ARROW MINERALS

(ABN 49 112 609 846)

AND CONTROLLED ENTITIES

ANNUAL REPORT 2023

For the year ended 31 December 2023

CONTENTS

CORPORATE DIRECTORY

DIRECTORS

Mr Jeff Dowling	Non-Executive Chair
Mr David Flanagan	Managing Director
Mr Tommy McKeith	Non-Executive Director
Mr Alwyn Vorster	Non-Executive Director

COMPANY SECRETARY

Ms Catherine Grant-Edwards

Ms Melissa Chapman

PRINCIPAL & REGISTERED OFFICE

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BANKERS

National Australia Bank Limited

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Perth WA 6000

SHARE REGISTRY

Automic

Level 5, 126 Phillip Street

Sydney NSW 2000

Telephone 1300 288 664

STOCK EXCHANGE LISTING

Arrow Minerals Limited shares (**AMD**) are listed on the Australian Securities Exchange (**ASX**)

DIRECTORS' REPORT

The Directors of Arrow Minerals Limited (**Arrow** or the **Company**) submit their report, together with the consolidated financial statements comprising Arrow and its controlled entities (together the **Group**) for the year ended 31 December 2023.

In December 2022, the Board resolved to change the Company's financial year end from 30 June to 31 December. This change was made in accordance with section 323D(2A) of the Corporations Act 2001 (Cth) to align the financial year end of the Company with the financial year end of its West African subsidiaries and associated entities. This Annual Report represents the twelve-month financial year to 31 December 2023. The previous Annual Report represented the six-month transitional financial year beginning on 1 July 2022 and ending on 31 December 2022, which reflect the comparatives in this Annual Report.

INFORMATION ON DIRECTORS

The names and particulars of the Directors of the Company during or since the end of the year are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Jeff Dowling	Non-Executive Chairman *(Appointed 15 February 2024)*	
Experience	Mr Dowling has more than 45 years' experience across professional services with Ernst and Young and various mining companies. He served as a director of Atlas Iron during a period of rapid growth and cost cutting. He was also Chair of Sirius Resources prior to its takeover by Independence Group.	
Directorships of listed companies held within the last three years	Fleetwood Limited	July 2017 to present
	S2 Resources Limited	May 2015 to present
	NRW Holdings Limited	August 2013 to present
	Waratah Minerals Limited *(previously Battery Minerals Ltd)*	January 2018 to September 2023
David Flanagan	Managing Director *(Appointed 15 February 2024)*	
Experience	Mr Flanagan has 30 years' experience in the mining and mineral exploration industry in Australia, Indonesia, and Africa. Mr Flanagan was the founder and Manging Director of Atlas Iron Limited where the company discovered and acquired substantial iron ore resources and reserves and developed substantial export infrastructure in the Pilbara region of Western Australia. Mr Flanagan was also Chair of Battery Minerals and Executive Chair of Delta Lithium.	
Directorships of listed companies held within the last three years	Delta Lithium Limited	August 2022 to September 2023
	Waratah Minerals Limited *(previously Battery Minerals Ltd)*	July 2019 to September 2023
		September 2021 to October 2022
	MACA Limited	April 2020 to September 2021
	CZR Resources Limited	

Thomas McKeith	Non-Executive Director *(Transitioned from Non-Executive Chair to Executive Chair effective 7 November 2023, then to Non-Executive Director effective 15 February 2024)*	
Experience	Mr McKeith is a geologist with over 30 years' experience in exploration, development and mining. He was formerly Head of Growth for Gold Fields Ltd and CEO of Troy Resources. Mr McKeith led teams that discovered and developed several significant discoveries (near mine and greenfields) in Australia, Mali, Ghana, Peru and Chile. He has been instrumental in several major operating mine and resource project acquisitions in Australia, Canada, Brazil, Venezuela, and Burkina Faso. Mr McKeith is also a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM).	
Directorships of listed companies held within the last three years	Evolution Mining Limited	February 2014 to present
	CleanTech Lithium PLC *(AIM-listed)*	June 2023 to present
	Genesis Minerals Limited	November 2018 to September 2022
	Prodigy Gold NL	June 2016 to September 2021

Alwyn Vorster	Non-Executive Director	
Experience	Mr Vorster has extensive corporate, marketing and project development experience in the bulk commodities arena (particularly iron ore) having previously been Managing Director for BCI Minerals and Iron Ore Holdings, as well as holding senior roles with Aquila Resources, Rio Tinto Iron Ore and Kumba Resources. Mr Vorster has a proven track record of creating shareholder value from the discovery of bulk mineral deposits, through studies, approvals, funding, offtake, infrastructure solutions and development, with projects including Hope Downs, Iron Valley, Buckland and Mardie Salt & Potash. Mr Vorster's qualifications include BSc (Hons) Geology, MSc Mineral Economics and MBA degrees.	
Directorships of listed companies held within the last three years	ChemX Materials Ltd	October 2022 to present
	Lindian Resources Ltd	August 2023 to present
	Alien Metals Ltd *(AIM-listed)*	August 2023 to March 2024
	BCI Minerals Limited	September 2016 to September 2022

Hugh Bresser	Managing Director *(Resigned 7 November 2023)*
Experience	Mr Bresser has a career in exploration spanning more than 30 years. He has served in executive roles with Billiton, BHP Billiton and Birimian Ltd and has previously held board positions in several listed companies. Mr Bresser has significant experience in mineral exploration, executive management, mergers and acquisitions, governance, government and community relations in the global resources industry. He holds a BSc (Hons – First Class) in geology from James Cook University and an MBA from Melbourne Business School, Mt Eliza. Mr Bresser is a Member of the AusIMM and AIG.
Directorships of listed companies held within the last three years	None

Frazer Tabeart	Non-Executive Director *(Resigned 15 February 2024)*	
Experience	Dr Tabeart is a graduate of the Royal School of Mines with a PhD and Honours in Mining Geology. He has over 30 years' experience in international exploration and mining projects, including 16 years with WMC Resources and 17 years with the Mitchell River Group of Companies. Dr Tabeart is a member of the Australian Institute of Geoscientists (AIG) and a member of the Society of Economic Geologists.	
Directorships of listed companies held within the last three years	Alma Metals Limited	November 2007 to present
	PolarX Ltd	July 2017 to present

JOINT COMPANY SECRETARY

Ms Catherine Grant-Edwards (Chartered Accountant (CA)) and Ms Melissa Chapman (Certified Practicing Accountant (CPA), AGIA/ACIS, GAICD) are directors of Bellatrix Corporate Pty Ltd (**Bellatrix**), a company that provides company secretarial and accounting services to a number of ASX listed companies. Between them, Ms Chapman and Ms Grant-Edwards have over 30 years' experience in the provision of accounting, finance and company secretarial services to public listed resource and private companies in Australia and the UK, and in the field of public practice external audit.

REVIEW OF OPERATIONS

GUINEA

Simandou North Iron Project

During 2023 Arrow continued the Company's strategic focus on delivering long-term value to shareholders through the discovery and development of economic mineral deposits in West Africa. The primary focus during the period was the Simandou North Iron Project where the Company is earning up to 100% through various expenditure and development milestones as announced to ASX on 13 July 2022 and 30 August 2023. The Company was drawn to the project by the highly prospective nature of the geology combined with the pending completion of the multi-user railway linking the Simandou Iron Project (under development by Winning[1]/Simfer(RIO/Chalco) with the Morebaya Port (Figure 1). The combined investment by all the parties totalling USD $27Bn in port, rail and mine, make this the largest mining project under development in Africa and the largest high grade iron ore project in the world[2,3]. The Company sees substantial opportunity for shareholder value delivered by both access to shared infrastructure and the prospectivity for economic iron ore. JV[4] participant Rio Tinto has advised the railway (Figure 1) will be commissioned during calendar year 2025.

1 Winning Consortium refers to 1.8B t of Reserves grading 65% Fe on its website www.wcsglobal.com/en/csr_part/project-description.

2 Refer ASX Release Rio Tinto Resources and Reserves Estimate for Simandou published 6 December 2023 and Simandou Iron ore project update published 6 December 2023. Combined resources being the largest high grade deposit in the world refers to Simfer JV plus the Winning Consortium as per Rio announcement.

3 SimferJV portion of capital spend published at 42.5% is USD $11.6Bn therefore 100% total spend is USD $27.3Bn.

4 Trans-Guinean rail and port infrastructure Joint Venture between Simfer (Rio Tinto), Winning Consortium Simandou and the Government of the Republic of Guinea.

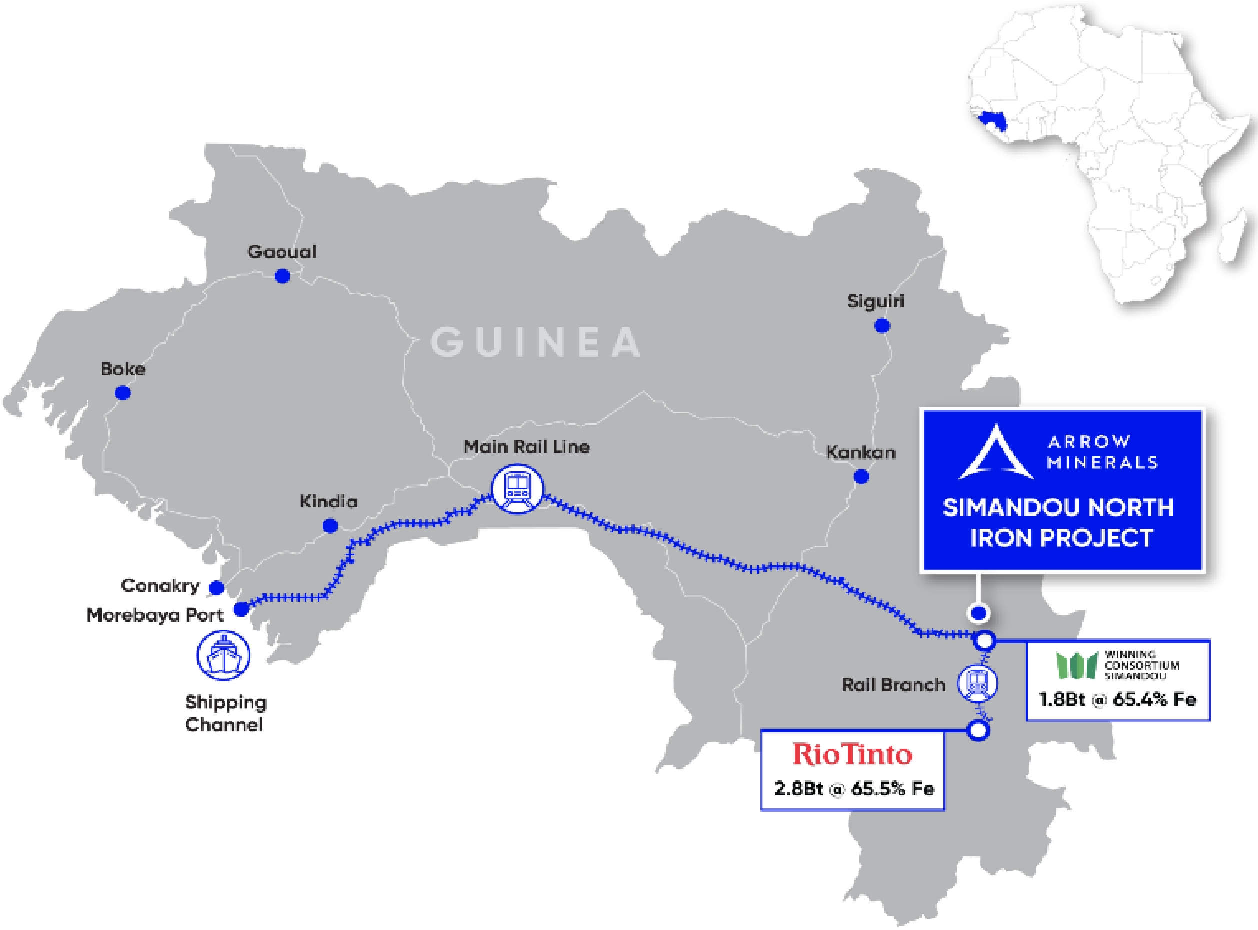

Figure 1: Map of Guinea showing project location in proximity to neighbouring Simandou Iron Project and multi-user rail

The Simandou North Iron Project (Figure 2) is located immediately to the north of the Simandou Iron Project, the largest undeveloped high grade iron ore project comprising combined resources and reserves of 4.6Bn at 65% Fe[5,6]. The Company is focused on the timely advancement of the Simandou North Iron Project, which is located approximately 15 kilometres north of the Winning Consortium, high grade iron deposit (1.8Bnt at 65% Fe) and just 25 kilometres from the multi-user railway.

[5] Refer ASX Release Rio Tinto Resources and Reserves Estimate for Simandou published 6 December 2023 and Simandou Iron ore project update published 6 December 2023. Combined resources being the largest high grade deposit in the world refers to Simfer JV plus the Winning Consortium as per Rio announcement.

[6] Winning Consortium refers to 1.8B t of Reserves grading 65% Fe on its website www.wcsglobal.com/en/csr_part/project-description.

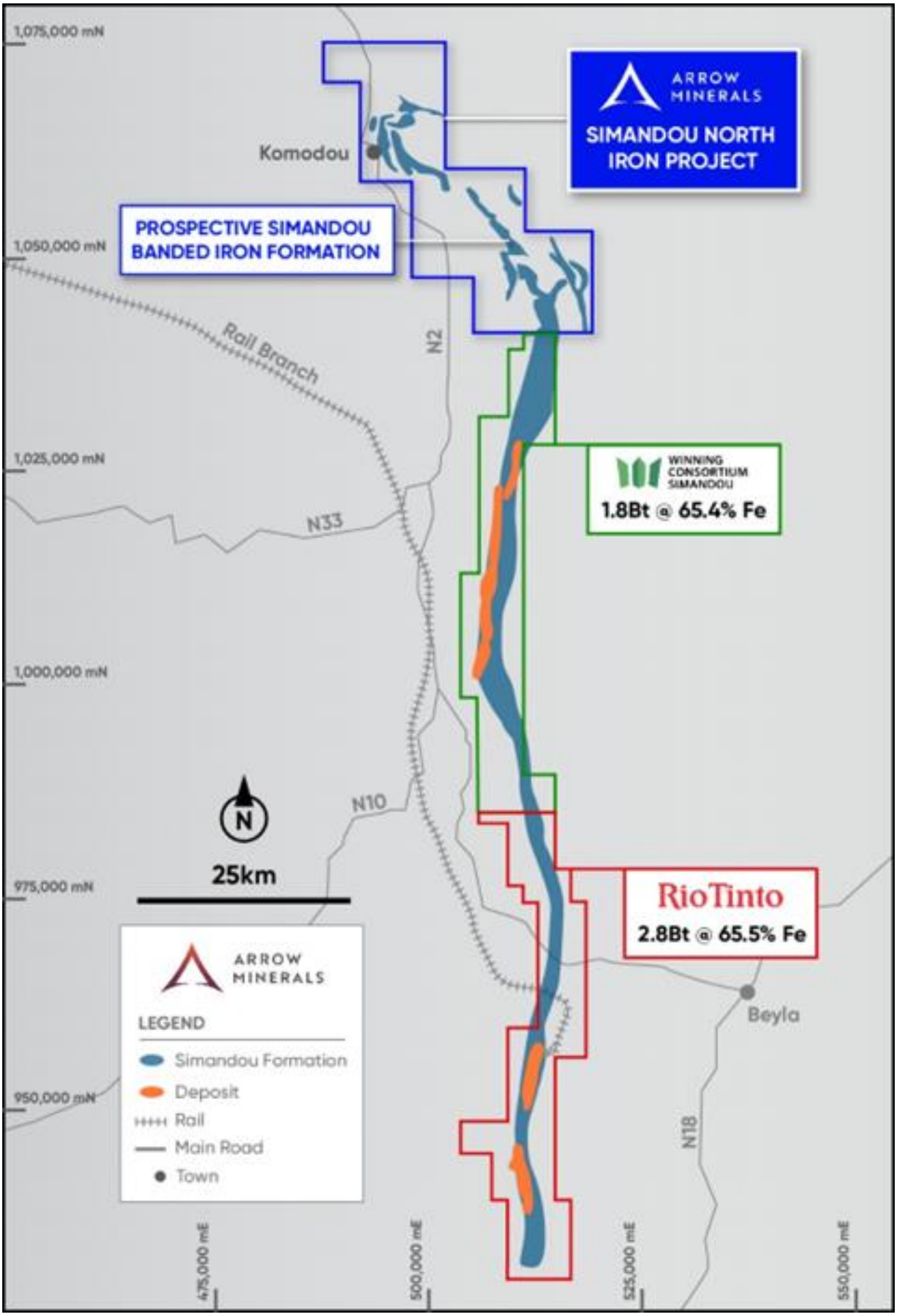

Figure 2: Map of Simandou North Iron Project tenement in proximity to railway and mining operations currently under construction by the Winning Consortium and Rio Tinto.

Key Milestones achieved during 2023 included comprehensive remodelling and interpretation of geophysical data, geological mapping and rock chip sampling that combined identifying up to 40 kilometres of strike of the prospective Simandou Iron formation. and drilling of Sixteen (16) diamond holes were also completed during mid-2023 as part of an initial programme of scout drilling. Rock chip sampling completed as part of this field work comprised of a total of 253 rock chip samples, which highlighted 4 target areas for follow up work; being Dalabatini, Kowouleni, Diassa, and Kalako.

Prior to commencing drilling works, extensive community consultation work was completed throughout the project area introducing the Company and its planned exploration activities.

On completing community consultation the Company's geologists completed first pass scout drilling at the Dalabatini and Kowouleni prospects, with 5 and 11 holes respectively at each prospect respectively for a total 826 metres of drilling (Figure 3). Drilling was completed with a MAN man-portable diamond drill rig, and produced a combination of HQ3 core in oxidised and enriched lithologies, and NQ and HQ core in fresh lithologies at depth. The geology intersected was highly encouraging and confirmed the presence of sub surface iron enrichment associated with, and hosted by within the Simandou Iron Formation.

