

NEWS RELEASE
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For Immediate Dissemination

MACARTHUR MINERALS ANNOUNCES STRATEGIC INVESTMENT BY TULSHYAN GROUP

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that the Tulshyan Group has made a strategic investment in the Company. The Tulshyan Group, based in Singapore, is one of the largest recyclers of scrap steel in the world, has a significant shipping business with a fleet of over 30 ships and is expanding its commercial aircraft leasing business. The Tulshyan Group has significant experience in sales, marketing of steel and iron ore and access to capital for potential development of the Company’s Western Australian iron ore projects.

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

“Macarthur Minerals is pleased that Singapore based, Tulshyan Group, has made a strategic investment in the Company. The Tulshyan Group has significant experience in shipping, sales, marketing of steel and iron ore and has access to capital to assist in potential development of the Company’s Western Australian iron ore projects.”

Australian Iron Ore Projects

Macarthur Minerals’ Iron Ore Projects are located on mining tenements covering approximately 62km² located 175 km northwest of Kalgoorlie in Western Australia (Figure 1 and Figure 2). Within the tenements, at least 35 km strike extent of outcropping banded iron formation (“BIF”) occurs as low ridges, surrounded by intensely weathered and mostly unexposed granites, basalts and ultramafic rocks.

The Iron Ore Projects consist of two distinct mineral projects:

1. The Ularring Hematite Project: encompassing hematite iron ore (“hematite”), to be marketed as potential direct shipping and/or beneficiated iron ore; and
2. The Moonshine Magnetite Project: encompassing magnetite iron ore (“magnetite”), to be marketed as a beneficiated magnetite concentrate.

The Company has been maintaining the core Iron Ore Projects’ assets and they remain valuable assets having previously spent over \$60 million to develop them. There is real potential for the Iron Ore Projects to add significant value with the recovery of global iron ore markets.

Since July 2006 Macarthur Minerals has drilled 1,841 reverse circulation percussion drill holes (142,443 metres) and 49 diamond holes (4,170 metres) targeting iron mineralisation associated with BIF units. Exploration at both Ularring Hematite and Moonshine Magnetite projects has been sufficient to allow the estimation of Mineral Resources for both projects.

The Ularring Hematite Project’s Mineral Resource consists of Indicated 54.46 Mt @ 47.2% Fe and Inferred 25.99Mt @ 45.4% Fe¹. Macarthur Minerals published a Pre-Feasibility Study in 2012, reporting Mineral Reserves².

¹ 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

² Previously announced on August 16, 2012 NI 43-101 Technical Report filed October 1, 2012, titled “NI 43-101 Technical Report,

The Company has received approval to develop an iron ore mine for the Ularring Hematite Project and associated infrastructure at the project location under the *Environmental Protection Act 1986* and the *Environmental and Biodiversity Conservation Act 1999*.

The Inferred Mineral Resource estimate for the Moonshine Magnetite Project was initially prepared by CSA Global Pty Ltd³ and was updated by Snowden Mining Industry Consultants, with an Inferred Mineral Resource consisting of 1,316 Mt @ 30.1% Fe⁴.

A Preliminary Assessment Report was prepared on the Moonshine Magnetite Project by Snowden Mining Industry Consultants in 2011⁵.

Australian ‘Hard Rock’ Lithium Projects

The Company has one of the largest lithium hard rock acreage packages in Australia, covering an area of 2,138 square kilometres (528,311 acres) across the Pilbara, Ravensthorpe and the Yalgoo/Edah regions of Western Australia. Initial reconnaissance across the Company's acreage has been encouraging, including initial assay results from rock chips of up to 3.75% lithium (Li₂O) received at the Yalgoo Lithium Project (see the Company's announcement dated October 12, 2016). The Company is working on exploring its lithium projects in Western Australia with the aim of discovering and developing an economic resource.

