



ARRAS MINERALS ANNOUNCES STRATEGIC ALLIANCE WITH MAJOR CANADIAN MINING COMPANY TO FOCUS ON CRITICAL MINERALS IN KAZAKHSTAN

December 7, 2023

TSX-V: ARK

Vancouver, British Columbia – Arras Minerals Corp. (TSX-V: ARK) (“Arras” or “the Company”) is pleased to announce it has entered into an agreement (the “Strategic Alliance Agreement” or the “Agreement”) with Teck Resources Limited (“Teck”) to form a Strategic Alliance focusing on exploration for critical minerals on Arras’ strategically located license package in the Bozshakol-Chingiz Magmatic Arc located in Pavlodar, Kazakhstan.

The Strategic Alliance does not include the Beskauga copper-gold project, nor the regional exploration licenses Stepnoe, Ekidos, Aimandai and Elemes.

Highlights:

- Teck to solely fund generative exploration work through 2025 with initial expenditures of US\$5 million before December 31, 2025, across Package “A” and Package “B” (see map below) totalling approximately 1,736 square kilometres.
- Following the initial generative exploration phase, Teck will have the option to select up to four Designated Properties totalling 120 square kilometres each where Teck will fund exploration expenditures of up to US\$47.5 million per project to have the right to earn up to a 75% interest in each project.
- Teck will reimburse Arras for certain project related expenses made to date by Arras through a US\$1 million cash payment on signing and potentially other payments in the future should Teck elect to advance through future phases.
- Arras will act as manager for the initial year of the two-year generative program with Teck holding the option to assume the role of manager thereafter.

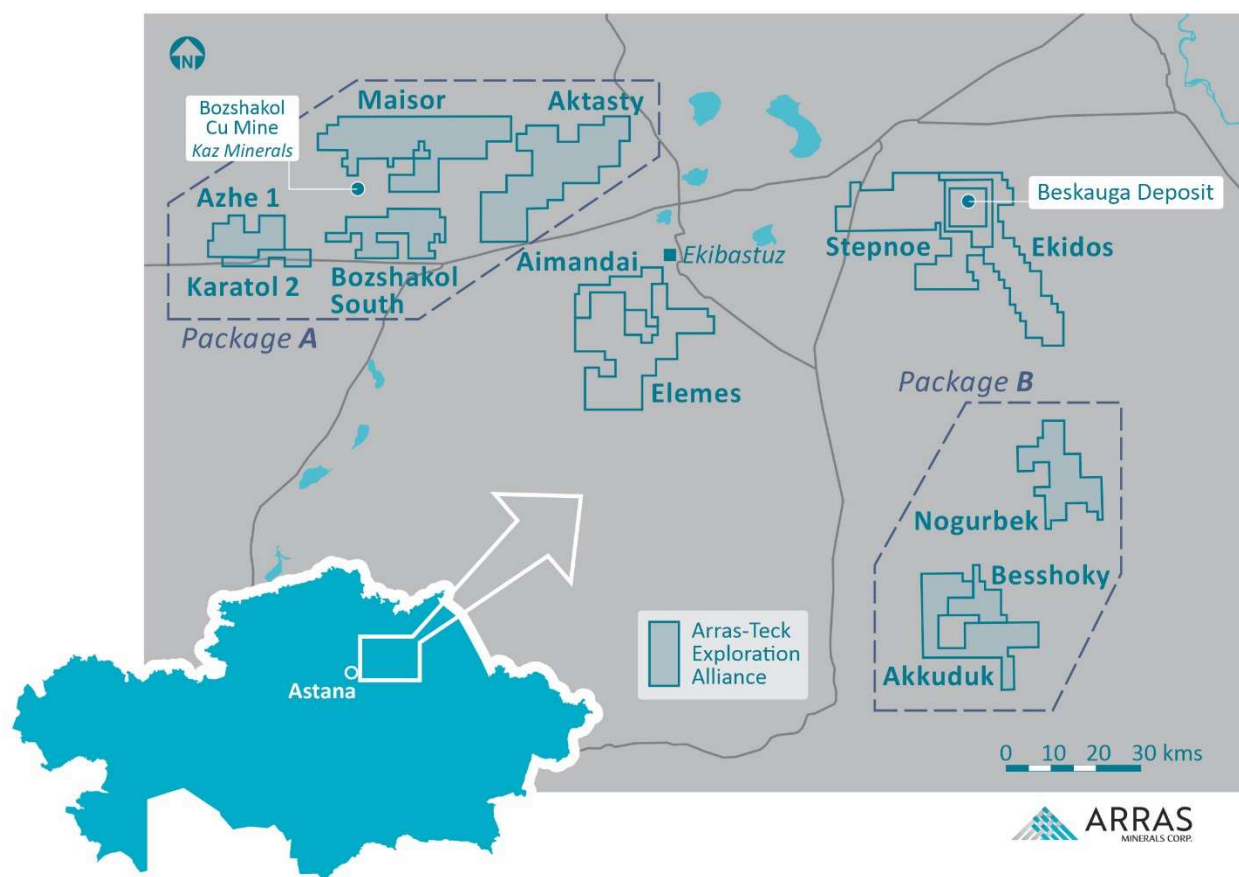
Tim Barry, CEO, commented, *“As an early-mover into Kazakhstan two and a half years ago, following the substantial reforms to the business environment and mining law, Arras has assembled the third-largest land package in the country next to Rio Tinto and Fortescue and is specifically focused on copper in the highly prospective Bozshakol-Chingiz magmatic arc. We recently completed our second summer field season across the regional license package and are now analyzing more than 50,000 soil samples we have collected across the approximately 3,300 square kilometre license package. This program was based on the successful 2022 field program where more than 16,000 soil samples identified new targets to follow up.”*