Results achieved from scout drilling (ASX Announcement 3 October 2023) include:

- **DALDDH001:**
  - **12 metres at 55% Fe from 2 metres;**
- **DALDDH002:**
  - **4 metres at 59.8% Fe from surface;**
- **DALDDH003:**
  - **12 metres at 60.1% Fe from 2 metres;**
  - **4 metres at 57.2% Fe from 38 metres; and**
  - **4 metres at 56.2% Fe from 44 metres;**
- **KOWDDH008:**
  - **2 metres at 54.1% Fe from surface;**
  - **2 metres at 56.7% Fe from 12 metres; and**
  - **4 metres at 55% Fe from 34 metres.**

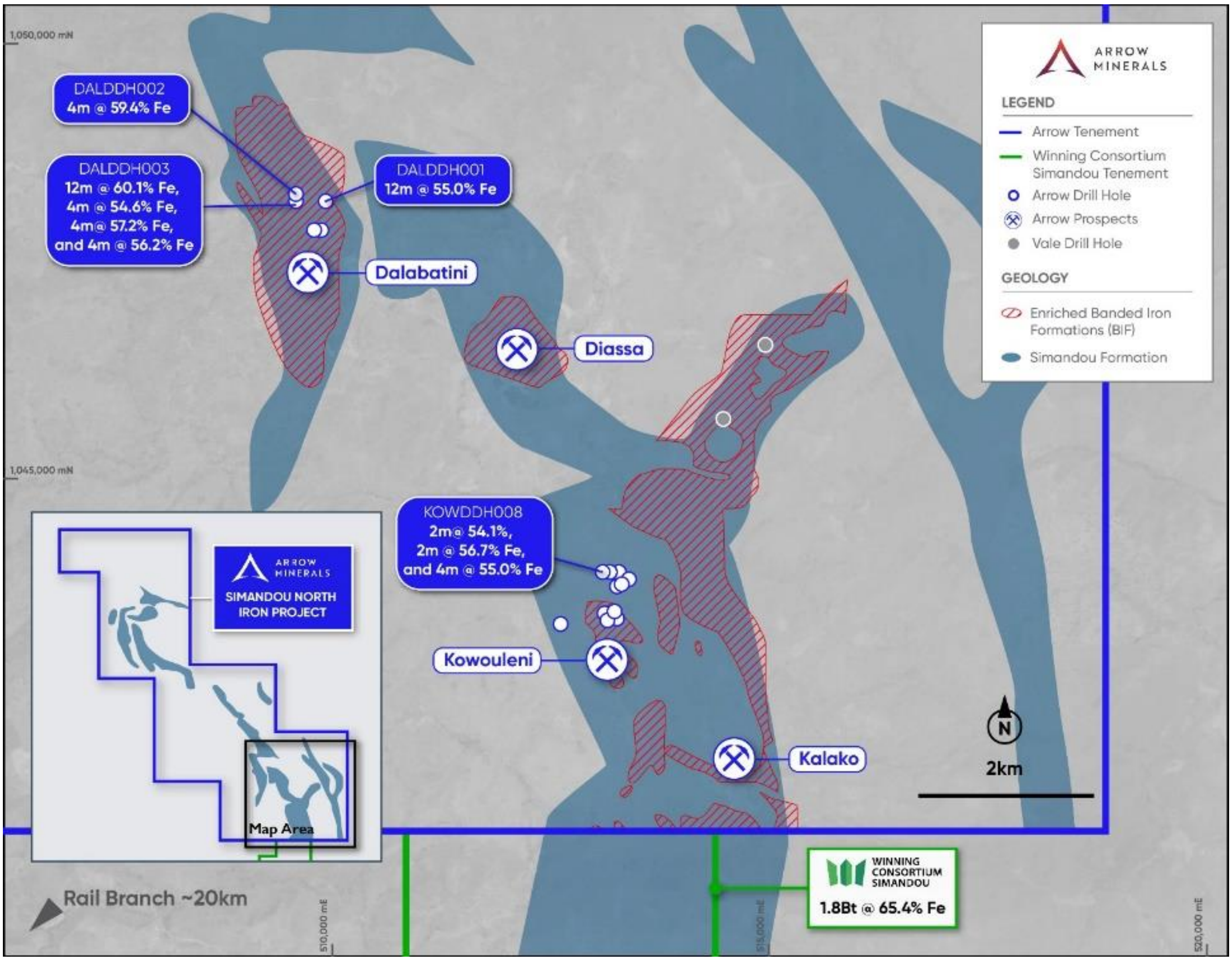

Figure 3: Map showing the location of the Dalabatini, Kowouleni, Diassa, and Kalako prospects with drill holes, significant intercepts and mapped surface enrichment.

Importantly, in concluding this drilling programme in conjunction with the results of mapping and rock chip sampling, the Company has identified approximately 25 kilometres of combined strike, enriched in iron within the tenement and the Simandou Iron Formation. As shown in Figure 4 below, the scale of the mapped enrichment provides extensive targets for drill testing across strike approximating 25 kilometres. Appropriately, the Company sought to raise sufficient funds to commence a systematic campaign of exploration across the project.

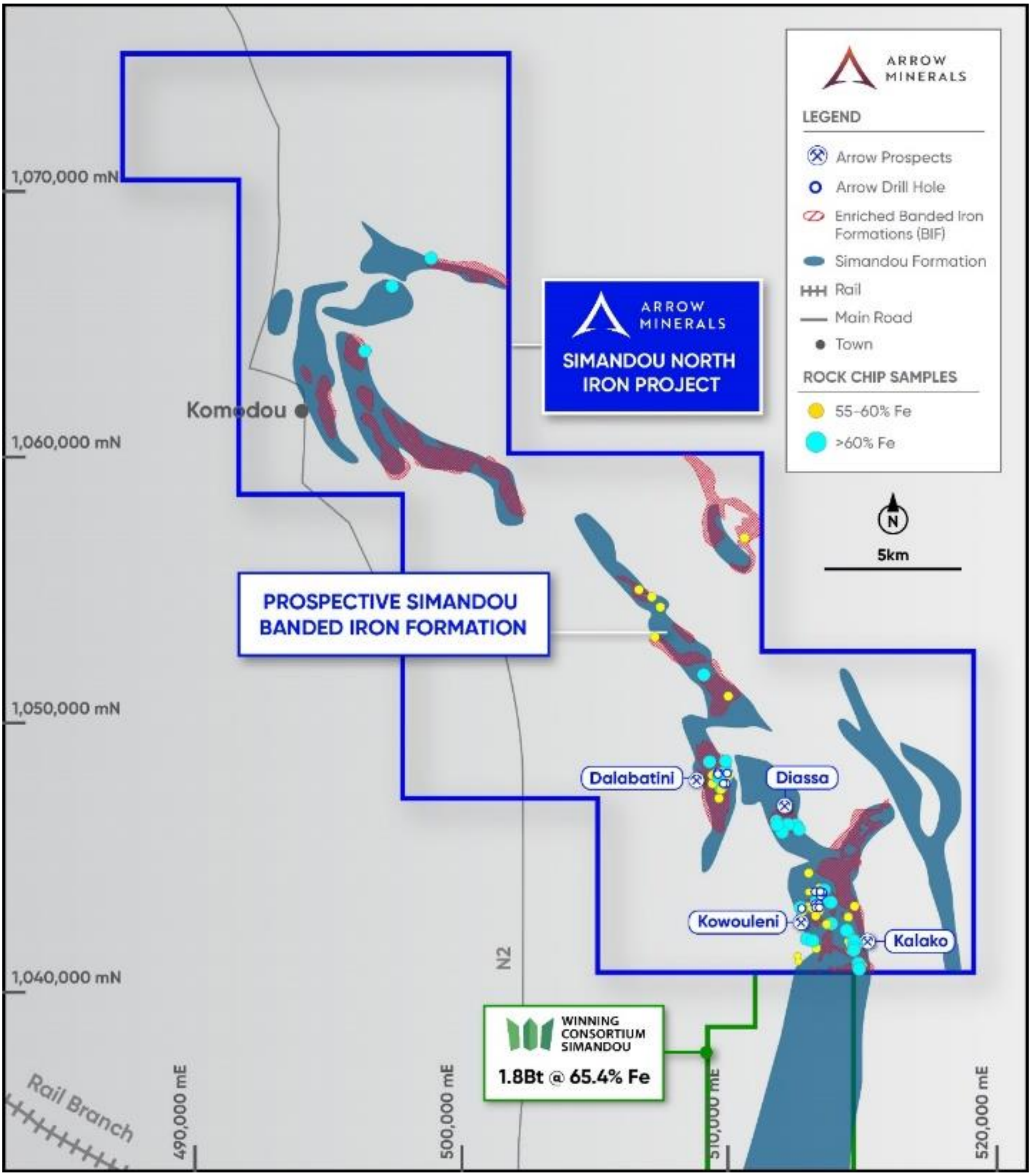

Figure 4: Interpreted extent of the Simandou iron formation, mapped surface enrichment and limited drilling completed to date.

As disclosed to the market on 13 December 2023 and in subsequent releases to the ASX and further in subsequent events listed in this report, the Company has undertaken to restructure the board, raise substantial funds ($14M) in order to recommence drilling and acquire 100% of the beneficial and legal ownership of the Simandou North Iron Project. Drilling recommenced on site on 9 February 2024.

BURKINA FASO

Arrow has suspended all field activities in Burkina Faso due to ongoing security concerns. The Company informed the Government of Burkina Faso of 'Force Majeure'. The Company maintains a limited presence in the country to monitor the situation and is taking appropriate steps to seek to maintain and protect its project interests in Burkina Faso.

WESTERN AUSTRALIA

On the 7 of August 2023 the Company announced it had entered into an agreement to divest the Li mineral rights to tenements E47/3476 & E47/3478 in exchange for $250,000 in cash and 250,000 in shares. Arrow Minerals retains a 1% NSR royalty on the tenements and in the event that Arrow wishes to divest the royalty Raiden retains a first right of refusal.

Competent Persons Statement

The information in this report that relates to Exploration Results collected since December 2023 is based on information compiled by Marcus Reston, a Competent Person who 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 employed by EGSS Pty Ltd, and provides technical consultancy services to the Company. Mr Reston is entitled to options over shares in the Company, the granting conditions of which were dependent on successful completion of consultancy services related to 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.

Confirmation

The information in this report that relates to Exploration Results completed prior to December 2023 is extracted from the report titled ''Scout Diamond Drilling Confirms High-Grade Iron Potential' dated 3 October 2023 (ASX Announcement), and is available to view on the Company's website, and on the Australian Securities Exchange website.

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

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

The Company confirms that it is not aware of any new information or data that materially affects the information included in that report. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that report.

CORPORATE

The following significant transactions and events occurred during the year:

Placement for $2,695,000

On 15 February 2023, the Company announced it had received firm commitments to raise $2,695,000 via a placement of 490,000,002 ordinary shares (**Placement A Shares**) to sophisticated and institutional investors at an issue price of $0.0055 per share (Issue Price), together with a one for two (1:2) unlisted option, exercisable at a 50% premium to the Issue Price on or before 22 February 2024 (**Placement A Options**) (**Placement A**).

Placement A includes participation by Directors of the Company, who subscribed for 17,272,728 Shares (value of $95,000), subject to receipt of shareholder approval (**Director Placement A Shares**).

Placement A was managed by Euroz Hartleys Limited (**Euroz Hartleys**). Pursuant to a mandate executed between the parties, Euroz Hartleys are entitled to receive a 6% equity raising fee on Placement proceeds raised from investors introduced by Euroz Hartleys, and a management fee of 2% on all other proceeds. In addition, Euroz Hartleys were entitled to receive unlisted options on a one for twelve (1:12) basis of shares issued under Placement A (excluding Director A Placement Shares), exercisable at a 50% premium to the Issue Price on or before on 22 February 2024 (**Broker Options A**). Euroz Hartleys were also entitled to receive 40,000,000 unlisted options exercisable at $0.007 on or before 22 February 2026 (**Adviser Options A**).

Placement A was completed via two tranches as follows:

- Tranche 1 – consisting of 374,545,455 Shares (**Tranche 1 Placement A Shares**) raising $2,060,000. The Tranche 1 securities were issued on 23 February 2023 and 3 March 2023 using the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, and included the Tranche 1 Placement A Shares, Tranche 1 Placement A Options, Adviser Options A, and the portion of Broker Options A linked to the Tranche 1 proceeds; and
- Tranche 2 – consisting of 115,454,547 Shares (**Tranche 2 Placement A Shares**) to raise $635,000. Shareholder approval for the issue of the Tranche 2 Placement A Shares, (including the Director Placement A Shares), the Tranche 2 Placement A Options, and the balance of the Broker Options A was received at the Company's General Meeting held on 5 April 2023, and the securities were issued on 17 April 2023.

Rights to Earn a 100% Interest in Amalgamated Minerals Pte. Ltd (via milestones)

Under the terms of the Definitive Binding Agreement (referred to in the previous Annual Report) Arrow holds a beneficial 33.3% interest (at 31 December 2023) in the Simandou North Iron Project in Guinea, West Africa (Project), via its 33.3% shareholding in Amalgamated Minerals Pte. Ltd (**Amalgamated**) a private Singaporean registered company, and can increase this to a 60.5% controlling interest (see ASX announcement 24 October 2022).

On 30 August 2023 the Company announced it had executed a binding term sheet to acquire the remaining 39.5% interest in Amalgamated, providing a mechanism, which would give Arrow a 100% interest in the Project.

Key commercial milestones are:

- 80% ownership through the completion of a Pre-Feasibility Study or expenditure of A$15,000,000, whichever is less;
- 90% ownership through the completion of a Feasibility Study or expenditure of an additional A$22,500,000, whichever is less;
- 100% ownership following Amalgamated reaching a decision to mine in exchange for a US$1/tonne royalty.

Refer to "Subsequent Events" section for details of a revised agreement reached regarding the 100% interest.

Sale of Residual Mineral Rights, Western Australia

On 7 August 2023 the Company announced that it entered into a binding option and earn-in agreement with Raiden Resources Limited (ASX:RDN) (**Raiden**) for the sale of Arrow's lithium-caesium-tantalum (Li-Cs-Ta) mineral rights in tenements E47/3476 & E47/3478 located in the Pilbara, Western Australia (**Mineral Rights**).

Under the terms of the agreement, Raiden may either:

- Purchase a 100% interest, for $550,000 (cash and shares) within 3 months, with Arrow retaining a 1% NSR royalty; or
- earn up to an 85% interest through staged payments totalling $750,000 and meeting exploration expenditure commitments of $8,000,000.

On 6 November 2023 the Company announced that Raiden had elected to exercise the Upfront Option to acquire 100% of the Mineral Rights. Pursuant to the terms of the Agreement, Arrow received $300,000 in cash and $250,000 in RDN shares.

Arrow retains a 1% Net Smelter Royalty (NSR) over the Mineral Rights, with Raiden retaining the first right of refusal if Arrow wishes to sell the NSR.

Recapitalisation and Board Restructure

On 13 December 2023, the Company announced a recapitalisation and Board restructure aimed at unlocking the potentially significant value of its Simandou North iron project in Guinea, West Africa. Refer to the "Subsequent Events" section for further details of the recapitalisation and board restructure plan.

Under the plan, Tranche 1 of the Placement raising $450,000 (before costs) was completed on 22 December 2023 under Arrow's existing Listing Rule 7.1 placement capacity.

CHANGES IN CAPITAL STRUCTURE

Movements in the securities of the Company during the year is summarised as follows:

Shares

The following shares were issued during the year:

- 490,000,002 shares were issued (being the Placement A Shares); and
- 450,000,000 shares were issued (being the Tranche 1 Placement B Shares).

Convertible Notes

There were no movements in the number of Convertible Notes on issue during the year.

Unlisted Options

During the year the Company issued the following unlisted options:

- 245,000,002 unlisted options exercisable at $0.00825 expiring 22 February 2024 to investors that participated in Placement A;
- 39,393,939 unlisted options exercisable at $0.00825 expiring 22 February 2024 to brokers in relation to Placement A; and
- 40,000,000 unlisted options exercisable at $0.007 expiring 22 February 2026 to advisors in relation to Placement A.

The following unlisted options expired during the year:

- 37,500,000 unlisted options with an exercise price of $0.0145 expired on 22 August 2023; and
- 2,850,000 unlisted options with an exercise price of $0.01 expired on 11 December 2023.

There were no unlisted options exercised during the year.

Performance Rights

There were no performance rights issued during the year.
The following performance rights expired or lapsed during the year:

- 69,682,300 performance rights (Class C[7]) expired;
- 15,000,000 performance rights (Tranche 1) lapsed;
- 15,000,000 performance rights (Tranche 2) lapsed; and
- 15,000,000 performance rights (Tranche 3) lapsed.

[7] Class C Performance Rights Milestone: Announcement by Arrow of a JORC 2012 compliant Inferred, Indicated and Measured Resource collectively of at least 1,000,000oz of gold located on the Tenements (Burkina Faso).

Securities on Issue at 31 December 2023

Quoted Securities	
Ordinary shares on issue (ASX:AMD)[1]	3,473,765,096
Unquoted Securities	
Options exercisable at $0.00825 on or before 22/02/2024	284,393,941
Options exercisable at $0.009 on or before 11/10/2024[2]	4,300,000
Options exercisable at $0.009 on or before 25/11/2024	8,000,000
Options exercisable at $0.006 on or before 05/08/2025[2]	9,900,000
Options exercisable at $0.006 on or before 05/08/2025	40,000,000
Options exercisable at $0.007 on or before 24/10/2025	5,000,000
Options exercisable at $0.011 on or before 25/11/2025	5,000,000
Options exercisable at $0.007 on or before 22/02/2026	40,000,000
Performance Rights (Tranche 1) expiring on 31/12/2026[3]	17,000,000
Performance Rights (Tranche 2) expiring on 31/12/2026[4]	17,000,000
Performance Rights (Tranche 3) expiring on 31/12/2026[5]	17,000,000
Convertible Notes[6]	1,000,000

[1] Includes 72,791,666 shares subject to escrow until 12 June 2024 and 435,000,000 shares subject to escrow until 12 June 2025.
[2] Pursuant to ESIP
[3] Tranche 1 Performance Rights Milestone: Release of an ASX announcement confirming a JORC compliant resource equal to or in excess of 50Mt at no lower than 60% Fe by 31 December 2024.
[4] Tranche 2 Performance Rights Milestone: Release of an ASX announcement of a positive Scoping Study that recommends moving to pre-feasibility study (PFS) by 31 December 2025.
[5] Tranche 3 Performance Rights Milestone: AMD's share price (calculated at the 5-day VWAP) exceeding five (5) times the 30-day VWAP (calculated at 24 October 2022) (Share Price Hurdle) over a consecutive 20-day period (trading days) by 31 December 2025. Based on a calculation date of 24 October 2022, the Share Price Hurdle has been determined to be $0.026.
[6] Conversion price of $0.00125.

Shares under Options

No options were exercised during the year and no shares have been issued from the exercise of options since year-end to the date of this report. No person entitled to exercise any option has or had, by virtue of the option, a right to participate in any share issue of any other body corporate. The names of all holders of options are entered into the Company's register, inspection of which may be made free of charge.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the period continued to be mineral exploration. During the period, the Company has divested its remaining interests in Australian exploration projects, moving its focus to West African projects.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no changes in the state of affairs of the Group other than those disclosed elsewhere in the Directors' Report.

RESULTS OF OPERATIONS

The net loss after tax for the twelve months ended 31 December 2023 was $ 745,377 (six months ended 31 December 2022: $8,342,675).

