovery Bonus of C\$500,000 in cash upon Pacton publishing a gold resource at the Project of over 100,000oz in accordance with National Instrument 43-101 (TSXV equivalent of the JORC Code); and
- Arrow retains all rights to explore, mine and extract lithium, caesium and tantalum from the Project.

The Consideration is payable within 10 days of receiving final acceptance from the TSXV, with the shares issued to be subject to a voluntary escrow period to 30 June 2019.

Following completion of the transaction, Arrow will own 3,086,957 ordinary shares and 1,086,957 warrants (C\$0.35 exercise price, expiry 22 May 2021) in Pacton with a market value of \$1.8 million.

Commenting on the Agreement with Pacton, Arrow's Managing Director, Mr Steven Michael, said:

"The Agreement entered into today with Pacton over the remaining 49% interest in the Pilbara Gold Project is a great outcome for both companies. Pacton can continue to consolidate, expand and explore its large tenement position in the Pilbara region, while Arrow will benefit from owning ~3.3% of the issued capital of Pacton.

The cash payment of C\$1 million will be used to fund Arrow's exploration activities at the Strickland Gold Project, where the recent drilling programme has intersected considerable bedrock gold mineralisation and confirmed the gold-bearing potential of this project."

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

Arrow Minerals Limited

Mr Steven Michael

Managing Director

E: info@arrowminerals.com.au