

NEWS RELEASE
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Symbol: TSX-V: MMS
For Immediate Dissemination

MACARTHUR MINERALS LITHIUM ACREAGE EXPECTED TO GRANT BY NOVEMBER/DECEMBER 2016 AND UPDATE ON IRON ORE ASSETS

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that the majority of its total lithium acreage of 1,489 square kilometres¹ is expected to grant by November/December 2016.

David Taplin, President, CEO and Director of Macarthur commented:

“The expected grant of the majority of Macarthur’s lithium acreage by November or December will be a major step forward for Macarthur exploring for lithium in the Pilbara region of Western Australia. In addition, I am pleased to observe that the iron ore spot price today is up by 5% to \$US62.27² a tonne, a very positive development for the Company’s significant iron ore project, which has granted tenure and environmental approval to mine”.

McMahon Mining Title Services Report – Macarthur Minerals Lithium Licences

Macarthur Minerals retains the services of McMahon Mining Title Services (“MMTS”) to manage the Company’s exploration and mining licences. As detailed in Table 1, MMTS has advised the Company that 13 out of 20 of the Company’s Exploration Licence Applications (“Applications”) for lithium are expected to grant by November/December 2016.

The grant of exploration licences in Western Australia requires advertisement in accordance with the *Mining Act 1978 (WA)* (“Mining Act”) and subsequent advertisement in accordance with the *Native Title Act 1993 (Cth)* (“Native Title Act”).

All Macarthur Minerals’ Applications have been advertised in accordance with the Mining Act and no objections have been maintained. Agreements have been entered into with owners of any overlapping infrastructure leases, where required. An Access Arrangement for Application E46/1115 is currently being finalised.

The majority of Macarthur Minerals’ Applications are now progressing through the Native Title Act advertising period, during which, heritage agreements will be entered into with native title parties and provided no objections are raised, are expected to grant in November/December. The remaining Applications will be advertised in the near future.

Until Exploration Licences are granted, the Company will continue prospecting activities to identify exploration targets.

¹ Excludes rights to lithium on Venturex Resource Limited’s Sulphur Springs Project and Whim Creek Projects.

² *Australian Financial Review*, August 2, 2016.

Iron Ore Acreage Update

In addition to Macarthur's lithium acreage, the Company has 15 granted Mining Licences and miscellaneous licences covering 140 square kilometres for its two iron ore projects located North West of Kalgoorlie in Western Australia:

- Ularring Hematite Project consisting of Indicated 54.46 Mt @ 47.2% Fe and Inferred 25.99Mt @ 45.4% Fe³.
- Moonshine Magnetite Project consisting of Inferred Mineral Resource consisting of 1,316 Mt @ 30.1% Fe⁴.

The Company has received approval to develop an iron ore mine for the Ularring Hematite Project and associated infrastructure under the *Environmental Protection Act 1986* and the *Environmental and Biodiversity Conservation Act 1999*. There are no native title claims affecting the iron ore projects.

Table 1 – Lithium Acreage Expected Acreage Grant Timetable

Tenement	Region	Mining Act Advertised	Native Title Advertised	Expected Grant Date ¹
E45/4693	Pilbara	No objection	Yes	November
E45/4694	Pilbara	Agreement signed	No	TBA
E45/4702	Pilbara	No objection	Yes	November
E45/4708	Pilbara	Agreement signed	No	TBA
E45/4709	Pilbara	No objection	Yes	October
E45/4710	Pilbara	No objection	Yes	October
E45/4711	Pilbara	Agreement signed	No	TBA
E45/4732	Pilbara	No objection	Yes	November
E45/4735	Pilbara	Agreement signed	No	TBA
E45/4747	Pilbara	Agreement signed	No	TBA
E45/4748	Pilbara	Agreement signed	Yes	January
E45/4749	Pilbara	No objection	Yes	January
E45/4750	Pilbara	No objection	Yes	December
E45/4779	Pilbara	Agreement signed	No	TBA
E46/1114	Pilbara	No objection	Yes	October
E46/1115	Pilbara	Agreement drafted	No	TBA
E46/1133	Pilbara	No objection	Yes	November
E59/2174	Edah	No objection	Yes	October
E74/0587	Ravensthorpe	No objection	Yes	October
E74/0588	Ravensthorpe	No objection	Yes	October

¹ Subject to negotiations with the Native Title party

³ Previously announced on August 16, 2012 NI 43-101 Technical Report filed October 1, 2012, titled "NI 43-101 Technical Report, Macarthur Minerals Limited, Pre-Feasibility Study, Ularring Hematite Project, Western Australia".

⁴ NI43-101 Technical Report filed December 17, 2009, titled "NI43-101 Technical Report on Lake Giles Iron Ore Project: Western Australia" and was updated by Snowden Mining Industry Consultants (NI43-101 Technical Report filed March 25, 2011, titled "Macarthur Minerals Limited: Moonshine and Moonshine North Prospects, Lake Giles Iron Project, Western Australia, NI43-101 Technical Report – Preliminary Assessment".

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is an exploration and development company that is focused on identifying and developing high grade lithium and counter cyclical investments that complement Macarthur's capabilities.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"Cameron McCall"
Cameron McCall, Chairman

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Certain of the statements made and information contained in this press release may constitute forward-looking information and forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable securities laws. The forward-looking statements in this press release reflect the current expectations, assumptions or beliefs of the Company based upon information currently available to the Company. With respect to forward-looking statements contained in this press release, assumptions have been made regarding, among other things, the timely receipt of required approvals, the reliability of information, including historical mineral resource or mineral reserve estimates, prepared and/or published by third parties that are referenced in this press release or was otherwise relied upon by the Company in preparing this press release. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct as actual results or developments may differ materially from those projected in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include fluctuations in exchange rates and certain commodity prices, uncertainties related to mineral title in the project, unforeseen technology changes that results in a reduction in iron ore demand or substitution by other metals or materials, the discovery of new large low cost deposits of iron ore, uncertainty in successfully returning the project into full operation, and the general level of global economic activity. Readers are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty thereof. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. The forward-looking statements contained in this press release are made as of the date of this press release and except as may otherwise be required pursuant to applicable laws, the Company does not assume any obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.