SUMMARY OF FINANCIAL POSITION

At 31 December 2023, the Group's cash reserves were $701,139 (2022: $617,313). The overall increase in cash is mainly attributable to outflows from operating activities of $1,155,441 (six months ended 31 December 2022: $739,015), exploration expenditure of $184,533 (six months ended 31 December 2022: $363,876), funding via loan to advance the Simandou North Iron Project $2,306,222 (six months ended 31 December 2022: $156,627), and inflows from other investing activities of $832,285 (six months ended 31 December 2022: $1,300,000). There were $3,145,000 cash inflows from the issue of shares during the year (six months ended 31 December 2022: $350,000). Net assets of the Group at 31 December 2023 were $4,543,661 (2022: $2,382,450).

ENVIRONMENTAL ISSUES

The Group is subject to and compliant with all aspects of environmental regulation of its exploration activities. The Directors are not aware of any environmental law that is not being complied with.

FUTURE DEVELOPMENTS

Arrow Minerals is focused on creating value for shareholders through the discovery and development of multiple economic iron ore deposits at its Simandou North Iron Project in Guinea, West Africa. Arrow is rapidly advancing exploration and other evaluation. The Company also aims to fully realise the value of the project by accessing multi-user rail infrastructure. Arrow is seeking to maintain its project interests in Burkina Faso and is continuing to monitor the situation in Burkina Faso following the 30 September 2022 coup and elevated security concerns in the country.

SUBSEQUENT EVENTS

Recapitalisation and Board Restructure

On 13 December 2023, the Company announced a recapitalisation and Board restructure aimed at unlocking the potentially significant value of its Simandou North iron project in Guinea, West Africa. Under the plan, highly regarded iron ore executive David Flanagan would be appointed Managing Director.

A summary of the recapitalisation and board restructure plan, is as follows:

Placement

Arrow advised its intention to raise $3,500,000 (before costs) via a two-tranche share placement at 0.1c per share (**Placement B**).

Tranche 1 of the Placement for raising $450,000 (before costs) was completed on 22 December 2023 under Arrow's existing Listing Rule 7.1 placement capacity. Tranche 2 of the Placement to raise $3,050,000 was subject to shareholder approval.

Share Purchase Plan (SPP)

Subject to shareholder approval, existing Arrow shareholders would have the opportunity to participate in a Share Purchase Plan (**SPP**) to raise up to an additional $500,000 at the same price as Placement B.

Convertible Note

Arrow reached agreement with holders of its existing $1m Convertible Note (**CN**) whereby, subject to shareholder approval, the CN holders will convert $500,000 (50%) of the CN into Arrow ordinary shares at a 25% premium to the equity raising price, resulting in an issue of 400m new shares. In consideration for the early exercise, the CN holders will receive 778m unlisted zero strike price options in Arrow.

David Flanagan (Proposed Managing Director)

Mr Flanagan has been engaged as part-time consultant to Arrow until his appointment as Managing Director on 15 February 2024. Mr Flanagan has the right to be issued (subject to shareholder approval) 775m zero strike price options, and 90m zero strike price options which will have vesting hurdles tied to a 50Mt JORC Resource of at least 60% Fe, Arrow increasing its interest in the

Simandou North Iron Project up to 60.5%, and completion of a pre-feasibility study on the Simandou North Iron Project. All zero strike options will have a 6 month escrow from signing of the consulting agreement.

Jeff Dowling (Proposed Non-Executive Chairman)

Experienced corporate director Mr Jeff Dowling joined the Board as Non-Executive Chairman of Arrow on 15 February 2024. Mr Dowling's current directorships include NRW Holdings Limited and Fleetwood Limited. Mr Dowling (or his nominee) will have the right to be issued 100m zero strike price options (subject to shareholder approval).

Existing Board of Directors

Former Executive Chair Mr Tommy McKeith transitioned to Non-Executive Director on 15 February 2024 and will have the right to be issued 100m zero strike price options, escrowed for 6 months, for his role in originating and facilitating the recapitalisation.

Mr Alwyn Vorster has remained as Non-Executive Director while Dr Frazer Tabeart resigned from the board on 15 February 2024 on completion of the recapitalisation.

On 15 February 2024 the shareholders approved the plan, as a result Arrow:

- Issued 3,050,000,000 ordinary shares to institutional and sophisticated investors and related parties (Directors) raising $3,050,000 (before costs) additional equity (shares were issued 23 February 2024) (being Tranche 2 of Placement B).
- Issued 500,000,000 ordinary shares under the Share Purchase Plan raising $500,000 additional equity (shares were issued 1 March 2024).
- Granted 975,000,000 options to the directors, with zero exercise price, no vesting conditions and expiring after three years (options were issued 15 February 2024) (875,000,000 of these options are subject to escrow until 12 June 2024).
- Granted 90,000,000 options to a director, with zero exercise price, various vesting conditions and expiring after four years (options were issued 15 February 2024) (these options are subject to escrow until 12 June 2024).
- Issued 80,000,000 ordinary shares to the lead manager (shares were issued 23 February 2024).
- Issued 80,000,000 ordinary shares to the corporate advisor (shares were issued 23 February 2024).
- Issued 400,000,000 ordinary shares and the grant of 778,000,000 options (as consideration for early conversion), with zero exercise price, no vesting conditions and expiring after three years, to the Noteholders to convert $500,000 of the debt to equity (500,000 notes were converted and 400,000,000 shares issued 5 March 2024; options were issued on 5 March 2024).

The Company provided irrevocable bank guarantees for the repayment of the remaining $500,000 convertible note debt.

David Flanagan was appointed Managing Director, Jeff Dowling was appointed Non-Executive Chair, Thomas McKeith transitioned to Non-Executive Director, and Frazer Tabeart resigned from the Board of Directors.

$10m Capital Raising

On 13 March 2024 the Company announced a $10 million capital raising via a placement of 2,000,000,000 shares (**Placement C**). On 21 March 2024 the Company issued 1,895,941,273 ordinary shares raising $9,479,706 additional equity (before costs). The issue of a further 104,058,727 ordinary issues to raise $520,294 is subject to shareholder approval. The Company has agreed to issue 120,000,000 options with an exercise price of $0.009 expiring three years from date of issue to corporate advisers as part of fees in connection with the placement, subject to receipt of shareholder approval.

Acquisition of 100% Interest in Amalgamated

On 13 March 2024 the Company announced it had reached revised agreement to acquire the remaining 66.7% interest in Amalgamated Minerals Pte Ltd, which holds the Simandou North Iron Project, taking legal and beneficial interest to 100% (**Agreement**).

Key terms of the Agreement are:

- Arrow to pay the vendors $2,000,000 in cash within 30 days of signing the Agreement;
- Arrow agrees to make a deferred payment of $500,000 in cash or shares on or before 30 June 2025 (at the Company's election); and
- The vendor retains a USD $1/tonne royalty.

This Agreement effectively replaces the previously announced agreement (ASX Announcement 30 August 2023) which provided a pathway to reach 100% over various milestones.

Arrow completed its accelerated acquisition of the remaining 66.7% interest on 26 March 2024, taking 100% legal and beneficial interest in Amalgamated Minerals Pte. Ltd.

Other movements in securities

On 15 February 2024 a total of 15,000,000 performance rights lapsed in accordance with their terms. On 22 February 2024 a total of 284,393,941 options with an exercise price of $0.00825 expired.

This note should be read together with the ASX Announcements. No other matters or circumstances have arisen since 31 December 2023 which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Securities on Issue at Date of this Report

The capital structure of Arrow, as at date of this report is set out below:

Quoted Securities	
Ordinary shares on issue (ASX:AMD)[1]	9,479,706,369
Unquoted Securities	
Options exercisable at $0.009 on or before 11/10/2024	4,300,000
Options exercisable at $0.009 on or before 25/11/2024	8,000,000
Options exercisable at $0.006 on or before 05/08/2025	49,900,000
Options exercisable at $0.007 on or before 24/10/2025	5,000,000
Options exercisable at $0.011 on or before 25/11/2025	5,000,000
Options exercisable at $0.007 on or before 22/02/2026	40,000,000
Options exercisable at $0.00 on or before 15/02/2027	975,000,000
Options exercisable at $0.00 on or before 05/03/2027	778,000,000
Options exercisable at $0.00 on or before 15/02/2028	90,000,000
Performance Rights (Tranche 1) expiring on 31/12/2026	12,000,000
Performance Rights (Tranche 2) expiring on 31/12/2026	12,000,000
Performance Rights (Tranche 3) expiring on 31/12/2026	12,000,000
Convertible Notes[2]	500,000

[1] Includes 72,791,666 shares subject to escrow until 12 June 2024 and 435,000,000 shares subject to escrow until 12 June 2025.
[2] Conversion price of $0.00125.

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REMUNERATION REPORT (AUDITED)

Remuneration of Directors and executives is referred to as compensation throughout this report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group including Directors of the Company and other executives.

The following were key management personnel of the Group at any time during the year and have been in office for the entire period unless indicated otherwise:

Mr Thomas McKeith	Executive Chair *(Transitioned to Non-Executive Director 15 February 2024)*
Mr Hugh Bresser	Managing Director *(Resigned 7 November 2023)*
Dr Frazer Tabeart	Non-Executive Director *(Resigned 15 February 2024)*
Mr Alwyn Vorster	Non-Executive Director

Compensation levels for Directors and key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

The Board is responsible for compensation policies and practices. The Board, where appropriate, seeks independent advice on remuneration policies and practices, including compensation packages and terms of employment. No independent advice was obtained during the period to provide recommendations in respect of remuneration.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Group.

Remuneration

Details of the remuneration of the key management personnel (**KMP**) of the Group are set out in the following table. Currently, Directors are responsible for the management of the Group.

31 December 2023 (12-months)	Short-term Benefits Salary & Fees ($)	Post Employment Benefits ($)	Annual Leave ($)	Equity settled share-based payments ($)	Total ($)	Performance-related remuneration (%)
H Bresser[1]	264,000	-	-	41,947	305,947	14%
T McKeith	43,439	4,670	-	18,039	66,148	27%
F Tabeart[2]	36,000	-	-	18,253	54,253	34%
A Vorster[3]	36,000	-	-	12,010	48,010	25%
Total	**379,439**	**4,670**	**-**	**90,249**	**474,358**	**19%**

[1] Mr Hugh Bresser resigned as Managing Director on 7 November 2023. He remained with the Company post year end as a key management personnel and therefore the remuneration in the above table is for the year ended 31 December 2023.

[2] Director fees for Dr Frazer Tabeart were paid to Geogen Consulting Pty Ltd, a related entity of Dr Frazer Tabeart.

[3] Director fees for Mr Alwyn Vorster were paid to Earthstone Resources Pty Ltd, a related entity of Mr Alwyn Vorster.

31 December 2022 (6-months)	Short-term Benefits Salary & Fees ($)	Post Employment Benefits ($)	Annual Leave ($)	Equity settled share-based payments ($)	Total ($)	Performance-related remuneration (%)
H Bresser[1]	158,400	-	-	16,234	174,634	9%
T McKeith	18,385	1,930	-	5,484	25,799	21%
F Tabeart[2]	22,000	-	-	5,052	27,052	19%
A Vorster[3]	6,600	-	-	1,797	8,397	21%
Total	**205,385**	**1,930**	**-**	**28,567**	**235,882**	**12%**

[1] Mr Hugh Bresser was eligible to a cash bonus of $26,400 linked to the achievement of KPIs during the period under the Short-term Incentive. This amount is included within the Short-term Benefits in this table.

[2] Director fees for Dr Frazer Tabeart were paid to Geogen Consulting Pty Ltd, a related entity of Dr Frazer Tabeart.

[3] Director fees for Mr Alwyn Vorster were paid to Earthstone Resources Pty Ltd, a related entity of Mr Alwyn Vorster.

Share holdings

The number of ordinary shares in the Company held during the year by key management personnel of the Group, including their personally related parties, are set out below:

31 December 2023 (12-months)		Opening Balance No.	Granted as remuneration No.	Net change other No.	Closing balance No.
H Bresser	Managing Director[1]	18,000,000	-	(18,000,000)	-
T McKeith	Executive Chair[2,3]	167,834,673	-	19,272,727	187,107,400
F Tabeart	Non-Exec. Director[4]	2,166,667	-	2,727,273	4,893,940
A Vorster	Non-Exec. Director[5]	9,066,666	-	8,636,364	17,703,030
Total		**197,068,006**	-	**12,636,364**	**209,704,370**

[1] On 17 April 2023, Mr Bresser purchased 3,636,364 shares pursuant to a placement for $20,000. On 3 May 2023, Mr Bresser purchased a further 363,636 shares on-market for $1,818. Mr Hugh Bresser's interest in shares at 7 November 2023 (date of resignation) comprises:

- 18,000,000 shares held indirectly by Milagro Ventures Pty Ltd <Bresser Family S/F A/C> of which Mr Bresser is a director of; and
- 4,000,000 shares held indirectly by Mr Hugh Alan Bresser + Ms Heather Dianne Branchi <Bresser Family S/F A/C>, a family trust associated with Mr Bresser.

[2] On 10 January 2023, Mr McKeith purchased 4,000,000 shares on-market for $20,000. On 6 April 2023, Mr McKeith purchased a further 8,000,000 shares on-market for $37,502. On 17 April 2023, Mr McKeith purchased 7,272,727 shares pursuant to a placement for $40,000.

[3] Mr Thomas McKeith's interest in shares at 31 December 2023 comprises:

- 23,345,056 shares held indirectly by McKeith Super Pty Ltd <The McKeith Super Fund A/C> of which Mr McKeith is a beneficiary;
- 32,595,674 shares held indirectly by Mr Thomas David McKeith <The McKeith Family A/C, a family trust associated with Mr McKeith; and
- 131,166,670 shares held indirectly by GenGold Resource Capital Pty Ltd (**GenGold**), a company which Mr McKeith holds a significant shareholder interest, and is a director of.

[4] On 17 April 2023, Dr Tabeart purchased 2,727,273 shares pursuant to a placement for $15,000.

[5] On 17 April 2023, Mr Vorster purchased 3,636,364 shares pursuant to a placement for $20,000. On 15 December 2023, Mr Vorster purchased a further 5,000,000 shares on-market for $15,000.

Option holdings

The number of options in the Company held during the year by key management personnel of the Group, including their personally related parties, are set out below:

31 December 2023 (12-months)		Opening Balance No.	Granted as remuneration No.	Options Other No. [3]	Expired No.	Closing balance No.	Option Details Grant Date	Expiry Date	Exercise Price	Value per Option[1]	Total value granted $[2]	Vested / Unvested
H Bresser	Managing Director	2,500,000	-	-	-	2,500,000*	25/11/2021	25/11/2024[4]	$0.009	$0.0040	N/A	Vested
		2,500,000	-	-	-	2,500,000*	25/11/2021	25/11/2025[4]	$0.011	$0.0043	N/A	Vested
		25,000,000	-	-	-	25,000,000*	30/11/2022	05/08/2025[4]	$0.006	$0.0021	$52,500	Note**
		-	-	1,818,182	-	1,818,182*	17/04/2023	22/02/2024	$0.00825	$0.00	N/A	Vested
T McKeith	Executive Chair	1,500,000	-	-	-	1,500,000	25/11/2021	25/11/2024	$0.009	$0.0040	N/A	Vested
		7,500,000	-	-	-	7,500,000	30/11/2022	05/08/2025	$0.006	$0.0021	$15,750	Note**
		-	-	3,636,363	-	3,636,363	17/04/2023	22/02/2024	$0.00825	$0.00	N/A	Vested
F Tabeart	Non-Exec. Director	1,500,000	-	-	-	1,500,000	25/11/2021	25/11/2024	$0.009	$0.0040	N/A	Vested
		7,500,000	-	-	-	7,500,000	30/11/2022	05/08/2025	$0.006	$0.0021	$15,750	Note**
		-	-	1,363,637	-	1,363,637	17/04/2023	22/02/2024	$0.00825	$0.00	N/A	Vested
A Vorster	Non-Exec. Director	5,000,000	-	-	-	5,000,000	30/11/2022	24/10/2025	$0.007	$0.0020	$10,000	Note**
		-	-	1,818,182	-	1,818,182	17/04/2023	22/02/2024	$0.00825	$0.00	N/A	Vested
Total		**53,000,000**	**-**	**8,636,364**	**-**	**61,636,364**					**$94,000**	

* Options held at date of resignation (7 November 2023).

** Options held are 50% vested and 50% unvested.

[1] In respect of options granted to a KMP as part of their remuneration package, this table discloses the fair value at the grant date of the options using the Black Scholes model taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

[2] Total value of Options granted to a KMP as part of their remuneration package.

[3] Options granted to a KMP pursuant to a placement as free-attaching options during the twelve-months ended 31 December 2023.

[4] Vested options are due to lapse 31 July 2024 in accordance with terms of issue.

Performance Rights holdings

The number of Performance Rights in the Company held during the year by any key management personnel of the Group, including their personally related parties, are set out below:

31 December 2023 (12-months)		Opening Balance No.	Granted as remuneration No.	Conversion to shares No.	Expired No.	Closing balance No.	Performance Rights Details					
							Grant Date	Expiry Date	Class / Tranche[1]	Value per Right[2]	Total value granted $[4]	Vested / Unvested
H Bresser	Managing Director	15,000,000	-	-	(15,000,000)	-	30/11/2022	31/12/2026	Tranche 1	$0.0040	$60,000	Unvested
		15,000,000	-	-	(15,000,000)	-	30/11/2022	31/12/2026	Tranche 2	$0.0040	$60,000	Unvested
		15,000,000	-	-	(15,000,000)	-	30/11/2022	31/12/2026	Tranche 3	$0.0029	$43,500	Unvested
T McKeith	Executive Chair	69,682,300	-	-	(69,682,300)	-	26/08/2019	22/08/2023	Class C[3]	N/A	N/A	N/A
		7,000,000	-	-	-	7,000,000	30/11/2022	31/12/2026	Tranche 1	$0.0040	$28,000	Unvested
		7,000,000	-	-	-	7,000,000	30/11/2022	31/12/2026	Tranche 2	$0.0040	$28,000	Unvested
		7,000,000	-	-	-	7,000,000	30/11/2022	31/12/2026	Tranche 3	$0.0029	$20,300	Unvested
F Tabeart	Non-Exec. Director	5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 1	$0.0040	$20,000	Unvested
		5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 2	$0.0040	$20,000	Unvested
		5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 3	$0.0029	$14,500	Unvested
A Vorster	Non-Exec. Director	5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 1	$0.0040	$20,000	Unvested
		5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 2	$0.0040	$20,000	Unvested
		5,000,000	-	-	-	5,000,000	30/11/2022	31/12/2026	Tranche 3	$0.0029	$14,500	Unvested
Total		**165,682,300**	**-**	**-**	**(114,682,300)**	**51,000,000**					**$348,800**	

[1]Performance milestones are as follows:

- Tranche 1 Performance Rights Milestone: Release of an ASX announcement confirming a JORC compliant resource equal to or in excess of 50Mt at no lower than 60% Fe by 31 December 2024.
- Tranche 2 Performance Rights Milestone: Release of an ASX announcement of a positive Scoping Study that recommends moving to pre-feasibility study (PFS) by 31 December 2025.
- Tranche 3 Performance Rights Milestone: AMD's share price (calculated at the 5-day VWAP) exceeding five (5) times the 30-day VWAP (calculated at 24 October 2022) (Share Price Hurdle) over a consecutive 20-day period (trading days) by 31 December 2025. Based on a calculation date of 24 October 2022, the Share Price Hurdle has been determined to be $0.026.
- Class C Performance Rights Milestone: Announcement by Arrow of a JORC 2012 compliant Inferred, Indicated and Measured Resource collectively of at least 1,000,000oz of gold located on the Tenements (Burkina Faso).