Mr. Barry added, *“We believe that the exploration work we have undertaken over the past two summer field seasons representing in most cases the first material modern exploration work done across these licenses since pre-1990, have delineated substantial prospects for a material copper discovery, akin to the successful operations of the Bozshakol and Nurkazgan mines located within the same geological belt.”*

Darren Klinck, President, commented, *“We are very pleased to be partnering and working with Teck to advance a portion of our regional license package in Kazakhstan. Following their strategic equity*

investment into Arras last November, this Agreement provides Teck the option to invest significant funds into critical minerals focused exploration through Arras' project portfolio and it is a clear indication of the potential that exists in the Bozshakol-Chingiz Magmatic Arc. This initiative in Kazakhstan highlights the emerging opportunities in the country and also demonstrates Kazakhstan's strong position to be a key player globally as the world seeks to secure the necessary critical minerals required over the coming decades."

Figure 1: Kazakhstan License Package Showing Arras-Teck Strategic Alliance Areas



Summary of Strategic Alliance Agreement Terms:

- Teck has the option to sole fund US\$2.5 million per License Package for a generative exploration program totaling US\$5 million through 2025. Of this, US\$2 million (US\$1 million on each package) is a firm commitment to complete in 2024.
- Teck will reimburse previous exploration expenditures made by Arras for the amount US\$500,000 for each Package "A" and Package "B" totaling US\$1 million.
- Following the completion of the initial generative exploration phase of the Strategic Alliance Agreement, Teck will have the option to select up to four Designated Properties from within the Strategic Alliance Agreement Licenses. Each Designated Property shall be contiguous and no larger than 120 square kilometres, with such designation subject to ministerial approval. Teck will make a cash payment of US\$500,000 to Arras for each Designated Property as an additional reimbursement for previously invested exploration expenditures.

- “First Option”: Teck may elect to sole fund US\$5.5 million over the next two years (US\$2.5 million committed in Year 1) and on completion will be deemed to own 51% of the Designated Property.
- “Second Option”: Teck may elect to sole fund US\$18 million over the next three years (US\$5 million committed in Year 1) to earn an additional 14% (total of 65%) of the Designated Property.
- “Third Option”: Teck may elect to sole fund US\$24 million over four years (US\$6 million committed in Year 1) to earn an additional 10% (total of 75%) of the Designated Property.
- Arras will act as manager for the initial year of the generative exploration phase and Teck will have the right to assume the role of manager thereafter.
- Arras and Teck will establish a Technical Committee to develop and review the annual exploration programs, with Teck having final approval.

