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**NEWS RELEASE**  
October 23, 2017

**Symbol: TSX-V: MMS**  
For Immediate Dissemination

## **FULLY UNDERWRITTEN \$1.9M RIGHTS OFFERING TO FUND PILBARA EXPLORATION**

**Macarthur Minerals Limited (TSX-V: MMS)** (the “Company” or “Macarthur Minerals”) is pleased to announce that it will be offering rights (the “Rights”) to holders of its common shares (“Common Shares”) at the close of business on the record date of October 30, 2017 (“Record Date”), on the basis of one right for each common share held (the “Rights Offering”). Six (6) Rights will entitle the holder to subscribe for 1 unit at a subscription price of C\$0.06 per unit (“Unit”).

Each whole Unit consists of one Common Share and one Common Share purchase warrant (“Warrant”). Each whole Warrant entitles the holder to acquire one Common Share for C\$0.20 for a term of 12 months from the date of issue of the Unit. In the event that the closing sale price of the Company’s Common Shares on the TSX Venture Exchange is greater than C\$0.20 per share for a period of 20 consecutive trading days at any time after closing of the Rights Offering, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 20th day after the date on which such notice is given by the Company.

The Rights Offering will be conducted in Canada. The Rights will expire at 5:00 p.m. (Toronto time) on December 12, 2017 (the “Expiry Time”), after which time unexercised Rights will be void and of no value. Shareholders who fully exercise their Rights will be entitled to subscribe for additional Units, if available as a result of unexercised Rights prior to the Expiry Time, subject to certain limitations set out in Macarthur Mineral’s rights offering circular.

Details of the Rights Offering will be set out in the rights offering notice and rights offering circular which will be available under Macarthur Minerals’ profile at [www.sedar.com](http://www.sedar.com). The rights offering notice and accompanying rights certificate will be mailed to each shareholder of Macarthur Minerals eligible for Rights as at the Record Date. Registered shareholders who wish to exercise their Rights must forward the completed Rights certificate, together with the applicable funds, to the depository, Computershare Investor Services Inc., on or before the Expiry Time. **Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary and are urged to contact them immediately.**

The Company will not issue or forward Rights certificates to shareholders resident in a jurisdiction outside of Canada and any such jurisdiction outside Canada where the Company is ineligible to make such offer (the “Ineligible Holders”). The Rights certificates of Ineligible Holders will be issued to and held on their behalf by Computershare Trust Company of Canada. However, certain holders of common shares in jurisdictions outside of Canada may be able to participate in the Rights Offering where they can establish that the transaction is exempt under applicable legislation. If you are a holder of common shares and reside outside of Canada please see the rights offering notice and rights offering circular to determine your eligibility and the process and timing requirements to receive and, or, exercise your rights. The Company requests any U.S. shareholder or other ineligible holder interested in exercising their rights to contact the Company at their earliest convenience.

There are currently 190,276,380 Common Shares of Macarthur Minerals outstanding. If all of the Rights

issued under the Rights Offering are validly exercised the Rights Offering will raise gross proceeds of approximately C\$1,900,000. Macarthur Minerals intends to use the net proceeds of the Rights Offering to analyse the potential for lithium and gold on its acreage, pay care and maintenance costs on Macarthur Minerals' existing acreage and for ongoing working capital.

### **Standby Commitment**

In connection with the Rights Offering, the Company has entered into a standby guarantee agreement (the "Standby Guarantee") for the full Rights Offering of approximately C\$1.9 million with Orbit Drilling Pty Ltd (the "Standby Purchaser"). Under the Standby Guarantee, the Standby Purchaser has agreed to subscribe for, and the Company has agreed to issue, all Units offered under the Rights Offering that are not otherwise purchased by the Company's shareholders, up to the amount of approximately \$1.9 million.

Martin Smith, Managing Director of Orbit Drilling Pty Ltd commented:

*"I am a big supporter of Macarthur Minerals' capability and am excited about their tenement package in the Pilbara."*

### **ABOUT ORBIT DRILLING PTY LTD**

Orbit Drilling Pty Ltd ("Orbit Drilling") was established in 1995 with its national headquarters in Perth, Western Australia. Orbit Drilling has been partnering with Australian mining companies and has completed more than 400 projects. Orbit Drilling has a strong reputation of providing services to clients locally and in remote locations throughout Australia. Orbit Drilling has a high performance fleet of 27 Drill Rigs that have discovered some of Australia's major lithium, gold, nickel and iron ore deposits.

Macarthur Minerals has been partnering with Orbit Drilling since 2008, when it commenced its exploration on its iron ore exploration project in Western Australia. Over this time Orbit Drilling having drilled thousands of metres of reverse circulation drilling and number of diamond drill holes for the Company.

### **ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)**

Macarthur Minerals Limited is an exploration company that is focused on identifying high grade lithium and gold. Macarthur Minerals has significant lithium, gold and iron ore exploration interests in Australia and Nevada. Macarthur Minerals has two iron ore projects in Western Australia; the Ularring hematite project and the Moonshine magnetite project.

On behalf of the Board of Directors,

### **MACARTHUR MINERALS LIMITED**

*"Cameron McCall"*

Cameron McCall, Chairman

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and Director

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### **Caution Regarding Forward Looking Statements**

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.