[2] In respect of performance rights granted to a KMP as part of their remuneration package, this table discloses the fair value at the grant date of the performance rights. Tranche 1 and Tranche 2 performance rights have been valued with reference to the share price at grant date. Tranche 3 performance rights have been valued using a Monte Carlo simulation valuation model prepared by an independent valuer.

[3] Performance rights shown in this table are held indirectly by GenGold.

[4] Total value of Performance Rights granted to a KMP as part of their remuneration package.

Non-Executive Director Fees

Total remuneration for all Non-Executive Directors, is not to exceed $250,000 per annum as approved by shareholders. This does not include Consulting Fees.

During the year Non-Executive Directors received a fixed base fee for their services of $36,000 per annum (excl. GST and. share-based payments) for services performed. Non-executive Directors' fees and payments are reviewed annually by the Board.

There are no termination or retirement benefits for Non-Executive Directors (other than statutory superannuation where applicable).

Service Agreements

The Company had service agreements with the following key management personnel during the year:

Hugh Bresser – Managing Director

Mr Bresser's executive services are provided pursuant to a consultancy agreement between Milagro Ventures Pty Ltd and the Company. Consulting fees pursuant to this agreement are $264,000 per annum. The term of the contract is to 30 June 2025, unless terminated earlier or extended by mutual agreement. Either party may terminate the agreement with three month's written notice. The Company may also summarily terminate the agreement without cause in certain circumstances including gross misconduct by the Executive or actions by the Executive which bring the Company into disrepute.

Mr Bresser is entitled to an annual cash bonus of up to 25% of his annual consultancy fee subject to any applicable laws and the satisfaction of relevant key short term performance indicators to be set by the Board in its sole discretion. The Board has determined short term performance indicators with metrics linked to shareholder value (including capital raising, share price performance, resource identification at existing projects, and new projects) (**Short-term Incentive**). The performance period for the Short-term Incentive covered the period to 30 June 2023.

Thomas McKeith – Non-Executive Chair / Executive Chair

Mr McKeith was entitled to receive $48,000 per annum inclusive of statutory superannuation contributions in remuneration for his services as Chair.

Frazer Tabeart – Non-executive Director

Dr Tabeart was entitled to receive $36,000 per annum for services as Non-Executive Director, via a consulting agreement with Geogen Consulting Pty Ltd.

Alwyn Vorster – Non-executive Director

Mr Alvyn Vorster was entitled to receive $36,000 per annum as remuneration for services as Non-Executive Director, via a consulting agreement with Earthstone Resources Pty Ltd.

Remuneration linked to performance

There is an element of performance linked to options issued to Executive Directors and Non-Executive Directors as part of their remuneration packages, which is inherent in the exercise price of the options and the share price performance of the Company, providing a link between shareholder wealth and remuneration of Directors.

There is an element of performance linked to performance rights issued to Executive Directors and Non-Executive Directors as part of their remuneration packages. The performance milestones represent a mix of non-market and market vesting conditions, which align the interests of Directors to those of shareholders.

Aside from options and performance rights issued to Directors and the Short-term Incentive arrangement in respect of Mr Bresser (detailed above), Directors are remunerated in line with their service agreements.

Other Transactions with key management personnel

The Company entered into a service agreement with Mitchell River Group Pty Ltd effective 6 July 2016 for the provision of exploration database management services. Mitchell River Group Pty Ltd is a related party of Director Dr Tabeart.

During the year, an amount of $24,244 (6-months ended 31 December 2022: $6,039) was paid or payable in relation to these services. An amount of $1,793 (31 December 2022: $nil) was payable at the end of the year.

GenGold Resources Capital Pty Ltd (**GenGold**) has, via arrangement, contracted the services of its geological team to Arrow during the period. Mr McKeith is a related party of GenGold. During the year, an amount of $59,490 (6-months ended 31 December 2022: $20,990) was paid or payable in relation to services. An amount of $nil (31 December 2022: $nil) was payable at the end of the year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

Other Financial Information

The following table shows the Group's financial results for the last five financial years, as well as the share prices at the end of the respective financial years.

	31 December 2023	31 December 2022	30 June 2022	30 June 2021	30 June 2020
	12-months	6-months	12-months	12-months	12-months
Net loss before tax ($)	745,377	8,342,675	3,457,696	2,678,461	6,993,446
Net loss after tax ($)	745,377	8,342,675	3,457,696	2,678,461	6,993,446
Share price at start of year (cents)	0.4	0.6	0.6	0.7	1.1
Share price at end of year (cents)	0.5	0.4	0.2	0.6	0.7
Basic and diluted loss per share (cents)	0.025	0.412	0.189	0.197	0.857

Adoption of Remuneration Report by Shareholders

The adoption of the Remuneration Report for the six-months ended 31 December 2022 was put to the shareholders of the Company at the Annual General Meeting held 25 May 2023. The resolutions were passed and decided by way of poll (93.04% in favour). The Company did not receive any specific feedback at the AGM or throughout the period on its remuneration practices.

End of Remuneration Report

Directors' Interests in the Shares, Options and Performance Rights of the Company

As at the date of this report, the relevant direct and indirect interest of each director in the shares, options and performance rights of Arrow were:

	Ordinary shares	Unlisted Options	Performance Rights
	No.	No.	No.
D Flanagan[1]	175,000,000	865,000,000	-
J Dowling[2]	-	100,000,000	-
T McKeith[3]	337,107,400	109,000,000	21,000,000
A Vorster[4]	117,703,030	5,000,000	15,000,000

[1] Mr Flanagan is a beneficiary of Synthafifax Pty Ltd <Alchemy Superannuation Fund> which holds 87,500,000 ordinary shares (indirectly held). Mr David Flanagan <Flanagan Family Trust> is a family trust associated with Mr Flanagan which holds 87,500,000 ordinary shares and 865,000,000 options (indirectly held). The options are subject to escrow until 12 June 2024.

[2] Mr Dowling is a director of Starwood Holding Pty Ltd <The JP Dowling Family Trust> which holds 100,000,000 options (indirectly held).

[3] Mr McKeith is a director of GenGold Resource Capital Pty Ltd which holds 131,166,670 ordinary shares (indirectly held). Mr McKeith is a beneficiary of McKeith Super Pty Ltd <The McKeith Super Fund A/C> which holds 23,345,056 ordinary shares (indirectly held). Mr Thomas David McKeith <The McKeith Family A/C> is a family trust associated with Mr McKeith which holds 182,595,674 ordinary shares, 109,000,000 options and 21,000,000 performance rights (indirectly held). 100,000,000 of the options are subject to escrow until 12 June 2024.

[4] Mr Vorster holds 9,066,666 ordinary shares directly. Mr Alwyn Petrus Vorster <Vorster Family Trust> is a family trust associated with Mr Vorster which holds 8,636,364 ordinary shares, 5,000,000 options and 15,000,000 performance rights (indirectly held).

MEETINGS OF DIRECTORS

The following table sets out the number of Directors' meetings held during the year and the number of meetings attended by each Director.

	Board		Audit Committee		Risk Committee		Remuneration Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
T McKeith	8	8	-	-	2	2	1	1
H Bresser	6	6	-	-	-	-	-	-
F Tabeart	8	8	2	2	2	2	1	1
A Vorster	8	8	2	2	2	2	1	1

INDEMNIFICATION OF AUDITORS AND OFFICERS

During the year, the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors' and Officers' Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a related body corporate.

The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the premium paid is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and certain Officers to indemnify these individuals against any claims and related expenses which arise as a result of work completed in their respective capabilities.

The Company nor any of its related bodies corporate have provided any insurance for any auditor of the Company or a related body corporate.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or Group are important.

Details of the amount paid or payable to the auditor HLB Mann Judd (WA Partnership) or its associates for audit services provided during the year are set out in note 30 to the financial report. There were no non-audit services provided by HLB Mann Judd (WA Partnership) or its associates during the year.

AUDITOR INDEPENDENCE

The auditor's independence declaration for the year ended 31 December 2023 has been received and is included in this annual report.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors

David Flanagan
Managing Director
Perth, 28 March 2024

CORPORATE GOVERNANCE STATEMENT

The Board of Arrow is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Arrow on behalf of the shareholders by whom they are elected and to whom they are accountable.

Arrow's corporate governance practices were in place throughout the year ended 31 December 2023 and were compliant with the ASX Governing Council's best practice recommendations, unless otherwise stated. Information on Corporate Governance is available on the Company's website at: https://arrowminerals.com.au/company-information/corporate-governance/

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Arrow Minerals Limited for the year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
28 March 2024

B G McVeigh
Partner

hlb.com.au

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 (12-months) $	31 December 2022 (6-months) $
Continuing Operations			
Income	2(a)	870,002	663,881
Net (loss) / gain on financial assets/liabilities measured at fair value through profit or loss		(246,372)	151,551
Employee benefits expenses	2(b)	(332,953)	(220,790)
Occupancy costs		(36,444)	(24,189)
Amortisation of right of use assets		(14,803)	(7,462)
Impairment of exploration and evaluation assets	10(a)	-	(8,522,931)
Exploration and evaluation expenditure		(184,533)	-
Finance costs	2(c)	(115,951)	(53,685)
Depreciation		(24,958)	(12,944)
Share-based payments expense	23(a)	(103,191)	(52,073)
Administration and other expenses	2(d)	(564,063)	(264,033)
Share of equity accounting profit	12	7,889	-
Loss before tax		**(745,377)**	**(8,342,675)**
Income tax expense	3(a)	-	-
Loss after tax		**(745,377)**	**(8,342,675)**
Other comprehensive income			
Items that may be classified subsequently to profit or loss			
Movement in foreign currency translation reserve		(241,592)	(277,236)
Share of foreign currency translation reserve relating to equity accounted investment		(8,883)	-
Other comprehensive income/(loss) for the period		**(250,475)**	**(277,236)**
Total comprehensive loss for the period attributable to members of the Company		**(995,852)**	**(8,619,911)**
Loss per share for the period attributable to the members of Arrow Minerals Limited			
Basic loss per share (cents per share)	19	(0.025)	(0.412)
Diluted loss per share (cents per share)	19	(0.025)	(0.412)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	31 December 2023	31 December 2022
		$	$
CURRENT ASSETS			
Cash and cash equivalents	4	701,139	617,313
Trade and other receivables	6	44,511	39,422
Prepayments	7	90,563	110,443
Financial assets	5	83,223	246,750
TOTAL CURRENT ASSETS		**919,436**	**1,013,928**
NON-CURRENT ASSETS			
Exploration and evaluation assets	10	-	-
Right of use assets	9	6,165	20,968
Property, plant and equipment	11	27,195	50,453
Investment in associate	12	2,405,256	2,406,250
Receivables	13	2,011,565	156,627
Deferred fair value adjustment	13	403,070	-
TOTAL NON-CURRENT ASSETS		**4,853,251**	**2,634,298**
TOTAL ASSETS		**5,772,687**	**3,648,226**
CURRENT LIABILITIES			
Trade and other payables	14	230,153	246,211
Right of use lease liabilities	15	6,693	15,566
Other financial liabilities	16	992,180	-
TOTAL CURRENT LIABILITIES		**1,229,026**	**261,777**
NON-CURRENT LIABILITIES			
Right of use lease liabilities	15	-	6,693
Other financial liabilities	16	-	997,306
TOTAL NON-CURRENT LIABILITIES		**-**	**1,003,999**
TOTAL LIABILITIES		**1,229,026**	**1,265,776**
NET ASSETS		**4,543,661**	**2,382,450**
EQUITY			
Issued capital	17	51,606,728	48,713,599
Reserves	18	2,744,491	2,760,442
Accumulated losses		(49,807,558)	(49,091,591)
TOTAL EQUITY		**4,543,661**	**2,382,450**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 (12-months) $	31 December 2022 (6-months) $
Cash Flows from Operating Activities			
Receipts from customers		8,883	-
Payments to suppliers and employees		(1,172,336)	(758,452)
Interest income received		8,012	1,937
Government grant		-	17,500
Net cash (used in) operating activities	4(a)	**(1,155,441)**	**(739,015)**
Cash Flows from Investing Activities			
Proceeds from the sale of mineral rights		300,000	600,000
Proceeds from sale of financial assets		532,285	700,000
Payment for exploration and evaluation activities		(184,533)	(363,876)
Advance of loan funding (Simandou North Iron Project)		(2,306,222)	(156,627)
Net cash (used in)/from investing activities		**(1,658,470)**	**779,497**
Cash Flows from Financing Activities			
Proceeds from issue of shares		3,145,000	350,000
Capital raising transaction costs		(120,538)	-
Principal payments on lease liabilities	4(b)	(15,566)	(7,416)
Interest paid on convertible notes		(111,159)	(40,110)
Net cash from financing activities		**2,897,737**	**302,474**
Net increase in cash and cash equivalents		83,826	342,956
Effect of exchange rate movements		-	2,538
Cash and cash equivalents at the beginning of the year		617,313	271,819
Cash and cash equivalents at the end of the year	4	**701,139**	**617,313**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Issued Capital $	Share-Based Payment Reserve (Shares) $	Share-Based Payment Reserve (Options / Performance Rights) $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 January 2023	48,713,599	2,084,407	918,056	(242,021)	(49,091,591)	2,382,450
Loss after tax for the year	-	-	-	-	(745,377)	(745,377)
Other comprehensive loss	-	-	-	(250,475)	-	(250,475)
Total comprehensive loss for the year	-	-	-	(250,475)	(745,377)	(995,852)
Issue of Shares	2,893,129	-	-	-	-	2,893,129
Issue of Options	-	-	131,333	-	-	131,333
Share-based payments	-	-	103,191	-	-	103,191
Total transactions with equity holders	2,893,129	-	234,524	-	-	3,127,653
Writing back change in expenditure – convertible note	-	-	-	-	29,410	29,410
Balance at 31 December 2023	**51,606,728**	**2,084,407**	**1,152,580**	**(492,496)**	**(49,807,558)**	**4,543,661**

	Issued Capital $	Share-Based Payment Reserve (Shares) $	Share-Based Payment Reserve (Options) $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2022	45,957,349	2,082,668	867,722	35,215	(40,748,916)	8,194,038
Loss after tax for the period	-	-	-	-	(8,342,675)	(8,342,675)
Other comprehensive loss	-	-	-	(277,236)	-	(277,236)
Total comprehensive loss for the period	-	-	-	(277,236)	(8,342,675)	(8,619,911)
Issue of Shares	2,756,250	-	-	-	-	2,756,250
Issue of Options	-	-	43,417	-	-	43,417
Issue of Performance Rights	-	-	6,917	-	-	6,917
Share-based payments	-	1,739	-	-	-	1,739
Total transactions with equity holders	2,756,250	1,739	50,334	-	-	2,808,323
Balance at 31 December 2022	**48,713,599**	**2,084,407**	**918,056**	**(242,021)**	**(49,091,591)**	**2,382,450**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

Arrow Minerals Limited (the **Company** or **Arrow**) is a limited company incorporated in Australia. The consolidated financial report of the Company for the year ended 31 December 2023 comprises the Company and its subsidiaries (together referred to as the **Group**).

In December 2022, the Board resolved to change the Company's financial year end from 30 June to 31 December. This change has been made in accordance with section 323D(2A) of the Corporations Act 2001 (Cth) to align the financial year end of the Company with the financial year end of its West African subsidiaries and associated entities. This Annual Report represents the twelve-month financial year to 31 December 2023. The previous Annual Report represented the six-month transitional financial year beginning on 1 July 2022 and ending on 31 December 2022.

The financial report was authorised for issue by the Directors on 28 March 2024.

The nature of the operation and principal activities of the Group are described in the attached Directors' Report.

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial report and by all entities in the Group.

These are for-profit general purpose financial statements and have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

Basis of Preparation

<u>Historical cost convention</u>

These financial statements have been prepared on an accruals basis and are based on historical costs except where stated otherwise in the notes. Cost is based on the fair values of the consideration given in exchange for assets.

b) Going concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group has incurred a net loss after tax for the year ended 31 December 2023 of $745,377 (six months ended 31 December 2022: $8,342,675) and a net cash outflows from operating and investing activities of $2,813,911 (six months ended 31 December 2022: net inflow $40,482). Net assets of the Group as at 31 December 2023 were $4,543,661 (31 December 2022: $2,382,450). Cash and cash equivalents as at 31 December 2023 were $701,139 (31 December 2022: $617,313).

The ability of the Group to continue as a going concern is dependent on it being able to successfully raise further debt or capital funding in the next 12 months for its current exploration strategy and commitments. Management will continue to explore the tenements and the Directors are confident that the Group will be able to continue to meet its current liabilities as and when they fall due in the next 12 months. The Directors consider the basis of going concern to be appropriate given the Group's market capitalisation and the underlying prospects for the Group to raise further funds from the capital markets. Accordingly, the Directors believe it is appropriate to adopt that basis of accounting in the preparation of the financial report.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern. Accordingly, the financial report has been prepared on a going concern basis.

Should the Group be unable to raise further debt or capital within the next 12 months, then there exists a material uncertainty that may cast significant doubt on whether the Group will be able to continue as a going concern and whether it will be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amounts realised being different from those shown in the financial statements.

c) New standards, interpretations and amendments adopted by the Group

In the year ended 31 December 2023, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the year end reporting period beginning on or after 1 January 2023. No changes were required.

As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 January 2023 with no material impact on the amounts or disclosures included in the financial report.

d) New accounting standards and interpretations not yet effective

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

e) Basis of Consolidation

The consolidated financial statements are those of the Group, comprising the financial statements of Arrow, the parent entity, and of all subsidiary entities which the parent entity controls. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies, which may exist.

Acquisition of an asset or a group of assets that does not constitute a business

The Group has to identify and recognise the individual identifiable assets acquired (including intangible assets) and liabilities assumed. The cost of the group being acquired is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. These transactions and events do not give rise to goodwill.

Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. Subsidiaries are eliminated from the date on which control is established and are de-recognised from the date that control ceases.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

f) Foreign Currency Transactions and Balances

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and the presentation currency of the Group.