Elmes, Aimandai, Stepnoe & Ekidos Exploration Licenses

The Elmes, Aimandai, Stepnoe and Ekidos Exploration licenses totaling more than 1,150 square kilometres are not subject to the Strategic Alliance Agreement but Teck will retain a right of first offer over Elmes and Aimandai should Arras wish to seek partnership proposals in the future.

Arras successfully collected more than 30,000 soil samples from the Elmes and Aimandai licenses during the summer field season this year. This program followed up on the inaugural field program in 2022 where new targets were identified. The Company expects to have these samples analyzed and modelled in Q1 2024 and will evaluate opportunities to drill-test certain high-priority targets in 2024.

Webinar – Friday December 8th

The Company will host a webinar to discuss the Strategic Alliance in more detail on Friday December 8th at 800am PST. Please contact the company at info@arrasminerals.com for further information. A replay of the webinar will be made available on the Company website.

Qualified Person: The scientific and technical disclosure included in this news release has been prepared under supervision of, and approved by Tim Barry, Chief Executive Officer, and Director of Arras Minerals Corp., who is also a Member and Chartered Professional Geologist (MAusIMM CP(Geo)) of the Australasian Institute of Mining and Metallurgy. Mr. Barry has sufficient experience, relevant to the styles of mineralization and type of deposits under consideration and to the activity that he is undertaking, to qualify as a Qualified Person (“QP”) for the purposes of National Instrument 43-101 Standards of Disclosure of Mineral Projects (“NI 43-101”).

On behalf of the Board of Directors
"Tim Barry"

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

INVESTOR RELATIONS:

+1 604 687 5800

info@arrasminerals.com

Further information can be found on the Company's website <https://www.arrasminerals.com> or follow us on LinkedIn: <https://www.linkedin.com/company/arrasminerals> or on Twitter: <https://twitter.com/arrasminerals>

About Arras Minerals Corp.

Arras is a Canadian exploration and development company advancing a portfolio of copper and gold assets in northeastern Kazakhstan, including the Option Agreement on the Beskauga copper and gold project. The Company has established the third-largest license package in the country prospective for copper and gold (behind Rio Tinto and Fortescue Metals Group). The Company's shares are listed on the TSX-V under the trading symbol "ARK".

Cautionary note regarding forward-looking statements: *This news release contains forward-looking statements regarding future events and Arras' future results that are subject to the safe harbors created under the U.S. Private Securities Litigation Reform Act of 1995, the Securities Act of 1933, as amended, and the Exchange Act, and applicable Canadian securities laws. Forward-looking statements include, among others, statements regarding plans and expectations of the exploration program Arras is in the process of undertaking, including the expansion of the Mineral Resource, and other aspects of the Mineral Resource estimates for the Beskauga project. These statements are based on current expectations, estimates, forecasts, and projections about Arras' exploration projects, the industry in which Arras operates and the beliefs and assumptions of Arras' management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," variations of such words, and similar expressions and references to future periods, are intended to identify such forward-looking statements. Forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond management's control, including undertaking further exploration activities, the results of such exploration activities and that such results support continued exploration activities, unexpected variations in ore grade, types and metallurgy, volatility and level of commodity prices, the availability of sufficient future financing, and other matters discussed under the caption "Risk Factors" in the Management Discussion and Analysis filed on the Company's profile on SEDAR on March 30, 2023 and in the Company's Annual Report on Form 20-F for the fiscal year ended October 31, 2022 filed with the U.S. Securities and Exchange Commission filed on February 24, 2023 available on www.sec.gov. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those expressed or implied in the forward-looking statements. Any forward-looking statement made by the Company in this release is based only on information currently available and speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments, or otherwise.*