Nevada ‘Brine’ Lithium Project

The Company's Stonewall Lithium Project located in the Lida Valley, in southern Nevada, covering approximately 12,019 acres (48.64 square kilometers). As previously announced, lithium has been detected at the Stonewall Project from a shallow drilling program conducted as part of due diligence for acquisition of the Stonewall Project. All nine shallow drill holes reported lithium, with grades up to 145.5 ppm Li from near surface sediment, confirming that lithium is present in the Lida Valley⁶.

Details of the Private Placement

The Company has entered into a share subscription agreement and received gross funds of C\$243,750 from the Tulshyan Group for a private placement of 3,750,000 shares of the Company at a price of C\$0.065 per share, to be held by the Company in escrow until closing.

The closing of the private placement will occur as soon as possible after and subject to receipt of all necessary regulatory approvals including that of the TSX-V. The net proceeds from the private placement will be used for working capital purposes. The securities issued pursuant to the private placement will be subject to a statutory 4 month plus one day hold period from the date of issuance.

Australian Securities Exchange Listing Update

The previously announced Australian Securities Exchange (“ASX”) Initial Public Offering (“IPO”) of the Company's Australian lithium and iron ore projects, is well advanced. Macarthur Minerals will maintain majority ownership and control of the ASX IPO listed entity.

The board of Macarthur Minerals believes that an ASX IPO of its Australian subsidiaries, which hold its Australian ‘hard rock’ lithium and iron ore projects, will provide improved price realisation for those projects more consistent with its ASX listed peers.

Macarthur Minerals Limited, Pre-Feasibility Study, Ularring Hematite Project, Western Australia

³ NI43-101 Technical Report filed December 17, 2009, titled “NI43-101 Technical Report on Lake Giles Iron Ore Project: Western Australia

⁴ 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

⁵ 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

⁶ Refer to Macarthur Minerals Limited News Release dated October 21, 2016.

Tulshyan Group's significant experience in shipping, sales, marketing of steel and iron ore and access to capital will provide support for the ASX IPO and potential future development of the Company's Western Australian iron ore projects

Macarthur Lithium Nevada Limited, will continue to be a wholly owned subsidiary of the Company and will advance the Stonewall Lithium Project, located in Nevada.

QUALIFIED PERSONS

Mr David Williams, a member of the Australian Institute of Geoscientists, is a part-time employee of CSA Global Pty Ltd and is a Qualified Person as defined in National Instrument 43-101. Mr Williams has reviewed and approved the technical information in relation to the Iron Ore Projects contained in this news release.

Mr Ralph Porter, a member of the Australian Institute of Geoscientists, is a full-time employee of CSA Global Pty Ltd and is a Qualified Person as defined in National Instrument 43-101. Mr Porter has reviewed and approved the technical information in relation to Macarthur's lithium acreage (excluding any technical information under the Stonewall Project) contained in this news release.

Mr Randy Henkle, a Registered Member of the Society of Mining and Exploration and a Professional Geologist licensed in British Columbia, Canada, is a Qualified Person as defined in National Instrument 43-101. Mr Henkle has reviewed and approved the technical information in relation to the Stonewall Project contained in this news release.

ABOUT TULSHYAN

The Tulshyan Group (Singapore), which has been in business for 33 years, is established in four main businesses; ship owning, ship recycling, aircraft leasing and diversified real estate. The Tulshyan Group operates a fleet of over 30 ships, which consists of tankers, bulkers and off-shore vessels. Tulshyan is one of the largest recyclers of ships in the world. The Tulshyan Group has expanded to commercial aircraft leasing, recently having purchased a new A330 and a new Boeing 737-800. The aircraft are leased on long term leases to first class airlines. Tulshyan is also in the process of negotiating the purchase of another 5 new aircraft.

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, with significant lithium exploration interest in Australia and Nevada. In addition, Macarthur 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

Company Contact:

David Taplin, President, CEO
and Director

dtaplin@macarthurminerals.com

Tel: +61 407470044

www.macarthurminerals.com

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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.

Figure 1 – Location of the Macarthur Iron Ore projects.



Figure 2—Macarthur Iron Ore Project tenements