Translation of foreign operations:

As at the reporting date the assets and liabilities of foreign operations are translated into the presentation currency at the rate of exchange ruling at the reporting date and the statement of comprehensive income, statement of cash flows and statement of changes in equity are translated at the average exchange rates for the year. The exchange differences arising on the retranslation are recognised in other comprehensive income and accumulated balances are carried forward as a separate component of equity. On disposal of a foreign operation, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

Translation of foreign loans:

Loans from the parent entity to its Burkina Faso foreign operations are denominated in Central African Francs (**XOF**). They are initially recognised in the parent entity Statement of Financial Position at the spot rate on the date of transaction. Loan balances are translated into the presentation currency at the exchange rate ruling at each reporting date, and exchange differences arising on the translation of intercompany loans is recognised in the Statement of Comprehensive Income.

g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivable and payable are stated with the amount of GST included.

The amount of GST recoverable from the taxation authority is included as part of the receivables in the Statement of Financial Position. The amount of GST payable to the taxation authority is included as part of the payables in the Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

h) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted for by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

For the purposes of income tax legislation, the Company and its 100% controlled Australian entities have elected to form a tax consolidated group. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liability of these entities are set off in the consolidated financial statements.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated Statement of Financial Position.

j) Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for expected credit losses. Trade receivables are due for settlement no more than 120 days from the date of recognition.

The Group applies the *AASB 9 Financial Instruments* simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the Group's past history, existing market conditions and forward-looking estimates at the end of each reporting period.

k) Investments and Other Financial Assets

The Group determines the classification of its financial instruments at initial recognition and carries its financial instruments at fair value. Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the entity commits itself to either the purchase or sale of the asset.

Financial assets at FVTPL

With the exception of loans and receivables, financial assets are measured at fair value. Fair value is determined based on current bid prices for all quoted investments. If there is not an active market for a financial asset fair value is measured using established valuation techniques.

Loans and receivables

Loans and receivables are measured at amortised cost using the effective rate method. Changes in fair value are taken to profit or loss. Refer note 13.

l) Non-Current assets or disposal groups classified as held for sale

Non-current assets are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction instead of use. They are not depreciated or amortised. For an asset to be classified as held for sale, it must be available for immediate sale in its present condition and its sale must be highly probable. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss (FVTPL), in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the group for the acquisition of a business, and financial liabilities designated at FVTPL, are subsequently measured at fair value. All other financial liabilities recognised by the group are subsequently measured at amortised cost.

The Group's financial liabilities include trade and other payables, and convertible note payables (refer note 16).

Convertible notes have embedded derivatives within them. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

The convertible note is valued as a financial liability (**Host Debt**) with an embedded derivative feature (**Embedded derivative**).

Subsequent Measurement

Subsequent measurement for Host Debt is at amortised costs. Subsequent measurement for Embedded derivative is at fair value through profit and loss.

n) Interest in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

As at the reporting date 31 December 2023, the Group does not have any Joint Arrangements as defined in this policy.

o) Investment in Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in Associates in the consolidated financial statements are accounted for using the equity method of accounting. On initial recognition investments in associates are recognised at cost. Under this method, the Group's share of the post-acquisition profits or losses of Associates are recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an Associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

p) Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent Costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense as incurred.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives in the current and comparative periods are as follows:

Office equipment/improvements	straight-line	over 3 to 10 years
Motor vehicles	straight-line	over 4 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

De-recognition

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period the item is derecognised.

q) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including the costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

1. the expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
2. activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if:

1. sufficient data exists to determine technical feasibility and commercial viability, and
2. facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

r) Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units).

s) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

t) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e. the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

u) Current / Non-Current Distinction

The Group presents current and non-current assets, and current and non-current liabilities, as separate classifications in its statement of financial position.

Assets

The Group classifies an asset as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities

The Group classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or

- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

v) Share-based Payments

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value of shares is measured by reference to the quoted market price. Fair value of options is measured by use of valuation techniques. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

w) Measurement of Contingent Consideration

When the fair values of financial assets and financial liabilities recorded in the Consolidated Statement of Financial Position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Black-Scholes option pricing model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Contingent consideration, resulting from asset acquisitions, is valued at fair value at the acquisition date as part of the asset acquisition. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on a probability weighted pay-out approach. The key assumptions take into consideration the probability of meeting each performance target (refer to note 16).

x) Earnings/Loss Per Share

Basic Earnings/Loss per Share – is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

Diluted Earnings/Loss per Share – adjusts the figures used in the determination of basic earnings/loss per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

y) Critical accounting judgements, estimates and assumptions

The preparation of financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Exploration and evaluation expenditure

The Group's accounting policy for exploration and evaluation expenditure is set out at note 1(q). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to profit or loss.

Share-based payments

Options

The Group measures the cost of equity settled share-based payments at fair value at the grant date using the Black Scholes model taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Performance Rights

The Group measures the cost of equity settled share-based payments at fair value at the grant date:

- In respect of non-market performance milestone performance rights: valued using a probability-based valuation methodology with reference to the share price at grant date; and
- In respect of market performance milestone performance rights: valued using the Hoadleys Hybrid Model (a Monte Carlo simulation model) prepared by an independent valuer.

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Impairment of assets

In determining the recoverable amount of assets, in the absence of quoted market prices, estimations are made regarding the present value of future cash flows using asset-specific discount rates and the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(ii) Benefit from carried forward tax losses

The future recoverability of the carried forward tax losses are dependent upon the Group's ability to generate taxable profits in the future in the same tax jurisdiction in which the losses arise. This is also subject to determinations and assessments made by the taxation authorities. The recognition of a deferred tax asset on carried forward tax losses (in excess of taxable temporary differences) is dependent on management's assessment of these two factors. The ultimate recoupment and the benefit of these tax losses could differ materially from management's assessment.

(iii) Valuation of share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instrument at the date at which they are granted (as detailed above). The accounting estimates and assumptions relating to equity settled share-based payments would have no impact on the carrying amount of assets and liabilities within the next annual reporting period but may impact profit or loss and equity (refer to note 23).

(iv) Loan to associate

In determining the carrying value of the interest free loan to Amalgamated Minerals Pte. Ltd estimations are made regarding the appropriate interest rate to use in determining the present value of the loan and the expected timing of settlement of the loan. The interest rate is based on what an equivalent loan would be expected to be loaned out at. The timing is based on management's assessment on when the loan is expected to be settled based on the expected transactions of the Group (refer to note 13).

2. REVENUE AND EXPENSES

		31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
a)	**Income**		
	Interest income	219,216	1,937
	Profit on sale of financial asset (refer note 28)	100,786	644,444
	Profit on sale of tenement interests	550,000	-
	Government grant	-	17,500
		870,002	663,881
b)	**Employee benefits expense**		
	Employee benefits, including Directors' fees	318,785	214,717
	Superannuation expenses	14,168	6,073
		332,953	220,790
c)	**Finance costs**		
	Bank fees	8,972	3,299
	Brokerage fees	5,872	93
	Lease interest expense	899	797
	Insurance interest expense	3,291	-
	Convertible note – amortised interest cost on host debt	96,917	49,496
		115,951	53,685
d)	**Administration and other expenses**		
	Consultants, advisers, and auditors	210,409	115,279
	Insurance	64,249	22,277
	Legal costs	145,943	101,544
	Public company costs	98,812	59,709
	Overheads	256,138	164,621
	Travel costs	10,277	64,296
	Foreign exchange (gain)/loss	(221,765)	(263,693)
		564,063	264,033

3. INCOME TAX EXPENSE

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
a) The components of tax expense / (benefit) comprise:		
Current tax benefit / (expense)	-	-
Deferred tax benefit / (expense)	-	-
Offset against DTA not recognised	-	(799,177)
Under / (over) provision in prior years	-	799,177
	-	-
b) Reconciliation of prima facie tax on continuing operations to income tax benefit:		
Loss before tax for the period	(745,377)	(8,342,675)
Australian tax benefit @ 30% (31 December 2022: 30%)	(130,215)	(2,502,803)
Burkina Faso income tax benefit at 28% (31 December 2022: 28%)	(103,051)	-
Adjustments for:		
Non-assessable income	(65,765)	(45,465)
Capital (gain)/loss	-	-
Effect of differences in foreign tax rates	-	106,859
Legal fees	43,783	25,894
Other non-deductible expenses	319,266	152,912
Share-based payments	30,957	15,622
Unrecognised DTA on tax losses	(94,975)	1,447,804
Under provision in prior period	-	799,177
Income tax expense / (benefit) attributable to profit/(loss)	-	-
c) Components of deferred tax assets		
Deferred tax assets		
Tax losses	11,605,531	9,099,196
Provisions & accruals	17,099	31,015
Plant and equipment under lease	2,008	6,678
Capital & borrowing costs	94,259	59,537
Business related costs	-	5,271
Offset against deferred tax liability / not recognised	(11,718,897)	(9,201,697)
Deferred tax liabilities		
Prepayments	-	(4,695)
Investments	(15,216)	(9,189)
Exploration expenditure	-	-
Deferred tax assets not recognised	15,216	13,884
Net deferred tax assets / (liability)	-	-

		31 Dec 2023 $	31 Dec 2022 $
d)	**Deferred tax assets / liabilities not brought to account**		
	Temporary differences	96,300	82,327
	Capital losses	-	-
	Operating tax losses	11,670,781	9,099,196
		11,767,081	9,181,523

The tax benefits of the above deferred tax assets will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the Group in utilising the benefits.

		31 Dec 2023 $	31 Dec 2022 $
e)	**Deferred income tax (revenue)/expense included in Income Tax expense comprises:**		
	(Increase) / decrease in deferred tax assets	79,412	189,620
	(Decrease) / increase in deferred tax liabilities	(3,108)	(3,078,069)
	Under provision in prior period	-	(799,177)
	Deferred tax assets not recognised	(76,304)	3,687,626
		-	-
f)	**Deferred income tax related to items charged or credited directly to equity**		
	Decrease / (increase) in deferred tax assets	75,561	-
	Deferred tax assets not recognised	(75,561)	-
		-	-

g) Tax Consolidation

For the purposes of income tax legislation, the Company and its 100% controlled Australian entities have elected to form a tax consolidated group.

4. CASH AND CASH EQUIVALENTS

	31 Dec 2023 $	31 Dec 2022 $
Cash at bank and on hand	701,139	617,313

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
(a) Reconciliation of loss for the year to operating cash flows		
Loss for the period	(745,377)	(8,342,675)
Cashflows excluded from profit attributable to operating activities		
Finance costs on interest bearing liabilities	-	1,714
Adjustments for non-cash items:		
Impairment of exploration & evaluation assets	-	8,522,931
Share-based payments expense	103,191	52,073
Depreciation expense	24,958	12,944
Amortisation expense	14,803	7,462
Gain on disposal of financial asset	(100,786)	(644,444)
Gain on disposal of mineral rights	(250,000)	-
Revaluation of financial assets	(17,972)	(138,650)
Revaluation of embedded derivative	-	1,036
Interest on convertible note (unwind)	9,356	9,204
Revaluation of contingent consideration (performance shares)	-	(13,936)
FX revaluation	(250,475)	(260,663)
Fair value adjustment on loan to associate	259,418	-
Non-cash interest income booked on loan	(211,204)	-
Movement in working capital items:		
(Increase) in trade and other receivables	(5,089)	(8,214)
Decrease / (Increase) in prepayments	19,880	(70,951)
(Decrease) / increase in trade and other payables	(16,058)	141,875
Increase / (decrease) in payroll liabilities	9,914	(8,721)
Net cash used in operating activities	(1,155,441)	(739,015)

(b) Changes in liabilities arising from financing activities

	Convertible notes	Right of Use Lease	Total
	$	$	$
Balance at 30 June 2022	987,066	29,675	1,016,741
Net cash from/(used in) financing activities	-	(7,416)	(7,416)
Acquisition of leases	-	-	-
Other changes	10,240	-	10,240
Balance at 31 December 2022	997,306	22,259	1,019,565
Net cash from/(used in) financing activities	-	(15,566)	(15,566)
Acquisition of leases	-	-	-
Other changes	(5,126)	-	(5,126)
Balance at 31 December 2023	992,180	6,693	998,873

(c) Non-cash investing activities

Arrow issued a total of 662,500,000 shares forming its cost of investment in associate, representing a non-cash payment of $2,406,250 during the prior period. Refer note 12(b) for further information.

5. FINANCIAL ASSETS

	31 Dec 2023	31 Dec 2022
	$	$
Financial assets at fair value through profit or loss:		
Current:		
Listed Investment (Level 1) – Dreadnought Resources Ltd (refer note 27)	-	246,750
Listed Investment (Level 1) - Raiden Resources Ltd (refer note 28)	83,223	-
	83,223	**246,750**

6. TRADE AND OTHER RECEIVABLES

	31 Dec 2023	31 Dec 2022
	$	$
Bonds	6,135	6,135
Deposits	3,550	7,954
GST receivable	34,826	25,333
	44,511	39,422

7. PREPAYMENTS

	31 Dec 2023	31 Dec 2022
	$	$
Prepaid expenses	90,563	110,443
	90,563	110,443

8. HELD FOR SALE ASSETS

	31 Dec 2023 $	31 Dec 2022 $
Exploration assets – Strickland Copper Gold Project	-	-
Movements:		
Balance at beginning of period	-	705,750
Sale of tenement interest (refer note 27)	-	(705,750)
Balance at end of period	-	-

9. RIGHT OF USE ASSETS

	31 Dec 2023 $	31 Dec 2022 $
Right of use assets		
Cost	44,449	44,449
Accumulated amortisation	(38,284)	(23,481)
	6,165	20,968

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Movements:		
Balance at beginning of period	20,968	28,430
Additions	-	-
Amortisation for the period	(14,803)	(7,462)
Balance at end of period	6,165	20,968

(a) On 1 June 2021, the Group entered into a lease arrangement for its office in Subiaco, Australia, which expires on 31 May 2024, with an option to extend for a further three-year period, no option to purchase at the expiry of the lease period.

At the commencement date of a lease (other than leases of 12 months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

10. EXPLORATION AND EVALUATION ASSETS

	31 Dec 2023 $	31 Dec 2022 $
Exploration and evaluation phase	-	-

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Movements:		
Balance at the beginning of the period	-	8,179,606
Expenditure incurred during the period	-	343,325
Sale of subsidiary	-	-
Impairment recognised during the period (a)	-	(8,522,931)
Transferred to assets classified as held for sale (a)	-	-
Balance at the end of the period	-	-
The asset balance comprises the following areas of interest:		
- Burkina Faso Gold Projects	-	-
	-	-
Impairment expense recognised in respect of the following:		
- Burkina Faso Projects	-	(8,437,757)
- Strickland Copper Gold Project	-	(85,174)
	-	(8,522,931)

(a) The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation of each area of interest.

The impairment expense totalling $8,522,931 recognised in the period ended 31 December 2022 relates to:

- Burkina Faso Projects ($8,437,757); and
- Strickland Project ($85,174) (divested during the period, refer to note 27).

In response to the escalating armed activity throughout the country, on 30 September 2022 Burkina Faso was subject to a military lead coup, the second within a 12 month period. As a result of the continued deterioration in the security situation, Arrow has ceased all exploration field activities and has no current plans to resume exploration activities until the security situation is resolved. The Company continues to monitor the political and security situation in Burkina Faso.

Additionally, reference is made to Trevali Mining Corporation (Trevali), Arrow's joint venture partner and owner of several exploration tenements forming part of the Vranso Project. The Judicial Tribunal of Commerce in Burkina Faso has granted an order providing for the liquidation of Trevali's 90%-owned subsidiary Nantou Mining Burkina Faso S.A. (**Nantou Mining**). A liquidator has been appointed and has assumed responsibility for the management of the affairs of Nantou Mining. Trevali no longer exercises operational control over Nantou Mining or the Perkoa Zinc Mine. Nantou Mining funded exploration activities through an intercompany loan to Nantou Exploration and Sanguie Exploration with the exploration permits from both companies being used as collateral for the loan. Nantou Exploration and Sanguie Exploration have no source of funding or capacity to complete statutory reporting requirements to enable permit extensions. Sanguie Exploration has already failed to apply for permit extensions on the three exploration permits held under that company; it is anticipated that renewals for the permits held by Nantou Exploration will also not be applied for.

As a result of these developments, in the prior period the Company wrote down the carrying value of all Burkina Faso exploration assets to $nil at 31 December 2022, resulting in an impairment expense of $8,437,757 being recognised in the period.

The Company is taking appropriate steps to seek to maintain and protect its project interests in Burkina Faso.

11. PLANT AND EQUIPMENT

	31 Dec 2023 $	31 Dec 2022 $
Motor vehicle		
- At cost	124,906	124,906
- Accumulated depreciation	(102,223)	(90,775)
Total motor vehicle	22,683	34,131
Caravan		
- At cost	45,764	45,764
- Accumulated depreciation	(45,764)	(45,764)
Total Caravan	-	-
Office Improvements		
- At cost	156,176	156,176
- Accumulated depreciation	(151,664)	(139,854)
Total Office Improvements	4,512	16,322
Total plant and equipment	27,195	50,453

Movements in carrying amounts:

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period:

	Motor Vehicle $	Office Equipment/ Improvements $	Total $
Balance at 30 June 2022	**38,802**	**22,871**	**61,673**
Additions	-	-	-
Disposals	-	-	-
Depreciation expense	(5,699)	(7,245)	(12,944)
FX revaluation	1,028	696	1,724
Balance at 31 December 2022	**34,131**	**16,322**	**50,453**
Additions	-	-	-
Disposals	-	-	-
Depreciation expense	(12,579)	(12,379)	(24,958)
FX revaluation	1,131	569	1,700
Balance at 31 December 2023	**22,683**	**4,512**	**27,195**

12. INVESTMENT IN ASSOCIATE

(a) Reconciliation of carrying amount of investments accounted for using the equity method

	Beneficial Interest			
	31 Dec 2023	**31 Dec 2022**	**31 Dec 2023 $**	**31 Dec 2022 $**
Amalgamated Minerals Pte. Ltd^ (b)	33.3%	33.3%	2,405,256	2,406,250

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Movements in carrying amount:		
Balance at beginning of period	2,406,250	-
Initial cost of investment in associate (c)	-	2,406,250
Share of profit of associate (d)	7,889	-
Share of foreign currency translation reserve	(8,883)	-
Balance at end of period	2,405,256	2,406,250

^Amalgamated Minerals Pte. Ltd holds a 100% interest in subsidiary entity Mineralfields Guinea SARLU. Mineralfields Guinea SARLU is the holder of Simandou North Iron Project (Permit 22967).

(b) Definitive Binding Agreement to Acquire up to 60.5% in Amalgamated and Stage 1 Completion

On 13 July 2022, the Company announced that it had executed a non-binding term sheet (**Term Sheet**) to acquire up to a 60.5% controlling interest in Amalgamated Minerals Pte. Ltd. (**Amalgamated**), a private Singaporean registered company, which holds a 100% interest in the Simandou North Iron Project in Guinea, West Africa. Pursuant to the Term Sheet, Arrow issued 81,250,000 fully paid ordinary shares for a three-month exclusivity option to acquire up to a 60.5% interest in the Simandou North Project through Amalgamated (**Exclusivity Consideration Shares**).

Arrow engaged the services of CH-Qorum GmbH (an unrelated party) (**Facilitator**) to introduce and engage Amalgamated in relation to the Simandou North Project and act as an exclusive facilitator to Arrow in connection with the proposed transaction. For purposes of facilitating an introduction to Amalgamated and assisting in securing a successful transaction and investment by Arrow in the Simandou North Project, the Facilitator was entitled to be issued 81,250,000 fully paid ordinary shares in Arrow (**Facilitator Fee Shares**).

On 24 October 2022, the Company announced that, following the successful completion of due diligence on the Simandou North Iron Project, which included visits to the project area in Guinea by Arrow directors, as well as reviews from reputable legal firms in Australia, Singapore and Guinea, Arrow executed a binding agreement **(Definitive Agreement**) formalising the terms outlined in the Company's ASX Announcement of 13 July 2022.

On 31 December 2022, the Company formally acquired its initial 33.3% beneficial interest in Amalgamated, representing completion of Stage 1 of the transaction. On 31 December 2022 Arrow issued 500,000,000 ordinary shares (being the **Stage 1 Consideration Shares**) to ROPA Investments (Gibraltar) Limited and its nominees. Shareholder approval for the issue of the Stage 1 Consideration Shares was received at the Company's Annual General Meeting (**AGM**) held 30 November 2022.

Other key terms of the Definitive Agreement include the following:

- After completion of Stage 1, Arrow has agreed to use its best endeavours to fund, by way of an unsecured, interest-free shareholder loan, $2.5 million of exploration expenditure funding for the Simandou North Iron Project within 24 months from Stage 1 completion (**Expenditure Commitment**), which will be repayable in cash by Amalgamated on or before the date that is 15 years after the date on which any part of the loan is first advanced to Amalgamated or such other date as agreed between Arrow and Amalgamated (**Loan**). The Loan will not be convertible into additional shares in Amalgamated; and
- If the Expenditure Commitment is satisfied by Arrow and subject to certain conditions precedent, including Arrow obtaining all necessary shareholder approvals, Arrow may purchase a further 27.2% interest in Amalgamated for $1,000,000, either through the issue of Arrow shares based on a 10-day VWAP or cash, at the sole discretion of Arrow, to receive a controlling 60.5% interest in Amalgamated (**Stage 2**).

Rights to Earn a 100% Interest in Amalgamated (via milestones)

On 30 August 2023 the Company announced it had executed a binding term sheet to acquire the remaining 39.5% interest in Amalgamated Minerals Pte. Ltd. (Amalgamated), a private Singaporean registered company.

Key commercial milestones are:

- 80% ownership through the completion of a Pre-Feasibility Study or expenditure of A$15,000,000, whichever is less;
- 90% ownership through the completion of a Feasibility Study or expenditure of an additional A$22,500,000, whichever is less;
- 100% ownership following Amalgamated reaching a decision to mine in exchange for a US$1/tonne royalty.

Refer to Note 29 ("Subsequent Events") for details of a further agreement reached regarding 100% interest.

(c) Initial cost of investment in associate

	Cost of Investment $
Exclusivity Shares[1]	203,125
Facilitator Fee Shares[2]	203,125
Stage 1 Consideration Shares[3]	2,000,000
	2,406,250

[1]Fair value calculated based on 81,250,000 shares issued at $0.0025 per share (being the share price on date of execution of Term Sheet).

[2]Fair value calculated based on 81,250,000 shares at $0.0025 per share (being the share price on date of execution of Term Sheet).

[3]Fair value calculated based on 500,000,000 shares at $0.004 per share (being the share price on date of shareholder approval was received to issue the shares).

(d) Summarised financial information of associate

The tables below provide summarised consolidated financial information for Amalgamated and its wholly owned subsidiary Mineralfields Guinea SARLU (**Mineralfields**). The information disclosed reflects the amounts presented in the financial statements of the associate (in which AMD holds a 33.3% beneficial interest).

Summarised statement of financial position as at 31 December 2023:	31 Dec 2023 $	31 Dec 2022 $
ASSETS		
Current Assets		
Cash and cash equivalents	40,569	18,772
Trade and other receivables	22,722	216
Total Current Assets	63,291	18,988
Non-Current Assets		
Exploration and evaluation assets	2,298,114	147,795
Property, plant and equipment	49,839	-
Total Non-Current Assets	2,347,953	147,795
Total Assets	2,411,244	166,783
LIABILITIES		
Current Liabilities		
Trade and other payables	35,841	46,406
Total Current Liabilities	35,841	46,406
Non-Current Liabilities		
Loan payable to Arrow Minerals Ltd	2,414,635	156,627
Total Non-Current Liabilities	2,414,635	156,627
Total Liabilities	2,450,476	203,033
NET LIABILITIES	(39,232)	(36,250)

Summarised statement of comprehensive income:	31 Dec 2023 $	31 Dec 2022 $
Revenue	48,214	-
Expenses	(24,544)	-
Profit/(Loss) before income tax	23,670	-
Income tax expense	-	-
Profit/(Loss) after income tax	23,670	-
Other comprehensive income	(26,653)	-
Total comprehensive income	(2,983)	-
Group's share of net profit/(loss)	7,889	-

13. RECEIVABLES (NON-CURRENT)

	31 Dec 2023 $	31 Dec 2022 $
Loan to Amalgamated (a)		
Balance at beginning of year/period	156,627	-
Additional loans during the year/period	2,306,222	156,627
Less: discount	(662,488)	-
	1,800,361	156,627
Interest	211,204	-
Balance at end of year/period	2,011,565	156,627
Deferred loss		
Balance at beginning of year/period	-	-
Discount	662,488	-
Less: amortisation	(259,418)	-
Balance at end of year/period	403,070	-

(a) As detailed at note 12(b), Arrow has agreed to use its best endeavours to fund, by way of an unsecured, interest-free shareholder loan, $2.5 million of exploration expenditure funding for the Simandou North Iron Project within 24 months from Stage 1 completion (**Expenditure Commitment**), which will be repayable in cash by Amalgamated on or before the date that is 15 years after the date on which any part of the loan is first advanced to Amalgamated or such other date as agreed between Arrow and Amalgamated (Loan). As at 31 December 2023, Arrow had advanced Amalgamated a total of $2,462,849 (2022 $156,627) under this arrangement. The loan facility is interest-free, however Accounting Standard AASB 9 requires an interest component to be imputed, and as a result, a Deferred Fair Value Adjustment of $403,070 has been calculated. This amount will be expensed on a straight-line basis over the term of the loan. The loan has been discounted using an imputed interest rate of 20% over the directors' expected term of the loan being the period up to 31 December 2024.

14. TRADE AND OTHER PAYABLES

	31 Dec 2023 $	31 Dec 2022 $
Trade creditors and accruals	170,650	157,005
GST and withholding tax payable	175	30,114
Payroll liabilities	59,328	59,092
	230,153	246,211

Trade creditors are generally settled on 30 to 90 day terms.

15. RIGHT OF USE LEASE LIABILTIES

	31 Dec 2023 $	31 Dec 2022 $
Current		
Lease liability	6,693	15,566
Non-Current		
Lease liability	-	6,693
Total Current and Non-Current	6,693	22,259

16. OTHER FINANCIAL LIABILITIES

	31 Dec 2023 $	31 Dec 2022 $
Current		
Convertible note liability (a)	992,180	-
Contingent consideration (b)	-	-
	992,180	-
Non-Current		
Convertible note liability (a)	-	997,306
	-	997,306

(a) Convertible Note

As previously disclosed, on 26 August 2020 the Company issued 1,000,000 unsecured convertible notes at A$1.00 each, raising $1,000,000 (before costs of $60,000). The notes have a 48 month Maturity Date, unless converted prior. Conversion can occur at any time up to the Maturity Date, unless redeemed prior through a Change in Control of the Company or by an Event of Default. The Company also holds the right to redeem the convertible notes after 36 months and prior to the Maturity Date. There are no specific financial covenants within the Event of Default, although failure to pay any material amounts under the agreement (e.g. interest) and insolvency are Events of Default. The convertible notes have an interest rate of 8% and allow the holder to convert the $ amount held (**Outstanding Amount**) into the equivalent amount of shares based on the lower of $0.0075 cents per share (being 1.25 times the price of shares issued to the market pursuant to the equity raising on 24 June 2020 (**First Equity Raising**)) and (if lower than $0.006) 1.25 times the price of a subsequent capital raising. The debt instrument contains an embedded forward, being the conversion feature based on the lower of $0.0075 and 1.25 times the prevailing price of shares (**Subsequent Equity Raising**), resulting in a variable number of shares.

In February 2023, the Company completed an equity raising at an issue price of $0.0055 per share (being Placement A). In accordance with the terms of the Convertible Note, the undertaking of this placement triggered a re-pricing of the Conversion Price of the Convertible Notes from $0.0075 (previous conversion price) to $0.006875 (first revised conversion price). Further, in December 2023, the Company completed Tranche 1 of an equity raising at an issue price of $0.001 per share (being Placement B). In accordance with the terms of the Convertible Note, the undertaking of this placement triggered a re-pricing of the Conversion Price of the Convertible Notes to $0.00125 (second revised conversion price).

Key Terms:

Amount Issued 1,000,000 unlisted and unsecured convertible notes of A$1.00 face value

Maturity Date 48 months after deed date

Interest 8% per annum simple interest until conversion or redemption

Minimum Amount 100,000 notes (or $100,000)

Conversion The notes convert into Conversion Shares on the following formula:

$$\text{Number of Conversion Shares} = \frac{\text{Amount Converted (\$)*}}{\text{Conversion Price}}$$

** has to be greater than the Minimum Amount*

Conversion Price Means either:

(i) 1.25 multiplied by the price a Company Share is issued under the First Equity Raising; or

(ii) 1.25 multiplied by a price a Company Share is issued under a Subsequent Lower Priced Equity Raising (if any).

The financial liability has been accounted for as a derivative financial liability with an embedded derivative feature (the **Embedded Derivative**).

Measurement

The instrument was initially valued as the total fair value of the embedded derivative and host debt contract at issue date, resulting in the following impact to the Financial Statements during the six month period ended 31 December 2022.

	Initial Valuation	**31 Dec 2023**	**31 Dec 2022**
	$	**$**	**$**
Embedded derivative – financial liability at fair value through profit/loss	(6,988)	(6,988)	(2,062)
Host debt contract – financial liability at amortised cost^	(933,012)	(985,192)	(995,243)
Total value of Convertible Note in Statement of Financial Position	(940,000)	(992,180)	(997,305)

^ The host debt contract implicit interest rate is 9.75%.

(b) Contingent Consideration

As part of the accounting for the acquisition of Boromo Gold Ltd (completed in August 2019), contingent consideration with an estimated fair value of $730,955 was recognised as a current liability at the acquisition date. During the year the final Class C performance rights expired. Movement in the financial liability is as follows:

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Opening Balance	-	13,937
(Gain) / loss on revaluation	-	(13,937)
Closing Balance	-	-

17. ISSUED CAPITAL

	31 Dec 2023 $	31 Dec 2022 $
Ordinary shares issued and fully paid	51,606,728	48,713,599

(a) Movements in issued capital

		31 Dec 2023 (12-months)		31 Dec 2022 (6-months)	
	Note	No.	$	No.	$
Balance at beginning of period		2,533,765,094	48,713,599	1,823,931,760	45,957,349
Placement	(i)	-	-	58,333,334	350,000
Exclusivity Consideration Shares	(ii)	-	-	81,250,000	203,125
Facilitator Fee Shares	(ii)	-	-	81,250,000	203,125
Stage 1 Consideration Shares	(ii)	-	-	500,000,000	2,000,000
ESP share buy-back and cancellation	(iii)	-	-	(11,000,000)	-
Placement	(iv)	490,000,002	2,695,000	-	-
Placement	(v)	450,000,000	450,000	-	-
Costs of capital raising		-	(251,871)	-	-
Balance at end of period	(vi)	3,473,765,096	51,606,728	2,533,765,094	48,713,599

(i) In July 2022, the Company completed a non-brokered private placement to qualified sophisticated and professional investors to raise $350,000 via the issue of 58,333,334 shares in the Company at an issue price of $0.006 per share (**July 2022 Placement**).

(ii) Refer note 12(c) for details.

(iii) On 19 August 2022, the Company bought back, for no consideration, 11,000,000 shares previously issued under the ESP in accordance with the terms of the ESP plan.

(iv) On 15 February 2023, the Company announced a placement to sophisticated and institutional investors to raise $2,695,000 via the issue of 490,000,002 shares in the Company at an issue price of $0.0055 per share (being Placement A). Final securities issued in relation to this placement were issued 14 April 2023.

(v) In December 2023, the Company completed tranche 1 of a placement to raise $450,000 via the issue of 450,000,000 shares in the Company at an issue price of $0.001 per share (being Tranche 1 of Placement B). Tranche 2 of the Placement B was completed in February 2024.

(vi) Shares subject to escrow or restriction at 31 December 2023 include:

- 72,791,666 shares escrowed until 12 June 2024; and
- 435,000,000 shares escrowed until 12 June 2025.

Terms and conditions of ordinary shares

Ordinary shares have the right to receive dividends as declared, and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid upon shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(b) Unexpired share options

The following unlisted options over ordinary shares of the Company existed at reporting date:

Expiry Date	Exercise Price ($)	Number
11 October 2024[1]	$0.009	4,300,000
25 November 2024[1]	$0.009	8,000,000
5 August 2025[1]	$0.006	9,900,000
5 August 2025[2]	$0.006	40,000,000
24 October 2025[3]	$0.007	5,000,000
25 November 2025[1]	$0.011	5,000,000
22 February 2024[1]	$0.00825	284,393,941
22 February 2026[1]	$0.007	40,000,000
		396,593,941

[1]Vested.
[2]Options shall vest upon satisfaction of service condition on 5 August 2023 (50%) and 5 August 2024 (50%).
[3]Options shall vest upon satisfaction of service condition on 24 October 2023 (50%) and 24 October 2024 (50%).

Refer note 23(f) for further details.

(c) Performance rights

The following performance rights over ordinary shares of the Company existed at reporting date:

Class	Expiry Date	No.
Tranche 1[1]	31/12/2026	17,000,000
Tranche 2[2]	31/12/2026	17,000,000
Tranche 3[3]	31/12/2026	17,000,000
		51,000,000

[1] Tranche 1 Performance Rights Milestone: Release of an ASX announcement confirming a JORC compliant resource equal to or in excess of 50Mt at no lower than 60% Fe by 31 December 2024.
[2] Tranche 2 Performance Rights Milestone: Release of an ASX announcement of a positive Scoping Study that recommends moving to pre-feasibility study (PFS) by 31 December 2025.
[3] Tranche 3 Performance Rights Milestone: AMD's share price (calculated at the 5-day VWAP) exceeding five (5) times the 30-day VWAP (calculated at 24 October 2022) (Share Price Hurdle) over a consecutive 20-day period (trading days) by 31 December 2025. Based on a calculation date of 24 October 2022, the Share Price Hurdle has been determined to be $0.026.

Refer note 23(d) for further details.

18. RESERVES

	31 Dec 2023 $	31 Dec 2022 $
Share-based payments reserve (shares) (a)	2,084,407	2,084,407
Share-based payments reserve (options and performance rights) (b)	1,152,580	918,056
Foreign currency translation reserve (c)	(492,496)	(242,021)
	2,744,491	2,760,442

(a) The share-based payments reserve (shares) relates to shares granted by the Company to its employees. The movement relates to the share-based payments expense recognised during the period in respect of the ESP.

(b) The share-based payments reserve (options and performance rights) relates to options and performance rights granted by the Company to its employees and Directors. The movement relates to the share-based payments expense recognised during the period in respect of the ESIP options, Director options, and performance rights.

(c) Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating the net assets of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

19. LOSS PER SHARE

The following data reflects the income and share numbers used in calculation of the basic and diluted loss per share:

	Unit	31 Dec 2023 (12-months)	31 Dec 2022 (6-months)
Weighted average number of shares	No.	2,945,765,019	2,022,681,761
(Loss) used in calculation of basic and diluted loss per share	$	(745,377)	(8,342,675)
Basic and diluted (loss) per share:	cents	(0.025)	(0.412)

20. CONTINGENT ASSETS AND LIABILITIES

Contingent Assets

There were no contingent assets at 31 December 2023.

Contingent Liabilities

In September 2021 Arrow announced that it had secured the Tombi-Ouest Minerals Exploration Permit (**Tombi-Ouest**) in Burkina Faso for a total consideration of CFA 70,000,000 (equivalent to approximately AUD $170,000) (**Consideration**) and a 1% NSR. The Consideration is to be paid via three instalments; the first payment of CFA 20,000,000 (paid in prior period); second payment of CFA 20,000,000 (paid in current period); and third payment of CFA 30,000,000 due on or before the 2 year anniversary of earn-in commencement date (September 2023); whereby the third payment is contingent on AMD electing to remain a party to the earn-in arrangement at this future date. A notice of force majeure was issued and all expenditure ceased therefore the 2 year anniversary payment was not paid by the Company.

The Group had no other contingent assets or liabilities at reporting date.

21. COMMITMENTS

(a) Commitments of Group

Exploration & evaluation commitments – Burkina Faso

The Group has certain minimum obligations in pursuance of the terms and conditions of tenement licences in the forthcoming year. Whilst these obligations are capable of being varied from time to time, in order to maintain current rights of tenure to mining tenements, the Group will be required to outlay $138,745 in 2024. Exploration commitments does not include requirements under earn-in arrangements for tenements held by other entities, as the Company is not currently obligated to spend under these arrangements, and further commitment to spend is subject to exploration results, the outcome of which is not certain.

The expenditure commitment for the Group for later than 2 years but not later than 5 years is uncertain as the tenements require re-application prior to this date of which the outcome is not certain.

	31 Dec 2023 $	31 Dec 2022 $
Up to 1 year	138,745	231,305
Between 1 and 5 years	60,583	167,353
Later than 5 years	-	-
	199,328	398,658

Expenditure Commitment – Guinea

Pursuant to the terms of the Definitive Agreement, in order to move to Stage 2 (whereby Arrow may purchase a further 27.2% interest in Amalgamated), Arrow must first satisfy $2,500,000 of exploration expenditure funding for the Simandou North Iron Project within 24 months from date of completion of the Stage 1 (being the Expenditure Commitment). Refer note 12(b) for details. Noting that $2,406,256 (2022 $156,627) of the Expenditure Commitment has been satisfied at 31 December 2023 (refer note 13), the remaining commitment at 31 December 2023 is $93,744 (2022 $2,343,373).

(b) Commitments of Associate

Exploration & evaluation commitments – Guinea

Mineralfields Guinea SARLU (100% subsidiary of associate Amalgamated Minerals Pte. Ltd) has minimum expenditure obligations in respect of the Simandou North Iron Project permit. Whilst these obligations are capable of being varied from time to time, in order to maintain current rights of tenure under the permit, Mineralfields will be required to spend the following.

	31 Dec 2023 $	31 Dec 2022 $
Up to 1 year	2,541,754	-
Between 1 and 5 years	-	4,694,491
Later than 5 years	-	-
	2,541,754	4,694,491

22. RELATED PARTY & KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Parent and subsidiaries

The parent entity and the ultimate parent entity of the Group is Arrow Minerals Limited, a company listed on the Australian Securities Exchange. The components of the Group are:

		Extent of control	
	Incorporated	**31 Dec 2023**	**31 Dec 2022**
Parent			
Arrow Minerals Limited	Australia	-	-
Controlled entities			
Boromo Gold Pty Ltd	Australia	100%	100%
Gengold Resources Burkina	Cayman Islands	100%	100%
Gold Square Resources SASU	Burkina Faso	100%	100%
Black Star Resources Africa SASU	Burkina Faso	100%	100%
Farafina Resources SASU	Burkina Faso	100%	100%
Fofora Resources SASU	Burkina Faso	100%	100%
Arrow (Strickland) Pty Ltd	Australia	100%	100%
Arrow (Leasing) Pty Ltd	Australia	100%	100%
Arrow (Deralinya) Pty Ltd	Australia	100%	100%
Arrow (Plumridge) Pty Ltd	Australia	100%	100%
Arrow (Pardoo) Limited	Australia	100%	100%
Edurus Resources SA	South Africa	100%	100%

(b) Key management personnel disclosures

The key management personnel compensation includes employee benefits and director compensation expenses as follows:

	31 Dec 2023 (12-months) $	**31 Dec 2022 (6-months) $**
Short-term employee benefits	379,439	205,385
Post-employment benefits	4,670	1,930
Equity compensation benefits	90,249	28,567
	474,358	235,882

Further information regarding key management personnel has been provided in the Remuneration Report.

(c) Transactions with key management personnel

The Company entered into a service agreement with Mitchell River Group Pty Ltd effective 6 July 2016 for the provision of exploration database management services. Mitchell River Group Pty Ltd is a related party of Director Dr Tabeart.

During the year, an amount of $24,244 (6-months ended 31 December 2022: $6,039) was paid or payable in relation to these services. An amount of $nil (31 December 2022: $nil) was payable at the end of the year.

GenGold Resources Capital Pty Ltd (**GenGold**) has, via arrangement, contracted the services of its geological team to Arrow during the year. Mr McKeith is a related party of GenGold. During the year, an amount of $59,490 (6-months ended 31 December 2022: $20,990) was paid or payable in relation to services. An amount of $nil (31 December 2022: $nil) was payable at the end of the year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

Unlisted Options issued to Directors

There were no options issued to Directors (or their nominees) as part of remuneration packages during the year.

Options issued to Directors (or their nominees) as part of remuneration packages during the prior period were as follows:

Director	Unlisted Options at $0.006 Expiring 05-Aug-2025	Unlisted Options at $0.007 Expiring 24-Oct-2025
Mr Thomas McKeith	7,500,000	-
Mr Hugh Bresser	25,000,000	-
Mr Frazer Tabeart	7,500,000	-
Mr Alwyn Vorster	-	5,000,000
	40,000,000	5,000,000

Performance Rights issued to Directors

There were no Performance Rights issued to Directors (or their nominees) as part of remuneration packages during the year.

Performance Rights issued to Directors (or their nominees) as part of remuneration packages during the prior period were as follows:

Director	Performance Rights Expiring 31-Dec-2026 Tranche 1	Performance Rights Expiring 31-Dec-2026 Tranche 2	Performance Rights Expiring 31-Dec-2026 Tranche 3
Mr Thomas McKeith	7,000,000	7,000,000	7,000,000
Mr Hugh Bresser[1]	15,000,000	15,000,000	15,000,000
Mr Frazer Tabeart	5,000,000	5,000,000	5,000,000
Mr Alwyn Vorster	5,000,000	5,000,000	5,000,000
	32,000,000	32,000,000	32,000,000

[1]Lapsed on 7 November 2023 upon resignation of Director.

23. SHARE-BASED PAYMENTS EXPENSE

(a) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Options – Directors (b)	77,523	29,706
Options – Employee Securities Incentive Plan (**ESIP**) (c)	12,943	13,711
Performance Rights – Directors (d)	12,725	6,917
Shares – Employee Share Plan (**ESP**) (e)	-	1,739
	103,191	52,073

Share-based payments are provided to Directors, consultants and other advisors.

The issue to each individual Director, consultant or advisor is controlled by the Board and the ASX Listing Rules. Terms and conditions of the payments, including the grant date, vesting date, exercise price and expiry date are determined by the Board, subject to shareholder approval where required.

(b) Options – Directors

During the prior period, the Company issued the following securities:

- 40,000,000 unlisted options with an exercise price of $0.006 expiring 5 August 2025 were issued to Directors (or their nominee) (**Director A Options**); and
- 5,000,000 unlisted options with an exercise price of $0.007 expiring 24 October 2025 were issued to Directors (or their nominee) (**Director B Options**).

These securities were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table details the inputs to the valuations for each option class:

	Director A Options	Director B Options
Dividend yield (%)	Nil	Nil
Expected volatility (%)	100%	100%
Risk free interest rate (%)	3.27%	3.27%
Exercise price ($)	$0.006	$0.007
Marketability discount (%)	Nil	Nil
Expected life of options (years)	2.68	2.90
Share price at grant date ($)	$0.004	$0.004
Value per option ($)	$0.0021	$0.0020

(c) Employee Securities Incentive Plan (ESIP)

Relates to securities issued to employees pursuant to the Company's Employee Securities Incentive Plan (**ESIP**). The ESIP was approved by shareholders on 11 November 2019.

During the period, the Company issued the following securities:

- 9,900,000 unlisted options with an exercise price of $0.006 expiring 5 August 2025 employees pursuant to the shareholder-approved Employee Securities Incentive Plan (**ESIP**) (**ESIP Options**).

These securities were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table details the inputs to the valuations for each option class:

	ESIP Options
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	3.08%
Exercise price ($)	$0.006
Marketability discount (%)	Nil
Expected life of options (years)	3
Share price at grant date ($)	$0.004
Value per option ($)	$0.0022

(d) Performance Rights

During the prior period, the Company issued a total of 96,000,000 performance rights to Directors (or their nominees), as follows:

Performance Rights	No.	Expiry Date	Performance Milestone Deadline	Performance Milestone
Tranche 1	32,000,000	31 December 2026	31 December 2024	Release of an ASX announcement confirming a JORC compliant resource equal to or in excess of 50Mt at no lower than 60% Fe by 31 December 2024
Tranche 2	32,000,000	31 December 2026	31 December 2025	Release of an ASX announcement of a positive Scoping Study that recommends moving to pre-feasibility study (PFS) by 31 December 2025
Tranche 3	32,000,000	31 December 2026	31 December 2025	AMD's share price (calculated at the 5-day VWAP) exceeding five (5) times the 30-day VWAP (calculated at 24 October 2022) (Share Price Hurdle) over a consecutive 20-day period (trading days) by 31 December 2025. Based on a calculation date of 24 October 2022, the Share Price Hurdle has been determined to be $0.026.

The Tranche 1 and Tranche 2 performance rights (with non-market performance milestone) were valued using a probability-based valuation methodology with reference to the share price at grant date. The fair value of each Tranche 1 and Tranche 2 performance right is $0.004 (being share price on date of grant).

The Tranche 3 performance rights (with market performance milestone) were valued using the Hoadleys Hybrid Model (a Monte Carlo simulation model) prepared by an independent valuer. Based on valuation inputs and assumptions (as detailed in the Company's Notice of AGM for the meeting held 30 November 2022), the fair value of each Tranche 3 performance right was determined to be $0.0029.

(e) Shares

Relates to securities issued to directors and employees pursuant to the Company's existing shareholder-approved Employee Share Plan (**ESP**). There were no new shares issued pursuant to the ESP during the period. A total of 11,000,000 shares were bought back during the prior period for no consideration, in accordance with the ESP. There are no remaining ESP shares on issue.

(f) Options

Overview of options:

The Group provides benefits to employees, contractors, consultants and Directors of the Group in the form of share-based payment transactions, whereby employees, contractors, consultants and Directors render services in exchange for options to acquire ordinary shares.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights. Set out below is a summary of the options granted.

	31 Dec 2023 (12-months) No. Options	31 Dec 2023 (12-months) WAEP	31 Dec 2022 (6-months) No. Options	31 Dec 2022 (6-months) WAEP
Outstanding at the beginning of the period	112,550,000	0.0128	187,800,000	0.0174
Granted	324,393,941	0.0081	54,900,000	0.0061
Exercised	-	-	-	-
Lapsed / expired	(40,350,000)	0.0142	(130,150,000)	0.0194
Outstanding at end of the period	396,593,941	0.0079	112,550,000	0.0095
Exercisable at end of the period	371,593,941	0.008	57,650,000	0.0128

Additional information:

There were no unlisted options exercised during the year (6-months ended 31 December 2022: $nil).

Unlisted options outstanding at 31 December 2023 had a weighted average exercise price of $0.0079 (2022: $0.0095) and a weighted average remaining contractual life of 217 days (2022: 674 days).

The weighted average fair value of options granted during the year was $0.0081 per option (6 months ended 31 December 2022: $0.0061).

(g) Options – Brokers and Advisors

During the year, the Company issued the following securities:

- 40,000,000 unlisted options with an exercise price of 0.7¢ expiring 22 February 2026 were issued to Advisors (or their nominee) (**Advisor Options**); and
- 39,393,939 unlisted options with an exercise price of 0.825¢ expiring 22 February 2024 were issued to Brokers (or their nominee) (**Broker Options**).

These securities were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The valuation of $130,544 has been recorded through equity (costs of capital raising). The following table details the inputs to the valuations for each option class:

	Advisor Options	Broker Options
Dividend yield (%)	Nil	Nil
Expected volatility (%)	100%	100%
Risk free interest rate (%)	2.99%	3.57%
Exercise price ($)	0.7¢	0.825¢
Marketability discount (%)	Nil	Nil
Expected life of options (years)	2.97	1.14
Share price at grant date ($)	0.45¢	0.4¢
Value per option ($)	0.24¢	0.09¢

24. OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board in assessing performance and determining the allocation of resources. The Group operates in two segments in the current period, being mineral exploration and evaluation in Western Australia and West Africa. The Company is domiciled in Australia. Segment revenues are allocated based on the country in which revenue was earned. Segment assets are allocated to the country where the assets are located.

	Australia $	West Africa $	Consolidated $
Year Ended 31 December 2023 (12-months)			
Other income	870,002	-	870,002
Total segment income	870,002	-	870,002
Total (loss) from continuing operations before tax	(385,227)	(360,150)	(745,377)
As at 31 December 2023			
Segment assets	3,312,015	2,460,672	5,772,687
Total assets of the Group			5,772,687
Segment liabilities	1,186,480	42,546	1,229,026
Total liabilities of the Group			1,229,026
Period Ended 31 December 2022 (6-months)			
Other income	663,881	-	663,881
Total segment income	663,881	-	663,881
Total comprehensive (loss) from continuing operations before tax	211,477	(8,554,152)	(8,342,675)
As at 31 December 2022			
Segment assets	1,133,902	2,514,324	3,648,226
Total assets of the Group			3,648,226
Segment liabilities	1,213,508	52,268	1,265,776
Total liabilities of the Group			1,265,776

25. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. The Board has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from receivables from customers and cash and cash equivalents.

Substantial cash balances are held with recognised institutions with credit rating A-3 or above as a way of limiting the exposure to credit risk. There are no formal credit approval processes in place.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	31 Dec 2023	31 Dec 2022
	$	$
Cash and cash equivalents	701,139	617,313
Trade and other receivables	44,511	39,422
	745,650	656,735

Financial assets are neither past due nor impaired.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place.

The maturity profile of the Group's financial assets and liabilities are:

31 December 2023	Carrying Amount $	Up to 6 months $	6-12 months $	1-2 years $	2+ years $
Cash and cash equivalents	701,139	701,139	-	-	-
Trade and other receivables	44,511	44,511	-	-	-
Receivable (Loan)[1]	2,011,565	-	-	-	2,011,565
Lease liabilities	(6,693)	(6,693)	-	-	-
Trade and other payables	(230,153)	(230,153)	-	-	-
Convertible note liability[2]	(992,180)	(992,180)	-	-	-
	1,528,189	(483,376)	-	-	2,011,565

31 December 2022	Carrying Amount $	Up to 6 months $	6-12 months $	1-2 years $	2+ years $
Cash and cash equivalents	617,313	617,313	-	-	-
Trade and other receivables	39,422	39,422	-	-	-
Receivable (Loan)[1]	156,627	-	-	-	156,627
Lease liabilities	(22,259)	(8,268)	(8,197)	(6,793)	-
Trade and other payables	(246,212)	(246,212)	-	-	-
Convertible note liability[2]	(997,305)	(39,890)	(40,000)	(1,040,000)	-
	(452,414)	362,365	(48,197)	(1,046,793)	156,627

[1] As referred to at note 13(a), the Loan is repayable in cash on or before the date that is 15 years after Loan is first advanced to Amalgamated.

[2] Assumes convertible notes are redeemed at maturity for $1,000,000.

The maturity profile disclosed are the contractual undiscounted cashflows.

(c) Price risk

The Group is exposed to equity securities price risk. This arises from investments held and classified in the statement of financial position at fair value through profit and loss. The Group's equity investments at 31 December 2023 are publicly traded on the Australian Securities Exchange (ASX) and are recognised as financial assets carried at fair value through profit and loss.

(d) Market risk

Market risk is the risk that changes in market prices will affect the Group's income or the value of its holdings of financial instruments.

Foreign currency risk:

The Group is exposed to foreign exchange risk through funding of exploration activities in West Africa in Guinea Francs (GNF), Central African Francs (XOF) (pegged to the EUR), and USD denominated payments. The exposure is not considered material.

Interest rate risk:

Exposure to interest rate risk

The Group's maximum exposure to interest rates at the reporting date was:

	Range of effective interest rate	Carrying amount	Variable interest rate	Fixed interest rate	Total
	%	$	$	$	$
31 December 2023					
Financial Assets – Current					
Cash and cash equivalents	0.95 – 1.35	701,139	701,139	-	701,139
Financial Liabilities – Current					
Lease liabilities	6.47	6,693	-	6,693	6,693
Financial Liabilities – Non-Current					
Lease liabilities	6.47	-	-	-	-
Convertible note liability	8.00	992,180	-	992,180	992,180
	Range of effective interest rate	**Carrying amount**	**Variable interest rate**	**Fixed interest rate**	**Total**
31 December 2022					
Financial Assets – Current					
Cash and cash equivalents	0 – 0.36	617,313	617,313	-	617,313
Financial Liabilities – Current					
Lease liabilities	6.47	15,566	-	15,566	15,566
Financial Liabilities – Non-Current					
Lease liabilities	6.47	6,693	-	6,693	6,693
Convertible note liability	8.00	997,305	-	997,305	997,305

The Group holds the majority of its cash and cash equivalents within a current account attracting a weighted interest rate of 1.27% pa (2022: 0.2747% pa).

Movement of 100 basis points on interest rate (considered a reasonably possible change) would not have a material impact on the Group's loss or equity.

Fair value of financial instruments

The Directors consider the carrying amount of the financial instruments (including cash and cash equivalents, trade and other receivables, and other financial assets) to be a reasonable approximation of their fair value at 31 December 2023. The Directors consider the carrying amount of the financial instruments (including lease liabilities, trade and other payables, and convertible note liability) to be a reasonable approximation of their fair value at 31 December 2023.

Fair value hierarchy

AASB 13: Fair Value Measurement requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs)

The Group's convertible notes embedded derivative component is not traded on an active market. The fair value is based on significant observable inputs (level 3) at the end of the reporting period. These instruments are included in level 3. The significant observable inputs used includes the historical volatility rate and interest rate.

The fair value of the Group's contingent consideration is measured using management's weighted probability of performance milestones being achieved (refer note 17(c) for performance milestones attaching the Performance Rights). These instruments are included in level 3.

31 December 2023	**Date of valuation**	**Total $**	**Quoted prices in active markets (Level 1) $**	**Significant observable inputs (Level 2) $**	**Significant unobservable inputs (Level 3) $**
Assets measured at fair value:					
Financial assets (Listed Investment)	31-Dec-23	83,223	83,223	-	-
Liabilities measured at fair value:					
Convertible notes embedded derivative	31-Dec-23	6,988	-	-	6,988
Contingent consideration	31-Dec-23	-	-	-	-

31 December 2022	**Date of valuation**	**Total $**	**Quoted prices in active markets (Level 1) $**	**Significant observable inputs (Level 2) $**	**Significant unobservable inputs (Level 3) $**
Assets measured at fair value:					
Financial assets (Listed Investment)	31-Dec-22	246,750	246,750	-	-
Liabilities measured at fair value:					
Convertible notes embedded derivative	31-Dec-22	2,062	-	-	2,062
Contingent consideration	31-Dec-22	-	-	-	-[1]

[1] Refer note 16(b) for details of movement in Level 3 instrument (contingent consideration).

(d) Capital management policy

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

There were no changes in the Group's approach to capital management during the period. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements. The Group defines capital as cash and cash equivalents plus equity. The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital or gearing ratios as the Group has not derived any income from their mineral exploration.

26. PARENT ENTITY INFORMATION

(a) Financial Position

	31 Dec 2023	31 Dec 2022
	$	$
ASSETS		
Current assets	807,993	709,557
Non-current assets	4,922,147	2,886,402
TOTAL ASSETS	5,730,140	3,595,959
LIABILITIES		
Current liabilities	1,186,479	209,510
Non-current liabilities	-	1,003,999
TOTAL LIABILITIES	1,186,479	1,213,509
NET ASSETS	4,543,661	2,382,450
EQUITY		
Issued capital	51,606,728	48,713,599
Reserves	3,236,987	3,002,464
Accumulated losses	(50,300,054)	(49,333,613)
TOTAL EQUITY	4,543,661	2,382,450

(b) Statement of Comprehensive Income

	31 Dec 2023 (12-months)	31 Dec 2022 (6-months)
	$	$
(Loss) for the period	(966,441)	(8,619,912)
Other comprehensive income	-	-
Total comprehensive (loss)	(966,441)	(8,619,912)

(c) Commitments

Parent entity commitments are as disclosed within note 21.

(d) Contingent assets / liabilities

The parent entity does not have any contingent assets or contingent liabilities.

27. DIVESTMENT OF STRICKLAND COPPER GOLD PROJECT, WA

On 13 July 2022, the Company announced that it has executed a tenement sale and purchase agreement (via its subsidiary) with Dreadnought Resources Ltd (ASX:DRE) (**Dreadnought**) by which Dreadnought would acquire a 100% interest in the Strickland Copper Gold Project (comprising E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634) in Western Australia. Settlement of this transaction occurred on 1 August 2022.

Pursuant to the terms of the agreement, Arrow received total cash consideration of $600,000 and was issued 2,350,000 fully paid ordinary shares in Dreadnought (escrowed until 31 January 2023).

Arrow continues to retain upside exposure to the success of the Strickland Copper Gold project through the terms of the sale and purchase agreement that provides for a $1,000,000 cash payment upon the identification and reporting of JORC compliant inferred mineral resource of >500,000oz gold equivalent. Arrow also retains a total 1% Net Smelter Return royalty in relation to minerals mined by or on behalf of Dreadnought on the Strickland Copper Gold Project.

28. SALE OF RESIDUAL MINERALS RIGHTS, WA

On 7 August 2023 the Company announced that it had entered into a binding option and earn-in agreement with Raiden Resources Limited for the sale of Arrow's lithium-caesium-tantalum (Li-Cs-Ta) mineral rights in tenements E47/3476 & E47/3478 located in the Pilbara, Western Australia. On 6 November 2023 the Company advised that Raiden Resources Limited elected to exercise the upfront option to acquire 100% of the lithium-caesium-tantalum (Li-Cs-Ta) mineral rights in tenements E47/3476 & E47/3478 located in the Pilbara, Western Australia. Pursuant to the terms of the agreement, the Company received $300,000 in cash and $250,000 in Raden Resources Limited shares.

29. SUBSEQUENT EVENTS

Recapitalisation and Board Restructure

On 13 December 2023, the Company announced a recapitalisation and Board restructure aimed at unlocking the potentially significant value of its Simandou North iron project in Guinea, West Africa. Under the plan, highly regarded iron ore executive David Flanagan would be appointed Managing Director.

A summary of the recapitalisation and board restructure plan, is as follows:

Placement

Arrow advised its intention to raise $3,500,000 (before costs) via a two-tranche share placement at 0.1c per share (**Placement B**).

Tranche 1 of the Placement for raising $450,000 (before costs) was completed on 22 December 2023 under Arrow's existing Listing Rule 7.1 placement capacity. Tranche 2 of the Placement to raise $3,050,000 was subject to shareholder approval.

Share Purchase Plan (SPP)

Subject to shareholder approval, existing Arrow shareholders would have the opportunity to participate in a Share Purchase Plan (**SPP**) to raise up to an additional $500,000 at the same price as Placement B.

Convertible Note

Arrow reached agreement with holders of its existing $1m Convertible Note (**CN**) whereby, subject to shareholder approval, the CN holders will convert $500,000 (50%) of the CN into Arrow ordinary shares at a 25% premium to the equity raising price, resulting in an issue of 400m new shares. In consideration for the early exercise, the CN holders will receive 778m unlisted zero strike price options in Arrow.

David Flanagan (Proposed Managing Director)

Mr Flanagan has been engaged as part-time consultant to Arrow until his appointment as Managing Director on 15 February 2024. Mr Flanagan has the right to be issued (subject to shareholder approval) 775m zero strike price options, and 90m zero strike price options which will have vesting hurdles tied to a 50Mt JORC Resource of at least 60% Fe, Arrow increasing its interest in the Simandou North Iron Project up to 60.5%, and completion of a pre-feasibility study on the Simandou North Iron Project. All zero strike options will have a 6 month escrow from signing of the consulting agreement.

Jeff Dowling (Proposed Non-Executive Chairman)

Experienced corporate director Mr Jeff Dowling joined the Board as Non-Executive Chairman of Arrow on 15 February 2024. Mr Dowling's current directorships include NRW Holdings Limited and Fleetwood Limited. Mr Dowling (or his nominee) will have the right to be issued 100m zero strike price options (subject to shareholder approval).

Existing Board of Directors

Former Executive Chair Mr Tommy McKeith transitioned to Non-Executive Director on 15 February 2024 and will have the right to be issued 100m zero strike price options, escrowed for 6 months, for his role in originating and facilitating the recapitalisation.

Mr Alwyn Vorster has remained as Non-Executive Director while Dr Frazer Tabeart resigned from the board on 15 February 2024 on completion of the recapitalisation.

On 15 February 2024 the shareholders approved the plan, as a result Arrow:

- Issued 3,050,000,000 ordinary shares to institutional and sophisticated investors and related parties (Directors) raising $3,050,000 (before costs) additional equity (shares were issued 23 February 2024) (being Tranche 2 of Placement B).
- Issued 500,000,000 ordinary shares under the Share Purchase Plan raising $500,000 additional equity (shares were issued 1 March 2024).
- Granted 975,000,000 options to the directors, with zero exercise price, no vesting conditions and expiring after three years (options were issued 15 February 2024) (875,000,000 of these options are subject to escrow until 12 June 2024).
- Granted 90,000,000 options to a director, with zero exercise price, various vesting conditions and expiring after four years (options were issued 15 February 2024) (these options are subject to escrow until 12 June 2024).
- Issued 80,000,000 ordinary shares to the lead manager (shares were issued 23 February 2024).
- Issued 80,000,000 ordinary shares to the corporate advisor (shares were issued 23 February 2024).
- Issued 400,000,000 ordinary shares and the grant of 778,000,000 options (as consideration for early conversion), with zero exercise price, no vesting conditions and expiring after three years, to the Noteholders to convert $500,000 of the debt to equity (500,000 notes were converted and 400,000,000 shares issued 5 March 2024; options were issued on 5 March 2024).

The Company provided irrevocable bank guarantees for the repayment of the remaining $500,000 convertible note debt.

David Flanagan was appointed Managing Director, Jeff Dowling was appointed Non-Executive Chair, Thomas McKeith transitioned to Non-Executive Director, and Frazer Tabeart resigned from the Board of Directors.

$10m Capital Raising

On 13 March 2024 the Company announced a $10 million capital raising via a placement of 2,000,000,000 shares (**Placement C**). On 21 March 2024 the Company issued 1,895,941,273 ordinary shares raising $9,479,706 additional equity (before costs). The issue of a further 104,058,727 ordinary issues to raise $520,294 is subject to shareholder approval. The Company has agreed to issue 120,000,000 options with an exercise price of $0.009 expiring three years from date of issue to corporate advisers as part of fees in connection with the placement, subject to receipt of shareholder approval.

Acquisition of 100% Interest in Amalgamated

On 13 March 2024 the Company announced it had reached revised agreement to acquire the remaining 66.7% interest in Amalgamated Minerals Pte Ltd, which holds the Simandou North Iron Project, taking legal and beneficial interest to 100% (**Agreement**).

Key terms of the Agreement are:

- Arrow to pay the vendors $2,000,000 in cash within 30 days of signing the Agreement;
- Arrow agrees to make a deferred payment of $500,000 in cash or shares on or before 30 June 2025 (at the Company's election); and
- The vendor retains a USD $1/tonne royalty.

This Agreement effectively replaces the previously announced agreement (ASX Announcement 30 August 2023) which provided a pathway to reach 100% over various milestones.

Arrow completed its accelerated acquisition of the remaining 66.7% interest on 26 March 2024, taking 100% legal and beneficial interest in Amalgamated Minerals Pte. Ltd.

Other movements in securities

On 15 February 2024 a total of 15,000,000 performance rights lapsed in accordance with their terms. On 22 February 2024 a total of 284,393,941 options with an exercise price of $0.00825 expired.

This note should be read together with the ASX Announcements. No other matters or circumstances have arisen since 31 December 2023 which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

30. AUDITOR'S REMUNERATION

	31 Dec 2023 (12-months) $	31 Dec 2022 (6-months) $
Auditor's remuneration - for audit or review of financial report		
HLB Mann Judd (WA Partnership)	58,071	29,517
	58,071	29,517
Auditor's remuneration - for other services		
HLB Mann Judd (WA Partnership)	-	-

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

1. The consolidated financial statements and accompanying notes are in accordance with the *Corporations Act 2001*, including:
   a) giving a true and fair view of the Group's financial position at 31 December 2023 and of its performance for the year ended on that date: and
   b) complying with Accounting Standards and *Corporations Regulations 2001*;

2. Subject to the matters described in note 1(b), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

3. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 31 December 2023; and

4. The consolidated financial statements and notes are also in compliance with International Financial Reporting Standards as disclosed in note 1(a).

On behalf of the Board

David Flanagan
Managing Director

Perth, 28 March 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Arrow Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Arrow Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Investment in, and loan to, associate Refer to Notes 12 and 13.	
As at 31 December 2023, the Group recorded an investment in associate of $2,405,256 (2022: $2,406,250) reflecting a 33.3% interest in Amalgamated Minerals Pte Ltd, which holds a 100% interest in the Simandou North Iron Project in Guinea, West Africa. As part of an ongoing transaction to acquire a further interest in the asociate, the Group was required to also provide an interest-free loan to the associate. At 31 December 2023, the loan was carried at $2,011,565 (2022: $156,627). This was determined to be a key audit matter as it required a significant portion of our effort as well as the judgement and significant estimates involved in determining the appropriate carrying value of the investment in the associate, as well as the fair value of the loan to the associate.	Our procedures included but were not limited to: - Assessing the existence of significant influence over the associate under AASB 128 *Investments in Associates and Joint Ventures*; - Carrying out audit procedures over the associate's financial statements and ensuring that the Group took up the appropriate portion of the profit generated during the period; - Reviewing the assets and liabilities of the associate and ensuring that there was no indication of impairment of its exploration assets under AASB 128 or AASB 6 *Exploration for and Evaluation of Mineral Resources*; - Reviewing management's accounting treatment and calculation of the present value of the interest-free loan under AASB 9 *Financial Instruments*; and - Reviewing the disclosures made in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 31 December 2023.

In our opinion, the Remuneration Report of Arrow Minerals Limited for the year ended 31 December 2023 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B G McVeigh
Partner

Perth, Western Australia
28 March 2024

ADDITIONAL INFORMATION

Shareholder Information

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies.

Information as at 21 March 2024:

1. Shares on Issue

Total number of issued fully paid ordinary shares is 9,479,706,369.

2. Distribution of Holders

Spread	No. of Holders	No. of Shares	% Issued Capital
1 – 1,000	93	10,785	0.00%
1,001 – 5,000	75	207,564	0.00%
5,001 – 10,000	77	591,178	0.01%
10,001 – 100,000	862	46,381,699	0.49%
>10,000	1,892	9,432,515,143	99.50%
Total	**2,999**	**9,479,706,369**	**100%**

3. Unmarketable Parcels

The number of holders of less than a marketable parcel of fully paid shares is 949.

4. Substantial Shareholders

Shareholders who hold 5% or more of the issued capital of the Company as per substantial shareholder notices lodged with ASX are listed below.

Name	Number of Shares Held
Bernadine Holdings Pty Ltd	556,583,333

5. Restricted Securities

Shares subject to voluntary escrow include:

- 72,791,666 shares escrowed until 12 June 2024; and
- 435,000,000 shares escrowed until 12 June 2025.

There are a total of 965,000,000 options on issue that are subject to escrow until 12 June 2024.

6. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary Shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Options

There are no voting rights attached to any class of options that is on issue.

7. On-market Buy-Back

Currently there is no on-market buy-back of the Company's securities.

8. Top 20 Holders – Ordinary Shares

Rank	Name	Units	% of Units on issue
1	BERNADINE HOLDINGS PTY LTD	507,791,666	5.36%
2	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	334,209,376	3.53%
3	CITICORP NOMINEES PTY LIMITED	250,493,641	2.64%
4	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	217,255,181	2.29%
5	BUDWORTH CAPITAL PTY LTD <ROLLING HILLS CAPITAL A/C>	170,000,000	1.79%
6	MR THOMAS DAVID MCKEITH <MCKEITH FAMILY A/C>	166,595,674	1.76%
7	SEASCAPE CAPITAL PTY LTD <WILLIAMS TRADING A/C>	150,000,000	1.58%
8	GENGOLD RESOURCE CAPITAL PTY LTD	131,166,670	1.38%
9	MR CUNTONG CHENG	123,734,878	1.31%
10	AGILIS PTY LTD <THE AGILIS A/C>	119,000,000	1.26%
11	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIRE A/C>	107,941,273	1.14%
12	R & K WATSON PTY LTD <R & K WATSON SMSF A/C>	100,995,670	1.07%
13	VORSTER SUPER PTY LTD <VORSTER SUPER FUND A/C>	100,000,000	1.05%
13	BOND STREET CUSTODIANS LIMITED <TRYLAN - D83486 A/C>	100,000,000	1.05%
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	91,577,968	0.97%
15	MR DAVID NATHAN FLANAGAN <FLANAGAN FAMILY A/C>	87,500,000	0.92%
15	SYNTHAFIFAX PTY LTD <ALCHEMY SUPERANNUATION A/C>	87,500,000	0.92%
16	HYDE SUPERANNUATION PTY LTD <HYDE SUPERANNUATION A/C>	85,000,000	0.90%
17	ZENIX NOMINEES PTY LTD	80,000,000	0.84%
18	CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIRE FUND A/C>	75,000,000	0.79%
18	DIAMOND VALLEY CAPITAL PTY LTD	75,000,000	0.79%
19	QUICKSILVER ASSET PTY LTD	74,000,000	0.78%
20	STRATA INVESTMENT HOLDINGS PLC	73,000,000	0.77%
Totals: Top 20 holders of Arrow ORDINARY FULLY PAID		**3,307,761,997**	**34.89%**
Total Remaining Holders Balance		**6,171,944,372**	**65.21%**
Total Holders Balance		**9,479,706,369**	**100%**

9. Unquoted Securities

As at 21 March 2024 the following securities over un-issued shares were on issue:

- 4,300,000 unlisted options exercisable at $0.0090 on or before 11 October 2024
- 8,000,000 unlisted options exercisable at $0.0090 on or before 25 November 2024
- 49,900,000 unlisted options exercisable at $0.0060 on or before 5 August 2025
- 5,000,000 unlisted options exercisable at $0.0070 on or before 24 October 2025
- 5,000,000 unlisted options exercisable at $0.0110 on or before 25 November 2025
- 40,000,000 unlisted options exercisable at $0.0070 on or before 22 February 2026
- 975,000,000 unlisted options exercisable at $0.00 on or before 15 February 2027

- 778,000,000 unlisted options exercisable at $0.00 on or before 5 March 2027
- 90,000,000 unlisted options exercisable at $0.00 on or before 15 February 2028
- 12,000,000 Tranche 1 Performance Rights expiring 31 December 2026
- 12,000,000 Tranche 2 Performance Rights expiring 31 December 2026
- 12,000,000 Tranche 3 Performance Rights expiring 31 December 2026
- 500,000 Convertible Notes

10. Unquoted Equity Security Holders with Greater than 20% of an Individual Class

As at 21 March 2024 the following classes of unquoted securities had holders with greater than 20% of that class on issue as set out below (excluding securities issued under an employee incentive scheme):

	% Interest
Options exercisable at $0.009 on or before 25 November 2024	
Howard Golden + Ellen Louise Grote	31.3%
Milagro Ventures Pty ltd <Milagro Investment A/C>	31.3%
Options exercisable at $0.006 on or before 5 August 2025	
Milagro Ventures Pty ltd <Milagro Investment A/C>	62.5%
Options exercisable at $0.007 on or before 24 October 2025	
Alwyn Vorster <Vorster Family Trust>	100.0%
Options exercisable at $0.011 on or before 25 November 2025	
Howard Golden + Ellen Louise Grote	50.0%
Milagro Ventures Pty ltd <Milagro Investment A/C>	50.0%
Options exercisable at $0.007 on or before 22 February 2026	
Zenix Nominees Pty Ltd	100.0%
Options exercisable at $0.00 on or before 15 February 2027	
Mr David Flanagan <Flanagan Family Trust>	79.5%
Options exercisable at $0.00 on or before 5 March 2027	
Budworth Capital Pty ltd <Rolling Hills Capital A/C>	42.5%
Seascape Capital Pty Ltd <Williams Trading A/C>	37.5%
Options exercisable at $0.00 on or before 15 February 2028	
Mr David Flanagan <Flanagan Family Trust>	100.0%
Tranche 1 Performance Rights expiring 31 December 2026	
Mr Thomas David McKeith <McKeith Family A/C>	58.3%
Mr Alwyn Petrus Vorster <Vorster Family A/C>	41.7%
Tranche 2 Performance Rights expiring 31 December 2026	
Mr Thomas David McKeith <McKeith Family A/C>	58.3%
Mr Alwyn Petrus Vorster <Vorster Family A/C>	41.7%
Tranche 3 Performance Rights expiring 31 December 2026	
Mr Thomas David McKeith <McKeith Family A/C>	58.3%
Mr Alwyn Petrus Vorster <Vorster Family A/C>	41.7%
Convertible Notes	

Budworth Capital Pty Ltd ATF Budworth Capital Trust	42.5%
Seascape Capital Pty Ltd ATF Williams Trading Trust	37.5%

11. Company Secretary

The names of the Joint Company Secretary are Catherine Grant-Edwards and Melissa Chapman.

12. Registered Address

The address of the principal registered office is: Suite 5, 63 Hay Street, Subiaco WA 6008.

13. Registers

The registers of securities are held at the following address:

Automic, Level 5, 125 Phillip Street, Sydney NSW 2000

Tenement Schedule as at 27 March 2024

Tenement ID	Country	Project	Holder	Interest	Note
Permit 22967	Guinea	Simandou North	Mineralfields Guinea SARLU	100%	(a)
2020-084/MMC/SG/DGCM	Burkina Faso	Hounde South & Nako	Gold Square Resources Sasu	100%	
2020-161/MMC/SG/DGCM	Burkina Faso	Hounde South & Nako	Gold Square Resources Sasu	100%	
2020-162/MMC/SG/DGCM	Burkina Faso	Hounde South & Nako	Gold Square Resources Sasu	100%	
2020-190/MMC/SG/DGCM	Burkina Faso	Divole East & West	Gold Square Resources Sasu	100%	
2020-192/MMC/SG/DGCM	Burkina Faso	Divole East & West	Gold Square Resources Sasu	100%	
2020-193/MMC/SG/DGCM	Burkina Faso	Divole East & West	Gold Square Resources Sasu	100%	
19/047/MMC/SG/DGCM	Burkina Faso	Divole East & West	Farafina Resources Sasu	100%	

Note:

(a) Simando North Iron Project (Permit 22967) is owned by Mineralfields Guinea SARL. Mineralfields Guinea SARL is a wholly owned subsidiary of Amalgamated Minerals Pte. Ltd. Arrow holds a 100% beneficial interest in Amalgamated Minerals Pte. Ltd.